Integrated Annual Report

2024

cbz Holdings

VISION & PURPOSE

VISION

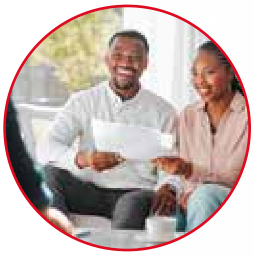
To be the trusted partner delivering value to all our stakeholders across Africa and beyond.

PURPOSE

Unlocking Possibilities Together.

LEADERSHIP PHILOSOPHY

We are a purpose-led, people-driven leadership that creates a transparent, honest and inclusive environment in which all have the potential to grow and to thrive.



CORE VALUES

Trust | Respect | Innovation | Responsibility | Teamwork

VALUE PROPOSITION

We deliver customer convenience and satisfaction through innovative, cost-effective products, leveraging advanced technology to efficiently handle value driven transactions.

PAY OFF LINE

Partners for Success.


cbz Holdings

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ABOUT OUR INTEGRATED REPORT

CBZ Holdings, a long-standing and trusted financial services provider in Zimbabwe, is pleased to present its Integrated Annual Report for the year ended 31 December 2024. This report brings together both financial and sustainability information to reflect our commitment to responsible business practices, inclusive growth, and long-term value creation. We aim to provide insight into the Group's performance and priorities with a clear focus on medium- to long-term strategic outcomes. The report further outlines the key risks and emerging opportunities that influence our ability to generate sustainable value for all stakeholders.

Our Integrated Thinking Framework

Our core purpose is to thrive by prioritizing our stakeholders and ensuring they are at the centre of all our actions. We offer our stakeholders a wide range of products to help them build and manage wealth in various areas such as banking, insurance, investments and agro business. We strive to be a trusted partner in success, delivering inclusive and innovative solutions tailored to the evolving needs of all market segments in which we operate, empowering individuals, driving economic progress, and inclusive access to financial services.

Data Integrity and Assurance Statement

This report has been prepared using a combination of qualitative and quantitative data sourced from the Group's official policy documents and internal records relevant to the material sustainability issues discussed. In some cases, estimates have been applied and subsequently validated to ensure alignment with the Group's operational context.

The report may contain forward-looking statements based on current expectations and projections. These statements are intended to provide insight into future plans and performance, not as guarantees of future performance as they are inherently subject to risks and uncertainties.

As such, actual outcomes may differ, and stakeholders are advised to interpret these statements with appropriate caution, except where updates on changes in circumstances occurring after the publication date, are provided through the Group's regular disclosures and official communication channels.

The Group restated certain previously published sustainability data following improvements in measurement methodologies and enhanced data availability. These restatements reflect the company's ongoing commitment to transparency, accuracy, and continuous improvement in sustainability reporting.

The Group's sustainability data was reviewed for alignment with the GRI Standards (2021) by the Institute for Sustainability Africa (INSAF), an independent subject matter expert. The sustainability information presented in this report has not been subject to external assurance.

The Group's financial statements were independently audited by KPMG Chartered Accountants (Zimbabwe) in accordance with the International Standards on Auditing (ISAs). The Independent Auditor's Report is provided on page 143.

Compliance & Regulatory Reporting Requirements

The Group aims to stay abreast of developments in good governance and practice and have a well-developed structure that ensures the continued minimum compliance with the Zimbabwe Corporate Governance Code (ZIMCODE 2014), the Zimbabwe Stock Exchange Rules SI134/2019, the Reserve Bank of Zimbabwe Corporate governance guidelines No. 01-2004/ BSD, The Banking Act (Chapter 24:20), the Banking Amendment Act of 2015, IPEC Directive on Governance and Risk Management for Insurance Companies, March 2016; Securities Act (Chapter 24:25), Securities Amendment Act No. 2 of 2013, Asset Management Act (Chapter 24:26), Companies and Other Business Entities Act (Chapter 24:31) and the South African King reports.

As a listed entity, CBZ Holdings has developed a Group Governance Code as per requirement. The Governance Code has been approved and adopted throughout the Group. The Board is pleased to report that the Company complied with all the provisions of the Code throughout the year ended 31 December 2024. This report contains elements of IFRS (S1 and S2) sustainability disclosure requirements, however the standards are not yet a mandatory requirement in Zimbabwe.

This report contains information for CBZ Holdings (the Company), and its subsidiaries together known as the Group. In this report, unless stated otherwise references to 'our', 'we', 'us', 'the Group', 'CBZH' and 'CBZ' refers to CBZ Holdings and its subsidiaries.

LEADERSHIP INSIGHTS:

PERFORMANCE REVIEW AND OUTLOOK


PROSPECTS
CUSTOMERS
CUSTOMERS
CUSTOMERS
PROSPECTS
LEADS


Luxon Zembe
GROUP CHAIRMAN

REFLECTIONS FROM OUR GROUP CHAIRMAN

Introduction

Dear Stakeholder, I am pleased to present the financial performance results of CBZ Holdings Limited and its subsidiaries for the full year ended 31 December 2024.

Operating Environment

In 2024, the global economy demonstrated resilience amidst various challenges, maintaining a growth rate of approximately 3.2%. Inflation rates, which had surged in previous years began to decline, with projections indicating a decrease from 9.4% in 2022 to 3.5% by the end of 2025. This downward trend in inflation allowed major Central Banks to consider easing monetary policies, contributing to a more favourable economic environment.

The Sub-Saharan African region faced a slowdown in economic growth in 2024, with projections indicating a decline to 2% from 5.3% in 2023. This deceleration was primarily attributed to El Niño-induced droughts, which severely impacted agricultural output, and lower international mineral prices affecting the mining sector. Additionally, ongoing power shortages contributed to decreased industrial growth and disrupted irrigation activities. Despite these challenges, the region has expectations of economic recovery in the coming years as climatic conditions stabilize and commodity prices adjust.

In Zimbabwe, the economy was estimated to have grown by 2.0% in 2024, down from 5.3% in 2023, as materialisation of the EL Niño induced drought adversely impacted agricultural output and power generation, while falling commodity prices weighed down on the mining sector performance. The agricultural sector growth slowed by 15.0% in 2024 from a growth of 6.3% in 2023, while the mining sector growth slowed from 5.3% to 2.3%, over the same period. Nonetheless, notable strong activity was recorded in the real estate, financial services and health sectors.

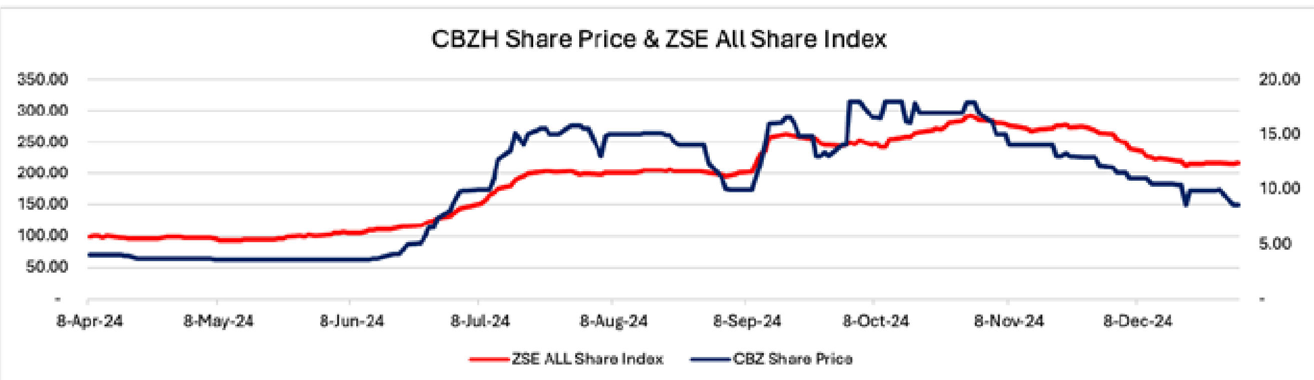
In the local monetary sector, the economy experienced intermittent currency weaknesses and price instabilities during the first quarter of the year. However, significant exchange rate and price stability was achieved during the second half of the year, following the introduction of the new policy intervention measures by the monetary and fiscal authorities. Some of the key policy measures included the introduction of the new currency Zimbabwe Gold "ZWG", in April 2024 to replace the ZWL that was in circulation since February 2019, the recalibration of the RBZ policy rate from 130% to 35%, the increase and standardization of the Statutory Reserve Requirements (SRR) for both local and foreign currency to 30% and 15% for demand deposits and savings/fixed deposits, respectively.

The Group continued to play a significant role in supporting the economy, providing different innovative solutions in all the sectors that it operates in. In the digital space, the Group upgraded its digital platforms to include various value-added services, such as the launch of the CBZ Digital Mall, the Zikimall, a Banking transactional platform that integrates bill payments and shopping options for the convenience of customers. In the property development space, the Group commissioned the Datvest Northgate Property Investment Project, a US$150 million mixed use housing project encompassing 8,000 stands comprising residential, shopping centres, schools, and civil services that features smart living spaces, green infrastructure, and luxurious amenities.

Capital Markets

On the capital markets, the Zimbabwe Stock Exchange ("ZSE") remained firm despite facing liquidity constraints during the second half of the year following the introduction of ZWG in April 2024. The rebased All Share Index experienced a growth of 117.6% to close the year at 217.58 points. The ZSE market capitalisation rose by 125% to close the year at ZWG 66.24 billion, supported by the Medium Cap and Top 10 counters which added 117.6% and 115.2%, respectively. In a demonstration of positive market sentiment, CBZ Holdings share price surged by 115.3%, ending the year at ZWG 8.54, up from the April 2024 rebased price of ZWG 3.96. The company ended the year with a market capitalisation of ZWG 4.46 billion, being the 4th highest-ranked counter by market capitalisation on the ZSE.

The graph below shows the movement of the CBZ Holdings' share price and ZSE all index from April to December 2024.



Environmental, Social & Governance "ESG"

The Group successfully developed and launched its long-term sustainability strategy which will drive our sustainability initiatives under 5 pillars namely, climate action, strong governance, thriving people, responsible operations and stakeholder value creation.

Subsequently, the Group accelerated integration of sustainability considerations into its strategic, lending, investment, and operational processes, both as a strategic differentiator and as a way of complying with regulatory requirements. More notably, the Group began strengthening its Environmental & Social Management System "ESMS" framework. A comprehensive and overarching ESG Policy was developed and launched in January 2024 to cement the Group's commitment to sustainability and govern the integration of sustainability into its operations. Other broader and related policies and procedures, among them credit policies, investment policies and selection criteria, were also updated as part of strategy alignment. The Group will continue to strengthen its ESMS during the year 2025.

As part of capacity building, several sustainability training and workshops were held for Boards, Executives, Senior Management and the Sustainability Teams. These included in-house training on Climate Finance and Climate Risk from the International Finance Corporation "IFC", training on Sustainability Materiality and Reporting as well as several short courses on sustainability and ESG.

Lastly, in terms of certifications and accreditations, the Group reached the threshold certification level under the Sustainability Standards Certification Initiative "SSCI". It subsequently submitted its project for review by the certifying body during the last quarter of the year. Additionally, the Group continued to pursue its accreditation with the Green Climate Fund "GCF", having successfully secured a nomination from the National Designated Authority. Further details on these will be fully outlined in this comprehensive Integrated Annual Report.

Governance & Directorship

The CBZ Holdings Board upholds transparency, accountability, integrity, independence and ethical behaviour in its governance framework. It is a thought leader and strategic partner in the ZIMCODE 2 formulation processes.

The Board seeks to strike a balance between the need to provide competitive financial returns and the expectations of stakeholders and shareholders regarding governance in the context of growing change and regulatory complexity. The Board has done a commendable job of establishing the Group's strategic direction and making sure the Group successfully manages risk. Our primary emphasis continues to be setting measurable goals to support a positive company culture that is in line with value creation and steadfast dedication to our stakeholders.

Mr Louis Gerken stepped down as an independent non-executive director from the Board on 17 January 2025, and Mr Tawanda Gumbo retired as Executive Director and Group Chief Finance Officer on 28 February 2025. We would like to express our gratitude for their valuable contributions during their tenure with the Company. We welcome Mr Joel Makombe who was appointed Group Chief Finance Officer on 1 March 2025 and joined the Board as an Executive Director. We believe that these changes will bring fresh perspectives and ideas, positively impacting investor confidence and continuity on the Board. The Board remains committed to upholding the highest standards of corporate governance and delivering value to our shareholders and other stakeholders.

During the period under review, the Board set up three new committees, the Information Technology Committee, the Strategy Committee and Environmental Social and Governance Committee. The new committees are meant to address specific issues and tasks that require focused attention and expertise. This will allow for greater effectiveness and more efficient decision making as well as improved oversight, insight and foresight in those areas.

Financial Performance

The Group continued to trade positively, posting a profit after tax for the year of ZWG 168.05 million for the year ended 31 December 2024. This success was driven by our customer-centric approach to business, leveraging accessible digital platforms and a diverse product portfolio to meet the evolving financial needs of our clientele. The Group's subsidiaries' diversity plays an important role in ensuring full financial intermediation or interventions to our clients.

The Group remains financially strong, with a capital position of ZWG 7.91 billion, supported by a deposit base of ZWG 21.59 billion and loans & advances totalling ZWG 8.30 billion. As the Group closed the year, our subsidiaries traded above the regulated capital levels, with CBZ Insurance being in the process of recapitalisation to strengthen its underwriting capacity and take advantage of the available business in its sub-sector.

Restructuring Exercise

During the year, the Group undertook a strategic review of the business in response to an increasingly dynamic and competitive operating environment. This review focussed on aligning the Group's corporate and Human Resources structures to enhance operational efficiency, technological advancement, and positioning the business for future growth. Consequently, a comprehensive restructuring exercise was launched in August 2024 and successfully concluded on 31 January 2025, setting the Group on a sustainable growth trajectory.

Corporate Actions

During the year ended 31 December 2024, the Group made an application to the Competition and Tariff Commission "CTC" for the approval of the acquisition of an additional 1.97% shareholding in "FMHL", following the successful acquisition of an initial 31.22% in 2023. The CTC was not supportive of the acquisition of the additional parcel of shares. As such, the Group will maintain its existing investment in FMHL and continue to focus on maximizing returns from this position.

