FBC Holdings Limited

2024 ANNUAL REPORT

You Matter Most

FBC Holdings Limited
You Matter Most

Contents

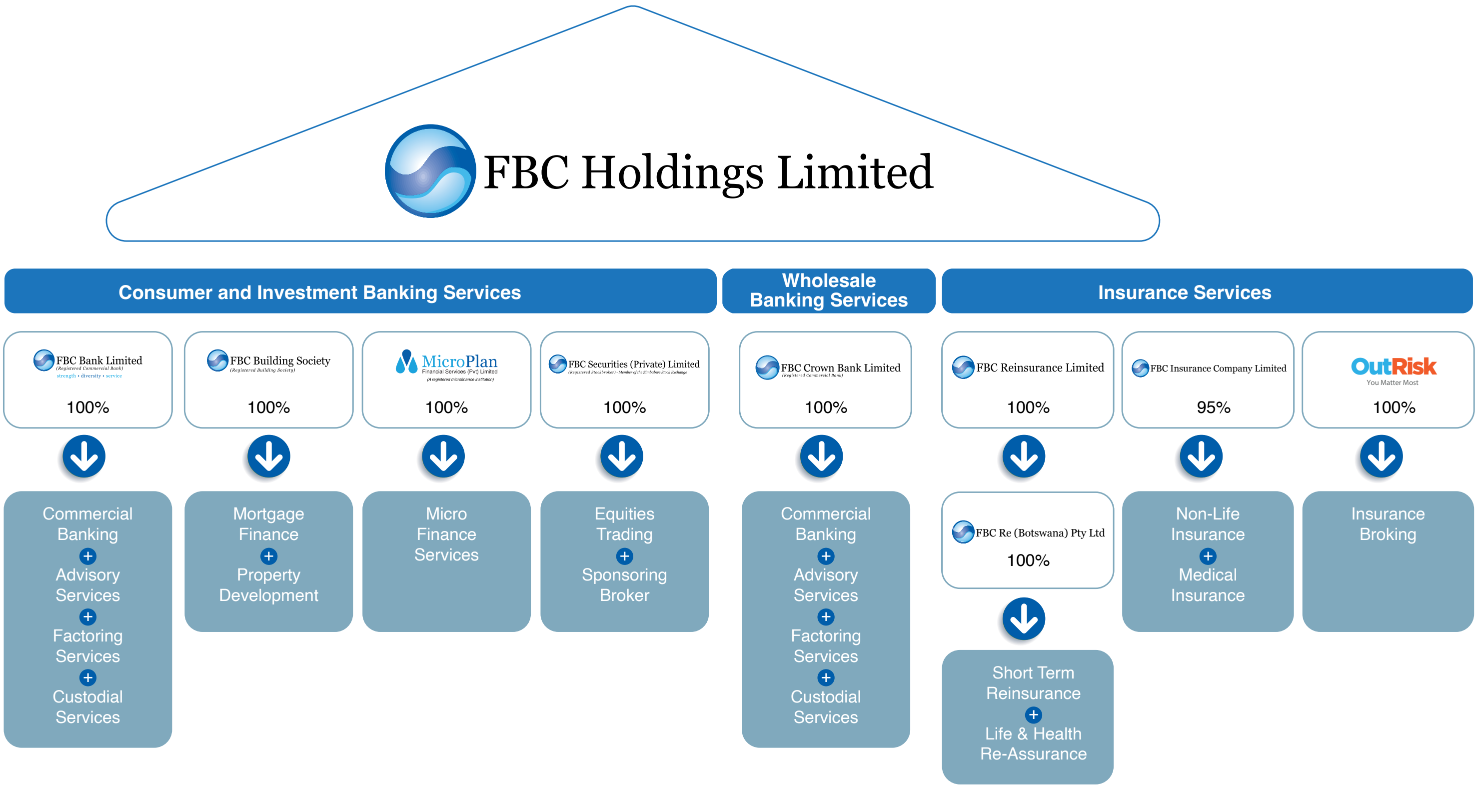
About This Report

This integrated annual report was prepared for FBC Holdings Limited and its subsidiaries.

This annual report can be viewed at

www.fbc.co.zw

Group Structure



FBCH Footprint

Our Pillars of Strength

CORE VALUES	GOVERNANCE	OUR TEAM	SOCIAL IMPACT AND FINANCIAL INCLUSION
Integrity	9 Boards of Directors in the Group	796 Permanent Employees	+ 550 000 Mobile Banking Subscribers
Teamwork	Independent Chairpersons	68% of Staff < 45 years	+99 Construction Jobs
Commitment	40 Non-Executive Directors	45% Female Employees	26 Micro-Finance Institution branches nationwide including agencies
Communication	17 Executive Directors	354 Contract Employees	
Life-long learning and Entrepreneurship			

Our Vision and Mission Statement

Vision

Nurture sustainable solutions that enable the financial well-being of the communities we serve.

Mission

Deliver a unique customer experience through value adding relationships, simplified processes and relevant technologies.

General Information

Registered Office
6th Floor FBC Centre
45 Nelson Mandela Avenue
P.O. Box 1227, Harare
Zimbabwe
Telephone : +263-0242-700312/797770
: +263-0242-708071/2
Telex : 24512 FIRSTB ZW
Swift : FBCPZWHA
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E-mail : info@fbc.co.zw
Website : http://www.fbc.co.zw

Transfer Secretaries
First Transfer Secretaries (Private) Limited
1 Armagh Avenue, Eastlea
P.O. Box 11 Harare
Telephone : +263-0242-782869
Mobile : +263 772146157/8

Independent Auditors
KPMG Zimbabwe
Mutual Gardens
100 The Chase (West)
Emerald Hill
P O Box 6 Harare
Zimbabwe
Telephone : +263-0242-303700, 302600
Fax : +263-0242-303699

Attorneys
DMH Legal Practitioners
4 Fleetwood Road
Alexandra Park
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P.O. Box CR 36, Cranborne, Harare
Telephone : +263-0242-250909-13

Costa & Madzonga Legal Practitioners
Block E, Delken Complex
6 Premium Close, Mt Pleasant Business Park
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P.O. Box CY1221, Causeway, Harare
Telephone : +263-08644133638/9

FBC Bank Limited

Belgravia Private Banking Branch
No. 2 Lanark Road, Belgravia
P.O. Box A852, Avondale, Harare
Telephone : +263-0242-251975
: +263-0242-251976
Fax : +263-0242-253556

Chinhoyi Branch
Stand Number 14 Robson Manyika
P.O. Box 1220, Chinhoyi
Telephone : +263-067-24086
Fax : +263-067-26162

Bulawayo Avenue Branch
Asbestos House
Jason Moyo Avenue
P.O. Box 2910, Bulawayo
Telephone : +263-029-76079
: +263-029-76371
Fax : +263-029-67536

Masvingo Branch
FBC Centre
179 Robertson Street, Masvingo
Telephone : +263-039-264118-9
: +263-039-264415-6
: +263-039-262671
Fax : +263-039-262912

Gweru Branch
71 Sixth Street
P.O. Box 1833, Gweru
Telephone : +263-054-26491
: +263-054-26493
: +263-054-26497
Fax : +263-054-26498

Kwekwe Branch
44a/b Robert Mugabe Way
P.O. Box 1963, Kwekwe
Telephone : +263-055-24116
: +263-055-24160
Fax : +263-055-24208

Mutare Branch
101 A Herbert Chitepo Avenue
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: +263-020-62114
Fax : +263-020-60543

General Information (Continued)

FBC Bank Limited (Continued)

Southerton Branch
11 Highfield Junction Shop
P.O. Box St495, Southerton, Harare
Telephone : +263-0242-759712
: +263-0242-759392
Fax : +263-0242-759567

Zvishavane Branch
98 Robert Mugabe Way
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: +263-039-2177
Fax : +263-039-3327

Samora Machel Avenue Forex Centre
Old Reserve Bank Building
76 Samora Machel Avenue
P.O. Box GD 450, Greendale, Harare
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: +263-0242-700044
Fax : +263-0242-793799

Victoria Falls Branch
Shop 7 & 8 Sawanga Complex
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Msasa Branch
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Bulawayo Private Branch
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: +263-029-76371
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: +263-0242-850913

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FBC Insurance Company Limited

Head Office
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Mutare Branch
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Bulawayo Branch
1st Floor, Asbestos House
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OutRisk Underwriting Management Agency (Private) Limited

Head Office
Ground Floor, FBC Centre
45 Nelson Mandela Avenue, Harare

FBC Crown Bank

Head Office
1st Floor, Africa Unity Square Building,
68 Nelson Mandela Ave,
Harare, Zimbabwe
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General Information (Continued)

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FBC Securities (Private) Limited

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Microplan Financial Services (Private) Limited

Head Office
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Microplan Financial Services (Private) Limited (Continued)

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Kadoma

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: +263 773 396 657

Hauna Office
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Guruve Office
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Hwange
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Cell : +263 778 942 055

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Zvishavane
Phone : +263 774 381 574

Beitbridge Branch
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Direct line : +263 286 22197 / +263 778 203 776
+263 713 492 811 / +263 731 772 748

Business and Country of Incorporation

FBC Holdings Limited ("the Company") and its subsidiaries (together "the Group") are incorporated and domiciled in Zimbabwe. The Group provides a wide range of commercial and wholesale banking, mortgage financing, reinsurance, short-term insurance, stockbroking, microfinancing and other related financial services.

DIRECTORS:

Herbert Nkala	Chairman
Chipo Mtasa	Vice Chairperson
Trynos Kufazvinei *	Group Chief Executive
Canada Malunga	
Gary Collins	
Franklin H Kennedy	
Vimbai Nyemba	
Aenesa Chuma	
Kleto Chiketsani *	
Abel Magwaza *	
Charles Msipa	
Webster Rusere *	
Rutenhuro Moyo	
Sifiso Ndlovu	
David Makwara	

* Executive

COMPANY SECRETARY:

Tichaona Mabeza

REGISTERED OFFICE:

6th Floor, FBC Centre
45 Nelson Mandela Avenue
Harare

LEGAL ADVISORS:

Dube Manikai & Hwacha Legal Practitioners
4 Fleetwood Road
Alexandra Park, Harare
P.O. Box CR 36, Cranborne
Harare

Costa & Madzonga Legal Practitioners
Block E, Delken Complex
6 Premium Close, Mt Pleasant
Business Park, Harare
P.O. Box CY1221, Causeway, Harare

INDEPENDENT AUDITOR:

KPMG
100 The Chase West
Mutual Gardens
Emarald Hill
Harare

TRANSFER SECRETARIES

First Transfer Secretaries (Private) Limited
1 Armagh Ave
Eastlea
P.O.Box 11
Harare

Report Profile

FBC Holdings Limited is once again pleased to present its annual integrated financial statements including sustainability reporting on the Group's non-financial performance for the period ended 31 December 2024. The reporting cycle is annual with the last report having been published in June 2024.

The sustainability report is FBC Holdings Limited's sixth report prepared with guidance from the Global Reporting Initiative (GRI) Standards and IFRS sustainabilty standards S1 and S2. The report captures the Group's material issues for the business and its stakeholders in the following impact categories: social, environmental and economic performance. The Group will continue to improve and strengthen its sustainability strategy and reporting framework in accordance with the Group's broader strategic objectives that seek to promote a sustainable business model and unlock long term value for its stakeholders and future generations.

The Group welcomes the opinions of all its stakeholders both within and outside the Group and believes in proactive stakeholder engagement in order to appreciate fundamental stakeholder needs and desires. This approach enhances its ability to proffer tailored market leading service delivery solutions to its diverse stakeholders. Engagements with our stakeholders are done through various platforms including client networking events, customer surveys, formal meetings and text chats via Facebook, WhatsApp and Twitter.

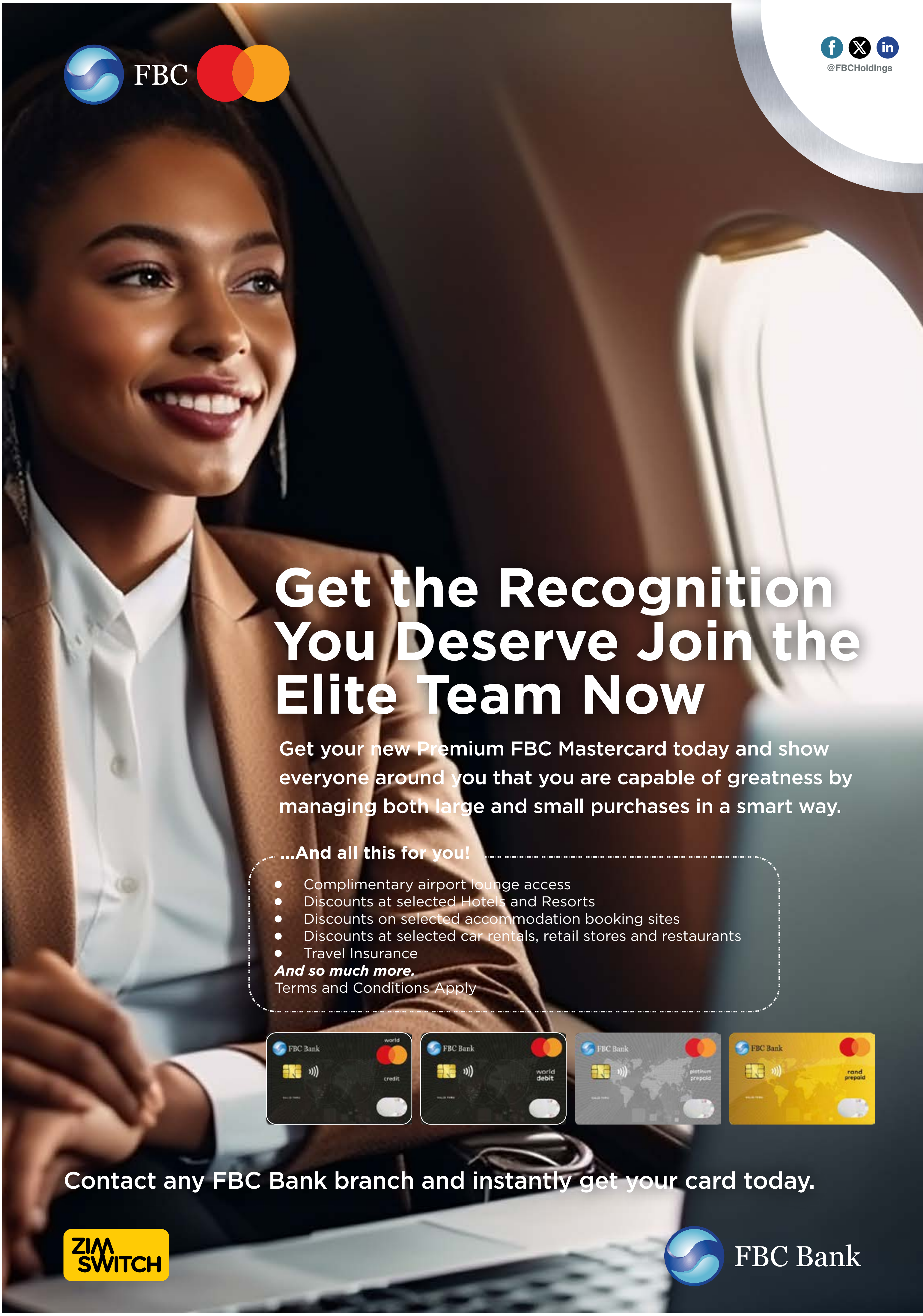
If you would like to provide the Group with further feedback regarding the contents of this report please feel free to contact the company secretary Tichaona Mabeza via email on: **tichaona.mabeza@fbc.co.zw.**

Financial Highlights

For the year ended 31 December 2024

	INFLATION ADJUSTED		HISTORICAL COST *	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
Consolidated statement of profit or loss				
Profit before income tax	2 013 080 354	1 754 445 635	4 103 276 935	230 639 349
Profit for the year	1 629 927 721	1 423 439 831	3 476 135 770	191 464 910
Consolidated statement of financial position				
Total equity	4 555 528 567	3 069 074 352	4 693 264 620	283 108 091
Total assets	19 566 689 581	14 756 235 088	19 582 731 031	1 356 455 280
Share statistics				
Shares in issue - actual (m)	672	672	672	672
Shares in issue - weighted (m)	611	611	611	611
Basic earnings/(loss) per share - (ZWG cents)	266.68	233.02	569.07	31.35
Diluted earnings/(loss) per share - (ZWG cents)	266.68	233.02	569.07	31.35
Headline earnings/(loss) per share - (ZWG cents)	266.85	234.56	569.08	31.37
Dividend per share - ordinary (ZWG cents)	56.46	21.00	12.72	1.09
Closing share market price - (ZWG cents)	1,085.00	36.26	1,085.00	36.26
Ratios				
Return on shareholders equity	36%	46%	74%	68%
Cost to income ratio	64%	75%	45%	52%

** This is due to currency conversation from ZWL to ZWG (Refer to note 2.1)


FBC
@FBCHoldings
Get the Recognition You Deserve Join the Elite Team Now
Get your new Premium FBC Mastercard today and show everyone around you that you are capable of greatness by managing both large and small purchases in a smart way.
...And all this for you!
• Complimentary airport lounge access
• Discounts at selected Hotels and Resorts
• Discounts on selected accommodation booking sites
• Discounts at selected car rentals, retail stores and restaurants
• Travel Insurance
And so much more.
Terms and Conditions Apply
Contact any FBC Bank branch and instantly get your card today.
ZIM SWITCH
FBC Bank

Herbert Nkala
Group Chairman

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 ZWG2.01 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

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
Inflation Adjusted 266.68 (2024) 233.02 (2023)	**Inflation Adjusted** 64.19% (2024) 75.20% (2023)	**Final** US$0.25 cents ZWG3.9 cents
Historical Cost 569.07 (2024) 31.35 (2023)	**Historical Cost** 44.64% (2024) 51.61% (2023)	**Interim** US$0.25 cents

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

Group Chairman's Statement (Continued)

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.

> "Sustainability remains central to the Group's strategy and business activities. We are setting new benchmarks for positive economic, social, and environmental impact."

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

Group Chairman's Statement (Continued)

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 Societal 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 Dzevana 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).

"The Group understands the importance of maintaining stakeholder trust and confidence in its pursuit of providing excellent service."

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.

Group Chairman's Statement (Continued)

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

Trynos Kufazvinei
Group Chief Executive

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.

Group Chief Executive's Report (Continued)

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.

> "The Group's statement of financial position improved significantly by 33% to ZWG 19.57 billion..."

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 profit of ZWG 44.2 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.

Group Chief Executive's Report (Continued)

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 in churchill 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 ZWG298 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.

"MicroPlan Financial Services, the Group's microfinance subsidiary, reported a robust profit before tax of ZWG 102.9 million..."

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.

Group Chief Executive's Report (Continued)

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.

Group Chief Executive's Report (Continued)

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 well-being of our employees across the Group is fundamental to driving productivity and ensuring the sustainable growth of our business."

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

FBC

@FBCHoldings

Reserved For the Extraordinary

Unlock the world of luxury, prestige and convenience that you truly deserve with the new Premium FBC Platinum Mastercard.

...And all this for you!

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- Discounts at selected Hotels and Resorts
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ZIM SWITCH

FBC Bank

Registered Commercial Bank · Member of the Deposit Protection Corporation

Sustainability Report

Sustainability Report

Reporting Scope, Boundary & Framework

The Group's Sustainability Report highlights FBC Holdings' sustainability impact and performance from the 1st of January 2024 to the 31st of December 2024. References in this Report to 'year' are to the financial year ended 31 December 2024 unless otherwise stated.

The report contains material information from our Zimbabwe and Botswana markets where we operate, and intends to serve the information needs of our stakeholders.

In preparing this report, we were guided by both local and international frameworks. We developed our sustainability report with guidance from the recently introduced International Sustainability Standards Board (ISSB) disclosure standards—IFRS S1 and S2, given its adaptability to jurisdictional requirements. We also considered the following standards and guidelines:

- Global Reporting Initiative (GRI) Standards
- Reserve Bank of Zimbabwe (RBZ) Climate Risk Management Guideline
- Zimbabwe Stock Exchange (ZSE) Listing Requirements

Oversight

FBC Holdings management is responsible for the preparation of this report, including the selection of relevant metrics, as well as the measurement and reporting criteria applied. While our current data collection processes are largely manual, non-financial performance disclosures are subject to strengthened internal verification across the Group's three lines of defence.

Oversight of the Group's sustainability and climate-related strategies rests with the Board Corporate Governance, Nominations and Sustainability Committee. The Committee is responsible for guiding the strategic direction on these matters, monitoring progress, and working closely with executive management to ensure accuracy and completeness of our reporting disclosure.

Assurance

To enhance transparency and build stakeholder confidence, we have sought limited assurance on certain key metrics within this report. This is also meant to demonstrate our commitment to accountability and provide our valued stakeholders with greater assurance regarding the accuracy and reliability of our reported data.

Sustainability Report (Continued)

Our Sustainability Approach

Message from the Group Chief Executive

The year 2024 presented a complex business landscape, characterised by compounding risks stemming from geopolitical tensions and climate-induced uncertainties. The region grappled with widespread food insecurity; a direct consequence of prolonged droughts exacerbated by the El Niño phenomenon. Despite these challenges, FBC Holdings remained committed to its core principles: protecting the planet, transforming lives, and upholding responsible business practices. This commitment necessitated a balanced approach, acknowledging the urgency of the climate crisis while simultaneously supporting a seamless transition to a low-carbon economy.

Strategy

Anchored in the United Nations Sustainable Development Goals (SDGs), aligned with national development priorities, and responsive to the unique needs of our communities, our 2024 strategy integrated financial performance with social and environmental value creation. We recognise that sustained success hinges on embedding responsible business practices, reducing our environmental footprint, strengthening community resilience, and delivering measurable impact across our value chain. Our commitment is to drive inclusive and long-term growth that benefits our valued stakeholders and the planet.

Our Sustainability and Climate-related Risks and Opportunities Management Strategy is built upon four core pillars: Financial Inclusion, Sustainable Finance, Strategic partnerships, Responsible Lending and Investments. While these pillars speak to all SDGs directly or indirectly, we place a strong emphasis on SDGs 1 (No Poverty), 2 (Zero Hunger), 5 (Gender Equality), 8 (Decent Work and Economic Growth), 9 (Industry, Innovation, and Infrastructure), 13 (Climate Action), 15 (Life on Land), 16 (Peace, Justice, and Strong Institutions) and 17 (Partnerships).

As a key player in capital allocation, we understand the significant responsibility we carry in addressing sustainability and climate-related challenges. Recognising this, we have elevated sustainability and climate change issues as top-level agenda items in board and management meetings following extensive consultations with our leadership team throughout the reporting period. We have consistently updated our policies and procedures to align with our strategy and regulatory mandate, as well as integrate these critical considerations into our risk management framework.

Across our operations, both in Zimbabwe and Botswana, we recognise the distinct physical and transition risks posed by climate change in different economic sectors that include agriculture, infrastructure and mining. In this case, we continue to integrate environmental, social and governance (ESG) screening and monitoring into lending, investment and insurance services. This approach allows us to proactively manage ESG-related financial risks, unlock access to international funding, support and empower our stakeholders, and enhance climate resilience across value chains.

Through this integrated approach, FBC Holdings is not only strengthening its market position but also ensuring that its financial services ecosystem remains resilient, inclusive, and aligned with global sustainability imperatives.

Stakeholders

Recognising the urgent need for coordinated action on sustainability, we believe the financial services sector has a critical leadership role in driving initiatives that promote long-term environmental, social, and economic well-being. To this end, we continue to engage with the government and regulators, non-governmental organisations, business associations, and internationally recognised thought leaders to advance sustainability understanding across FBC Holdings and our wider stakeholder communities.

To foster a culture of sustainability during the period under review, we implemented a comprehensive training program encompassing gender equality, employee well-being, effective stakeholder engagement, environmental stewardship, and sustainability disclosures. Recognising the evolving nature of the ESG landscape, we are committed to continuous employee development through regular updates, refresher courses, peer-to-peer learning, and easy access to valuable resources. We also prioritise ongoing dialogue through "culture conversations", ensuring we stay attuned to employee needs while continually enhancing our employee value proposition.

Environmental Stewardship

In 2024, the Group prioritised raising environmental awareness and actively participating in global and national environmental policy discussions. We are proud to have represented Zimbabwe as part of the official delegation at the 16th Conference of the Parties to the Convention on Biological Diversity (COP16) held in Colombia. This significant engagement provided us with a deeper understanding of critical global biodiversity challenges and facilitated an opportunity for us to explore innovative financing solutions in the biodiversity space. We forged meaningful connections with international environmental organisations, experts, and policymakers, while also advocating for policies and actions that effectively address biodiversity loss within the country. Furthermore, our participation at COP16 provided a valuable platform to share our local knowledge and experiences with the international community, contributing to global best practices. This experience was a pivotal step in advancing our mission to protect and conserve Zimbabwe's rich biodiversity.

Looking Forward

At FBC Holdings, we see sustainability not simply as a responsibility but as a powerful catalyst for positive change. When sustainable thinking is woven into our decisions and actions, it creates opportunities to build a future that is more resilient, inclusive and rewarding for our business, our stakeholders and the world around us. This is a long-term commitment, and we invite all our partners to be part of making it a reality.

Trynos Kufazvinei
Group Chief Executive
31 March 2025

Sustainability Report (Continued)

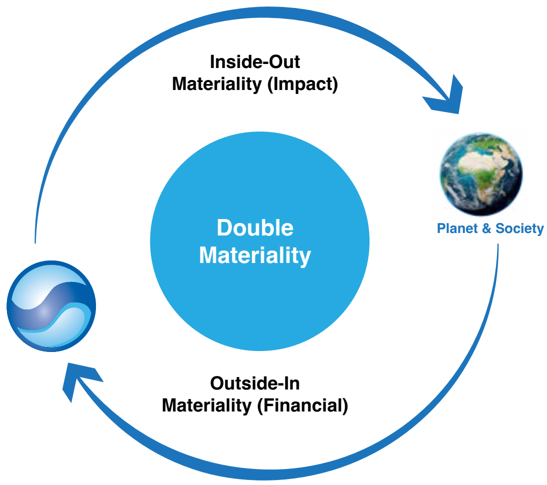
Materiality Assessment

In today's interconnected world, FBC Holdings recognises that sustainability is not merely a peripheral concern but a fundamental driver of long-term success. Our Materiality Assessment transcends traditional financial metrics, embracing a double materiality approach. This holistic framework acknowledges the intricate interplay between our business operations and the broader socio-economic environment.

We delve beyond mere compliance, seeking to understand how sustainability factors, from climate change and responsible lending to financial inclusion and data privacy, can impact our financial performance and, conversely, how our actions influence the communities we serve.

By proactively identifying and addressing these interconnected issues, FBC Holdings aims to not only safeguard its long-term viability but also contribute meaningfully to the sustainable development of Zimbabwe. This commitment to a dynamic and evolving understanding of materiality underscores our dedication to responsible business practices and a thriving future for all stakeholders.

Examines how FBCH's operations affect the environment, society, and broader ecosystems, assessing the Group's contribution to or impact on sustainability challenges.
Primary Audience: All Stakeholder Groups



Focuses on external risks, including sustainability & climate-related factors, and evaluates how these risks impact financial performance of FBCH & its subsidiaries.
Primary Audience: Investors

Our Approach to Materiality Assessments

Research

The Group gathered external & internal evidence to identify potential topics. The following sources were considered:

- Regulatory guidelines (RBZ,ZSE, IPEC)
- International frameworks (GRI, IFRS S1 & 2)
- Industry Trends & Investor Expectations
- Internal expectations and commitments
- FBCH Strategic Thrust

Survey

A survey questionnaire was distributed to all stakeholder groups to gather their perspectives on the identified potential topics. Our target was to:

- Validate internal assessments
- Prioritise material topics
- Identify emerging risks & opportunities
- Enhance transparency & inclusivity
- Demonstrate of stakeholder responsiveness

Results Analysis

After gathering stakeholder input through surveys, we consolidated the stakeholder feedback with responses from other engagement channels. Prioritization was based on:

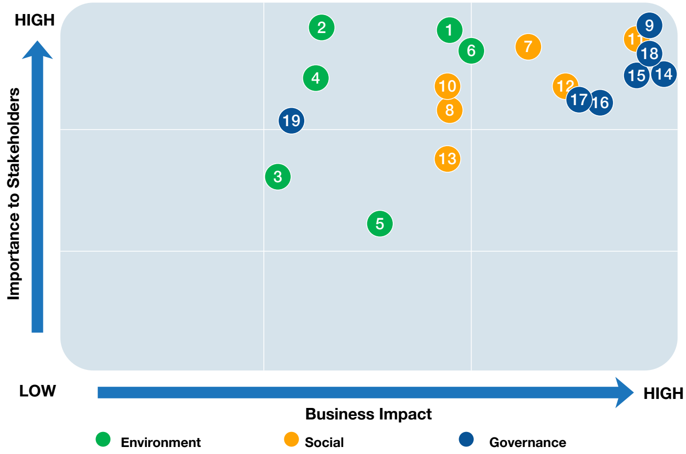
- Stakeholder expectations and concerns
- Impact on FBC Holdings & its subsidiaries (financial, operational & reputational)
- Impact to the environment & Society
- Regulatory landscape, Industry & global trends
- Business Relevance

Sustainability Report (Continued)

Materiality Matrix

The 18 material topics, highlighted on the schematic, reflects key issues that are highly relevant to FBC Holdings' operations, strategy, and long-term sustainability. Each topic has been identified as critical to both our performance and the interests of our valued stakeholders, including investors, customers, regulators, employees, and the communities we serve. These are the issues that we are committed to managing proactively, monitoring regularly, and reporting transparently.

For many of these material topics, the Group has already established robust policies, procedures, and processes designed to mitigate associated risks and capitalise on emerging opportunities. Where formal frameworks are not yet in place, we are prioritising the development and integration of appropriate governance mechanisms to ensure comprehensive oversight and continuous improvement.



ENVIRONMENTAL	SOCIAL	GOVERNANCE
1. Climate Change and Carbon Emissions 2. Energy Efficiency and Renewable Energy Use 3. Water Usage and Management 4. Waste Management and Recycling Initiatives 5. Biodiversity and Natural Resource Preservation 6. Green Financial Products and Services	7. Employee Wellbeing and Labour Practices 8. Diversity, Equity and Inclusion 9. Customer Privacy and Data Security 10. Community engagement and Social Impact 11. Access to Financial Services 12. Employee Training and Development 13. Health and Safety Standards	14. Transparency and Reporting on ESG Performance 15. Ethical Business Practices and Anti-Corruption Measures 16. Board Diversity and Independence 17. Accountability and Stakeholder Engagement 18. Compliance with Local and International Regulations

Sustainability Report (Continued)

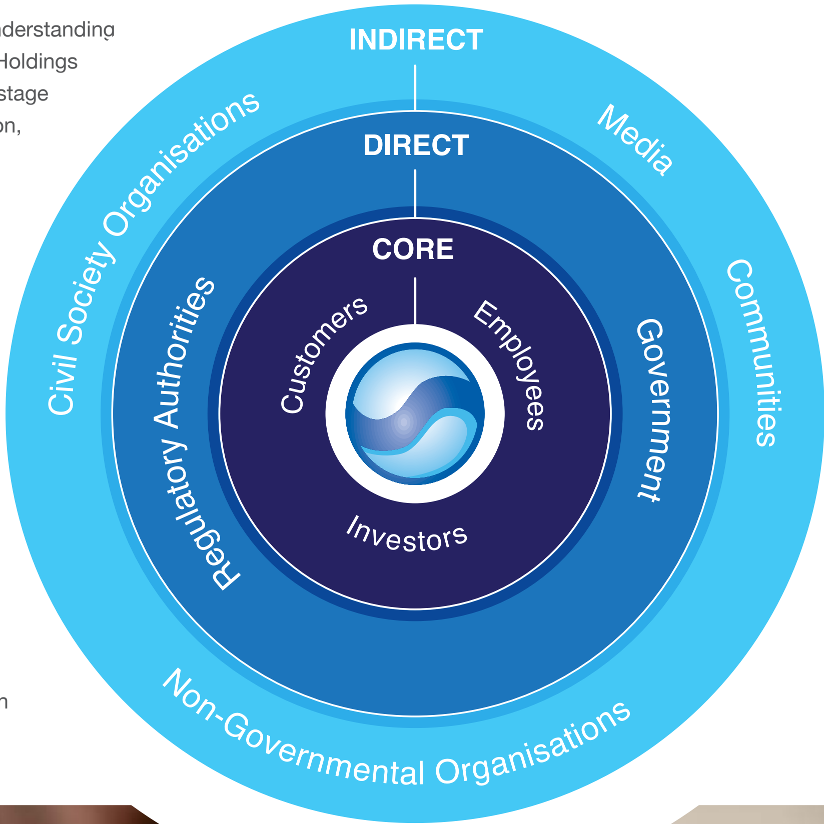
Stakeholder Engagement

FBC Holdings prioritises strong stakeholder relationships, recognising that their perspectives are crucial for our success. We maintain an open dialogue to ensure that stakeholders' voices are integrated into our decision-making process.

Our Stakeholder Mapping Approach

Our engagement process begins with a thorough understanding of our stakeholders and how they relate to FBC Holdings and its subsidiaries. The Group employs a three-stage mapping approach that involves identification, prioritisation, and validation.

We systematically identify all relevant stakeholders who may be impacted by or have an impact on FBC Holdings' operations, sustainability performance, and overall success. This includes both internal stakeholders and external stakeholders. Subsequently, we prioritise stakeholders based on the level of authority and influence that each stakeholder has over FBC Holdings' decisions and actions, the legitimacy of their concerns and ultimately, the urgency of their needs. We then continuously review and update our stakeholder map to reflect evolving priorities, new regulations and changes in the stakeholder landscape. This dynamic approach ensures that our engagement strategies remain relevant and effective.



Sustainability Report (Continued)

Our Stakeholder Engagement Process

Stakeholder	Touchpoints	Material Topics	Responses
Employees	• Employee induction training • Townhall meetings • Employee surveys • Performance reviews • Mentorship programmes • Group-sponsored social events • Intranet	• Diversity, Inclusion, Equity & Belongingness • Continuous development & Career progression • Fair remuneration	• Diversity, equity, inclusion, and belonging policy is duly implemented. • Foreign-currency-denominated mortgages introduced for first-time property owners • Salaries adjusted to align with prevailing economic conditions • ZWG 5 360 485 invested in staff training
Clients	• Roadshows • Social Events & Social Media • Workshops • Website & Mobile Application • Customer Satisfaction Surveys	• Implication of the new currency -Zimbabwe Gold (ZWG) • Access to foreign currency • Competitive pricing • Financial support (local and foreign currency denominated loans) • Cybersecurity concerns • Seamless customer experience	• Proactive Group-led online conversations and training on economic developments • Prioritisation of cybersecurity awareness • Enhanced process automation & application upgrades • Increased digital education
Investors & Shareholders	• Annual general meetings • Quarterly Board Updates • Webinars • Investor Conferences & Roadshows	• Currency environment • Financial Health • Sustainability & Climate-related risks and opportunities Management • Regulatory compliance • Local & Regional Expansion • Post-acquisition integration • Ethical Governance • Risk Management	• Compliance with monetary policy requirements • Implemented portfolio hedging strategies • Reviewed and implemented relevant sustainability and climate-related policies • Induction training and Cultural Integration Workshops • Annual Board performance evaluation assessments
Suppliers & Service Providers	• Meetings (virtual & physical) • Visits	• Currency Environment • Forward pricing • Regulatory Compliance	• Settlement in a more stable currency and upfront payments • Supplier regulatory support
Regulatory Authorities & Government	• Regulatory Circulars, directives & Policies • Meetings • Webinars & Workshops	• Sustainability & Climate-related considerations • Financial Inclusion • Product pricing and consumer protection • Regulatory corrective orders	• Maintained our commitment to the principle of “zero-tolerance to non-compliance”
Civil Society Organisations	• Workshops	• Climate change and resilience • Biodiversity Conservation	• Member of the Business Council for Sustainable Development (BCSDZ) • Member of the National Steering Committee of the National Taskforce on Gender & Climate Change • Increased participation in sustainable development initiatives
Communities	• Physical and online Meetings • Roadshows • Community partnerships	• Financial & non-financial support • Job creation • Climate Resilience Building	• Financial inclusion initiatives • Transparent community engagement • Corporate Social Investment
Media & Academia	• Press conferences • Events • Press releases • Meetings • Luncheons	• Ethical practices -transparency and accountability • Disclosures	• Continuous stakeholder engagement • Collaborations & Partnerships

Sustainability Report (Continued)

Our Value Creation Capitals

	INPUTS	KEY MILESTONES

Human Capital	Our people's competencies, capabilities and experience
	• Diversified skills base
	• Employee wellness
	• Attractive remuneration
	• Life-long learning
		• 148 Internally facilitated Trainings Conducte
		• ZWG 5 360 485 Total Training Spend (excl. academic courses)
		• Continuous Engagement
		  ◦ Employee Fulfilment & Culture Survey
		  ◦ Customer Satisfaction Digital Survey

Social & Relationship Capital	We bank on strong relationships and collaborations as we seek to create long-term value. • Committed client relationship teams • Adequate policies and procedures to address stakeholders' expectations and concerns • Corporate Social Investments	• Dedicated Account Relationship managers and officers • 100% amicable resolution of complaints lodged • ZWG303 500 207 Community Social Investment • 16% increase in women clients • 88 Internship positions
Intellectual Capital	A thriving, innovative financial sector hinges on strategic investment in intellectual value creation. • Fintech solution adoption • Digital platform expansion • Data analytics utilisation • Intellectual property protection	• Fully resourced Data Analytics and Actuarial Services • Dedicated fintech unit that focuses on reviewing and developing technology architecture to meet evolving customer needs.
Natural Capital	Safeguarding our natural resources is integral to long-term financial stability and sustainable prosperity in Zimbabwe and Botswana • Portfolio impact assessment & Climate Risk Analysis • Operational energy reduction • Sustainable agriculture support	• Updated our policy framework • 6.6% of our energy needs are catered for through renewable energy • Partnered with more than 10 NGOs and CSOs to advance sustainable development initiatives • Participated in the Biodiversity COP 16 • ZWG60.4 billion disbursed to support agriculture
Technology	FBC Holdings leverages technology to drive growth and efficiency, focusing on digital transformation, robust security, and adaptable solutions • Enhance customer digital access • Integration of artificial intelligence and cloud solutions • Customer and business data protection • Seamless channel integration and automation	• Digitalisation drive • Training on Artificial Intelligence for all staff
Financial Capital	FBC Holdings' financial value creation hinges on navigating Zimbabwe and Botswana's unique economic landscapes. Key inputs, summarized concisely, include: • Business portfolio growth and diversification • Digital transformation and innovation • Market access expansions (financial inclusion) • Local and regional expansion	• Acquisition of the then Standard Chartered Zimbabwe • Declared Dividend per Share US0.25 cents and ZWG3.9 cents • ROE 36%

Sustainability Report (Continued)

Mobilising Our People for Sustainable Impact

FBC Holdings supports a team of 1,260 employees across Zimbabwe and Botswana. We are committed to building a workplace where everyone feels valued, included, and empowered to grow. Through our merit-based culture, we ensure that talent and effort are recognised and rewarded.

Our Metrics and Targets

Metric - Commitment & SDG Alignment	Targets	2024 Baseline
Diversity, Equity, Inclusion and Belongingness	Promote equal gender representation within our staff complement *50-50 gender balance*	45% Female staff
Life-long Learning	Enable all employees to participate in life-long learning initiatives. *15 average training hours/individual/per quarter (online and physical)*	57 hours annual average achieved
Workplace Safety	Ensure zero (0) life-altering injuries and Zero fatalities	Zero life-altering injuries Zero fatalities
Employee Wellbeing	Achieve 100% participation in retirement planning seminars and workshops specifically designed for employees aged 55+	100% achieved
	Implement a wellness program that includes health screenings, fitness programs, and health coaching, with a goal of 80% employee participation	Wellness Strategy Paper in place.

Our 2024 baseline metrics and targets, derived from historical data, are designed to align with IFRS S1 and S2 requirements.

Empowering Our Workforce: Building a Resilient and Inclusive Culture

796 Permanent Employees

22 Graduate Trainees

354 Contract

88 Attaches

Women
45%

Women in Leadership
49%

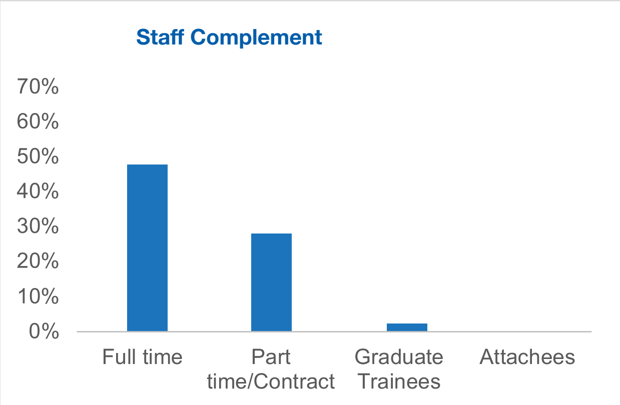
Employees Below 45 years
69%

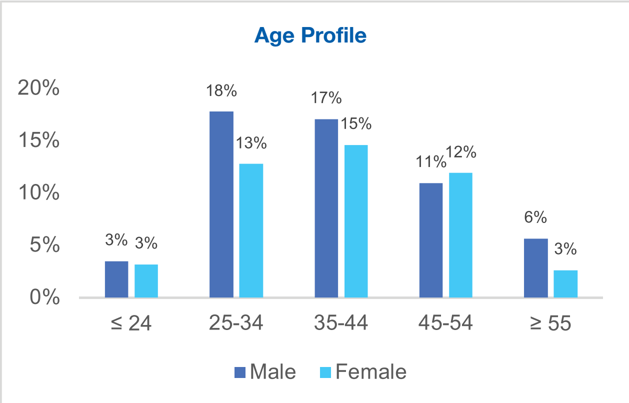
At FBC Holdings, we celebrate diversity and believe in a workplace where everyone feels valued, respected, and empowered to succeed. We believe in unlocking the full potential of our people by championing diversity and inclusion at every level. We are not just aiming to meet industry standards, we are setting new ones, building a workplace where every individual feels valued, empowered, and truly part of something bigger. The Group is committed to creating an inclusive environment where individuals with disabilities are fully supported and their unique contributions are celebrated.

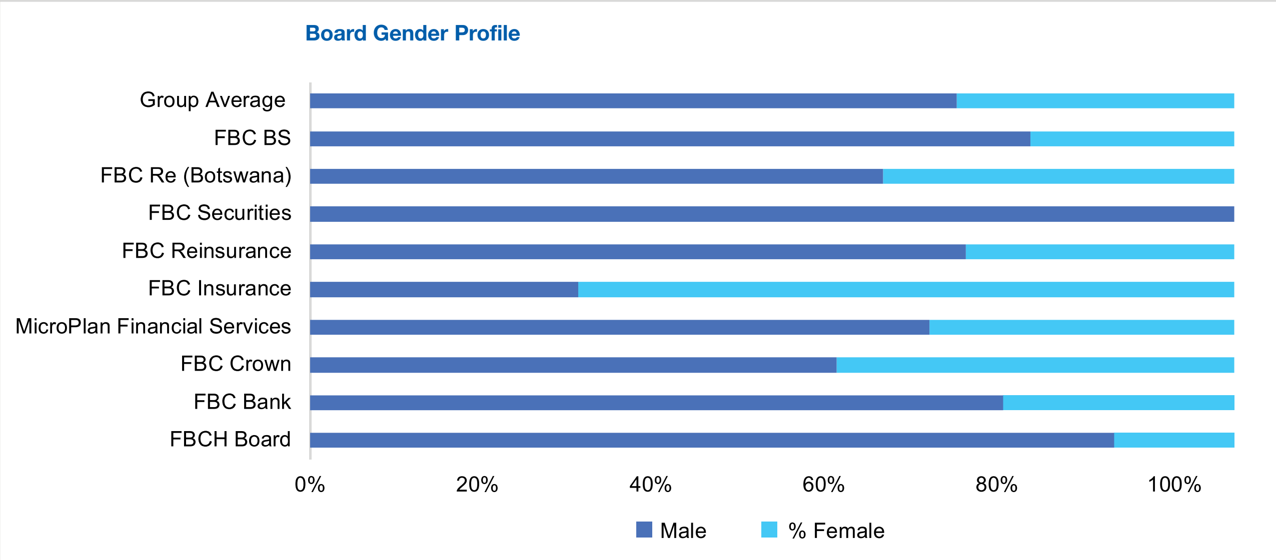
Sustainability Report (Continued)

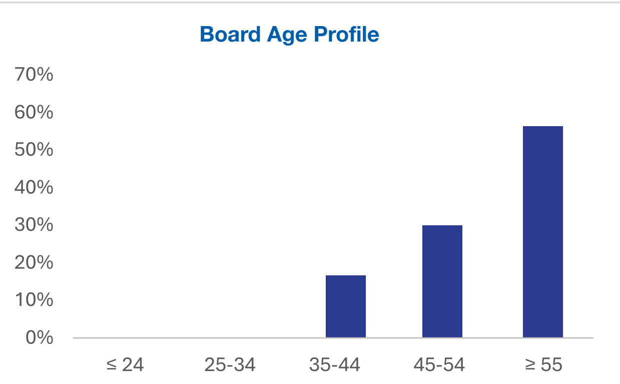
Our Diversity Statistics

Employee Gender Composition









Organisational Health

FBC Holdings recorded a healthy staff retention rate in 2024, with new hires making up 7% of the workforce, nearly half of whom were women, while overall attrition remained low at 2%.

New Starters

	2024
New starters (number)	87
New starters (% of total staff)	7%
New Female starters (% of total starters)	46%
New starter retention (% of new starters)	100%

Overall Attrition

	2024
Number	31
Rate (% of total staff)	2%

Sustainability Report (Continued)

Investing in Talent

The Group is passionate about creating an environment where talent does not just survive, but flourishes. We offer a dynamic and supportive space that fosters continuous learning, celebrates individual achievements, and empowers everyone to reach their full potential. Our approach to skills development is deeply aligned with our business goals and strategic vision. We recognise that investing in our people's growth is the key to sparking innovation, driving success, and staying ahead in a competitive market

Learning Management System (LMS) and Online Resources

The Group offers a wide range of e-learning modules and interactive courses through the LMS platform tailored to various skill levels and job functions. The platform allows staff to access training materials at their convenience, enabling them to reskill and upskill in alignment with both their personal career trajectories and the Group's strategic priorities. This digital approach to learning and development ensures that all employees remain agile and adaptable in a rapidly evolving business landscape. All employees actively accessed the LMS, completing an average of 14.3 hours of training per employee quarterly.

Mentorship & Coaching

Mentorship and coaching form integral components of the Group's training and development strategy. The FBC Holdings Graduate Trainee Program pairs graduate trainees with experienced mentors who provide guidance, share insights and handhold them during their initial stages of navigating the corporate world. In 2024, FBC Holdings had twenty-two graduates under this program.

In addition, the group has a General Trainee program in place which is designed for employees earmarked for new or higher positions. Under this program, trainees are assigned mentors who work closely with them to develop and acquire skills and competencies for new or future roles. These programs offer a personalised approach which fosters a culture of collaboration and knowledge cross-pollination. For employees set to be promoted, the program instils preparedness to take on new challenges and responsibilities.

In the same vein, we offer on-the-job training opportunities that allow staff to apply their knowledge in real-world scenarios. Rotation of employees and lateral transfers across departments or functions broaden employees' understanding of the business and encourage cross-functional collaboration and innovation.

Attained a Group average of 57 training hours per employee.

The Group also has in place internship programs which provide university students with practical experience in a corporate setting, bridging the gap between academic learning and professional practice. Under the guidance of experienced employees, interns are exposed to various aspects of our business, allowing them to develop well-rounded skill sets and gain insights into potential career paths. Many of these go on to rejoin the organisation after graduating, bringing fresh perspectives and energy to the organisation.

By investing in mentorship and coaching, we are going beyond skills development and also building a pipeline of future leaders fully equipped to drive the organisation forward.

Academic Support

The Group recognises the essence of formal education in professional development and financially supports employees pursuing academic programs that align with the Group's strategic thrust. Whilst FBC Holdings supported all employees pursuing different courses during the period under review, priority was placed on sustainability and climate risk management, innovation and leadership. By strengthening academic pursuits, we not only enhance employees' capabilities but also strengthen the overall expertise of our staff complement.

- 28 employees enrolled in academic courses, whilst 23 took up professional courses.
- 20 employees completed their academic studies, whilst 23 attained various professional courses.

Average Hours Of Training Per Employee

	2024 Baseline
Zimbabwe	55
Botswana	59
Group average	57

**Average learning hours include webinars, workshops, town hall announcements, online trainings, and other related engagements*

Group Learning & Development Spend

	ZWG
Zimbabwe	4 961 831
Botswana	398 654
Total Group Learning & Development Spend	5 360 485

Prioritising Our People's Welfare

FBC Holdings prioritises employee health, safety and well-being through integrated safety protocols and innovative wellness programs. Our employees' mental, physical and emotional well-being forms the foundation of our collective success. In 2024, we doubled down on our commitment to creating a workplace where employees thrive, innovate and feel valued – both inside and outside the office environment. The Group's zero-harm policy remains non-negotiable in office environments and construction sites.

Sustainability Report (Continued)

Health & Safety on Site

The introduction of pre-task risk assessments and the enhancement of toolbox talks have marked a transformative step forward in hazard identification and risk mitigation, significantly reducing lost time injuries across property development operations. By equipping our employees with the tools to proactively identify task-specific risks and implement targeted control measures before commencing work, we have cultivated a culture of safety that prioritises prevention and accountability. This shift has not only strengthened on-site safety protocols but also empowered teams to take ownership of their work environment.

Complementing these efforts is the recently approved and formally endorsed Group, Safety, Health and Environment (SHE) Policy. This comprehensive framework integrates critical construction activities undertaken by the project team under the FBC Building Society, ensuring alignment with stringent safety regulations. More than a compliance measure, the FBC Holdings Group SHE Policy serves as a cornerstone for fostering a robust safety culture, embedding best practices into daily operations and continuous improvement. These initiatives underscore our commitment to zero harm, creating a safer, more resilient workplace for all.

Toolbox Talk - Masasa Site

Health & Safety Metrics & Targets

Metric	Targets	2024 Baseline
SHE Policy Implementation	100% team capacitation and compliance within 12 months from the date of policy approval	45% of the construction staff complement trained
Reduction in lost time injuries	• Zero Fatalities • Zero life-altering injuries • Reduce other injuries by 80%	• Zero fatalities recorded • Zero life-altering injuries
Hazard identification & control	Achieve 100% compliance with pre-task risk assessments	80% compliance has been achieved with the pre-task risk assessment requirement
Toolbox Talk Participation	Conduct toolbox talks for 100% of construction teams weekly	A 100% attendance rate for toolbox talks
Training & Development	Ensure that 100% of construction employees complete mandatory safety training annually.	70% of contractors received internal training on SHE issues on-site
Environmental Incident Reduction (e.g., spills, emissions, waste mismanagement, or other activities that harm the environment)	• Reduce environmental incidents by 50% • Plant a tree for every house built.	10 trees were planted at the Glen Lorne site. No major environmental incidents were recorded

Injury Frequency Rates

	2024
Number of fatalities	-
Number of incidents	12
Number of first aid cases	11
Lost time injuries	5
Lost time injury frequency rate	8
Total Number of fire incidents	1
Total Safety Training Days	8
Total Number of Labour Unrest Occurrences	-
Total number of emergencies/accidents (incl. car accidents)	3
Work-related fatalities	-

Occupational Health And Safety Training

	2024
Total Number of SHE inductions	17
Total number of Safety Training Days	8
Total number of Toolbox Talks	1,095

...FBC Holdings Group SHE Policy serves as a cornerstone for fostering a robust safety culture..

Sustainability Report (Continued)

Employee Well-being & Mental Health Support

The Group's approach to wellbeing encompasses a range of initiatives designed to promote both physical and mental health, emotional resilience, and overall wellness. We financially support our employees in all available sporting disciplines providing regalia, refreshments and organising leagues. Complementing these efforts, we also offer robust mental health support including training on stress management and grief counselling. These initiatives are reinforced by a culture of open dialogue.

Recognition & Rewards

Employee recognition is fundamental to FBC Holdings' commitment to fostering an engaged workforce. We believe that celebrating achievements and milestones, both large and small, is crucial for acknowledging individual contributions and reinforcing our shared values and collective success. Through various programs from formal awards to informal expressions, we strive to cultivate a culture where every employee feels valued, motivated and empowered to contribute to their best.

Our steadfast commitment to internal talent development is reflected in the organisation's active pool of 22 Graduate Trainees and the strategic emphasis on internal succession, ensuring key positions are filled from within. This reflects our commitment to fostering career progression and providing opportunities for our employees to grow within the organisation. Furthermore, we proudly recognised 54 employees for their long-term loyalty, demonstrating our success in retaining talent.

Recognising the pivotal role of exceptional customer service in our success, FBC Holdings honoured 81 employees with Customer Service Excellence Awards during the reporting period. Their unwavering dedication to outstanding service significantly enhanced customer experiences and solidified our reputation for excellence.

Collective Bargaining

FBC Holdings acknowledges collective bargaining as an important mechanism for maintaining fair and transparent employee relations. The Group engages constructively with employee representatives through established structures to address wages, benefits, and working conditions. Regular dialogue helps to ensure that the interests of both employees and the organisation are balanced, while supporting a stable and productive work environment. In 2024, 100% of our non-managerial employees were covered by collective bargaining agreements, with 4 formal engagements between management and worker representatives. The Group remains committed to upholding the right to freedom of association and ensuring that collective bargaining processes are conducted in good faith and line with applicable labour laws.

Sustainability Report (Continued)

Building Self-Sufficient and Resilient Communities

Our corporate social investment strategy underscores the need to understand community needs and create a lasting impact that transcends mere social contributions. With a deep-rooted commitment to local empowerment, the Group ensures that its presence catalyses meaningful and transformative change. This tailored approach goes beyond supporting national priorities in the jurisdictions we operate from, to advancing key Sustainable Development Goals as we prioritise education (SDG4 -Quality Education), food self-sufficiency (SDG 2-Zero Hunger) and economic empowerment (SDG 8-Decent Work & Economic Growth)

Our Community Dashboard

- 1 % Group community spend as a % of Group Total expenses
- 50 Students on the FBCH Scholarship
- 88 Youths on internship
- 1,898,588 primary and secondary students reached during the Global Money Week

Building a Brighter Tomorrow

Education remains the cornerstone of the Group's Corporate Social Investment strategy. We have maintained our position on empowering young minds through tertiary education scholarships. Our expanded scholarship program covers tuition, accommodation and subsistence for tertiary students in Zimbabwe and Zambia.

Beyond financial support, FBC Holdings is bridging the gap between education and industry by offering increased internship opportunities for college and university students. Our internship program provides hands-on experience across key departments, including finance, sustainability, data analytics, information technology and management information systems, while offering mentorship and exposure to real-world challenges. Through these efforts, we are nurturing the next generation of professionals who will drive innovation and development in the communities we serve. Our passion is to build a brighter and more sustainable tomorrow for all!

Unlocking potential with financial literacy and inclusion

The Group has the mandate to ensure that individuals and businesses, particularly those in underserved and marginalised communities, have access to the right financial information as well as reliable and affordable financial services. In 2024, we intensified efforts to bridge between traditional banking and unbanked populations by leveraging innovative digital solutions, expanding our physical footprint and offering tailored financial products. As part of this initiative, we introduced 4 deposit-taking automated teller machines and expanded our network of agencies (from 31 in 2023 to 35 in 2024) in remote areas, bringing essential financial services to those who need them the most. These efforts are designed to empower youth, small-scale entrepreneurs and women-led businesses by providing them with the tools to invest, save and grow their enterprises.

Agricultural Support – Shungu Dzevana Children's Home Trust

FBC Holdings invested ZWG297 860 (US$10 000) in food security at Shungu Dzevana Children's Home. Our donation of seeds, fertilizers, chemicals and fuel for land preparation will facilitate the home's transition towards food self-sufficiency, supporting over 400 orphaned, vulnerable, and disadvantaged children.