The Group also embarked on the acquisition of a significant interest in ZB Financial Holdings Limited. Whilst the CTC approved the acquisition, the approval carried conditions precedent, which our Board found unfavourable to the intended strategy and resulted in its decision not to pursue the transaction further.

Dividend
The Board has proposed the declaration of a final dividend of US$10,000,000 or US$1.61 cents per share. A separate dividend announcement with record and settlement dates will be published separately in due course.

Outlook
The global economy is expected to maintain moderate growth in 2025, with the International Monetary Fund (IMF) projecting a 3.3% expansion. In Zimbabwe, economic growth is projected at 6.0%, supported by a strong recovery in agriculture, bolstered by improved rainfall during the 2024/25 season, as well as expansion in mining and power generation. These factors are expected to enhance productivity and stimulate broader economic activity. The Group remains well-positioned to capitalize both local and regional emerging opportunities through driving financial innovation to create sustainable long-term value for all stakeholders.

Appreciation
On behalf of the Board of Directors, I extend my profound gratitude to our esteemed shareholders, valued clients, business partners, associates, banking partners, suppliers, and contractors for their unwavering trust and support. Your confidence in our vision has been instrumental in sustaining our momentum and delivering continued growth.

Furthermore, I wish to extend special recognition to our management and employees, who remain the backbone of this organization. Your relentless commitment, professionalism, and innovative spirit continue to propel us forward. Through your dedication, we have successfully navigated challenges, capitalized on opportunities, and strengthened our position in the industry.

Thank you.

....
Luxon Zembe
GROUP CHAIRMAN

31 March 2025

Lawrence Nyazema

GROUP CHIEF EXECUTIVE OFFICER

GROUP CHIEF EXECUTIVE OFFICER'S REVIEW

Introduction

The year 2024 marked a pivotal period of transformation and resilience. Against a backdrop of economic uncertainty and rapid change, we remained steadfast in pursuing our strategic agenda, anchored on innovation, digitalisation, and stakeholder value creation. Our diversified business model and agile leadership enabled us to navigate complexity, unlock new growth avenues, and reinforce customer confidence. This statement highlights our progress, the strategic shifts undertaken to fortify our business model, and our continued commitment to building a sustainable financial ecosystem.

Strategic Advancement and Digital Transformation

During the year ended 2024, we propelled our transformation journey forward, emphasizing digital innovation, operational efficiency, and a strong focus on customer-centricity. Key initiatives encompassed the successful migration of core systems to cloud infrastructure, which enhanced scalability and resilience, alongside the launch of Ziki Mall, a comprehensive digital ecosystem aimed at streamlining customer interactions and expanding our service offerings.

Our digital channels have seen remarkable growth, highlighted by a substantial rise in mobile and online transactions, which underscores our customers' increasing preference for convenient, technology-driven solutions. The Group saw marked growth in digital platforms engagement and a notable increase in transaction values processed, reflecting deeper customer interaction and service adoption. We have therefore made strategic investments in advanced analytics and automation to enhance decision-making and drive operational efficiency throughout the Group.

Key Financial Performance Metrics

The Group delivered a solid and resilient financial performance in 2024, underpinned by strong capital and liquidity positions across all subsidiaries. Our continued investment in digital and operational transformation enabled us to withstand market pressures while driving value creation. Through disciplined execution and sound financial management, we sustained profitability and safeguarded stakeholder interests in a volatile operating environment.

OPERATING EFFICIENCY

Operational efficiency remained a key area of focus in 2024. Combined operating expenses and expected credit losses (ECLs) absorbed ZWG3.80 billion from the Group's top line; however, profitability was preserved. This performance highlights the success of ongoing transformation initiatives, including cost restructuring and prudent credit provisioning. These efforts were essential in strengthening the Group's resilience, improving operational discipline, and supporting long-term, sustainable growth.

ASSET GROWTH & LIQUIDITY

The Group closed the year with cash and cash equivalents of ZWG6.99 billion, representing approximately 21% of total assets, a strong liquidity position that reflects disciplined financial management. The Group's high deposit base of ZWG21.59 billion further reinforces sustained customer confidence and provides a solid foundation for funding growth. These outcomes are particularly significant in the context of ongoing monetary tightening and increased informalisation, underscoring the Group's ability to preserve financial flexibility and manage liquidity risks effectively.

CAPITAL STRENGTH

With shareholder funds of ZWG7.91 billion, the Group remained well-capitalized, enabling it to support future growth initiatives, invest in digital infrastructure, and absorb potential economic shocks. The strength of the capital base reflects the resilience of our diversified income streams and the effectiveness of our strategic risk management framework. These fundamentals position the Group to pursue growth opportunities confidently, even amid a challenging macroeconomic environment.

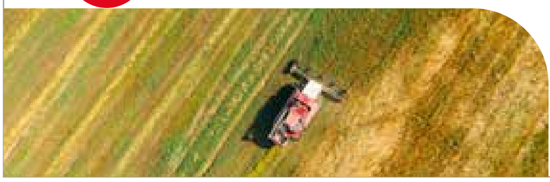
REVENUE COMPOSITION

The Group's revenue performance was predominantly driven by non-interest income, which contributed 67.4% of total income, reflecting the diverse nature of our business activities. Monetary tightening and liquidity conditions exerted pressure on funded income, while rising transactional volumes on our digital platforms positively contributed to increased transactional income. This balanced revenue mix supports earnings stability amid evolving market dynamics.

Overview of Subsidiary Performance

The Bank sustained market dominance with a 21.4% share of customer deposits and a 30% share in USD POS transactions. Customer deposits grew significantly, and the continued shift toward mobile and digital banking channels enhanced both access and convenience, while credit quality came under pressure, requiring tighter risk management and proactive engagement with clients. The Bank successfully secured additional US$100 million in credit lines in 2024, bringing the total held at end of year to US$118.59 million, strengthening its capacity to continue to provide lending support to key economic sectors and contribute to national development. The business remained well-capitalised and liquid, with a total capital adequacy ratio of 27.15% and a liquidity ratio of 43.76%, comfortably above regulatory thresholds.

Redsphere Finance: Our Microfinance arm successfully regained its leadership position in the microfinance sector in the last quarter of 2024, propelled by the launch of innovative products, particularly invoice discounting and sustained recapitalisation initiatives. This business segment continued to play a meaningful role in advancing financial inclusion, contributing 4% to the Group's overall performance. While operating in a complex credit environment, the business sustained lending momentum, supported by strong loan recovery efforts and proactive portfolio-at-risk (PAR) management initiatives, ensuring continued stability within its book.



AgroYield: Our Agro-business successfully transformed into a fully diversified agricultural enterprise, offering, strategic commodities trading and mechanization services, which accounted for 6% of the subsidiary's overall bottom-line performance, positioning it strongly for continued growth, even in the face of challenges presented by the El Niño-induced drought.

Insurance Cluster: Our insurance business successfully attained 83% dollarisation of the insurance portfolio. The cluster recorded notable progress in market share development, with gross written premiums totalling ZWG266.34 million and claims settled amounting to ZWG127.38 million. Optimised product bundling and cross-selling initiatives have significantly elevated our market penetration.

Investment Cluster: Our business units under the investments cluster achieved notable progress with the registration of a Rwanda equity fund and the advancement of the NRZ REIT. We are implementing a strategic reorganization of CBZ Properties to maximize value from our land banks and equity investments.

Dedication to Sustainable Practices:
Sustainability is at the core of our strategic vision. In 2024, we initiated the integration of Environmental, Social, and Governance (ESG) principles throughout our operations.

We continued investing in digital transformation, paperless operations, and climate-smart practices, all of which align with our ESG ambition. Customer engagement on CBZ Touch and other digital platforms grew significantly, underscoring the effectiveness of our customer centric strategy.
Our sustainability agenda advanced through operational efficiencies, responsible investing, and support for communities' education and health, through the SEED programme, and CBZ Foundation initiatives.
We are spearheading piloting climate-smart agriculture with CBZ Agro-Yield, exploring innovative green financing structures in collaboration with CBZ Capital, and enhancing our digital platforms to significantly reduce our carbon footprint. We will continue to formalize our ESG framework, expand green financing initiatives, and enhance disclosures in the subsequent years.

Recognition

I express my heartfelt appreciation to our Board, shareholders, clients, and partners for their unwavering trust and support. To the CBZ team, your resilience, innovation, and commitment are the foundational elements propelling our success forward. We are committed to creating a financial future that is smarter, more inclusive, and sustainable.

Lawrence Nyazema
Group Chief Executive Officer

31 March 2025

Vision for 2025 and Beyond

As we move forward, our key focus areas will be:

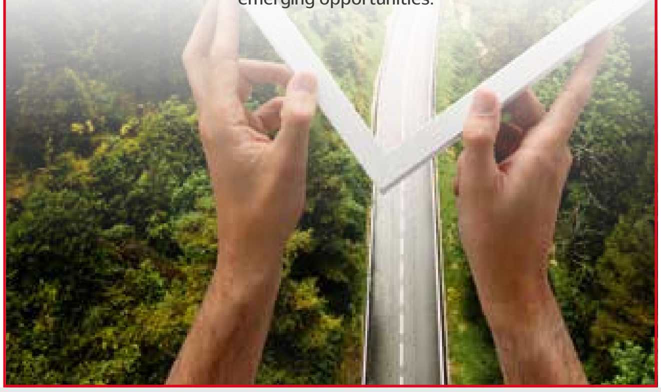
1. **Fortifying the Core:**
Ongoing recapitalization of subsidiaries, minimizing non-performing loans, and improving liquidity positions.

2. **Expanding Revenue Streams:**
Entering new markets, such as diaspora banking and Banking-as-a-Service (BaaS) models.

3. **Enhancing Ecosystem Synergy:**
Creating interconnected services across banking, insurance, investments, and agriculture to provide seamless value to our clients.

4. **Elevating Digital Maturity:**
Comprehensive integration of digital platforms, implementation of AI-driven analytics, and automation of customer journeys.

We approach 2025 with a measured sense of optimism, assured that our diversified model, strategic investments, and committed workforce will empower us to manage uncertainties and seize emerging opportunities.



Joel Makombe
GROUP CHIEF FINANCE OFFICER

GROUP CHIEF FINANCE OFFICER'S REVIEW

Introduction

I am pleased to present the financial performance review of CBZ Holdings for the year ended 31 December 2024. The period under review was marked by a dynamic operating environment, requiring strategic agility and operational discipline. Despite the prevailing challenges, the Group delivered a good set of results, underpinned by strong capital levels, diversified income streams, and an overall lead in business market share.

Overview of the Group' s Financial Performance

The Group's continued focus on income diversification, cost efficiency, and customer-centric innovations enabled it to maintain revenue and capital growth momentum. Our performance reflects the underlying strength of our businesses and management's ability to execute on key financial strategies effectively. Against this backdrop, the Group posted a profit after tax of ZWG168.05 million, supported by total income of ZWG4.1 billion, comprising interest income of ZWG1.68 billion and non-interest income of ZWG2.77 billion. Earnings per share stood at ZWG27.06 cents, while total comprehensive income was ZWG4.1 billion. The Group's total assets closed the year at ZWG34.42 billion, up from ZWG18.34 billion in the prior year. Growth was driven by a strong uplift in customer deposits, which increased to ZWG21.59 billion, supporting the growth of our loans and advances to ZWG8.3 billion. The equity position strengthened to ZWG7.92 billion, providing a firm base for future business growth.

Sustained Performance Across a Diversified Portfolio

The Banking cluster, which remains the largest contributor to the Group's earnings, saw strong deposit mobilisation, quality credit extension, and expanded customer activity across digital and physical platforms. Growth in both interest and non-interest income streams reflected an improved mix of funded and transactional income. Risk-based pricing and enhanced credit underwriting frameworks also supported asset quality and revenue integrity. Beyond Banking, other business clusters, which comprise Insurance, Investments, Agribusiness, continued to contribute positively to earnings diversification. Collectively, these segments reinforced the Group's integrated model and ensured a broad-based contribution to financial performance.

Capital and Liquidity Position

The Group remained strongly capitalised, with a healthy liquidity profile throughout the year. Closing equity of ZWG7.92 billion provided a good buffer against market shocks and regulatory stress. Liquidity was anchored by notable deposit growth and active balance sheet management. The Group closed the period with cash and cash equivalents of ZWG6.99 billion

The capital and liquidity positions enabled the Group to meet its obligations as they fell due, and provided the flexibility to pursue growth opportunities without compromising service delivery.

Capital Allocation Decisions

CBZ Holdings continues to allocate capital in line with strategic priorities and long-term value creation. Our capital allocation framework ensures optimal use of resources across five core capital areas:

Capital Allocation Decisions

CBZ Holdings continues to allocate capital in line with strategic priorities and long-term value creation. Our capital allocation framework ensures optimal use of resources across five core capital areas:

Our Capitals

Financial Capital:

Capital is deployed to support lending, balance sheet strength, and regulatory compliance, with a focus on enhancing return on equity. The group closed the year with ZWG16.95 billion in short term funding and ZWG4.64 billion in medium to long term funding.

Human Capital:

Resources are invested in leadership development, skills enhancement, and productivity initiatives to build a high-performing, future-ready workforce. The Group invested US$82.3 million in its human capital during the year, outside re-organisation expenditures, primarily through staff costs. During the period, the Group engaged an external consultant to deliver development programs for both executives and staff, demonstrating its commitment to nurturing talent and supporting employee growth and development.

Digital and Intellectual Capital:

Funding is directed toward digital platforms, cybersecurity, and data infrastructure to support innovation and scalable growth. During the year, the Group spent ZWG75.08 million on IT related infrastructure and an additional ZWG242.07 million on IT related expenditures, much of it on software.

Operational and Physical Capital:

Ongoing capital investments buttress operational efficiency and modernisation across systems, channels, and infrastructure. The Group prioritises investment in digitalisation to enhance operational efficiency for business growth and efficient service delivery.

Social and Relationship Capital:

The Group continues to invest in financial inclusion, CSR initiatives stakeholder engagement, and ESG-aligned initiatives to reinforce long-term sustainability. During the period, the Group recruited 146 trainees as part of its work-related learning programme "SEED programme" and at period-end, 15 trainees were participating in the fully funded Chartered Accountant "TOPP programme", demonstrating its commitment to youth development and skills transfer.