THE GLOBAL MONEY WEEK

FBC Holdings participated in the 12th edition of the Global Money Week (GMW) which was held from the 18th to 24th of March 2024 under the theme "Protect your money, secure your future". The 2024 GMW objective was to teach students from primary to tertiary education levels how to manage finances and the processes used in the financial world. The official slogan of the Global Money Week was "Learn. Save. Earn". FBC Holding's strategic Business Units namely FBC Bank, FBC Building Society, Microplan, FBC Securities and FBC Insurance were represented in this initiative.

Sustainability Report (Continued)

Partnerships & Collaboration

FBC Holdings recognises that achieving sustainable development and building self-sufficient, resilient communities requires collective action. Through strategic partnerships, the Group collaborates with international organisations, government ministries, civil society organisations and other private entities to leverage resources, expertise and networks.

In collaboration with the United Nations Development Programme (UNDP) and Global Environment Facility Small Grants Program (GEF SGP), FBC Holdings is actively developing a project pipeline aimed at enhancing its financial inclusion as well as developing internal skills. This initiative focuses on youth entrepreneurship and women's empowerment. As part of the GEF SGP, the Group engaged 30 small project representatives from Hauna and conducted tours of 10 small businesses. This effort was undertaken to assess the project's bankability post-GEF SGP funding.

Supporting Sports and Recreational Activities

The FBC Group retained title sponsorship of the FBC Zim-Open Golf Championship for the third consecutive year, demonstrating our greatest strength in promoting the development of Golf in Zimbabwe and the African Continent at large. As part of the FBC Group's efforts to promote local businesses, the golf championship fosters socio-economic development and employment creation through buying from small local businesses that exhibit and supply essential materials for the event. In the same vein, FBC also sponsored a significant number of corporate, social and charity golf tournaments held across the country. The Group supported 15 major golf initiatives during the period under review.

Sustainability Report (Continued)

Supporting Education

The Group's commitment to education is demonstrated through strategic investments in diverse sponsorships, designed to cultivate future leaders and drive regional development. A cornerstone initiative is our bi-national scholarship program, facilitating Zimbabwean students' pursuit of higher education in Zambia and conversely, supporting Zambian scholars at Zimbabwean institutions. Furthering our dedication to equitable access, we empower five (5) deserving students annually with scholarships to Midlands State University.

We further support professional growth through sponsorships of key organizations, including the Marketers Association of Zimbabwe (MAZ), the Bankers Association of Zimbabwe (BAZ), and the Institute of Chartered Accountants of Zimbabwe (ICAZ), among others. This comprehensive approach underscores our commitment to building a skilled and empowered future.

Other Initiatives

Promoting Health and Well-being

- A key initiative is the sponsorship of the Zimpapers Cancer Power Walk, actively promoting health awareness and support.
- The Group also provides financial support to various charitable programs led by diverse stakeholders, including local councils, NGOs, public entities, philanthropic organizations, and private sector partners.

Supporting Sustainable Development

- Recognizing the importance of environmental preservation, FBC Holdings sponsored the Zambezi Cycle Challenge, a fundraising event dedicated to this cause.
- Demonstrating a commitment to renewable energy and community empowerment, FBC Holdings donated a 10kv Solar System to Entembeni Old People's Home. This initiative will not only reduce the home's electricity costs, allowing for increased resources for elderly care, but also contribute to a reduced environmental footprint.

Fostering Economic and Cultural Growth

- FBC Holdings sponsored the First United Nations Tourism Regional Forum on Gastronomy Tourism for Africa, contributing to the development of the tourism sector.

Donations and Sponsorships

Sector	ZWG
Agriculture	67 758 305
Education	40 730 038
Health	1 098 629
Sports	193 413 659
Other	499 577
Total	**303 500 208**

Our Commitment to Environmental Stewardship

FBC Holdings recognises the importance of environmental sustainability in fostering long-term value for stakeholders and contributing to global climate goals. While our operations are primarily office-based, we are committed to minimising our footprint, tracking progress and implementing measures to enhance resource efficiency across our operations and value chain.

Metric	Targets	2024 Baseline
Scope 1 & 2 Emission Reduction	10% reduction of purchased electricity by 2026	93.4% is still coming from the National Grid
Scope 3 Emissions Reporting	Full disclosure by 2027	Currently setting up systems to track, monitor and record scope 3 emissions
Renewable energy use	50% of office energy from renewables by 2030, targeting all FBCH-owned commercial properties	6.6% of the Group Energy from Solar PV, exploring expansion.
	Disposal of 90% of IT equipment through recycling	• IT equipment was auctioned • Initiatives underway to contract a compliant IT waste recycling company

***We look forward to expanding our targets on emission reduction as we continue to build data collection systems*

Sustainability Report (Continued)

Our Carbon Footprint

FBC Holdings acknowledges the contribution of its operations to greenhouse gas emissions and is actively working on tracking and reducing the same. Our measurable carbon footprint is primarily derived from Scope 1 and Scope 2 emissions.

	Emissions (tC02)
Scope 1	551.56
Scope 2	579.75

Emissions Accounting

Scope 1 emissions include direct emissions from owned or controlled sources which include the Group's vehicle fleet and onsite fuel combustion from generators.

Scope 2 emissions cover our indirect emissions from purchased electricity.

Scope 3 emissions are associated with a company's activities across its upstream and downstream supply chain

On Scope 3 emissions, which encompass indirect emissions from our value chain (business travel, investments, and supply chain), we continue to work closely with strategic partners to deepen our understanding on data collection methodologies and analysis. While measuring and reporting on these indirect emissions can be complex, the Group remains committed to addressing them and ensuring full compliance. We believe that the collaborative approach we have taken will enable the Group to gain a deeper understanding of its environmental impact, identify opportunities for further emissions reduction, and enhance our data quality and accuracy.

Water Withdrawal

While the Group's water footprint is relatively small, we recognise the importance of water conservation, especially the water resource challenges in Zimbabwe and Botswana. To minimise our consumption, we have installed automatic faucets in our toilets at the head office. These fixtures significantly reduce unnecessary water dispensing, resulting in an estimated 60% water savings compared to traditional manual faucets.

	Water (Megalitres)
Municipal	12.9

Waste Recycling

FBC Holdings recognises the diverse waste streams generated by its operations including paper, plastic and electronic waste (e-waste). Aligned with our strategic commitment to minimising environmental impact. We prioritise responsible waste management and recycling practices. Our paper waste is currently recycled through partnerships with certified and compliant recycling firms, ensuring environmentally sound disposal and resource recovery. Furthermore, we are actively pursuing our digitalisation strategy to transition towards paperless processes, significantly reducing our paper consumption at source.

Regarding the disposal of outdated electronic equipment, we have historically utilised auctions. Recognising the sensitive nature of information handled by a financial institution, we are exploring partnerships with e-certified recyclers. This transition will ensure the secure and environmentally responsible disposal of e-waste, protecting both data confidentiality and the environment.

	Paper (Tonnes)
Paper Usage	27.2
Paper Recycling	1.3

FBC Holdings, acknowledging the critical link between biodiversity and sustainable development, participated in COP 16 to gain insights on the global biodiversity agenda. The conference highlighted the key opportunities for the Group, including mainstreaming biodiversity into financial decisions, forming strategic partnerships, enhancing transparency through robust reporting, supporting nature-based solutions, and building internal capacity. FBC Holdings is committed to translating these insights into action by integrating biodiversity considerations into our core business strategy, developing innovative financial products, collaborating on conservation initiatives and contributing to the Convention on Biological Diversity's objectives, demonstrating its commitment to environmental stewardship and long-term value creation.

Sustainability Report (Continued)

Renewable Energy Opportunities

The Group understands the immense potential of renewable energy and its crucial role in sustainable development. We are actively exploring opportunities within this sector, including financing and investment in renewable energy projects, particularly solar energy initiatives. Our solar loan products are designed to empower individuals, businesses and communities to adopt clean energy solutions, reducing their carbon footprint and energy costs. We see a significant opportunity to expand our renewable energy portfolio by supporting both large-scale solar farms and smaller-scale distributed generation projects. This focus aligns with our commitment to environmental responsibility, with our commitment to environmental responsibility, and energy access, and contributes to a more sustainable energy future for the region. We are actively seeking partnerships and exploring innovative financing mechanisms to further accelerate the adoption of renewable energy technologies and continue to the global transition to a cleaner energy source.

While we have been offering solar loans under our banking and microfinance subsidiaries, we are refining our systems to comprehensively capture, monitor, and report on our renewable energy lending activities.

Entembeni Solar System Donation

In 2024, the Group demonstrated its commitment to sustainable development and community well-being by donating a 10kv solar system to Entembeni Old People's Home. This impactful contribution improves residents' quality of life by ensuring a reliable power supply for essential needs, including lighting, heating, and medical equipment, while also reducing the home's operational costs. The transition to solar energy significantly lowers the home's carbon footprint, contributing to climate action and promoting a cleaner environment. This initiative strengthens FBC Holdings' reputation as a socially responsible corporate citizen and aligns directly with several Sustainable Development Goals. Ultimately, this donation represents a tangible investment in the lives of elderly residents, enhances the home's energy independence, and showcases FBC Holdings' dedication to building a better future.

Zimbabwe has a Solar Photovoltaic potential of over 300MW. Key opportunities exist for small and large -scale deployment of grid-connected and off-grid systems.
Zimbabwe Energy Regulatory Authority (ZERA)

Sustainability Report (Continued)

Sustainability Governance

Our Strategy

The Group is committed to delivering long-term value by integrating sustainability and climate considerations into its core operations, guided by the United Nations Sustainable Development Goals, national priorities and community needs. Our strategy emphasises responsible operations across our diverse financial services, including banking, securities trading, insurance, and microfinance in Zimbabwe, as well as reinsurance across Southern Africa. This approach prioritises the following:

- Expanding access to financial services for underserved populations within Zimbabwe, directly supporting the nation's economic development.
- Mobilising capital towards environmentally and socially sustainable projects within Zimbabwe.
- Collaborating with stakeholders across Zimbabwe and, where applicable, across the globe, to enhance our impact.
- Integrating environmental, social, and governance (ESG) factors into our lending and investment decisions, primarily within the Zimbabwean context.

Our strategy identifies and assesses sustainability and climate-related risks and opportunities relevant to our operations in Zimbabwe and Southern Africa, developing mitigation plans and integrating these considerations into financial planning. Strong governance, informed by international standards and regulatory guidance, ensures effective management of sustainability and climate matters. We are committed to providing transparent disclosures on our sustainability performance, including governance processes, financial impacts, metrics, and targets, reflecting our operational footprint in both Zimbabwe and the wider region.

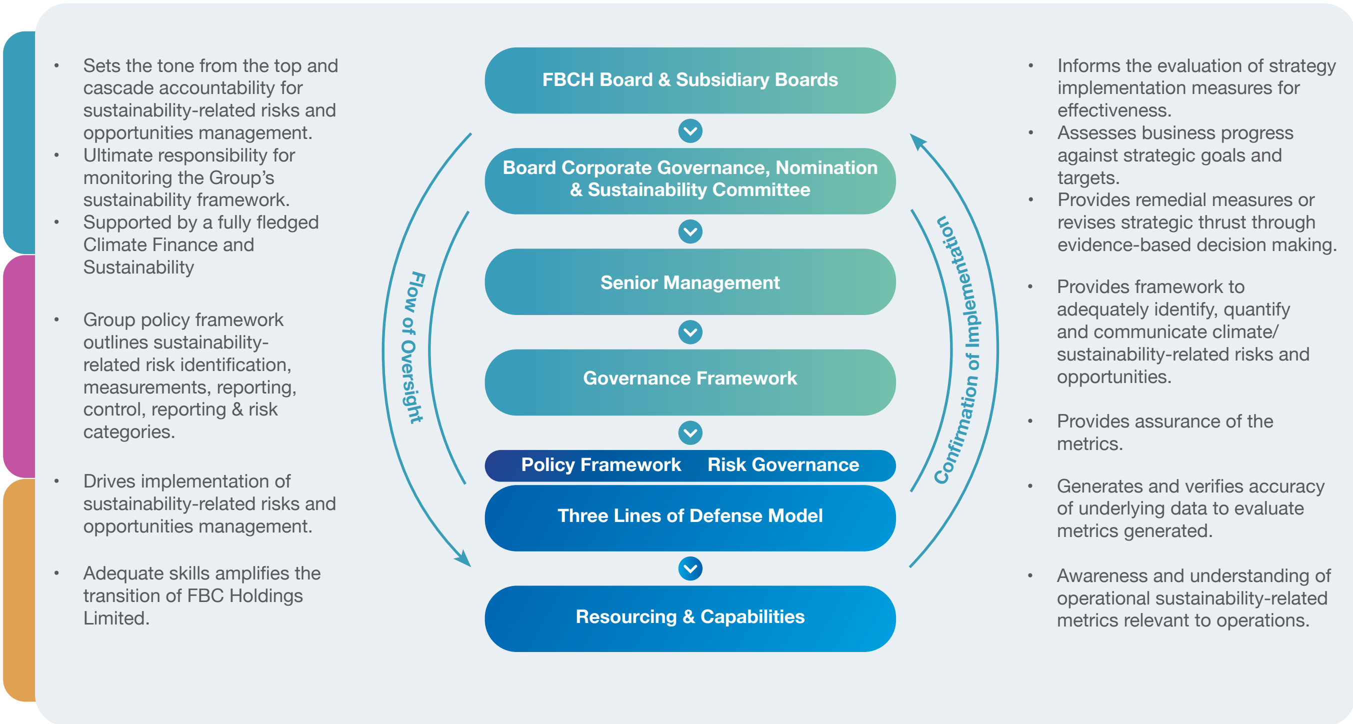
To build a resilient and sustainable enterprise that creates value for all stakeholders, we are embedding sustainability and climate considerations into our core business model. Our key focus remains on mitigating climate-related risks and capitalising on opportunities, ensuring alignment with evolving regulatory expectations for transparency and accountability.

Metric	Targets	2024 Baseline
Board Oversight	Achieve 100% board training on sustainability risks and opportunities annually. All Board Meetings to have sustainability and climate-related issues as an agenda item	70% of the Board Trained on Sustainability & Climate-Related Risks All boards (FBCH & Subsidiaries)
Governance Structure	Establish a dedicated sustainability committee with clearly defined roles and responsibilities	The committee was established in 2022, with roles and responsibilities in the Board Charter amended in 2024
Climate Resilience	Assess 80% of the portfolio on sustainability and climate-related risks.	As part of the onboarding due diligence, all corporates are assessed for ESG risks. However, there is a need to deepen the scope as well as train both our teams and customers.
Stakeholder Engagement	Conduct bi-annual stakeholder engagement sessions on sustainability.	One stakeholder engagement was conducted
Risk Management (Scenario Analysis)	Conduct Scenario Analysis for at least 3 climate pathways by 2025. Align relevant policies with regulatory requirements and international best practices on sustainability.	On track- the Group is currently putting in place the systems and engaging subject matter experts from the local and international markets. 8 policies updated in 2024

Sustainability Report (Continued)

Governance Structure and Leadership: Roles and Responsibilities

Having the right governance structures, policies, and compliance underpins our overarching objective of driving stakeholder value. The schematic below outlines how sustainability-related risks and opportunities are managed within the Group.



FBCH Board

The FBC Holdings Board, through the Board Corporate Governance, Nominations and Sustainability Committee, sets the tone and direction of the Group's sustainability strategy. It provides strategic oversight of sustainability and climate-related issues across the Group by:

- Reviewing and approving the Group's sustainability and climate-related strategy,
- Monitoring performance and ensuring alignment with stakeholder expectations,
- Reviewing and approving sustainability-related policies. Disclosures, metrics and targets as well as;
- Overseeing the identification and management of sustainability and climate-related risks and opportunities.

During the period under review, the Group reviewed its Board Charter to reflect the Board members' mandate on sustainability and climate-related risks and opportunities.

The Group Chief Executive is ultimately accountable for the implementation of the strategy by championing sustainability initiatives across the organisation, ensuring adequate resources are allocated to support sustainability efforts and driving a culture of sustainability across the organisation.

Group Risk Management, Legal and Compliance and Internal Audit Units

These support functions play a crucial role in ensuring that sustainability and climate-related risks are identified, assessed, and managed effectively and they also provide assurance over the accuracy and reliability of sustainability reporting. The terms of reference for the Risk and Compliance Committees were duly reviewed and updated to reflect the sustainability and climate mandate.

Sustainability Report (Continued)

Climate Finance & Sustainability Unit

The unit provides day-to-day management of sustainability initiatives by developing and implementing sustainability programs, providing technical expertise and support to subsidiaries, monitoring and reporting on sustainability performance, leading climate finance mobilisation efforts and collaborating with other functions to integrate sustainability into business processes.

Subsidiary Management

Each subsidiary is responsible for implementing the Group's sustainability strategy within their respective operations by working closely with the Climate Finance and Sustainability unit to ensure alignment with Group-wide objectives.

Reporting & Oversight

The Group is actively integrating sustainability and climate-related risks and opportunities into management and board meeting agendas. This ensures that these critical factors are consistently considered in decision-making at all levels of the organisation and are regularly reviewed and addressed by senior leadership. By embedding these considerations in our decision-making processes, the Group aims to have these risks and opportunities factored into operational, tactical and strategic decisions across the organisation.

Our reports, both internal and public, reflect the Group's commitment and preparedness to a low-carbon economy in line with both local and international priorities, standards and guidelines. We transparently disclose how sustainability and climate-related factors are integrated into the Group's strategic planning, risk management and financial planning process.

Additionally, the Board receives quarterly reports to stay informed about key developments in sustainability and climate-related matters, ensuring effective oversight and alignment with the Group's long-term objectives.

Sustainability and Climate-Related Agenda Items at Board Level

FBCH Board / Sub-Committee	Key Agenda Item
FBC Main Board	Climate Finance & Sustainability Updates
	2023 Sustainability Report
	Sustainability & Climate Risk & Opportunities Management Strategy
Corporate Governance, Nominations & Sustainability	Climate Finance & Sustainability Quarterly Update
Risk and Compliance	ESG Policy
	Board Code of Conduct
	Board Charter
	Innovation Policy
	Product Portfolio Management Policy
	Sustainability & Climate Risks & Opportunities Assessment Report

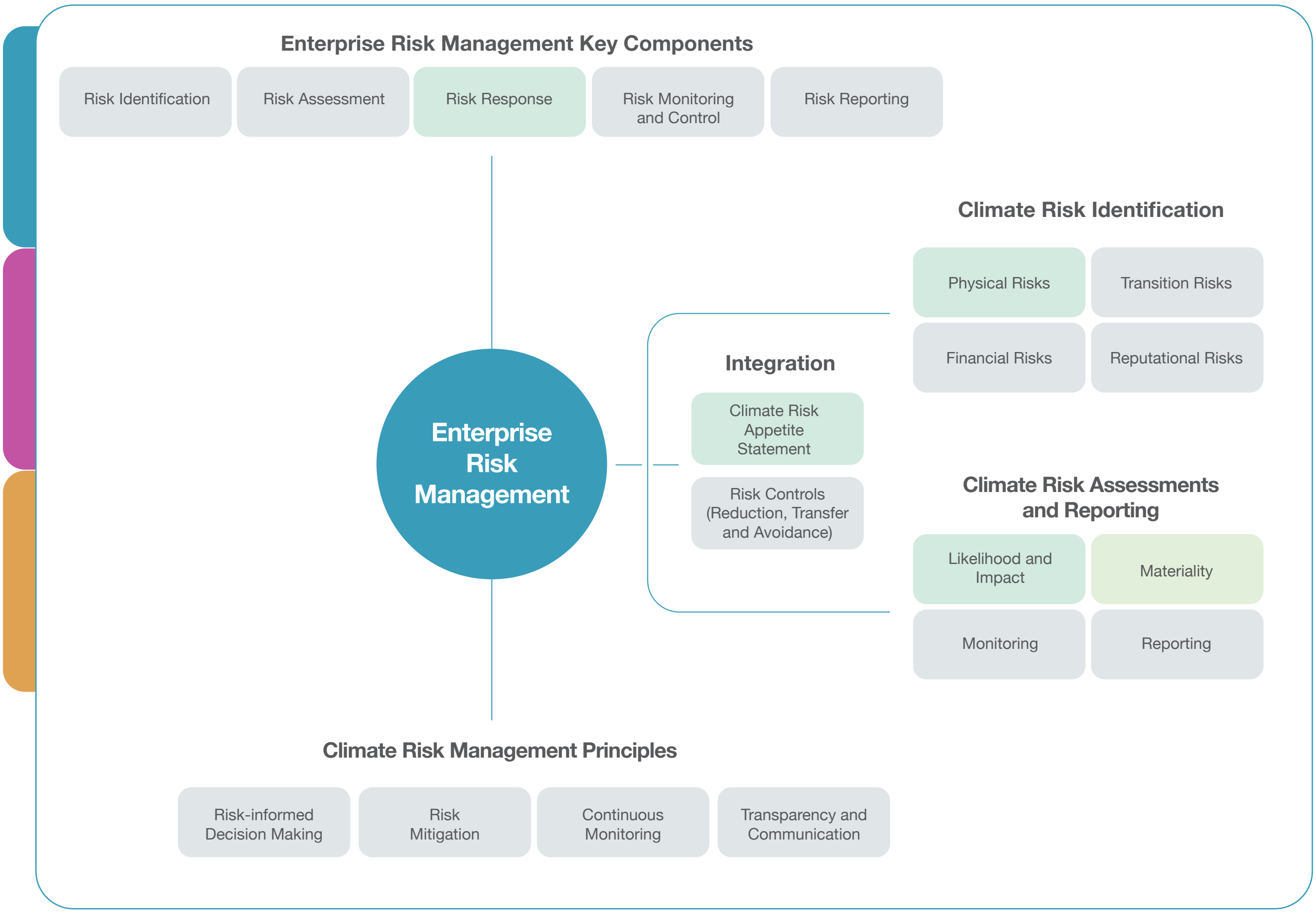
***Climate Finance & Sustainability Updates cover all sustainability and climate-related risks & opportunities*

Sustainability Report (Continued)

Our Risk and Opportunities Management Approach

To strengthen our resilience, protect shareholder value, and further our commitment to a sustainable future, we prioritise the effective management of financial, operational, sustainability, and climate-related risks. Recognising the interconnected nature of these risks, we address them through an integrated Enterprise Risk Management Framework. Within this framework, sustainability and climate-related risks are considered cross-cutting, influencing and integrated into all risk categories. This ensures that the potential impacts of climate change and other sustainability factors are evaluated and managed comprehensively across the Group.

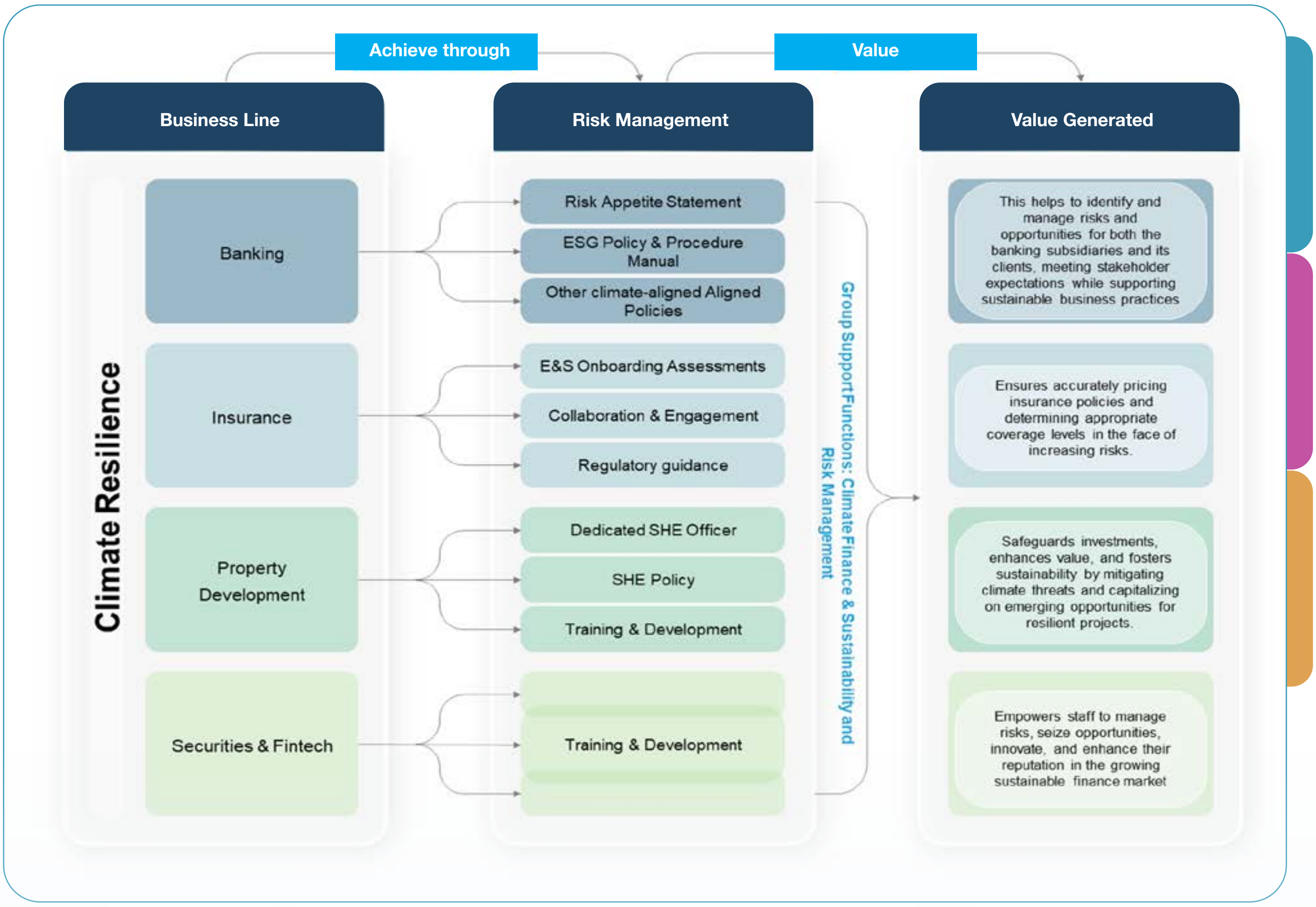
Our climate risk identification, assessment, and management process follows a comprehensive approach by assessing both physical and transition risks that may impact our operations, clients, and the broader economy. Our process integrates sustainability considerations by leveraging internal data, such as portfolio exposure to climate-sensitive sectors, alongside external factors, including macroeconomic trends, climate scenarios, and regulatory developments. Additionally, we apply scenario analysis to assess the resilience of our assets under different climate futures, embedding ESG factors into our risk management framework to enhance long-term sustainability. The schematic below outlines the integration of climate risk into Enterprise Risk Management.



While we have made significant progress in integrating sustainability and climate-related risks into our ERM framework, we acknowledge the gaps in fully embedding these considerations in all aspects of our operations. We are actively working to address these gaps and accelerate our progress through initiatives like peer-to-peer exchanges, continuous capacity building and regulatory engagements.

Sustainability Report (Continued)

Our Climate Risk Integration Update



Policy Framework

FBC Holdings has developed a robust policy framework to support its sustainability and climate ambitions and related risks. These policies are regularly reviewed and updated to reflect evolving regulatory requirements, stakeholder expectations and best practices.

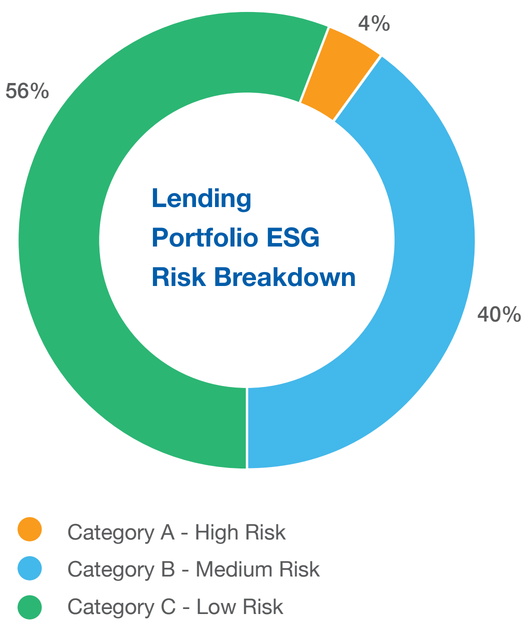
Key policies include:

- Diversity, Equity, and Inclusion Policy
- ESG Policy and Procedure Manual
- Stakeholder Engagement Policy
- Risk Appetite Statement and Risk Policy (incorporating sustainability and climate-related risks)
- Board Charter (Terms of Reference) (reflecting the regulatory mandate of the Board on sustainability issues)
- Ethics and Integrity Policy (Code of Conduct for the Board)
- Group Products Portfolio Management Policy
- Group Innovation Policy

Sustainability Report (Continued)

Our ESG portfolio breakdown

Our assessment of core loans and advances across the three lending subsidiaries, FBC Bank FBC Crown Bank, FBC Building Society and Microplan Financial Services indicates that 96% of our exposures are within low and medium risk industries in line with International Finance Corporations (IFC) Guidelines.



IFC E&S Risk Categories

Category A- High-Risk Business Activities

Significant adverse environmental and social risks; impacts are diverse, irreversible, or unprecedented. Examples include exposure to mining, large scale agricultural, chemical manufacturing.

Category B – Medium-Risk Business Activities

Limited adverse environmental and social risks; impacts are localized and reversible with mitigation. Examples include medium scale agro-processing, tourism and hospitality developments, small scale mining among others.

Category C – Low-Risk Business Activities

Minimal or no adverse environmental and social risks. These activities include healthcare services, retail and wholesale trade, education & training services etc.

Key Risks and Potential Impact on FBCH Portfolios

As climate change and sustainability considerations continue to reshape the financial sector, we recognise the need to proactively assess and manage key risks that could impact our diversified portfolio. As we enhance our ability to quantitatively track and model the impact of these risks, we have identified the following key areas of concern.

Risk Category	Description	Potential Impact on Financial Performance	Potential Impact on Financial Position
Physical Risks	Risks from acute events (floods, cyclones, droughts) Risks from disruptions to business operations and our clients' operations.	• Increased insurance claims • higher operational costs • reduced loan repayments due to affected borrowers	• Asset devaluation, • Increased liabilities, • Higher provisions for loan losses
Transition Risks	Risks from transitioning to a low-carbon economy (e.g., policy changes, market shifts) Risks from new regulations and reporting requirements related to sustainability	• Increased compliance costs, • potential loss of revenue from high-carbon sectors, • investment in new technologies	• Stranded assets, • Increased capital expenditure • Potential write-downs of non-compliant assets
Strategic Risks	Risks from failing to adapt to the changing climate and the sustainability landscape	• Loss of competitive advantage • missed opportunities for sustainable investments	• Long-term strategic misalignment, • potential need for restructuring

Sustainability Report (Continued)

Our Commitment to Ethical Conduct

The Group understands that the success and sustainability of our institution depend on ethical business practices and compliance with local, regional, and international regulations and standards. The Ethics, Integrity and Compliance framework of FBCH consists of the following policies:

- Ethics and Integrity Policy
- Financial Crime Compliance Policy
- Stakeholder Management Policy
- Gifts Policy
- Human Resources Policy
- Gender Policy

Data Privacy and Cybersecurity

FBC Holdings recognises the critical role of cybersecurity and data privacy in building a sustainable and trustworthy organisation. In 2024, we proactively addressed the escalating cyber threat landscape by enhancing our security posture through strategic investments and a human-centric approach. Key achievements include achieving 85% staff completion of cybersecurity awareness training, upgrading to an AI-powered Endpoint Detection and Response (EDR) solution, and strengthening critical system infrastructure. These initiatives not only protected sensitive data but also fostered a culture of vigilance, safeguarding the financial well-being of our customers.

We also prioritised compliance with data privacy regulations, demonstrating our commitment to responsible data handling. FBC Holdings completed its registration as a Tier 3 Data Controller, appointed a Group-wide Data Protection Officer, and established a dedicated Data Protection Office. We focused on implementing robust data privacy policies, conducting staff training, and advancing our online consent management capabilities. By adhering to stringent data protection standards and actively engaging with regulatory bodies, we reinforced our commitment to protecting personal information and building trust with our stakeholders.

Looking ahead, FBC Holdings will continue to strengthen its cybersecurity and data privacy frameworks, adapting to evolving threats and regulatory requirements. We will prioritise ongoing staff education, technology upgrades, and vendor alignment to maintain the highest standards of protection. By integrating these practices into our core operations, we are not only mitigating risks but also contributing to a more secure and sustainable digital ecosystem for our customers and stakeholders. Our ongoing refinement of metrics will allow us to better communicate the effectiveness of our programs and demonstrate our commitment to transparency.

Anti-corruption and Anti-bribery

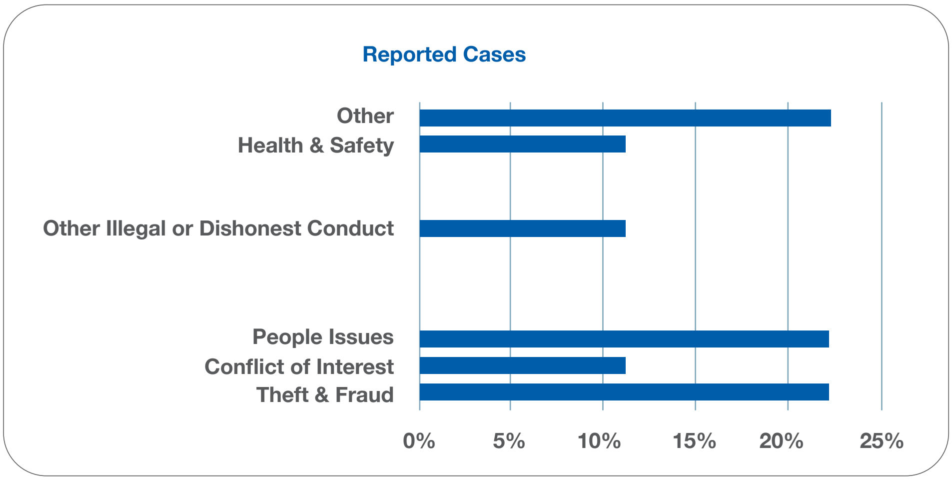
We recognise that corruption and bribery undermine fair competition, erode trust, and hinder sustainable development. The Group maintains a zero-tolerance approach to all forms of corruption and bribery in our operations and throughout our value chain. Our commitment is embedded in our governance framework which covers key areas which include but are not limited to gifts and hospitality, political contributions, donations and sponsorships and conflicts of interest. During the period under review, we added the Board Code of Conduct to our corporate governance framework.

Anti-Money Laundering and Combating the Financing of Terrorism

FBC Holdings appreciates the critical importance of combating money laundering and the financing of terrorism (AML/CFT) to maintain the integrity and stability of the financial system. We are committed to adhering to all applicable laws, regulations and international standards related to AML/CFT. Our robust AML/CFT program is to prevent, detect, and suspicious activities, thereby contributing to the safety and security of the communities we serve.

Over the years, we have managed to establish clear and comprehensive policies and procedures that are regularly reviewed and updated to reflect evolving risks and regulatory requirements. Through customized customer due diligence, we implement rigorous measures to verify the identity of our customers and assess their risk profiles.

Whistle Blowing Statistics



Sustainability Report (Continued)

Economic Growth and Shared Value

The Group is dedicated to promoting sustainable economic growth and ensuring that the benefits of this growth are shared equitably among our valued stakeholders. This commitment is rooted in the belief that long-term prosperity can only be achieved by balancing economic advancement with social and environmental responsibility.

To achieve this, our efforts are centred on the key national pillars and priorities that serve as the foundation for development. We understand these pillars are designed to drive innovation, inclusiveness, and progress across various sectors. By focusing on these areas, the Group aims to contribute to creating a more resilient and dynamic economy that benefits everyone.

Key Metrics & Targets

Sustainable Funding Approach	Metrics	Target	2024 Baseline
Develop and implement innovative, cost-effective financial solutions that promote economic inclusivity and empower underserved communities.	Number of new financial products/financial solutions developed and launched	Launch 5 new financial products annually	3 financial products launched • Secure-save • Digital lending • Deposit-taking ATMS
	Total value of loans/financing disbursed to underserved communities.	ZWG equivalent of US$27.8 million in microloans to underserved communities, including youth, women, and small businesses	• ZWG311 328 363 disbursed under our MicroPlan Financial Services
Lead a client-focused, action-driven transformation toward food security and renewable energy adoption, ensuring a sustainable and resilient future.	Growth in the Agribusiness portfolio	20% annual growth	• 30% Annual growth
Align our efforts with national priorities and the United Nations Sustainable Development Goals (SDGs) to drive meaningful, scalable impact.	Number of SDGs directly supported	Support the 10 SDGs prioritised by the government of Zimbabwe. Align portfolio and strategy with all national priorities by 2025 in the NDS 1	• Contributing to more 10 more than SDGs • Group Portfolio aligned with all national priorities
Foster collaborative partnerships with stakeholders and communities to create shared value and achieve collective progress toward sustainability.	Number of partnerships established	Establish 20 partnerships by 2025	10 partnerships established with Non-Governmental Organisations, Civil Society Organisations and Technical Partners

Facilitating Food Self-Sufficiency

FBC Holdings recognises the critical role of agriculture and achieving food security and economic stability. Throughout our Agribusiness portfolio, we are actively supporting farmers and Agri enterprises with tailored financial solutions and access to modern farming technologies and capacity-building programs. By imploring farmers to increase productivity and adopting sustainable practices, we are contributing to national food self-sufficiency in reducing reliance on imports. Our financing initiatives and products also focus on valuation and development, ensuring that farmers have access to markets and fair pricing for their produce.

Sustainability Report (Continued)

Creating a Lasting Impact Through Sustainable Infrastructure Initiatives

We believe that infrastructure is a cornerstone for economic growth, and FBC Building Society is at the forefront of driving transformative infrastructure projects. Our infrastructure projects are not only meant to address the growing demand for quality housing and workspaces but also create employment opportunities and stimulate the local economy. By investing in the infrastructure, we are laying the foundation for long-term economic resilience and improving the quality of life for the communities we serve.

Year	Projects	Housing Type	Number Units
2020	Greendale Alfred Project	Medium Density	24 Flats
2021	Fontaine Ridge	High Density	267 Housing Units
2022	Zvishavane Eastlea Project	High Density	98 Cluster Homes
2023	Glen Lorne Townhouses	Low Density	13 Townhouses
2024	Marondera Zvishavane RDC - 4 miles Msasa Industrial Units Churchill Clusters	High Density High Density Industrial Medium	36 Flats (88% complete) 191 fully serviced stands 18 Small industrial units (94% complete) 11 2-bed cluster units (90% complete

Innovation and Digitalisation

In a rapidly evolving world, innovation and digitalisation are key to staying competitive while meeting the needs of our stakeholders. FBC Holdings is leveraging cutting-edge technologies to enhance service delivery to streamline operations and create new growth opportunities. From digital bringing platforms to fintech solutions, we are committed to providing convenient, secure and accessible financial services. Our focus on innovation extends to internal processes where we are adopting automation and externalities to drive efficiency and decision-making.

Payments to The Government

As a responsible corporate citizen, FBC Holdings fulfils its fiscal obligations by consistently paying taxes, fees, and other government contributions. These payments are pivotal in supporting public services, infrastructure development and social programs.

	2024 (ZWG)
Income Tax	144,490,241
Capital Gains Tax	1,664,131
IMTT	427,086,396
PAYEE	430,807,670
VAT	17,174,571
Other taxes and fees	3,768,640
Total	**1,024,991,649**

Financial Inclusion

As part of its financial inclusion strategy, FBC Holdings continues to expand access to financial services for individuals and underserved communities across Zimbabwe. The Group is leveraging digital platforms to bring more people into the formal financial system through virtual accounts, including digital wallets, virtual Mastercard, and Secure Save. Our microfinance subsidiary plays a key role in providing digital lending and microcredit solutions tailored to low-income earners and informal sector players.

Msasa Industrial: 5 Unit Block

In addition, the Group is supporting broader economic participation by enabling retail investors to access securities trading and investment opportunities through simplified, tech-enabled channels. These efforts are aligned with national priorities on financial inclusion and inclusive growth and are designed to reduce barriers such as high onboarding requirements, limited mobility, and lack of financial literacy. Key highlights for 2024 are presented below:

Indicator	2024 Value
Number of Individual Investors	134
Low KYC Accounts Opened	25,022
Active Mobile Banking Users	102,796

The Group remains committed to strengthening its digital infrastructure and financial literacy outreach, with the aim of empowering more Zimbabweans to participate meaningfully in the formal economy.

Our Physical Touchpoints

	2024
Zimbabwe	
Branches	58
Agencies	35
ATMs	64
Smart ATMs (Deposit Taking ATMs)	3
Botswana	
Branches	1

Sustainability Report (Continued)

Awards & Recognition

The Group and its subsidiaries have consistently demonstrated excellence and leadership across various fields, earning prestigious accolades that underscore our commitment to sustainability, innovation and customer satisfaction. The following awards highlight FBC Holdings 'achievements in 2024.

FBC Holdings

- Best Corporate Event of the Year 2024- FBC Zim – Open: Marketers Association of Zimbabwe (MAZ)
- Best Corporate Social Responsibility Campaign of the Year 2024 - Gold Award: Marketers Association of Zimbabwe (MAZ)
- Environmental Stewardship and Clean Energy Champion Award: ESG Network Zimbabwe

FBC Bank

- Overall Best Performing Bank Runner-Up Award: Banks and Banking Survey Awards
- FBC Bank was recognised for its exceptional contributions as pioneers in the adoption of ZIPIT at the ZimSwitch 30th Anniversary Milestone Awards celebrations.

Microplan

- Most Digitised MFI of the Year Runner-Up Award: Zimbabwe Association of Microfinance Institutions (ZAMFI)
- Outstanding Financial Services Provider in Mashonaland West Province: Mashonaland West Excellence Awards
- Customer Experience Service Excellence 2nd Runner-Up Award in the Microfinance Sector: Customer Experience Association of Zimbabwe (CXAZ)


@FBCHoldings
Serving you
Financial Innovation
FBC Holdings Limited
FBC Bank
FBC Reinsurance
FBC Insurance
FBC Building Society
MicroPlan
XARANI
FBC Securities
OutRisk
Crown Bank
You Matter Most
FBC Holdings Limited

Directors' Report

The Directors have pleasure in submitting the annual report and financial statements, for the financial year ended 31 December 2024, for FBC Holdings Limited.

ACTIVITIES AND INCORPORATION

FBC Holdings Limited (''the Company'') and its subsidiaries (together "the Group") are incorporated and domiciled in Zimbabwe. The Group comprises of seven wholly-owned subsidiaries and one subsidiary controlled 95%. The Group, through its subsidiaries, provides a wide range of commercial and wholesale banking, mortgage financing, short term reinsurance, short term insurance, stockbrocking, micro financing and other related financial services.

AUTHORISED AND ISSUED SHARE CAPITAL

The authorised share capital of the Company was 800 000 000 ordinary shares of a nominal value of ZWG 0.000000004002042 each as at 31 December 2024. The issued and fully paid ordinary shares remained at 671 949 927 ordinary shares of ZWG 0.000000004002042 with no movements during the year. The details of the authorized and issued share capital are set out in note 18.3 of the consolidated financial statements.

RESERVES

The Group's total shareholders' equity attributable to equity holders of the parent as at 31 December 2024 was ZWG4 550 696 681 (2023: ZWG 3 065 641 434).

FINANCIAL STATEMENTS	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
The results reflected a profit before income tax for the year of	2 013 080 354	1 754 445 635	4 103 276 935	230 639 349
Income tax expense	(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**
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
	1 629 927 721	**1 423 439 831**	**3 476 135 770**	**191 464 910**

DIRECTORS' INTERESTS

As at 31 December 2024, the Directors' interest in the issued shares of the Company directly or indirectly is shown below:

Directors' shareholding Number of shares	Direct holding	Indirect holding	Total
H. Nkala (Group Chairman)	-	410 339	410 339
T. Kufazvinei (Group Chief Executive)	35 114	22 756 547	22 791 661
W. Rusere (Executive Director)	5 000	8 500 519	8 505 519
C. Mtasa (Non-Executive Director)	10 000	-	10 000
	50 114	**31 667 405**	**31 717 519**

The other directors have no shareholding in the Company.

CAPITAL ADEQUACY

The following subsidiaries have their capital regulated by the regulatory authorities:

FBC Bank Limited, FBC Building Society and Microplan Financial Services (Private) Limited are all regulated by the Reserve Bank of Zimbabwe ("RBZ"). 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.

** This is due to currency conversation from ZWL to ZWG (Refer to note 2.1)

Directors' Report (Continued)

The capital position for these subsidiaries is detailed in the table below;

Company	Regulatory Authority	Minimum capital required US$	Minimum capital required ZWG	Discounted Capital ZWG	Total Equity ZWG
As at 31 December 2024					
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

At 31 December 2024, the banking subsidiary's capital adequacy ratios computed under the Reserve Bank of Zimbabwe regulations were 12% and 35% respectively while that of the building society was 36%, against the statutory minimum ratios of 12%. The respective capital adequacy ratios are determined as illustrated below.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG
FBC Bank Limited capital adequacy ratio				
Ordinary 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 profits	2 017 637 603	1 346 517 671	2 127 582 958	128 224 336
General reserve	-	-	-	-
Capital allocated for market and operational risk	(350 840 514)	(356 680 611)	(350 840 514)	(32 830 963)
Advances to insiders	(760 747 316)	(61 903 551)	(760 747 316)	(5 697 964)
Tier 1 Capital	**1 047 415 661**	**1 069 299 397**	**1 016 007 815**	**89 708 096**
Other reserves	265 352 223	447 823 409	329 645 480	49 145 953
General provisions	-	-	-	-
Tier 1 and 2 Capital	**1 312 767 884**	**1 517 122 806**	**1 345 653 295**	**138 854 049**
Tier 3 capital allocated for market and operational risk	350 840 514	356 680 611	350 840 514	32 830 963
	1 663 608 398	**1 873 803 417**	**1 696 493 809**	**171 685 012**
Risk weighted assets	**13 650 095 359**	**7 911 838 593**	**13 650 095 359**	**728 251 750**
Tier 1 ratio (%)	8%	14%	7%	12%
Tier 2 ratio (%)	2%	6%	2%	7%
Tier 3 ratio (%)	3%	5%	3%	5%
Capital adequacy ratio (%)	**12%**	**24%**	**12%**	**24%**
Minimum statutory capital adequacy ratio	12%	12%	12%	12%

Directors' Report (Continued)

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG
FBC Building Society capital adequacy ratio				
Share capital and share premium	127 119 208	127 119 208	432 872	432 872
Accumulated surplus	540 269 706	588 578 500	637 518 344	62 217 848
Capital allocated for market and operational risk	(38 237 047)	(170 431 425)	(38 237 047)	(5 980 748)
Advances to insiders	-	-	-	-
Tier 1 Capital	**629 151 867**	**545 266 283**	**599 714 169**	**56 669 972**
Non distributable reserves	-	-	-	-
Revaluation reserves	99 170 612	119 435 302	124 509 655	12 889 814
Tier 1 and 2 Capital	**728 322 479**	**664 701 585**	**724 223 824**	**69 559 786**
Tier 3 capital allocated for market and operational risk	38 237 047	170 431 425	38 237 047	5 980 748
	766 559 526	**835 133 010**	**762 460 871**	**75 540 534**
Risk weighted assets	**2 122 824 477**	**2 528 865 698**	**2 122 824 477**	**232 771 542**
Tier 1 ratio (%)	30%	22%	28%	24%
Tier 2 ratio (%)	5%	5%	6%	6%
Tier 3 ratio (%)	2%	7%	2%	3%
Capital adequacy ratio (%)	**36%**	**33%**	**36%**	**32%**
Minimum statutory capital adequacy ratio	12%	12%	12%	12%
FBC Crown Bank Limited capital adequacy ratio				
Ordinary share capital	333	-	333	-
Share premium	286 757 275	-	286 757 275	-
Retained profits	183 055 716	-	183 055 716	-
General reserve	103 881 973	-	103 881 973	-
Capital allocated for market and operational risk	68 028 067	-	68 028 067	-
Advances to insiders	-	-	-	-
Tier 1 Capital	**641 723 364**	**-**	**641 723 364**	**-**
Other reserves	178 475 938	-	178 475 938	-
General provisions	-	-	-	-
Tier 1 and 2 Capital	**820 199 302**	**-**	**820 199 302**	**-**
Tier 3 capital allocated for market and operational risk	68 028 067	-	68 028 067	-
	888 227 369	**-**	**888 227 369**	**-**
Risk weighted assets	**2 553 215 217**	**-**	**2 553 215 217**	**-**
Tier 1 ratio (%)	25%	-	25%	-
Tier 2 ratio (%)	7%	-	7%	-
Tier 3 ratio (%)	3%	-	3%	-
Capital adequacy ratio (%)	35%	-	35%	-
Minimum statutory capital adequacy ratio	12%	12%	12%	12%

DIVIDEND

Notice is hearby given that a final dividend of US 0.25 cents per share and ZWG 3.9 cents per share was declared by the Board on 671 949 927 ordinary shares in issue on 27 March 2025 in respect of the year ended 31 December 2024. The dividend is payable to Shareholders registered in the books of Company at the close of business on Friday 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. Dividend payment will be made to Shareholders on or about 29 April 2025.

Directors' Report (Continued)

1. Directors' responsibility statement

The directors are responsible for preparing the Group and Company financial statements in accordance with applicable laws and regulations. Companies and Other Business Entities Act (Chapter 24:31) requires the directors to prepare Group and Company financial statements for each financial year. The Group and Company financial statements are required by law and International Financial Reporting Standards (IFRS®) to present a true and fair view of the financial position of the Group and the parent Company and the performance for that period. The Companies and Other Business Entities Act (Chapter 24:31) provides in relation to such financial statements that references in the relevant part of the Act to financial statements giving a true and fair view are references to their achieving a fair presentation. In preparing each of the Group and Company financial statements, the directors are required to:

* select suitable accounting policies and then apply them consistently;
* make judgments and estimates that are reasonable and neutral;
* state whether they have been prepared in accordance with IFRSs; and
* prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at anytime the financial position of the Group and the Company and enable them to ensure that its financial statements comply with the applicable legislation. They have general responsibility for taking such steps as are reasonably open to them to safe guard the assets of the Group and to prevent and detect fraud and other irregularities. The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

2. Compliance with legislation

These consolidated and company inflation adjusted financial statements, which have been prepared on the basis of historical cost financial information as restated using IAS 29 principles (except for fair value measurements where applicable), are in agreement with the underlying books and records and have been properly prepared in accordance with the accounting policies set out in note 2, and in the manner required by the Banking Act (Chapter 24:20), Insurance Act (Chapter 24:07), Securities and Exchange Act (Chapter 24:25), Building Societies Act (Chapter 24:02), Microfinance Act (Chapter 24:29) and the Companies and other Business Entities Act (Chapter 24:31).

3. Compliance with IFRSs

The financial statements are prepared in full compliance with IFRS® Accounting Standards. IFRSs comprise interpretations adopted by the International Accounting Standards Board (IASB), which includes standards adopted by the International Accounting Standards Board (IASB) and interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or by the former Standing Interpretations Committee (SIC). Complying with IFRSs achieves consistency with the financial reporting framework adopted. Using a globally recognized reporting framework also allows comparability with similar businesses and consistency in the interpretation of the financial statements.

4. Going concern

The Board has satisfied itself that the group and company have adequate resources to continue in operation for the foreseeable future.

As at the end of February 2025, our Group operations were in line with the Budget and had adequate liquidity for operations. The Group is leveraging on its Group financial position which had adequate cash resources as at the end of February 2025 to preserve its financial flexibility in the uncertain environment. The Group currently believes that it has adequate liquidity and business plans to continue operating using e-commerce to mitigate some of the risks associated with the environment we are operate in.

The Group continues to evaluate the potential short-term and long-term implications on the consolidated financial statements. The potential impacts include, but are not limited to: impairment of loans and advances, impairment of property and equipment and operating lease right of use assets related to the company's branches, fair value of financial assets and other investments, valuation of inventory, capacity to meet foreign obligations, net interest income, levels of non-funded income and expenses.

As a result of this satisfaction, the group and company financial statements have accordingly been prepared on a going concern basis. The annual financial statements for the year ended 31 December 2024 set out on pages 75 to 220 were approved by the Board of Directors on 27 March 2025.

Independent auditor

Messrs. KPMG have served their last year in office and shareholders will be asked to confirm the appointment of new auditors at the forthcoming Annual General Meeting.

By order of the Board

Tichaona K. Mabeza
SECRETARY

31 March 2025

Preparer of Financial Statements

These annual financial statements have been prepared under the supervision of Abel Magwaza (Group Finance Director) and have been audited in terms of the Companies and Other Business Entities Act (Chapter 24:31) of Zimbabwe.

Abel Magwaza ACA, CA(Z)
PAAB Number : 04408

Tichaona K. Mabeza
Group Company Secretary

Group Company Secretary's Certification

I certify that, to the best of my knowledge and belief, the Company has lodged with the Registrar of Companies all such returns as are required to be lodged by a public company in terms of the Companies and Other Business Entities Act (Chapter 24:31) of the Republic of Zimbabwe, and that all such returns are true, correct and up to date.

Tichaona K. Mabeza
Group Company Secretary

31 March 2024

Board of Directors

HERBERT NKALA
B.Sc. Hons, MBA
(CHAIRMAN)

Appointed to the FBC Holdings Limited Board in November 2002. He is a Chairman and director of several other companies, which are listed on the Zimbabwe Stock Exchange.

CHIPO MTASA
B.Acc (Hons), CA(Z)
(DEPUTY CHAIRPERSON)

Chipo, is a Chartered Accountant (Zimbabwe) who completed her articles with Coopers & Lybrand. She has wide experience in various sectors of commerce and industry in Zimbabwe. She is the former Group Chief Executive for the Rainbow Tourism Group and the Managing Director of Telone and is currently the director of several other companies. She was appointed to the Board of FBC Holdings Limited on the 3rd of July 2012.

TRYNOS KUFAZVINEI
B Acc (Hons), CA(Z), MBA
(GROUP CHIEF EXECUTIVE)

Trynos is a Chartered Accountant (Zimbabwe) who completed his articles with PriceWaterhouse and holds a Masters degree in Business Administration from the University of Manchester, United Kingdom. Trynos joined FBC Bank Limited in January 1998 as Head of Finance and Administration and was appointed to the board in October 2003. He became Group Finance Director in 2004 following the consolidation of the FBC Group and was appointed Chief Executive of the FBC Group on the 1st of January 2024.

AENEAS CHUMA
Msc in Applied Economics
(NON-EXECUTIVE DIRECTOR)

Aeneas has in excess of 34 years diverse experience in development work with the United Nations in various countries and is a holder of an Msc in Applied Economics.

Board of Directors (Continued)

KLETO CHIKETSANI
Bachelor of Business Studies (Honours) (UZ), AIISA
(EXECUTIVE DIRECTOR)

Kleto has over 31 years experience in reinsurance gathered with two leading reinsurers in Zimbabwe. He is one of the founder members of FBC Reinsurance Limited, having joined the company (then Southern Africa Reinsurance Company Limited) on 1 January 1995 as Senior Underwriter and rose through the ranks to become Executive Director, Operations of FBC Reinsurance Limited in 2006. He holds a Bachelor of Business Studies (Honours) Degree from the University of Zimbabwe and is also an Associate of the Insurance Institute of South Africa. He was appointed Managing Director for FBC Reinsurance Limited on 1 March 2012.

GARY COLLINS
PGD JMC
(NON EXECUTIVE DIRECTOR)

Gary is a deep subject matter expert on the nexus between digital innovation, leading edge technologies and core business value in banking and diversified financial services. He is Founder and Chief Executive Officer of Solveworx (Pty) Limited, Australia and holds a Post Graduate Diploma in Journalism and Media Studies.

FRANKLIN HUGH KENNEDY
Business Administration (Honours)
(NON EXECUTIVE DIRECTOR)

Franklin is currently the President of Equator Capital Partners LLC and is director of several other companies. He is a holder of a Bachelor of Business Administration (Honours) degree from the University of Western Ontario, Canada. He was appointed to the Board of FBC Holdings Limited on 18 December 2013.

ABEL MAGWAZA
BA (Hons) Accounting, MSc Accounting and Finance, CA(Z), FCCA, ACIS, ACA,MBA
(EXECUTIVE DIRECTOR, FINANCE AND ADMINISTRATION)/ GROUP FINANCE DIRECTOR

Abel has over 21 years of experience in the financial services industry, having served in various capacities within the Banking, Asset Management, and Insurance industries. He is a member of the Institute of Chartered Accountants in England and Wales (ICAEW), the Institute of Chartered Accountants of Zimbabwe (ICAZ), the Association of Chartered Certified Accountants (ACCA) and the Institute of Chartered Secretaries and Administrators (CIS). He is a holder of a Bachelor's Degree in Accounting, a Master of Science Degree in Accounting and Finance, and a Master of Business Administration degree. Abel joined FBC Bank in 2006 as an accountant. He was appointed to the position of Head of Finance and Administration for FBC Bank in 2011 and in 2017 and he was promoted to Executive Director, Finance & Administration, a position which he held until his appointment to the position of Group Finance Director with effect from 1 January 2024

DAVID MAKWARA
Ms BA, Bachelor of Commerce (Economics and Finance)
(NON-EXECUTIVE DIRECTOR)

David is the current Director of Corporate Affairs at NSSA, having previously worked as the Acting Chief Executive of NSSA. He has previously held various executive positions within and outside Zimbabwe including being the Managing Director of Trust Finance and Trust Securities Malawi.

Board of Directors (Continued)

CANADA MALUNGA
B.Acc (Hons), CA(Z)
(NON-EXECUTIVE DIRECTOR)

Canada, a Chartered Accountant (Zimbabwe) by training who completed his articles with Pricewaterhouse, has wide experience in various sectors of commerce and industry in Zimbabwe. He was appointed to the Board of FBC Holdings Limited on the 8th of June 2011.

RUTENHURO MOYO
MSIO
(NON-EXECUTIVE DIRECTOR)

Has a Masters in Industrial and Occupational Psychology and has post graduate qualifications in Business and Finance. An entrepreneur par excellence, Rute has wide experience and has held senior positions in international corporations such as Anglo – American, Old Mutual and Coca Cola Central Africa. He is director of several other companies.

CHARLES MSIPA
Bachelor of Law, LLB
(NON-EXECUTIVE DIRECTOR)

Mr Msipa is a lawyer by profession with years of experience at a senior level in various organizations, and is currently Group Managing Director of Schweppes Holdings Africa Limited.

DR. SIFISO NDLOVU
Dr of Philosophy (ZOU, Zimbabwe) Ms BA (AU, USA) Post Graduate Degree in Labour Policy Studies (CCU, Ghana) Bachelor of Business Administration (NU, USA) Certification in Education (UZ, Zimbabwe) Certificate in Performance Management (ZIPAM, Zimbabwe) Certificate in Workers' Rights in a Global Economy (GLU, Germany)
(NON-EXECUTIVE DIRECTOR)

Dr Sifiso is currently the Chief Executive Officer of Zimbabwe Teachers Association and is an accomplished writer and academic. He previously held several positions within the education sector. He is a board member of the Gwanda State University and Seke Teachers College amongst others.

VIMBAI NYEMBA
Bachelor of Laws Honours Degree (University of Zimbabwe)
(NON-EXECUTIVE DIRECTOR)

Vimbai is a registered legal practitioner and founding and managing partner of V Nyemba and Associates legal practitioners, a firm she established in 1997. She is a member of the Law Society of Zimbabwe, SADC Lawyers Association and African Bar Association amongst others. Vimbai is the current chairperson of the Procurement Regulatory Authority of Zimbabwe and board member of the Deposit Protection Corporation, Zimbabwe Asset Management Corporation and Star Africa Corporation. She has previously served as the President of the Law Society of Zimbabwe from 2015 to 2016.

WEBSTER RUSERE
AIBZ, MBA
(DEPUTY GROUP CHIEF EXECUTIVE)

Webster commenced his banking career in 1982 and rose through the corporate and retail banking ranks to become Head of Global Trade Finance and Cash Management Services in 1995 of a local multinational bank. He also served in other senior positions covering Local and Foreign Treasury Management, International Trade Finance, Correspondent Banking and Fund Management. He joined FBC Bank Limited in March 2000 as Project Manager. He was appointed Head of Retail Banking Division in 2004. He held the position of Managing Director at FBC Building Society for four years and was appointed Managing Director for FBC Bank Limited on the 1st of June 2011.

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.

Guidelines issued by the Reserve Bank of Zimbabwe from time to time are strictly adhered to and compliance check lists are continuously reviewed. The Board of Directors comprises of four executive directors and ten non-executive directors. The composition of the Board of FBC Holdings Limited shows a good mix of skill, experience as well as succession planning. The Group derives tremendous benefit from the diverse level of skills and experience of its Board of Directors.

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.

Board Attendance

	Main Board				Board Audit				Board HR				Board Finance & Strategy				Board Risk & Compliance				Board Marketing and PR				Board Digitalisation and Innovations			
Board member	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
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
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
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	√	√	√	√	√	√	√	√
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
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	√	√	√	√	√	√	√	√
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
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	√	√	√	√
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	√	√	√	√
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
Rutenhuro Moyo	√	√	√	√	√	X	√	√	N/A	N/A	N/A	N/A	√	X	√	√	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
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
Vimbai Nyemba	X	√	X	X	N/A	N/A	N/A	N/A	√	√	X	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	√	√	√	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

Key

√ - Attended

X - Apologies	Q1 - Quarter 1	Q3 - Quarter 3
N/A - not applicable	Q2 - Quarter 2	Q4 - Quarter 4

* Executive Director
** Independent Non Executive Director
*** Non-Independent Non-Executive Director

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:

Board Finance and Strategy Committee
Members
C. Malunga (Chairman)
D. Makwara
F. Kennedy
R. Moyo

Corporate Governance (Continued)

The Board Finance and Strategy Committee has written terms of reference. 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 Group's financial statements, and accounting policies,
- The Group's strategy and budget,
- The Group's performance against agreed benchmarks and
- The adequacy of the Group's management information systems.

Board Human Resources and Remuneration Committee

Members

C. Msipa (Chairman)
C. Mtasa
H. Nkala
V. Nyemba

The Committee is chaired by a non-executive director and comprises non-executive directors only. 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 directors, senior managers and staff are appropriately rewarded for their contributions to the Group's performance.

The Committee is also responsible for the Group'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.

Board Audit Committee

Members

C. Mtasa (Chairperson)
A. Chuma
C. Msipa
R. Moyo

The Committee is chaired by a non-executive director and comprises of non-executive directors only. The Divisional Director of Internal Audit, the Group Chief Executive, the Group Finance Director and other executives attend the committee by invitation. The Committee is constituted at Group level and oversees subsidiary companies.

The Committee meets regularly to:

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

Board Risk and Compliance Committee

Members

R. Moyo (Chairman)
S. Ndlovu
A. Chuma
F. Kennedy

The Committee is constituted at Group level and is responsible for the group risk management function. It is chaired by a non executive director. The Committee's primary objective is to maintain oversight of the Group'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 Group, noting any material compliance/ regulatory breaches and monitoring resolution of any such breaches.

Internal Controls

The Directors are responsible for the Group's internal control system, which incorporates procedures that have been designed to provide reasonable assurance that assets are safeguarded, proper accounting records are maintained and financial information is reliably reported.

The key procedures which the Board considers essential to provide effective control include:

i) Decentralized organisational structure with strong management working within defined limits of responsibility and authority.
ii) An annual budgeting process with quarterly re-forecasts to reflect changing circumstances, and the identification of key risks and opportunities.
iii) Detailed monthly management accounts with comparisons against budget through a comprehensive variance analysis.

Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these internal control procedures and systems has occurred during the year under review.

Executive Committee

The operational management of the Group is delegated to the executive committee, which is chaired by the Group Chief Executive. The executive committee is the chief operating decision maker for the Group.

Corporate Governance (Continued)

The executive committee comprises:
The Group Chief Executive
Deputy Group Chief Executive and Managing Director (FBC Bank Limited)
Group Finance Director
Managing Director (FBC Crown Bank Limited)
Managing Director (FBC Reinsurance Limited)
Managing Director (FBC Building Society)
Managing Director (FBC Securities (Private) Limited)
Managing Director (FBC Insurance Company (Private) Limited)
Managing Director (Microplan Financial Services (Private) Limited)
Group Company Secretary
Divisional Director Human Resources

It meets monthly or more frequently if necessary and acts on behalf of the Board.

Internal Audit

The internal audit department examines and evaluates the Group's activities with the aim of assisting management with the effective discharge of their responsibilities. It reviews the reliability and integrity of financial and operating information, the systems of internal control, the efficient management of the Group's resources, the conduct of operations and the means of safeguarding assets. The Divisional Director of Internal Audit reports to the Chairman of the Audit Committee.

Risk Management and Control

Introduction and overview

Managing risk effectively in a diverse and complex institution requires a comprehensive risk management governance structure that promotes the following elements of a sound risk management framework:

- Sound board and senior management oversight,
- Adequate policies, procedures and limits,
- Adequate risk monitoring and management information systems ("MIS"), and
- Adequate internal controls.

FBC Holdings Limited manages risk through a comprehensive framework of risk principles, organisational structure and risk processes that are closely aligned with the activities of the entities in the Group.

The most important risks that the Group is exposed to are listed below:
- Credit risk,
- Market risk,
- Liquidity risk,
- Reputational risk,
- Strategic risk,
- Operational risk and
- Compliance risk.

In addition to the above, there are also specific business risks that arise from the Group's reinsurance and insurance subsidiaries' core activities.

Risk management framework

In line with the Group's risk strategy, size and complexity of its activities, the Board established a risk governance structure and responsibilities that are adequate to meet the requirements of a sound risk management framework.

The Group's Board of Directors has the ultimate responsibility for ensuring that an adequate and effective system of internal controls is established and maintained. The Board delegates its responsibilities to the following Committees through its respective Board Committees:

- Group Risk and Compliance Committee,
- Group Audit Committee,
- Group Human Resources and Remuneration Committee,
- Group Finance and Strategy Committee,
- Credit Committees for the Banks and Building Society,
- Loans Review Committees for the Banks and Building Society and
- Assets and Liabilities Committees ("ALCO") for the Banks and Building Society.

The specific duties delegated to each committee of the Board and its respective Management Committee are outlined in the terms of reference for the specific committees.

In addition to the above Committees, the following three risk related functions are directly involved in Group-wide risk management:

- Group Risk Management,
- Group Internal Audit and
- Group Compliance.

Group Risk Management Division assumes a central role in oversight and management of all risks that the Group is exposed to in its various activities. The Head of Group Risk Management is responsible for recommending to the Group Risk and Compliance Committee and the Board Risk Management Compliance Committee a framework that ensures the effective management and alignment of risk within the Group. The Head of Group Risk Management is responsible for the process of identifying, quantifying, communicating, mitigating and monitoring risk.

Group compliance is an independent compliance management activity that is headed by the Group Compliance Manager who reports administratively to the Group Chief Executive and directly to the Group Risk and Compliance Committee. The Group Compliance Manager has unrestricted access to the Chairman of the Group Risk Compliance Committee.

Corporate Governance (Continued)

Group Internal Audit independently audits the adequacy and effectiveness of the Group's risk management, control and governance processes. The Divisional Director for Group Internal Audit reports administratively to the Group Chief Executive and functionally to the Chairman of the Audit Committee and provides independent assurance to the Group Audit Committee and has unrestricted access to the Chairman of the Group Board Audit Committee.

The principal risks to which the Group is exposed to and which it continues to manage are detailed in note 40 under Financial Risk Management.

Operational risk is the risk of loss arising from the potential that inadequate information system, technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems 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, authorization, 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 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 Management Business Continuity Committee is responsible for ensuring that all units and branches conduct tests half yearly in line with the Group policy. The Group continues to conduct its business continuity tests in the second and fourth quarters of each year and all the processes are well documented.

Compliance risk

Compliance risk is the current and prospective risk to earnings or capital arising from violations of, or non-conformance with laws, rules, regulations, prescribed practices, internal policies and procedures or ethical standards.

The Compliance function assesses the conformity of codes of conduct, instructions, procedures and organizations in relation to the rules of integrity in financial services activities. These rules are those which arise from the Group's own integrity policy as well as those which are directly provided by its legal status and other legal and regulatory provisions applicable to the financial services sector.

Management is also accountable to the Board for designing, implementing and monitoring the process of compliance risk management and integrating it with the day to day activities of the Group.

Corporate Governance (Continued)

Statement of Compliance

The Group complied with the following statutes inter alia:-

The Banking Act (Chapter 24:20) and Banking Regulations, Statutory Instrument 205 of 2000; Bank Use Promotion & Suppression of Money Laundering (Chapter 24:24); Exchange Control Act (Chapter 22:05); the National Payments Systems Act (Chapter 24:23), the Companies and Other Business Entities Act (Chapter 24:31), the relevant Statutory Instruments ("SI") SI 33/99, SI 33/19, SI 60/24 and SI 62/96, The Income Tax Act (Chapter 23:06), The Capital Gains Act (Chapter 23:01), the Value Added Tax Act (Chapter 23:12), Insurance Act (Chapter 24:07), Securities and Exchange Act (Chapter 24:25), Building Societies Act (Chapter 24:02), Zimbabwe Microfinance Act (Chapter 24:29) .

In addition, the Group also complied with the Reserve Bank of Zimbabwe's directives on liquidity management, capital adequacy as well as prudential lending guidelines.

International credit ratings

The Group supended the credit ratings on some of its banking and insurance subsidiaries which have in the past been reviewed annually by an international credit rating agency, Global Credit Rating due to the Covid-19 pandemic. The rating for the units with ratings that have been suspended was last done in 2019.

The last ratings for those units with suspended ratings and the ratings for those still being rated are as follows:

Subsidiary	2024	2023	2022	2021	2019	2018	2017	2016	2015
FBC Bank Limited	A-	A-	A-	A-	BBB+	BBB+	BBB+	BBB+	A-
FBC Reinsurance Limited	A-	A-	A-	A-	A-	A-	A-	A-	A-
FBC Building Society	BB+	BB+	-	-	BBB-	BBB-	BBB-	BBB-	BBB-
FBC Insurance Company Limited	-	-	-	-	A-	A-	A-	A-	BBB
Microplan Financial Services Limited	-	-	-	-	BBB	BBB	BBB-	BBB-	N/A
FBC Crown Bank Limited	-	A-	AA	AA+					

Herbert Nkala
(Group Chairman)

Trynos Kufazvinei
(Group Chief Executive)

Tichaona K. Mabeza
(Group Company Secretary)


@FBCHoldings
Step into
the Future of
Financial Innovation
FBC Holdings Limited
FBC Bank
FBC Insurance
Crown Bank
MicroPlan
FBC Securities
FBC Reinsurance
FBC Building Society
XARANI
OutRisk
You Matter Most
FBC Holdings Limited

Group Financial Statements

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100 The Chase (West)
Emerald Hill
P O Box 6 Harare
Zimbabwe
Tel: +263 (4) 303700, 302600
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Independent Auditors' Report
To the shareholders of FBC Holdings Limited

Opinion

We have audited the inflation adjusted consolidated and separate financial statements of FBC Holdings Limited (the Group and Company), which comprise the inflation adjusted consolidated and company statements of financial position as at 31 December 2024, the inflation adjusted consolidated and company statements of profit or loss and other comprehensive income, inflation adjusted consolidated and company statements of changes in equity and inflation adjusted consolidated and company statements of cash flows for the year then ended, and notes to the inflation adjusted consolidated and company financial statements, comprising material accounting policies and other explanatory information, as set out on pages 75 to 220.

In our opinion, the inflation adjusted consolidated and separate financial statements present fairly, in all material respects, the inflation adjusted consolidated and separate financial position of FBC Holdings Limited as at 31 December 2024, and its inflation adjusted consolidated and separate financial performance and inflation adjusted consolidated and separate cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board and the manner required by the Companies and Other Business Entities Act (Chapter 24:31), Banking Act (Chapter 24:20), Insurance Act (Chapter 24:07), Building Societies Act (Chapter 24:02), Securities and Exchange Act (Chapter 24:25) and Microfinance Act (Chapter 24:29).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the inflation adjusted consolidated and separate financial statements section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the inflation adjusted consolidated and separate financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the inflation adjusted consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the inflation adjusted consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors' Report (Continued)

1. Valuation of land and buildings and investment property

This matter relates to the inflation adjusted consolidated and separate financial statements. Refer to:

- material accounting policies - the investment property accounting policy note 2.10 and the property and equipment accounting policy note 2.12
- critical accounting estimates and judgements note - the investment property and property and equipment valuation note 3.4
- notes to the inflation adjusted consolidated financial statements - the investment property note 10, the property and equipment note 12 and the fair value of assets and liabilities note 32
- notes to the inflation adjusted company financial statements - the property and equipment note 8

Key audit matter	How the matter was addressed in our audit
The Group and the Company holds land and buildings that is measured at fair value in accordance with IAS 16, Property, Plant and Equipment (IAS 16). The Group also holds investment property which is measured at fair value in accordance with IAS 40, Investment Property (IAS 40). As at reporting date, the Group had land and buildings amounting to ZWG 718,1 million inflation adjusted and investment property amounting to ZWG 1,6 billion inflation adjusted. The Company has land and buildings of ZWG 119 million inflation adjusted. Land and buildings and investment property are subject to variability in values. The fair values of the Group's and Company's properties are classified as Level 3 in the fair value hierarchy, through their use of unobservable inputs such as rental rates per square meter, void rates and capitalisation rates, where applicable, and have estimation uncertainty inherent in their values. Furthermore, where applicable, the fair values are determined with reference to the most recent market prices in arm's length transactions of similar properties. Furthermore, the hyperinflationary environment makes it increasingly more challenging to determine fair values. The valuation of land and buildings and investment property was performed using United States Dollars (USD) denominated inputs. The USD values were subsequently translated to the functional currency (ZWG) using the official closing exchange rate. The Group and Company engaged independent qualified valuers to perform the property valuations. Determination of the fair value of land and buildings and investment property is subject to significant judgement and estimation uncertainty and is material to the inflation adjusted consolidated and separate financial statements. The valuation of the Group and Company's land and buildings and the Group's investment property was accordingly considered a key audit matter.	Our procedures included the following: • Evaluating the professional competence, capabilities, independence, and objectivity of the independent external valuers engaged by the directors to value the properties. • Engaging our own professional independent property valuer to reperform valuations on a sample basis and compare to the valuations as determined by the directors' valuers. • Evaluating the professional competence and capabilities, independence, and objectivity of our own engaged professional independent property valuer through inquiries and inspection of qualifications of the valuer. • Our engaged independent professional property valuer evaluated whether the valuation methodologies and assumptions used by the directors' engaged valuers are appropriate, based on their knowledge of the industry and the requirements of IFRS 13, Fair Value Measurement (IFRS 13). • Assessing whether the use of the official closing exchange rate for translating USD valuations into the ZWG functional currency is compliant with IAS 21, The Effects of Changes in Foreign Exchange Rates and IFRS 13. • Assessing the adequacy of the disclosures in the inflation adjusted consolidated and separate financial statements in respect of the valuation of land and buildings and investment properties in accordance with IAS 16, IAS 40 and IFRS 13.

2. Expected credit loss allowance on loans and advances to customers

This matter relates to the inflation adjusted consolidated financial statements. Refer to:

- material accounting policies - the financial assets impairment accounting policy note 2.5.1(vi)
- critical accounting estimates and judgements - the impairment of financial assets note 3.1
- notes to the inflation adjusted consolidated financial statements - the loans and advances to customers note 5.1 and the financial risk management - credit risk note 31.1

Independent Auditors' Report (Continued)

Key audit matter	How the matter was addressed in our audit
As at reporting date, the Group had net loans and advances to customers of ZWG 8,7 billion inflation adjusted. The Group uses an Expected Credit Loss (ECL) model to determine the allowance on loans and advances to customers. The Group's ECL model includes certain judgements and assumptions such as: • the credit grade allocated to the counterparties in the retail and corporate banking businesses; • the probability of a loan becoming past due and subsequently defaulting (probability of default PD); • the determination of the Group's definition of default; • the magnitude of the likely loss if there is default (loss given default LGD); • the expected exposure in the event of a default (exposure at default EAD); • the criteria for assessing significant increase in credit risk (SICR); • the rate of recovery on the loans that are past due and in default; • the identification of impaired assets and the estimation of impairment, including the estimation of future cash flows • market values and estimated time and cost to sell collateral; and • the incorporation of forward-looking information related to the expected outlook on the country's inflation rates, central bank policy on interest rates, exchange rates, treasury bill rates and the gross domestic product used in determining the expected credit losses in the loans and advances portfolios. Due to the quantitative significance of the loans and advances to customers on the Group and the level of judgement applied in determining the ECL, the expected credit loss on loans and advances was considered a key audit matter.	Our procedures included the following: • Assessing whether the Group's credit policies are aligned with IFRS 9, Financial Instruments (IFRS 9). • Assessing and testing the design, implementation and operating effectiveness of the key controls over credit origination and monitoring in the loan granting process. • For a sample of loans and advances, we evaluated the appropriateness of the credit grade through the performance of credit reviews and an analysis of the financial performance of selected customers. • Assessing the completeness, accuracy and validity of data and inputs used during the development and application of the ECL model by testing the key relevant controls relating to the data and inputs used to calculate loans and advances. • Engaging our Financial Risk Management specialists to: - evaluate the appropriateness of the Group's IFRS 9 expected credit losses model and assess the reasonability of the methodology updates within the Group's IFRS 9 ECL model since the prior year. - assess the reasonableness of management's assumptions in the determination of the PD, EADs and LGDs by comparing against industry benchmarks. - assess the appropriateness of the Group's IFRS 9 ECL models by reperforming management's calculations using our own independent models. • Challenging management's judgements and assumptions in respect of the forward-looking information incorporated into the determination of ECL by using available external and independent macro-economic information (particularly in respect of gross domestic product and inflation). • Assessing the adequacy of the Group's disclosures in respect of ECL as required in terms of IFRS 7, Financial instruments: disclosures.

3. Acquisition of a subsidiary

This matter relates to the inflation adjusted consolidated and company financial statements. Refer to:

- material accounting policies - the basis of consolidation accounting policy note 2.2 and the acquisition of a subsidiary note 2.25
- critical accounting estimates and judgements note - the acquisition of a subsidiary note 3.7
- notes to the inflation adjusted company financial statements - the investment in subsidiaries note 5

Independent Auditors' Report (Continued)

Key audit matter	How the matter was addressed in our audit
FBC Holdings Limited acquired a 100% interest in Standard Chartered Bank Zimbabwe Limited (which was subsequently renamed to FBC Crown Bank Limited) on the 17 May 2024 for a consideration of ZWG 241 million inflation adjusted. FBC Crown Bank Limited offers treasury services, investment banking, trade finance and custodial services and has retained its own banking licence. Management determined the fair values of the assets and liabilities acquired in accordance with market practice and the applicable requirements of IFRS 13, Fair Value Measurement (IFRS 13). Due to the significant level of judgement and complexity in the identification, recognition and measurement of assets acquired and liabilities assumed in terms of IFRS 3, Business Combinations (IFRS 3) and IFRS 10, Consolidated Financial Statements (IFRS 10) and the significance of FBC Crown Bank Limited to the inflation adjusted consolidated and separate financial statements, the acquisition of FBC Crown Bank was considered a key audit matter.	Our procedures included the following: • Obtaining an understanding of the transaction through inspection of the sale and purchase agreement, other relevant contracts and the identified terms in respect of the acquisition of the business. • Assessing and consulting with our technical team regarding the appropriateness of management's accounting treatment including the determination of an appropriate acquisition date against the requirements of the applicable standards. • Evaluating the appropriateness of the consideration paid based on the method specified in the sale and purchase agreement. • Assessing the appropriateness of: - the assets and liabilities identified in terms of the requirements of IFRS 3; and - the valuation techniques used and the determination of the fair values of the assets acquired, and liabilities assumed against the principles set out in IFRS 13. • Engaging our own tax specialists to review the tax effects of the acquisition; and • Assessing the disclosures in the inflation adjusted consolidated and separate financial statements, paying particular attention to the disclosures of the assumptions used and the judgements made against the requirements of IFRS 3.

Other matter

The prior year audited statutory inflation adjusted consolidated and separate financial statements were issued on 31 March 2024 using ZWL as the presentation currency. The comparative inflation adjusted financial statements are thus deemed as audited, based on the conversion to the presentation currency of the Zimbabwe Gold (ZWG), as indicated in note 2.1 to the audited inflation adjusted consolidated and separate financial statements.

Other information

The directors are responsible for the other information. The other information comprises all other information included on the document titled "FBC Holdings Limited Annual Report Consolidated and Company for the year ended 31 December 2024", and including the unaudited financial information in the inflation adjusted consolidated and separate financial statements titled "Historical Cost", but does not include the inflation adjusted consolidated and separate financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the "The Annual Report", which is expected to be made available to us after that date.
Our opinion on the inflation adjusted consolidated and separate financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the inflation adjusted consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the inflation adjusted consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditors' Report (Continued)

Responsibilities of the directors for the inflation adjusted consolidated and separate financial statements

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

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

Auditors' responsibilities for the audit of the inflation adjusted consolidated and separate financial statements

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

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

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

Independent Auditors' Report (Continued)

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

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

KPMG

Themba Mudidi
Chartered Accountant (Z)
Registered Auditor
PAAB Practicing Certificate Number 0437

31 March 2025

For and on behalf of, KPMG Chartered Accountants (Zimbabwe), Reporting Auditors

Mutual Gardens
100 The Chase (West)
Emerald Hill
P.O Box 6, Harare
Zimbabwe

Consolidated Statement of Financial Position
As at 31 December 2024

	Note	INFLATION ADJUSTED 31 Dec 2024	INFLATION ADJUSTED 31 Dec 2023 Restated**	HISTORICAL COST * 31 Dec 2024	HISTORICAL COST * 31 Dec 2023 Restated**
ASSETS		ZWG	ZWG	ZWG	ZWG
Balances with 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	15	95 884 027	86 575 667	95 884 027	7 968 929
Reinsurance contract assets	15	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	17.3	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	26.3	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	4 424 358 752	7 529 631 160	407 243 773
Deposits from other banks	13.2	1 117 454 837	476 992 091	1 117 454 837	43 905 133
Borrowings	14	2 805 334 691	3 117 074 268	2 805 334 691	286 913 688
Insurance contract liabilities	15	288 116 863	318 626 653	288 116 863	29 328 255
Reinsurance contract liabilities	15	-	40 200 988	-	3 700 333
Trade and other payables	16	2 379 230 079	2 730 478 975	2 255 353 600	247 822 948
Current income tax liability		11 374 737	33 157 385	11 374 737	3 051 999
Deferred tax liability	17.3	857 500 628	531 876 884	859 682 504	50 056 084
Lease liability	26.3	22 518 019	14 394 740	22 518 019	1 324 976
Total liabilities		**15 011 161 014**	**11 687 160 736**	**14 889 466 411**	**1 073 347 189**
Equity					
Capital and reserves attributable to equity holders of the parent entity					
Share capital and share premium	18.3	62 833 756	62 833 756	5 639	5 639
Other reserves	19	1 154 710 031	948 243 081	1 095 827 924	79 409 830
Retained profits		3 333 152 894	2 054 564 597	3 593 415 593	203 415 837
Total equity, excluding non controlling interest		**4 550 696 681**	**3 065 641 434**	**4 689 249 156**	**282 831 306**
Non controlling interest in equity		4 831 886	3 432 918	4 015 464	276 785
Total equity		**4 555 528 567**	**3 069 074 352**	**4 693 264 620**	**283 108 091**
Total equity and liabilities		**19 566 689 581**	**14 756 235 088**	**19 582 731 031**	**1 356 455 280**

The consolidated financial statements on pages 75 to 200 were authorised for issue by the board of directors on 27 March 2025 and were signed on its behalf.

Herbert Nkala
(Chairman)

Trynos Kufazvinei
(Group Chief Executive)

Tichaona K. Mabeza
(Company Secretary)

*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 Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2024

	Note	INFLATION ADJUSTED 31 Dec 2024 ZWG	INFLATION ADJUSTED 31 Dec 2023 Restated** ZWG	HISTORICAL COST * 31 Dec 2024 ZWG	HISTORICAL COST * 31 Dec 2023 Restated** ZWG
Interest income calculated using the effective interest method	20	1 988 137 806	1 672 376 848	1 308 639 706	93 456 750
Interest and related expense	20.1	(581 830 992)	(629 950 740)	(391 280 975)	(34 241 220)
Net interest related income		**1 406 306 814**	**1 042 426 108**	**917 358 731**	**59 215 530**
Fee and commission income	21	1 259 778 945	1 013 711 882	858 288 791	57 395 058
Fee and commission expense	22	(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	23	633 945 902	522 107 952	433 552 930	27 654 494
Insurance service expense	26	(579 477 750)	(493 751 525)	(424 208 329)	(29 294 903)
Net revenue/(expenses) from reinsurance contracts	15.1	(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		3 722 163 789	2 498 503 950	3 682 407 556	224 335 304
Net gain from financial assets at fair value through profit or loss	24	947 714 024	368 306 218	991 551 796	34 683 879
Other operating (loss)/income	25	(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**
Impairment allowance	5.4	(90 062 998)	(232 983 032)	(90 062 998)	(21 445 117)
Other operating expenses	26	(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	27.1	(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**

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2024

	Note	INFLATION ADJUSTED 31 Dec 2024 ZWG	INFLATION ADJUSTED 31 Dec 2023 Restated** ZWG	HISTORICAL COST* 31 Dec 2024 ZWG	HISTORICAL COST* 31 Dec 2023 Restated** ZWG
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 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 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	30.1	266.68	233.02	569.07	31.35
Diluted earnings per share	30.2	266.68	233.02	569.07	31.35
Headline earnings per share	30.3	266.85	234.56	569.08	31.37
Diluted headline earnings per share	30.4	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 Changes in Equity
For the year ended 31 December 2024

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 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 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**

*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 Changes in Equity
For the year ended 31 December 2024

HISTORICAL COST*	Share Capital ZWG	Share Premium ZWG	Retained Profit ZWG	Translation reserve ZWG	Treasury shares ZWG	Non distributable Reserve ZWG	Revaluation Reserve ZWG	Finacial 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**	**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 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)
Shareholders' equity at 31 December 2023, restated**	**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 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)
Shareholders' equity at 31 December 2024	**3**	**5 636**	**3 593 415 593**	**432 941 018**	**(2 745 018)**	**568 221**	**712 234 117**	**(5 5998 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)

Consolidated Statement of Cash Flows
For the year ended 31 December 2024

	Note	INFLATION ADJUSTED 31 Dec 2024 ZWG	INFLATION ADJUSTED 31 Dec 2023 Restated** ZWG	HISTORICAL COST * 31 Dec 2024 ZWG	HISTORICAL COST * 31 Dec 2023 Restated** ZWG
Cash flow from operating activities					
Profit before income tax		2 013 080 354	1 754 445 635	4 103 276 935	230 639 349
Adjustments for non cash items:					
Monetary loss/(gain)		576 337 456	(384 538 143)	-	-
Depreciation	12	114 223 410	33 702 425	53 350 943	1 620 466
Amortisation charge	11	202 651	1 096 660	54 725	12 475
Credit impairment losses	5.4	90 062 998	232 983 032	90 062 998	21 445 117
Net unrealised exchange gains and losses		(662 875 785)	(1 259 283 894)	(3 829 128 758)	(243 536 791)
Fair value adjustment on investment property		275 307 234	(593 076 724)	(907 315 944)	(102 361 145)
Fair value adjustment on financial assets at fair value through profit or loss	24	(947 714 024)	(368 306 218)	(991 551 796)	(34 683 879)
Profit/(loss) on disposal of property and equipment	25	1 069 431	9 408 362	45 557	108 485
Depreciation right of use asset	26.3	3 799 364	4 628 715	2 065 188	188 455
Interest on lease liability	26.3	2 345 652	1 936 088	1 174 335	118 806
Provisions***		629 861 694	180 329 896	629 861 694	16 598 615
Goodwill written off		18 100 192	-	18 100 192	-
Net cash generated/(used) before changes in operating assets and liabilities		**2 113 800 627**	**(386 674 166)**	**(830 003 931)**	**(109 850 047)**
Decrease in financial assets at amortised cost		383 876 377	145 311 678	9 353 186	1 071 886
Decrease in loans and advances		4 393 257 148	1 628 546 466	(1 880 021 508)	(78 019 839)
Decrease in trade and other receivables		14 473 859	16 465 636	11 572 580	242 128
Decrease/(increase) in insurance contract assets		61 299 983	(21 195 287)	(17 306 755)	(2 905 666)
Decrease/(increase) in reinsurance contract assets		17 816 197	(47 233 300)	(60 828 158)	(6 316 522)
Decrease in financial assets at fair value through profit or loss		647 161 547	513 921 503	200 603 204	25 200 167
Increase in financial assets at fair value through other comprehensive income		(248 849 853)	-	(249 019 443)	-
Increase in inventory		(34 117 709)	(4 650 660)	(45 355 763)	(737 525)
(Increase)/decrease in prepayments and other assets		(513 498 527)	548 470 206	(1 305 979 122)	23 051 401
Increase in investment property		(192 951 945)	(99 742 685)	(191 468 363)	(5 267 656)
Decrease in deposits from customers		(917 719 790)	(1 025 980 143)	3 099 395 188	73 967 921
Decrease in deposits from other banks		(361 368 041)	(709 454 656)	71 718 918	(44 740 295)
(Decrease)/increase in insurance contract liabilities		(53 044 623)	224 146 900	236 253 775	26 949 383
(Decrease) in reinsurance contract liabilities		(40 200 988)	(33 294 145)	(3 700 333)	(681 736)
(Decrease)/increase in trade and other payables		(1 890 915 956)	1 122 748	467 863 592	89 241 884
		3 379 018 306	**749 760 095**	**(486 922 933)**	**(8 794 516)**
Income tax paid		(305 787 413)	(264 848 860)	(382 854 796)	(24 221 195)
Interest on lease liability paid		(2 345 652)	(1 936 088)	(1 174 335)	(118 806)
Net cash generated from operating activities		**3 070 885 241**	**482 975 147**	**(870 952 064)**	**(33 134 517)**
Cash flows from investing activities					
Purchase of Subsidiary net of cash acquired	2.25	487 359 302	-	657 720 561	-
Purchases of intangible assets	11	(1 369 359)	(1 962 559)	(1 166 779)	(47 926)
Purchase of property and equipment	12	(59 374 468)	(63 047 981)	(41 013 748)	(2 909 555)
Proceeds from sale of property and equipment		7 217 535	15 764 439	4 785 008	1 243 131
Net cash used in/(generated from) investing activities		**433 833 010**	**(49 246 101)**	**620 325 042**	**(1 714 350)**
Cash flows from financing activities					
Lease liability principal payments		(51 414)	1 489 212	8 361 139	776 012
Proceeds from borrowings	14	1 722 271 596	366 775 305	1 322 496 820	7 141 473
Repayment of borrowings	14	(3 641 606 282)	(1 434 708 463)	(411 670 926)	(1 634 503)
Dividend paid to company's shareholders		(344 718 610)	(128 249 365)	(77 637 830)	(6 633 293)
Purchase of treasury shares		(2 395 160)	(395 140)	(2 067 980)	(10 354)
Net cash used in financing activities		**(2 266 499 870)**	**(1 195 088 451)**	**839 481 223**	**(360 665)**
Net increase/(decrease) in cash and cash equivalents		**1 238 218 381**	**(761 359 405)**	**588 854 201**	**(35 209 532)**
Cash and cash equivalents at beginning of the year		3 487 238 759	1 750 899 993	320 985 786	33 538 083
Effects of changes in exchange rates		3 481 297 801	3 499 697 146	3 554 324 525	322 657 235
Effects of inflation on cash and cash equivalents		(3 742 590 429)	(1 001 998 975)	-	-
Cash and cash equivalents at the end of year	4.2	**4 464 164 512**	**3 487 238 759**	**4 464 164 512**	**320 985 786**

*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)
***Provisions are comprised of staff related provisions

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024

1 GENERAL INFORMATION

FBC Holdings Limited ("the Company") and its subsidiaries (together "the Group") provide a wide range of commercial and wholesale banking, mortgage financing, micro lending, reinsurance, short-term insurance, and stockbrocking services. The Company is a limited liability company, which is listed on the Zimbabwe Stock Exchange. The Company and its subsidiaries are incorporated and domiciled in Zimbabwe. These consolidated financial statements were approved for issue by the Board of Directors on 27 March 2025.

2 MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied by the Group and the Company to all the years presented unless stated otherwise.

2.1 Basis of preparation

The Group's consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board, and International Financial Reporting Standards Interpretations Committee, ("IFRIC") interpretations, Banking Act (Chapter 24:20), Insurance Act (Chapter 24:07), Securities and Exchange Act (Chapter 24:25), Building Societies Act (Chapter 24:02), Microfinance Act (Chapter 24:29) and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).

The inflation adjusted consolidated financial statements have been prepared from statutory records that are maintained under the historical cost convention (restated under IAS 29 principles) as modified by the revaluation of financial assets at fair value through profit or loss, Financial assets at fair value through other comprehensive income, investment property and`property and equipment. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of financial statements in conformity with IFRS® accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the consolidated financial statements are disclosed in note 3.

Functional and presentation currency

The Group operates in a multi-currency economy where a basket of currencies including the Zimbabwean Gold (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 one year in terms of the Zimbabwean laws and are currently being used in the economy to varying degrees. Over the year, 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, the USD has grown in its use in the economy and in the Group's subsidiaries 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 21.9b - 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:

1) Staff cost for the Group in ZWG still contributed 74% of the total staff cost.
2) Operating expenses incurred mainly in ZWG were 85% of the total operating expenses.
3) The main revenue driver for the Group, Interest Income in ZWG contributed 51% to total interest income whilst interest expense in ZWG contributed 45%. This mainly indicates the dominance of the interest rate pricing in ZWG over the USD.
4) Certainly, the ZWG lending is highly regulated as often the RBZ uses ZWG interest rates pricing as part of monetary policy tools to control money supply and inflation in the economy. The USD interest rates are not regulated. This further demonstrate the fact that the ZWG is still the dominant currency that influences sales prices for its lending services in not only the company but also the financial services industry and the economy at large.
5) Fee and Commission income in ZWG contributed 43% to total fee and commission income whilst fee and commission expense in ZWG contributed 51%. However, a closer analysis of the income drivers ie customer accounts, volumes and values still clearly shows that the ZWG is the dominant currency.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

Based on this 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. There are mixed indicators on “the currency that mainly influences sales prices for goods and services”, with the ZWG still marginally dominating the main revenue driver for the Group, interest income, whilst the USD is now dominating the second main revenue driver of transactional income (fee and commission income).

The Directors, having given priority to the primary indicators of functional currency as per IAS 21, concluded that the ZWG is still the Group’s subsidiaries 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. The Group’s reporting currency is ZWG.

Conversion from Zimbabwean Dollar (‘ZWL”) to Zimbabwe Gold (“ZWG”)

Following the Introduction of the Zimbabwe Gold by the Reserve Bank of Zimbabwe (RBZ) on 5 April 2024 and the Statutory Instrument (SI) 60 of 2024, all the previously existing Zimbabwean Dollar balances were converted into Zimbabwe Gold as at that date. The swap rate of ZWG 1: ZWL2 498.7242 was used as guided by the Reserve Bank of Zimbabwe.

The Group applied the requirements of IAS 21- The Effects of Changes in Foreign Exchange Rates - when converting ZWL amounts to ZWG as functional and reporting currency.

Transactions between 1 January 2024 and 5 April 2024 were inflation adjusted to the 5th of April 2024 using the CPI and TCPL applicable to ZWL in compliance with the requirements of IAS 29 - Financial Reporting in Hyper Inflation economies. These amounts were then converted to ZWG using the swap rate of ZWG 1: ZWL2 498.7242 before they were further adjusted to the 31 of December 2024 current terms using the CPI applicable to the new ZWG currency. Current results in the consolidated financial results for the period ended 31 December 2024 are a combination of these transactions and transactions that occurred between 6 April 2024 and 31 December 2024 which have been restated using the CPI applicable to the ZWG currency.

Comparative financial information

Figures for prior periods were uplifted to 5 April 2024 terms with the inflation adjusted ZWL figures then converted to ZWG using a conversion rate as guided by the Reserve Bank of Zimbabwe.

Adoption of the IAS 29 (Financial Reporting in Hyperinflation Economies)

In October 2019, the PAAB issued a pronouncement prescribing that the application of financial reporting in hyperinflation economies had become effective in Zimbabwe, for reporting periods on or after 1 July 2019. These financial statements have been prepared in accordance with IAS 29 together with International Financial Reporting Standards Committee (IFRIC) 7. (Applying Restated Approach under IAS 29), as if the economy had been hyperinflationary from 1 October 2018.

The Group adopted the Zimbabwe Consumer Price Index (“CPI”) as the general price index to restate the transactions and balances. Monetary assets and liabilities and non-monetary assets and liabilities carried in the financial statements have been restated by applying the change in the general price index from dates when the transactions were initially recorded in the Group’s financial records (transaction date). A net monetary adjustment was recognized in the statement of profit or loss for the year ended 31 December 2024 and the comparative period. Comparative amounts in the Group financial statements have been restated to reflect the change in the general price index from 1 October 2018 to the end of the reporting period. All items in the statement of cash flows are expressed based on the restated financial information for the period.

As noted above, the Group adopted the Zimbabwe Consumer Price Index (“CPI”) as the general price index and used the monthly indices to inflation adjust the historical figures.

The official consumer price index was last published and made available for the month of January 2023. The Group had then to estimate the consumer price index for remaining part of the year 2023 into the first three months of the year 2024 using the Total Consumption Poverty Line (“TCPL”).

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.1 Basis of preparation (continued)

The factors used in the periods under review are as follows:

Period	Indices	Conversion Factors at 5 April 2024 before currency conversion	Conversion Factors at 31 December 2024 after currency conversion
CPI as at 31 December 2021	3,977.46	107.9130	0.0432
CPI as at 31 December 2022	13,672.91	31.3920	0.0126
TCPL as at 31 December 2023	65,703.44	6.5327	0.0026
CPI as at 5 April 2024	429,219.62	1.0000	0.0004
CPI as at 6 April 2024	100.00		1.6630
CPI as at 31 December 2024	166.30		1.0000

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 unadjusted historical figures are supplementary information.

2.1.1 Changes in accounting policy and disclosures

Accounting Standards issued but not yet effective

A number of new accounting standards and amendments to accounting standards are effective for annual periods beginning after 1 January 2024. and earlier application is permitted. However, the Group has not early adopted the new and amended accounting standards in preparing these consolidated financial statements

A. Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the International Accounting Standards Board (IASB) issued amendments to the classification and Measurement of Financial Instruments which amended IFRS 9 and IFRS 7. The requirements will be effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted, and are related to:

- Settling financial liabilities using electronic payments system; and
- Assessing contractual cash flow characteristics of financial assets, including those with sustainability-linked features.

The Group is in the process of assessing the impact of the new amendments.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.1.1 Changes in accounting policy and disclosures (continued)

B. IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

· Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal. Entities' net profit will not change.
· Management-defined performance measures (MPM) are disclosed in a single note in the financial statements.
· Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is still in the process of assessing the impact of the new standard, particularly with the respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including the items currently labelled as 'other'.

C. Other accounting standards

The Lack of Exchangeability (Amendments to IAS 21) is not expected to have a significant impact on the Group's consolidated financial statements.

2.1.2 Going concern

The Group and Company's forecasts and projections, taking into account reasonably possible changes in trading environment and performance, show that the Group and Company should be able to operate within the level of its current financing. After a detailed assessment, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

As at the end of February 2025, our Group and Company's operations were in line with the Budget and had adequate liquidity for operations. The Group and Company is leveraging on its Group financial position which had adequate cash resources as at the end of February 2025 to preserve its financial flexibility in the uncertain environment.

The Group and Company therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

2.1.3 Use of judgements and estimates

Information about assumptions and estimation uncertainties at 31 December 2024 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:
- Impairment of financial assets, note 3.1
- Insurance contracts, note 2.8 and note 15
- Inventory valuation, note 3.3
- Investment property and property and equipment valuation, note 3.4
- Valuation of unlisted equities, note 3.5
- Gain or loss on the monetary position, note 3.6

2.2 Basis of consolidation

(a) Subsidiaries

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.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.2 Basis of consolidation (continued)

Acquisition-related costs are expensed as incurred. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus their share of subsequent changes in equity.

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 loses 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 re-measured, 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.

(b) Subsidiaries

The consolidated financial statements combine the financial statements of FBC Holdings Limited ("the Company") and all its subsidiaries. Subsidiaries are all 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. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Non controlling interest

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.

(d) 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".

(e) Loss in control

When the Group ceases to have control, any retained interest in the entity is re-measured 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.

(f) Transactions eliminated on consolidation

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Unrealised profits or losses are also eliminated.

(g) Separate financial statements of the Company

The Company recognises investments in subsidiaries at cost, less accumulated impairment allowances in the separate financial statements of the Company.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 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 and wholesale banking, microlending, mortgage financing, reinsurance, short-term insurance, insurance broking and stockbroking.

2.3.1 Commercial and wholesale banking

The principal activities of this segment consist of dealing in the money and foreign exchange markets, retail, corporate and international banking and corporate finance.

2.3.2 Microlending

The principal activities of this segment consist of short-term lending to the informal market.

2.3.3 Mortgage financing

The principal activities of this segment consist of housing development, mortgage lending, savings deposit accounts and other money market investment products.

2.3.4 Reinsurance

The principal activities of this segment consist of underwriting the following classes of reinsurance business; fire, engineering, motor, miscellaneous accident classes and marine.

2.3.5 Short - term insurance

The principal activities of this segment consist of underwriting the following classes of insurance business; fire, engineering, motor, miscellaneous accident classes and marine.

2.3.6 Stockbroking

The principal activities of this segment consist of dealing in the equities market and offering advisory services.

2.3.7 Microlending

The principal activities of this segment consist of insurance products broking.

2.3.8 Insurance broking

The principal activities of this segment consist of broking insurance products and offering insurance advisory services.

2.4 Foreign currency translation

i) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges. Economic hedging is applied where hedging is being referred to in these financial statements.

Foreign exchange gains or losses are presented in the statement of profit or loss within 'net foreign currency dealing and trading income'. Changes in the fair value of monetary securities denominated in foreign currency classified as financial assets at fair value through other comprehensive income are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.4 Foreign currency translation (continued)
Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non monetary financial assets, such as equities classified as financial assets at fair value through other comprehensive income, are included in other comprehensive income.

ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into ZWG at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into ZWG at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, then the relevant proportion of the cumulative amount is reattributed to NCI.

2.5 Financial assets and liabilities
2.5.1 Financial assets classification
Financial instruments include cash and cash equivalents, loans and advances to customers, financial investments, investment securities, derivative assets and liabilities, financial assets and liabilities included in other assets and liabilities, deposits and current accounts. All financial instruments are initially recognised at fair value plus directly attributable transaction costs, except those carried at fair value through profit or loss where transaction costs are recognised immediately in profit or loss.

Equity financial assets which are not held for trading and are irrevocably elected (on an instrument-by instrument basis) to be presented at fair value through OCI. The Group has an equity investments in Zimbabwe Stock Exchange and Turnall Holdings which are measured at fair value through OCI.

i. Recognition and initial measurement

The Group initially recognises loans and advances, deposits, debt securities issued and subordinated liabilities on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of that transaction.

A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. The fair value of a financial instrument at initial recognition is generally its transaction price.

ii. Classification

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
— the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
— the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:
— the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
— the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.5.1 Financial assets classification (continued)

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

— the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
— how the performance of the portfolio is evaluated and reported to the Group's management;
— the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
— how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
— the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

The Group's retail and corporate banking business comprises primarily loans to customers that are held for collecting contractual cash flows. In the retail business the loans comprise mortgages, overdrafts, unsecured personal lending and credit card facilities. Sales of loans from these portfolios are very rare.

Certain debt securities are held by the Group Central Treasury in a separate portfolio for long-term yield. These securities may be sold, but such sales are not expected to be more than infrequent. The Group considers that these securities are held within a business model whose objective is to hold assets to collect the contractual cash flows.

Certain other debt securities are held by the Group Central Treasury in separate portfolios to meet everyday liquidity needs. The Group Central Treasury seeks to minimise the costs of managing these liquidity needs and therefore actively manages the return on the portfolio. That return consists of collecting contractual cash flows as well as gains and losses from the sale of financial assets. The investment strategy often results in sales activity that is significant in value. The Group considers that these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

The Group originates certain loans and advances to customers and investment securities for sale to securitisation vehicles that are not consolidated by the Group. Such financial assets are held within a business model whose objective is to realise cash flows through sale.

Certain non-trading loans and advances to customers held by the Group's investment banking business and debt securities held by the Group Central Treasury are managed with an objective of realising cash flows through sale. The Group primarily focuses on fair value information and uses that information to assess the asset's performance and to make decisions.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.5.1 Financial assets classification (continued)

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:
— contingent events that would change the amount and timing of cash flows;
— leverage features;
— prepayment and extension terms;
— terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse loans); and
— features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

The Group holds a portfolio of long-term fixed-rate loans for which the Group has the option to propose to revise the interest rate at periodic reset dates. These reset rights are limited to the market rate at the time of revision. The borrowers have an option to either accept the revised rate or redeem the loan at par without penalty. The Group has determined that the contractual cash flows of these loans are SPPI because the option varies the interest rate in a way that is consideration for the time value of money, credit risk, other basic lending risks and costs associated with the principal amount outstanding.

Equity instruments have contractual cash flows that do not meet the SPPI criterion. Accordingly, all such financial assets are measured at FVTPL unless the FVOCI option is selected.

Non-recourse loans

In some cases, loans made by the Group that are secured by collateral of the borrower limit the Group's claim to cash flows of the underlying collateral (non-recourse loans). The Group applies judgement in assessing whether the non-recourse loans meet the SPPI criterion. The Group typically considers the following information when making this judgement:

— whether the contractual arrangement specifically defines the amounts and dates of the cash payments of the loan;
— the fair value of the collateral relative to the amount of the secured financial asset;
— the ability and willingness of the borrower to make contractual payments, notwithstanding a decline in the value of collateral;
— whether the borrower is an individual or a substantive operating entity or is a special-purpose entity;
— the Group's risk of loss on the asset relative to a full-recourse loan;
— the extent to which the collateral represents all or a substantial portion of the borrower's assets; and
— whether the Group will benefit from any upside from the underlying assets.

Contractually linked instruments

The Group has some investments in securitisations (see Note 38) that are considered contractually linked instruments. Contractually linked instruments each have a specified subordination ranking that determines the order in which any cash flows generated by the pool of underlying investments are allocated to the instruments. Such an instrument meets the SPPI criterion only if all of the following conditions are met:

— the contractual terms of the instrument itself give rise to cash flows that are SPPI without looking through to the underlying pool of financial instruments;
— the underlying pool of financial instruments (i) contains one or more instruments that give rise to cash flows that are SPPI; and (ii) may also contain instruments, such as derivatives, that reduce the cash flow variability of the instruments under (i) and the combined cash flows (of the instruments under (i) and (ii)) give rise to cash flows that are SPPI; or align the cash flows of the contractually linked instruments with the cash flows of the pool of underlying instruments under (i) arising as a result of differences in whether interest rates are fixed or floating or the currency or timing of cash flows; and
— the exposure to credit risk inherent in the contractually linked instruments is equal to or less than the exposure to credit risk of the underlying pool of financial instruments.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.5.1 Financial assets classification (continued)
iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Any cumulative gain or loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in profit or loss on derecognition of such securities, as explained in. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability.

The Group enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised. Examples of such transactions are securities lending and sale-and-repurchase transactions.

When assets are sold to a third party with a concurrent total return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to sale-and repurchase transactions, because the Group retains all or substantially all of the risks and rewards of ownership of such assets.

In transactions in which the Group neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

In certain transactions, the Group retains the obligation to service the transferred financial asset for a fee. The transferred asset is derecognised if it meets the derecognition criteria. An asset or liability is recognised for the servicing contract if the servicing fee is more than adequate (asset) or is less than adequate (liability) for performing the servicing.

The Group securitises various loans and advances to customers and investment securities, which generally result in the sale of these assets to unconsolidated securitisation vehicles and in the Group transferring substantially all of the risks and rewards of ownership. The securitisation vehicles in turn issue securities to investors. Interests in the securitised financial assets are generally retained in the form of senior or subordinated tranches, or other residual interests (retained interests). Retained interests are recognised as investment securities and measured as explained.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or canceled, or expire.

iv. Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, then the Group evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised (see (iii)) and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- — fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- — other fees are included in profit or loss as part of the gain or loss on derecognition.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5.1 Financial assets classification (continued)

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Group plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Group first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method.

Financial liabilities

The Group derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification.a Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

v. Fair value measurement

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

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

(a) The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the difference, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.5.1 Financial assets classification (continued)

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Group on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for the particular risk exposure. Portfolio-level adjustments – e.g. bid-ask adjustment or credit risk adjustments that reflect the measurement on the basis of the net exposure – are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

vi. Impairment

The Group recognises loss allowances for ECL on the following financial instruments that are not measured at FVTPL:

- financial assets at amortised cost;
- lease receivables;
- financial guarantee contracts issued; and
- loan commitments issued.

No impairment loss is recognised on equity investments

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECL.

The Group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Group does not apply the low credit risk exemption to any other financial instruments.

12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which 12-month ECL are recognised are referred to as 'Stage 1 financial instruments'. Financial instruments allocated to Stage 1 have not undergone a significant increase in credit risk since initial recognition and are not credit-impaired.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument or the maximum contractual period of exposure. Financial instruments for which lifetime ECL are recognised but that are not credit-impaired are referred to as 'Stage 2 financial instruments'. Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit-impaired.

Financial instruments for which lifetime ECL are recognised and that are credit-impaired are referred to as 'Stage 3 financial instruments'.

Determining a significant increase in credit risk since initial recognition:

The Group assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. The credit risk of an exposure is considered to have significantly increased when:

i) Quantitative test

The annualised lifetime PD has increased by more than an agreed threshold relative to the equivalent at origination.

PD deterioration thresholds are defined as percentage increases, and are set at an origination score band and segment level to ensure the test appropriately captures significant increases in credit risk at all risk levels. Generally, thresholds are inversely correlated to the origination PD, i.e. as the origination PD increases, the threshold value reduces.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5.1 Financial assets classification (continued)

The assessment of the point at which a PD increase is deemed 'significant', is based upon analysis of the portfolios' risk profile against a common set of principles and performance metrics (consistent across both retail and wholesale businesses), incorporating expert credit judgement where appropriate.

ii) Qualitative test

Relevant for accounts that meet the portfolio's 'high risk' criteria and are subject to closer credit monitoring.
High risk customers may not be in arrears but either through an event or an observed behaviour exhibit credit distress. The definition and assessment of high risk includes as wide a range of information as reasonably available, such as industry and Group-wide customer level data, including but not limited to bureau scores and high consumer indebtedness index, wherever possible or relevant.

Whilst the high risk populations applied for IFRS 9 impairment purposes are aligned with risk management processes, they are also regularly reviewed and validated to ensure that they capture any incremental segments where there is evidence of credit deterioration.

iii) Backstop criteria

Relevant for accounts that are more than 30 calendar days past due. The 30 days past due criteria is a backstop rather than a primary driver of moving exposures into Stage 2.

Exposures will move back to Stage 1 once they no longer meet the criteria for a significant increase in credit risk. This means that, at a minimum: all payments must be up-to-date, the PD deterioration test is no longer met, the account is no longer classified as high risk, and the customer has evidenced an ability to maintain future payments.

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

— financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive);
— financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows. Estimated future cashflows are determined on the basis of recovery rates, the identification of impaired assets and the estimation of impairment, market values and estimated time and cost to sell collateral.
— undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive; and
— financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Group expects to recover.