This balanced deployment of capital enables the Group to drive strategic progress while maintaining flexibility to respond to emerging opportunities and risks.

Going Concern

Following a comprehensive assessment of liquidity, capital, risk exposures, and stress testing scenarios, the Board is satisfied that the Group remains a going concern. Our financial statements have been prepared on this basis, reflecting the Group's capacity to continue operating sustainably for the foreseeable future.

Dividend and market performance

The Group declared a dividend of USD1.61c per share, 25% up from US1.29c per share paid prior year, reflecting a dividend yield of 4.9%, a payout ratio of 25.7%, and a dividend cover of 3.9 times, underscoring strong earnings and a balanced capital allocation strategy.

The share price closed the period at ZWG8.54, compared to a net asset value of ZWG12.72, indicating the stock is trading at a discount to NAV. While market conditions remained volatile the share price performance reflects investor confidence in the Group's fundamentals and strategic direction. Management remains committed to sustaining shareholder value through consistent returns and sound financial stewardship.

Outlook and Strategic Focus

The Group remains financially strong, strategically positioned within the economy, driving shared prosperity for our stakeholders and broader communities. Deliberate Investments into IT infrastructure will see the Group solidify its market leadership in the transactional based business.

The thrust to diversify into the region, provides an exciting opportunity for the Group to diversify its businesses and provide contribution from non-local geographies.

....

Joel Makombe
Group Chief Finance Officer

31 March 2025

CBZ Paylink

Global Transactions Made Easy!

Looking to receive payments in USD or ZWG securely from around the world? With **CBZ Paylink**, it's as easy as clicking a link.

Get started today and simplify your transactions.

ZIMSWITCH VISA mastercard maestro

cbz Bank

Partners for Success

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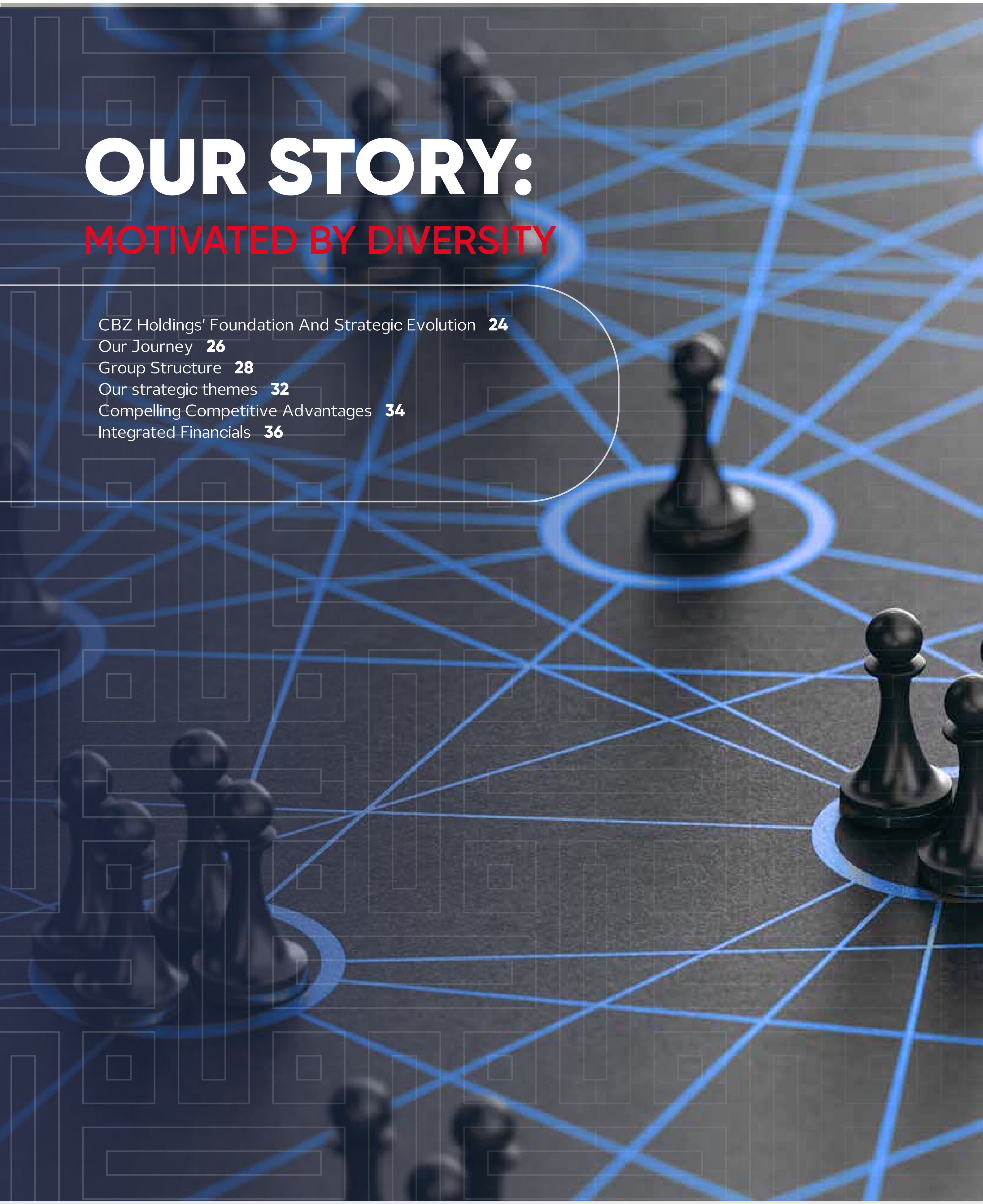
Toll free: 460 / 461 • **Mail:** contactcentre@cbz.co.zw • **Site:** www.cbz.co.zw



OUR STORY:
MOTIVATED BY DIVERSITY

CBZ HOLDINGS' FOUNDATION AND STRATEGIC EVOLUTION

To comprehend the core of CBZ Holdings' journey, it's essential to look back at its inception and foundation - its defining birthmarks.

In 1980, the Government of Zimbabwe and Bank of Credit and Commerce International Holdings Limited came together to form the Bank of Credit and Commerce Zimbabwe Limited (BCCZ). In 2004, a new vision was selected, leading to the establishment of CBZ Holdings (CBZH) as a financial institution that aims to cater to all customer segments with a comprehensive range of services.

Our main objective at CBZ Holdings is to establish a diverse collection of top-performing companies that can consistently generate substantial profits, deliver attractive returns on equity and sustain healthy dividend payouts. We have built our strategy on strong business principles and exceptional financial performance, with a clear focus of making a meaningful difference in the lives of people and our communities.

The Group's unwavering commitment to unparalleled service delivery, coupled with its extensive portfolio of financial offerings, makes it the ideal partner for reliable financial solutions.

OUR JOURNEY

cbz Holdings

In 1980...
Our journey began.

1980

In 1998...
We were listed on the Zimbabwe Stock Exchange.

1998

In 2004...
CBZ Holdings Limited was established to become the financial services provider of choice.

2004

In 2005...
We grew our investments portfolio and acquired Datvest Asset Management.

2005

In 2006...
We made a promise to protect your most prized possessions through offering innovative and valuable short term insurance solutions.

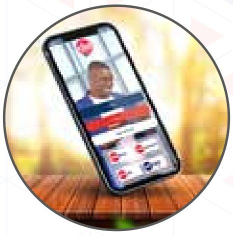
2006

In 2007...
We acquired Beverley Building Society, further diversifying our services to offer mortgage-finance products.

2007

In 2010...
We made a commitment to always be there for you and your loved ones through our Life Assurance solutions.

2010



In 2016...
Driven by technology to enhance convenience for our customers, we launched Zimbabwe's first innovative and fully integrated financial services mobile application, CBZ Touch.

2016

2017

cbz Risk Advisory Services

In 2017...

Backed by a solid foundation hinged on financial stability and prudent foresight we introduced an Insurance Broking and Risk Advisory Services Unit.

2019

cbz Agro-Yield

In 2019...

We established CBZ Agro-Yield to improve national food security for the people of Zimbabwe. We also began a major drive towards financial inclusion by offering microfinance solutions, through RedSphere Finance.

2020

cbz Capital

In 2020...

We set up CBZ Capital a suite to offer investment and structured finance solutions.

2020

cbz Holdings

In 2020...

CBZ Holdings rebranded.

2021

In 2021...

We set up CBZ Digital to drive the Business into the future.

2022

In 2022...

Adoption of the CBZ Holdings Limited Group Sustainability Philosophy.

2022

In 2022...

We set up CBZ Trustee Services to enhance our offering in capital markets governance.

2022

In 2022...

We founded CBZ Foundation, a charitable entity of the Group, to help communities via programmes that connect with our vision and our country's growth and strategic objectives.

cbz Foundation

GROUP STRUCTURE

cbz Holdings

CBZ Holdings Limited is a diversified financial services Group, listed on the Zimbabwe Stock Exchange (ZSE) with operations throughout Zimbabwe and employing 1,465 staff. The Group has subsidiaries in Banking, Insurance (long and short term), Asset Management, Agro Business (CBZ Agro Yield) and Risk Advisory. In addition, the Group has a significant property portfolio managed by its subsidiary, CBZ Properties (Private) Limited.

cbz Bank

CBZ Bank Limited
100%
Commercial banking and mortgage financing

cbz Life

CBZ Life Limited
100%
Long term insurance

cbz Risk Advisory Services

CBZ Risk Advisory Services (Private) Limited
100%
Insurance broking and Advisory services

DATVEST A Member of the cbz Group

CBZ Asset Management (Private) Limited T/A DATVEST
100%
Fund management and advisory services

cbz Insurance

CBZ Insurance (Private) Limited
98.4%
Short term insurance

cbz Properties

CBZ Properties (Private) Limited
100%
Property ownership, development and management

A Member of the cbz Group

Redsphere
100%
Micro finance

CBZ Capital
100%
Private Equity

CBZ Foundation
100%
Philanthropy

CBZ Agro Yield
100%
Agriculture based financing

CBZ Digital
100%
Digital services

CBZ Asset Management (Mauritius)
100%
Wealth Management

THE GROUP'S CLUSTERS

The Group strategically expanded its business operations, incorporating financial services such as banking, insurance and investment. This strengthened its market position and enabled a wide range of financial solutions for a diverse client base.

The Group's investments are structured and managed across the following strategic clusters:

cbz

Banking Cluster
- cbz Bank
- red Sphere Finance (A Member of the cbz Group)
- cbz Custodial Services

Insurance Cluster
- cbz Life
- cbz Insurance
- cbz Risk Advisory Services

Agro Business Cluster
- cbz Agro-Yield

Investment Cluster
- DATVEST (A Member of the cbz Group)
- cbz Properties
- cbz Asset Management (Mauritius)
- cbz Capital

OUR STRATEGIC THEMES

Our strategic focus encompasses Sustainable Businesses, People and Culture, Financial & Social Impact, Technology and Digital Transformation.

Sustainable Businesses

- Perfect composite business model.
- Employ enhanced capital allocation decision criteria.
- Fully integrated business model with a seamless one client journey.
- Best in-breed products across businesses.
- A powerful, globally recognised brand.

People & Culture

- Right people in right roles.
- Future-fit learning agenda.
- Build and nurture an entrepreneurial culture.
- Nurture an inclusive work environment.
- Strong Purpose and Values.

cbz

Financial & Social Impact

- Quality earnings growth with sustainable levels of liqudity and ROE.
- Drive purposeful leadership by aligning our business strategy with the evolving needs of people and society.
- Consistently maintain strong ESG ratings across selected indices and agencies, reflecting our commitment to sustainability and responsible business.

Technology & Digital Transformation

- Integration of technology and digitalisation for agility, client insights, and customized offerings.
- Provide exceptional customer and team experiences while enhancing value through digital technology improvements.
- Expand technological transformation, to achieve superior performance and enhance channels.


TED HERE
Bank
RECEIPT
SERT
RD
VISA
VISA

COMPELLING COMPETITIVE ADVANTAGES

Key attributes that differentiate us:

CBZ Holdings has a unique combination of attributes which differentiate the Group from peers in the market.

Diversity & Scale

- CBZH is one of the largest and most diversified financial services groups in the country, offering comprehensive solutions in Banking, Microfinance, Insurance, Property management, Investment management and Agriculture.
- Our scale allows us to participate in projects that have a significant tangible national impact.
- We have growth ambitions to be a significant player in every market segment we participate in locally and to expand our footprint beyond the local market.
- This growth will be achieved through organic growth and strategic acquisitions and/or alliances.

Our People

- The Group boasts of a highly experienced and diverse senior management teams in the financial services sector.
- We have harnessed and continue to attract some of the best and most passionate talent.
- Through carefully planned development programs and retention strategies, the Group is focused on creating conditions that support the retention of its key staff.

Governance & Risk Management

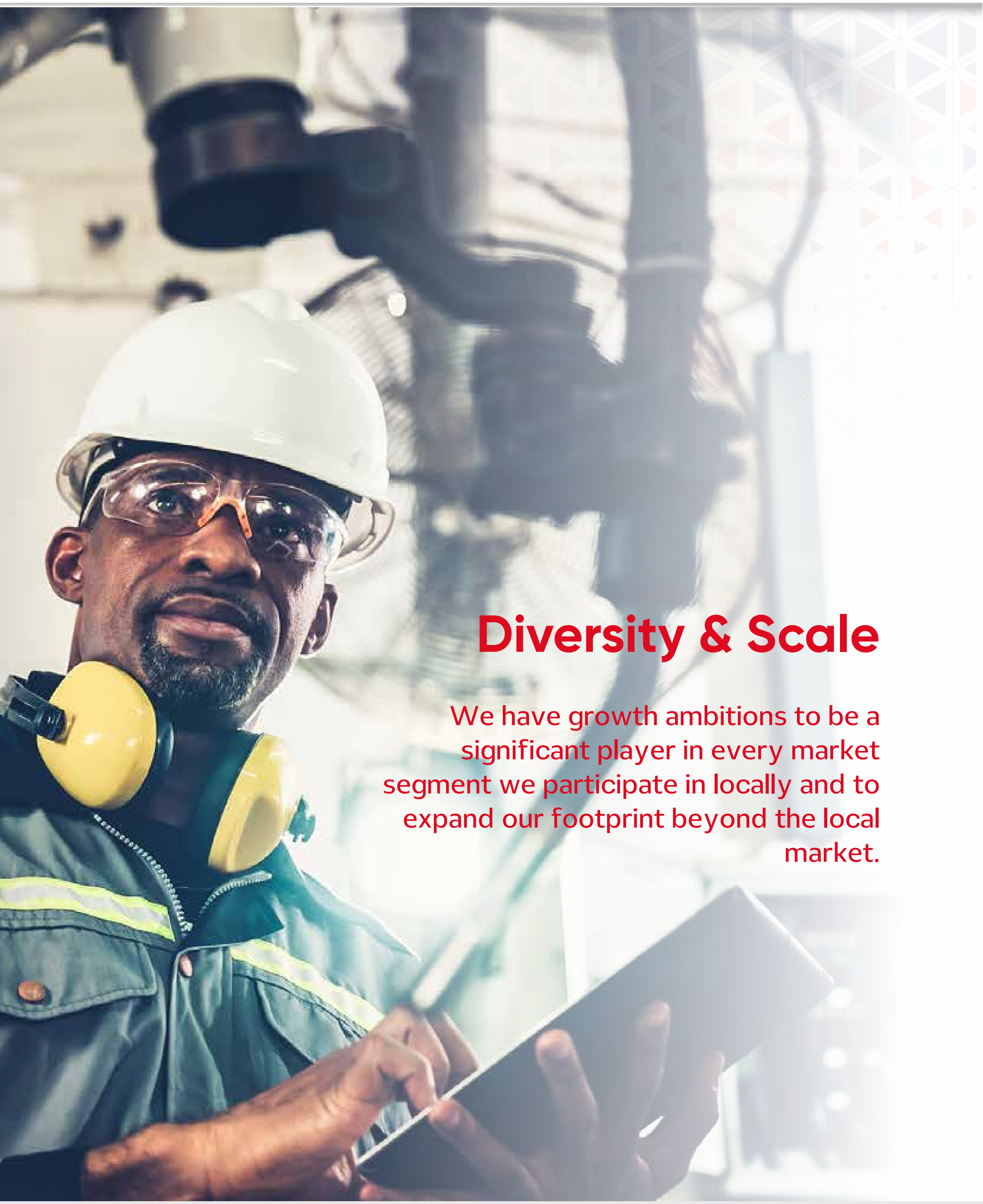
- The Group has a set of comprehensive corporate governance and risk management practices.
- The Group is deeply committed to excellence in corporate governance.
- The Group is amongst the leading entities in the local market in the implementation of the ESG framework and Integrated reporting, positioning the Group for sustained success.

Local Roots & Global Perspective

- CBZH Group has a rich local heritage and keen understanding of the local market which has endeared the Group with all its stakeholders.
- The rich experience of our leadership team gives the Group a global perspective to running the business and access to global best practices and standards.

Technology Platforms

- We have invested in technology platforms to improve customer experience and we continue to invest in innovative products and services.
- Our technology platforms allow the previously unbanked population access to a wide variety of financial services.



Diversity & Scale

We have growth ambitions to be a significant player in every market segment we participate in locally and to expand our footprint beyond the local market.

INTEGRATED FINANCIALS

Financial Performance Highlights (ZWG)

Diversified business lines deliver growth in deposits, transactions, insurance premiums and investment portfolios:

RAISE DEPOSITS

Deposits market share
21.4%

Demand deposits
+16.95 bln
53%

Savings Deposits
+354.82 mln
108%

Credit Lines
+3.06 bln
488%

Time Deposits
+543.12 mln
33%

TRANSACT

POS market share
30% (USD)
1st

POS Market share
25% (ZWG)
1st

POS Transactions Vol
41.70 mln
2%

Funds Transfers Vol
14.69 mln
49%

Cash Withdrawals Vol
6.78 mln
151%

INSURE

Total Active Polices
+115k
3%

Short term Policies
+12k
23%

Long term Policies
+103k
1%

Claims Paid
+127.78 mln
77%

Gross Written Premium
+394.02 mln
97%

INVEST

FUM
+8.29 bln
119%

Investment Prop
+1.05 bln
20%

Land Inventory
+498.98 mln
124%

Listed Equities
+140.76 mln
197%

Unlisted Equities
+440.94 mln
97%

Operational Statistics

1,465
Total Staff Compliment

Online Customers
+800k

CBZ Touch Volume
7.02m

CBZ Touch ZWG Value
3.7b

Number of Active Customers
+934k

No of Micro finance Agents
82

Micro finance active customers
24.56k

Internet Banking Volume
+2.62m

Internet Banking ZWG Value
46.6t

POS USD Volume
5.79m

POS USD Value
162.05m

POS ZWG Volume
41.41m

POS ZWG Value
9.04t

38 Number of Bank Branches

53 Number of ATMs

+20k Number of POS machines

Mobile Banking Users
+903K

OUR PURPOSE


CONVERT
RETAIN
LOYALTY
ADVOCACY

OUR VALUE CREATION MODEL

Inputs as at 1 January 2024 (ZWG 000)

Financial capital

Inputs to value creation	
• Our strong balance sheet • Strong Capital position and support from our shareholders • Funding and deposits from our investors and customers	• Equity: **3,872,752** • Deposits: **12,387,863** • Gross Loans & advances: **5,225,718**

Human capital

Inputs to value creation	
• Our entrepreneurial culture • Experienced leadership team from diverse backgrounds • Engaged and well qualified employees • Equitable reward structure	• Number of employees: **1,467** • % of female employees: **44%** • Compensation to staff: **1,541,723**

Intellectual capital

Inputs to value creation	
• Strong brand equity and reputation • Innovative Digital banking platforms • Our compelling customer value proposition • Our policies, controls, and guidelines	• Increased brand equity • BPS: **5.55** • NPS: **41** • CSI: **79%** • Continuous Technology platforms upgrades • Key skills hired and retained

Manufactured capital

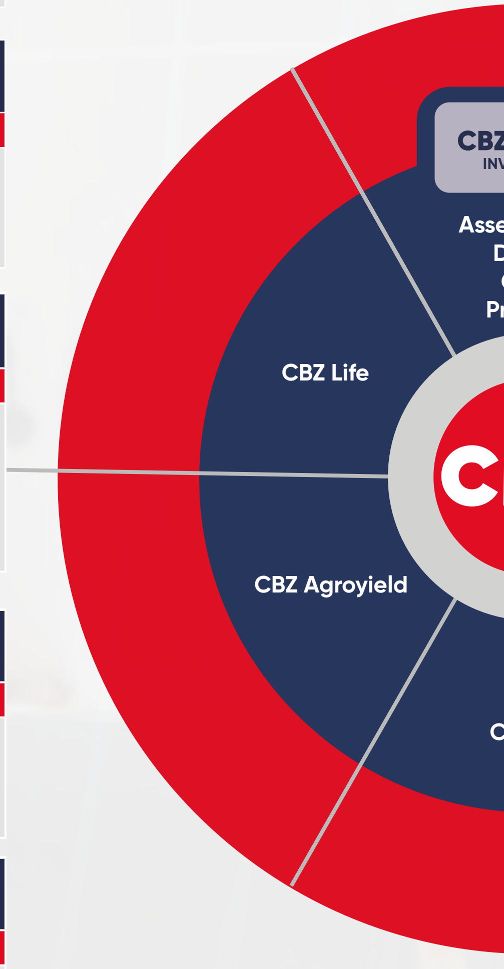
Inputs to value creation	
• Our wide branch network • Robust technology infrastructure	• Branches: **38** • ATMs: **52** • No. of POS machines: **19,165** • Number of mobile banking users: **606,759**

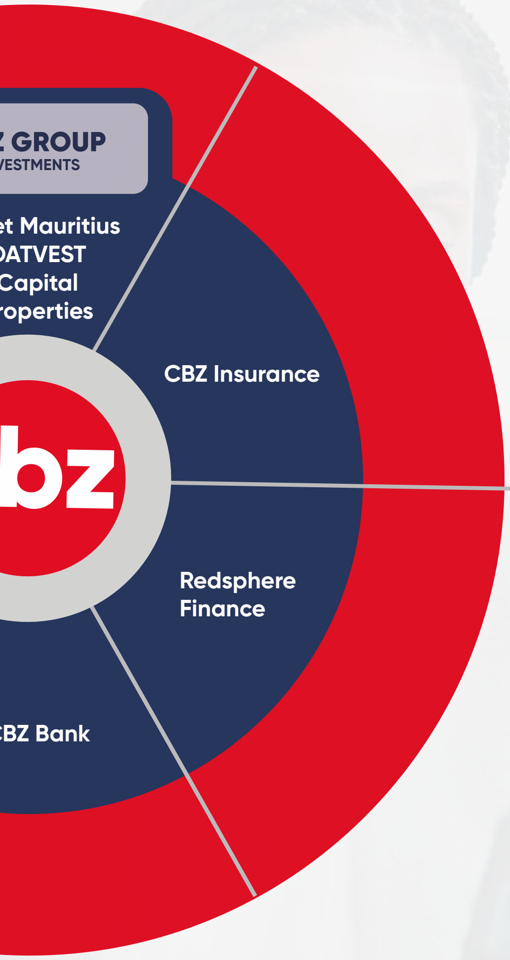
Social and relationship capital

Inputs to value creation	
• Our strong relationships with our customers • Strategic partnerships and service providers	• Number of customers retail : **>800,000** • Good relationships with all our stakeholders

Natural capital

Inputs to value creation	
• Consumption of energy, water and other natural resources • Our influence in the consumption of natural resources through our business activities.	• We are committed to responsible environmental stewardship that supports long-term sustainability and resilience. • Reducing environmental footprint by embedding sustainable practices across our operations and investments.





Outcomes as at 31 December 2024 | **Long-term Stakeholder impact**

Financial capital

- Equity growth: **104.33%**
- Equity: ZWG(000) **7,913,463**
- ROE: **13.3%**
- Capital Adequacy Ratio: **26.78%**
- Share price movement: **115.3%**
- Dividend per share(USDc): **1.61**

Employees	Clients	Shareholders	Regulators	Society
+	+	+	+	+

Human capital

- Salaries and benefits paid: ZWG(000) **2,143,571**
- Number of employees: **1,465**
- % of female employees: **44%**

Employees	Clients	Shareholders	Regulators	Society
+	+	+	+	+

Intellectual capital

- Key skills hired and retained
- Increased brand equity:
- BPS: **5.70**
- NPS: **39**
- CSI: **81%**
- Continuous Technology platforms upgrades

Employees	Clients	Shareholders	Regulators	Society
+	+	+	+	+

Manufactured capital

- Branches: **38**
- ATMs: **53**
- No. of POS machines: **20,586**
- Number of mobile banking users: **903,859**

Employees	Clients	Shareholders	Regulators	Society
+	+	+	+	+

Social and relationship capital

- Brand equity
- Education and skills development:
  - Total number of students on TOPP: 15
  - Total number of students on SEED: 146
- The group continued to invest in a number of CSR initiatives to uplift communities
- Supported a wide variety of local suppliers

Employees	Clients	Shareholders	Regulators	Society
+	+	+	+	+

Natural Capital

- Consumption of energy, water and other natural resources. Our influence in the consumption of natural resources through our business activities.

Emissions	Water use	Recycling	Land use	Ecosystem
+	+	+	+	+

Key: + Positive

HOW WE DRIVE VALUE CREATION

At CBZ Holdings, we create value through our diverse business clusters, each strategically designed to meet the evolving needs of our customers and communities. Our integrated group structure allows us to deliver tailored financial solutions across banking, investments, insurance, property, and agriculture, all working together to support inclusive economic growth and long-term prosperity.

In this section, we present an overview of our key business units, how we partner with our clients to meet all their financial needs in one place, providing trusted, all-in-one solutions and ensuring their long-term financial success

cbz Bank

CBZ Holdings' flagship banking arm, CBZ Bank drives financial inclusion by offering innovative banking solutions to retail, SME, and corporate clients. Leveraging strong digital leadership, advanced technology, and skilled expertise, to deliver accessible and tailored services that support client growth and economic participation across diverse markets.

PERFORMANCE HIGHLIGHTS:

- Market leader by asset base and deposits, commanding **21%** MARKET SHARE BY DEPOSITS
- Market leader on POS USD and ZWG at **25%** AND **30%** MARKET SHARE
- Accelerated digitalisation, resulting in significant growth in online and digital transactions

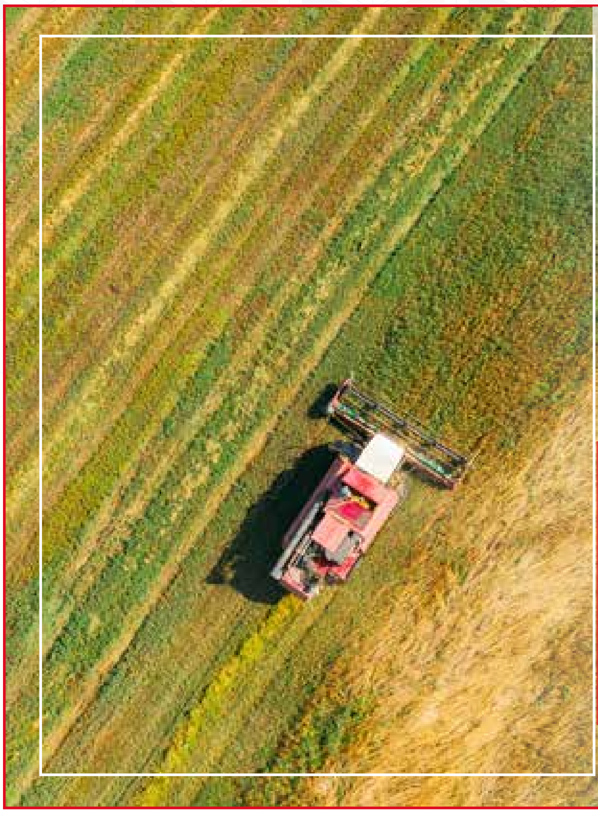
red Sphere Finance

A Member of the cbz Group

Redsphere finance, extends financial access to underserved communities, individuals, and small to medium enterprises (SMEs) by offering small-scale, tailor-made loan products. These financial solutions empower our clients promoting financial inclusion, supporting livelihoods, and fostering socio-economic development at the grassroots level.