When discounting future cash flows, the following discount rates are used:

— financial assets other than purchased or originated credit-impaired (POCI) financial assets and lease receivables: the original effective interest rate or an approximation thereof;
— POCI assets: a credit-adjusted effective interest rate;
— lease receivables: the discount rate used in measuring the lease receivable;
— undrawn loan commitments: the effective interest rate, or an approximation thereof, that will be applied to the financial asset resulting from the loan commitment; and
— financial guarantee contracts issued: the rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows.

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised (see (iv)) and ECL are measured as follows.

— If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
— If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5.1 Financial assets classification (continued)

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost, debt financial assets carried at FVOCI and finance lease receivables are credit impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
— significant financial difficulty of the borrower or issuer;
— a breach of contract such as a default or past-due event;
— the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
— it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
— the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a retail loan that is overdue for 90 days or more is considered credit-impaired even when the regulatory definition of default is different.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Group considers the following factors.
— The market's assessment of creditworthiness as reflected in bond yields.
— The rating agencies' assessments of creditworthiness.
— The country's ability to access the capital markets for new debt issuance.
— The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
— The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfill the required criteria.

POCI financial assets

POCI financial assets are assets that are credit-impaired on initial recognition. For POCI assets, lifetime ECL are incorporated into the calculation of the effective interest rate on initial recognition. Consequently, POCI assets do not carry an impairment allowance on initial recognition. The amount recognised as a loss allowance subsequent to initial recognition is equal to the changes in lifetime ECL since initial recognition of the asset.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:
— financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
— loan commitments and financial guarantee contracts: generally, as a provision;
— where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
— debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in retained earnings.

Write-off

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are recognised when cash is received and are included in 'impairment losses on financial instruments' in the statement of profit or loss and OCI.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5.1 Financial assets classification (continued)

Financial guarantee contracts held

The Group assesses whether a financial guarantee contract held is an integral element of a financial asset that is accounted for as a component of that instrument or is a contract that is accounted for separately. The factors that the Group considers when making this assessment include whether:
— the guarantee is implicitly part of the contractual terms of the debt instrument;
— the guarantee is required by laws and regulations that govern the contract of the debt instrument;
— the guarantee is entered into at the same time as and in contemplation of the debt instrument; and
— the guarantee is given by the parent of the borrower or another company within the borrower's group.

The Group assesses whether a financial guarantee contract held is an integral element of a financial asset that is accounted for as a component of that instrument or is a contract that is accounted for separately. The factors that the Group considers when making this assessment include whether:
— the guarantee is implicitly part of the contractual terms of the debt instrument;
— the guarantee is required by laws and regulations that govern the contract of the debt instrument;
— the guarantee is entered into at the same time as and in contemplation of the debt instrument; and
— the guarantee is given by the parent of the borrower or another company within the borrower's group.

If the Group determines that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset is treated as a transaction cost of acquiring it. The Group considers the effect of the protection when measuring the fair value of the debt instrument and when measuring ECL.

If the Group determines that the guarantee is not an integral element of the debt instrument, then it recognises an asset representing any prepayment of guarantee premium and a right to compensation for credit losses. A prepaid premium asset is recognised only if the guaranteed exposure neither is credit-impaired nor has undergone a significant increase in credit risk when the guarantee is acquired. These assets are recognised in 'other assets'. The Group presents a gains or losses on a compensation right in profit or loss in the line item 'impairment allowance on financial instruments'.

viii. Designation at fair value through profit or loss

Financial assets

On initial recognition, the Group has designated certain financial assets as at FVTPL because this designation eliminates or significantly reduces an accounting mismatch, that would otherwise arise.

Financial liabilities

The Group has designated certain financial liabilities as at FVTPL in either of the following circumstances:
— the liabilities are managed, evaluated and reported internally on a fair value basis; or
— the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

2.5.2 Deposits from customers and other banks

Customer deposits and deposits from other banks are recognized initially at fair value, net of transaction costs incurred. Deposits are subsequently shown at amortised costs using the effective interest method.

2.5.3 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.5.4 Financial guarantees
A financial guarantee contract is a contract that requires the Group (issuer) to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are initially recognised at fair value, which is generally equal to the premium received, and then amortised over the life of the financial guarantee. Financial guarantee contracts (that are not designated at fair value through profit or loss) are subsequently measured at the higher of the:
• ECL calculated for the financial guarantee
• unamortised premium.

2.5.5 Settlement of Financial assets and liabilities
If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

2.6 Balances with other banks and cash
Cash and bank balances include cash on hand, deposits held at call with other banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are shown as liabilities. Cash and bank balances are carried at amortised cost in the statement of financial position.

2.7 Trade and other receivables
Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

2.8 Insurance contracts
Insurance and reinsurance contracts – Classification
Contracts under which the Group accepts significant insurance risk are classified as insurance contracts. Contracts held by the Group under which it transfers significant insurance risk related to underlying insurance contracts are classified as reinsurance contracts. Insurance and reinsurance contracts also expose the Group to financial risk. Insurance contracts may be issued and reinsurance contracts may be initiated by the Group, or they may be acquired in a business combination or in a transfer of contracts that do not form a business. All references in these accounting policies to 'insurance contracts' and 'reinsurance contracts' include contracts issued, initiated or acquired by the Group, unless otherwise stated. Some contracts entered into by the Group have the legal form of insurance contracts but do not transfer significant insurance risk. These contracts are classified as financial liabilities and are referred to as 'financial guarantees'.

Insurance contracts are classified as direct participating contracts or contracts without direct participation features. Direct participating contracts are contracts for which, at inception:
— the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
— the Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
— the Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

All other insurance contracts and all reinsurance contracts are classified as contracts without direct participation features. Some of these contracts are measured under the PAA (Premium Allocation Approach).

i. Separating components from insurance and reinsurance contracts
At inception, the Group separates the following components from an insurance or reinsurance contract and accounts for them as if they were stand-alone financial instruments:
— derivatives embedded in the contract whose economic characteristics and risks are not closely related to those of the host contract, and whose terms would not meet the definition of an insurance or reinsurance contract as a stand-alone instrument; and
— distinct investment components: i.e. investment components that are not highly inter-related with the insurance components and for which contracts with equivalent terms are sold, or could be sold, separately in the same market or the same jurisdiction.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.8 Insurance contracts (continued)

After separating any financial instrument components, the Group separates any promises to transfer to policyholders distinct goods or services other than insurance coverage and investment services and accounts for them as separate contracts with customers (i.e. not as insurance contracts). A good or service is distinct if the policyholder can benefit from it either on its own or with other resources that are readily available to the policyholder. A good or service is not distinct and is accounted for together with the insurance component if the cash flows and risks associated with the good or service are highly inter-related with the cash flows and risks associated with the insurance component, and the Group provides a significant service of integrating the good or service with the insurance component.

ii. Aggregation and recognition of insurance and reinsurance contracts

Insurance contracts

Insurance contracts are aggregated into groups for measurement purposes. Groups of insurance contracts are determined by identifying portfolios of insurance contracts, each comprising contracts subject to similar risks and managed together, and dividing each portfolio into annual cohorts (i.e. by year of issue) and each annual cohort into three groups based on the profitability of contracts:

— any contracts that are onerous on initial recognition;
— any contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently; and
— any remaining contracts in the annual cohort.

Contracts within a portfolio that would fall into different groups only because law or regulation specifically constrains the Group's practical ability to set a different price or level of benefits for policyholders with different characteristics are included in the same group.

An insurance contract issued by the Group is recognised from the earliest of:

— the beginning of its coverage period (i.e. the period during which the Group provides services in respect of any premiums within the boundary of the contract);
— when the first payment from the policyholder becomes due or, if there is no contractual due date, when it is received from the policyholder; and
— when facts and circumstances indicate that the contract is onerous.

An insurance contract acquired in a transfer of contracts or a business combination is recognised on the date of acquisition.

When the contract is recognised, it is added to an existing group of contracts or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts are added. Groups of contracts are established on initial recognition and their composition is not revised once all contracts have been added to the group.

Reinsurance contracts

Groups of reinsurance contracts are established such that each group comprises a single contract.

Some reinsurance contracts provide cover for underlying contracts that are included in different groups. However, the Group concludes that the reinsurance contract's legal form of a single contract reflects the substance of the Group's contractual rights and obligations, considering that the different covers lapse together and are not sold separately. As a result, the reinsurance contract is not separated into multiple insurance components that relate to different underlying groups.

A group of reinsurance contracts is recognised on the following date.

— Reinsurance contracts initiated by the Group that provide proportionate coverage: The date on which any underlying insurance contract is initially recognised. This applies to the Group's quota share reinsurance contracts.
— Other reinsurance contracts initiated by the Group: The beginning of the coverage period of the group of reinsurance contracts. However, if the Group recognises an onerous group of underlying insurance contracts on an earlier date and the related reinsurance contract was entered into before that earlier date, then the group of reinsurance contracts is recognised on that earlier date. This applies to the Group's excess of loss and stop loss reinsurance contracts.
— Reinsurance contracts acquired: The date of acquisition.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Insurance contracts (continued)

iii. Insurance acquisition cash flows

Insurance acquisition cash flows are allocated to groups of insurance contracts using a systematic and rational method and considering, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort. If insurance acquisition cash flows are directly attributable to a group of contracts (e.g. nonrefundable commissions paid on issuance of a contract), then they are allocated to that group and to the groups that will include renewals of those contracts. The allocation to renewals only applies to non-life contracts and certain term assurance and medical cover contracts that have a one-year coverage period. The Group expects to recover part of the related insurance acquisition cash flows through renewals of these contracts. The allocation to renewals is based on the manner in which the Group expects to recover If insurance acquisition cash flows are directly attributable to a portfolio but not to a group of contracts, then they are allocated to groups in the portfolio using a systematic and rational method.

Insurance acquisition cash flows arising before the recognition of the related group of contracts are recognised as an asset. Insurance acquisition cash flows arise when they are paid or when a liability is required to be recognised under a standard other than IFRS 17. Such an asset is recognised for each group of contracts to which the insurance acquisition cash flows are allocated. The asset is derecognised, fully or partially, when the insurance acquisition cash flows are included in the measurement of the group of contracts. When the Group acquires insurance contracts in a transfer of contracts or a business combination, at the date of acquisition it recognises an asset for insurance acquisition cash flows at fair value for the rights to obtain:

— renewals of contracts recognised at the date of acquisition; and
— other future contracts after the date of acquisition without paying again insurance acquisition cash flows that the acquiree has already paid.

At each reporting date, the Group revises the amounts allocated to groups to reflect any changes in assumptions that determine the inputs to the allocation method used. Amounts allocated to a group are not revised once all contracts have been added to the group.

Recoverability assessment

At each reporting date, if facts and circumstances indicate that an asset for insurance acquisition cash flows may be impaired, then the Group:

a. recognises an impairment loss in profit or loss so that the carrying amount of the asset does not exceed the expected net cash inflow for the related group; and
b. if the asset relates to future renewals, recognises an impairment loss in profit or loss to the extent that it expects those insurance acquisition cash flows to exceed the net cash inflow for the expected renewals and this excess has not already been recognised as an impairment loss under (a).

The Group reverses any impairment losses in profit or loss and increases the carrying amount of the asset to the extent that the impairment conditions have improved.

iv. Contract boundaries

The measurement of a group of contracts includes all of the future cash flows within the boundary of each contract in the group, determined as follows.

Insurance contracts

Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay premiums or has a substantive obligation to provide services (including insurance coverage and any investment services).

A substantive obligation to provide services ends when:

— the Group has the practical ability to reassess the risks of the particular policyholder and can set a price or level of benefits that fully reflects those reassessed risks; or
— the Group has the practical ability to reassess the risks of the portfolio that contains the contract and can set a price or level of benefits that fully reflects the risks of that portfolio, and the pricing of the premiums up to the reassessment date does not take into account risks that relate to periods after the reassessment date.

The reassessment of risks considers only risks transferred from policyholders to the Group, which may include both insurance and financial risks, but exclude lapse and expense risks.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.8 Insurance contracts (continued)
Reinsurance contracts
Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer.

A substantive right to receive services from the reinsurer ends when the reinsurer:
— has the practical ability to reassess the risks transferred to it and can set a price or level of benefits that fully reflects those reassessed risks; or
— has a substantive right to terminate the coverage.

The contract boundary is reassessed at each reporting date to include the effect of changes in circumstances on the Group's substantive rights and obligations and, therefore, may change over time.

v. Measurement – Contracts not measured under the PAA
Insurance contracts – Initial measurement
On initial recognition, the Group measures a group of insurance contracts as the total of
(a) the fulfilment cash flows, which comprise estimates of future cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and
(b) the CSM.
The fulfilment cash flows of a group of insurance contracts do not reflect the Group's non-performance risk.
The risk adjustment for non-financial risk for a group of insurance contracts, determined separately from the other estimates, is the compensation required for bearing uncertainty about the amount and timing of the cash flows that arises from non-financial risk.

The CSM of a group of insurance contracts represents the unearned profit that the Group will recognise as it provides services under those contracts. On initial recognition of a group of insurance contracts, if the total of (a) the fulfilment cash flows, (b) any cash flows arising at that date and (c) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group (including assets for insurance acquisition cash flows under (iii)) is a net inflow, then the group is not onerous.

In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no income or expenses arising on initial recognition. For groups of contracts acquired in a transfer of contracts or a business combination, the consideration received for the contracts is included in the fulfilment cash flows as a proxy for the premiums received at the date of acquisition. In a business combination, the consideration received is the fair value of the contracts at that date. If the total is a net outflow, then the group is onerous. In this case, the net outflow is recognised as a loss in profit or loss, or as an adjustment to goodwill or a gain on a bargain purchase if the contracts are acquired in a business combination (see (A)(i)). A loss component is created to depict the amount of the net cash outflow, which determines the amounts that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue (see (viii)).

Insurance contracts – Subsequent measurement
The carrying amount of a group of insurance contracts at each reporting date is the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage comprises (a) the fulfilment cash flows that relate to services that will be provided under the contracts in future periods and (b) any remaining CSM at that date. The liability for incurred claims includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

The fulfilment cash flows of groups of insurance contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. Changes in fulfilment cash flows are recognised as follows.

Changes relating to future services
Adjusted against the CSM (or recognised in the insurance service result in profit or loss if the group is onerous).
Changes relating to current or past services
Recognised in the insurance service result in profit or loss.
Effects of the time value of money, financial risk and changes therein on estimated future cash flows
Recognised as insurance finance income or expenses.
The CSM of each group of contracts is calculated at each reporting date as follows.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Insurance contracts (continued)

Insurance contracts without direct participation features

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:

— the CSM of any new contracts that are added to the group in the year;

— interest accreted on the carrying amount of the CSM during the year, measured at the discount rates on nominal cash flows that do not vary based on the returns on any underlying items determined on initial recognition;

— changes in fulfilment cash flows that relate to future services, except to the extent that:

-- any increases in the fulfilment cash flows exceed the carrying amount of the CSM, in which case the excess is recognised as a loss in profit or loss and creates a loss component (see (viii)); or

-- any decreases in the fulfilment cash flows are allocated to the loss component, reversing losses previously recognised in profit or loss (see (viii));

— the effect of any currency exchange differences on the CSM; and

— the amount recognised as insurance revenue because of the services provided in the year (see (viii)). Changes in fulfillment cash flows that relate to future services comprise:

— experience adjustments arising from premiums received in the year that relate to future services and related cash flows, measured at the discount rates determined on initial recognition;

— changes in estimates of the present value of future cash flows in the liability for remaining coverage, measured at the discount rates determined on initial recognition, except for those that arise from the effects of the time value of money, financial risk and changes therein;

— differences between (a) any investment component expected to become payable in the year, determined as the payment expected at the start of the year plus any insurance finance income or expenses (see (viii)) related to that expected payment before it becomes payable; and (b) the actual amount that becomes payable in the year;

— differences between any loan to a policyholder expected to become repayable in the year and the actual amount that becomes repayable in the year; and

— changes in the risk adjustment for non-financial risk that relate to future services. Changes in discretionary cash flows are regarded as relating to future services and accordingly adjust the CSM

Direct participating contracts

Direct participating contracts (see (D)) are contracts under which the Group's obligation to the policyholder is the net of:

— the obligation to pay the policyholder an amount equal to the fair value of the underlying items; and

— a variable fee in exchange for future services provided by the contracts, being the amount of the Group's share of the fair value of the underlying items less fulfilment cash flows that do not vary based on the returns on underlying items. The Group provides investment services under these contracts by promising an investment return based on underlying items, in addition to insurance coverage. When measuring a group of direct participating contracts, the Group adjusts the fulfilment cash flows for the whole of the changes in the obligation to pay policyholders an amount equal to the fair value of the underlying items. These changes do not relate to future services and are recognised in profit or loss. The Group then adjusts any CSM for changes in the amount of the Group's share of the fair value of the underlying items, which relate to future services, as explained below.

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:

— the CSM of any new contracts that are added to the group in the year;

— the change in the amount of the Group's share of the fair value of the underlying items and changes in fulfilment cash flows that relate to future services, except to the extent that:

-- the Group has applied the risk mitigation option to exclude from the CSM changes in the effect of financial risk on the amount of its share of the underlying items or fulfilment cash flows;

-- a decrease in the amount of the Group's share of the fair value of the underlying items, or an increase in the fulfilment cash flows that relate to future services, exceeds the carrying amount of the CSM, giving rise to a loss in profit or loss (included in insurance service expenses) and creating a loss component (see (viii)); or

-- an increase in the amount of the Group's share of the fair value of the underlying items, or a decrease in the fulfilment cash flows that relate to future services, is allocated to the loss component, reversing losses previously recognised in profit or loss (included in insurance service expenses) (see (viii));

— the effect of any currency exchange differences on the CSM; and

— the amount recognised as insurance revenue because of the services provided in the year (see (viii)).

Changes in fulfilment cash flows that relate to future services include the changes relating to future services specified above for contracts without direct participation features (measured at current discount rates) and changes in the effect of the time value of money and financial risks that do not arise from underlying items – e.g. the effect of financial guarantees.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Insurance contracts (continued)

Reinsurance contracts

To measure a group of reinsurance contracts, the Group applies the same accounting policies as are applied to insurance contracts without direct participation features, with the following modifications. The carrying amount of a group of reinsurance contracts at each reporting date is the sum of the asset for remaining coverage and the asset for incurred claims. The asset for remaining coverage comprises (a) the fulfilment cash flows that relate to services that will be received under the contracts in future periods and (b) any remaining CSM at that date.

The Group measures the estimates of the present value of future cash flows using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non-performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in profit or loss. The risk adjustment for non-financial risk is the amount of risk being transferred by the Group to the reinsurer.

On initial recognition, the CSM of a group of reinsurance contracts represents a net cost or net gain on purchasing reinsurance. It is measured as the equal and opposite amount of the total of (a) the fulfilment cash flows, (b) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group, (c) any cash flows arising at that date and (d) any income recognised in profit or loss because of onerous underlying contracts recognised at that date (see 'Reinsurance of onerous underlying insurance contracts' below). However, if any net cost on purchasing reinsurance coverage relates to insured events that occurred before the purchase of the group, then the Group recognises the cost immediately in profit or loss as an expense.

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:
— the CSM of any new contracts that are added to the group in the year;
— interest accreted on the carrying amount of the CSM during the year, measured at the discount rates on nominal cash flows that do not vary based on the returns on any underlying items determined on initial recognition;
— income recognised in profit or loss in the year on initial recognition of onerous underlying contracts (see below);
— reversals of a loss-recovery component (see 'Net expenses from reinsurance contracts' under (viii)) to the extent that they are not changes in the fulfilment cash flows of the group of reinsurance contracts;
— changes in fulfilment cash flows that relate to future services, measured at the discount rates determined on initial recognition, unless they result from changes in fulfilment cash flows of onerous underlying contracts, in which case they are recognised in profit or loss and create or adjust a loss-recovery component;
— the effect of any currency exchange differences on the CSM; and
— the amount recognised in profit or loss because of the services received in the year.

Reinsurance of onerous underlying insurance contracts

The Group adjusts the CSM of the group to which a reinsurance contract belongs and as a result recognises income when it recognises a loss on initial recognition of onerous underlying contracts, if the reinsurance contract is entered into before or at the same time as the onerous underlying contracts are recognised. The adjustment to the CSM is determined by multiplying:
— the amount of the loss that relates to the underlying contracts; and
— the percentage of claims on the underlying contracts that the Group expects to recover from the reinsurance contracts.

For reinsurance contracts acquired in a transfer of contracts or a business combination covering onerous underlying contracts, the adjustment to the CSM is determined by multiplying:
— the amount of the loss component that relates to the underlying contracts at the date of acquisition; and
— the percentage of claims on the underlying contracts that the Group expects at the date of acquisition to recover from the reinsurance contracts.

For reinsurance contracts acquired in a business combination, the adjustment to the CSM reduces goodwill or increases a gain on a bargain purchase (see (A)(i)). If the reinsurance contract covers only some of the insurance contracts included in an onerous group of contracts, then the Group uses a systematic and rational method to determine the portion of losses recognised on the onerous group of contracts that relates to underlying contracts covered by the reinsurance contract.

A loss-recovery component is created or adjusted for the group of reinsurance contracts to depict the adjustment to the CSM, which determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid (see 'Net expenses from reinsurance contracts' under (viii)).

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.8 Insurance contracts (continued)

vi. Measurement – Contracts measured under the PAA

The Group uses the PAA to simplify the measurement of groups of contracts when the following criteria are met at inception.

- Insurance contracts: The coverage period of each contract in the group is one year or less. Some of these contracts provide compensation for the cost of rebuilding or repairing a property after a fire; for these contracts, the Group determines the insured event to be the occurrence of a fire and the coverage period to be the period in which a fire can occur for which a policyholder can make a valid claim.
- Loss-occurring reinsurance contracts: The coverage period of each contract in the group is one year or less.
- Risk-attaching reinsurance contracts: The Group reasonably expects that the resulting measurement of the asset for remaining coverage would not differ materially from the result of applying the accounting policies in (v). When comparing the different possible measurements, the Group considers the impact of the different release patterns of the asset for remaining coverage to profit or loss and the impact of the time value of money. If significant variability is expected in the fulfilment cash flows during the period before a claim is incurred, then this criterion is not met.

However, certain groups of insurance contracts are acquired in their claims settlement period. The claims from some of these groups are expected to develop over more than one year. The Group measures these groups under the accounting policies in (v).

Insurance contracts

On initial recognition of each group of contracts, the carrying amount of the liability for remaining coverage is measured at the premiums received on initial recognition and adjusted for any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group. The Group has chosen to expense insurance acquisition cash flows when they are incurred. Subsequently, the carrying amount of the liability for remaining coverage is increased by any premiums received and decreased by the amount recognised as insurance revenue for services provided (see (viii)). On initial recognition of each group of contracts, the Group expects that the time between providing each part of the services and the related premium due date is no more than a year. Accordingly, the Group has chosen not to adjust the liability for remaining coverage to reflect the time value of money and the effect of financial risk. If at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous, then the Group recognises a loss in profit or loss and increases the liability for remaining coverage to the extent that the current estimates of the fulfilment cash flows that relate to remaining coverage exceed the carrying amount of the liability for remaining coverage. The fulfilment cash flows are discounted (at current rates) if the liability for incurred claims is also discounted (see below).

The Group recognises the liability for incurred claims of a group of insurance contracts at the amount of the fulfilment cash flows relating to incurred claims. The future cash flows are discounted (at current rates) unless they are expected to be paid in one year or less from the date the claims are incurred.

Reinsurance contracts

The Group applies the same accounting policies to measure a group of reinsurance contracts, adapted where necessary to reflect features that differ from those of insurance contracts. If a loss-recovery component (see 'Reinsurance of onerous underlying insurance contracts' under (v)) is created for a group of reinsurance contracts measured under the PAA, then the Group adjusts the carrying amount of the asset for remaining coverage instead of adjusting the CSM.

vii. Derecognition and contract modification

The Group derecognises a contract when it is extinguished – i.e. when the specified obligations in the contract expire or are discharged or cancelled. The Group also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, in which case a new contract based on the modified terms is recognised. If a contract modification does not result in derecognition, then the Group treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

On derecognition of a contract from within a group of contracts not measured under the PAA:

- the fulfilment cash flows allocated to the group are adjusted to eliminate those that relate to the rights and obligations derecognised;
- the CSM of the group is adjusted for the change in the fulfilment cash flows, except where such changes are allocated to a loss component; and
- the number of coverage units for the expected remaining services is adjusted to reflect the coverage units derecognised from the group (see (viii)).

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.8 Insurance contracts (continued)

If a contract is derecognised because it is transferred to a third party, then the CSM is also adjusted for the premium charged by the third party, unless the group is onerous.

If a contract is derecognised because its terms are modified, then the CSM is also adjusted for the premium that would have been charged had the Group entered into a contract with the new contract's terms at the date of modification, less any additional premium charged for the modification.

The new contract recognised is measured assuming that, at the date of modification, the Group received the premium that it would have charged less any additional premium charged for the modification.

viii. Presentation

Portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statement of financial position. Any assets or liabilities recognised for cash flows arising before the recognition of the related group of contracts (including any assets for insurance acquisition cash flows under (iii)) are included in the carrying amount of the related portfolios of contracts.

The Group disaggregates amounts recognised in the statement of profit or loss and OCI into (a) an insurance service result, comprising insurance revenue and insurance service expenses; and (b) insurance finance income or expenses.

Income and expenses from reinsurance contracts are presented separately from income and expenses from insurance contracts. Income and expenses from reinsurance contracts, other than insurance finance income or expenses, are presented on a net basis as 'net expenses from reinsurance contracts' in the insurance service result. The Group does not disaggregate changes in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses. All changes in the risk adjustment for non-financial risk are included in the insurance service result. Insurance revenue and insurance service expenses exclude any investment components and are recognised as follows.

Insurance revenue – Contracts not measured under the PAA

The Group recognises insurance revenue as it satisfies its performance obligations – i.e. as it provides services under groups of insurance contracts. For contracts not measured under the PAA, the insurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services for which the Group expects to receive consideration, and comprises the following items.

— A release of the CSM, measured based on coverage units provided (see 'Release of the CSM' below).
— Changes in the risk adjustment for non-financial risk relating to current services.
— Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year. This includes amounts arising from the derecognition of any assets for cash flows other than insurance acquisition cash flows at the date of initial recognition of a group of contracts (see (v)), which are recognised as insurance revenue and insurance service expenses at that date.
— Other amounts, including experience adjustments for premium receipts for current or past services for the life risk segment and amounts related to incurred policyholder tax expenses for the participating segment.

In addition, the Group allocates a portion of premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way based on the passage of time. The Group recognises the allocated amount, adjusted for interest accretion at the discount rates determined on initial recognition of the related group of contracts, as insurance revenue and an equal amount as insurance service expenses.

Release of the CSM

The amount of the CSM of a group of insurance contracts that is recognised as insurance revenue in each year is determined by identifying the coverage units in the group, allocating the CSM remaining at the end of the year (before any allocation) equally to each coverage unit provided in the year and expected to be provided in future years, and recognising in profit or loss the amount of the CSM allocated to coverage units provided in the year. The number of coverage units is the quantity of services provided by the contracts in the group, determined by considering for each contract the quantity of benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date.

Services provided by insurance contracts include insurance coverage and, for all direct participating contracts, investment services for managing underlying items on behalf of policyholders.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.8 Insurance contracts (continued)

Insurance revenue – Contracts measured under the PAA

For contracts measured under the PAA, the insurance revenue for each period is the amount of expected premium receipts for providing services in the period. The Group allocates the expected premium receipts to each period on the following bases:
— certain property contracts: the expected timing of incurred insurance service expenses; and
— other contracts: the passage of time.

Loss components

For contracts not measured under the PAA, the Group establishes a loss component of the liability for remaining coverage for onerous groups of insurance contracts. The loss component determines the amounts of fulfilment cash flows that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue when they occur. When the fulfilment cash flows are incurred, they are allocated between the loss component and the liability for remaining coverage excluding the loss component on a systematic basis.

The systematic basis is determined by the proportion of the loss component relative to the total estimate of the present value of the future cash outflows plus the risk adjustment for nonfinancial risk at the beginning of each year (or on initial recognition if a group of contracts is initially recognised in the year).

Changes in fulfilment cash flows relating to future services and changes in the amount of the Group's share of the fair value of the underlying items for direct participating contracts are allocated solely to the loss component. If the loss component is reduced to zero, then any excess over the amount allocated to the loss component creates a new CSM for the group of contracts.

Insurance service expenses

Insurance service expenses arising from insurance contracts are recognised in profit or loss generally as they are incurred. They exclude repayments of investment components and comprise the following items.
— Incurred claims and other insurance service expenses: For some life risk contracts, incurred claims also include premiums waived on detection of critical illness.
— Amortisation of insurance acquisition cash flows: For contracts not measured under the PAA, this is equal to the amount of insurance revenue recognised in the year that relates to recovering insurance acquisition cash flows. For contracts measured under the PAA, the Group amortises insurance acquisition cash flows on a straight-line basis over the coverage period of the group of contracts.
— Losses on onerous contracts and reversals of such losses.
— Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein.
— Impairment losses on assets for insurance acquisition cash flows and reversals of such impairment losses.

Net expenses from reinsurance contracts

Net expenses from reinsurance contracts comprise an allocation of reinsurance premiums paid less amounts recovered from reinsurers. The Group recognises an allocation of reinsurance premiums paid in profit or loss as it receives services under groups of reinsurance contracts. For contracts not measured under the PAA, the allocation of reinsurance premiums paid relating to services received for each period represents the total of the changes in the asset for remaining coverage that relate to services for which the Group expects to pay consideration.

For contracts measured under the PAA, the allocation of reinsurance premiums paid for each period is the amount of expected premium payments for receiving services in the period.
For a group of reinsurance contracts covering onerous underlying contracts, the Group establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:
— on recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognised; and
— for changes in fulfilment cash flows of the group of reinsurance contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Group expects to recover from the reinsurance contracts.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Insurance contracts (continued)

Insurance finance income and expenses

Insurance finance income and expenses comprise changes in the carrying amounts of groups of insurance and reinsurance contracts arising from the effects of the time value of money, financial risk and changes therein, unless any such changes for groups of direct participating contracts are allocated to a loss component and included in insurance service expenses (see (v)). They include changes in the measurement of groups of contracts caused by changes in the value of underlying items (excluding additions and withdrawals).

For life risk contracts, the Group has chosen to disaggregate insurance finance income or expenses between profit or loss and OCI. The amount included in profit or loss is determined by a systematic allocation of the expected total insurance finance income or expenses over the duration of the group of contracts. The systematic allocation is determined using the following rates:

— life risk contracts: the discount rates determined on initial recognition of the group of contracts; and for insurance finance income or expenses arising from the CSM, the discount rates determined on initial recognition of the group of contracts.

Amounts presented in OCI are accumulated in the insurance finance reserve. If the Group derecognises a contract without direct participation features as a result of a transfer to a third party or a contract modification, then any remaining amounts of accumulated OCI for the contract are reclassified to profit or loss as a reclassification adjustment. For participating and non-life contracts, the Group presents insurance finance income or expenses in profit or loss.

In the current period the Group had no contracts measured under GMM.

2.9 Inventory

Inventory is stated at the lower of cost and net realisable value. Cost is determined using the average weighted cost ("AVCO") method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.10 Investment property

Investment property is recognised as an asset when it is probable that future economic benefits that are associated with the investment property will flow to the Group and the cost of the property can be reliably measured. Investment property is initially measured at cost and subsequently measured at fair value.

Investment property is property held to earn rentals and/or for capital appreciation. It is stated at its fair value at the reporting date as determined by independent professional valuers. Gains or losses arising from changes in the fair value of investment property are included in the statement of profit or loss in the period in which they arise. The fair value of investment property is based on the nature, location and condition of the asset. The fair value is calculated by reference to market evidence of most recent proceeds achieved in arms length transactions of similar properties.

Transfers from investment property are made when there is a change in use, evidenced by commencement of owner- occupation for a transfer from investment property to owner-occupied property. The property's deemed cost for subsequent accounting is its fair value at the date of change in use.

Investment property is derecognised on disposal or when the property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Gains or losses from disposal is determined as the difference between the net proceeds and the carrying amount of the asset is recognised in the statement of comprehensive income in the period of disposal.

2.11 Intangible assets

Software licences

Separately acquired software licences are at historical cost amounts less accumulated amortisation at each reporting date. Amortisation on carrying amounts is calculated using the straight-line method to allocate the cost of licences over the remaining estimated useful lives not exceeding 5 years.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives ranging from three to five years. Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.12 Property and equipment

(a) Recognition and measurement

The cost of an item of property and equipment is recognised as an asset if, and only if; it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Land and buildings comprise mainly retail banking branches and offices occupied by the Group. Land and buildings are shown at fair value, based on yearly valuations by external independent valuers, less subsequent accumulated impairment losses. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

All property and equipment is stated at revalued amounts less accumulated depreciation and impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Where parts of an item of property or equipment have different useful lives, they are accounted for (major components) as separate property and equipment.

(b) Subsequent costs

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of profit or loss within 'administrative expenses' during the financial period in which they are incurred. Subsequent costs can also be recognised as separate assets.

Increases in the carrying amount arising on revaluation of property and equipment are credited to other comprehensive income and shown as revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against revaluation reserve directly in equity; all other decreases are charged to the statement of comprehensive income. The revaluation surplus is transferred from revaluation reserve' to 'retained profits' on disposal of the revalued asset. Accumulated depreciation is eliminated at revaluation date.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Land and buildings	50 years
Computer equipment	3 - 5 years
Motor vehicles	5 years
Office equipment	5 - 10 years
Furniture and fittings	10 years
Machinery	5 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date. Gains or losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income within other 'operating income'.

The carrying amounts of the Group's items of property and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment allowance is recognised whenever the carrying amount exceeds its recoverable amount.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than the estimated recoverable amount (note 2.14)

(c) Derecognition

The carrying amount of an item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.13 Time - share asset

The time - share asset comprises a house boat jointly owned with external entities and the Group has a majority share. The boat is recognised as an asset for owner use. The boat is stated at revalued amount less impairment losses.

Depreciation is calculated using the straight-line method to allocate the cost or to the residual values over the estimated useful life of 10 years.

2.14 Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment allowance is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows or cash generating units ("CGUs"). The impairment test can also be performed on a single asset when the fair value less cost to sell or the value in use can be determined reliably. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.15 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore has accounted for them under IAS 37 Provisions, Contingent Liabilities and Contingent Assets and has recognised the related expenses in 'other expenses'.

2.15.1 Current tax

Tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

2.15.2 Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.15.2 Deferred tax (continued)

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if there is any.

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

Deferred tax assets and liabilities are offset only if certain criteria are met.

2.16 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.17 Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of income tax, from the proceeds. Repurchase of share capital (“treasury shares”), where any group company purchases the Company’s share capital (“treasury shares”), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company’s shareholders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company’s shareholders.

When the Zimbabwean economy dollarized in 2009, a Financial Reporting Guidance was used to determine a foreign currency opening statement of financial position on the date of change in functional currency from ZWD$ to US$. The Group used the Guidance to translate the financial statements at the normalisation date to US$ to be used as the deemed costs in the opening statements of financial position at 1 January 2009. The surplus on the restatement of the assets and liabilities was credited to non-distributable reserves in equity. The reserve is not available for distribution to shareholders.

2.18 Dividend distribution

Dividend distribution to the Company’s shareholders is recognised as a liability in the Group’s consolidated financial statements in the period in which the dividends are declared by the Company’s directors.

2.19 Leases

The Group as a lessee

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

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

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

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.19 Leases (continued)

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:
- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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

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

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the consolidated statement of financial position. The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the ‘Property and Equipment’ policy. Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in Other expenses’ in profit or loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

2.20 Derivative

Derivative instruments are contracts whose value is derived from one or more underlying financial instruments or indices defined in the contract. They include swaps, forward-rate agreements, futures, options and combinations of these instruments and primarily affect the Group’s other income, net trading income and derivative assets and liabilities. Notional amounts of the contracts are not recorded on the balance sheet. Derivatives have been used to hedge foreign currency and exchange rate risk related to non-trading positions. All derivative instruments are held at fair value through profit or loss.

Derivatives are classified as assets when their fair value is positive or as liabilities when their fair value is negative. This includes terms included in a contract or financial liability (the host), which, had it been a standalone contract, would have met the definition of a derivative. If these are separated from the host, i.e. when the economic characteristics of the embedded derivative are not closely related with those of the host contract and the combined instrument is not measured at fair value through profit or loss, then they are accounted for in the same way as derivatives. For financial assets, the requirements are whether the financial asset contain contractual terms that give rise on specified dates to cash flows that are SPPI, and consequently the requirements for accounting for embedded derivatives are not applicable to financial assets.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.21 Revenue recognition

Revenue is derived substantially from the business of banking and related activities, provision of insurance services and rendering of stock broking services.

From the business of banking and related services; revenue comprises interest income, fees and commission income, net foreign currency dealing and trading income and dividend income.

2.21.1 Interest income and interest expense

Interest income and interest expense are recognised in the statement of profit or loss for all interest instruments on an accrual basis using the effective interest method. The effective interest is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently.

Where financial assets have been impaired, interest income continues to be recognised on the impaired value, based on the original effective interest rate. Interest income excludes fair value adjustments on interest-bearing financial instruments. Fair value adjustments are reported under other income.

The calculation of the effective interest rate includes all fees paid or received, transaction costs, discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

2.21.2 Fee and commission income and expense

Fee and commission income and expense that are integral to the effective interest rate on a financial asset or financial liability are included in the effective interest rate.

If a loan commitment is not expected to result in the draw-down of a loan, then the related loan commitment fee is recognised on a straight-line basis over the commitment period.

Other fee and commission income – including Retail service fees, credit related fees investment banking fees and brokerage commission – is recognised as the related services are performed.

A contract with a customer that results in a recognised financial instrument in the Group’s financial statements may be partially in the scope of IFRS 9 and partially in the scope of IFRS 15. If this is the case, then the Group first applies IFRS 9 to separate and measure the part of the contract that is in the scope of IFRS 9 and then applies IFRS 15 to the residual where revenue is recognised when a performance obligation is satisfied, i.e. when control of the services underlying the particular performance obligation is transferred to the customer.

2.21.3 Net foreign currency dealing and trading income

Foreign currency dealing and trading income includes gains or losses arising from disposals and changes in fair values of financial assets and liabilities held for trading. Net trading income also includes gains or losses arising from changes in foreign currency exchange rates.

Income from equity investments and other non-fixed income investments is recognised as income on an accrual basis.

2.21.4 Dividend income

Dividend income is recognised when the right to receive income is established. Usually this is at the ex-dividend date for equity securities. Dividends are reflected as a component of non-interest income based on the underlying classification of the equity instruments.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.21.5 Sale of goods - property sales

The Group is involved in the construction of houses for sale through a structured mortgage transaction as part of its trading activities. The Group uses the following steps in recognising revenue from sale of houses:

Upon an offer to purchase a property from the Group with the client meeting all the terms and conditions an agreement of sale is signed making the identification of a contract with a customer together with stating the performance obligations in the signed contract. The offer of a structured mortgage facility then determines the transaction price. Revenue is then measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is recognised when a performance obligation is satisfied and in this case when control and title of the property is transferred to the customer. Revenue on the land portion is recognized in full on execution of the sale agreement.

2.21.6 Insurance revenue (including net revenue or expense from reinsurance)

Premiums written comprise the premiums on insurance contracts entered into during the year, irrespective of whether they relate in whole or in part to a later accounting period. Premiums are disclosed gross of commission to intermediaries and exclude taxes and levies based on premiums. Premiums written include adjustments to premiums written in prior accounting periods. Outward reinsurance premiums are accounted for in the same accounting period as the premiums for the related direct insurance or inwards reinsurance business. An estimate is made at the statement of financial position date to recognise retrospective adjustments to premiums or commissions.

The earned portion of premiums received is recognised as revenue. Premiums are earned from the date of attachment of risk, over the indemnity period, based on the pattern of risks underwritten. Outward reinsurance premiums are recognised as an expense in accordance with the pattern of reinsurance service received. A portion of outwards reinsurance premiums are treated as prepayments.

2.22 Employee benefits

(a) Termination benefits

Termination benefits are benefits payable as a result of the Group's decision to terminate employment before the normal retirement date (or contractual date) or whenever an employee accepts voluntary redundancy in exchange of those benefits. Termination benefits are recognised as an expense at the earlier of the following dates : (a) when the Group can no longer withdraw the offer for these benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of IAS 37 'Provisions, contingent liabilities and contingent assets' and involves the payment of terminal benefits. Termination benefits for voluntary redundancies are recognised if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

(b) Short term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) which fall due wholly within twelve months after the end of the period in which the employees render service. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

(c) Post employment benefits

Post employment benefits are employee benefits (other than termination benefits) which are payable after completion of employment. Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.22 Employee benefits (continued)

Pension obligation

The Group provides for retirement benefit obligation in respect of its employees as follows;

- FBCH Pension Fund - Defined Contribution Fund,
- Eagle Insurance Pension Fund (for the short-term insurance subsidiary employees) - Defined Contribution Fund,
- National Social Security Authority ("NSSA") - a Statutory Defined Contribution Fund. Contributions to NSSA are made in terms of statutory regulations and are charged against income as incurred.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

(d) Profit sharing and bonus plans

The Group recognises a liability and an expense for profit sharing and bonuses based on a formula that takes into consideration the profit attributable to the Company's shareholders after an independent audit. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(e) Share-based payment transactions

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognised as an expense, with a corresponding increase in liabilities, over the period in which the employees become unconditionally entitled to payment. The liability is re-measured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as staff costs within operating expenses in the statement of profit or loss

(f) Long service awards

The net present value of the amount payable to employees in respect of long service awards, which are paid in cash, is recognised as an expense, with a corresponding increase in liabilities. The liability is re-measured at each reporting date and at settlement date. Any changes in the net present value of the liability are recognised as staff costs within operating expenses in the statement of profit or loss.

(g) Annual leave provision

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave.

2.23 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares during the year excluding ordinary shares purchased by the Company, held as treasury shares. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and then dividing by the weighted average number of outstanding shares during the year excluding ordinary shares purchased by the Company, held as treasury shares but taking into consideration, for the effects of all potential dilutive factors.

2.24 Headline earnings per share

The Group presents headline earnings per share ("HEPS") for its ordinary shares. Headline earnings are calculated by excluding the following from the profit or loss attributable to ordinary shareholders of the Company; impairment/subsequent reversal of impairment of property, plant and equipment and intangible assets; gains or losses on disposal of such assets; any remeasurements of investment property; remeasurement of goodwill impairment; the recognised gain on bargain purchase; gains or losses on disposals of financial assets classified as financial assets at fair value through other comprehensive income or associates and gains or losses in the loss of control or a subsidiary.

These adjusted earnings are then divided by the weighted average number of ordinary shares during the year excluding ordinary shares purchased by the Company and held as treasury shares.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.25 Acquisition of a subsidiary

On 17 May 2024, the Group acquired 100% of the shares and voting interests in Standard Chartered Bank Zimbabwe Limited and subsequently renamed it FBC Crown Bank Limited.

Included in the identifiable assets and liabilities acquired at the date of acquisition of FBC Crown Bank Limited are commercial banking buildings, several residential buildings, a sports club, customer relationships and an organised and experienced workforce. Taking control of FBC Crown Bank Limited will enable the group to further digitalize its processes through access to FBC Crown Bank Limited's digitalized processes. The acquisition is also expected to provide the group with an increased market share of the wholesale banking business.

For the seven and a half months ended 31 December 2024, FBC Crown Bank Limited contributed total income of ZWG 564 million and profit before tax of ZWG 315 million to the Group's results. If the acquisition had occurred on 1 January 2024, management estimated that consolidated total income would have been ZWG 7.2 billion and consolidated profit before tax for the year would have been ZWG 2.8 billion. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2024.

A. Consideration transferred

Acquisition date fair value cash consideration of ZWG 241 million which translate to ZWG 411 million in inflation adjusted terms was transferred as the full and final settlement.

B. Acquisition-related costs

The Group incurred acquisition related costs of ZWG 1.8 million on legal fees and due diligence costs. These costs have been included in administrative expenses.

C. Identifiable assets acquired and liabilities assumed

The following table summarizes the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

Consolidated Completion Balance Sheet as at 17-May-2024	Final Fair Values ZWG
ASSETS	
Cash and cash equivalents	898 052 249
Loans and advances at amortised cost	327 969 751
Other assets	73 817 030
Restricted balances due from the Central Bank	2 010 000
Total Investment / Owned Properties	291 106 630
Total assets	**1 592 955 660**
LIABILITIES	
Deposits from customers	1 226 561 103
Other liabilities	132 214 969
Current tax liability	9 831 208
Deferred tax liability	1 404 749
Total liabilities	**1 370 012 029**
Net Asset Fair Values	**222 943 631**

Goodwill

A goodwill of ZWG 18 100 197 (historical: ZWG 18 100 197) was recorded and written off during the period.

D. Identifiable assets acquired and liabilities assumed Effects on cash flows

	INFLATION ADJUSTED	HISTORICAL COST *
Cash flows from investing activities		
Consideration Paid	410 692 954	241 043 828
Effects of IAS 29	712 133	-
less cash acquired	(898 764 389)	(898 764 389)
Acquisition of subsidiary net of cash	**(487 359 302)**	**(657 720 561)**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

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.

3.1 Impairment of financial assets

The Group adopted the Expected Credit Loss (ECL) model and this applies to financial assets measured at amortised cost (for example mandatory reserve deposits with central banks, reinsurers' share of policyholder liabilities, loans and advances, trade and other receivables, cash and cash equivalents, and corporate debt securities held by the Group) as well as financial assets measured at FVOCI, but not to investments in equity instruments.

The ECL impairment loss allowance is an unbiased, probability - weighted amount determined by evaluating a range of possible outcomes that reflects reasonable and supportable information that is available without undue cost or effort of past events, current conditions and forecasts of forward-looking economic conditions. The ECL model is dependent on the availability of relevant and accurate data to determine whether a significant increase in credit risk occurred since initial recognition, the probability of default (PD), the loss given default (LGD) and the possible exposure at default (EAD). Of equal importance is sound correlation between these parameters and forward-looking economic conditions.

ECL reflects the Group's own expectations of credit losses. However, when considering all reasonable and supportable information that is available without undue cost or effort in estimating ECL, the Group should also consider observable market information about the credit risk of the financial instrument or similar financial instruments. In the absence of sufficient data, management apply expert judgment within an established governance framework to determine the required parameters. The expert judgement process is based on available internal and external information.

3.2 Insurance claims

The Group's estimates for reported and unreported losses and establishing provisions are continually reviewed and updated, and adjustments resulting from this review are reflected in the statement of profit or loss and other comprehensive income. The process is based on the basic assumption that past experience, adjusted for the effect of current developments and likely trends, is an appropriate basis for predicting future events. Additional information is disclosed in note 15.

3.3 Inventory valuation

The process for evaluating inventory obsolescence or market value often requires the Group to make subjective judgments and estimates concerning future sales levels, quantities and prices at which such inventory will be sold in the normal course of business. The Group adjusts the inventory by the difference between the estimated market value and the actual cost of the inventory to arrive at net realizable value. The Group's estimates for market value are reviewed at least annually and updated. Any write down resulting from this review is reflected in the statement of profit or loss in 'cost of sales'. Refer note 8.

3.4 Investment property and property and equipment valuation

The key inputs and assumptions used in the valuations, such as, rental rates per square meter and capitalisation rates are determined in an environment where there is limited market activity due to illiquidity in the market. Fair valuation of properties is difficult to ascertain as market comparable sales are not as readily available as a result of depressed economic activity which has resulted in a limited number of open market sales. Furthermore, the hyperinflationary environment make it increasingly difficult to determine the fair values. The qualified valuers determined property fair values in United States Dollars and the official exchange rate as at the reporting date was used to convert the fair values to Zimbabwe Gold. Additional information is disclosed in note 12.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

3.5 Valuation of unlisted equities

The fair values of unlisted equities are classified and accounted for in accordance with the IFRS 9. Since the prices are not readily determinable, fair value is based either on internal valuation models or management estimates of amounts that could be realized under current market conditions.

The translation of the foreign currency denominated assets and liabilities to local currency is based on the year-end exchange rate while transactions are translated at the average exchange rate for the reporting period.

The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset is not active, or quoted prices cannot be obtained without undue effort, another valuation technique is used. This is after assessing whether instruments are trading with sufficient frequency and volume, that they can be considered liquid.

3.6 The gain or loss on the net monetary position

The gain or loss on the net monetary position can be determined as follows :

1. derived as the difference resulting from the restatement of non-monetary assets, owners' equity and items in the statement of profit or loss and OCI and the adjustment of index linked assets and liabilities (Approach 1); or

2. Estimated by applying the change in the general price index to the weighted average for the period of the net amounts of monetary assets and liabilities (Approach 2). The Group has elected to use Approach 1.

3.7 Acquisition of a subsidiary

We have applied judgement in the determination of fair values of assets and liabilities acquired in the acquisition of Standard Chartered Bank Zimbabwe Limited. Refer to note 2.25 for the valuation techniques.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
4 BALANCES WITH BANKS AND CASH				
4.1 Balances with Reserve Bank of Zimbabwe ("RBZ")				
Current account balances	760 001 566	71 698 864	760 001 566	6 599 581
Balances with banks and cash				
Notes and coins	858 132 065	628 749 133	858 132 065	57 873 736
Other bank balances	2 846 030 881	2 786 790 762	2 846 030 881	256 512 469
	3 704 162 946	**3 415 539 895**	**3 704 162 946**	**314 386 205**
Balances with banks and cash (excluding bank overdrafts)	4 464 164 512	3 487 238 759	4 464 164 512	320 985 786
Current	4 464 164 512	3 487 238 759	4 464 164 512	320 985 786
Non-current	-	-	-	-
Total	**4 464 164 512**	**3 487 238 759**	**4 464 164 512**	**320 985 786**
4.2 Cash and cash equivalents				
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
Balances with banks and cash (note 4.1)	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**
Per cash flow statement	**4 464 164 512**	**3 487 238 759**	**4 464 164 512**	**320 985 786**
There are no restrictions pertaining to the use of cash by the Reserve bank of Zimbabwe				
5 FINANCIAL ASSETS				
5.1 Loans and advances to customers				
Loans and advances maturities				
Maturing within 1 year	3 431 447 988	4 720 468 018	3 431 447 988	434 499 397
Maturing after 1 year	5 465 505 478	2 435 436 145	5 465 491 476	224 170 454
Gross carrying amount	**8 896 953 466**	**7 155 904 163**	**8 896 939 464**	**658 669 851**
Impairment allowance	(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**

The maturity analysis of loans and advances is based on contractual maturity from year end.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

5 FINANCIAL ASSETS (continued)
5.1 Loans and advances to customers (continued)

INFLATION ADJUSTED

Reconciliation of impairment allowance by nature of loans and advance	Mortgages ZWG	Personal loans ZWG	Corporate loans ZWG	Total ZWG
As at 1 January 2023	10 436 330	38 696 767	50 567 123	99 700 220
Effects of IAS29	(8 264 526)	(30 643 956)	(40 044 088)	(78 952 570)
Charge for the year	14 186 929	8 255 596	206 351 038	228 793 563
Increase in impairment allowances	14 225 415	8 346 619	206 359 935	228 931 969
Reversal of impairment	(38 486)	(91 023)	(8 897)	(138 406)
Amount written off during the year and uncollectable	54	(959 771)	(1 937 269)	(2 896 986)
As at 31 December 2023	**16 358 787**	**15 348 636**	**214 936 804**	**246 644 227**
As at 1 January 2024	16 358 787	15 348 636	214 936 804	246 644 227
Additions due to business acquisition	-	5 302 100	26 204 078	31 506 178
Effects of IAS29	(14 853 029)	(13 935 858)	(195 152 767)	(223 941 654)
Charge for the year	16 177 773	10 596 141	57 684 046	84 457 960
Increase in impairment allowances	13 384 685	258 718	(40 198 129)	(26 554 726)
Reversal of impairment	2 793 088	10 337 423	97 882 175	111 012 686
Interest in suspense/(recoveries)	-	(516)	-	(516)
Amount written off during the year and uncollectable	-	2 166 684	23 954 776	26 121 460
As at 31 December 2024	**17 683 531**	**19 477 187**	**127 626 937**	**164 787 655**

HISTORICAL COST

Reconciliation of impairment allowance by nature of loans and advance	Mortgages ZWG	Personal loans ZWG	Corporate loans ZWG	Total ZWG
As at 1 January 2023	199 905	741 228	968 602	1 909 735
Charge for the year	1 305 848	759 893	18 993 752	21 059 493
Increase in impairment allowances	1 309 390	768 271	18 994 571	21 072 232
Reversal of impairment	(3 542)	(8 378)	(819)	(12 739)
Amount written off during the year and uncollectable	5	(88 343)	(178 317)	(266 655)
As at 31 December 2023	**1 505 758**	**1 412 778**	**19 784 037**	**22 702 573**
As at 1 January 2024	1 505 758	1 412 778	19 784 037	22 702 573
Additions due to business acquisition	-	5 302 100	26 204 078	31 506 178
Charge for the year	16 177 773	10 596 141	57 684 046	84 457 960
Increase in impairment allowances	13 384 685	258 718	(40 198 129)	(26 554 726)
Reversal of impairment	2 793 088	10 337 423	97 882 175	111 012 686
Interest in suspense/(recoveries)	-	(516)	-	(516)
Amount written off during the year and uncollectable	-	2 166 684	23 954 776	26 121 460
As at 31 December 2024	**17 683 531**	**19 477 187**	**127 626 937**	**164 787 655**

Loans of ZWG (26 121 460) (2023 - ZWG 2 896 986) written off/(recovered) during the year are still subject to enforcement activity

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

5.2 Trade and other receivables

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
Trade and other receivables	183 080	3 195 403	183 080	294 124
Gross carrying amount	**183 080**	**3 195 403**	**183 080**	**294 124**
Impairment allowance	-	-	-	-
	183 080	**3 195 403**	**183 080**	**294 124**
Current	183 080	3 195 403	183 080	294 124
Non-current	-	-	-	-
Total	**183 080**	**3 195 403**	**183 080**	**294 124**

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

	Bonds and debentures ZWG	Trade and other receivables ZWG	Loans and advances ZWG	Financial assets at armotised cost ZWG	Undrawn contractual commitments and guarantees ZWG	Total ZWG
INFLATION ADJUSTED						
Restated**						
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**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

5.4 Movement in credit impairment losses

HISTORICAL COST	Bonds and debentures ZWG	Trade and other receivables ZWG	Loans and advances ZWG	Financial assets at amortised cost ZWG	Undrawn contractual commitments and guarantees ZWG	Total ZWG
Restated**						
Balance at 01 January 2023	-	-	1 909 735	34 203	72 795	2 016 733
Change on application of IFRS 17	-	(13 887)	-	-	-	(13 887)
Impairment loss allowance	-	39 300	21 059 493	152 632	193 692	21 445 117
Amounts written off /(reversals) during the year	-	-	(266 655)	-	-	(266 655)
Impairment reversal	-	(25 413)	-	-	-	(25 413)
Balance as at 31 December 2023	**-**	**-**	**22 702 573**	**186 835**	**266 487**	**23 155 895**
Balance at 01 January 2023	-	-	22 702 573	186 835	266 487	23 155 895
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**

Increases in loans and advances balances in year 2024 to ZWG8 732 165 811 (2023: ZWG 6 909 259 936) in inflation adjusted terms and ZWG 8 732 165 811 (2023: ZWG 635 967 278) in historical terms resulted in increases in impairment losses in year 2024 for loans and advances.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
5.5 Financial assets at amortised cost	ZWG	ZWG	ZWG	ZWG
Maturing within 1 year	147 090 866	148 295 170	147 090 866	13 649 952
Maturing after 1 year	1 762 667	266 225 933	1 762 667	24 504 987
Gross carrying amount	**148 853 533**	**414 521 103**	**148 853 533**	**38 154 939**
Impairment allowance	(1 055 892)	(2 029 808)	(1 055 892)	(186 835)
Total	**147 797 641**	**412 491 295**	**147 797 641**	**37 968 104**

Financial assets at amortised cost comprises Treasury bills.