PERFORMANCE HIGHLIGHTS:

- Growth in value of disbursed microloans **30%** IN 2024
- Expanded agent network across underserved areas, closing at 156
- Strong repayment rates sustained averaging **95%.**



cbz Agro-Yield

CBZ Agroyield, supports the agricultural sector through tailored lending, farming support, commodity trading, mechanization and logistics services, and value addition initiatives. Providing flexible financing, market access, efficient supply chain, and processing solutions, CBZ Agroyield boosts productivity, adds value, and supports sustainable growth across the agricultural value chain.

PERFORMANCE HIGHLIGHTS:

Contracted over **22,136** IN HECTARAGE FOR THE YEAR

Financed **75+** SMALLHOLDER FARMERS IN 2024.

Piloted maize commodity exchange platform.

cbz Capital

CBZ Capital, mobilises capital from private investors to finance ventures across key strategic sectors, carefully selecting and supporting innovative businesses, it fosters entrepreneurship, promotes income diversification, and contributes to sustainable national economic development, unlocking the potential of emerging and scaling enterprises.

PERFORMANCE HIGHLIGHTS:

Raised private capital of up to **+US$10 MILLION** FOR OUR CLIENTS

Intragroup partnerships to support clients

Facilitated capital deployment mainly into retail, mining and tourism sectors

DATVEST

Datvest, manages pension funds, unit trusts, and institutional portfolios, contributing to national savings and supporting the growth and maturity of financial markets. Leveraging deep expertise in identifying high-return investments, Datvest focuses on growing our clients' wealth and nurturing it into lasting sources of sustainable value.

PERFORMANCE HIGHLIGHTS:

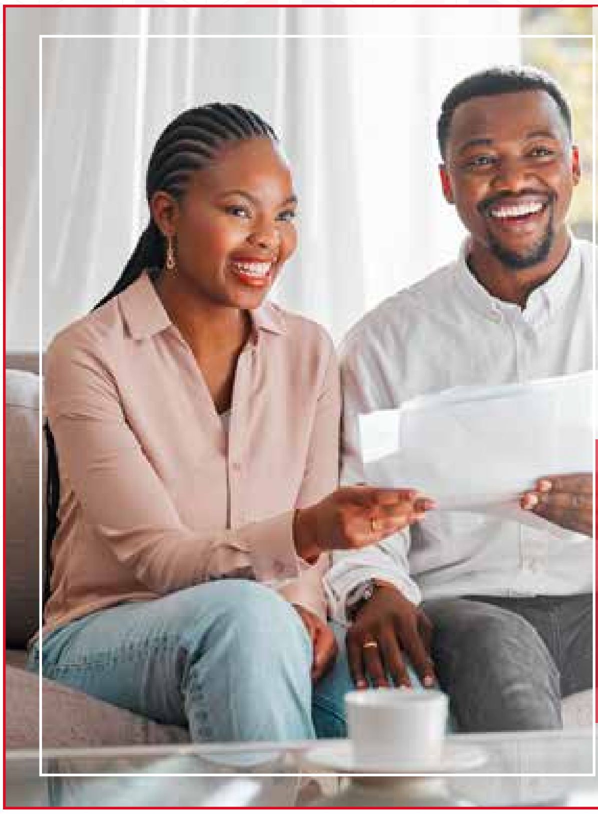
- Funds under management increased by **15%.**
- Strong performance in money market and equity portfolios.
- Sucessfully launched property projects worth over **US10 MILLION.**

cbz Properties

CBZ Properties manages a diversified property portfolio, focusing on prime commercial, retail, and residential assets, contributing to consistent and recurring rental income. Actively supporting urban development and initiatives, enhancing and community infrastructure through partnering property development projects.

PERFORMANCE HIGHLIGHTS:

- Maintained high average occupancy rates at **85%.**
- Stable rental income growth of **27%.**
- Maintained a high collection rate at **91%, MAINTAINING YIELDS OF UP TO 8%.**



cbz Life

CBZ Life provides life cover, education protection, credit life, and group life assurance solutions for companies, empowering our clients to safeguard their financial well-being and that of their families. Through customized products designed to address diverse needs and support long-term financial security, our clients plan confidently for the future and achieve lasting peace of mind.

PERFORMANCE HIGHLIGHTS:

- Growth in gross written premiums by **36%**
- Increased policyholder base by **3%**
- Embedded funeral cover with selected banking products.

cbz Insurance

CBZ Insurance offers comprehensive motor, property, and business risk solutions designed to help individuals and businesses safeguard their valuable assets. Ensuring clients are protected against a wide range of potential losses and enabling them to operate with confidence and financial security, by providing tailored coverage options.

PERFORMANCE HIGHLIGHTS:

- Growth in gross written premiums by **57%**
- Increased policyholder base by **13%**
- Enhanced delivery of tailored insurance products

cbz Risk Advisory Services

CBZ Risk advisory provides expert advisory services that enhance clients' understanding of risk and ensure they secure appropriate, cost-effective insurance coveragefor their level of risk, through assessing client needs, identifying potential exposures, and tailoring insurance solutions,effectivelyhelps our clients to manage their risks proactively and with greater confidence.

PERFORMANCE HIGHLIGHTS:

Growth in gross written premiums by **38%**

Maintained a high client retention rate at **100%**

Strong portfolio growth reflected in grwowth in brokerage commission at **38%**

BEYOND LENDING:

OUR SUSTAINABILITY JOURNEY


1 NO POVERTY
2 ZERO HUNGER
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
14 LIFE BELOW WATER
15 LIFE ON LAND
16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

OUR SUSTAINABILITY JOURNEY

Introduction

As a Group, we understand that our success is intimately linked to the well-being of the communities we serve, the environment in which we operate and the responsible practices we promote. This portion of our report digs into our commitment to considering and applying sustainability principles throughout our diversified financial services business. The Group has been enhancing its capacity to respond to Zimbabwe's shifting economic and environmental climate.

The CBZ Holdings Limited ESG Disclosure Report has been determined based on the following factors and criteria:

- Matters that are identified to be most important to our stakeholders, our business operations and our financial outcomes;
- Consultations with our Strategic Business Units (SBUs) to identify which environmental, social and governance topics most relevant to them;
- Sustainability issues, risks or opportunities as identified by the Group; and
- Expectations made explicit through international standardsas issued by ISSB (International Sustainability Standards Board) and GRI (Global Reporting Initiative) and regulatory requirements particularly from the Zimbabwe Stock Exchange Rules SI2019/134.

This report includes material ESG data for CBZ Holdings at Group level. The following outlines how ESG-related information was gathered, evaluated, and translated into reporting insights in this report:

Materiality Assessment

- Conducted a review on material ESG topics, using the SASB and GRI frameworks and selected industry disclosures.
- Assessed the importance of identified ESG topics to business and stakeholders via stakeholder scoring.

Data Collection Template

- Identified metrics that will underpin the material topics identified.
- Shared data collection template with CBZ Holdings' SBUs.
- Obtained feedback and inputs from CBZ Holdings' SBUs on selected metrics.

ESG Report

- Received completed data collection template from CBZ Holdings' SBUs.
- Conducted analysis and produced ESG Disclosure Report.

Sustainability Strategy And Materiality

Our Commitment to Sustainability

CBZH's approach to sustainability is anchored in driving and measuring our performance through the globally accepted sustainability standards lens. We consistently ensure that our corporate, business and operational strategy decisions are inclined towards prioritising initiatives that advance our sustainability goals. The Group aligns its sustainability practices with both local and international standards and frameworks, including:

These alignments reflect CBZ Holdings' dedication to contributing meaningfully to sustainable development at both national and international levels. We drive our sustainability initiatives through a sustainability strategy that is implemented across all the market segments that we operate in. As a purpose driven organisation, we believe in the need to balance business growth with social responsibility and environmental care. Our approach to sustainability is guided by the principles of good governance, ethical conduct, and accountability to our stakeholders. Through continuous improvements and responsible practices, we aim to contribute positively to the communities we serve.

INTERNAL	EXTERNAL
• Employees • Management • Shareholders	• Customers • Local Communities • Government and Regulators • Planet

Stakeholder Engagement

To define our stakeholder groups, we assess both the level of influence each stakeholder holds and their degree of involvement in the Group's activities. This method allows us to engage a wide range of stakeholders, helping us to recognise and address the various concerns and expectations of all parties affected by, or capable of influencing our operations.

Our stakeholder engagement for the year under review is as follows:

Employees

How did we engage?
- Ongoing communication, providing updates and seeking input during key events and organisational milestones.

Key Issues:
- A safe, secure, and inclusive workplace.
- Equitable compensation.
- Equal opportunities for career growth.

Mitigation measures:
- Fair salaries and aligned with market standards.
- We prioritise a safe working environment for all employees and support their career advancement.

Key Performance Indicators:
- Staff attrition rate.
- Employee engagement index.
- Learning and Development hours.

Good quality of relationship.

Customers

How did we engage?
- Customer engagement was driven through SMS alerts, email communication, social media, online platforms, and surveys to ensure regular feedback and interaction.

Key Issues:
- Efficient service delivery.
- Dependable online and offline access points.
- Responsible and transparent banking-practices.

Mitigation measures:
- Development of new products.
- Ongoing investment in our service infrastructure.
- Commitment to financial inclusion.

Key Performance Indicators:
- Brand perception score (BPS).
- Customer satisfaction index (SCI).
- Net promoter score (NPS).

Good quality of relationship.

Investor Community

How did we engage?
- Annual General Meetings.
- Analysts' briefings.
- Online investor relations section of the trading updates.

Key Issues:
- Sustainable business.
- Achieve minimum expected ROE.
- Responsible corporate citizen through ESG framework implementation.

Mitigation measures:
- Expanding our market share through organic growth and mergers and acquisitions.
- Developing customer solutions.

Key Performance Indicators:
- Revenue and NAV growth.
- Return on Equity.
- Dividend paid.
- Share price performance.
- Cost to income ratio.

Good quality of relationship.

Regulators

How did we engage?
- Periodic returns, Feedback sessions, half-yearly/ full year earnings publication and special meetings for specific approvals.

Key topics covered:
- Sound governance and risk management practices.
- Compliance with all laws and regulations.
- Financial inclusion.

Mitigation measures:
- We instituted strong governance and risk management culture across all our subsidiaries.
- Our target operating model was redesigned to suit a sound control environment.

Key Performance Indicators:
- Capital adequacy ratio.
- Non-Performing Loans ratio.
- Liquidity coverage.
- Regulatory fines.
- Tax paid.

Good quality of relationship.

Society

How did we engage?
- Regular social media, Radio and TV updates.

Key topics covered:
- Contribution to the development of communities through poverty alleviation initiatives.
- Active participation in the achievement of UN SDG goals.

Mitigation measures:
- Implementing the ESG framework and its principles.
- Financial inclusion through wider access to financial services product.

Key Performance Indicators:
- CSR spending.
- Amount spent on responding to national disasters, education and poverty reduction initiatives.
- Procurement benefiting local suppliers.

Good quality of relationship.

Planet

How did we engage?
- ESG Disclosure Report.

Key topics covered:
- Sustainable business.
- Positive contribution to the reduction of the nation's carbon footprint.

Mitigation measures:
- Implementing the ESG framework and its principles.
- Funding of sustainable energy
- solutions.
- Actively reducing our carbon footprint.

Key Performance Indicators:
- Financing availed to renewable energy development projects.
- Percentage reduction in our own fossil fuels energy consumption.
- Work in progress with ESG & sustainability guidelines implementation underway.

Work in progress

Sustainability Materiality Assessment

Our Group sustainability materiality is based on 39 material topics derived from best international practice standards and frameworks such as the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and International Financial Reporting Standards (IFRS). We also considered and incorporated United Nations Principles when determining our materiality, such as the Principles for Responsible Investment, Principle on Responsible Banking and Principles for Sustainable Insurance. The material topics are designed to fulfil the requirements and expectations of our stakeholders, including financiers and regulators. The validation process involved rating each of the material topics, by our stakeholders i.e. staff, regulators, customers and board members - according to its importance to the success of CBZ Holdings' business(es) and the success of its stakeholders.

List of Material Topics

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

Economic

Topics that cover the flow of capital among different stakeholders, and the main economic impacts of the business.

- Just Transition
- Indirect Economic Impacts
- Geopolitical Factors
- Fundraising
- Economic Performance
- Digitalisation
- Product and Service Innovation
- Market Presence

Environment

Topics that cover the effects of our operations on both living and non-living elements of the ecosystem.

- Greenhouse Gas (GHG) Emissions
- Carbon Offsets
- Certified Green Spaces
- Biodiversity
- Energy Mix
- Water Security Management
- Climate Resilience
- Energy Efficiency
- Waste Management

Social

Topics that cover the impact on communities, societies, and individuals affected by our activities.

- Community Human Rights
- Community Development
- Socio, Economic and Political Factors
- Access and Affordability
- Diversity and Inclusion
- Labour Practices
- Health and Safety
- Selling Practices, Product and Service Information
- Human Resources Management
- Partnerships

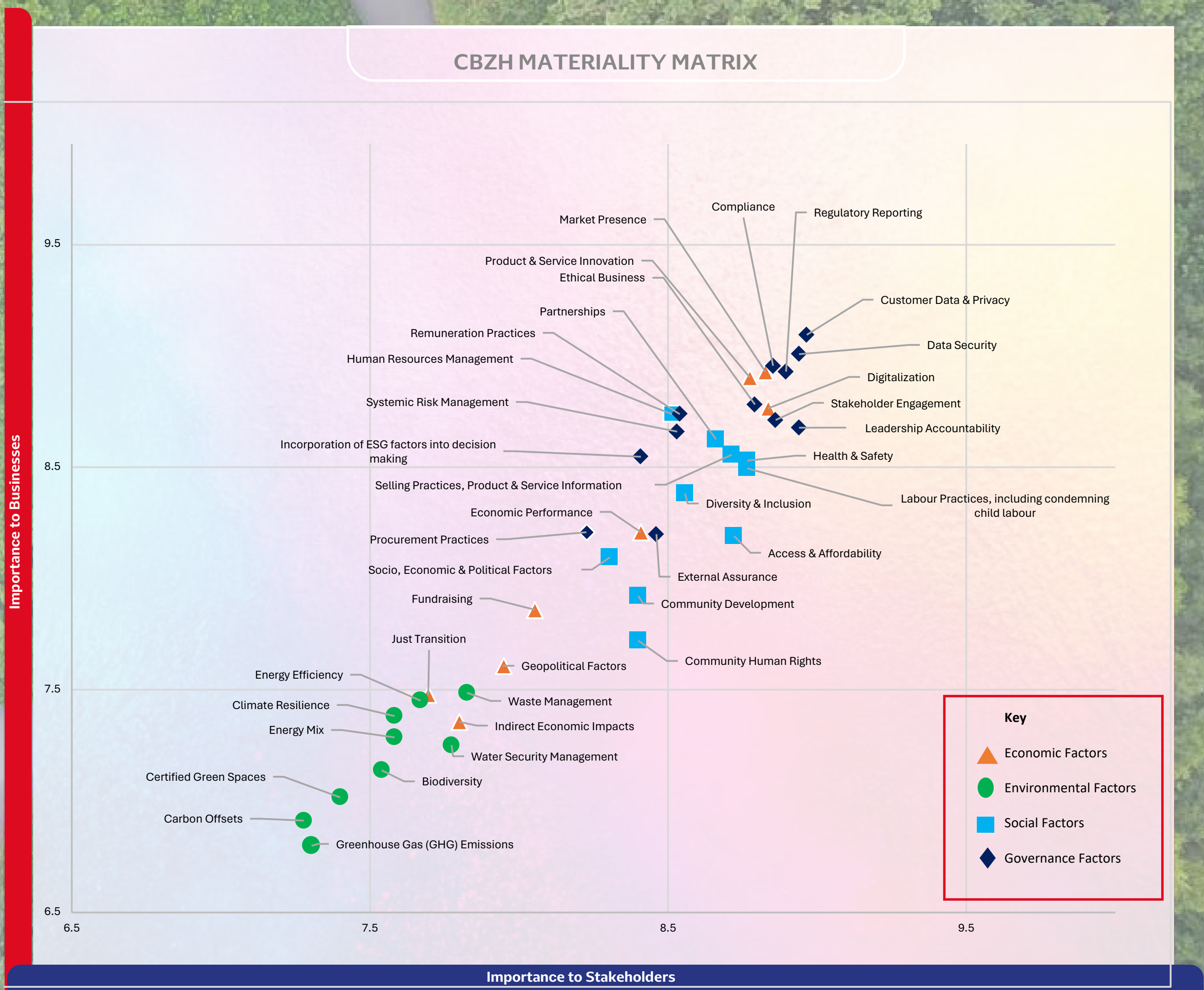
Governance

Topics that cover the effects on the system of rules, practices, and processes that guide and govern our operations.

- Procurement Practices
- External Assurance
- Incorporation of ESG factors into decision making
- Systematic Risk Management
- Renumeration Practices
- Leadership Accountability
- Stakeholder Engagement
- Ethical Business
- Compliance
- Regulatory Reporting
- Customer Data and Privacy
- Data Security

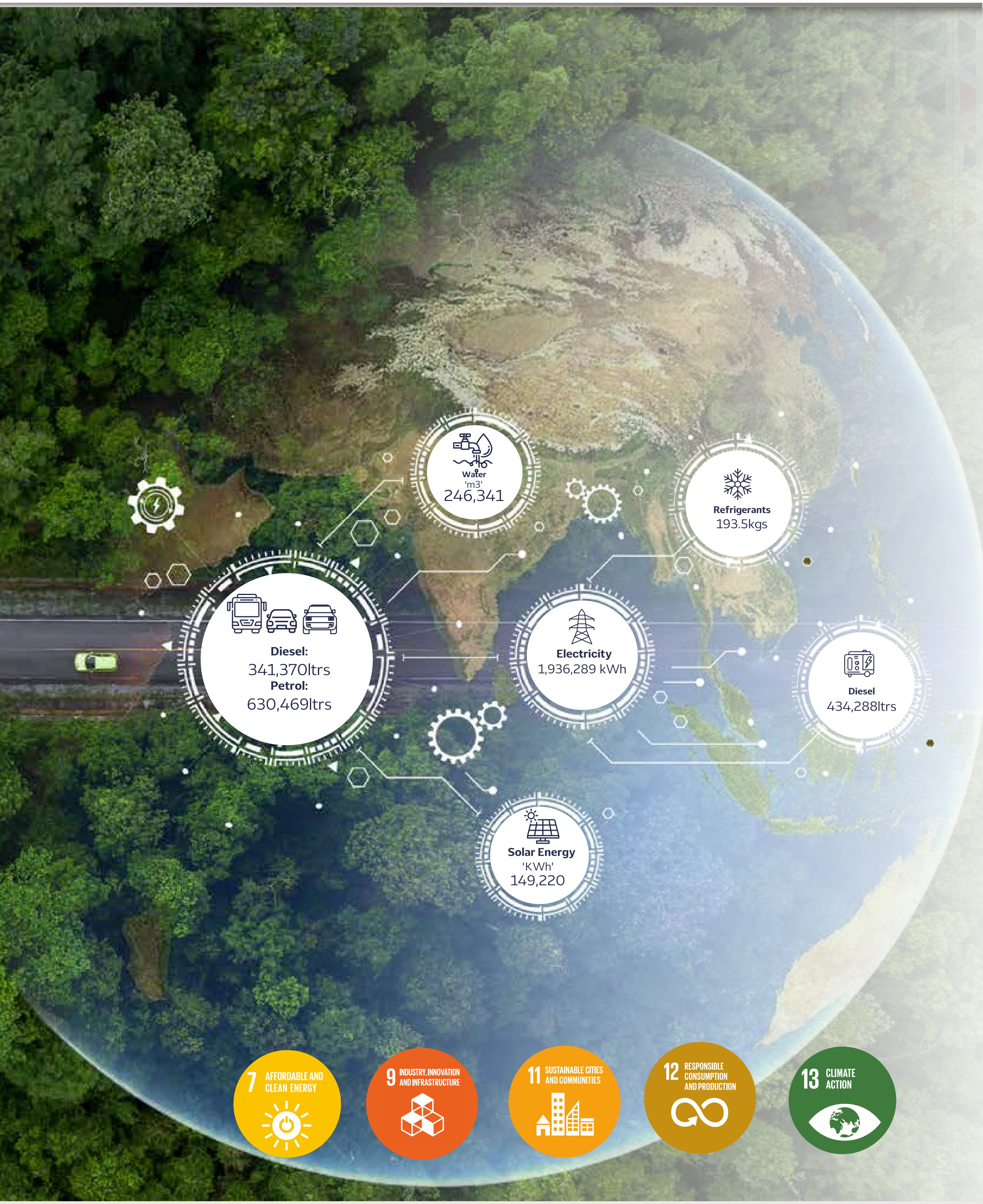
Materiality Matrix

During the year 2024, we reviewed and identified additional sustainability-related material topics through our broader materiality assessment process. We subsequently invited our stakeholders – staff, customers, shareholders, regulators and strategic partners to validate and rank the topics according to their importance to the success of the business and to the stakeholders themselves. Despite the expansion in material topics, our stakeholders exhibited some consistency regarding the topics they deem to be of material importance, among them customer data and privacy, data security, compliance and regulatory reporting. This also reflects the currency of most of these issues as they have a likelihood of impacting us in the short term. Factors such as market presence, product and service innovation and digitalisation were also highly ranked under the economic pillar. This reflected our stakeholder's high expectations for us to have a greater economic impact given our strong standing in the market. The importance of product & service innovation and digitalisation goes without saying, considering the rapid pace of changes in customer tastes and advancements in technology. Our stakeholders also believed that issues such as health and safety of employees and communities, partnerships, labour practices and human resources management are critical for our social impact, and this is in line with our own internal beliefs as evidenced by our strong investment in our employees and communities. Among environmental factors, waste management, energy efficiency and climate resilience were rated highly. We believe that we also have an opportunity to contribute more positively towards environmental protection through our ongoing efforts to measure and reduce our greenhouse gas emissions. Certified green spaces remains an area of long term opportunity for our property and asset management businesses.



OUR SUSTAINABILITY JOURNEY CONTINUES

ENVIRONMENTAL


Water
'm3'
246,341
Refrigerants
193.5kgs
Diesel:
341,370ltrs
Petrol:
630,469ltrs
Electricity
1,936,289 kWh
Diesel
434,288ltrs
Solar Energy
'KWh'
149,220
7 AFFORDABLE AND CLEAN ENERGY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Environmental

CLIMATE ACTION

The Group largely supports the goals of the Paris Agreement and recognises that climate change is a material risk to its ability to generate value for its stakeholders. CBZ understands that the Paris Agreement was ratified by the Zimbabwean authorities, its principal market of operation. As such, the Group is fully committed to supporting the national and global agenda and goals under the Paris Agreement, underpinned by its own commitment towards net zero by 2050 in line with the global goals. The Group is committed to integrating environmental aspects into its operations and decision-making through measuring and reducing its carbon footprint, promoting sustainable finance, and supporting initiatives that contribute to a low-carbon economy.

Climate Strategy

CBZ Holdings is committed to operating sustainably by integrating climate risk management into its core banking practices. The Group adopted a Climate Risk Management Policy through which it actively identifies and prioritises support to initiatives such as climate-resilient agribusiness ventures, promoting green banking initiatives, and issuing solar loans to both customers and employees to support clean energy adoption. Climate considerations are being incorporated into credit risk assessments, while the development of sustainable finance products continues to expand. The Group is dedicated to addressing operational vulnerabilities such as direct GHG emissions from its own operations, and exposure to non-performing loans in climate-sensitive sectors like agriculture. We remain cautious of risks associated with financing carbon-intensive projects and potential stranded assets due to regulatory or environmental shifts. CBZ strives to become a market leader in climate-aligned banking and contribute meaningfully to Zimbabwe's sustainable development.

We aim to embed environmental considerations into credit risk assessments, encouraging clients to adopt greener and more resilient operational models, and championing digitalisation while supporting projects aligned with environmental sustainability. Through the broader sustainability strategy, we will explore more opportunities to contribute positively towards climate change management, especially through our real estate and asset management units.

Policies	• CBZ Climate risk management policy. • Sustainability Policy. • Responsible Investment Policy. • Environmental, Social and Governance [ESG] policy. • Credit Policy.
Relevant SDGs	
Targets and KPIs	We have set the following targets: • Reduce Scope 1 and Scope 2 emissions • Introducing stress testing for the top 10 largest borrower groups by 2026. • Introducing climate risk screening on investment proposals by 2026. How we measure progress toward our targets [KPIs]: • Percentage of solar-powered branches and ATMs. • Carbon footprint reduction (CO2 per revenue unit). • Total Scope 1 and Scope 2 GHG emissions.
Progress	• Implementation of Green Investment Strategies. • Increased uptake of climate/sustainable financing. • Appointment of Climate and ESG resources for championing and financial closures at Group level. • Improved on green supply chain through reverse logistics.
Capital	

Climate-Related Risks and Opportunities

The Group made significant progress in meeting climate-related disclosure requirements through comprehensive reporting. Our climate-related risks and opportunities for the period under review were as follows:

Weather Variability

Risk: Rain-fed agriculture is vulnerable to droughts and erratic rainfall patterns, affecting yields of maize, wheat, and soya.

Impact
- 8.5% reduction in farmer repayments due to lower yield.
- 14.3% increase in NPLs (Non- Performing Loans) from drought-affected farmers.
- 10% margin on inputs decrease.

Mitigation
- Promote financing for climate-resilient farming practices, supports investments in irrigation infrastructure, and facilitates access to drought-resistant crop technologies through CBZ Agroyield.

Opportunities
- Climate smart agriculture - Providing loans for irrigation infrastructure, helping farmers reduce reliance on rain-fed agriculture and improve crop yields.
- Developing tailored insurance products to protect farmers against drought-related losses, creating a new revenue stream for the Group while supporting client resilience.
- Tap into green finance sources including specialized bonds and credit arrangements.

Regulatory Changes

Risk: Non-compliance with evolving climate-related regulations could result in fines, legal actions, and reputational damage for the Group.

Impact
- Higher compliance expenses leading to decreased profitability.

Mitigation
- A dedicated regulatory compliance team to monitor and asses climate-related regulations can ensure compliance and enhance regulatory risk management.

Opportunities
- The Group sees evolving climate regulations not just as compliance, but as a strategic opportunity to better serve our communities by advancing environmental stewardship, promoting sustainability, and strengthening our role as a purpose-driven market leader.
- Championing ESG in Financial Services - Position the Group as a leading advocate for responsible finance and sustainable investment practices.

Market Volatility and Investment

Risk: Exposure to carbon-intensive assets or industries vulnerable to climate risks may result in asset devaluation and investment losses for the Group.

Impact
- Portfolio reallocation and diversification efforts to manage climate risks could impact investment returns and asset performance.

Mitigation
- Incorporating ESG factors into investment strategies can help identify opportunities in sustainable sectors and mitigate climate-related investment risks.

Opportunities
- Opportunity to realign the portifolio towards sustainable, low-carbon investments that enhance resilience and capture emerging market growth.

Innovation and Green Finance

Risk: Missing opportunities for revenue growth by failing to adapt to changing market trends and consumer preferences towards sustainable finance.

Impact
- Revenue generation from green finance initiatives and sustainable investments.

Mitigation
- Group actively monitors market trends and consumer preferences, invests in sustainable finance products, and continuously adapts its offerings to meet evolving customer demands.

Opportunities
- Developing green financial products, impact investing strategies, and sustainable banking services can attract socially responsible investors and drive long-term profitability.

CIRCULAR ECONOMY AND TRANSITION

The Group supports the transition towards a circular economy by promoting resource efficiency, reducing waste, and encouraging sustainable production and consumption. This subsection addresses key environmental themes such as water, energy, waste, and biodiversity, which are essential to building a resilient, regenerative, and inclusive economy.