6 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
Listed securities at market value	922 862 203	334 590 098	931 805 938	31 605 912
Unlisted securities	237 876 529	196 560 795	237 876 529	18 092 601
	1 160 738 732	**531 150 893**	**1 169 682 467**	**49 698 513**
Current	1 160 738 732	531 150 893	1 169 682 467	49 698 513
Total	**1 160 738 732**	**531 150 893**	**1 169 682 467**	**49 698 513**
If net asset values of unlisted securities changes by 10% the portfolio value increases or decreases by the following	**23 787 653**	**19 656 080**	**23 787 653**	**1 809 260**

Unlisted securities comprises of Afreximbank class B shares and Society for Worldwide Interbank Financial Telecommunication ("SWIFT") shares.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
7	**FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**				
	Listed securities at market value	**170 572 658**	**5 246 322**	**170 572 658**	**482 902**
	Current	170 572 658	5 246 322	170 572 658	482 902
	Non-current	-	-	-	-
	Total	**170 572 658**	**5 246 322**	**170 572 658**	**482 902**
8	**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**
	Current	57 058 082	22 940 373	46 219 488	863 725
	Non-current	-	-	-	-
	Total	**57 058 082**	**22 940 373**	**46 219 488**	**863 725**

Included in work in progress is ZWG56 281 223 (2023: ZWG20 218 315) inflation adjusted and ZWG45 442 629 (2023: ZWG768 203) in historical terms relating to residential properties for sale which are under construction.

Raw materials relates to construction materials.

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
9	**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 NNCD 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 NNCD and auction system balances refer to prefunded 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.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG
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 adjustments	(275 307 234)	755 333 650	1 013 811 647	115 359 038
	Disposal	(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**
	Investment property comprises the following:				
	Residential houses, Harare	825 116 541	1 026 955 492	824 963 076	94 526 971
	Residential stands, Harare	486 074 027	113 634 385	486 074 027	10 459 571
	Residential stand, Seke	1 289 925	1 753 065	1 289 925	161 362
	Residential houses, out of Harare	188 071 066	229 980 248	188 071 066	21 168 723
	Commercial stands, Harare	58 203 480	46 017 963	58 203 480	4 235 762
		1 558 755 039	**1 418 341 153**	**1 558 601 574**	**130 552 389**

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 is 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.

No liabilities are guaranteed by investment property. Refer to note 32 for further fair value disclosures on investment property.

Included in other operating income is rental income of ZWG 42 516 100 (2023: ZWG 2 246 475) in historical cost terms relating to investment property.

Sensitivity analysis on investment property fair values

	INFLATION ADJUSTED		HISTORICAL COST	
If the market prices are to increase by the following percentages, investment property fair values will be as follows	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG
25%	1 948 443 799	1 772 926 441	1 948 251 968	163 190 486
50%	2 338 132 559	2 127 511 730	2 337 902 361	195 828 584
100%	3 117 510 078	2 836 682 306	3 117 203 148	261 104 778

11	**INTANGIBLE ASSETS (Software licences)**				
	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)
	Accumulated impairment	-	-	(12)	(12)
	Net book amount	**10 891 172**	**9 724 464**	**1 174 114**	**62 060**

The amortisation charge is included in the profit or loss under administrative expenses.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

12 PROPERTY AND EQUIPMENT

INFLATION ADJUSTED Restated**	Land and buildings ZWG	Machinery ZWG	Computer equipment ZWG	Furniture and office equipment ZWG	Motor vehicles ZWG	Total 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)
Accumulated impairment	-	-	-	-	-	-
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)	-	-	-	-	(69 322 000)
Disposals	-	-	(6 223 573)	(201 429)	(1 861 964)	(8 286 966)
Depreciation	(11 407 354)	(1 604 184)	(15 382 884)	(11 710 120)	(74 118 868)	(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)
Accumulated impairment reversal	65 521 088	-	2 249 271	1 074 446	129 851	68 974 656
Net book amount	**718 152 683**	**25 565 093**	**43 575 373**	**101 454 029**	**101 550 963**	**990 298 141**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

12 PROPERTY AND EQUIPMENT (continued)

HISTORICAL COST Restated**	Land and buildings ZWG	Machinery ZWG	Computer equipment ZWG	Furniture and office equipment ZWG	Motor vehicles ZWG	Total ZWG
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
Adjustments to cost	-	-	-	(1 100)	-	(1 100)
Disposals	-	-	(6 701)	(189 715)	(17 341)	(213 757)
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)	(877 206)	(1 961 592)
Accumulated impairment	-	-	-	(3)	(101)	(104)
Net book amount	**64 719 252**	**2 983 686**	**3 837 319**	**11 200 272**	**13 223 404**	**95 963 933**
Year ended 31 31 December 2024						
Opening net book amount	64 719 252	2 983 686	3 837 319	11 200 272	13 223 404	95 963 933
Additions due to business acquisition	136 923 472	-	-	27 349	603 048	137 553 869
Additions	2 343 921	1 445 749	11 202 465	14 740 402	11 281 211	41 013 748
Revaluation of property	523 536 420	22 296 148	37 790 128	79 822 858	110 849 889	774 295 443
Effects of change in functional currency	65 521 088	-	2 249 271	1 074 446	129 851	68 974 656
Transfer to investment property	(69 322 000)	-	-	-	-	(69 322 000)
Disposals	-	-	(3 711 442)	(148 036)	(971 087)	(4 830 565)
Depreciation	(5 596 142)	(1 160 489)	(7 633 932)	(5 396 937)	(33 563 443)	(53 350 943)
Closing net book amount	**718 126 011**	**25 565 094**	**43 733 809**	**101 320 354**	**101 552 873**	**990 298 141**
As at 31 December 2024						
Cost or valuation	658 482 335	26 770 549	49 596 721	105 922 747	135 863 772	976 636 124
Accumulated depreciation	(5 877 412)	(1 205 455)	(8 112 183)	(5 676 836)	(34 440 649)	(55 312 535)
Accumulated impairment reversal	65 521 088	-	2 249 271	1 074 443	129 750	68 974 552
Net book amount	**718 126 011**	**25 565 094**	**43 733 809**	**101 320 354**	**101 552 873**	**990 298 141**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

12 PROPERTY AND EQUIPMENT (continued)

If property and equipment was stated on historical cost basis, the amount would be as follows;

	Land and buildings ZWG	Machinery ZWG	Computer equipment ZWG	Furniture and office equipment ZWG	Motor vehicles ZWG	Total ZWG
INFLATION ADJUSTED						
2024						
Cost	246 742 440	19 093 454	87 580 805	135 233 973	70 139 179	558 789 851
Accumulated depreciation	(18 320 658)	-	(19 767 662)	(38 767 783)	(10 746 969)	(87 603 073)
Net book amount	**228 421 782**	**19 093 454**	**67 813 143**	**96 466 190**	**59 392 210**	**471 186 778**
2023						
Cost	106 994 134	16 627 849	75 412 382	114 595 264	56 518 805	370 148 434
Accumulated depreciation	(18 320 658)	-	(19 767 662)	(38 767 780)	(10 746 868)	(87 602 968)
Net book amount	**88 673 476**	**16 627 849**	**55 644 720**	**75 827 484**	**45 771 937**	**282 545 466**
HISTORICAL COST						
2024						
Cost	135 736 195	1 914 616	10 707 520	16 736 180	11 847 853	176 942 364
Accumulated depreciation	(592 020)	(1 205 455)	(8 112 183)	(5 676 836)	(34 440 649)	(50 027 143)
Net book amount	**135 144 175**	**709 161**	**2 595 337**	**11 059 344**	**(22 592 796)**	**126 915 221**
2023						
Cost	269 714	468 867	967 226	1 042 019	804 830	3 552 656
Accumulated depreciation	(32 406)	(44 966)	(478 251)	(279 899)	(877 206)	(1 712 728)
Net book amount	**237 308**	**423 901**	**488 975**	**762 120**	**(72 376)**	**1 839 928**

Fair values of property and equipment

An independent valuation of the Group's property and equipment was performed by valuers to determine the fair value of property and equipment as at 31 December 2024. The revaluation surplus net of applicable deferred income taxes was credited to other comprehensive income and is shown in 'revaluation reserves' as part of shareholders equity. The following table analyses the non-financial assets carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

12 PROPERTY AND EQUIPMENT (continued)

INFLATION ADJUSTED

	Fair value measurements at 31 December 2024 using		
Recurring fair value measurements of property and equipment	Observable inputs Level 2 ZWG	Unobservable inputs Level 3 ZWG	Total ZWG
- Office buildings	-	538 621 049	538 621 049
- Land and residential properties	-	179 504 962	179 504 962
- Other property and equipment	-	272 172 130	272 172 130
	-	**990 298 141**	**990 298 141**

	Fair value measurements at 31 December 2023 using		
Recurring fair value measurements for land and buildings	Observable inputs Level 2 ZWG	Unobservable inputs Level 3 ZWG	Total ZWG
- Office buildings	-	527 365 890	527 365 890
- Land and residential properties	-	175 753 982	175 753 982
- Other property and equipment	-	339 447 000	339 447 000
	-	**1 042 566 872**	**1 042 566 872**

HISTORICAL COST

	Fair value measurements at 31 December 2024 using		
Recurring fair value measurements of property and equipment	Observable inputs Level 2 ZWG	Unobservable inputs Level 3 ZWG	Total ZWG
- Office buildings	-	538 621 049	538 621 049
- Land and residential properties	-	179 504 962	179 504 962
- Other property and equipment	-	272 172 130	272 172 130
	-	**990 298 141**	**990 298 141**

	Fair value measurements at 31 December 2023 using		
Recurring fair value measurements for land and buildings	Observable inputs Level 2 ZWG	Unobservable inputs Level 3 ZWG	Total ZWG
- Office buildings	-	48 541 831	48 541 831
- Land and residential properties	-	16 177 421	16 177 421
- Other property and equipment	-	31 244 681	31 244 681
	-	**95 963 933**	**95 963 933**

There were no level 1 assets or transfers between levels 1 and 2 during 2024

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

12 PROPERTY AND EQUIPMENT (continued)

Valuation techniques used to derive fair values

The valuation technique for office buildings, residential property and land is both the investment and comparison approach. The following key inputs were used to determine the fair value;

- Rental rates in price per square metre. These were obtained by comparison of rates for similar properties in similar locations.
- Void rates as a percentage. This is the level of unoccupied space and was based on rates published by listed property companies.
- Capitalisation rate. This is what investors expect to earn as a percentage of their investment on an annual basis. The basis of these rates are actual transactions that transpired during the year.

The valuation of other property and equipment was derived using the sales comparison approach. Sales prices of comparable property and equipment of a similar nature was adjusted for differences in key attributes such as property size, age and .

INFLATION ADJUSTED	Level 3		Level 2	
	2024	2023 Restated**	2024	2023 Restated**
Property and equipment	ZWG	ZWG	ZWG	ZWG
Opening balance	1 042 566 872	439 996 558	-	-
Depreciation recognised	(114 223 410)	(33 702 425)	-	-
Revaluation gains recognised	(126 339 394)	584 074 930	-	-
Additions	196 928 337	63 047 981	-	-
Transfers to investment properties	(69 322 000)	-	-	-
Effects of change in functional currency	68 974 656	-	-	-
Period adjustments	46	-	-	-
Disposals	(8 286 966)	(10 850 172)	-	-
Closing balance	**990 298 141**	**1 042 566 872**	**-**	**-**

HISTORICAL COST	Level 3		Level 2	
	2024	2023 Restated**	2024	2023 Restated**
Property and equipment	ZWG	ZWG	ZWG	ZWG
Opening balance	95 963 933	8 428 032	-	-
Depreciation recognised	(53 350 943)	(1 620 466)	-	-
Revaluation gains recognised	774 295 443	86 461 669	-	-
Additions	178 567 617	2 909 555	-	-
Transfers to investment properties	(69 322 000)	-	-	-
Effects of change in functional currency	68 974 656	-		
Period adjustments	-	(1 100)	-	-
Disposals	(4 830 565)	(213 757)	-	-
Closing balance	**990 298 141**	**95 963 933**	**-**	**-**

Valuation processes of the Group

On a yearly basis, the Group engages external, independent and qualified valuers to determine the fair value of the Group's property and equipment. As at 31 December 2024, the fair values of property and equipment was determined by Bard Real Estate (Private) Limited. There was a limited number of sales in the market for commercial property and therefore the valuations were performed using unobservable inputs. The external valuers determined these inputs based on the size, age and condition of the property and equipment, the state of the local economy and comparable rental rates.

Refer to note 32 for further fair value disclosures on property and equipment.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

12 PROPERTY AND EQUIPMENT (continued)

Sensitivity analysis on property and equipment fair values

Property and equipment valued using comparison method

If market prices are to go up by the following percentages, the values will be as follows

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
25%	1 237 872 676	1 253 798 520	1 237 872 676	115 406 925
50%	1 485 447 212	1 504 558 224	1 485 447 212	138 488 310
100%	1 980 596 282	2 006 077 632	1 980 596 282	184 651 081
Property and equipment valued using the investment method				
If capitalization rates change as follows, the values will change as follows				
Up by 50%	43 087 561	41 519 611	43 087 561	3 821 707
drop by 50%	64 631 341	63 824 843	64 631 341	5 874 811
If rental charges change as follows, the values will change as follows				
Up by 50%	76 225 349	73 451 521	76 225 349	6 760 906
drop by 50%	20 441 591	20 186 512	20 441 591	1 858 084

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
13 DEPOSITS	ZWG	ZWG	ZWG	ZWG
13.1 Deposits from customers				
Demand deposits	6 369 781 229	3 575 333 932	6 369 781 229	329 094 579
Promissory notes	455 475 629	475 631 643	455 475 629	43 779 909
Other time deposits	704 374 302	373 393 177	704 374 302	34 369 285
	7 529 631 160	**4 424 358 752**	**7 529 631 160**	**407 243 773**
Current	7 505 348 455	4 423 542 832	7 505 348 455	407 168 671
Non-current	24 282 705	815 920	24 282 705	75 102
Total	**7 529 631 160**	**4 424 358 752**	**7 529 631 160**	**407 243 773**
13.2 Deposits from other banks				
Money market deposits	1 117 454 837	476 992 091	1 117 454 837	43 905 133
Current	1 117 454 837	476 992 091	1 117 454 837	43 905 133
Non-current	-	-	-	-
Total	**1 117 454 837**	**476 992 091**	**1 117 454 837**	**43 905 133**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

		31 Dec 2024		31 Dec 2023 Restated**	
13.3	Deposit concentration	ZWG	%	ZWG	%
	INFLATION ADJUSTED				
	Agriculture	393 669 762	5%	271 921 867	6%
	Construction	674 743 251	8%	541 021 159	11%
	Wholesale and retail trade	989 678 655	11%	731 970 494	15%
	Public sector	1 395 515 387	16%	705 185 487	14%
	Manufacturing	913 943 651	11%	606 131 799	12%
	Telecommunication	173 000 109	2%	81 174 435	2%
	Transport	228 384 610	3%	74 320 683	2%
	Individuals	1 508 565 530	17%	445 595 812	9%
	Financial services	851 478 002	10%	332 553 358	7%
	Mining	278 426 484	3%	580 963 396	12%
	Other	1 239 680 556	14%	530 512 353	11%
		8 647 085 997	**100%**	**4 901 350 843**	**100%**
	HISTORICAL COST				
	Agriculture	393 669 762	5%	25 029 274	6%
	Construction	674 743 251	8%	49 798 742	11%
	Wholesale and retail trade	989 678 655	11%	67 374 832	14%
	Public sector	1 395 515 387	16%	64 909 383	14%
	Manufacturing	913 943 651	11%	55 791 905	12%
	Telecommunication	173 000 109	2%	7 471 768	2%
	Transport	228 384 610	3%	6 840 909	2%
	Individuals	1 508 565 530	17%	41 015 236	9%
	Financial services	851 478 002	10%	30 610 150	7%
	Mining	278 426 484	3%	53 475 258	12%
	Other	1 239 680 556	14%	48 831 449	11%
		8 647 085 997	**100%**	**451 148 906**	**100%**

Deposits are classified as financial liabilities at amortised cost. Deposits due to customers primarily comprise amounts payable on demand.

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
14	**BORROWINGS**				
	Opening	3 117 074 268	1 424 121 977	286 913 688	27 278 726
	Additions	1 722 271 596	366 775 305	1 322 496 820	7 141 473
	Repayments	(3 641 606 282)	(1 434 708 463)	(411 670 926)	(1 634 503)
	Non cash movements*	1 607 595 109	2 760 885 449	1 607 595 109	254 127 992
	Closing balance	**2 805 334 691**	**3 117 074 268**	**2 805 334 691**	**286 913 688**
	Current	492 913 916	2 454 112 945	492 913 916	225 890 863
	Non-current	2 312 420 775	662 961 323	2 312 420 775	61 022 825
	Total	**2 805 334 691**	**3 117 074 268**	**2 805 334 691**	**286 913 688**

*Non cash movements are mainly comprised of exchange gains and losses.

These loans are analysed as follows:
African Export-Import Bank (AfreximBank)/ Syndicated Loan made of US$90 million received in December 2022 to run upto December 2027 with maturities of equal installments from December 2025. The interest rate is 8% pa + SOFR. Additionally, US$20 million was received at the same rate in February 2024 and US$3.72 million was repaid in November 2024. Outstanding facility amount as at 31 December 2024 is US$108.28 million.

The Reserve Bank of Zimbabwe Productive Sector facility is a two year post- COVID-19 recovery fund, maturing in February 2024 with an interest rate of 75% as per Bank Rate of 2022 . The facility is unsecured , and was fully paid off in September 2024.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024	31 Dec 2023 Restated**	30 June 2023	31 Dec 2022 Restated**
		ZWG	ZWG	ZWG	ZWG
15	**INSURANCE AND REINSURANCE CONTRACTS**				
	Insurance contracts				
	Insurance contract liabilities				
	-Insurance contract balances				
	-Non-Life	288 116 863	318 626 653	288 116 863	29 328 255
		288 116 863	**318 626 653**	**288 116 863**	**29 328 255**
	-Assets for insurance acquisition cash flows				
	-Non-Life	-	-	-	-
		-	-	-	-
	Net Insurance contract liabilities	288 116 863	318 626 653	288 116 863	29 328 255
	Insurance contract assets				
	-Insurance contract balances				
	-Non-Life	95 884 027	86 575 667	95 884 027	7 968 929
		95 884 027	**86 575 667**	**95 884 027**	**7 968 929**
	-Assets for insurance acquisition cash flows				
	-Non-Life	-	-	-	-
		-	**-**	**-**	**-**
	Net Insurance contract assets	95 884 027	86 575 667	95 884 027	7 968 929
	Reinsurance contracts				
	Reinsurance contract assets				
	-Non-Life	113 970 090	86 617 098	113 970 090	7 972 743
		113 970 090	**86 617 098**	**113 970 090**	**7 972 743**
	Reinsurance contract liabilities				
	-Non-Life	-	40 200 988	-	3 700 333
		-	**40 200 988**	**-**	**3 700 333**
	The following sets out the carrying amounts of insurance and reinsurance contracts expected to be (recovered) settled more than 12 months after the reporting date				
	Insurance contract assets	-	-	-	-
	Insurance contract liabilities	-	-	-	-
	Reinsurance contract assets	-	-	-	-
	Reinsurance contract liabilities	-	-	-	-
	Maximum exposure to credit risk from Insurance contracts	95 884 027	86 575 667	95 884 027	7 968 929
	Maximum exposure to credit risk from Reinsurance contracts	113 970 090	86 617 098	113 970 090	7 972 743

Reinsurance contract assets are covered by a treaty program rated BBB.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

15.1 Movement in insurance and reinsurance contract balances

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 contract balances

31 Dec 2024 Non-life Insurance contracts	INFLATION ADJUSTED				
	Liability for incurred claims				
			Contracts under PAA		
Analysis by remaining coverage and incurred claims	Liability for remaining coverage excluding loss component ZWG	Loss component ZWG	Estimates of present value of future cash flows ZWG	Risk adjustment for non-financial risk ZWG	Total 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
	633 945 902	**-**	**-**	**-**	**633 945 902**
Insurance service expense					
Incurred claims and other insurance service expenses	(204 580 112)	-	(247 684 733)	-	(452 264 845)
Amortisation of insurance acquisition cash flows	(39 241 080)	-	-	-	(39 241 080)
Losses and reversals of losses on onerous contracts	-	-	-	-	-
Adjustment to liabilities for incurred claims	(63 099 444)	55 181 865	(79 099 374)	(954 872)	(87 971 825)
	(306 920 636)	**55 181 865**	**(326 784 107)**	**(954 872)**	**(579 477 750)**
Premium refunds	-	-	-	-	-
Insurance service result	**327 025 266**	**55 181 865**	**(326 784 107)**	**(954 872)**	**54 468 152**
Net finance expenses from insurance contracts	-	-	-	-	-
Effect of movement in exchange rates	4 989 081	-	-	-	4 989 081
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)**
Net closing balance	**(34 346 758)**	**55 188 676**	**(198 414 689)**	**14 660 065**	**192 232 836**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

15.1 Movement in insurance and reinsurance contract balances (continued)

Movement in insurance contract balances

31 Dec 2023 Restated** Non-life Insurance contracts	INFLATION ADJUSTED				
	Liability for incurred claims				
			Contracts under PAA		
Analysis by remaining coverage and incurred claims	Liability for remaining coverage excluding loss component ZWG	Loss component ZWG	Estimates of present value of future cash flows ZWG	Risk adjustment for non-financial risk ZWG	Total 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
	522 107 952	**-**	**-**	**-**	**522 107 952**
Insurance service expense					
Incurred claims and other insurance service expenses	-	-	(270 387 833)	-	(270 387 833)
Amortisation of insurance acquisition cash flows	(158 267 290)	-	-	-	(158 267 290)
Losses and reversals of losses on onerous contracts	(30 661 600)	-	-	-	(30 661 600)
Adjustment to liabilities or incurred claims	-	8 132 987	(35 213 368)	(7 354 422)	(34 434 803)
	(188 928 890)	**8 132 987**	**(305 601 201)**	**(7 354 422)**	**(493 751 526)**
Premium refunds	-	-	-	-	-
Insurance service result	333 179 062	8 132 987	(305 601 201)	(7 354 422)	28 356 426
Net finance expenses from insurance contracts	-	-	-	-	-
Effect of movement in exchange rates	(92 000 093)	-	-	-	(92 000 093)
Total changes in the statement of profit or loss and OCI	**241 178 969**	**8 132 987**	**(305 601 201)**	**(7 354 422)**	**(63 643 667)**
Cash flows				-	
Premiums received	(480 200 334)	-	-	-	(480 200 334)
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	**(321 933 044)**	**-**	**209 692 998**	**-**	**(112 240 046)**
Net closing balance	**(99 750 674)**	**(17 019 705)**	**(140 423 343)**	**(8 896 674)**	**(232 050 986)**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

15.1 Movement in insurance and reinsurance contract balances (continued)

Movement in insurance contract balances

31 Dec 2024

Non-life Insurance contracts *Analysis by remaining coverage and incurred claims*	HISTORICAL COST				
		Liability for incurred claims			
			Contracts under PAA		
	Liability for remaining coverage excluding loss component ZWG	Loss component ZWG	Estimates of present value of future cash flows ZWG	Risk adjustment for non-financial risk ZWG	Total ZWG
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
	433 552 930	**-**	**-**	**-**	**433 552 930**
Insurance service expense					
Incurred claims and other insurance service expenses	(161 233 891)	-	(186 446 594)	-	(347 680 485)
Amortisation of insurance acquisition cash flows	(17 727 737)	-	-	-	(17 727 737)
Losses and reversals of losses on onerous contracts	-	-	-	-	-
Adjustment to liabilities for incurred claims	(15 451 415)	12 164 468	(57 156 633)	1 643 473	(58 800 107)
	(194 413 043)	**12 164 468**	**(243 603 227)**	**1 643 473**	**(424 208 329)**
Premium refunds	-	-	-	-	-
Insurance service result	239 139 887	12 164 468	(243 603 227)	1 643 473	9 344 601
Net finance expenses from insurance contracts	-	-	-	-	-
Effect of movement in exchange rates	(27 037 956)	-	-	-	(27 037 956)
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	-	355 295 386
Insurance acquisition cash flows	80 812 495	-	-	-	80 812 495
Total cash flows	**(339 626 749)**	**-**	**186 446 594**	**-**	**(153 180 155)**
Net closing balance	**(140 654 645)**	**10 597 875**	**(62 384 745)**	**208 679**	**(192 232 836)**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

15.1 Movement in insurance and reinsurance contract balances (continued)

Movement in insurance contract balances

31 Dec 2023 Restated** Non-life Insurance contracts	HISTORICAL COST				
	Liability for incurred claims				
			Contracts under PAA		
Analysis by remaining coverage and incurred claims	Liability for remaining coverage excluding loss component ZWG	Loss component ZWG	Estimates of present value of future cash flows ZWG	Risk adjustment for non-financial risk ZWG	Total ZWG
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
	27 654 494	**-**	**-**	**-**	**27 654 494**
Insurance service expense					
Incurred claims and other insurance service expenses	-	-	(15 332 855)	-	(15 332 855)
Amortisation of insurance acquisition cash flows	(7 909 958)	-	-	-	(7 909 958)
Losses and reversals of losses on onerous contracts	(2 822 272)	-	-	-	(2 822 272)
Adjustment to liabilities for incurred claims	-	1 396 370	(3 571 069)	(1 055 118)	(3 229 817)
	(10 732 230)	**1 396 370**	**(18 903 924)**	**(1 055 118)**	**(29 294 902)**
Premium refunds	-	-	-	-	-
Insurance service result	16 922 264	1 396 370	(18 903 924)	(1 055 118)	(1 640 408)
Net finance expenses from insurance contracts	-	-	-	-	-
Effect of movement in exchange rates	4 430 721	-	(742 829)	-	3 687 892
Total changes in the statement of profit or loss and OCI	**21 352 985**	**1 396 370**	**(19 646 753)**	**(1 055 118)**	**2 047 484**
Cash flows				-	
Premiums received	(42 071 603)	-	-	-	(42 071 603)
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	**(34 958 863)**	**-**	**12 451 340**	**-**	**(22 507 523)**
Net closing balance	**(14 213 642)**	**1 566 593**	**(7 663 191)**	**(1 049 086)**	**(21 359 326)**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

15.1 Movement in insurance and reinsurance contract balances (continued)

Movement in reinsurance contract balances

Audited **31 Dec 2024** **Non-Life** **Reinsurance contracts** ***Analysis by remaining coverage and incurred claims***	**INFLATION ADJUSTED** **Assets for remaining coverage** **Excluding Loss recovery component ZWG**	**Loss recovery component ZWG**	**Asset for incurred claims ZWG**	**Total ZWG**
Net opening assets/(liabilities)	15 312 853	38 479	31 064 864	46 416 196
Net opening balance	**15 312 853**	**38 479**	**31 064 864**	**46 416 196**
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	181 170 139	-	-	181 170 139
	181 170 139	**-**	**-**	**181 170 139**
Amounts recoverable from reinsurers				
Amortisation of reinsurance acquisition cash flows	-	-	-	-
Rocoveries of incurred claims and other insurance service expenses	(47 420 229)	(26 964 385)	-	(74 384 614)
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	(9 074 790)	214 219	4 842 889	(4 017 682)
	(56 495 019)	**(26 750 166)**	**4 842 889**	**(78 402 296)**
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	54 997 892	29 657 083	-	84 654 975
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	(168 753 633)	-	-	(168 753 633)
Amounts received	21 920 324	26 964 385	-	48 884 709
	-	-	-	-
Total cash flows	**(146 833 309)**	**26 964 385**	**-**	**(119 868 924)**
Net closing balance	**48 152 556**	**29 909 781**	**35 907 753**	**113 970 090**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

15.1 Movement in insurance and reinsurance contract balances (continued)

Movement in reinsurance contract balances

Audited 31 Dec 2024 Non-Life Reinsurance contracts ***Analysis by remaining coverage and incurred claims***	**HISTORICAL COST** **Assets for remaining coverage** Excluding Loss recovery component ZWG	Loss recovery component ZWG	Asset for incurred claims ZWG	Total ZWG
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	-	-	-	-
Rocoveries of incurred claims and other insurance service expenses	(21 455 151)	(16 583 105)	-	(38 038 256)
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	(11 888 143)	214 219	4 842 889	(6 831 035)
	(33 343 294)	**(16 368 886)**	**4 842 889**	**(44 869 291)**
Premium refunds	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-
	-	**-**	**-**	**-**
Net (revenue)/expenses from reinsurance contracts	**95 298 612**	**(16 368 886)**	**4 842 889**	**83 772 615**
Net finance expenses from insurance contracts	-	-	-	-
Effect of movement in exchange rates	70 795 700	59 678 778	-	130 474 478
Total changes in the statement of profit or loss and OCI	**166 094 312**	**43 309 892**	**4 842 889**	**214 247 093**
Cash flows				
Premiums paid	(143 052 841)	-	-	(143 052 841)
Amounts received	21 920 324	16 583 105	-	38 503 429
Total cash flows	**(121 132 517)**	**16 583 105**	**-**	**(104 549 412)**
Net closing balance	**46 369 816**	**59 896 539**	**7 703 735**	**113 970 090**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

15.1 Movement in insurance and reinsurance contract balances (continued)

Movement in reinsurance contract balances

Audited

31 Dec 2023 Restated** Non-Life Reinsurance contracts *Analysis by remaining coverage and incurred claims*	INFLATION ADJUSTED Assets for remaining coverage Excluding Loss recovery component ZWG	Loss recovery component ZWG	Asset for incurred claims ZWG	Total ZWG
Net opening assets/(liabilities)	(9 515 611)	752 401	3 084 084	(5 679 126)
Net opening balance	**(9 515 611)**	**752 401**	**3 084 084**	**(5 679 126)**
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	177 607 394	-	-	177 607 394
	177 607 394	**-**	**-**	**177 607 394**
Amounts recoverable from reinsurers				
Amortisation of reinsurance acquisition cash flows	(103 624 113)	-	-	(103 624 113)
Rocoveries 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	(20 997 005)	5 096 083	24 282 306	8 381 384
Adjustment to assets for incurred claims	-	-	-	-
	(124 621 118)	**5 096 083**	**24 282 306**	**(95 242 729)**
Premium refunds	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-
	-	**-**	**-**	**-**
Net (revenue)/expenses from reinsurance contracts	**52 986 276**	**5 096 083**	**24 282 306**	**82 364 665**
Net finance expenses from insurance contracts	-	-	-	-
Effect of movement in exchange rates	49 423 006	-	(79 581 277)	(30 158 271)
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	-	-	(26 950 248)	(26 950 248)
Amounts received	-	-	26 839 090	26 839 090
Total cash flows	**-**	**-**	**(111 158)**	**(111 158)**
Net closing balance	**92 893 671**	**5 848 484**	**(52 326 045)**	**46 416 110**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

15.1 Movement in insurance and reinsurance contract balances (continued)
Movement in reinsurance contract balances

Audited 31 Dec 2023 Restated** Non-Life Reinsurance contracts *Analysis by remaining coverage and incurred claims*	HISTORICAL COST Assets for remaining coverage Excluding Loss recovery component ZWG	 Assets for remaining coverage Loss recovery component ZWG	 Asset for incurred claims ZWG	 Total ZWG
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	(5 691 895)	-	-	(5 691 895)
Rocoveries 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	(2 319 011)	469 073	2 235 084	385 146
Adjustment to assets for incurred claims	-	-	-	-
	(8 010 906)	**469 073**	**2 235 084**	**(5 306 749)**
Premium refunds	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-
	-	-	-	-
Net (revenue)/expenses from reinsurance contracts	**805 657**	**469 073**	**2 235 084**	**3 509 814**
Net finance expenses from insurance contracts	-	-	-	-
Effect of movement in exchange rates	3 470 945	-	(3 615 716)	(144 771)
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	-	-	74 304	74 304
Amounts received	-	-	941 845	941 845
Total cash flows	**-**	**-**	**1 016 149**	**1 016 149**
Net closing balance	**4 048 561**	**483 505**	**(259 657)**	**4 272 409**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

15.3 Claims development

The Group did not disclose claims development information due to the fact that uncertainty about the amount and timing of the claims payments is typically resolved within one year.

15.4 Significant judgements and estimates

i. Fulfilment cash flows

Fulfilment cash flows comprise:

— estimates of future cash flows;

— an adjustment to reflect the time value of money and the financial risks related to future cash flows, to the extent that the financial risks are not included in the estimates of future cash flows; and

— a risk adjustment for non-financial risk.

The Group's objective in estimating future cash flows is to determine the expected value of a range of scenarios that reflects the full range of possible outcomes. The cash flows from each scenario are discounted and weighted by the estimated probability of that outcome to derive an expected present value. If there are significant interdependencies between cash flows that vary based on changes in market variables and other cash flows, then the Group uses stochastic modelling techniques to estimate the expected present value. Stochastic modelling involves projecting future cash flows under a large number of possible economic scenarios for market variables such as interest rates and equity returns.

Estimates of future cash flows

In estimating future cash flows, the Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events.

The estimates of future cash flows reflect the Group's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices. When estimating future cash flows, the Group takes into account current expectations of future events that might affect those cash flows. However, expectations of future changes in legislation that would change or discharge a present obligation or create new obligations under existing contracts are not taken into account until the change in legislation is substantively enacted. Cash flows within the boundary of a contract relate directly to the fulfilment of the contract, including those for which the Group has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfilling the contracts include:

— claims handling, maintenance and administration costs;

— recurring commissions payable on instalment premiums receivable within the contract boundary;

— costs that the Group will incur in providing investment services;

— costs that the Group will incur in performing investment activities to the extent that the Group performs them to enhance benefits from insurance coverage for policyholders by generating an investment return from which policyholders will benefit if an insured event occurs; and

— income tax and other costs specifically chargeable to the policyholders under the terms of the contracts.

Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads. Cash flows are attributed to acquisition activities, other fulfilment activities and other activities at local entity level using activity-based costing techniques. Cash flows attributable to acquisition and other fulfilment activities are allocated to groups of contracts using methods that are systematic and rational and are consistently applied to all costs that have similar characteristics.

The Group generally allocates insurance acquisition cash flows to groups of contracts based on the total premiums for each group, claims handling costs based on the number of claims for each group, and maintenance and administration costs based on the number of in-force contracts within each group. Other costs are recognised in profit or loss as they are incurred.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

15.4 Significant judgements and estimates (continued)

Contract boundaries

The assessment of the contract boundary, which defines which future cash flows are included in the measurement of a contract, requires judgement and consideration of the Group's substantive rights and obligations under the contract.

i) Insurance contracts

Some term assurance issued by the Group have annual terms that are guaranteed to be renewable each year. The Group determines that the cash flows related to future renewals (i.e. the guaranteed renewable terms) of these contracts are outside the contract boundary. This is because the premium charged for each year reflects the Group's expectation of its exposure to risk for that year and, on renewal, the Group can reprice the premium to reflect the reassessed risks for the next year based on claims experience and expectations for the respective portfolio. Any renewal of the contract is treated as a new contract and is recognised, separately from the initial contract, when the recognition criteria are met.

ii) Reinsurance contracts

Each of the Group's quota share and treaty reinsurance contracts has an annual term, covers underlying contracts issued within the term on a risk-attaching basis and provides unilateral rights to both the Group and the reinsurer to terminate the cession of new business at any time by giving three months' notice to the other party. On initial recognition, the cash flows within the reinsurance contract boundary are determined to be those arising from underlying contracts that the Group expects to issue and cede under the reinsurance contract within the next three months. Subsequently, expected cash flows beyond the end of this initial notice period are considered cash flows of new reinsurance contracts and are recognised, separately from the initial contract, as they fall within the rolling three-month notice period.

Each of the Group's excess of loss and stop loss reinsurance contracts has an annual term and covers claims from underlying contracts incurred within the year (i.e. loss occurring). Cash flows within the contract boundary are those arising from underlying claims incurred during the year.

Non-life contracts

The Group estimates the ultimate cost of settling claims incurred but unpaid at the reporting date and the value of salvage and other expected recoveries by reviewing individual claims reported and making allowance for claims incurred but not yet reported. The ultimate cost of settling claims is estimated using a range of loss reserving techniques – e.g. the chain-ladder and Bornhuetter- Ferguson methods. These techniques assume that the Group's own claims experience is indicative of future claims development patterns and therefore ultimate claims cost. The ultimate cost of settling claims is estimated separately for each line of business, except for large claims, which are assessed separately from other claims. The assumptions used, including loss ratios and future claims inflation, are implicitly derived from the historical claims development data on which the projections are based, although judgement is applied to assess the extent to which past trends might not apply in the future and future trends are expected to emerge.

Risk adjustments for non-financial risk

Risk adjustments for non-financial risk are determined to reflect the compensation that the individual issuing entity would require for bearing non-financial risk, separately for the non-life and other contracts, and are allocated to groups of contracts based on an analysis of the risk profiles of the groups. Risk adjustments for non-financial risk reflect the diversification benefits from contracts issued by the entity, in a way that is consistent with the compensation that it would require and that reflects its degree of risk aversion, and the effects of the diversification benefits are determined using a value-at-risk technique (VaR) quantitative technique.

Using the Value-at-Risk (VaR) technique, the risk adjustment is calculated as the amount that must be added to the expected value of the insurance liabilities, such that the probability that the actual outcome will be less than the liability (including the risk adjustment) is equal to a targeted probability (i.e. confidence level). The risk adjustment is the difference between the probability-weighted expected value and the corresponding result at the selected percentile of the probability distribution. VaR can be done using various approaches that include but not limited to Monte Carlo Simulations, Solvency II Based Approach and Mack Method.

The Group used 99.5% confidence level to determine the risk adjustment for non financial risk under the Zimbabwe Intergrated Capital & Risk Programme ('ZICARP").

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		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
16	**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
	Intermediary tax	64 119 899	40 102 384	64 119 899	3 691 257
	Customer funds awaiting payment	108 028 570	325 346 566.00	108 028 570.00	29 946 795.00
	Other liabilities	74 404 320	552 836 283	74 024 078	50 690 051
		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**

17 DEFERRED TAX ASSET AND LIABILITY

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same tax authority. Deferred income taxes are calculated on all temporary differences under the liability method using an effective corporate tax rate of 25.75% (2023: 24.72%) and capital gains tax rate of 20% (2023: 20%).

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
	The movement on the deferred tax account is as follows:				
	As at 1 January	528 187 212	204 365 669	46 701 452	3 422 154
	Statement of profit or loss charge (note 27)	273 980 617	213 451 845	551 170 251	28 575 803
	Tax charge relating to components of other comprehensive income	(48 174 086)	117 775 025	143 033 396	17 115 568
	Other	10 039 920	(6 993 745)	(35 187 003)	(2 412 073)
	Effects of IAS29	(16 181 601)	(411 582)	-	-
	As at 31 December	**747 852 062**	**528 187 212**	**705 718 096**	**46 701 452**
17.1	**Analysis of charge in the statement of profit or loss**				
	The deferred tax charge in the statement of profit or loss comprises the following temporary differences:				
	Allowance for loan impairment	(60 323)	(52 985 010)	(206 700)	(4 877 049)
	Property and equipment allowances	54 054 035	164 733 330	44 030 941	15 249 927
	Unrealised gains on foreign exchange and equities	355 672 949	511 859 001	378 790 124	49 246 579
	Accrual for leave pay	26 563 746	(1 825 342)	(41 086 686)	(148 039)
	Liability for remaining coverage and deferred income	(65 623)	5 650	(65 623)	520
	Prepayments and other assets	16 598 538	(2 428 189)	28 165 140	1 921 416
	Other liabilities	(178 782 705)	(405 907 595)	141 543 055	(32 817 551)
	Total	**273 980 617**	**213 451 845**	**551 170 251**	**28 575 803**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
17.2 Analysis of charge in the statement of comprehensive income				
Property and equipment revaluations	(23 555 993)	117 574 987	167 421 797	17 093 112
Investment in securities at FVOCI	(24 618 093)	200 038	(24 388 401)	22 456
	(48 174 086)	**117 775 025**	**143 033 396**	**17 115 568**
17.3 Deferred income tax assets and liabilities				
Deferred tax assets and liabilities are attributable to the following items:				
Allowance for loan impairment	(115 594 504)	(115 534 181)	(5 564 341)	(5 357 642)
Financial assets at fair value through other comprehensive income	15 745 620	15 745 620	76 536	76 536
Property and equipment allowances	286 576 115	232 522 080	60 228 119	16 197 178
Unrealised gains on foreign exchange and equities	1 170 326 151	862 827 288	593 298 553	71 475 033
Accrual for leave pay	12 854 455	(13 709 291)	(41 277 463)	(190 776)
Deferred acquisition costs	5 422 186	5 422 186	(8 063)	(8 063)
Liability for remaining coverage and deferred income	(3 947 133)	(3 881 510)	(72 120)	(6 497)
Prepayments and other assets	20 279 540	3 681 002	30 103 767	1 938 627
Trade and other payables	(641 711 879)	(456 787 493)	68 933 366	(37 422 686)
Net outstanding claims	(2 098 489)	(2 098 489)	(258)	(258)
	747 852 062	**528 187 212**	**705 718 096**	**46 701 452**
18 SHARE CAPITAL AND SHARE PREMIUM				
18.1 Authorised				
Number of ordinary shares, with a nominal value of ZWG0,000000004002042**	800 000 000	800 000 000	800 000 000	800 000 000
18.2 Issued and fully paid				
Number of ordinary shares, with a nominal value of ZWG0,000000004002042**	671 949 927	671 949 927	671 949 927	671 949 927

All ordinary shares rank equally with regard to the Company's residual assets.

Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued.

18.3 Share capital movement	Number of Shares	Share Capital ZWG	Share Premium ZWG	Total ZWG
INFLATION ADJUSTED				
As at 31 December 2024	671 949 927	29 963	62 803 793	62 833 756
As at 31 December 2023	671 949 927	29 963	62 803 793	62 833 756
HISTORICAL COST				
As at 31 December 2024	671 949 927	3	5 636	5 639
As at 31 December 2023	671 949 927	3	5 636	5 639

The unissued share capital is under the control of the directors subject to the restrictions imposed by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31), Zimbabwe Stock Exchange Listing Requirements and the Articles and Memorandum of Association of the Company.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
19	**OTHER RESERVES**				
	Translation reserve	381,965,647	24,993,227	432 941 018	2 335 326
	Revaluation reserves	613 659 278	709 682 003	712 234 117	76 630 288
	Non distributable reserves	293 261 927	293 261 927	568 221	568 221
	Regulatory reserves	8 827 839	-	8 827 839	-
	Financial assets at fair value through other comprehensive income reserve	(38 743 478)	22 171 946	(55 998 922)	552 364
	Treasury shares reserves	(111 711 526)	(109 316 366)	(2 745 018)	(677 038)
	Changes in ownership reserve	7 450 344	7 450 344	669	669
		1 154 710 031	**948 243 081**	**1 095 827 924**	**79 409 830**

The definitions of the reserves are as follows;
Translation reserves consists of gains or losses on translation of foreign operations under our subsidiary FBC Reinsurance Limited.
The revaluation reserve consists of increases in the value of property and equipment on revaluation.

Non-distributable reserves are the net result of the restatement of assets and liabilities that could be recovered or settled in a currency other than the Zimbabwe Gold ("ZWG") or could be reasonably translated into a currency other than the ZWG as at 1 January 2009, less deferred income tax and net of amounts subsequently transfered to share capital and share premium.

Regulatory reserves are impairment allowances and additional claims reserves, the Group is legally required to maintain on its statement of financial position that are over and above those required by IFRS.

Financial assets at fair value reserve comprises the changes in the fair value of financial assets at fair value through other comprehensive income, net of tax. Treasury share reserve represents shares the Group has issued and subsequently reacquired.

Change in ownership reserve represents the net expense or gain resulting in a step acquisition of a subsidiary.

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
20	**INTEREST AND RELATED INCOME**	ZWG	ZWG	ZWG	ZWG
	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. No interest earned was at nominal rates				
20.1	**INTEREST AND RELATED 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**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
21	**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**
22	**FEE AND COMMISSION EXPENSE**				
	Brokerage	33 586 566	7 300 342	32 205 297	319 349
23	**INSURANCE REVENUE**				
	Contracts measured under PAA				
	Non-life	633 945 902	522 107 952	433 552 930	27 654 494
		633 945 902	**522 107 952**	**433 552 930**	**27 654 494**
24	**NET GAIN FROM FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE**				
	Financial assets at fair value through profit or loss (note 6), fair value loss	947 714 024	368 306 218	991 551 796	34 683 879
25	**OTHER OPERATING (LOSS)/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**
26	**OPERATING EXPENSES**				
	Insurance service expenses				
	Claims and benefits	343 534 439	256 777 874	260 106 110	14 931 354
	Losses on onerous insurance contracts	-	30 661 600	-	2 822 272
	Amounts attributed to/amortisation of insurance acquisition cash flows	147 756 145	158 267 290	86 998 142	7 909 958
	Staff costs (note 26.1)	16 808 850	36 887 593	11 239 695	2 604 348
	Administration expenses	71 378 316	11 157 168	65 864 382	1 026 971
		579 477 750	**493 751 525**	**424 208 329**	**29 294 903**

Notes to the Consolidated Financial Statements (Continued)

For the year ended 31 December 2024

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
26 OPERATING EXPENSES (continued)				
Other operating expenses				
Marketing	31 910 548	15 590 338	21 260 788	693 886
Premises	85 352 420	66 207 511	55 911 394	3 724 240
Computer	115 552 548	117 084 111	70 541 423	6 333 002
Insurance	72 494 484	53 324 295	48 560 580	2 719 412
Travel	44 495 306	53 024 278	29 472 727	2 925 113
Security	49 508 031	46 289 538	32 344 658	2 543 429
Communication	39 299 051	37 083 866	29 634 406	2 034 398
Donations	23 110 706	19 244 881	13 535 882	784 899
Subscriptions	18 128 007	13 489 391	11 459 869	777 302
Operational losses/(loss recoveries)	(3 678 347)	211 275	(3 707 597)	6 590
Mastercard and Visa expenses	146 029 280	103 664 935	90 627 134	5 907 907
Other administration expenses	736 558 841	302 323 767	298 189 506	13 754 216
Staff costs (note 26.1)	2 589 848 099	2 170 791 636	2 162 518 827	136 303 973
Directors' remuneration (note 26.2)	457 448 018	857 912 998	285 022 972	42 593 637
Audit fees:				
- Financial statement audit-current year fees	28 428 740	24 378 152	18 673 096	1 481 053
- Financial statement audit-prior year fees	1 512 615	4 003 524	1 171 634	155 213
- Other services	-	1 658 712	-	125 286
Depreciation	114 223 410	33 702 425	53 350 943	1 620 466
Amortisation and impairment loss (note 11)	202 652	1 096 660	54 724	12 475
Short term leases	306 937	118 627	306 910	737
	4 550 731 346	**3 921 200 920**	**3 218 929 876**	**224 497 234**
	5 130 209 096	**4 414 952 445**	**3 643 138 205**	**253 792 137**
26.1 Staff costs				
Salaries and allowances	2 500 997 239	2 159 378 097	2 096 684 453	136 248 976
Social security	27 646 799	8 762 376	20 298 088	482 061
Pension contribution	78 012 911	39 538 756	56 775 981	2 177 284
	2 606 656 949	**2 207 679 229**	**2 173 758 522**	**138 908 321**
26.2 Directors' remuneration				
Board fees	39 869 288	23 600 090	29 845 114	1 460 732
Other emoluments	475 998	2 651	462 714	150
For services as management	417 102 732	834 310 257	254 715 144	41 132 755
	457 448 018	**857 912 998**	**285 022 972**	**42 593 637**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
26.3 Leases as lessee				
Right-of-use assets				
Cost				
Balance at 1 January	29 715 640	21 466 258	564 492	104 715
Additions	-	1 779 202	-	201 515
Remeasurement adjustments	8 174 693	6 470 180	12 831 904	258 262
Balance at 31 December	**37 890 333**	**29 715 640**	**13 396 396**	**564 492**
Accumulated depreciation				
Balance at 1 January	13 365 063	8 736 348	233 427	44 972
Charge for the year	3 799 364	4 628 715	2 065 188	188 455
Balance at 31 December	**17 164 427**	**13 365 063**	**2 298 615**	**233 427**
Carrying amount at 31 December	**20 725 906**	**16 350 577**	**11 097 781**	**331 065**
Amounts recognised in profit and loss				
Depreciation expense on right-of-use assets	3 799 364	4 628 715	2 065 188	188 455
Interest expense on lease liabilities	2 345 652	1 936 088	1 174 335	118 806
Income from sub-leasing right-of-use assets	364 549	420 659	172 772	14 762
The total cash outflow for leases amount to	2 397 066	856 967	(7 186 804)	(657 205)
Lease liabilities				
Opening	14 394 740	4 656 146	1 324 976	89 188
Additions for the period	-	2 189 293	-	201 515
Finance cost	2 345 652	1 936 088	1 174 335	118 806
Remeasurement adjustments	8 174 693	6 470 180	12 831 904	258 262
Cash movements	(2 397 066)	(856 967)	7 186 804	657 205
	22 518 019	**14 394 740**	**22 518 019**	**1 324 976**
		-		
Analysed as:				
0-1 year	11 262 170	8 486 374	11 262 170	781 136
1-5 years	11 255 849	5 908 366	11 255 849	543 840
	22 518 019	**14 394 740**	**22 518 019**	**1 324 976**

The Group leases some of its banking branches and premises. The leases typically run for a period of 1 year. Lease payments are reviewed in line with prevailing market conditions on an annual basis to align them to market rentals. The leases provide for additional rent payments that are based on changes in the local price index. The leased properties are all for office use.

Amounts recorded in profit or loss				
Lease expense	306 937	118 627	306 910	737

Re-measurement adjustments include effects of IAS 29.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG
27	**INCOME TAX EXPENSE:**				
27.1	**Charge for the year**				
	Current income tax on income for the reporting year	99 893 722	115 806 868	75 970 914	10 565 171
	Prior year under provision	9 278 294	1 747 091	-	33 465
	Deferred income tax	273 980 617	213 451 845	551 170 251	28 575 803
	Income tax expense	**383 152 633**	**331 005 804**	**627 141 165**	**39 174 439**
	The income tax rate applicable to the Group`s taxable income for the year ended 31 December 2024 is 25.75% (2023:24.72%).				
27.2	**Reconciliation of income tax expense**				
	The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the principal tax rate of 25.75% (2023: 24.72%) as follows;				
	Profit before income tax	**2 013 080 354**	**1 754 445 635**	**4 103 276 935**	**230 639 349**
	Income tax charged based on profit for the year at 25.75% (2023:24.72%)	518 368 191	433 698 961	1 056 593 811	57 014 048
	Tax effect of:				
	Exempt income*	(322 285 780)	(638 508 078)	(322 285 780)	(58 772 006)
	Additional/(savings) tax resulting from permanent differences	829	8 102	829	746
	Income subject to tax at lower rates	(2 784 739)	10 335 573	(2 784 739)	1 509 481
	Impairment allowance	17 992 420	53 874 612	17 992 420	4 958 933
	Expenses not deductible for tax purposes**	376 129 361	205 639 449	372 635 126	10 801 515
	Prior year under provision	(20 923 162)	3 505 793	(5 374 464)	886 180
	Other liabilities including payroll related provisions	(183 344 487)	262 451 392	(489 636 038)	22 775 542
	Income tax expense	**383 152 633**	**331 005 804**	**627 141 165**	**39 174 439**
	Effective rate	**19%**	**19%**	**15%**	**17%**

* Included in exempt income is dividend income and unrealised exchange gains.

** Expenses not deductable for tax purposes constitute depreciation, intermediary tax, entertainment costs and donations.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

28 RELATED PARTY TRANSACTIONS

The Group has related party relationships with its shareholders who own, directly or indirectly, 10% or more of its share capital or those shareholders who control in any manner, the election of the majority of the Directors of the Company or have the power to exercise controlling influence over the management or financial and operating policies of the Group. The Group carried out banking and investments related transactions with various companies related to its shareholders, all of which were undertaken in compliance with the relevant banking regulations. The following is a list of related parties to the Group and transactions with them:

Key management

Name	Position
Trynos Kufazvinei	Group Chief Executive
Abel Magwaza	Group Finance Director
Kleto Chiketsani	Managing Director (FBC Reinsurance Limited)
Webster Rusere	Managing Director (FBC Bank Limited)
Pius Rateiwa	Managing Director (FBC Building Society)
Tichaona Mabeza	Group Company Secretary
Benson Gasura	Managing Director (FBC Securities (Private) Limited)
Alice Shumba	Managing Director (FBC Insurance Company (Private) Limited)
Patrick Mangwendeza	Managing Director (Microplan Financial Services (Private) Limited)
Mubaiwa Mubayiwa	Managing Director (FBC Crown Bank Limited)
Israel Murefu	Divisional Director Human Resources
Barnabas Vera	Divisional Director Internal Audit
Alfred Chitanda	Executive Director (FBC Bank Limited)
Agnes Kanhukamwe	Executive Director (FBC Crown Bank Limited)
Agrippa Mugwagwa	Executive Director (FBC Bank Limited)
Martin Makonese	Executive Director (FBC Bank Limited)
Patrick Takawira	Executive Director (FBC Bank Limited)
Joachim Matsvimbo	Executive Director (FBC Reinsurance Limited)
Patricia Nyazenga	Divisional Director Credit Management
Mudzingwa Nhiwatiwa	Divisional Director Risk Management
Dorcas Chihota	Executive Director (FBC Reinsurance Limited)

The following are companies and a trust related to directors, key management and the Group:
Arena Investments (Private) Limited (owned by FBC Holdings Limited board member)
Cotition Investments (Private) Limited (owned by FBC Bank Limited board member)
Wedgeport Investments (Private) Limited (owned by FBC Holdings Limited board member)
Dinkrain Investments (Private) Limited (owned by FBC Bank Limited board member)
Fleetwood Investments (Private) Limited (owned by FBC Holdings Limited board member)
Rus Enterprises (Private) Limited (owned by FBC Holdings Limited board member)
Defined Wear (PBC) (Private) Limited (owned by FBC Building Society board member)
Codchem (Private) Limited (owned by FBC Building Society board member)
J Med Supplies (Private) Limited (owned by FBC Building Society board member)
Altiwave Investments (Private) Limited (related to FBC Bank Limited)
Mapani Hardware (Private) Limited (related to FBC Bank Limited)
GB Holdings Limited (related to FBC Holdings Executive)
Pachiro Family Trust (related to FBC Bank Limited board member)
Vidrly International (PVT) LTD (related to FBC Holdings Executive)

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

28 RELATED PARTY TRANSACTIONS (CONTINUED)

Below are the companies related to directors, key senior management and Group and their loan balances as at 31 December 2024.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
MATAMBO RUMBIDZAI MRS	2 553 609	367 036	2 553 609	33 784
PADARE ESTATES	2 646 798	-	2 646 798	-
NYEMBA VIMBAI	514 272	295 307	514 272	27 182
MACHINGAIDZE MARY NETSAI MRS	-	32 322	-	2 975
RUS LOGQUIP PVT LTD	265 291	160 811	265 291	14 802
ETHICAL LEAF TOBACCO PRIVATE LIMITED	66 705 780	5 865 759	66 705 780	539 919
MUCHENA FREDERICK	270	318 643	270	29 330
	72 686 020	**7 039 878**	**72 686 020**	**647 992**
These transactions are at arms length.				
Loans and advances to executive directors				
Balance as at 1 January	53 294 997	16 340 114	4 905 582	312 991
Additions due to business acquisition	1 456 510	-	1 456 510	-
Effects of IAS29	(48 389 415)	(12 939 731)	-	-
Advances during the year	216 607 700	131 176 343	216 607 700	12 074 235
Repayments made during the year	(38 908 113)	(81 281 729)	(38 908 113)	(7 481 644)
Balance as at 31 December	**184 061 679**	**53 294 997**	**184 061 679**	**4 905 582**
Interest charged during the year	152 961	8 046 301	111 293	555 194
Loans and advances to directors and officers of the Group have, along with other loans and advances, been subjected to impairment procedures. Their terms and conditions are the same as those of ordinary customers.				
Compensation for executive directors and key management				
Short term employee benefits	417 102 732	834 310 257	254 715 144	41 132 755
Post- employment benefits	475 998	2 651	462 714	150
Long service awards	365 961 601	498 327 622	365 961 601	45 868 980
	783 540 331	**1 332 640 530**	**621 139 459**	**87 001 885**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

28 RELATED PARTY TRANSACTIONS (CONTINUED)

Group entities	interest 2024	interest 2023
FBC Bank Limited	100%	100%
FBC Building Society	100%	100%
FBC Reinsurance Limited	100%	100%
FBC Securities (Private) Limited	100%	100%
Microplan Financial Services (Private) Limited	100%	100%
FBC Insurance Company (Private) Limited	95.4%	95.4%
OutRisk Underwriting Management Agency (Private) Limited	100%	100%
FBC Crown Bank Limited	100%	-

Other related party transactions

Other related party transactions include contributions to FBC Holdings Limited Pension Fund, a self administered post employment benefit fund and director’s remuneration. Details of these transactions are disclosed in note 37 and note 26.1 respectively.