Goals

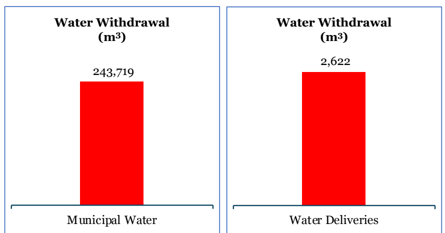
- Protecting and conserving water resources for future generations.
- Ensuring equitable access to clean water for human consumption, sanitation, and hygiene.
- Promoting efficient use of water and reducing costs associated with water treatment, pumping, and infrastructure maintenance.

Promoting the Responsible Use of Water

Our financing and investment decisions can indirectly contribute to water scarcity and pollution, particularly when supporting water-intensive projects or industries with poor environmental practices. Excessive water use can limit access to clean water, while degrading ecosystems. In response, CBZ is committed to conducting thorough water risk assessments, optimising water use across its operations and implementing sustainable water management practices. We provide borehole schemes to ensure employees have access to safe, clean water. These efforts protect aquatic ecosystems and reduce environmental harm, improve operational efficiency, lower costs, and strengthen community relationships. We are enhancing our approach to sustainable water management by conducting regular water audits to identify inefficiencies and areas for improvement. These audits support the implementation of targeted water-saving measures across operations. The Group is adopting intelligent monitoring and management systems to track water consumption, quality, and levels in real time. This technology enables early leak detection, improved process efficiency, and more effective water use.

Relevant SDG	6 CLEAN WATER AND SANITATION
Processes	• Monthly Logistics/ Administration reviews. • Daily monitoring of usage.
Target and KPI	• 100% measurement of all water usage within the Group from all sources. • Provide reliable access to clean water at all banking premises, including offices and operational sites.
	• Reduction in the water bill and consumption.
Capital	

Our water statistics for the reporting period were as follows:



The graph illustrates 2024 annual water withdrawal from municipal sources and water deliveries to our branches. Group wide efforts to effectively measure water withdrawal will be put in place, going forward, to ensure comparability of water usage statistics. This will also assist in devising water management and preservation strategies.

Promoting Responsible Waste management

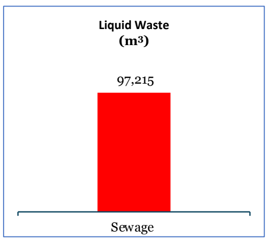
CBZ acknowledges that its operations and business relationships can cause or contribute to negative environmental impacts, particularly through waste generation. The Group produces various forms of waste including hazardous materials and electronic waste through its day-to-day activities. Inefficient work processes further compound this issue, resulting in excess and avoidable waste. Our supply chain practices may involve sourcing from suppliers with poor waste management records, thereby indirectly amplifying our environmental footprint.

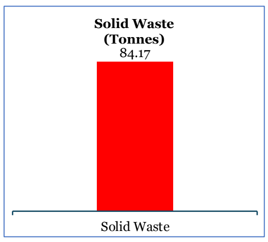
Risks	Opportunities
• Pollution • Resource depletion • Health risks • Waste disposal costs	• Conserving resources through waste reduction. • Cost saving through compliance with waste management laws and regulations.

CBZ is advancing its environmental sustainability efforts through a range of targeted initiatives aimed at improving waste management. These include the contracting of cleaning companies to support responsible waste handling. Efforts are also focused on reducing overall waste generation, increasing recycling and reuse. Ongoing monitoring, transparent reporting, and active stakeholder engagement underpin these actions, ensuring continuous improvement and alignment with long-term sustainability goals.

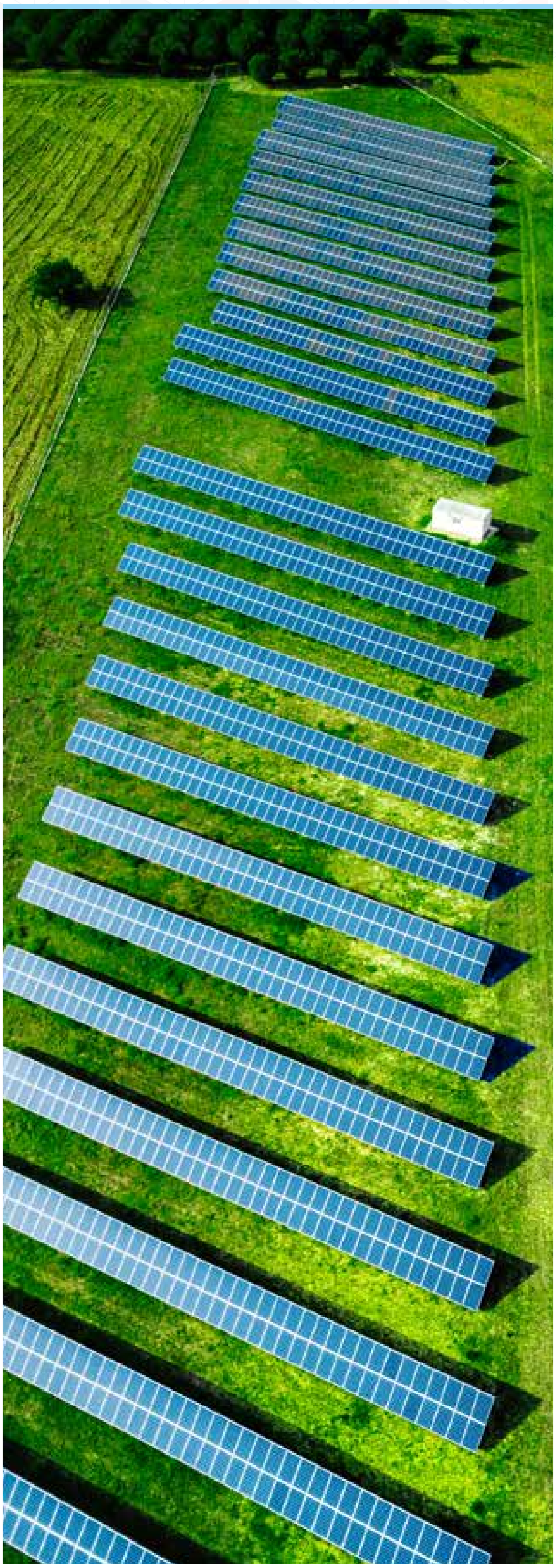
Relevant SDG	
Goals	• Reduce waste sent to landfills. • Reduce waste disposal costs. • Protect public health.
Targets	• Reduce waste sent to landfills by 10% by 31 December 2025. • Major waste collection points to have waste separation bins by 31 December 2025.
Capital	

Waste statistics for the reporting period were as follows:





This data represents 2024 outcomes and covers a portion of our operational footprint. As measurement processes are refined, future reporting will include historical comparisons and other waste statistics across the Group for deeper insights and better waste management strategies.



Energy Efficiency

As part of our commitment to operational efficiency and sustainability, we implemented an energy management strategy encompassing various energy sources critical to daily operations. Fuel is utilised extensively for staff transportation, operational logistics, and powering generators during electricity outages. In alignment with green energy initiatives, solar power is increasingly being deployed to support customer services in selected locations, reducing reliance on the national grid, and ultimately contributing towards reduction in greenhouse gas emissions associated with thermal power generation. Gas is used for cooling and heating purposes, ensuring a comfortable and energy-efficient environment across all CBZ sites.

Risks	Opportunities
• Environmental pollution (disposing of oils and oils leaks). • Overexploitation of non-renewable resources like oil and gas can lead to their depletion.	• Reduced Air Pollution. • Combatting Climate Change. • Expanded Energy Access. • Lower Energy Costs.

Relevant SDG	7 AFFORDABLE AND CLEAN ENERGY
Targets	• Reduce electricity usage by 2% in 2025. • Optimise vehicle usage by implementing a fleet management system. • Purchase of electrical vehicles targeting 1% of fleet by 2025. • Implement energy monitoring solution by 31 December 2025. • Use of Solar 500 kva by 2025 from current 114kva.
Capital	

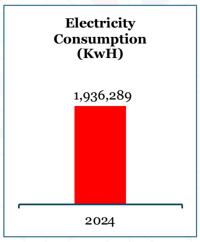
Smart meters and data analytics are utilised to monitor consumption and identify inefficiencies, while digital tools are leveraged to optimise energy use. Financial products are aligned with environmental goals through green loans that support renewable energy projects, energy-efficient building upgrades, and other sustainable initiatives.

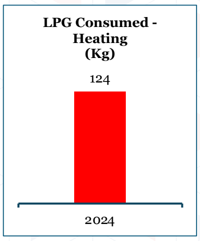
To broaden impact, the Group engages customers through education and incentives that encourage the adoption of sustainable energy solutions, reinforcing its commitment to a greener, more inclusive future.

Our goals are as follows:

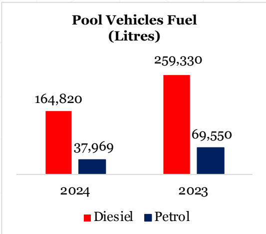
- Improve energy efficiency,
- Reduce carbon emissions,
- Promote sustainable finance,
- Total energy monitoring,
- Promote renewable energy,
- Promote green logistics.

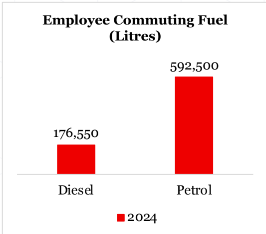
Energy Consumption inside the Group for 2024 was as follows:





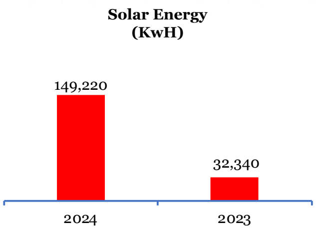
Energy Consumption outside the Group for 2024 was as follows:





This year's data establishes a baseline for Group-wide energy figures as we implement improved tracking methodologies. Moving forward, this will enable meaningful year-on-year comparisons to assess progress.

Our solar energy use for the year was as follows:



The solar system was installed in September 2023 and by the year end of December 2023 had only been in use for 4 months in comparison to 12 months of use in 2024.

Biodiversity

The Group supports global sustainable development goals while ensuring institutional resilience by incorporating biodiversity and ESG principles into its core strategy. Our investment in biodiversity conservation led to improved environmental conditions. These efforts help restore natural habitats, enhance ecosystem health, and boost resilience to climate change. A cleaner environment fosters peace and continuity of life in vulnerable communities, reinforcing our role as a responsible development partner. Nevertheless, loss of biodiversity negatively impacts industries reliant on natural ecosystems, such as agriculture, fisheries, and tourism. The consequences include decreased productivity, disrupted supply chains, and potential instability in regions that depend on natural resources.

Goal	Target
Biodiversity Workshop Participation	At least 1 team workshop to be attended in 2025

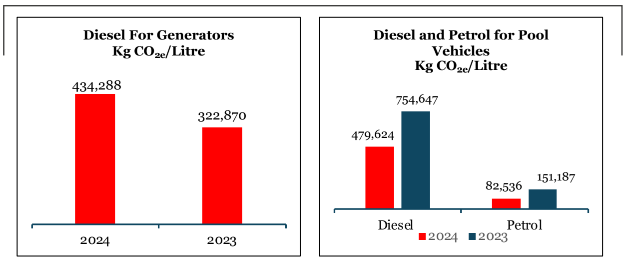
Initiatives such as Agroyield and green financing promote responsible agriculture, renewable energy use, and capacity building among stakeholders. The Group supports tree planting, biodiversity conservation projects, and ESG-focused investment funds that support organisations committed to environmental stewardship. CBZ monitors progress through daily agribusiness reports, monthly logistics reviews, and corporate department updates. We are embedding sustainability into our operations through inclusive stakeholder engagement, integration of biodiversity into our enterprise risk framework, and continuous awareness via SWOT analysis. The Group prioritises sustainable development finance and ensures that all lending and investment activities are reviewed to minimise negative impacts on biodiversity.

Greenhouse Gas (GHG) Emissions

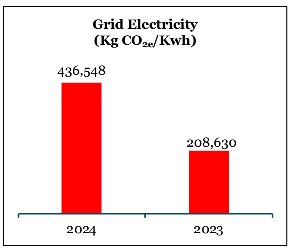
CBZH monitors emissions from stationary and mobile sources as part of its commitment to reducing its greenhouse gas emissions.

- **Scope 1** Emissions (Direct Emissions): These emissions arise directly from sources owned or controlled by CBZ Holdings, including stationary sources like generators and mobile sources such as vehicles.
- **Scope 2** Emissions (Indirect Emissions): These emissions result from the consumption of electricity generated by third parties in our offices and properties, excluding the emissions from the electricity supplier.
- **Scope 3** Emissions (Other Indirect Emissions): In this report, the scope 3 emissions presented were calculated based on the fuel distributions to employees for use in their private vehicles when commuting from their residential places to work.

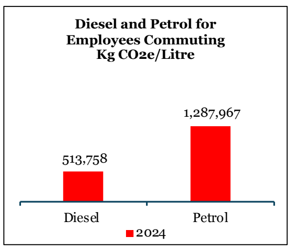
Emission Factors and Methodology:
Scope 1 and 2 emissions were calculated based on CBZH's energy consumption, using emission factors from the Greenhouse Gas (GHG) Protocol. Petrol emissions were adjusted downward by 5% to reflect ethanol blending in Zimbabwe, while the emission factor for grid electricity was increased by 10% to account for the national energy mix of thermal and hydropower generation. Emissions for the 2024 reporting period were as follows:



Scope 1 Emissions



Scope 2 Emissions



Scope 3 Emissions

RESPONSIBLE OPERATIONS

We focus on creating sustainable economic value through responsible business practices that contribute to sustainable development. We ensure that the economic benefits generated are equitably distributed among all stakeholders.

Property Management

As CBZ, we recognise that tenant satisfaction is a critical driver of sustainable property management and asset value. Properties with high levels of tenant satisfaction measured through service quality, timely maintenance, and effective communication experience higher lease renewal rates. Positive tenant feedback has enhanced our reputation, encouraged word-of-mouth referrals, and supported continued demand. Fewer complaints and disputes in these properties have resulted in more efficient management and stable rental income. However, where tenant concerns are not being promptly addressed, we have seen increased turnover, longer vacancies, and instances of rent payment delays.