29 PRINCIPAL SUBSIDIARIES

The Group had the following subsidiaries at 31 December 2023

Group and Company

Name	Nature of business	Proportion of ordinary shares directly held by the parent (%)	Proportion of ordinary shares held by the Group (%)	Proportion of ordinary shares held by non-controlling interests (%)
FBC Bank Limited	Commercial banking	100	100	-
FBC Building Society	Mortgage financing	100	100	-
FBC Reinsurance Limited	Short term reinsurance	100	100	-
FBC Securities (Private) Limited	Stockbroking	100	100	-
FBC Insurance Company (Private) Limited	Short term insurance	95	95	5
Microplan Financial Services (Private) Limited	Microlending	100	100	-
OutRisk Underwriting Management Agency (Private) Limited	Insurance broking	100	100	-
FBC Crown Bank Limited	Wholesale banking	100	100	-

All subsidiaries were incorporated in Zimbabwe, which is also their place of business.

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

Significant restrictions

There are no material restrictions with regards to any of the subsidiaries’ ability to access or use assets, and settle liabilities of the Group.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

30 EARNINGS PER SHARE

30.1 Basic earnings

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of shares in issue excluding ordinary shares purchased by the Company and held as treasury shares.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
Profit attributable to equity holders of the parent	1 628 080 275	1 422 816 457	3 474 192 056	191 422 812
Total	**1 628 080 275**	**1 422 816 457**	**3 474 192 056**	**191 422 812**
Basic earnings per share				
Basic earnings per share for continuing operations (ZWG cents)	266.68	233.02	569.07	31.35
	266.68	**233.02**	**569.07**	**31.35**

Year ended 31 December 2024	Shares issued	Treasury shares	Shares outstanding	Weighted
Weighted average number of ordinary shares				
Issued ordinary shares as at 1 January 2024	671 949 927	61 406 905	610 543 022	610 543 022
Treasury shares purchased	-	184 200	(184 200)	(41 887)
Treasury shares sold	-	-	-	-
Weighted average number of ordinary shares as at 31 December	**671 949 927**	**61 591 105**	**610 358 822**	**610 501 135**
Year ended 31 December 2023				
Weighted average number of ordinary shares				
Issued ordinary shares as at 1 January 2023	671 949 927	61 248 405	610 701 522	610 701 522
Treasury shares purchased	-	158 500	(158 500)	(102 916)
Treasury shares sold	-	-	-	-
Weighted average number of ordinary shares as at 31 December	**671 949 927**	**61 406 905**	**610 543 022**	**610 598 606**

30.2 Diluted earnings

Diluted earnings per share is calculated after adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company does not have dilutive ordinary shares.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
Earnings				
Profit attributable to equity holders of the parent	1 628 080 275	1 422 816 457	3 474 192 056	191 422 812
Total	**1 628 080 275**	**1 422 816 457**	**3 474 192 056**	**191 422 812**
Weighted average number of ordinary shares at 31 December	**610 501 135**	**610 598 606**	**610 501 135**	**610 598 606**
Diluted earnings per share				
Diluted earnings per share for continuing operations (ZWG cents)	266.68	233.02	569.07	31.35
	266.68	**233.02**	**569.07**	**31.35**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

30.3 Headline earnings per share

Headline earnings is calculated by starting with the basic earnings number and then excluding the following re-measurements;
- Gains/losses on the loss of control of a subsidiary
- Impairment/subsequent reversal of impairment of all assets
- Disposal gains/losses of all assets
- Compensation from third parties for assets that were impaired or lost
- The reclassification of all other remeasurements from other comprehensive income to profit or loss
- The reclassification of gains and losses on financial assets at fair value through other comprehensive income upon impairment or disposal and subsequent impairment losses
- The post-tax gain or loss on the disposal of assets or a disposal group constituting discontinued operations

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
Profit attributable to equity holders of the parent	1 628 080 275	1 422 816 457	3 474 192 056	191 422 812
Adjusted for excluded remeasurements				
Profit from the disposal of property and equipment (note 25)	1 069 431	9 408 362	45 557	108 485
Impairment on asset (note 11 & 12)	-	-	-	-
Headline earnings	**1 629 149 706**	**1 432 224 819**	**3 474 237 613**	**191 531 297**
Weighted average number of ordinary shares at 31 December	**610 501 135**	**610 598 606**	**610 501 135**	**610 598 606**
Headline earnings per share (ZWG cents)	**266.85**	**234.56**	**569.08**	**31.37**

30.4 Diluted headline earnings per share

Diluted headline earnings per share is calculated after adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company does not have dilutive ordinary shares.

Profit attributable to equity holders of the parent	1 628 080 275	1 422 816 457	3 474 192 056	191 422 812
Adjusted for excluded remeasurements				
Profit from the disposal of property and equipment (note 25)	1 069 431	9 408 362	45 557	108 485
Impairment on asset (note 11 & 12)	-	-	-	-
Headline earnings	**1 629 149 706**	**1 432 224 819**	**3 474 237 613**	**191 531 297**
Weighted average number of ordinary shares at 31 December	**610 501 135**	**610 598 606**	**610 501 135**	**610 598 606**
Headline earnings per share (ZWG cents)	**266.85**	**234.56**	**569.08**	**31.37**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 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 plansand 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 intergrity 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, and
(b.iii) Price risk
(c) Liquidity risk
(d) Settlement risk
(e) Operational risk
(f) Capital risk
g) Climate risk
h) Insurance risk
Other risks:
(i) Reputational risk
(j) 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.

31.1 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 losses 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 the Bank, 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.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.1 Credit risk (continued)

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 are 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 a 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 requirments 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 Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
Provisioning policy and write offs

The Group has adopted IFRS 9 along side Reserve Bank of Zimbabwe provisioning requirements 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%	A (1%)	Stage 1	12 Months ECL
2	Strong	Modest	1%			
3	Satisfactory	Average	2%			
4	Moderate	Acceptable	3%	B (3%)	Stage 2	Lifetime ECL
5	Fair	Acceptable with care	4%			
6	Speculative	Management attention	5%			
7	Speculative	Special mention	10%			
8	Substandard	Vulnerable	20%	C (20%)	Stage 3	Lifetime ECL
9	Doubtful	High default	50%	D (50%)		
10	Loss	Bankrupt	100%	E (100%)		

General allowance for impairment under Reserve Bank of Zimbabwe provisioning requirements

Prime to highly speculative grades "1 to 7"

General allowance for impairment for facilities in this category are maintained at the percentage (detailed in table above) of total customer account outstanding balances and off balance sheet (i.e. contingent) risks.

Specific allowance for impairment

Sub-standard to loss grades "8 to 10" - Timely repayment and/or settlement may be at risk

Specific allowance for impairment for facilities in this category are currently maintained at the percentages (detailed above) of total customer outstanding balances and off balance sheet (i.e. contingent) risks less the value of tangible security held.

The basis for writing off assets

When an advance which has been identified as impaired and subjected to a specific allowance for impairment continues to deteriorate, a point will come when it may be concluded that there is no realistic prospect of recovery. Board approval will be sought by Group Credit Management Division for the exposure to be immediately written off from the Group's books while long term recovery strategies are then pursued.

Credit risk and Basel II

The Group applied Credit Risk Basel II standards in line with the regulatory authorities' approach. Internal processes have been revamped to comply with the requirements. Policies and procedure manuals have been realigned to comply with the minimum requirements of Basel II.

Expected Credit Losses (ECL) under IFRS 9

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.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)

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

For detaild information on ECL's under IFRS 9 refer to note 2.5.

Forward looking Information

- The Group Economics Research team determines the macroeconomic outlook for the country and a Group view of commodities prices over a planning horizon of at least one year. The outlook is provided to Group management and management of the lending units namely FBC Bank Limited, Microplan Financial Services Pvt Ltd and FBC Building Society for review and approval by the Group Assets and Liabilities Committee.
- Macroeconomic outlook take into account various variables such as gross domestic product, central bank policy on interest rates, inflation, exchange rates and treasury bill rates. Of significant importance in terms of the variables used by management are gross domestic product and Inflation.
- The macroeconomic variables used were obtained from the International Monetary Fund (IMF).
- Narrative for the country's economic outlook, being bear, base and bull cases, are compiled and typically include consideration of the country's economic background, sovereign risk, foreign exchange risk; financial sector, liquidity and monetary policy positions.
- Probabilities are assigned to each of the bear, base and bull cases based on primary macroeconomic drivers and are reviewed annually.
- The forward looking economic expectations are updated on a bi-annual basis or more regularly when deemed appropriate.

The scenario probability weightings applied in measuring ECL are as follows.

	2024			2023		
At 31 December	**Base**	**Bear**	**Bull**	**Base**	**Bear**	**Bull**
Scenario probability weighting	30%	50%	20%	30%	50%	20%

The Zimbabwean economy is projected to record positive growth during the year 2025 though concerns remain over the geopolitical risks. The macro economic environment is currently volatile therefore forward looking information as considered by management has not had a significant impact on the expected credit loss recorded in the Financial statements.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
31.1.1 Exposure to credit risk

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
Loans and advances				
Stage 3/Grade 8	287 168 092	24 132 277	287 168 092	2 221 276
Stage 3/Grade 9	13 573 012	54 660 323	13 573 012	5 031 255
Stage 3/Grade 10	25 360 862	3 881 128	25 360 862	357 242
Gross amount	**326 101 966**	**82 673 728**	**326 101 966**	**7 609 773**
Impairment allowance	(73 851 939)	(54 102 695)	(73 851 939)	(4 979 928)
Carrying amount	**252 250 027**	**28 571 033**	**252 250 027**	**2 629 845**
Stage 2/Grade 4 - 7:	1 333 665 422	1 641 394 255	1 333 665 422	151 083 497
Stage 1/Grade 1 - 3:	7 237 186 078	5 431 836 180	7 237 172 076	499 976 581
Gross amount	**8 570 851 500**	**7 073 230 435**	**8 570 837 498**	**651 060 078**
Impairment allowance	(90 935 716)	(192 541 532)	(90 935 716)	(17 722 645)
Carrying amount	**8 479 915 784**	**6 880 688 903**	**8 479 901 782**	**633 337 433**
Total carrying amount	**8 732 165 811**	**6 909 259 936**	**8 732 151 809**	**635 967 278**

Loans and advances

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
Loans and advances

INFLATION ADJUSTED

	31 Dec 2024				31 Dec 2023 Restated**			
	ECL staging				ECL staging			
	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	Stage 3 Lifetime ECL ZWG	Total ZWG
Credit grade								
Investment grade	7 237 186 078	24 309 124	-	7 261 495 202	5 431 836 180	-	-	5 431 836 180
Standard monitoring	-	250 848 089	-	250 848 089	-	1 305 520 595	-	1 305 520 595
Special monitoring	-	1 058 508 209	-	1 058 508 209	-	335 873 660	-	335 873 660
Default	-	-	326 101 966	326 101 966	-	-	82 673 728	82 673 728
Gross loans and advances	**7 237 186 078**	**1 333 665 422**	**326 101 966**	**8 896 953 466**	**5 431 836 180**	**1 641 394 255**	**82 673 728**	**7 155 904 163**
Impairment allowance	(69 073 697)	(21 862 019)	(73 851 939)	(164 787 655)	(81 258 819)	(111 282 713)	(54 102 695)	(246 644 227)
Net loans and advances	**7 168 112 381**	**1 311 803 403**	**252 250 027**	**8 732 165 811**	**5 350 577 361**	**1 530 111 542**	**28 571 033**	**6 909 259 936**
Analysis								
Gross amount								
Balance as at January	**5 431 836 180**	**1 641 394 255**	**82 673 728**	**7 155 904 163**	**2 826 279 356**	**311 981 377**	**88 321 779**	**3 226 582 512**
Effects of IAS29	(1 079 749 255)	(496 563 097)	(12 180 974)	(1 588 493 326)	(2 238 132 576)	(247 057 949)	(69 941 985)	(2 555 132 510)
Additions due to business acquisition	327 930 773	-	20 242	327 951 015	-	-	-	-
Transfers	(71 187 051)	56 426 666	14 760 386	1	(27 628 629)	17 073 013	10 555 616	-
Stage 1	(127 600 940)	119 179 476	8 421 465		(30 185 036)	27 793 013	2 392 022	
Stage 2	56 095 929	(63 632 354)	7 536 425		2 418 895	(11 193 148)	8 774 253	
Stage 3	317 960	879 544	(1 197 504)		137 512	473 148	(610 659)	
New issue	4 338 113 690	580 368 328	289 321 201	5 207 803 219	5 101 703 237	1 607 652 120	72 819 615	6 782 174 972
Repayments	(1 709 758 259)	(447 960 730)	(38 392 137)	(2 196 111 126)	(230 385 208)	(48 254 306)	(13 511 762)	(292 151 276)
Amounts written off during the year as uncollectible	-	-	(10 100 480)	(10 100 480)	-	-	(5 569 535)	(5 569 535)
Balance as at December	**7 237 186 078**	**1 333 665 422**	**326 101 966**	**8 896 953 466**	**5 431 836 180**	**1 641 394 255**	**82 673 728**	**7 155 904 163**
Impairment								
Balance as at January	**81 258 819**	**111 282 713**	**54 102 695**	**246 644 227**	**63 367 273**	**13 845 854**	**22 487 093**	**99 700 220**
Additions due to business acquisition	31 467 733	1 082 427	66 681	32 616 841	-	-	-	-
Effects of IAS29	(73 779 284)	(101 039 604)	(49 122 768)	(223 941 656)	(50 180 522)	(10 964 528)	(17 807 521)	(78 952 571)
Transfers	(43 490 838)	47 713 551	(4 222 712)	-	(147 028)	288 752	(141 724)	-
Stage 1	(36 468 539)	36 373 754	94 786		(283 496)	266 504	16 994	
Stage 2	(7 231 918)	10 950 408	(3 718 491)		46 954	(140 211)	93 256	
Stage 3	209 619	389 389	(599 007)		89 514	162 459	(251 974)	
Net change due to new issues and repayments	45 985 596	(35 371 547)	80 193 787	90 807 836	68 401 377	108 181 301	52 614 509	229 197 187
Changes in parameters	25 626 373	(2 901 085)	(1 145 310)	21 579 978	(250 215)	(103 594)	2 522 765	2 168 956
Amounts written off during the year as uncollectible	2 005 298	1 095 564	(6 020 434)	(2 919 572)	67 934	34 928	(5 572 427)	(5 469 565)
Balance as at December	**69 073 697**	**21 862 019**	**73 851 939**	**164 787 655**	**81 258 819**	**111 282 713**	**54 102 695**	**246 644 227**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
HISTORICAL COST

	31 Dec 2024				31 Dec 2023 Restated**			
	ECL staging				ECL staging			
	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	Stage 3 Lifetime ECL ZWG	Total ZWG
Credit grade								
Investment grade	7 237 172 076	24 309 124	-	7 261 481 200	499 976 581	-	-	499 976 581
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	-	-	7 609 773	7 609 773
Gross loans and advances	**7 237 172 076**	**1 333 665 422**	**326 101 966**	**8 896 939 464**	**499 976 581**	**151 083 497**	**7 609 773**	**658 669 851**
Impairment allowance	(69 073 697)	(21 862 019)	(73 851 939)	(164 787 655)	(7 479 535)	(10 243 110)	(4 979 928)	(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**	**140 840 387**	**2 629 845**	**635 967 278**
Analysis								
Gross amount								
Balance as at January	**499 976 581**	**151 083 497**	**7 609 773**	**658 669 851**	**54 136 458**	**5 975 931**	**1 691 784**	**61 804 173**
Effects of IAS 21	3 852 110 344	993 747 661	62 882 981	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	-	(2 543 099)	1 571 499	971 600	-
Stage 1	(127 600 940)	119 179 476	8 421 464		(2 778 405)	2 558 231	220 176	
Stage 2	56 095 929	(63 632 354)	7 536 425		222 649	(1 030 283)	807 633	
Stage 3	317 960	879 544	(1 197 504)		12 657	43 551	(56 209)	
New issue	4 338 099 688	580 368 328	289 321 201	5 207 789 217	469 589 220	147 977 675	6 702 742	624 269 637
Repayments	(1 709 758 259)	(447 960 730)	(38 392 137)	(2 196 111 126)	(21 205 998)	(4 441 608)	(1 243 701)	(26 891 307)
Amounts written off during the year as uncollectible	-	-	(10 100 480)	(10 100 480)	-	-	(512 652)	(512 652)
Balance as at December	**7 237 172 076**	**1 333 665 422**	**326 101 966**	**8 896 939 464**	**499 976 581**	**151 083 497**	**7 609 773**	**658 669 851**
Impairment								
Balance as at January	**7 479 535**	**10 243 110**	**4 979 928**	**22 702 573**	**1 213 785**	**265 214**	**430 736**	**1 909 735**
Additions due to business acquisition	31 467 733	1 082 427	66 680	32 616 840	-	-	-	-
Transfers	(43 490 838)	47 713 550	(4 222 712)	-	(13 533)	26 578	(13 045)	-
Stage 1	(36 468 539)	36 373 753	94 786		(26 094)	24 530	1 564	
Stage 2	(7 231 918)	10 950 408	(3 718 491)		4 322	(12 906)	8 584	
Stage 3	209 619	389 389	(599 007)		8 239	14 954	(23 193)	
Net change due to new issues and repayments	45 985 596	(35 371 547)	80 193 787	90 807 836	6 296 061	9 957 639	4 842 946	21 096 646
Changes in parameters	25 626 373	(2 901 085)	(1 145 310)	21 579 978	(23 031)	(9 536)	232 210	199 643
Amounts written off during the year as uncollectible	2 005 298	1 095 564	(6 020 434)	(2 919 572)	6 253	3 215	(512 919)	(503 451)
Balance as at December	**69 073 697**	**21 862 019**	**73 851 939**	**164 787 655**	**7 479 535**	**10 243 110**	**4 979 928**	**22 702 573**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
INFLATION ADJUSTED

Sensitivity analysis of ECL	31 Dec 2024	31 Dec 2023 Restated**
If all assets move to stage 3 ECL will increase to	3 202 903 248	2 576 125 499
If all assets move to stage 1 ECL will decrease to	64 058 065	51 522 510

Loans and advances in grade 1 to 3

Loans and advances in grade 1 to 3 and which are not part of renegotiated loans are considered to be within Stage 1. Stage 1 loans and advances are those whose repayments (capital and interests) are outstanding for more than 30 days.

Loans and advances in grade 4 to 7

Late processing and other administrative delays on the side of the borrower can lead to a financial asset being in stage 2. Loans and advances less than 90 days past due are not considered impaired, unless other information is available to indicate the contrary.

	INFLATION ADJUSTED				HISTORICAL COST			
	Personal loans ZWG	Corporate loans ZWG	Mortgages ZWG	Total ZWG	Personal loans ZWG	Corporate loans ZWG	Mortgages ZWG	Total ZWG
As at 31 December 2024								
Stage 2 over due up to 1 month	97 323 906	718 161 913	2 188 226	817 674 045	97 323 906	718 161 913	2 188 226	817 674 045
Stage 2 over due 1-3 months	50 684 250	443 480 081	15 558 075	509 722 406	50 684 250	443 480 081	15 558 075	509 722 406
Stage 2 over due 3-6 months	1 932 014	1 798 210	38 206	3 768 430	1 932 014	1 798 210	38 206	3 768 430
Stage 2 over due 6 - 12 months	521 407	78 526	11 462	611 395	521 407	78 526	11 462	611 395
Stage 2 over 12 months	80 467	1 806 297	2 382	1 889 146	80 467	1 806 297	2 382	1 889 146
Total	**150 542 044**	**1 165 325 027**	**17 798 351**	**1 333 665 422**	**150 542 044**	**1 165 325 027**	**17 798 351**	**1 333 665 422**
Value of collateral	**11 304 337**	**1 455 774 294**	**19 496 164**	**1 486 574 795**	**11 304 337**	**1 455 774 294**	**19 496 164**	**1 486 574 795**
Amount of (under)/over collateralisation	**(139 237 707)**	**290 449 267**	**1 697 813**	**152 909 373**	**(139 237 707)**	**290 449 267**	**1 697 813**	**152 909 373**
Restated**								
As at 31 December 2023								
Stage 2 over due up to 1 month	139 142 661	1 433 518 733	4 222 594	1 576 883 988	12 807 502	131 949 422	388 672	145 145 596
Stage 2 over due 1-3 months	12 565 415	29 221 839	14 575 600	56 362 854	1 156 594	2 689 748	1 341 623	5 187 965
Stage 2 over due 3-6 months	441 052	3 581 670	73 514	4 096 236	40 597	329 678	6 767	377 042
Stage 2 over due 6 - 12 months	208 357	152 880	21 411	382 648	19 178	14 072	1 971	35 221
Stage 2 over 12 months	70 605	3 593 658	4 266	3 668 529	6 499	330 781	393	337 673
Total	**152 428 090**	**1 470 068 780**	**18 897 385**	**1 641 394 255**	**14 030 370**	**135 313 701**	**1 739 426**	**151 083 497**
Value of collateral	**695 334**	**68 188 851**	**18 421 090**	**87 305 275**	**64 003**	**6 276 499**	**1 695 585**	**8 036 087**
Amount of (under)/over collateralisation	**(151 732 756)**	**(1 401 879 929)**	**(476 295)**	**(1 554 088 980)**	**(13 966 367)**	**(129 037 202)**	**(43 841)**	**(143 047 410)**

Collateral is mainly comprised of immovable properties.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31.1.1 Exposure to credit risk (continued)
Loans and advances (continued)

Loans and advances in grade 8 to 10

The individually impaired loans and advances to customers before taking into consideration the cash flows from collateral held is ZWG 326 101 966 (2023: ZWG 82 673 728) in inflation adjusted terms and ZWG 326 101 966 (2023: ZWG 7 609 772) in historical cost terms. The breakdown of the fair value of related collateral held by the Group as security, are as follows;

	INFLATION ADJUSTED			HISTORICAL COST		
	Personal loans ZWG	Corporate loans ZWG	Total ZWG	Personal loans ZWG	Corporate loans ZWG	Total ZWG
As at 31 December 2024						
Gross carrying amount	96 650 916	229 451 050	326 101 966	96 650 916	229 451 050	326 101 966
Less allowance for impairment	(23 135 591)	(50 716 348)	(73 851 939)	(23 135 591)	(50 716 348)	(73 851 939)
Net carrying amount	**73 515 325**	**178 734 702**	**252 250 027**	**73 515 325**	**178 734 702**	**252 250 027**
Value of collateral	**372 713 775**	**285 528 022**	**658 241 797**	**372 713 775**	**285 528 022**	**658 241 797**
Restated**						
As at 31 December 2023						
Gross carrying amount	8 720 045	73 953 683	82 673 728	802 644	6 807 128	7 609 772
Less allowance for impairment	(6 225 015)	(47 877 680)	(54 102 695)	(572 987)	(4 406 940)	(4 979 927)
Net carrying amount	**2 495 030**	**26 076 003**	**28 571 033**	**229 657**	**2 400 188**	**2 629 845**
Value of collateral	**1 620 515**	**1 241 442**	**2 861 957**	**149 162**	**114 270**	**263 432**

Terms and conditions on collateral:

a) Valuation is by professional valuers or done internally

b) Valuation is reviewed after every 3 years

Type of collateral accepted

a) Movable property

b) Cession of insurance policies

c) Cash cover

d) Pledges

e) Guarantees

f) Cessions

g) Deeds of Hypothecation

There are no financial instruments for which loss allowance has not been recognised due to collateral held by the Group. There are no significant changes to the quality of collateral held by the Group during the period.

Loans and advances renegotiated

Restructuring activities include extended payment arrangements, approved external management plans, modification and deferral of payments. Restructuring policies and practices are based on indicators or criteria that, in the judgement of management, indicate that payment will most likely continue. These loans are kept under continuous review.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31.1.1 Exposure to credit risk (continued)
Loans and advances (continued)

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG
Renegotiated loans and advances to customers				
- Continuing to be impaired after restructuring	298 540 666	-	298 540 666	-
- Non-impaired after restructuring – would otherwise have been impaired	71 550 545	-	71 550 545	-
- Non-impaired after restructuring – would otherwise not have been impaired	26 147 238	-	26 147 238	-
Total	**396 238 449**	**-**	**396 238 449**	**-**

There were no net modification gain or loss recognised for financial assets for which the contractual cashflows have been modified during the period.

Repossessed collateral				
During the year ended 31 December 2024 the Group repossessed collateral valued at ZWG	-	-	-	-

Sectorial analysis of utilizations of loans and advances to customers

	INFLATION ADJUSTED				HISTORICAL COST			
	2024		2023 Restated**		2024		2023 Restated**	
	ZWG	%	ZWG	%	ZWG	%	ZWG	%
Mining	241 015 006	3%	310 574 269	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%
Mortgages	506 670 446	6%	361 416 128	5%	506 670 446	6%	33 266 847	5%
Wholesale	183 893 873	2%	823 137 476	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%
Individuals	1 857 195 327	19%	847 197 932	13%	1 857 195 327	19%	77 981 037	13%
Agriculture	624 825 000	7%	515 027 072	7%	624 825 000	7%	47 406 094	7%
Communication	59 125 487	1%	14 455 572	0%	59 125 487	1%	1 330 575	0%
Construction	138 915 808	2%	358 294 513	5%	138 915 808	2%	32 979 516	5%
Local authorities	10 321 061	0%	656	0%	10 321 061	0%	60	0%
Other services	2 896 592 263	33%	3 032 265 516	42%	2 896 578 261	33%	279 106 111	42%
	8 896 953 466	**100%**	**7 155 904 163**	**100%**	**8 896 939 464**	**100%**	**658 669 851**	**100%**

Risk concentrations

There are material concentrations of loans and advances to the following sectors; Individual 21% (2023:12%), agriculture 7% (2023:7%), other services 33% (2023: 42%) and manufacturing 18% (2023: 12%).

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
31.1.1 Exposure to credit risk (continued)

Analysis of credit quality by sector - loans and advances to customers

INFLATION ADJUSTED
As at 31 December 2024

	Stage 1/ Grades 1 to 3 ZWG	Stage 2/ Grades 4 to 7 ZWG	Stage 3/ Grade 8 ZWG	Stage 3/ Grade 9 ZWG	Stage 3/ Grade 10 ZWG	Total ZWG
Sector						
Manufacturing	1 071 831 601	241 305 440	254 914 460	-	209	1 568 051 710
Wholesale	151 544 442	32 349 431	-	-	-	183 893 873
Individuals	1 700 287 520	142 274 456	9 554 253	4 007 755	1 071 343	1 857 195 327
Mortgages	460 991 146	40 520 195	3 227 683	1 898 714	32 708	506 670 446
Agriculture	194 303 723	391 159 839	13 575 134	2 118 777	23 667 527	624 825 000
Distribution	563 114 245	242 294 869	1 685 697	3 251 256	1 418	810 347 485
Construction	138 915 808	-	-	-	-	138 915 808
Communication	59 125 487	-	-	-	-	59 125 487
Local Authorities	855	10 320 206	-	-	-	10 321 061
Mining	46 051 060	194 963 946	-	-	-	241 015 006
Other services	2 851 020 191	38 477 040	4 210 865	2 296 510	587 657	2 896 592 263
	7 237 186 078	**1 333 665 422**	**287 168 092**	**13 573 012**	**25 360 862**	**8 896 953 466**
Percentage of total loans	**81%**	**15%**	**3%**	**0%**	**0%**	**100%**

Restated As at 31 December 2023**	Stage 1/ Grades 1 to 3 ZWG	Stage 2/ Grades 4 to 7 ZWG	Stage 3/ Grade 8 ZWG	Stage 3/ Grade 9 ZWG	Stage 3/ Grade 10 ZWG	Total ZWG
Sector						
Manufacturing	447 767 597	439 110 804	428	-	242 501	887 121 330
Wholesale	439 810 247	382 471 062	1 581	711 549	143 037	823 137 476
Individuals	790 345 152	51 254 285	3 561 650	1 180 357	856 488	847 197 932
Mortgages	259 835 308	99 396 176	1 373 009	804 129	7 506	361 416 128
Agriculture	104 169 284	345 296 405	16 502 006	46 598 733	2 460 644	515 027 072
Distribution	4 302 648	1 582 857	528 194	-	-	6 413 699
Construction	353 632 455	4 662 058	-	-	-	358 294 513
Communication	13 460 213	995 359	-	-	-	14 455 572
Local Authorities	441	215	-	-	-	656
Mining	19 047 448	291 509 426	-	17 395	-	310 574 269
Other services	2 999 465 387	25 115 608	2 165 409	5 348 160	170 952	3 032 265 516
	5 431 836 180	**1 641 394 255**	**24 132 277**	**54 660 323**	**3 881 128**	**7 155 904 163**
Percentage of total loans	**76%**	**23%**	**0%**	**1%**	**0%**	**100%**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
31.1.1 Exposure to credit risk (continued)

HISTORICAL COST
As at 31 December 2024

	Stage 1/ Grades 1 to 3 ZWG	Stage 2/ Grades 4 to 7 ZWG	Stage 3/ Grade 8 ZWG	Stage 3/ Grade 9 ZWG	Stage 3/ Grade 10 ZWG	Total ZWG
Sector						
Manufacturing	1 071 831 601	241 305 440	254 914 460	-	209	1 568 051 710
Wholesale	151 544 442	32 349 431	-	-	-	183 893 873
Individuals	1 700 287 520	142 274 456	9 554 253	4 007 755	1 071 343	1 857 195 327
Mortgages	460 991 146	40 520 195	3 227 683	1 898 714	32 708	506 670 446
Agriculture	194 303 723	391 159 839	13 575 134	2 118 777	23 667 527	624 825 000
Distribution	563 114 245	242 294 869	1 685 697	3 251 256	1 418	810 347 485
Construction	138 915 808	-	-	-	-	138 915 808
Communication	59 125 487	-	-	-	-	59 125 487
Local Authorities	855	10 320 206	-	-	-	10 321 061
Mining	46 051 060	194 963 946	-	-	-	241 015 006
Other services	2 851 006 189	38 477 040	4 210 865	2 296 510	587 657	2 896 578 261
	7 237 172 076	**1 333 665 422**	**287 168 092**	**13 573 012**	**25 360 862**	**8 896 939 464**
Percentage of total loans	**81%**	**15%**	**3%**	**0%**	**0%**	**100%**

Restated As at 31 December 2023**	Stage 1/ Grades 1 to 3 ZWG	Stage 2/ Grades 4 to 7 ZWG	Stage 3/ Grade 8 ZWG	Stage 3/ Grade 9 ZWG	Stage 3/ Grade 10 ZWG	Total ZWG
Sector						
Manufacturing	41 215 140	40 418 318	39	-	22 321	81 655 818
Wholesale	40 482 699	35 204 866	146	65 495	13 166	75 766 372
Individuals	72 747 975	4 717 743	327 835	108 647	78 836	77 981 036
Mortgages	23 916 757	9 149 004	126 380	74 017	691	33 266 849
Agriculture	9 588 348	31 783 094	1 518 941	4 289 219	226 492	47 406 094
Distribution	396 041	145 695	48 618	-	-	590 354
Construction	32 550 393	429 123	-	-	-	32 979 516
Communication	1 238 956	91 619	-	-	-	1 330 575
Local Authorities	41	20	-	-	-	61
Mining	1 753 238	26 832 227	-	1 601	-	28 587 066
Other services	276 086 994	2 311 788	199 317	492 276	15 735	279 106 110
	499 976 582	**151 083 497**	**2 221 276**	**5 031 255**	**357 241**	**658 669 851**
Percentage of total loans	**76%**	**23%**	**0%**	**1%**	**0%**	**100%**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
31.1.1 Exposure to credit risk (continued)

Reconciliation of allowance for impairment for loans and advances

INFLATION ADJUSTED

	31 Dec 2024			31 Dec 2023 Restated**		
	Specific allowance / Stage 3	Collective allowance/ Stage 1-2	Total	Specific allowance / Stage 3	Collective allowance / Stage 1-2	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Balance at 1 January	54 102 695	192 541 532	246 644 227	22 487 093	77 213 127	99 700 220
Effects of IAS 29	(49 122 768)	(174 818 887)	(223 941 655)	(17 807 521)	(61 145 050)	(78 952 571)
Additions due to business acquisition	66 681	32 550 160	32 616 841	-	-	-
Increase in impairment allowance	74 154 626	10 303 334	84 457 960	54 995 551	176 370 593	231 366 144
Impairment reversal	671 137	27 258 717	27 929 854	-	-	-
Write off	(6 020 432)	3 100 860	(2 919 572)	(5 572 428)	102 862	(5 469 566)
	73 851 939	**90 935 716**	**164 787 655**	**54 102 695**	**192 541 532**	**246 644 227**

HISTORICAL COST

	31 Dec 2024			31 Dec 2023 Restated**		
	Specific allowance / Stage 3	Collective allowance/ Stage 1-2	Total	Specific allowance / Stage 3	Collective allowance / Stage 1-2	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Balance at 1 January	4 979 927	17 722 645	22 702 572	430 736	1 479 000	1 909 736
Additions due to business acquisition	66 681	32 550 160	32 616 841	-	-	-
Increase in impairment allowance	74 154 626	10 303 334	84 457 960	5 062 111	16 234 178	21 296 289
Impairment reversal	671 137	27 258 717	27 929 854	-	-	-
Write off	(6 020 432)	3 100 860	(2 919 572)	(512 919)	9 467	(503 452)
	73 851 939	**90 935 716**	**164 787 655**	**4 979 928**	**17 722 645**	**22 702 573**

31.1.2 Trade and other receivables including insurance receivables

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
Default	-	-	-	-
Allowance for impairment	-	-	-	-
Carrying amount	-	-	-	-
Past due amounts	-	-	-	-
Amounts up to date	183 080	3 195 403	183 080	294 124
Gross amount, not impaired	**183 080**	**3 195 403**	**183 080**	**294 124**
Allowance for impairment	-	-	-	-
Carrying amount, not impaired	**183 080**	**3 195 403**	**183 080**	**294 124**
Total carrying amount	**183 080**	**3 195 403**	**183 080**	**294 124**

As at 31 December 2024, nil trade receivables (2023:nil) in inflation adjusted terms and nil (2023:nil) in historical cost terms were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. There were no significant changes in the nature and quality of trade and other receivables from prior year.

As at 31 December 2024 trade receivables amounting to nil (2024:nil) in inflation adjusted terms and nil (2023: nil) in historical cost terms were impaired.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
Reconciliation of the allowance for impairment of trade receivables	ZWG	ZWG	ZWG	ZWG
Allowances for impairment				
Balance as at 1 January	-	-	-	-
Allowance for trade receivables including insurance receivables' impairment	-	426 959	-	39 300
Effects of IFRS 17	-	(150 864)	-	(13 887)
Impairment reversal	-	(276 095)	-	(25 413)
Balance as at 31 December	-	-	-	-

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
31.1.4 Financial assets at amortised cost

INFLATION ADJUSTED

	31 Dec 2024				31 Dec 2023 Restated**			
	ECL staging				ECL staging			
	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	Stage 3 Lifetime ECL ZWG	Total ZWG
Credit grade								
Investment grade	(148 853 533)	-	-	(148 853 533)	414 521 103	-	-	414 521 103
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross financial assets at amortised cost	**(148 853 533)**	**-**	**-**	**(148 853 533)**	**414 521 103**	**-**	**-**	**414 521 103**
Impairment allowance	1 055 892	-	-	1 055 892	(2 029 808)	-	-	(2 029 808)
Net financial asset at amortised cost	**(147 797 641)**	**-**	**-**	**(147 797 641)**	**412 491 295**	**-**	**-**	**412 491 295**
Analysis								
Gross amount								
Balance as at 1 January	**(414 521 103)**	**-**	**-**	**(414 521 103)**	**170 577 908**	**-**	**-**	**170 577 908**
Effects of IAS29	376 366 164	-	-	376 366 164	(135 080 588)	-	-	(135 080 588)
Transfers	-	-	-		-	-	-	
Stage 1	-	-	-		-	-	-	
Stage 2	-	-	-		-	-	-	
Stage 3	-	-	-		-	-	-	
New issue	(145 301 952)	-	-	(145 301 952)	389 944 862	-	-	389 944 862
Repayments	34 603 358	-	-	34 603 358	(10 921 079)	-	-	(10 921 079)
Balance as at 31 December	**(148 853 533)**	**-**	**-**	**(148 853 533)**	**414 521 103**	**-**	**-**	**414 521 103**
Impairment								
Balance as at 1 January	**(2 029 808)**	**-**	**-**	**(2 029 808)**	**1 785 636**	**-**	**-**	**1 785 636**
Effects of IAS29	1 842 973	-	-	1 842 973	(1 414 046)	-	-	(1 414 046)
Transfers	-	-	-		-	-	-	
Stage 1	-	-	-		-	-	-	
Stage 2	-	-	-		-	-	-	
Stage 3	-	-	-		-	-	-	
Net change due to new issues and repayments	(636 271)	-	-	(636 271)	1 381 884	-	-	1 381 884
Amounts written off during the year as uncollectible	(232 786)	-	-	(232 786)	276 334	-	-	276 334
Balance as at 31 December	**(1 055 892)**	**-**	**-**	**(1 055 892)**	**2 029 808**	**-**	**-**	**2 029 808**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
31.1.4 Financial assets at amortised cost (continued)

HISTORICAL COST

	31 Dec 2024				31 Dec 2023 Restated**			
	ECL staging				ECL staging			
	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	Stage 3 Lifetime ECL ZWG	Total ZWG
Credit grade								
Investment grade	(148 853 533)	-	-	(148 853 533)	38 154 939	-	-	38 154 939
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross financial assets at amortised cost	**(148 853 533)**	**-**	**-**	**(148 853 533)**	**38 154 939**	**-**	**-**	**38 154 939**
Impairment allowance	1 055 892	-	-	1 055 892	(186 835)	-	-	(186 835)
Net financial asset at amortised cost	**(147 797 641)**	**-**	**-**	**(147 797 641)**	**37 968 104**	**-**	**-**	**37 968 104**
Analysis								
Gross amount								
Balance as at 1 January	**(38 154 939)**	**-**	**-**	**(38 154 939)**	**3 267 380**	**-**	**-**	**3 267 380**
Transfers	-	-	-		-	-	-	
Stage 1	-	-	-		-	-	-	
Stage 2	-	-	-		-	-	-	
Stage 3	-	-	-		-	-	-	
New issue	(145 301 952)	-	-	(145 301 952)	35 892 798	-	-	35 892 798
Repayments	34 603 358	-	-	34 603 358	(1 005 239)	-	-	(1 005 239)
Balance as at 31 December	**(148 853 533)**	**-**	**-**	**(148 853 533)**	**38 154 939**	**-**	**-**	**38 154 939**
Impairment								
Balance as at 1 January	**(186 835)**	**-**	**-**	**(186 835)**	**34 203**	**-**	**-**	**34 203**
Changes on initial application of IFRS 9	-	-	-	-	-	-	-	-
Transfers	-	-	-		-	-	-	
Stage 1	-	-	-		-	-	-	
Stage 2	-	-	-		-	-	-	
Stage 3	-	-	-		-	-	-	
Net change due to new issues and repayments	(636 271)	-	-	(636 271)	127 197	-	-	127 197
Amounts written off during the year as uncollectible	(232 786)	-	-	(232 786)	25 435	-	-	25 435
Balance as at 31 December	**(1 055 892)**	**-**	**-**	**(1 055 892)**	**186 835**	**-**	**-**	**186 835**

INFLATION ADJUSTED

Sensitivity analysis of ECL	31 Dec 2024	31 Dec 2023
If all assets move to stage 3 ECL will increase to	(53 587 272)	14 123 675 373
If all assets move to stage 1 ECL will decrease to	(1 071 745)	282 473 507

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
31.1.5 Credit exposure on undrawn loan commitments and guarantees

INFLATION ADJUSTED

	31 Dec 2024				31 Dec 2023 Restated**			
	ECL staging				ECL staging			
	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	Stage 3 Lifetime ECL ZWG	Total ZWG
Credit grade								
Investment grade	(230 721 479)	-	-	(230 721 479)	431 239 905	-	-	431 239 905
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross undrawn loan commitments and guarantees	**(230 721 479)**	**-**	**-**	**(230 721 479)**	**431 239 905**	**-**	**-**	**431 239 905**
Impairment allowance	3 747 536	-	-	3 747 536	(2 895 153)	-	-	(2 895 153)
Net undrawn loan commitments and guarantees	**(226 973 943)**	**-**	**-**	**(226 973 943)**	**428 344 752**	**-**	**-**	**428 344 752**
Analysis								
Gross amount								
Balance as at 1 January	**(431 239 904)**	**-**	**-**	**(431 239 904)**	**277 315 147**	**-**	**-**	**277 315 147**
Effects of IAS29	391 546 069	-	-	391 546 069	(219 605 773)	-	-	(219 605 773)
Transfers	-	-	-		-	-	-	
Stage 1	-	-	-		-	-	-	
Stage 2	-	-	-		-	-	-	
Stage 3	-	-	-		-	-	-	
New issue	(284 498 953)	-	-	(284 498 953)	502 076 602	-	-	502 076 602
Repayments	93 471 309	-	-	93 471 309	(128 546 072)	-	-	(128 546 072)
Balance as at 31 December	**(230 721 479)**	**-**	**-**	**(230 721 479)**	**431 239 904**	**-**	**-**	**431 239 904**
Impairment								
Balance as at 1 January	**(2 895 154)**	**-**	**-**	**(2 895 154)**	**3 800 368**	**-**	**-**	**3 800 368**
Effects of IAS29	2 628 667	-	-	2 628 667	(3 009 509)	-	-	(3 009 509)
Transfers	-	-	-		-	-	-	
Stage 1	-	-	-		-	-	-	
Stage 2	-	-	-		-	-	-	
Stage 3	-	-	-		-	-	-	
Net change due to new issues and repayments	(3 481 049)	-	-	(3 481 049)	2 104 295	-	-	2 104 295
Balance as at 31 December	**(3 747 536)**	**-**	**-**	**(3 747 536)**	**2 895 154**	**-**	**-**	**2 895 154**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
31.1.5 Credit exposure on undrawn loan commitments and guarantees

HISTORICAL COST

	31 Dec 2024				31 Dec 2023 Restated**			
	ECL staging				ECL staging			
	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	Stage 3 Lifetime ECL ZWG	Total ZWG
Credit grade								
Investment grade	(230 721 479)	-	-	(230 721 479)	39 693 835	-	-	39 693 835
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross undrawn loan commitments and guarantees	**(230 721 479)**	**-**	**-**	**(230 721 479)**	**39 693 835**	**-**	**-**	**39 693 835**
Impairment allowance	3 747 536	-	-	3 747 536	(266 487)	-	-	(266 487)
Net undrawn loan commitments and guarantees	**(226 973 943)**	**-**	**-**	**(226 973 943)**	**39 427 348**	**-**	**-**	**39 427 348**
Analysis								
Gross amount								
Balance as at 1 January	**(39 693 835)**	**-**	**-**	**(39 693 835)**	**5 311 907**	**-**	**-**	**5 311 907**
Transfers	-	-	-		-	-	-	
Stage 1	-	-	-		-	-	-	
Stage 2	-	-	-		-	-	-	
Stage 3	-	-	-		-	-	-	
New issue	(284 498 953)	-	-	(284 498 953)	46 214 058	-	-	46 214 058
Repayments	93 471 309	-	-	93 471 309	(11 832 130)	-	-	(11 832 130)
Balance as at 31 December	**(230 721 479)**	**-**	**-**	**(230 721 479)**	**39 693 835**	**-**	**-**	**39 693 835**
Impairment								
Balance as at 1 January	**(266 487)**	**-**	**-**	**(266 487)**	**72 795**	**-**	**-**	**72 795**
Transfers	-	-	-		-	-	-	
Stage 1	-	-	-		-	-	-	
Stage 2	-	-	-		-	-	-	
Stage 3	-	-	-		-	-	-	
Net change due to new issues and repayments	(3 481 049)	-	-	(3 481 049)	193 692	-	-	193 692
Balance as at 31 December	**(3 747 536)**	**-**	**-**	**(3 747 536)**	**266 487**	**-**	**-**	**266 487**

INFLATION ADJUSTED

Sensitivity analysis of ECL

	31 Dec 2024	31 Dec 2023
If all assets move to stage 3 ECL will increase to	(83 059 732)	22 961 408 962
If all assets move to stage 1 ECL will decrease to	(1 661 195)	459 228 179

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
31.1.6 Maximum exposure to credit risk before collateral held or other credit enhancement

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
Credit risk exposures relating to on-balance sheet assets are as follows;	ZWG	ZWG	ZWG	ZWG
Loans and advances to customers;				
- Individuals	1 857 195 327	847 197 932	1 857 195 327	77 981 036
- Corporates	7 039 758 139	6 308 706 231	7 039 744 137	580 688 815
	8 896 953 466	**7 155 904 163**	**8 896 939 464**	**658 669 851**
Financial assets at amortised cost	148 853 533	414 521 103	148 853 533	38 154 939
Balances with banks	3 606 032 447	2 858 489 626	3 606 032 447	263 112 050
Trade and other receivables including insurance receivables	183 080	3 195 403	183 080	294 124
Total on balance sheet	**12 652 022 526**	**10 432 110 295**	**12 652 008 524**	**960 230 964**
Off balance sheet credit exposure				
- Financial guarantees and letters of credit	175 732 951	346 803 903	175 732 951	31 921 853
- Loan commitments	54 940 397	83 303 012	54 940 397	7 667 695
Total off balance sheet credit exposure	**230 673 348**	**430 106 915**	**230 673 348**	**39 589 548**
Total credit exposure	**12 882 695 874**	**10 862 217 210**	**12 882 681 872**	**999 820 512**

The above table represents a worst case scenario of credit risk exposure to the Group as at 31 December 2024, without taking account of any collateral held or other credit enhancements attached. For on balance sheet assets, the exposures set out above are based on gross carrying amounts as reported in the statement of financial position.

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
Credit quality of balances with other banks		ZWG	ZWG	ZWG	ZWG
Counterparties with external credit rating					
Rating	**Agency**				
Aa3	Moody's	220 655 267	-	220 655 267	-
A+	S&P	3 351 921	-	3 351 921	-
AA	Moody's	37 897 242	-	37 897 242	-
AA	Fitch	37 715 892	-	37 715 892	-
AA-	Fitch	15 678 987	-	15 678 987	-
AAA	Fitch	359 579	10 176 740	359 579	936 727
AAA	Moody's	246 831	83 250 429	246 831	7 662 855
Baa3	Fitch	224 619 077	916 664 898	224 619 077	84 375 181
B-	S&P	124 090 785	-	124 090 785	-
Baa1	Moody's	9 312 004	62 377 191	9 312 004	5 741 560
BB	S&P	2 549	60 213 191	2 549	5 542 373
BBB+	GCR	-	40 368 432	-	3 715 746
A-	GCR	2 172 100 747	1 613 739 880	2 172 100 747	148 538 027
		2 846 030 881	**2 786 790 761**	**2 846 030 881**	**256 512 469**

Balances with the Reserve Bank of Zimbabwe
Balances with the RBZ represent amounts in current accounts available for daily transactional use. As at the reporting date, the amount has been considered to be recoverable in full.

Write-off policy
The Group writes off an irrecoverable debt when the Board Credit Committee of the subsidiary determines that the debt is uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the borrower/issuer's financial position such that the borrower/issuer can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure. For smaller balances and standardised loans, write off decisions are generally based on a product specific past due status.

Exposure to credit risk is also managed through regular analysis of the ability of debtors to meet interest and capital payment obligations and by changes to these lending limits where appropriate.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.2 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 treat 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 subsidiary companies through the Board Asset Liability Committees of the Bank, Microplan and the Building Society and their 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 banking entities and Finance Managers 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 Department. The Group uses concentration risk limits to ensure that funding diversification is maintained across the 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 their ability 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 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.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.2 Liquidity risk (continued)

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 year ZWG	Total ZWG
Liabilities				
Deposits from customers	7 528 838 114	793 046	-	7 529 631 160
Deposits from other banks	1 048 034 951	9 485 069	59 934 817	1 117 454 837
Borrowings	236 917 077	447 784 970	2 197 779 348	2 882 481 395
Insurance liabilities	288 116 863	-	-	288 116 863
Trade and other liabilities excluding deferred income	1 566 689 082	330 079 169	290 339 892	2 187 108 143
Total liabilities - (contractual maturity)	**10 668 596 087**	**788 142 254**	**2 548 054 057**	**14 004 792 398**
Assets held for managing liquidity risk (contractual maturity dates)				
Balances with banks and cash	4 464 164 512	-	-	4 464 164 512
Financial assets at amortised cost	112 994 561	34 865 851	1 784 700	149 645 112
Loans and advances to customers	553 387 276	3 625 981 181	4 880 253 046	9 059 621 503
Insurance assets	52 463 529	104 927 059	52 463 529	209 854 117
Trade and other receivables	183 080	-	-	183 080
Financial assets at fair value through profit or loss	1 062 673 298	-	98 065 434	1 160 738 732
Financial assets at fair value through other comprehensive income	8 109 928	-	162 462 730	170 572 658
Other assets excluding time share assets, deferred acquisition costs, stationery and prepayments	1 420 640 758	38 958 224	205 951 133	1 665 550 115
	7 674 616 942	**3 804 732 315**	**5 400 980 572**	**16 880 329 829**
Liquidity gap	**(2 993 979 145)**	**3 016 590 061**	**2 852 926 515**	**2 875 537 431**
Cumulative liquidity gap - on balance sheet	**(2 993 979 145)**	**22 610 916**	**2 875 537 431**	**-**
Off balance sheet items				
Liabilities				
Guarantees and letters of credit	-	175 732 951	-	175 732 951
Commitments to lend	54 940 397	-	-	54 940 397
Total liabilities	**54 940 397**	**175 732 951**	**-**	**230 673 348**
Liquidity gap	**(54 940 397)**	**(175 732 951)**	**-**	**2 644 864 083**
Cumulative liquidity gap - on and off balance sheet	**(3 048 919 542)**	**(208 062 432)**	**2 644 864 083**	**-**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.2 Liquidity risk (continued)

INFLATION ADJUSTED Contractual maturity analysis on balance sheet items as at 31 December 2023 Restated**	Up to 3 months ZWG	3 months to 1 year ZWG	Over 1 year ZWG	Total ZWG
Liabilities				
Deposits from customers	4 245 750 227	177 792 608	815 920	4 424 358 755
Deposits from other banks	402 833 655	3 683 848	70 474 589	476 992 092
Borrowings	444 340 619	322 221 856	2 436 231 335	3 202 793 810
Insurance liabilities	358 827 641	-	-	358 827 641
Trade and other liabilities excluding deferred income	353 171 990	1 456 199 685	858 403 909	2 667 775 584
Total liabilities - (contractual maturity)	**5 804 924 132**	**1 959 897 997**	**3 365 925 753**	**11 130 747 882**
Assets held for managing liquidity risk (contractual maturity dates)				
Balances with banks and cash	2 960 409 951	526 828 806	-	3 487 238 757
Financial assets at amortised cost	160 637 057	256 977 747	32 632	417 647 436
Loans and advances to customers	2 221 647 838	1 263 787 462	3 683 597 986	7 169 033 286
Insurance assets	43 298 191	86 596 382	43 298 191	173 192 764
Trade and other receivables	3 174 940	-	20 463	3 195 403
Financial assets at fair value through profit or loss	334 590 098	-	196 560 795	531 150 893
Financial assets at fair value through other comprehensive income	5 246 322	-	-	5 246 322
Other assets excluding time share assets, deferred acquisition costs, stationery and prepayments	545 952 353	3 402 079	48 480 307	597 834 739
	6 274 956 750	**2 137 592 476**	**3 971 990 374**	**12 384 539 600**
Liquidity gap	**470 032 618**	**177 694 479**	**606 064 621**	**1 253 791 718**
Cumulative liquidity gap - on balance sheet	**470 032 618**	**647 727 097**	**1 253 791 718**	**-**
Off balance sheet items				
Liabilities				
Guarantees and letters of credit	-	346 803 903	-	346 803 903
Commitments to lend	83 303 012	-	-	83 303 012
Total liabilities	**83 303 012**	**346 803 903**	**-**	**430 106 915**
Liquidity gap	**(83 303 012)**	**(346 803 903)**	**-**	**823 684 803**
Cumulative liquidity gap - on and off balance sheet	**386 729 606**	**217 620 182**	**823 684 803**	**-**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.2 Liquidity risk (continued)
HISTORICAL COST

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 year ZWG	Total ZWG
Liabilities				
Deposits from customers	7 528 838 114	793 046	-	7 529 631 160
Deposits from other banks	1 048 034 951	9 485 069	59 934 817	1 117 454 837
Borrowings	236 917 077	447 784 970	2 197 779 348	2 882 481 395
Insurance liabilities	288 116 863	-	-	288 116 863
Trade and other liabilities excluding deferred income	1 518 695 470	330 079 169	290 339 892	2 139 114 531
Total liabilities - (contractual maturity)	**10 620 602 475**	**788 142 254**	**2 548 054 057**	**13 956 798 786**
Assets held for managing liquidity risk (contractual maturity dates)				
Balances with banks and cash	4 464 164 512	-	-	4 464 164 512
Financial assets at amortised cost	112 994 561	34 865 851	1 784 700	149 645 112
Loans and advances to customers	553 373 274	3 625 981 181	4 880 253 046	9 059 607 501
Insurance assets	52 463 529	104 927 059	52 463 529	209 854 117
Trade and other receivables	183 080	-	-	183 080
Financial assets at fair value through profit or loss	1 071 617 033	-	98 065 434	1 169 682 467
Financial assets at fair value through other comprehensive income	8 109 928	-	162 462 730	170 572 658
Other assets excluding time share assets, deferred acquisition costs, stationery and prepayments	1 439 959 805	38 958 224	205 951 133	1 684 869 162
	7 702 865 722	**3 804 732 315**	**5 400 980 572**	**16 908 578 609**
Liquidity gap	**(2 917 736 753)**	**3 016 590 061**	**2 852 926 515**	**2 951 779 823**
Cumulative liquidity gap - on balance sheet	**(2 917 736 753)**	**98 853 308**	**2 951 779 823**	**-**
Off balance sheet items				
Liabilities				
Guarantees and letters of credit	-	175 732 951	-	175 732 951
Commitments to lend	54 940 397	-	-	54 940 397
Total liabilities	**54 940 397**	**175 732 951**	**-**	**230 673 348**
Liquidity gap	**(54 940 397)**	**(175 732 951)**	**-**	**2 721 106 475**
Cumulative liquidity gap - on and off balance sheet	**(2 972 677 150)**	**(131 820 040)**	**2 721 106 475**	**-**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.2 Liquidity risk (continued)
HISTORICAL COST

Contractual maturity analysis

On balance sheet items as at 31 December 2023

Restated**	Up to 3 months ZWG	3 months to 1 year ZWG	Over 1 year ZWG	Total ZWG
Liabilities				
Deposits from customers	390 803 603	16 365 068	75 102	407 243 773
Deposits from other banks	37 079 158	339 083	6 486 892	43 905 133
Borrowings	40 899 701	29 659 178	224 244 935	294 803 814
Insurance liabilities	33 028 588	-	-	33 028 588
Trade and other liabilities excluding deferred income	30 864 935	134 037 109	79 012 500	243 914 544
Total liabilities - (contractual maturity)	**532 675 985**	**180 400 438**	**309 819 429**	**1 022 895 852**
Assets held for managing liquidity risk (contractual maturity dates)				
Balances with banks and cash	272 493 391	48 492 395	-	320 985 786
Financial assets held to maturity	14 785 971	23 653 730	3 004	38 442 705
Loans and advances to customers	204 492 132	116 326 366	339 059 834	659 878 332
Insurance assets	3 985 418	7 970 836	3 985 418	15 941 672
Trade and other receivables	292 240	-	1 884	294 124
Financial assets at fair value through profit or loss	31 605 912	-	18 092 602	49 698 514
Financial assets at fair value through other comprehensive income	482 902	-	-	482 902
Other assets excluding time share assets, deferred acquisition costs, stationery and prepayments	50 791 457	313 147	4 462 410	55 567 014
	578 929 423	**196 756 474**	**365 605 152**	**1 141 291 049**
Liquidity gap	**46 253 438**	**16 356 036**	**55 785 723**	**118 395 197**
Cumulative liquidity gap - on balance sheet	**46 253 438**	**62 609 474**	**118 395 197**	**-**
Off balance sheet items				
Liabilities				
Guarantees and letters of credit	-	31 921 853	-	31 921 853
Commitments to lend	7 667 695	-	-	7 667 695
Total liabilities	**7 667 695**	**31 921 853**	**-**	**39 589 548**
Liquidity gap	**(7 667 695)**	**(31 921 853)**	**-**	**78 805 649**
Cumulative liquidity gap - on and off balance sheet	**38 585 743**	**23 019 926**	**78 805 649**	**-**

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.

Management of liquidity gap on short-term maturities

The cash flows presented above reflect the cash flows that will be contractually payable over the residual maturity of the instruments. In practice, however, certain liability instruments behave differently from their contractual terms and typically, for short-term customer accounts, extend to a longer period than their contractual maturity. The Group therefore seeks to manage its liabilities both on a contractual and behavioural basis. The Group prescribes various liquidity stress scenarios as part of stress testing that include accelerated withdrawal of deposits over a period of time and prescribed measures are in place to ensure that cash inflows exceed outflows under such scenarios.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.3 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables 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. The market risk for the non-trading portfolio is managed as detailed in notes 31.3.1 to 31.3.3.

31.3.1 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 such models as Value at Risk ("VAR"), Scenario Analysis and control and management of the gap analysis.

Scenario analysis of net interest income

The Group's trading book is affected by interest rate movements on net interest income. 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.

Scenario: Impact on earnings as at 31 December

	INFLATION ADJUSTED				HISTORICAL COST			
	2024		2023 Restated**		2024		2023 Restated**	
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
5% increase in interest rates								
Assets	9 859 904 428	65 121 456	8 060 848 136	50 465 942	9 859 890 427	65 121 363	741 967 457	4 645 179
Liabilities	6 768 037 736	(11 561 767)	4 429 243 388	(10 274 379)	6 768 037 736	(11 561 767)	407 693 384	(945 714)
Net effect		**53 559 689**		**40 191 563**		**53 559 596**		**3 699 465**

In calculating the sensitivity, shocks are defined in terms of simple interest rate. The analysis assumes a static portfolio, that there will be no defaults, prepayments or early withdrawals and the analysis is limited to a 30 day period. A 5% increase is based on past experience.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.3.1 Interest Rate Risk (continued)

INFLATION ADJUSTED
INTEREST RATE REPRICING AND GAP ANALYSIS
Total position as at 31 December 2024

	0 - 30 days ZWG	31 - 90 days ZWG	91-180 days ZWG	181-365 day ZWG	Over 365 days ZWG	Total ZWG
Assets						
Balances with other banks and cash	504 486 621	258 177 468	126 712 915	4 754 741	-	894 131 745
Financial assets at amortised cost	25 223 053	38 731 969	34 435 408	1 060 666	1 762 667	101 213 763
Loans and advances to customers	5 119 346 271	444 865 577	352 774 136	155 190 643	2 792 382 295	8 864 558 922
Total assets	**5 649 055 945**	**741 775 014**	**513 922 459**	**161 006 050**	**2 794 144 962**	**9 859 904 430**
Liabilities						
Deposits from customers	2 840 383 729	2 494 276	-	793 046	-	2 843 671 051
Deposits from other banks	832 274 744	215 760 207	3 676 536	5 808 532	62 359 669	1 119 879 688
Borrowings	-	76 987 564	-	434 952 761	2 292 546 671	2 804 486 996
Total liabilities	**3 672 658 473**	**295 242 047**	**3 676 536**	**441 554 339**	**2 354 906 340**	**6 768 037 735**
Interest rate repricing gap	**1 976 397 472**	**446 532 967**	**510 245 923**	**(280 548 289)**	**439 238 622**	**3 091 866 695**
Cumulative gap interest rate repricing gap	**1 976 397 472**	**2 422 930 439**	**2 933 176 362**	**2 652 628 073**	**3 091 866 695**	

INFLATION ADJUSTED
INTEREST RATE REPRICING AND GAP ANALYSIS
Restated**
Total position as at 31 December 2023

	0 - 30 days ZWG	31 - 90 days ZWG	91-180 days ZWG	181-365 day ZWG	Over 365 days ZWG	Total ZWG
Assets						
Balances with other banks and cash	380 458 992	189 984 084	194 791 088	-	-	765 234 164
Financial assets at amortised cost	-	265 027 916	120 655 856	-	32 084	385 715 856
Loans and advances to customers	3 910 277 759	468 620 541	16 743 415	153 188 773	2 361 067 629	6 909 898 117
Total assets	**4 290 736 751**	**923 632 541**	**332 190 359**	**153 188 773**	**2 361 099 713**	**8 060 848 137**
Liabilities						
Deposits from customers	660 241 261	180 273 208	21 552	-	815 920	841 351 941
Deposits from other banks	233 511 170	122 404 931	45 829 046	2 704 949	72 541 996	476 992 092
Borrowings	-	468 877 166	-	271 048 040	2 370 974 150	3 110 899 356
Total liabilities	**893 752 431**	**771 555 305**	**45 850 598**	**273 752 989**	**2 444 332 066**	**4 429 243 389**
Interest rate repricing gap	**3 396 984 320**	**152 077 236**	**286 339 761**	**(120 564 216)**	**(83 232 353)**	**3 631 604 748**
Cumulative gap interest rate repricing gap	**3 396 984 320**	**3 549 061 556**	**3 835 401 317**	**3 714 837 101**	**3 631 604 748**	

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.3.1 Interest Rate Risk (continued)

HISTORICAL COST
INTEREST RATE REPRICING AND GAP ANALYSIS
Total position as at 31 December 2024

	0 - 30 days ZWG	31 - 90 days ZWG	91-180 days ZWG	181-365 day ZWG	Over 365 days ZWG	Total ZWG
Assets						
Balances with other banks and cash	504 486 621	258 177 468	126 712 915	4 754 741	-	894 131 745
Financial assets at amortised cost	25 223 053	38 731 969	34 435 408	1 060 666	1 762 667	101 213 763
Loans and advances to customers	5 119 332 269	444 865 577	352 774 136	155 190 643	2 792 382 295	8 864 544 920
Total assets	**5 649 041 943**	**741 775 014**	**513 922 459**	**161 006 050**	**2 794 144 962**	**9 859 890 428**
Liabilities						
Deposits from customers	2 840 383 729	2 494 276	-	793 046	-	2 843 671 051
Deposits from other banks	832 274 744	215 760 207	3 676 536	5 808 532	62 359 669	1 119 879 688
Borrowings	-	76 987 564	-	434 952 761	2 292 546 671	2 804 486 996
Total liabilities	**3 672 658 473**	**295 242 047**	**3 676 536**	**441 554 339**	**2 354 906 340**	**6 768 037 735**
Interest rate repricing gap	**1 976 383 470**	**446 532 967**	**510 245 923**	**(280 548 289)**	**439 238 622**	**3 091 852 693**
Cumulative gap interest rate repricing gap	**1 976 383 470**	**2 422 916 437**	**2 933 162 360**	**2 652 614 071**	**3 091 852 693**	

HISTORICAL COST
INTEREST RATE REPRICING AND GAP ANALYSIS
Restated**
Total position as at 31 December 2023

	0 - 30 days ZWG	31 - 90 days ZWG	91-180 days ZWG	181-365 days ZWG	Over 365 days ZWG	Total ZWG
Assets						
Balances with other banks and cash	35 019 664	17 487 243	17 929 707	-	-	70 436 614
Financial assets at amortised cost	-	24 394 715	11 105 868	-	2 953	35 503 536
Loans and advances to customers	359 924 762	43 134 567	1 541 162	14 100 388	217 326 430	636 027 307
Total assets	**394 944 425**	**85 016 524**	**30 576 737**	**14 100 388**	**217 329 383**	**741 967 457**
Liabilities						
Deposits from customers	60 772 455	16 593 397	1 984	-	75 102	77 442 938
Deposits from other banks	21 493 729	11 266 863	4 218 373	248 979	6 677 188	43 905 133
Borrowings	-	43 158 188	-	24 948 842	218 238 283	286 345 313
Total liabilities	**82 266 184**	**71 018 448**	**4 220 356**	**25 197 821**	**224 990 574**	**407 693 384**
Interest rate repricing gap	**312 678 241**	**13 998 076**	**26 356 381**	**(11 097 433)**	**(7 661 191)**	**334 274 073**
Cumulative gap interest rate repricing gap	**312 678 241**	**326 676 317**	**353 032 698**	**341 935 264**	**334 274 073**	

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.3.2 Currency risk

The Group operates locally and the majority of its customers transact in ZWG, the functional currency of the Group and its subsidiaries. The Group is exposed to various currency exposures primarily with respect to the South African rand, United states dollar Botswana pula, British pound and the Euro, mainly due to the cash holding and switch transactions in the banking subsidiary.

Foreign exchange risk arises 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 forecast movements in exchange rates on the Group's profitability.

The table below indicates the extend to which the Group was exposed to currency risk.

INFLATION ADJUSTED
Foreign exchange gap analysis as at 31 December 2024

Base currency	USD ZWG equivalent	ZAR ZWG equivalent	EUR ZWG equivalent	BWP ZWG equivalent	GBP ZWG equivalent	TOTAL ZWG equivalent
Assets						
Balances with other banks and cash	4 440 306 893	41 054 070	82 548 024	3 613 667	20 066 627	4 587 589 281
Trade and other receivables	1 034 834 229	-	-	-	-	1 034 834 229
Loans and advances to customers	7 930 304 585	30 998	-	-	-	7 930 335 583
Total assets	**13 405 445 707**	**41 085 068**	**82 548 024**	**3 613 667**	**20 066 627**	**13 552 759 093**
Liabilities						
Deposits from customers	10 368 483 782	10 437 801	39 485 906	366 871	10 666 377	10 429 440 737
Trade and other payables	1 534 655 471	91 360 335	11 834 367	2 889 193	840 338	1 641 579 704
Total liabilities	**11 903 139 253**	**101 798 136**	**51 320 273**	**3 256 064**	**11 506 715**	**12 071 020 441**
Net currency position	**1 502 306 454**	**(60 713 068)**	**31 227 751**	**357 603**	**8 559 912**	**1 481 738 652**

INFLATION ADJUSTED
Restated**
Foreign exchange gap analysis as at 31 December 2023

Base currency	USD ZWG equivalent	ZAR ZWG equivalent	EUR ZWG equivalent	BWP ZWG equivalent	GBP ZWG equivalent	TOTAL ZWG equivalent
Assets						
Balances with other banks and cash	2 647 144 628	5 481 526	32 091 589	153 311	170 894	2 685 041 948
Trade and other receivables	2 413 747 996	15 976	61 171	20 913	20 889	2 413 866 945
Loans and advances to customers	6 372 552 228	31	-	-	-	6 372 552 259
Total assets	**11 433 444 852**	**5 497 533**	**32 152 760**	**174 224**	**191 783**	**11 471 461 152**
Liabilities						
Deposits from customers	7 338 007 525	1 114 671	6 711 454	47 026	47 698	7 345 928 374
Trade and other payables	1 184 059 717	633 707	4 547 067	21 727	(37 181)	1 189 225 037
Total liabilities	**8 522 067 242**	**1 748 378**	**11 258 521**	**68 753**	**10 517**	**8 535 153 411**
Net currency position	**2 911 377 610**	**3 749 155**	**20 894 239**	**105 471**	**181 266**	**2 936 307 741**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.3.2 Currency risk (continued)
HISTORICAL COST
Foreign exchange gap analysis as at 31 December 2024

Base currency	USD ZWG equivalent	ZAR ZWG equivalent	EUR ZWG equivalent	BWP ZWG equivalent	GBP ZWG equivalent	TOTAL ZWG equivalent
Assets						
Balances with other banks and cash	4 440 306 893	41 054 070	82 548 024	3 613 667	20 066 627	4 587 589 281
Trade and other receivables	1 034 834 229	-	-	-	-	1 034 834 229
Loans and advances to customers	7 930 304 585	30 998	-	-	-	7 930 335 583
Total assets	**13 405 445 707**	**41 085 068**	**82 548 024**	**3 613 667**	**20 066 627**	**13 552 759 093**
Liabilities						
Deposits from customers	10 368 483 782	10 437 801	39 485 906	366 871	10 666 377	10 429 440 737
Trade and other payables	1 534 655 471	91 360 335	11 834 367	2 889 193	840 338	1 641 579 704
Total liabilities	**11 903 139 253**	**101 798 136**	**51 320 273**	**3 256 064**	**11 506 715**	**12 071 020 441**
Net currency position	**1 502 306 454**	**(60 713 068)**	**31 227 751**	**357 603**	**8 559 912**	**1 481 738 652**

HISTORICAL COST
Restated**
Foreign exchange gap analysis as at 31 December 2023

	USD ZWG equivalent	ZAR ZWG equivalent	EUR ZWG equivalent	BWP ZWG equivalent	GBP ZWG equivalent	TOTAL ZWG equivalent
Assets						
Balances with other banks and cash	243 658 624	504 552	2 953 897	14 112	15 730	247 146 915
Trade and other receivables	222 175 438	1 471	5 631	1 925	1 923	222 186 386
Loans and advances to customers	586 566 859	3	-	-	-	586 566 862
Total assets	**1 052 400 921**	**506 026**	**2 959 528**	**16 037**	**17 653**	**1 055 900 165**
Base currency						
Liabilities						
Deposits from customers	784 420 752	160 931	1 036 300	6 328	968	785 625 279
Trade and other payables	-	-	-	-	-	-
Total liabilities	**784 420 752**	**160 931**	**1 036 300**	**6 328**	**968**	**785 625 279**
Net currency position	**267 980 169**	**345 095**	**1 923 228**	**9 709**	**16 685**	**270 274 886**

Below are major cross rates to the ZWG used by the Group as at 31 December:

Currency	31 Dec 2024 Cross rate	31 Dec 2023 Restated** Cross rate
British pound (“GBP”)	32.3815	17.1279
SA rand (“ZAR”)	0.7304	1.3766
Euro (“EUR”)	26.8421	14.6924
Pula (“BWP”)	1.8525	0.9954
United states dollar (“USD”)	25.7985	15.3600

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.3.2 Currency risk (continued)

The table below summarises the impact of increases or decreases of exchange rates on the Group's post-tax profit for the year. The analysis is based on the assumption that the exchange rates have increased or decreased by 10% based on past experiance with all other variables held constant.

INFLATION ADJUSTED

Impact of 10% increase in exchange rates:	USD ZWG	ZAR ZWG	EUR ZWG	BWP ZWG	GBP ZWG	TOTAL ZWG
For the year ended 31 December 2024						
Assets	1 340 544 571	4 108 507	8 254 802	361 367	2 006 663	1 355 275 910
Liabilities	(1 190 313 925)	(10 179 814)	(5 132 027)	(325 606)	(1 150 672)	(1 207 102 044)
Net impact on profit or loss and equity	**150 230 646**	**(6 071 307)**	**3 122 775**	**35 761**	**855 991**	**148 173 866**
Restated**						
For the year ended 31 December 2023						
Assets	1 143 344 485	549 753	3 215 276	17 422	19 178	1 147 146 115
Liabilities	(852 206 724)	(174 838)	(1 125 852)	(6 875)	(1 052)	(853 515 341)
Net impact on profit or loss and equity	**291 137 761**	**374 916**	**2 089 424**	**10 547**	**18 127**	**293 630 774**

HISTORICAL COST

Impact of 10% increase in exchange rates:	USD ZWG	ZAR ZWG	EUR ZWG	BWP ZWG	GBP ZWG	TOTAL ZWG
For the year ended 31 December 2024						
Assets	1 340 544 571	4 108 507	8 254 802	361 367	2 006 663	1 355 275 910
Liabilities	(1 190 313 925)	(10 179 814)	(5 132 027)	(325 606)	(1 150 672)	(1 207 102 044)
Net impact on profit or loss and equity	**150 230 646**	**(6 071 307)**	**3 122 775**	**35 761**	**855 991**	**148 173 866**
Restated**						
For the year ended 31 December 2023						
Assets	105 240 092	50 602	295 953	1 604	1 765	105 590 016
Liabilities	(78 442 075)	(16 093)	(103 630)	(633)	(97)	(78 562 528)
Net impact on profit or loss and equity	**26 798 017**	**34 509**	**192 323**	**971**	**1 668**	**27 027 488**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.3.3 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 as at fair value through profit or loss and fair value through other comprehensive income. 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.

The table below summarises the impact of increases or decreases of the Zimbabwe Stock Exchange ("ZSE") on the Group's total comprehensive income for the year. The analysis is based on the assumption that the equity index has increased or decreased by 25% based on experience with all other variables held constant and the Group's equity instruments moved according to the historical correlation with the index.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Impact of 25% increase or decrease		Restated**		Restated**
in the equity index:	ZWG	ZWG	ZWG	ZWG
Financial assets at fair value through profit or loss	290 184 683	132 787 723	292 420 617	12 424 628
Financial assets at fair value through other comprehensive income	42 643 165	1 311 581	42 643 165	120 726

31.4 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 its obligations 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 a trade is settled only when both parties have fulfilled their contractual settlement obligations.
Settlement limits form part of the credit approval / limit monitoring process. Acceptance of settlement risk on free settlement trades requires transaction specific or counterparty specific approvals from Group Risk.

31.5 Capital risk
31.5.1 Regulatory Capital and Financial Risk Management

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

The Group's objectives 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 financial assets at fair value through other comprehensive income.
- 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.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.5 Capital risk (continued)

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.

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	Regulatory Authority	Minimum capital required	Minimum capital required	Net regulatory capital	Total equity
As at 31 December 2024		**US$**	**ZWG**	**ZWG**	**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

31.5.2 Capital allocation

The allocation of capital between specific operations is, to a large extent, driven by optimisation of the return achieved on the capital allocated. The amount of capital allocated to each subsidiary is firstly premised on minimum regulatory requirements. The process of allocating capital to specific operations and subsidiaries is undertaken independently of those responsible for the operations. The Assets and Liability Committee ("ALCO") at the banking subsidiaries set the Assets and Liability Management ("ALM") policies which determine the eventual asset allocation dependent on desired risk return profiles based on ALCO forecasts on the different markets the Group participates in and economic fundamentals. Group Risk monitors and ensures adherence to these policies as well as continuously measure the efficacy of these policies through ALCO and various other credit committees.

Although maximisation of the return on risk adjusted capital is the principal basis used in determining how capital is allocated within the Group to particular operations or activities, it is not the sole basis used for decision making. Account is also taken of synergies with other operations and activities, the availability of management and other resources, and the fit of the activity with the Group's longer term strategic objectives. The Group's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.5 Capital risk (continued)

31.5.2 Capital allocation (continued)

Capital adequacy ratios

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
FBC Bank Limited capital adequacy ratio				
Ordinary 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 profits	2 017 637 603	1 346 517 671	2 127 582 958	128 224 336
General reserve	-	-	-	-
Capital allocated for market and operational risk	(350 840 514)	(356 680 611)	(350 840 514)	(32 830 963)
Advances to insiders	(760 747 316)	(61 903 551)	(760 747 316)	(5 697 964)
Tier 1 Capital	**1 047 415 661**	**1 069 299 397**	**1 016 007 815**	**89 708 096**
Other reserves	265 352 223	447 823 409	329 645 480	49 145 953
General provisions	-	-	-	-
Tier 1 and 2 Capital	**1 312 767 884**	**1 517 122 806**	**1 345 653 295**	**138 854 049**
Tier 3 capital allocated for market and operational risk	350 840 514	356 680 611	350 840 514	32 830 963
	1 663 608 398	**1 873 803 417**	**1 696 493 809**	**171 685 012**
Risk weighted assets	**13 650 095 359**	**7 911 838 593**	**13 650 095 359**	**728 251 750**
Tier 1 ratio (%)	8%	14%	7%	12%
Tier 2 ratio (%)	2%	6%	2%	7%
Tier 3 ratio (%)	3%	5%	3%	5%
Capital adequacy ratio (%)	**12%**	**24%**	**12%**	**24%**
Minimum statutory capital adequacy ratio	**12%**	**12%**	**12%**	**12%**
FBC Building Society capital adequacy ratio				
Share capital and share premium	127 119 208	127 119 208	432 872	432 872
Accumulated surplus	540 269 706	588 578 500	637 518 344	62 217 848
Capital allocated for market and operational risk	(38 237 047)	(170 431 425)	(38 237 047)	(5 980 748)
Advances to insiders	-	-	-	-
Tier 1 Capital	**629 151 867**	**545 266 283**	**599 714 169**	**56 669 972**
Non distributable reserves	-	-	-	-
Revaluation reserves	99 170 612	119 435 302	124 509 655	12 889 814
Tier 1 and 2 Capital	**728 322 479**	**664 701 585**	**724 223 824**	**69 559 786**
Tier 3 capital allocated for market and operational risk	38 237 047	170 431 425	38 237 047	5 980 748
	766 559 526	**835 133 010**	**762 460 871**	**75 540 534**
Risk weighted assets	**2 122 824 477**	**2 528 865 698**	**2 122 824 477**	**232 771 542**
Tier 1 ratio (%)	30%	22%	28%	24%
Tier 2 ratio (%)	5%	5%	6%	6%
Tier 3 ratio (%)	2%	7%	2%	3%
Capital adequacy ratio (%)	**36%**	**33%**	**36%**	**32%**
Minimum statutory capital adequacy ratio	**12%**	**12%**	**12%**	**12%**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.5 Capital risk (continued)
31.5.2 Capital allocation (continued)
Capital adequacy ratios

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
FBC Crown Bank Limited capital adequacy ratio				
Ordinary share capital	333	-	333	-
Share premium	286 757 275	-	286 757 275	-
Retained profits	183 055 716	-	183 055 716	-
General reserve	103 881 973	-	103 881 973	-
Capital allocated for market and operational risk	68 028 067	-	68 028 067	-
Advances to insiders	-	-	-	-
Tier 1 capital	**641 723 364**	**-**	**641 723 364**	**-**
Other reserves	178 475 938	-	178 475 938	-
Tier 1 and 2 capital	**820 199 302**	**-**	**820 199 302**	**-**
Tier 3 capital allocated for market and operational risk	68 028 067	-	68 028 067	-
	888 227 369	**-**	**888 227 369**	**-**
Risk weighted assets	**2 553 215 217**	**-**	**2 553 215 217**	**-**
Tier 1 ratio (%)	25%	-	25%	-
Tier 2 ratio (%)	7%	-	7%	-
Tier 3 ratio (%)	3%	-	3%	-
Capital adequacy ratio (%)	**35%**	**-**	**35%**	**-**
Minimum Statutory Capital adequacy ratio	**12%**	**12%**	**12%**	**12%**

Notes to the Consolidated Financial Statements (Continued)
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31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.5 Climate related risk

'Climate-related risks' 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 due 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.

The Group has identified the following climate-related risk factors as having an impact on the Group's financial instruments and included them in its principal risk management processes.

- Industries exposed to increased transition risks: The Group has identified industries that are subject to increased risk of climate regulation negatively affecting their business model. The Group Credit Committee has set overall lending limits for these industries.
- Physical risk to real estate: The Group has identified areas in which it operates that are exposed to increased physical risk such as hurricanes or floods. Heightened physical risk is considered in valuing collateral, such as real estate, plant or inventory.

In addition, the Group is in the process of developing models that aim to assess how borrowers' performance is linked to climate change. The Group plans to use these models in pricing credit risk and in calculating ECLs.

32 FAIR VALUE OF ASSETS AND LIABILITIES

IFRS 13 'Fair value measurement' requires an entity to classify its assets and liabilities according to a hierarchy that reflects the observability of significant market inputs. Fair value is an estimate of the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The three levels of the fair value hierarchy are defined below.

Quoted market prices (level 1)

Assets and liabilities are classified as level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets of liabilities in active markets where the quoted price is readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis.

Valuation technique using observable inputes (level 2)

Assets and liabilities classified as level 2 have been valued using models whose inputs are observable in an active market either directly (that is, as prices) or indirectly (that is, derived from prices).

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

32 FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

Valuation technique using significant and unobservable inputs (Level 3)

Assets and liabilities are classified as level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). A valuation input is considered observable if it can be directly observed from transactions in an active market, or if there is compelling external evidence demonstrating an executable exit price.

The following table shows the Group's assets and liabilities that are held at fair value disaggregated by valuation technique (fair value hierarchy);

	INFLATION ADJUSTED				HISTORICAL COST			
	Valuation technique using				Valuation technique using			
	Quoted market prices Level 1 ZWG	Observable inputs Level 2 ZWG	Significant unobservable inputs Level 3 ZWG	Total ZWG	Quoted market prices Level 1 ZWG	Observable inputs Level 2 ZWG	Significant unobservable inputs Level 3 ZWG	Total ZWG
As at 31 December 2024								
Assets								
Financial assets at fair value through profit or loss	922 862 203	-	237 876 529	1 160 738 732	931 805 938	-	237 876 529	1 169 682 467
Financial assets at fair value through other comprehensive income	170 572 658	-	-	170 572 658	170 572 658	-	-	170 572 658
Investment property	-	-	1 558 755 039	1 558 755 039	-	-	1 558 601 574	1 558 601 574
Property and equipment	-	-	990 298 141	990 298 141	-	-	990 298 141	990 298 141
Liabilities	-	-	-	-	-	-	-	-
Restated**								
As at 31 December 2023								
Assets								
Financial assets at fair value through profit or loss	334 590 098	-	196 560 795	531 150 893	31 605 912	-	18 092 601	49 698 513
Financial assets at fair value through other comprehensive income	5 246 322	-	-	5 246 322	482 902	-	-	482 902
Investment property	-	-	1 418 341 153	1 418 341 153	-	-	130 552 389	130 552 389
Property and equipment	-	-	1 042 566 872	1 042 566 872	-	-	95 963 933	95 963 933
Liabilities	-	-	-	-	-	-	-	-

Valuation techniques and sensitivity analysis

Sensitivity analysis is performed on valuations of assets and liabilities with significant unobservable inputs (level 3) to generate a range of reasonable possible alternative valuations, The sensitivity methodologies applied take account of the nature of valuation techniques used, as well as the availability and reliability of observable proxy and historical data and the impact of using alternative methods. Land and buildings under level 3 comprises commercial and residential properties. Refer to property and equipment note 12.

Investment property

The valuation approaches taken for investment property are the comparison approach. The comparison basis considers evidence on transactions from similar properties in terms of size, standard of finishes and age. In this approach, similar properties that had been recently sold or which are currently on sale and situated in comparable areas were utilised to derive the fair value. Market evidence from other estate agents was taken into consideration. These valuations are done in USD and converted to ZWG at the prevailing exchange rate in existence as at the reporting date. Refer to investment property note 10.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

32 FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

Comparison of carrying amounts and fair values for assets and liabilities not held at fair value

The carrying amounts of financial assets and liabilities held at amortised cost approximate fair values. The following methods and assumptions were used to estimate the fair values;

Loans and advances to customers

The fair value of loans and advances to customers, for the purposes of this disclosure, is derived from discounting expected cash flows in a way that reflects the current market price for lending to issuers of similar credit quality. Gross loan values are discounted at a rate of the Group's contractual margins depending on credit quality and period to maturity. As such Group product margins are deemed significant inputs in the fair value models for the purposes of this disclosure, the related balances are classified as level 3 since the inputs are unobservable.

Trade and other receivables

The fair value of trade and other receivables, for the purposes of this disclosure, is calculated by the use of discounted cash flow techniques where the gross receivables are discounted at the Group's borrowing rate. Significant inputs in the valuation model are unobservable and are thus classified as level 3 for purposes of this disclosure.

Deposits from banks and amounts due to customers

The fair value disclosed approximates carrying value because the instruments are short term in nature. The deposits from banks and customers are classified as level 2. There are no deposits with long term maturities.

Borrowings

The fair value of current borrowings equals their carrying amount as the impact of discounting is not significant due to the market terms (rates and tenor) available. The fair value of the non current portion, for purposes of this disclosure are based on cash flows discounted using a rate based on the contractual borrowing rates which is an observable input. Therefore borrowings are within level 3 of the fair value hierarchy. The carrying amount equals the carrying amounts for borrowings with longer term maturities as the discount rate approximates the liabilities' effective interest rates.

Insurance liabilities and trade and other payables

The fair value disclosed approximates carrying value because the instruments are short term in nature.

Guarantees, acceptances and other financial facilities

The fair value disclosed approximates carrying value because the instruments are short term in nature.

Unlisted Equity investments

Since the prices are not readily determinable, fair value is based on internal valuation models and management estimates of amounts that could be realized under current market conditions. The key unobservable input in determining fair values for these investment has been the net asset value. The translation of part of these investments that are foreign currency denominated is based on the year-end exchange rate while transactions are translated at the average exchange rate for the reporting period. The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset is not active, or quoted prices cannot be obtained without undue effort, the Group uses the next closest available net asset value per share based on the most recent published financial statements of companies we are invested in.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

33 FINANCIAL INSTRUMENTS
Financial assets and liabilities

Accounting classifications and fair values

The table below sets out the Group's classification of each class of financial assets and liabilities

33.1 Position as at 31 December 2024
INFLATION ADJUSTED

	At fair value through profit and loss Held for trading ZWG	At fair value through other comprehensive income ZWG	Financial assets at amortised cost ZWG	Financial liabilities at amortised cost ZWG	Total carrying amount ZWG
Assets					
Balances with other banks and cash	-	-	4 464 164 512	-	4 464 164 512
Financial assets at amortised cost	-	-	147 797 641	-	147 797 641
Loans and advances to customers	-	-	8 732 165 811	-	8 732 165 811
Bonds and debentures	-	-	-	-	-
Trade and other receivables	-	-	183 080	-	183 080
Financial assets at fair value through profit or loss	1 160 738 732	-	-	-	1 160 738 732
Financial assets at fair value through other comprehensive income	-	170 572 658	-	-	170 572 658
Total	**1 160 738 732**	**170 572 658**	**13 344 311 044**	**-**	**14 675 622 434**
Liabilities					
Deposits from customers	-	-	-	7 529 631 160	7 529 631 160
Deposits from other banks	-	-	-	1 117 454 837	1 117 454 837
Borrowings	-	-	-	2 805 334 691	2 805 334 691
Trade and other liabilities	-	-	-	2 112 703 823	2 112 703 823
Total	**-**	**-**	**-**	**13 565 124 511**	**13 565 124 511**
Position as at 31 December 2023					
INFLATION ADJUSTED					
Restated**					
Assets					
Balances with other banks and cash	-	-	3 487 238 759	-	3 487 238 759
Financial assets at amortised cost	-	-	412 491 295	-	412 491 295
Loans and advances to customers	-	-	6 909 259 936	-	6 909 259 936
Bonds and debentures	-	-	-	-	-
Trade and other receivables	-	-	3 195 403	-	3 195 403
Financial assets at fair value through profit or loss	531 150 893	-	-	-	531 150 893
Financial assets at fair value through other comprehensive income	-	5 246 322	-	-	5 246 322
Total	**531 150 893**	**5 246 322**	**10 812 185 393**	**-**	**11 348 582 608**
Liabilities					
Deposits from customers	-	-	-	4 424 358 752	4 424 358 752
Deposits from other banks	-	-	-	476 992 091	476 992 091
Borrowings	-	-	-	3 117 074 268	3 117 074 268
Trade and other liabilities	-	-	-	2 730 478 975	2 730 478 975
Total	**-**	**-**	**-**	**10 748 904 086**	**10 748 904 086**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

33 FINANCIAL INSTRUMENTS (CONTINUED)

33.2 Position as at 31 December 2024

HISTORICAL COST

	At fair value through pofit and loss Held for trading ZWG	At fair value through other comprehensive income ZWG	Financial assets at amortised cost ZWG	Financial liabilities at amortised cost ZWG	Total carrying amount ZWG
Assets					
Balances with other banks and cash	-	-	4 464 164 512	-	4 464 164 512
Financial assets at amortised cost	-	-	147 797 641	-	147 797 641
Loans and advances to customers	-	-	8 732 151 809	-	8 732 151 809
Bonds and debentures	-	-	-	-	-
Trade and other receivables	-	-	183 080	-	183 080
Financial assets at fair value through profit or loss	1 169 682 467	-	-	-	1 169 682 467
Financial assets at fair value through other comprehensive income	-	170 572 658	-	-	170 572 658
Total	**1 169 682 467**	**170 572 658**	**13 344 297 042**	**-**	**14 684 552 167**
Liabilities					
Deposits from customers	-	-	-	7 529 631 160	7 529 631 160
Deposits from other banks	-	-	-	1 117 454 837	1 117 454 837
Borrowings	-	-	-	2 805 334 691	2 805 334 691
Trade and other liabilities	-	-	-	2 065 090 453	2 065 090 453
Total	**-**	**-**	**-**	**13 517 511 141**	**13 517 511 141**

Position as at 31 December 2023

HISTORICAL COST

Restated**

	At fair value through pofit and loss Held for trading ZWG	At fair value through other comprehensive income ZWG	Financial assets at amortised cost ZWG	Financial liabilities at amortised cost ZWG	Total carrying amount ZWG
Assets					
Balances with other banks and cash	-	-	320 985 786	-	320 985 786
Financial assets at amortised cost	-	-	37 968 104	-	37 968 104
Loans and advances to customers	-	-	635 967 278	-	635 967 278
Bonds and debentures			-		-
Trade and other receivables	-	-	294 124	-	294 124
Financial assets at fair value					-
through profit or loss	49 698 513	-	-	-	49 698 513
Financial assets at fair value through					-
other comprehensive income	-	482 902	-	-	482 902
Total	**49 698 513**	**482 902**	**995 215 292**	**-**	**1 045 396 707**
Liabilities					
Deposits from other banks	-	-	-	407 243 773	407 243 773
Deposits from customers	-	-	-	43 905 133	43 905 133
Borrowings	-	-	-	286 913 688	286 913 688
Trade and other liabilities	-	-	-	247 822 948	247 822 948
Total	**-**	**-**	**-**	**985 885 542**	**985 885 542**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

34 INSURANCE RISK MANAGEMENT

Insurance risk management specifically applies to the two subsidiaries; FBC Reinsurance Limited and FBC Insurance (Private) Company. 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.

34.1 Risk management objectives and policies for mitigating risk

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.

The reinsurers and retrocessionaires that the Group transacted with for the year had the following ratings;

Year ended 31 December

	Number of reinsurers and retrocessionaires	
Ratings	**2024**	**2023**
AA+	0	0
AA-	1	1
A+	2	2
A-	4	4
B	1	1
B++	0	0
B+	5	5
BB+	0	0
BBB	0	0
BBB-	1	1
Non rated	0	0
Total	**14**	**14**

34.2 Underwriting strategy

The Group's underwriting strategy seeks diversity to ensure a balanced portfolio and is based on a large portfolio of similar risks over a geographical area, as such; it is believed that this reduces the variability of the outcome. The underwriting strategy is set out in an annual business plan that sets out the classes of business to be written, the regions in which business is to be written and the industry sectors to which the Group is prepared to expose itself. This strategy is cascaded down to individual underwriters through detailed underwriting authorities that set out the limits that any one underwriter can write by the size, and class of business in order to enforce appropriate risk selection within the portfolio. The underwriters have the right to refuse renewal or to change the terms and conditions of the contract with 60 days notice, as well as the right to reject the payment of a fraudulent claim.

Insurance contracts also entitle the Group to pursue third parties for payment of some or all costs (i.e., subrogation). Adherence to the underwriting authorities is measured through a series of exception reports that are run on a regular basis covering size of risk, class and industry.

34.3 Reinsurance strategy

The short-term insurance company reinsures all business in excess of its underwriting capacity as determined by the statement of financial position. The short-term insurance company utilises quota share, surplus, excess of loss and facultative reinsurance programmes with reputable reinsurers.

The treaties are a combination of proportional and non proportional in order to minimise the net exposure to the Group. The Group also participates in the facultative reinsurance in certain specified circumstances.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

34 INSURANCE RISK MANAGEMENT (CONTINUED)

34.4 Retrocession strategy

The reinsurance company reinsures a portion of the risks it underwrites in order to control its exposures to losses and protect capital resources. The main classes covered include fire and engineering classes. The Group utilises international reinsurance brokers for the arrangement and placement of retrocession programmes with reputable reinsurers. This is led by Aon Sub Sahara Africa in South Africa and J B Boda Reinsurance Brokers (Pvt) Ltd of India. The treaties are a combination of proportional and non proportional treaties in order to minimise the net exposure to the company.

34.5 Terms and conditions of short- term insurance contracts

The terms and conditions of insurance contracts that are underwritten by the Group that have a material effect on the amount, timing and uncertainty of future cash flows arising from insurance contracts are set out below:

i) The premium must be paid to the insurer before cover commences on direct clients and in the case of clients through intermediaries, payment should be made within a stipulated credit period;

ii) The Group shall not be liable under the contract for any claims which are notified after the expiry of three months from the date of loss; and

iii) Both parties to the contract shall give 30 days notice of cancellation of the policy.

Nature of risks covered

The following gives an assessment of the Group's main products and the ways in which it manages the associated risks and the concentrations of these risks. The Group through its subsidiary, FBC Insurance Company Limited, writes the following types of business within its Commercial and Personal Lines;

Products	Commercial	Personal Lines
Fire		
Assets all risks	*	*
House owners	*	*
Fire combined	*	*
Accident		
Money	*	x
Glass	*	x
Goods in transit	*	*
Theft	*	*
Personal all risks	*	*
Business all risks	*	x
Fidelity guarantee	*	x
Householders	*	*
Personal accident		
Group personal accident	*	x
Personal accident	*	*
Motor		
Private motor	*	*
Commercial motor	*	*
Motor cycle	*	*
Trailer	*	*
Motor fleet	*	*

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

34 INSURANCE RISK MANAGEMENT (CONTINUED)
34.5 Terms and conditions of short- term insurance contracts (continued)

Products	Commercial	Personal Lines
Engineering		
Electronic equipment	*	x
Machinery breakdown	*	x
Machinery breakdown loss of profits	*	x
Contractors all risks	*	x
Erection all risks	*	x
Civil engineering completed risks	*	x
Plant all risks	*	x
Marine		
Marine cargo	*	*
Marine hull	*	*
Liability		
Public liability	*	*
Employers liability	*	x
Professional indemnity	*	x
Products liability	*	x
Directors and officer liability	*	x
Bonds and guarantees		
Court bond	*	x
Performance bond	*	x
Bid bond	*	x
Advance payment bond	*	x
Government/customs bonds	*	x

Legend
* class of business underwritten
x class of business not underwritten

Commercial department underwrites small to large business from companies. Personal department provides insurance to the general public in their personal capacities.

The following perils are covered under the different types of business:
- **Fire** – fire, storm, explosions, malicious and earthquake
- **Accident** – all risks of accidental loss or damage to property
- **Personal accident** – death, permanent disablement, total disablement and medical expenses
- **Motor** – private and commercial (comprehensive, full third party, fire and theft)
- **Engineering** – accidental physical loss or damage to machinery on an all risks basis
- **Marine** – loss or damage to cargo in transit or vessel
- **Liability** – legal liability following death or injury to third parties or damage to third party property
- **Bonds and guarantees** – guarantees that contractual obligations will be met in case of default

The return to shareholders arises from the total premiums charged to policyholders and investment returns less the amounts paid to cover claims and administrative expenses incurred by the Group.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

34 INSURANCE RISK MANAGEMENT (CONTINUED)

34.6 Terms and conditions of short- term reinsurance contracts

Nature of risks covered

The following gives an assessment of the Group's main products and the ways in which it manages the associated risks and the concentrations of these risks:

The Group, through its subsidiary, FBC Reinsurance Limited writes the following types of business within its Treaty and Facultative Departments;

Products	Treaty	Facultative
Fire	*	*
Miscellaneous accident	*	*
Motor	*	*
Engineering	*	*
Marine - hull and cargo	*	*
Aviation	*	*
Credit	*	*

* class of business underwritten
x class of business not underwritten

Both Treaty and Facultative Departments provide cover on commercial and personal lines basis. Commercial policies cover small to large business from companies. Personal lines policies cover the general public in their personal capacities. The following perils are covered under the different types of business;
- **Fire** - fire, storm, explosions, riot, malicious and earthquake.
- **Accident** - all risks of accidental loss or damage to property.
- **Personal accident** - death, permanent disablement, total disablement and medical expenses.
- **Motor** - private and commercial (comprehensive, full third party, fire and theft).
- **Engineering** - accidental physical loss or damage to machinery on an all risks basis.
- **Marine** - loss or damage to cargo in transit or vessel.
- **Liability** - legal liability following death or injury to third parties or damage to third party property.
- **Bonds and guarantees** - guarantees that contractual obligations will be met in case of default

The return to shareholders under these products arises from the total premiums charged to policyholders and investment returns less the amounts paid to cover commissions, retrocessions, claims and operating expenses incurred by the Group.

There is scope for the Group to earn investment income owing to the time delay between the receipt of premiums and the payment of claims.

The event giving rise to a claim usually occurs suddenly (such as a fire) and the cause is easily determinable. The claim will thus be notified promptly and can be settled without delay.

The key risks associated with these products for the Group are underwriting risk, competitive risk, and claims experience risk (including the variable incidence of natural disasters), as well as fraud risk.

Underwriting risk is the risk that the Group does not charge premiums appropriate for the risk that they accept. The risk on any policy will vary according to factors such as location, safety measures in place, age of property etc. Calculating a premium commensurate with the risk for these policies will be subjective and risky. The risk is managed through pricing, product design, risk selection, appropriate investment strategy, rating and reinsurance. The Group monitors and reacts to changes in the environment in which they operate.

The Group is also exposed to the risk of false or invalid claims from the policyholders. External control systems and fraud detection measurements are in place to improve the Group's ability to proactively detect fraudulent claims.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

34 INSURANCE RISK MANAGEMENT (CONTINUED)

34.7 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 relates 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.

34.8 Claims development

The Group is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the contract term, subject to pre-determined time scales dependent on the nature of the insurance contract. The Group takes all reasonable steps to ensure that they have appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The claims liability comprises a provision for outstanding claims and a provision for claims incurred but not yet reported ("IBNR") at statement of financial position date.

In calculating the estimated cost of outstanding claims, the Group uses the estimates determined by external assessors who would have calculated the total estimated cost of the claim. The Group provides for IBNR at 15% (2023 - 15%) of net premium written for the reinsurance subsidiary and 5% (2023 - 5%) of net premium written for the short term insurance subsidiary based on past experience.

34.9 Management of risk relating to changes in underwriting variables

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

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
35 SEGMENT REPORTING				
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)	(19 726 544 496)	(265 418 580)	(11 280 758)
Group total net income	**7 230 212 154**	**5 524 091 443**	**7 412 269 809**	**476 581 701**
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	2 070 054
Profit before income tax	**2 013 080 354**	**1 754 445 635**	**4 103 276 935**	**230 639 351**
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)	(2 314 316 252)	(95 843 312)
Group total assets	**19 566 689 581**	**14 756 235 088**	**19 582 731 031**	**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	(508 019 676)	(40 939 072)
Group total liabilities	**15 011 161 014**	**11 687 160 736**	**14 889 466 411**	**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.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
Entity wide information				
Breakdown of total net income from all services is as follows;				
Analysis of net income by category:				
- Gross profit from residential properties	-	-	-	-
Revenue	-	-	-	-
Cost of sales	-	-	-	-
- Net income from services	7 230 212 154	5 524 091 444	7 412 269 809	476 581 700
Total	**7 230 212 154**	**5 524 091 444**	**7 412 269 809**	**476 581 700**

The Group is domiciled in Zimbabwe. All revenue was earned from external customers in Zimbabwe and Botswana. Assets of the Group are located in Zimbabwe and Botswana. Total net income was earned by a variety of customers with no significant concentration on one customer.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

35 SEGMENT REPORTING (CONTINUED)

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 and stockbroking. 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.

INFLATION ADJUSTED

31 Dec 2024	Commercial banking ZWG	Wholesale banking ZWG	Microlending ZWG	Mortgage financing ZWG	Short term reinsurance ZWG	Short term insurance ZWG	Stockbroking ZWG	Insurance Broking ZWG	Consolidated 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	-	-	-	-	-	-	-	-	-
Net earned insurance premium	-	-	-	-	(45 945 613)	(2 373 234)	-	-	(48 318 847)
Net fee and commission income	951 386 134	120 225 078	667 856	143 686 608	-	-	3 811 200	1 670 039	1 221 446 915
- Retail service fees	938 520 618	938 520 618	-	123 893 399	-	-	-	-	
- Credit related fees	5 909 115	5 909 115	667 856	19 793 209	-	-	-	-	
- Investment banking fees	6 956 401	6 956 401	-	-	-	-	-	-	
- Brokerage commission	-	-	-	-	-	-	3 811 200	1 670 039	
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**
Type of revenue generating activity	Commercial and retail banking	Wholesale and retail banking	Microlending	Mortgage financing	Underwriting general classes of short term re-insurance	Underwriting general classes of short term insurance	Equity market dealing	Short term insurance broking	

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

35 SEGMENT REPORTING (CONTINUED)
INFLATION ADJUSTED

Restated** 31 Dec 2023	Commercial banking ZWG	Microlending ZWG	Mortgage financing ZWG	Short term reinsurance ZWG	Short term insurance ZWG	Stockbroking ZWG	Insurance Broking ZWG	Consolidated 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	-	1 726 738 897
Interest expense	(501 901 477)	(26 377 779)	(162 882 336)	-	(441 971)	(886 759)	(8 794 317)	(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	-	-	-	-	-	-	-	-
Net earned insurance premium	-	-	-	(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	27 559 513	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
Intersegment revenue	(36 621 717)	(459 875)	(20 077 695)	(6 400 205)	(61 121 127)	(459 787)	(5 981 615)	(131 122 021)
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	1 589 976	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 insurance	Equity market dealing	Short term insurance broking	

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

35 SEGMENT REPORTING (CONTINUED)

HISTORICAL COST

31 Dec 2024	Commercial banking ZWG	Wholesale banking ZWG	Microlending ZWG	Mortgage financing ZWG	Short term reinsurance ZWG	Short term insurance ZWG	Stockbroking ZWG	Insurance Broking ZWG	Consolidated ZWG
Total segment net income									
Interest income	935 405 134	73 832 082	193 424 581	109 210 708	2 936 637	73 832 082	169 167	-	1 388 810 391
Interest expense	(340 749 512)	(4 455 499)	(18 304 289)	(37 739 661)	-	(4 455 499)	(434 853)	(279 664)	(406 418 977)
Net interest income	594 655 622	69 376 583	175 120 292	71 471 047	2 936 637	69 376 583	(265 686)	(279 664)	982 391 414
Sales	-	-	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-	-	-	-
Net earned insurance premium	-	-	-	-	(49 199 715)	(25 236 156)	-	-	(74 435 871)
Net fee and commission income	598 081 352	120 225 078	442 264	101 112 406	-	-	2 256 503	1 294 184	823 411 787
- Retail service fees	587 550 061	587 550 061	-	85 177 631	-	-	-	-	
- Credit related fees	3 638 879	3 638 879	442 264	15 934 775	-	-	-	-	
- Investment banking fees	6 892 412	6 892 412	-	-	-	-	-	-	
- Brokerage commission	-	-	-	-	-	-	2 256 503	1 294 184	
Net trading income and other income	3 337 577 622	126 491 730	85 879 654	759 427 640	251 535 857	115 518 928	10 029 783	1 490 835	4 687 952 049
Total net income for reported segments	4 530 314 596	316 093 391	261 442 210	932 011 093	205 272 779	159 659 355	12 020 600	2 505 355	6 419 319 379
Intersegment revenue	(16 422 386)	(854 422)	290 626	(3 935 948)	(4 779 750)	(68 248 658)	(376 438)	(1 682 334)	(96 009 310)
Intersegment interest expense and commission	57 768 526	1 268 905	22 715 572	12 929 681	964 964	14 298 167	482 257	299 437	110 727 509
Net income from external customers	**4 571 660 736**	**316 507 874**	**284 448 408**	**941 004 826**	**201 457 993**	**105 708 864**	**12 126 419**	**1 122 458**	**6 434 037 578**
Segment profit before income tax	**2 692 968 649**	**107 365 053**	**150 281 530**	**661 806 017**	**106 811 300**	**51 765 678**	**4 345 238**	**(12 016 717)**	**3 763 326 748**
Impairment allowances on financial assets	115 875 590	(55 870 631)	11 099 096	18 368 489	-	232 786	-	-	89 705 330
Depreciation	42 261 793	2 494 040	384 352	6 222 042	513 673	1 381 715	14 639	34 437	53 306 691
Amortisation	54 451	-	3	-	36	-	-	235	54 725
Segment assets	**13 292 142 829**	**3 173 034 778**	**319 471 913**	**2 293 024 547**	**523 078 173**	**309 824 923**	**29 875 988**	**12 397 671**	**19 952 850 822**
Total assets include :									
Additions to non-current assets	25 847 035	2 287 962	4 056 782	4 540 814	3 798 201	1 557 288	71 380	-	42 159 462
Investment in associates	-	-	-	-	(0)	-	-	-	(0)
Segment liabilities	**10 834 901 705**	**2 232 085 076**	**243 907 664**	**1 530 563 676**	**295 893 052**	**222 532 153**	**18 145 964**	**19 456 797**	**15 397 486 087**
Type of revenue generating activity	Commercial and retail banking	Wholesale and retail banking	Microlending	Mortgage financing	Underwriting general classes of short term re-insurance	Underwriting general classes of short term insurance	Equity market dealing	Short term insurance broking	

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

35 SEGMENT REPORTING (CONTINUED)
INFLATION ADJUSTED

Restated** 31 Dec 2023	Commercial banking ZWG	Microlending ZWG	Mortgage financing ZWG	Short term reinsurance ZWG	Short term insurance ZWG	Stockbroking ZWG	Insurance Broking ZWG	Consolidated ZWG
Total segment net income								
Interest income	72 920 829	16 905 297	5 660 413	414 597	487 074	424	-	96 388 635
Interest expense	(28 748 730)	(1 441 929)	(7 035 904)	-	(13 898)	(31 488)	(322 636)	(37 594 585)
Net interest income	44 172 099	15 463 368	(1 375 491)	414 597	473 177	(31 064)	(322 636)	58 794 050
Sales	-	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-	-	-
Net earned insurance premium	-	-	-	(6 326 620)	1 154 978	-	-	(5 171 642)
Net fee and commission income	50 503 027	19 649	6 105 467	-	-	179 305	116 889	56 924 336
- Retail service fees	45 482 564	-	5 592 105	-	-	-	-	
- Credit related fees	486 477	19 649	513 362	-	-	-	-	
- Investment banking fees	4 533 986	-	-	-	-	-	-	
- Brokerage commission	-	-	-	-	-	179 305	116 889	
Net trading income and other income	218 611 062	1 895 833	90 218 091	19 425 804	6 633 229	1 377 428	127 661	338 289 108
Total net income for reported segments	313 286 189	17 378 850	94 948 067	13 513 782	8 261 384	1 525 669	(78 086)	448 835 854
Intersegment revenue	(1 877 198)	(8 752)	(1 140 217)	(341 360)	(2 886 554)	(28 520)	(330 876)	(6 613 477)
Intersegment interest expense and commission	2 783 318	2 174 241	1 879 057	41 887	1 589 570	37 926	324 175	8 830 174
Net income from external customers	**314 192 309**	**19 544 340**	**95 686 907**	**13 214 308**	**6 964 399**	**1 535 075**	**(84 787)**	**451 052 552**
Segment profit before income tax	**158 958 038**	**6 273 066**	**57 244 016**	**5 204 995**	**1 988 982**	**397 801**	**(1 497 601)**	**228 569 297**
Impairment allowances on financial assets	19 976 159	970 860	420 566	-	25 435	-	-	21 393 020
Depreciation	1 054 524	71 226	236 044	61 071	178 631	2 403	10 315	1 614 213
Amortisation	11 603	3	-	36	9	-	824	12 475
Segment assets	**1 103 514 353**	**30 766 414**	**181 634 497**	**39 853 874**	**24 770 577**	**2 557 935**	**732 408**	**1 383 830 059**
Total assets include :								
Additions to non-current assets	1 877 861	276 343	465 562	263 396	71 073	950	-	2 955 185
Segment liabilities	**926 131 378**	**27 482 187**	**106 093 963**	**32 147 559**	**18 753 435**	**1 689 206**	**1 988 533**	**1 114 286 261**
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 insurance	Equity market dealing	Short term insurance broking	

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2024

36 BORROWING POWERS

The Directors may exercise all the powers of the Group to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, stock and other securities whether outright or as security for any debt, liability or obligation of the Group or of any third party.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
37 POST EMPLOYMENT BENEFITS				
Contributions made during the year are as follows:				
Self administered pension fund	78 012 911	39 538 756	56 775 981	2 177 284
National Social Security Authority ("NSSA") Scheme	27 646 799	8 762 376	20 298 088	482 061
	105 659 710	**48 301 132**	**77 074 069**	**2 659 345**

The Group operates a defined contribution pension scheme whose assets are held independently of the Group's assets in separate trustee administered funds. All permanent employees are members of this fund. The NSSA Scheme was promulgated under the National Social Security Authority Act (Chapter 17:04). The Group contributions under the scheme are limited to specific contributions as legislated from time to time and are presently 3.5% (2023 : 3.5%) of pensionable salary to a maximum as set from time to time.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
38 CAPITAL COMMITMENTS				
Capital expenditure authorised but not yet contracted	1 292 497 031	1 989 979 391	1 292 497 031	183 169 305
Capital commitments will be funded from the Group's own resources				
39 CONTINGENT LIABILITIES				
(a) Letters of credit				
The contingent liabilities relate to guarantees and letters of credit undertaken on behalf of various customers.	175 732 951	346 803 903	175 732 951	31 921 853

(b) Legal proceedings

The Group had no other material contingent liabilities as at 31 December 2024 (2023 - ZWGnil).

(c) Potential tax obligations

The Group is regularly subject to evaluations by tax authorities on its direct and indirect tax filings. The consequence of such reviews is that disagreements can arise with tax authorities over the interpretation or application of certain tax rules relating to the Group's business. Such disagreements may not necessarily be resolved in a manner that is favourable to the Group and additional tax obligations could arise upon the resolution of the disputes.

40 DIVIDEND

Notice is hearby given that a final dividend of US 0.25 cents per share and ZWG 3.9 cents per share was declared by the Board on 671 949 927 ordinary shares in issue on 27 March 2025 in respect of the year ended 31 December 2024.

The dividend is payable to Shareholders registered in the books of Company at the close of business on Friday 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. Dividend payment will be made to Shareholders on or about 29 April 2025.

41 SUBSEQUENT EVENTS

There are no adjusting subsequent events.

Company Financial Statements

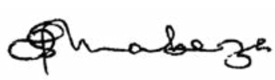
Company Statement of Financial Position
As at 31 December 2024

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	Note	ZWG	ZWG	ZWG	ZWG
ASSETS					
Balances with banks and cash		37 996 005	204 523 361	37 996 005	18 825 523
Amounts due from related parties	2	93 523 184	160 550 909	93 523 184	14 778 042
Financial assets at fair value through other comprehensive income	3	386 123	186 783	386 123	17 193
Financial assets at fair value through profit or loss	4	974 092 555	243 038 491	974 092 555	22 370 680
Investments in subsidiaries	5	1 200 335 214	366 832 376	528 262 430	469 582
Time - share asset	6	23 218 650	20 087 206	23 218 650	1 848 944
Other assets	7	8 633 842	11 758 175	7 673 671	122 120
Deferred tax asset	12.4	111 713 273	317 173	158 943 573	2 353 647
Property and equipment	8	120 100 270	83 467 162	120 100 270	7 682 804
Total assets		**2 569 999 116**	**1 090 761 636**	**1 944 196 461**	**68 468 535**
EQUITY AND LIABILITIES					
Liabilities					
Amounts due to related parties	9	571 452 688	93 553 320	571 452 688	8 611 193
Borrowings	10	-	265 426 019	-	24 431 358
Other liabilities	11	617 455 565	212 432 992	617 455 565	19 553 571
Current income tax liability		9 089 474	1 305 372	9 089 474	120 157
Deferred tax liability	12.4	103 370 308	10 779 057	79 996 270	1 678 232
Total liabilities		**1 301 368 035**	**583 496 760**	**1 277 993 997**	**54 394 511**
Equity					
Share capital and premium	18	62 833 754	62 833 754	5 639	5 639
Other reserves	19	296 784 536	260 192 761	110 787 345	7 041 108
Retained profits		909 012 791	184 238 361	555 409 480	7 027 277
Total equity		**1 268 631 081**	**507 264 876**	**666 202 464**	**14 074 024**
Total equity and liabilities		**2 569 999 116**	**1 090 761 636**	**1 944 196 461**	**68 468 535**

The Company financial statements on pages 202 to 220 were authorised for issue by the board of directors on 27 March 2025 and were signed on its behalf.

Herbert Nkala
(Chairman)

Trynos Kufazvinei
(Group Chief Executive)



Tichaona K. Mabeza
(Company Secretary)

Company Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2024

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	Note	ZWG	ZWG	ZWG	ZWG
Interest income calculated using the effective interest method	13.1	28 981 999	48 648 446	17 000 407	2 322 043
Interest and related expense	13.2	(32 233 101)	(31 676 595)	(20 174 189)	(1 900 563)
Net interest related income		**(3 251 102)**	**16 971 851**	**(3 173 782)**	**421 480**
Net foreign currency dealing and trading income		126 044 968	182 956 758	126 044 968	16 840 407
Net gain from financial assets at fair value through profit or loss	13.3	822 007 055	106 597 846	822 007 055	9 811 887
Other operating income	13.4	372 075 046	217 399 352	300 027 461	9 743 727
Total other income		**1 320 127 069**	**506 953 956**	**1 248 079 484**	**36 396 021**
Total net income		**1 316 875 967**	**523 925 807**	**1 244 905 702**	**36 817 501**
Operating expenditure	14	(760 033 462)	(351 889 020)	(715 150 387)	(25 698 227)
Impairment allowance	2.1	(357 668)	(79 444)	(357 668)	(7 313)
Monetary Gain		493 950 226	35 394 981	-	-
Operating profit		**1 050 435 063**	**207 352 324**	**529 397 647**	**11 111 961**
Taxation	15	19 057 977	(31 594 848)	96 622 386	1 396 732
Profit for the year after taxation		**1 069 493 040**	**175 757 476**	**626 020 033**	**12 508 693**
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Gain on financial assets at fair value through other comprehensive income		368 930	2 298 224	368 930	60 222
Tax		(5 534)	(34 473)	(5 534)	(846)
Gain on property and equipment revaluation		49 147 477	53 779 127	133 384 719	7 944 347
Tax		(10 521 505)	(11 246 917)	(27 933 898)	(1 643 483)
Other comprehensive income, net income tax		**38 989 368**	**44 795 961**	**105 814 217**	**6 360 240**
Total comprehensive income for the year		**1 108 482 408**	**220 553 437**	**731 834 250**	**18 868 933**
Profit for the year attributable to:					
Equity holders of parent		1 069 493 040	175 757 476	626 020 033	12 508 693
Total profit for the year		**1 069 493 040**	**175 757 476**	**626 020 033**	**12 508 693**
Total comprehensive income attributable to:					
Equity holders of parent		1 108 482 408	220 553 437	731 834 250	18 868 933
Total comprehensive income for the year		**1 108 482 408**	**220 553 437**	**731 834 250**	**18 868 933**
Earnings per share (ZWG cents)					
Basic	16.1	175.18	28.78	102.54	2.05
Diluted	16.2	175.18	28.78	102.54	2.05
Headline	16.3	175.18	28.78	102.54	2.05
Diluted headline	16.4	175.18	28.78	102.54	2.05

Company Statement of Changes in Equity
For the year ended 31 December 2024

INFLATION ADJUSTED

	Share capital ZWG	Share premium ZWG	Revaluation reserves ZWG	Non distributable reserves ZWG	Treasury share reserves ZWG	Financial assets at fair value reserves ZWG	Retained profits ZWG	Total ZWG
At 1 January 2023, Restated**	**29 963**	**62 803 791**	**21 549 403**	**292 328 371**	**(112 210 357)**	**14 124 524**	**136 730 249**	**415 355 944**
Gain on financial assets as fair value through other comprehensive income	-	-	-	-	-	2 298 224	-	2 298 224
Deferred tax on Gain on financial assets as fair value through other comprehensive income	-	-	-	-	-	(34 473)	-	(34 473)
Profit for the year	-	-	-	-	-	-	175 757 477	175 757 477
Gain on revaluation of property and equipment, net of tax	-	-	42 532 209	-	-	-	-	42 532 209
Purchase of treasury shares	-	-	-	-	(395 140)	-	-	(395 140)
Dividend declared and paid	-	-	-	-	-	-	(128 249 365)	(128 249 365)
Balance at 31 December 2023, Restated**	**29 963**	**62 803 791**	**64 081 612**	**292 328 371**	**(112 605 497)**	**16 388 275**	**184 238 361**	**507 264 876**
Gain on financial assets as fair value through other comprehensive income	-	-	-	-	-	368 930	-	368 930
Deferred tax on Gain on financial assets as fair value through other comprehensive income	-	-	-	-	-	(5 534)	-	(5 534)
Profit for the year	-	-	-	-	-	-	1 069 493 040	1 069 493 040
Gain on revaluation of property and equipment, net of tax	-	-	38 623 539	-	-	-	-	38 623 539
Purchase of treasury shares	-	-	-	-	(2 395 160)	-	-	(2 395 160)
Dividend declared and paid	-	-	-	-	-	-	(344 718 610)	(344 718 610)
Balance at 31 December 2024	**29 963**	**62 803 791**	**102 705 151**	**292 328 371**	**(115 000 657)**	**16 751 671**	**909 012 791**	**1 268 631 081**

HISTORICAL COST

	Share capital ZWG	Share premium ZWG	Revaluation reserves ZWG	Non distributable reserves ZWG	Treasury share reserves ZWG	Financial assets at fair value reserves ZWG	Retained profits ZWG	Total ZWG
At 1 January 2023, Restated**	**3**	**5 636**	**760 443**	**565 884**	**(687 776)**	**52 671**	**1 151 877**	**1 848 738**
Gain on financial assets as fair value through other comprehensive income	-	-	-	-	-	60 222	-	60 222
Deferred tax on Gain on financial assets as fair value through other comprehensive income	-	-	-	-	-	(846)	-	(846)
Profit for the year	-	-	-	-	-	-	12 508 693	12 508 693
Gain on revaluation of property and equipment, net of tax	-	-	6 300 864	-	-	-	-	6 300 864
Purchase of treasury shares	-	-	-	-	(10 354)	-	-	(10 354)
Dividend declared and paid	-	-	-	-	-	-	(6 633 293)	(6 633 293)
Balance at 31 December 2023, Restated**	**3**	**5 636**	**7 061 307**	**565 884**	**(698 130)**	**112 047**	**7 027 277**	**14 074 024**
Gain on financial assets as fair value through other comprehensive income	-	-	-	-	-	368 930	-	368 930
Deferred tax on Gain on financial assets as fair value through other comprehensive income	-	-	-	-	-	(5 534)	-	(5 534)
Profit for the year	-	-	-	-	-	-	626 020 033	626 020 033
Gain on revaluation of property and equipment, net of tax	-	-	105 450 821	-	-	-	-	105 450 821
Purchase of treasury shares	-	-	-	-	(2 067 980)	-	-	(2 067 980)
Dividend declared and paid	-	-	-	-	-	-	(77 637 830)	(77 637 830)
Balance at 31 December 2024	**3**	**5 636**	**112 512 128**	**565 884**	**(2 766 110)**	**475 443**	**555 409 480**	**666 202 464**

Company's Statement of Cash Flows
For the year ended 31 December 2024

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	1 050 435 063	207 352 324	529 397 647	11 111 961
Non cash items:				
Monetary Gain	(493 950 226)	(35 394 981)	-	-
Depreciation	12 804 156	388 408	3 018 723	6 252
Provisions*	629 861 694	180 329 896	629 861 694	16 598 615
Fair value adjustment on financial assets at fair value through profit or loss	(822 007 055)	(106 597 846)	(822 007 055)	(9 811 887)
Net unrealised exchange gains and losses	(705 488 440)	(418 985 046)	(126 044 968)	(16 885 191)
Loss on disposal	-	193 109	-	3 774
Credit impairment loss	357 668	79 444	357 668	7 313
Net cash generated before changes in operating assets and liabilities	**(327 987 140)**	**(172 634 692)**	**214 583 709**	**1 030 837**
Changes in operating assets and liabilities				
Increase/(decrease) in amounts due from related parties	55 189 812	(9 355 844)	55 189 812	(861 166)
Increase in other assets	(10 951 662)	(13 988 900)	(263 167 241)	(2 260 701)
(Increase)/decrease in amounts due to related parties	(35 044 936)	31 376 204	211 976 547	2 888 049
Decrease in other liabilities	(60 056 336)	(62 547 571)	(60 056 336)	(5 113 830)
Increase/(decrease) in financial assets at fair value through profit or loss	(51 381 568)	117 671 796	(51 381 567)	10 831 198
	(102 244 690)	**63 155 685**	**(107 438 785)**	**5 483 550**
Income tax paid	(2 488 966)	4 227 369	(619 614)	(146 059)
Net cash generated in operating activities	**(432 720 796)**	**(105 251 638)**	**106 525 310**	**6 368 328**
Cash flows from investing activities				
Change in subsidiary investments	(235 616 407)	-	(176 927 900)	-
Purchase of property and equipment	(24 397)	(112 037)	(21 064)	(2 296)
Decrease in financial assets at fair value through other comprehensive income	-	2 692 563	-	96 520
Cash used in investing activities	**(235 640 804)**	**2 580 526**	**(176 948 964)**	**94 224**
Cash flows from financing activities				
Purchase of treasury shares	(2 395 160)	(395 140)	(2 067 980)	(10 354)
Dividend paid	(344 718 610)	(128 249 365)	(77 637 830)	(6 633 293)
Repayment of borrowings	(24 431 358)	-	(24 431 358)	-
Net cash (used in) / generated from financing activities	**(371 545 128)**	**(128 644 505)**	**(104 137 168)**	**(6 643 647)**
Net (decrease) / increase in cash and cash equivalents	**(1 039 906 728)**	**(231 315 617)**	**(174 560 822)**	**(181 095)**
Cash and cash equivalents at beginning of the year	**204 523 361**	**122 460 709**	**18 825 523**	**2 345 706**
Effect of changes in exchange rates	193 731 308	181 006 694	193 731 304	16 660 912
Effects of inflation on cash and cash equivalents	679 648 064	132 371 575	-	-
Cash and cash equivalents at the end of year	**37 996 005**	**204 523 361**	**37 996 005**	**18 825 523**

*Provisions are comprised of staff related provisions

Notes to the Company Financial Statements
For the year ended 31 December 2024

1 COMPANY ACCOUNTING POLICIES

The financial statements of the Company for the year ended 31 December 2024 are prepared in accordance with the same principles used in preparing cosolidated financial statements of the Group. For detailed accounting policies refer to the Group's financial statements.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
2 AMOUNTS DUE FROM RELATED PARTIES				
Other intercompany receivables:				
FBC Bank Limited	306 124	3 325 778	306 124	306 124
FBC Building Society	-	-	-	-
FBC Reinsurance Limited	-	3 390 830	-	312 112
FBC Securities (Private) Limited	4 853 185	9 181 426	4 853 185	845 112
FBC Insurance Company (Private) Limited	753 711	1 297 712	753 711	119 449
OutRisk Underwriting Management Agency	847 696	6 174 913	847 696	568 375
Microplan Financial Services (Private) Limited	87 180 166	137 832 425	87 180 166	12 686 900
Gross carrying amount	**93 940 882**	**161 203 084**	**93 940 882**	**14 838 072**
Impairment allowance	(417 698)	(652 175)	(417 698)	(60 030)
	93 523 184	**160 550 909**	**93 523 184**	**14 778 042**
Current	93 523 184	160 550 909	93 523 184	14 778 042
Non-current	-	-	-	-
Total	**93 523 184**	**160 550 909**	**93 523 184**	**14 778 042**

Amounts receivable from group companies were at arm's length

2.1 Movement in credit impairment losses

INFLATION ADJUSTED

	Amounts due from related parties ZWG	Total ZWG
Movement in credit impairment losses		
Balance at 01 January 2023, Restated**	414 136	414 136
Effects of IAS 29	(327 954)	(327 954)
Effects of IAS 21	486 544	486 544
Impairment loss allowance	79 444	79 444
Balance as at 31 December 2023, Restated**	**652 170**	**652 170**
Balance at 01 January 2024	652 170	652 170
Effects of IAS 29	(592 140)	(592 140)
Impairment loss allowance	357 668	357 668
Balance as at 31 December 2024	**417 698**	**417 698**

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2024

2.1 Movement in credit impairment losses
HISTORICAL COST

	Amounts due from related parties ZWG	Total ZWG
Movement in credit impairment losses		
Balance at 01 January 2023, Restated**	7 933	7 933
Effects of IAS 21	44 784	44 784
Impairment loss allowance	7 313	7 313
Balance as at 31 December 2023, Restated**	**60 030**	**60 030**
Balance at 01 January 2024	60 030	60 030
Impairment loss allowance	357 668	357 668
Balance as at 31 December 2024	**417 698**	**417 698**

3 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG
As at 1 January	186 783	2 792 508	17 193	53 490
Net fair value gain/(loss) transfer to equity	368 930	2 298 224	368 930	60 222
Disposal	-	(1 048 604)	-	(96 519)
Effects of IAS 29 application	(169 590)	(3 855 345)	-	-
As at 31 December	**386 123**	**186 783**	**386 123**	**17 193**

The financial assets at fair value through other comprehensive income consist of the Zimbabwe Stock Exchange unlisted shares. The fair value was ZWG 386 123 for these shares for the year.

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

As at 1 January	243 038 491	213 658 053	22 370 680	4 092 570
Acquisitions	4 060 234	27 333 524	3 419 702	1 259 477
Disposals	-	(129 865 036)	-	(11 953 535)
Net fair value gain/(loss) transfer to profit or loss	822 007 055	106 597 846	822 007 055	9 811 887
Effects of IAS 21 application	126 295 118	208 160 215	126 295 118	19 160 281
Effects of IAS 29 application	(221 308 343)	(182 846 111)	-	-
As at 31 December	**974 092 555**	**243 038 491**	**974 092 555**	**22 370 680**
Listed Securities	974 092 555	243 038 491	974 092 555	22 370 680
Unlisted securities	-	-	-	-
	974 092 555	**243 038 491**	**974 092 555**	**22 370 680**

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2024

		Equity interest 2024	Equity interest 2023	INFLATION ADJUSTED 31 Dec 2024 ZWG	INFLATION ADJUSTED 31 Dec 2023 Restated** ZWG	HISTORICAL COST 31 Dec 2024 ZWG	HISTORICAL COST 31 Dec 2023 Restated** ZWG
5	**INVESTMENT IN SUBSIDIARIES**						
5.1	**Investment in subsidiaries**						
	FBC Bank Limited	100%	100%	176 271 490	176 271 490	15 819	15 819
	FBC Building Society	100%	100%	134 834 959	134 834 959	433 564	433 564
	FBC Reinsurance Limited	100%	100%	46 415 225	46 415 225	17 607	17 607
	FBC Securities (Private) Limited	100%	100%	1 691 329	1 691 329	152	152
	FBC Insurance Company (Private) Limited	95.4%	95.4%	7 597 075	7 597 075	2 438	2 438
	Microplan Financial Services (Private) Limited	100%	100%	22 298	22 298	2	2
	FBC Crown Bank Limited	100%	100%	833 502 838	-	527 792 848	-
				1 200 335 214	**366 832 376**	**528 262 430**	**469 582**
5.2	**Movement analysis - investment in subsidiaries**						
	As at 1 January			366 832 376	366 832 376	469 582	469 582
	Acquisition date fair value investment in FBC Crown Bank Limited			410 798 540	-	241 043 828	-
	Additional recapitalisation in FBC Crown Bank Limited			422 704 298	-	286 749 020	-
	As at 31 December			**1 200 335 214**	**366 832 376**	**528 262 430**	**469 582**
6	**TIME - SHARE ASSET**						
	The Company owns 95% share in a houseboat for use by the Company's employees. The value stated is the value of the share held according to a professional valuation performed as at the reporting date.						
	Balance at 1 January			20 087 206	3 854 794	1 848 944	73 838
	Acquisition			3 400 111	9 740 421	3 400 111	896 565
	Depreciation			(12 465 977)	(2 542 267)	(2 974 471)	(125 980)
	Revaluation gain			12 197 310	9 034 258	20 944 066	1 004 521
	Balance as at 31 December			**23 218 650**	**20 087 206**	**23 218 650**	**1 848 944**
	The time - share asset is included in prepayments and other assets in the consolidated statement of financial position.						
7	**OTHER ASSETS**						
	Accounts Receivable KYC			4 459 747	-	4 459 747	-
	Prepayments			3 002 223	-	3 002 223	-
	Other			1 171 872	11 758 175	211 701	122 120
				8 633 842	**11 758 175**	**7 673 671**	**122 120

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2024

8 PROPERTY AND EQUIPMENT

	INFLATION ADJUSTED				HISTORICAL COST			
	Land ZWG	Computer equipment ZWG	Furniture and Office equipment ZWG	Total ZWG	Land ZWG	Computer equipment ZWG	Furniture and Office equipment ZWG	Total ZWG
Year ended 31 December 2023, Restated**								
Opening net book amount	38 445 143	746 631	-	39 191 774	736 408	14 300	-	750 708
Additions	-	112 037	-	112 037	-	2 296	-	2 296
Revaluation of property	43 510 657	1 234 211	-	44 744 868	6 807 282	132 544	-	6 939 826
Disposals	-	(193 109)	-	(193 109)	-	(3 774)	-	(3 774)
Depreciation	-	(388 408)	-	(388 408)	-	(6 252)	-	(6 252)
Closing net book amount	**81 955 800**	**1 511 362**	**-**	**83 467 162**	**7 543 690**	**139 114**	**-**	**7 682 804**
As at 31 December 2023, Restated**								
Cost or valuation	81 955 800	1 899 770	-	83 855 570	7 543 690	145 366	-	7 689 056
Accumulated depreciation	-	(388 408)	-	(388 408)	-	(6 252)	-	(6 252)
Accumulated impairment	-	-	-	-	-	-	-	-
Net book amount	**81 955 800**	**1 511 362**	**-**	**83 467 162**	**7 543 690**	**139 114**	**-**	**7 682 804**
Year ended 31-Dec-24								
Opening net book amount	81 955 800	1 511 362	-	83 467 162	7 543 690	139 114	-	7 682 804
Additions	-	-	24 397	24 397	-	-	21 065	21 065
Revaluation of property	37 112 533	(162 365)	(3 277)	36 946 891	111 524 643	916 010	-	112 440 653
Disposals	-	-	-	-	-	-	-	-
Depreciation	-	(337 773)	(407)	(338 180)	-	(43 901)	(351)	(44 252)
Closing net book amount	**119 068 333**	**1 011 224**	**20 713**	**120 100 270**	**119 068 333**	**1 011 223**	**20 714**	**120 100 270**
As at 31 December 2024								
Cost or valuation	119 068 333	1 348 997	21 120	120 438 450	119 068 333	1 055 124	21 065	120 144 522
Accumulated depreciation	-	(337 773)	(407)	(338 180)	-	(43 901)	(351)	(44 252)
Accumulated impairment	-	-	-	-	-	-	-	-
Net book amount	**119 068 333**	**1 011 224**	**20 713**	**120 100 270**	**119 068 333**	**1 011 223**	**20 714**	**120 100 270**

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG
If land was stated on historical cost basis, the amount would be as follows;				
Land	20 178 561	20 178 561	1 811	1 811
Computer equipment	751 851	751 851	11 725	11 725
Furniture and office equipment	24 397	-	21 065	-
	20 954 809	**20 930 412**	**34 601**	**13 536**

For fair value techniques used to derive fair values please refer to Note 13 in the consolidate financial statements of the Group.

9 AMOUNTS DUE TO RELATED PARTIES

	INFLATION ADJUSTED 31 Dec 2024 ZWG	INFLATION ADJUSTED 31 Dec 2023 Restated** ZWG	HISTORICAL COST 31 Dec 2024 ZWG	HISTORICAL COST 31 Dec 2023 Restated** ZWG
Other intercompany payables				
FBC Bank Limited	564 260 867	86 927 020	564 260 867	8 001 270
FBC Building Society	-	83 143	-	7 653
FBC Reinsurance Limited	134 715	1 463 564	134 715	134 715
FBC Securities (Private) Limited	309 155	440 744	309 155	40 568
FBC Insurance Company (Private) Limited	156 607	1 701 403	156 607	156 607
Microplan Financial Services (Private) Limited	270 380	2 937 446	270 380	270 380
FBC Crown Bank Limited	6 320 964	-	6 320 964	-
	571 452 688	**93 553 320**	**571 452 688**	**8 611 193**

These transactions are at arm's length

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2024

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
10 BORROWINGS				
Opening	265 426 019	142 979 191	24 431 358	2 738 733
Additions	-	-	-	-
Repayments	(24 431 358)	-	(24 431 358)	-
Non cash movements	(240 994 661)	122 446 828	-	21 692 625
Closing balance	**-**	**265 426 019**	**-**	**24 431 358**
Current	-	-	-	-
Non-current	-	265 426 019	-	24 431 358
Total	**-**	**265 426 019**	**-**	**24 431 358**

The loan is comprised of Norsad Finance Limited - US$ 10 million facility. The facility was availed from December 2021 and has an effective interest rate of 7.5% per annum with a tenure of 3 years. The Loan was repaid on 31 December 2024.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
11 OTHER LIABILITIES				
Provisions*	609 758 262	180 436 506	609 758 262	16 608 428
Tax obligations	5 881 746	6 061 040	5 881 746	557 893
Other	1 815 557	25 935 446	1 815 557	2 387 250
	617 455 565	**212 432 992**	**617 455 565**	**19 553 571**

*The provisions include provision for leave pay, provision for long service awards and provision for bonus.

12 DEFERRED TAX ASSET AND LIABILITY

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same tax authority. Deferred income taxes are calculated on all temporary differences under the liability method using an effective corporate tax rate of 25.75% (2023: 24.72%) and capital gains tax rate of 20% (2023: 20%).

The movement on the deferred tax account is as follows:	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
As at 1 January	10 461 884	(28 005 708)	(675 415)	(517 214)
Statement of profit or loss charge (note 15)	(29 331 044)	27 186 201	(106 895 452)	(1 802 530)
Tax charge relating to components of other comprehensive income	10 526 195	11 281 391	27 939 432	1 644 329
Other	-	-	684 132	-
As at 31 December	**(8 342 965)**	**10 461 884**	**(78 947 303)**	**(675 415)**

12.1 Analysis of charge in the statement of profit or loss

The deferred tax charge in the statement of profit or loss comprises the following temporary differences:	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
Allowance for loan impairment	53 659	(161 216)	(92 718)	(14 839)
Property and equipment allowances	(149)	(17 195)	(149)	(1 583)
Unrealised gains on foreign exchange and equities	44 786 685	19 227 714	44 786 685	1 769 831
Accrual for leave pay	33 915 322	(134 509)	(33 736 495)	(12 381)
Prepayments and other assets	168 805	-	3 327	-
Other liabilities	(108 255 366)	8 271 407	(117 856 102)	(3 543 558)
Total	**(29 331 044)**	**27 186 201**	**(106 895 452)**	**(1 802 530)**

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2024

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
12.2	**Analysis of charge in the statement of comprehensive income**				
	Property and equipment revaluations	10 520 661	11 246 917	27 933 898	1 643 483
	Investment in securities at FVOCI	5 534	34 474	5 534	846
		10 526 195	**11 281 391**	**27 939 432**	**1 644 329**
12.3	**Deferred income tax assets and liabilities**				
	Deferred tax assets and liabilities are attributable to the following items:				
	Allowance for loan impairment	53 659	(161 216)	(92 718)	(14 839)
	Financial assets at fair value through other comprehensive income	5 534	9 194	5 534	846
	Property and equipment allowances	(149)	(17 195)	(149)	(1 583)
	Unrealised gains on foreign exchange and equities	44 786 685	19 271 175	44 786 685	1 769 831
	Accrual for leave pay	33 915 321	(168 315)	(33 736 495)	(15 493)
	Prepayments and other assets	168 805	2 667 366	3 327	8 166
	Other provisions	(87 272 820)	(11 139 125)	(89 913 487)	(2 422 343)
		(8 342 965)	**10 461 884**	**(78 947 303)**	**(675 415)**
12.4	**Timing of reversal temporary differences**				
	Deferred income tax assets				
	Deferred tax asset to be recovered after more than 12 months	111 713 273	317 173	158 943 573	2 353 647
	Total	**111 713 273**	**317 173**	**158 943 573**	**2 353 647**
	Deferred income tax liabilities				
	Deferred tax liability to be recovered after more than 12 months	103 370 308	10 779 057	79 996 270	1 678 232
	Net deferred income tax liability/(asset)	**(8 342 965)**	**10 461 884**	**(78 947 303)**	**(675 415)**

The deferred tax arising from property and equipment allowances has been determined using income tax values that the Company has ascertained with the aid of guidance issued by the Zimbabwe Revenue Authority ("ZIMRA").

Deferred tax assets arise from staff costs provisions which are disclosed for tax purposes

		INFLATION ADJUSTED		HISTORICAL COST	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
13	**REVENUE**				
13.1	**Interest and related income**				
	Loans to investment subsidiaries	28 981 999	48 648 446	17 000 407	2 322 043
		28 981 999	**48 648 446**	**17 000 407**	**2 322 043**
13.2	**Interest and related expense**				
	Norsad Line of Credit	32 233 101	31 676 595	20 174 189	1 900 563
		32 233 101	**31 676 595**	**20 174 189**	**1 900 563**
13.3	**Net gain from Financial Instruments carried at fair value**				
	Net gain on financial assets at fair value through profit or loss	822 007 055	106 597 846	822 007 055	9 811 887
		822 007 055	**106 597 846**	**822 007 055**	**9 811 887**
13.4	**Other operating income**				
	Dividend income	239 658 547	207 034 786	178 151 906	9 217 673
	Gain on Government Treasury bonds	76 086 106	-	73 390 589	-
	Guarantee Fees	20 895 290	3 638 667	12 426 840	334 924
	Legal fees (written off)/recoveries	24 952 309	-	24 952 309	-
	Fair value adjustment on gold coins	4 317 170	2 891 164	4 317 170	266 221
	KYC Service fee	3 740 547	-	2 585 172	-
	Sundry Income	2 425 077	3 834 735	4 203 475	(75 091)
		372 075 046	**217 399 352**	**300 027 461**	**9 743 727**

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2024

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG
14 OPERATING EXPENDITURE				
Staff costs	701 802 508	295 566 739	680 590 890	22 632 510
Administration expenses	56 522 896	40 184 131	33 560 613	2 111 038
Audit fees-financial statement audit	1 369 879	15 749 742	954 632	948 427
Depreciation	338 179	388 408	44 252	6 252
	760 033 462	**351 889 020**	**715 150 387**	**25 698 227**
15 TAXATION				
The following constitute the major components of income tax expense recognised in the statement of comprehensive income				
Analysis of tax charge in respect of the profit for the year				
Current income tax charge	(10 273 067)	(4 408 647)	(10 273 067)	(405 798)
Deferred income tax	29 331 044	(27 186 201)	106 895 453	1 802 530
Income tax expense	**19 057 977**	**(31 594 848)**	**96 622 386**	**1 396 732**
The income tax rate applicable to the Group`s taxable income for the year ended 31 December 2024 is 25.75% (2023: 24.72%).				
15.1 Reconciliation of income tax expense				
The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the principal tax rate of 25.75% (2023:24.72%%) as follows;				
Profit before income tax	**1 050 435 063**	**207 352 324**	**529 397 647**	**11 111 961**
Income tax charged based on profit for the year at 25.75% (2023:24.72%)	(270 487 029)	(51 257 494)	(136 319 894)	(2 746 877)
Tax effect of:				
Exempt income				
dividend income	61 712 076	24 755 155	45 874 116	2 278 609
unrealised fair value gains	212 561 531	27 230 179	212 561 531	2 506 424
unrealised exchange gains	32 456 579	17 628 746	32 456 579	1 622 653
Additional/(savings) tax resulting from permanent differences	(829)	(8 102)	(829)	(746)
Income subject to tax at lower rates	(5 534)	(10 335 573)	(5 534)	(1 509 481)
Impairment allowance	(92 100)	(19 639)	(92 100)	(1 808)
Expenses not deductible for tax purposes				
Provisions	(165 262 145)	(44 577 550)	(165 262 145)	(4 103 178)
Other	(771 967)	(348 834)	(771 967)	(32 109)
Movement in deferred tax	29 331 044	(27 186 201)	106 895 453	1 802 530
Other	119 616 351	32 524 465	1 287 176	1 580 715
Income tax expense	**19 057 977**	**(31 594 848)**	**96 622 386**	**1 396 732**
Effective rate	1.8%	-15.2%	18.3%	12.6%

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2024

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG
16 EARNINGS PER SHARE				
16.1 Basic earnings per share				
Profit attributable to equity holders of the parent	1 069 493 040	175 757 476	626 020 033	12 508 693
Total	**1 069 493 040**	**175 757 476**	**626 020 033**	**12 508 693**
Basic earnings per share (ZWG cents)	175.18	28.78	102.54	2.05

	Shares issued	Treasury shares	Shares outstanding	Weighted
Year ended 31 December 2024				
Issued ordinary shares as at 1 January	671 949 927	61 406 905	610 543 022	610 543 022
Treasury shares purchased	-	184 200	(184 200)	(41 887)
Weighted average number of ordinary shares as at 31 December	**671 949 927**	**61 591 105**	**610 358 822**	**610 501 135**
Year ended 31 December 2023				
Issued ordinary shares as at 1 January	671 949 927	61 248 405	610 701 522	610 701 522
Treasury shares purchased	-	158 500	(158 500)	(102 916)
Weighted average number of ordinary shares as at 31 December	**671 949 927**	**61 406 905**	**610 543 022**	**610 598 606**

16.2 Diluted earnings per share

Diluted earnings per share is calculated after adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company does not have dilutive ordinary shares.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG	31 Dec 2024 ZWG	31 Dec 2023 Restated** ZWG
Earnings				
Profit attributable to equity holders of the parent	1 069 493 040	175 757 476	626 020 033	12 508 693
Total	**1 069 493 040**	**175 757 476**	**626 020 033**	**12 508 693**
Weighted average number of ordinary shares at 31 December	610 501 135	610 598 606	610 501 135	610 598 606
Diluted earnings per share (ZWG cents)`	175.18	28.78	102.54	2.05
16.3 Headline earnings per share				
Profit attributable to equity holders of the parent	1 069 493 040	175 757 476	626 020 033	12 508 693
Adjusted for excluded remeasurements	-	-	-	-
Headline earnings	**1 069 493 040**	**175 757 476**	**626 020 033**	**12 508 693**
Weighted average number of ordinary shares at 31 December	**610 501 135**	**610 598 606**	**610 501 135**	**610 598 606**
Headline earnings per share (ZWG cents)	**175.18**	**28.78**	**102.54**	**2.05**

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2024

16 EARNINGS PER SHARE (Continued)
16.4 Diluted headline earnings per share

Diluted headline earnings per share is calculated after adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company does not have dilutive ordinary shares.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
Profit attributable to equity holders of the parent	1 069 493 040	175 757 476	626 020 033	12 508 693
Adjusted for excluded remeasurements	-	-	-	-
Diluted headline earnings	**1 069 493 040**	**175 757 476**	**626 020 033**	**12 508 693**
Weighted average number of ordinary shares at 31 December	**610 501 135**	**610 598 606**	**610 501 135**	**610 598 606**
Headline earnings per share (ZWG cents)	**175.18**	**28.78**	**102.54**	**2.05**

17 FINANCIAL RISK MANAGEMENT

The Company is exposed through its operations to the following financial risks:

- Credit risk, interest rate risk, price risk, liquidity risk and foreign exchange risk.

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments.

This note describes the Company's objectives, policies and processes for managing those risks and methods used to measure them. Further quantitative information in respect of these risks is presented throughout these inflation adjusted financial statement

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

Risk management is carried out by management under policies approved by the Board of Directors. Management identifies and evaluates financial risk in close cooperation with the operating units. The Board provides written principles for overall risk manage

Principal financial instruments

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

a) Amounts due from related parties
b) Balances with bank and cash
c) Amounts due to related parties
d) Borrowings
e) Financial assets at fair value through profit or loss
f) Financial assets at fair value through other comprehensive income
g) Other liabilities

General objectives, policies and processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2024

17.1 Fair value of assets and liabilities

The company uses three levels of the fair value hierarchy as per note 35 in the Group financial statements. The following table shows the Company's assets and liabilities that are held at fair value disaggregated by valuation technique (fair value hierarchy);

	INFLATION ADJUSTED				HISTORICAL COST			
	Quoted market prices Level 1	Observable inputs Level 2	Significant unobservable inputs Level 3	Total	Quoted market prices Level 1	Observable inputs Level 2	Significant unobservable inputs Level 3	Total
As at 31 December 2024	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Assets								
Financial assets at fair value through profit or loss	974 092 555	-	-	974 092 555	974 092 555	-	-	974 092 555
Financial assets at fair value through other comprehensive income	-	-	386 123	386 123	-	-	386 123	386 123
Property and equipment	-	-	120 100 270	120 100 270	-	-	120 100 270	120 100 270
Liabilities	-	-	-	-	-	-	-	-
As at 31 December 2023, Restated**								
Assets								
Financial assets at fair value through profit or loss	243 038 491	-	-	243 038 491	22 370 680	-	-	22 370 680
Financial assets at fair value through other comprehensive income	(1)	-	186 783	186 782	-	-	17 193	17 193
Property and equipment	-	-	83 467 162	83 467 162	-	-	7 682 804	7 682 804
Liabilities	-	-	-	-	-	-	-	-

Valuation techniques and sensitivity analysis

Sensitivity analysis is performed on valuations of assets and liabilities with significant unobservable inputs (level 3) to generate a range of reasonable possible alternative valuations, The sensitivity methodologies applied take account of the nature of valuation techniques used, as well as the availability and reliability of observable proxy and historical data and the impact of using alternative methods. Land under level 3 is a commercial property. Refer to property and equipment note 8.

Unlisted equity investments

Since the prices are not readily determinable, fair value is based on internal valuation models and management estimates of amounts that could be realized under current market conditions. The key unobservable input in determining fair values for these investment has been the net asset value. The translation of part of these investments that are foreign currency denominated is based on the year-end exchange rate while transactions are translated at the average exchange rate for the reporting period. The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset is not active, or quoted prices cannot be obtained without undue effort, the company uses the next closest available net asset value per share based on the most recent published financial statements of companies we are invested in.

Borrowings

The fair value of current borrowings equals their carrying amount as the impact of discounting is not significant due to the market terms (rates and tenor) available. The fair value of the non current portion, for purposes of this disclosure are based on cash flows discounted using a rate based on the contractual borrowing rates which is an observable input. Therefore borrowings are within level 3 of the fair value hierarchy. The carrying amount equals the carrying amounts for borrowings

Amounts due from related parties

The fair value of amounts due from related parties, for the purposes of this disclosure, is calculated by the use of discounted cash flow techniques where the gross receivables are discounted at the company's borrowing rate. Significant inputs in the valuation model are unobservable and are thus classified as level 3 for purposes of this disclosure.

Amounts due to related parties and other payables

The fair value disclosed approximates carrying value because the instruments are short term in nature.

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2024

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
17.2 Financial instruments by category				
A summary of the financial instruments held by category is provided below:				
Financial assets				
At amortised cost				
Balances with bank and cash	37 996 005	204 523 361	37 996 005	18 825 523
Amounts due from related parties	93 523 184	160 550 909	93 523 184	14 778 042
At fair value through profit or loss				
Financial assets at fair value through profit or loss	974 092 555	243 038 491	974 092 555	22 370 680
Financial assets at fair value through other comprehensive income	386 123	186 783	386 123	17 193
	1 105 997 867	**608 299 544**	**1 105 997 867**	**55 991 438**
Financial liabilities				
At amortised cost				
Borrowings	-	265 426 019	-	24 431 358
Amounts due to related parties	571 452 688	93 553 320	571 452 688	8 611 193
Other liabilities	7 605 648	6 324 482	7 605 648	582 142
	579 058 336	**365 303 821**	**579 058 336**	**33 624 693**

Financial instruments not measured at fair value

Financial instruments not measured at fair value include balances with bank and cash, amounts due from related parties, amounts due to related parties, borrowings, and other liabilities. The carrying value of these instruments approximates their fair value.

17.3 Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from amounts due from related parties. The credit risk with respect to amounts due from related parties is limited to intercompany balances shareholder loans to subsidiaries. Further disclosures regarding amounts due from related parties are provided in note 2.

The carrying amounts of financial assets represent the maximum credit exposure.

The Company does not require collateral in respect of amounts due from related parties. The Company does have amounts due from related parties for which loss allowance has been recognised. Credit on assets at amortised cost is insignificant.

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
17.4 Reconciliation of Amounts due from related parties				
Past due and impaired	-	-	-	-
Allowance for impairment	-	-	-	-
Carrying amount	**-**	**-**	**-**	**-**
Past due but not impaired	-	-	-	-
Niether past due nor impaired	93 940 882	161 203 083	93 940 882	14 838 072
Gross amount	**93 940 882**	**161 203 083**	**93 940 882**	**14 838 072**
Allowance for impairment	(417 698)	-	(417 698)	-
Carrying amount	**93 523 184**	**161 203 083**	**93 523 184**	**14 838 072**
Total carrying amount	**93 523 184**	**161 203 083**	**93 523 184**	**14 838 072**

As at 31 December 2024, amounts due from related parties amounting to ZWG93 523 184 (2023 : ZWG14 838 072) both in inflation adjusted terms and in historical cost terms were neither past due nor impaired. These relate to intercompany balances shareholder loans to subsidiaries.

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2024

17.5 Liquidity risk

Liquidity risk refers to the risk that the Company will not be able to meet its obligations promptly in respect of all maturing liabilities, increase in financing assets, including commitments and any other financial obligations, or will only able to do so at materially disadvantageous terms. Day-to-day liquidity management is performed by management within Board approved credit limits, such that there is sufficient liquidity to fund probable operational cash flow requirements on a monthly basis. The amounts disclosed in the table below are the contractual undiscounted cash flows:

Inflation Adjusted

	Up to 3 months ZWG	Between 3 and 12 months ZWG	Between 1 and 2 years ZWG	Over 2 years ZWG	Total ZWG
As at 31 December 2024					
Liabilities					
Amounts due to related parties	571 452 688	-	-	-	571 452 688
Other liabilities		7 605 648	-	-	7 605 648
	571 452 688	**7 605 648**	**-**	**-**	**579 058 336**
Assets					
Balances with banks and cash	37 996 005	-	-	-	37 996 005
Amounts due from related parties	93 523 184	-	-	-	93 523 184
Financial assets at fair value through other comprehensive income	386 123	-	-	-	386 123
Financial assets at fair value through profit or loss	974 092 555	-	-	-	974 092 555
Other assets	7 640 638	-	-	-	7 640 638
	1 113 638 505	**-**	**-**	**-**	**1 113 638 505**
Liquidity gap	**542 185 817**	**(7 605 648)**	**-**	**-**	**534 580 169**
Cumulative liquidity gap-on balance sheet	**542 185 817**	**534 580 169**	**534 580 169**	**534 580 169**	**-**
As at 31 December 2023, Restated**					
Liabilities					
Borrowings	-	-	265 426 019	-	265 426 019
Amounts due to related parties	93 553 320	-	-	-	93 553 320
Other liabilities	-	6 324 482	-	-	6 324 482
	93 553 320	**6 324 482**	**265 426 019**	**-**	**365 303 821**
Assets					
Balances with banks and cash	204 523 361	-	-	-	204 523 361
Amounts due from related parties	160 550 909	-	-	-	160 550 909
Financial assets at fair value through other comprehensive income	186 783	-	-	-	186 783
Financial assets at fair value through profit or loss	243 038 491	-	-	-	243 038 491
Other assets	967 859	-			967 859
	609 267 403	**-**	**-**	**-**	**609 267 403**
Liquidity gap	**515 714 083**	**(6 324 482)**	**(265 426 019)**	**-**	**243 963 582**
Cumulative liquidity gap-on balance sheet	**515 714 083**	**509 389 601**	**243 963 582**	**243 963 582**	**-**

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2024

17.5 Liquidity risk (continued)
Historical Cost

	Up to 3 months ZWG	Between 3 and 12 months ZWG	Between 1 and 2 years ZWG	Over 2 years ZWG	Total ZWG
As at 31 December 2024					
Liabilities					
Amounts due to related parties	571 452 688	-	-	-	571 452 688
Other liabilities	-	7 605 648	-	-	7 605 648
	571 452 688	**7 605 648**	**-**	**-**	**579 058 336**
Assets					
Balances with banks and cash	37 996 005	-	-	-	37 996 005
Amounts due from related parties	93 523 184	-	-	-	93 523 184
Financial assets at fair value through other comprehensive income	386 123	-	-	-	386 123
Financial assets at fair value through profit or loss	974 092 555	-	-	-	974 092 555
Other assets	7 640 639	-	-	-	7 640 639
	1 113 638 506	**-**	**-**	**-**	**1 113 638 506**
Liquidity gap	**542 185 818**	**(7 605 648)**	**-**	**-**	**534 580 170**
Cumulative liquidity gap-on balance sheet	**542 185 818**	**534 580 170**	**534 580 170**	**534 580 170**	**-**
As at 31 December 2023, Restated**					
Liabilities					
Borrowings	-	-	24 431 358		24 431 358
Amounts due to related parties	8 611 193	-	-	-	8 611 193
Other liabilities	-	582 142	-	-	582 142
	8 611 193	**582 142**	**24 431 358**	**-**	**33 624 693**
Assets					
Balances with banks and cash	18 825 523	-	-	-	18 825 523
Amounts due from related parties	14 778 042	-	-	-	14 778 042
Financial assets at fair value through other comprehensive income	17 193	-	-	-	17 193
Financial assets at fair value through profit or loss	22 370 680	-	-	-	22 370 680
Other assets	89 087	-	-	-	89 087
	56 080 525	**-**	**-**	**-**	**56 080 525**
Liquidity gap	**47 469 332**	**(582 142)**	**(24 431 358)**	**-**	**22 455 832**
Cumulative liquidity gap-on balance sheet	**47 469 332**	**46 887 190**	**22 455 832**	**22 455 832**	**-**

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2024

17.6 Market risk

Market risk is the risk that the value of a financial position or portfolio will decline due to adverse movements in market rates.

a) Price - The Company does trade in equities therefore, is significantly exposed to price risk fluctuations. The price risk exposures on equities is material as the equities are listed on the Zimbabwe Stock Exchange. The Company is not exposed to commodity price risk.

A 25% positive or negative change in stock market prices would affect the Company's profit before tax and equity as follows:

	31 December 2024		
Financial assets at fair value through profit or loss	**ZWG**	**Change**	**Effect on profit before tax ZWG**
	822 007 055	25%	205 501 764

b) Foreign exchange risk - Emanating from transactions with local, regional and international financiers, the foreign exchange risk arises from fluctuations in foreign exchange rates on assets and liabilities denominated in a currency other than the ZWG. As at 31 December 2024, the company held both receivables and liabilities and is, therefore, exposed to foreign exchange risk. Included in the financial statements are liabilities relating to lines of credit owed to foreign suppliers at a US$/ZWG closing rate of ZWG25.7985: US$ 1.

31 December 2024			
	Foreign currency amount (US$)	**Rate of exchange**	**Equivalent ZWG**
Norsad lines of credit	-	25.7985	-
Money market	1 723 754 303	25.7985	44 470 275 376
Amounts due from related parties	5 467 683	25.7985	141 058 019
Amounts due to related parties	418 632	25.7985	10 800 076
USD nostro balance	177 948	25.7985	4 590 784

A 10% positive or negative change in foreign currency would affect the Company's profit before tax and equity as follows:

	31 December 2024		
Exchange gains or losses	**ZWG**	**Change**	**Effect on profit before tax ZWG**
	126 044 968	10%	12 604 497

17.7 Interest rate risk

Interest rate risk is the risk that fluctuating interest rates will unfavourably affect the Company's earnings and the value of its assets, liabilities and capital. The Company held interest bearing liabilities as at 31 December 2024. The following table demonstrates the sensitivity to a change in interest bearing debts. With all other variables held constant, the Company's profit before tax and equity are affected as follows:

	Profit or loss ZWG	
Interest rate repricing	**Increase**	**Decrease**
2024		
5% Interest rate movement	(1 611 655)	1 611 655
2023		
5% Interest rate movement	(1 583 830)	1 583 830

Notes to the Company Financial Statements (Continued)

For the year ended 31 December 2024

	INFLATION ADJUSTED		HISTORICAL COST	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
18 SHARE CAPITAL AND SHARE PREMIUM				
18.1 Authorised				
Number of ordinary shares, with a nominal value of ZWG0,000000004002042**	800 000 000	800 000 000	800 000 000	800 000 000
18.2 Issued and fully paid				
Number of ordinary shares, with a nominal value of ZWG0,000000004002042**	671 949 927	671 949 927	671 949 927	671 949 927

18.3 Share capital movement

	Number of Shares	Share Capital ZWG	Share Premium ZWG	Total ZWG
INFLATION ADJUSTED				
As at 31 December 2024	671 949 927	29 963	62 803 791	62 833 754
As at 31 December 2023, Restated**	671 949 927	29 963	62 803 791	62 833 754
HISTORICAL COST				
As at 31 December 2024	671 949 927	3	5 636	5 639
As at 31 December 2023, Restated**	671 949 927	3	5 636	5 639

The unissued share capital is under the control of the directors subject to the restrictions imposed by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31), Zimbabwe Stock Exchange Listing Requirements and the Articles and Memorandum of Association of the Company.

19 OTHER RESERVES

	Inflation adjusted 31 Dec 2024 ZWG	Inflation adjusted 31 Dec 2023 Restated** ZWG	Historical cost 31 Dec 2024 ZWG	Historical cost 31 Dec 2023 Restated** ZWG
Revaluation reserves	102 705 151	64 081 612	112 512 128	7 061 307
Non distributable reserves	292 328 371	292 328 371	565 884	565 884
Financial assets at fair value through other comprehensive income reserve	16 751 671	16 388 275	475 443	112 047
Treasury shares reserves	(115 000 657)	(112 605 497)	(2 766 110)	(698 130)
	296 784 536	**260 192 761**	**110 787 345**	**7 041 108**

The definitions of the reserves are as follows;

The revaluation reserve consists of increases in the value of property and equipment on revaluation. Non-distributable reserves are the net result of the restatement of assets and liabilities that could be recovered or settled in a currency other than the Zimbabwe dollar ("ZWG") or could be reasonably translated into a currency other than the ZWG as at 1 January 2009, less deferred income tax and net of amounts subsequently transfered to share capital and share premium.

Financial assets at fair value reserve comprises the changes in the fair value of financial assets at fair value through other comprehensive income, net of tax.

Treasury share reserve represents shares the Company has issued and subsequently reacquired.

20 SUBSEQUENT EVENTS

There were no material events subsequent to 31 December 2024.

Shareholding Information
For the year ended 31 December 2024

Spread of shareholding

Range	Shareholders Number	% of Holders	Shares held Number('000)	% of Shares
0 - 500	5476	64.97	1 210 131	0.18
501 - 1 000	972	11.53	684 718	0.10
1 001 - 10 000	1482	17.58	4 580 487	0.68
10 001 - 50 000	298	3.54	6 285 435	0.94
50 001 - 100 000	69	0.82	5 048 531	0.75
100 001 - 500 000	73	0.87	17 118 419	2.55
500 001 - 1 000 000	14	0.17	10 079 094	1.50
1 000 001 - 10 000 000	35	0.42	135 237 824	20.13
10 000 001 -	10	0.10	491 705 288	73.17
Total	**8 429**	**100.00**	**671 949 927**	**100.00**

Analysis of shareholding

Industry	Shares held Number ('000)	%
Banks	54 760	0.01
Companies	284 983 745	42.41
Employee	761 858	0.11
Deceased Estate	12 082	0.00
External Companies	2 014 584	0.30
Fund Managers	42 109	0.01
Insurance Companies	476 180	0.07
Investment Trusts And Property	424 156	0.06
Local Resident	25 572 079	3.81
Nominees Local	4 700 888	0.70
Non Residents	4 954	0.00
Non Resident Individual	8 625 470	1.28
Other Corporate Holdings	43 463	0.01
Pension Fund	344 233 599	51.23
Total	**671 949 927**	**100.00**

Top ten shareholders

Institution	Shares held Number('000)	%	Beneficiaries
NATIONAL PENSION SCHEME	236 037	35.13	The country's national pension scheme
PUBLIC SERVICE FUND 2 - OLDM	76 109	11.33	The country's civil service pension scheme
FBC HOLDINGS LIMITED	54 494	8.11	Treasury Shares
TIRENT INVESTMENTS (PRIVATE) LIMITED	45 842	6.82	Mushayavanhu Family Trust
CASHGRANT INVESTMENTS (PVT) LTD,	27 620	4.11	DMH Law Firm
STRAUSS ZIMBABWE (PVT)LTD,	17 126	2.55	Joshi Family
STANBIC NOMINEES (PRIVATE) LIMITED	12 643	1.88	Various local Shareholders
VIDRYL INTERNATIONAL (PVT)LTD,	11 408	1.70	Trynos Kufazvinei
DINKRAIN INVESTMENTS	11 348	1.69	Trynos Kufazvinei
KETAN JOSHI	10 914	1.62	Ketan Joshi
Total	**503 541**	**74.94**	

Performance on the Zimbabwe Stock Exchange

	2024	2023
Number of shares in issue	671 949 927	671 949 927
Market prices (ZWG cents per share)		
Closing	1 085.00	36.26
High	1 265.00	56.03
Low	183.00	2.04
Market Capitalisation (ZWG)	**7 290 656 708**	**243 652 433**

Notice of Annual General Meeting

Notice is hereby given that the Twenty-First Annual General Meeting of Shareholders of FBC Holdings Limited will be held in the Main Lounge, Royal Harare Golf Club, 5th Street Extension, Harare on Thursday, 26 June 2025 at 1500 hours.

Agenda

1. To receive, consider and adopt the financial statements and the reports of the directors and auditors of the Company for the financial year ended 31 December 2024.

2. To sanction the dividend paid. An interim dividend for the six months ended 30 June 2024 of USD 0.25 cents per share on 671 949 927 ordinary shares in issue was declared on 27 August 2024 and paid in October 2024. A final dividend of USD 0.25 cents per share and ZWG 3.9 cents per share on 671 949 927 ordinary shares in issue was declared on 27 March 2025 and paid in April 2025.

3. To elect Directors of the Company.

3.1 In terms of Article 95 of the Company's Articles of Association, Messrs. Franklin Kennedy and David Makwara, and Mrs Chipo Mtasa retire by rotation. Being eligible, Mr. Makwara is offering himself for re-election. Mr. Franklin Kennedy and Mrs Chipo Mtasa, each having served on the Board of FBC Holdings Limited for a continuous period of more than ten years, will not be standing for re-election in line with the Company's Corporate Governance Policy.

4. To approve the remuneration of the Directors for the past financial year.

5. External Auditors

5.1. To approve the remuneration of the auditor, KPMG Chartered Accountants (Zimbabwe) for the past audit and to note the retirement of KPMG Chartered Accountants (Zimbabwe) as auditor of the Company whose term of office has ended in compliance with Section 41 (4) of the Banking Act (Chapter 24:20).

5.2 To approve the appointment of Axcentium Chartered Accountants as auditor of the Company for the ensuing year

6. Special business

Share buy-back as special resolutions.

To consider, and if deemed fit, to resolve by way of special resolution with or without modification the following:

6.1 Purchase of own shares

That the Directors be and hereby authorized in terms of section 50 of the Company's Articles of Association and Section 128(1) of the Companies and Other Business Entities Act (Chapter 24:31) to purchase the Company's own shares subject to the following terms and conditions: The purchase price shall not be lower than the nominal value of the Company's shares and not greater than 5% (five percent) nor 5% (five percent) below the weighted average trading price for such ordinary shares traded over (5) business days immediately preceding the date of purchase of such shares by the Company.

6.2 The shares to be acquired under this resolution shall be ordinary shares in the Company and the maximum number of shares which may be acquired under this resolution shall be 10% (ten percent) of the ordinary shares of the Company in issue prior to the date of this resolution.

6.3 This authority shall expire on the date of the Company's next Annual General Meeting.

6.4 That the shares purchased according to this resolution shall be utilized for treasury purposes.

Notice of Annual General Meeting (Continued)

6.5. The shares to be acquired under this resolution will be disposed of within a period of 12 months from the date of this resolution.

Directors' statement
In relation to the aforesaid proposed resolution, the Directors of the Company state that:

(i) The Company is in a strong financial position and will, in the ordinary course of business, be able to pay its debts for a period of 12 months after the Annual General Meeting.
(ii) The assets of the Company will be in excess of its liabilities for a period of 12 months after the Annual General Meeting.
(iii) The ordinary capital and reserves of the Company will be adequate for a period of 12 months after the Annual General Meeting.
(iv) The working capital of the Company will be adequate for a period of 12 months after the Annual General Meeting.

7. To transact all such other business as may be transacted at an Annual General Meeting.
A member of the company entitled to attend and vote at the above-mentioned meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the company.

To be effective, proxy forms must be delivered or posted to the Transfer Secretaries, First Transfer Secretaries (Private) Limited, 1 Armagh Avenue, Eastlea, P O Box 11, Harare or to the Company Secretary, 6th Floor, FBC Centre, 45 Nelson Mandela, Harare so as to reach either of these addresses not later than 1200 hours on Tuesday, 24 June 2025.

By Order of the Board

Tichaona Mabeza
Company Secretary

6th Floor, FBC Centre,
45 Nelson Mandela Avenue
HARARE
4 June 2025

Proxy Form
For the year ended 31 December 2024

I/We ………

Names (in block letters)

of ………

(address in block letters)

Being (a) member(s) of the Company and entitled to vote, do hereby appoint……………………………………………………

………

Or, failing him/her ………

as my/our proxy to attend and speak and vote for me/us and on my/our behalf at the Annual General Meeting of members of the Company to be held on Thursday, 26 June 2025 at 1500 hours and at any adjournment thereof, as follows:-

				In favour of	Against	Abstain
1	Resolution to adopt the company annual financial statements					
2	Resolution to sanction payment of dividend					
3	3.1	Resolution to re-elect retiring directors				
		3.1.1	Resolution to elect David Makwara			
4	Resolution to approve the remuneration of the directors					
5	5.1	Resolution to approve the remuneration of auditors, KPMG Chartered Accountants.				
	5.2	Resolution to elect Axcentium Chartered Accountants as auditors of the Company.				
6	Resolution to purchase the company's own shares					

Please indicate with an 'X' in the appropriate spaces provided how you wish your vote to be cast. If no indication is given, the proxy may vote or abstain as he/she thinks fit.

A member of the company entitled to attend and vote at the above-mentioned meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the company.

Signed at……………………………………………………on……………………………………………………2025

Full name(s) ………
(in block letters)

Signature(s) ………

Notes:
To be effective, proxy forms must be delivered or posted to the Transfer Secretaries, First Transfer Secretaries (Private) Limited, 1 Armagh Avenue, Eastlea, P O Box 11, Harare or to the Company Secretary, 6th Floor, FBC Centre, 45 Nelson Mandela, Harare so as to reach either of these addresses not later than 1200 hours on Tuesday, 24 June 2025.

Notes

FBC Holdings Limited

You Matter Most

www.fbc.co.zw