Key Impacts of Our Involvement:

- **Operational Efficiency:** We ensure quick issue resolution and smooth lease processes for better service delivery.
- **Tenant Retention and Satisfaction:** Strong tenant engagement boosts satisfaction and reduces vacancies.
- **Revenue Stability:** Timely rent collection and arrears control support consistent cash flow.
- **Value Preservation and Growth:** Well-maintained properties and high occupancy help sustain asset value.
- **Risk Management:** We enforce compliance to reduce legal and financial exposure

We oversee key functions such as tenant relations, lease administration, rent collection, maintenance, and financial reporting.

Policies	• Tenant Management Policy. • Lease Administration Policy. • Maintenance and Facility Management Policy. • Financial Management Policy. • Regulatory Compliance Policy. • Risk and Insurance Policy.
Actions Taken	We engage tenants through regular communication and feedback to resolve issues early and retain occupancy. Lease and arrears are closely monitored, supported by structured payment plans where needed. Preventive maintenance reduces major repairs, while urgent issues are promptly addressed. Financial oversight is maintained through systematic tracking, reporting, and cost control. Vacant units are marketed swiftly, with lease terms kept competitive. All operations comply with legal and regulatory requirements, rein-forced by regular audits. Properties are fully insured, and risks are proactively managed. Sustainability efforts target reduced utility use through energy-efficient practices.
Relevant SDGs	8 DECENT WORK AND ECONOMIC GROWTH 11 SUSTAINABLE CITIES AND COMMUNITIES
Goals	• Maximise Occupancy and Retention • Improve Tenant Satisfaction • Strengthen Financial Performance • Maintain Property Standards • Promote Operational Compliance • Enhance Sustainability and Innovation
Targets	• Maintain 90%+ average occupancy across the portfolio. • Achieve at least 80% lease renewal rate annually. • Maintain a minimum 85% tenant satisfaction score based on annual survey results. • Resolve 95% of tenant complaints within 7 business days. • Achieve a rent collection rate of 95% or higher each month. • Reduce arrears by 20% year-over-year. • Complete 100% of scheduled preventive maintenance activities on time. • Ensure all properties pass health, safety, and compliance inspections annually. • Conduct internal audits for all managed properties at least once per year. • Ensure full legal and regulatory compliance across the portfolio. • Reduce portfolio utility costs over the next two years through energy-saving initiatives.
Capitals	

Key lessons from the period emphasise early tenant engagement, proactive arrears management, and timely maintenance as crucial to tenant satisfaction and efficiency. Delays in communication and follow-ups led to clearer processes and policy updates, including earlier lease renewals, real-time arrears tracking, preventive maintenance, standardised communication, and digital tools. Regular feedback from tenants and stakeholders has driven improvements in maintenance, lease terms, and communication. Continuous monitoring of satisfaction, complaints, and occupancy ensures actions remain effective and aligned with portfolio goals.

Property Quality and Valuation

We are committed to regular maintenance, upgrades, and respect of all lease terms. Our property management approach has the potential to increase market value of our properties stemming from tenant satisfaction and improved lease renewals. Well-maintained and strategically located assets continue to attract quality tenants, supporting a competitive market position and delivering steady income through consistent occupancy and competitive rents. However, delayed repairs and ageing infrastructure in some cases pose risks to tenant satisfaction and property valuation, while older properties require more frequent capital investment, impacting short-term cash flow. External economic fluctuations may temporarily affect property values beyond our control. We manage these challenges by overseeing maintenance, planning capital improvements, and conducting regular valuations to monitor asset performance, thereby ensuring our portfolio remains competitive and aligned with stakeholder expectations.

Policies	• Planned Maintenance Policy. • Capital Improvement Policy. • Valuation and Asset Review Policy. • Compliance Policy. • Procurement Policy.
Relevant SDGs	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES
Goals	• Maintain high standards of property quality across the portfolio. • Preserve and enhance asset valuation over time. • Ensure full compliance with safety, structural, and regulatory standards. • Improve operational efficiency in maintenance and repairs. • Support long-term tenant retention through property excellence.
Targets	• Properties to receive a 'Good' or higher rating in annual quality audits. • 100% compliance with statutory maintenance and safety requirements. • Zero critical maintenance-related tenant complaints annually. • At least 90% of preventive maintenance tasks completed on schedule. • Annual third-party valuations completed for 100% of the portfolio. • Achieve at least 5% year-on-year improvement in property value where market conditions allow.
KPIs	• Property Condition Audit Score. • Preventive Maintenance Compliance Rate (%). • Number of Tenant Complaints Related to Property Condition. • Average Response Time to Maintenance Requests. • Percentage of Properties with Updated Safety Certifications. • Annual Change in Property Valuation (%). • Capital Expenditure on Improvements (US$). • Occupancy Rate (%).
Capital	

Preventive maintenance and regular audits have minimised breakdowns, boosted tenant satisfaction, and maintained high occupancy rates. Independent valuations show that most properties have retained or increased in value despite market challenges. Enhanced internal systems have improved response times and operational efficiency, with tenant feedback continually informing further improvements. While older properties still demand greater investment, the strategy is largely achieving its objectives.

Property Safety and Security

Investing in property safety and security is essential for protecting assets, employees, and customers, while creating trust and operational stability. By strengthening security measures, the Group safeguards its resources and reinforces depositor confidence. Inadequate investment in security infrastructure can expose the Group to risks such as theft, putting depositor funds at risk and compromising the safety of employees and clients on the premises.

The Group implements a comprehensive security framework that integrates physical and electronic security features into the planning and design of all projects across its sites. This is supported by clearly defined contracts and service level agreements (SLAs), routine internal and external audits, weekly security checklists, and site inspections. Further layers of protection include insurance coverage, standing operational instructions, and a structured SLA review process to ensure accountability and consistent performance. The Premises Policy provides overarching guidance to protect the Group's assets, clients, and employees, helping to mitigate physical, reputational, legal, and regulatory risks through effective management of all security operations.

Goal	Ensure optimum functionality of all security equipment and systems.
Relevant SDGs	
Targets	• Achieve 100% security equipment and systems function throughout the business. • 100% security equipment and systems functionality.
Capitals	

The security systems status report indicates 10% progress, primarily at the budgeting approval stage. As part of the business security strategy, stakeholder engagements are ongoing to determine the level and suitability of security measures for each site and project.

Tax Transparency and Fiscal Responsibility

CBZ upholds responsible tax practices embedded in legal compliance and ethical conduct, applying due diligence to all business relationships through partner vetting, transparency clauses, and adherence to a strict code of conduct. The Group recognises that effective tax strategies help reduce tax liability, ensure regulatory compliance, improve financial reporting, and support informed decision-making. Tax strategies enhance global competitiveness, attract investment, and strengthen stakeholder trust. CBZ Holdings has a tax strategy aligned with its financial sustainability and aligns with broader business and sustainable development goals. This strategy is reviewed and approved annually by the Board of Directors.

Approach to Tax

CBZ Holdings maintains a tax compliance framework by implementing strong internal controls, automating tax processes, and aligning procedures with Zimbabwean tax laws. Regular audits and risk assessments help identify vulnerabilities, while the use of external tax advisors ensures compliance with complex requirements.The Group adopts ethical tax planning, avoiding aggressive tax avoidance schemes and maintaining transparency with ZIMRA. Proactive engagement with tax authorities including seeking guidance on unclear regulations and consulting on major transactions helps ensure alignment. Thorough due diligence is conducted during business transactions to manage potential tax risks effectively. We promptly disclose and rectify errors, cooperates fully with ZIMRA, and follows formal dispute resolution mechanisms where necessary. Remedial actions, including process improvements and employee training, are implemented to prevent recurrence, and restitution is provided where appropriate. On the positive side, the Group contributes to national development by ensuring timely and accurate tax payments and responsibly utilising government incentives.

Stakeholder Engagement on Tax Matters

CBZ Holdings adopts an active and transparent approach to tax compliance by ensuring timely and accurate tax filings, maintaining organised financial records, and engaging in open communication with ZIMRA particularly on complex transactions. The Group emphasises voluntary disclosure of tax errors to foster trust and mitigate penalties. A respectful, professional relationship is maintained through designated liaisons, consistent messaging, and efforts to understand ZIMRA's perspective. CBZ relies on formal communication channels, scheduled meetings, and ZIMRA's online platforms while strictly adhering to prescribed procedures for all tax-related processes.

Engagement Type	Description
Formal Consultations	Participation in government and ZIMRA-led public hearings and feedback forums.
Regular Dialogue	Meetings with industry groups, liaison officers, and ZIMRA representatives.
Digital Channels	Feedback via ZIMRA's online portals and surveys.
Collaborative Work	Participation in joint working groups on tax policy improvements.

OUR SUSTAINABILITY JOURNEY CONTINUES

SOCIAL

SOCIAL

SUSTAINABLE FINANCE AND RESPONSIBLE BANKING

Responsible Lending, Investment and Insurance Practices

We believe that our greatest environmental and social impacts occur through our lending and investment practices. In fact, we recognise that approving loans without thoroughly assessing the impact of the financed project on the environment and society as well as the borrower's repayment capacity can contribute to credit losses, reputational risks and precluded access to capital markets for the bank as well as poor credit ratings for our clients. Similarly, we believe that we have a fiduciary duty to invest the funds entrusted to us by our policy holders and investors in a sustainable manner. Thus, we expect our debtors and third-party agents to engage in ethical practices such as respecting labour rights, child labour laws and environmental preservation. We aim to prioritise our funding solutions to responsible businesses and operators. We understand the significance of sectors such as mining, agriculture, or fossil-fuel-based industries to both the economic growth of our markets, as well as their potential high adverse impact on the environment and society. As such, we will aim to incorporate the principle of just transition in our lending decisions.

The sustainable finance related risks and opportunities are as follows:

Risks	Opportunities
• Some borrowers, especially SMEs, became over-leveraged, leading to defaults during downturns. • Strict lending criteria exclude start-ups, informal businesses, and marginalised groups without formal credit histories. • Continued financing of high-carbon sectors such as mining, distribution, without a transition plan increases exposure to climate regulation and carbon risk. • Perceived unfair or exclusionary lending (favouring large, established firms) can lead to customer dissatisfaction and reputational harm.	• Lending has supported SME growth, boosting local economies and job creation. • Personal, SME, and corporate loans expanded financial access and improved livelihoods. • Strong credit policies enhanced internal risk awareness and reduced high-risk exposures. • Fair lending practices and non-discrimination principles promote equal credit access across demographics. • Financing renewable energy, eco-agriculture, and climate-smart businesses can advance sustainable development. • Supporting community projects such as low-income housing and education loans, helps uplift underprivileged groups and promote human rights. • Tailored financial products for women-led businesses can enhance gender inclusivity in economic activity.

We aim to ensure that all loans are aligned with responsible risk management and sustainability principles. The Group enhances financial inclusion by increasing access to credit for SMEs, women, youth, and rural businesses.

Relevant SDG's	
Policy	Our Credit Policy governs the Group's lending practices.
Target and KPI	Our targets are as follows: • 100% of new loans undergo enhanced ESG risk screening. • 30% increase in SME and microfinance loan disbursements. • 15% of total portfolio dedicated to 'green' and 'social impact' loans. • 100% of high-risk clients monitored annually for ESG compliance. • Establish grievance mechanisms across all lending divisions by end of 2025.
	KPIs used: • Percentage of loans screened for ESG risks quarterly. • Number of financial literacy and inclusion programmes done annually. • Volume of sustainable project loans disbursed bi-annually. • Number of grievance cases received and resolved quarterly. • Percentage of high-risk borrowers audited annually. • Reduction in NPL (Non-Performing Loans) ratio semi-annually. • Customer satisfaction score (credit services) annually.
Capital	

CBZ assesses borrowers thoroughly, applies structured policies, and uses sound judgement to reduce risks of default. Our tailored financial solutions support SMEs, women-led businesses, and underserved groups, promoting inclusion. We conduct environmental and social due diligence, especially in high-risk sectors, with ongoing monitoring and corrective actions. We align loan sizes with repayment capacity to prevent over-indebtedness and when there is need we assist distressed clients through restructuring and recovery plans.

Sustainable development lending is growing but requires more aggressive promotion and client education to meet our 2026 targets. ESG monitoring and grievance system deployment are progressing but need increased resource allocation to reach full effectiveness. Further, regular internal reviews and external partnerships have positively impacted performance and are essential to sustaining momentum. Regular engagement with internal stakeholders prompted CBZ Holdings to adopt automated risk assessment tools and real-time monitoring dashboards, enhancing early detection of high-risk borrowers and improving loan remediation protocols. Meanwhile, external feedback from clients, NGOs, regulators, and industry bodies emphasised the need for greater transparency and integration of ESG principles. The Group refined its ESG policies, improved borrower communication on sustainability criteria, aligned lending practices with international standards, and launched community-focused development programmes, reinforcing its commitment to responsible and sustainable finance. Moreover, we embarked on a project to enhance our Environmental & Social Management System during the period under review. The ESMS will enable us to better identify, categorise, manage, track and reduce environmental risks and opportunities.

Operational Efficiency in Transaction Processing Time

Reducing transaction processing times offers significant operational benefits, enhancing efficiency for both the group and its customers. The Group's focus on improving processing speed can drive increased transaction volume and customer satisfaction. This, in turn boosts revenue streams and contributes to greater financial inclusion through the ability to accommodate more transactions into our financial system. We are cognisant that when maintaining our systems, prolonged downtime can negatively impact customer experience and damage the Group's reputation, especially when customers rely on timely transactions for critical services or business activities.

Goal	Increase Operational Efficiency.
Actions	• The adoption of scalable, cloud-based infrastructure allows the Bank to adjust transaction processing quickly during demand surges. • Transaction workflows are continuously mapped and streamlined to eliminate inefficiencies and bottlenecks. • Our business continuity plan ensures system uptime, while real-time monitoring tools track transaction processing times, system performance, error rates, and approval speeds to maintain smooth operations.
Relevant SDGs	8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Targets	• Limit system downtime due to transaction processing issues to less than 0.5% per quarter. • Achieve a system uptime of 70% or higher.
Capital	

The Group enhanced internal monitoring systems to ensure transaction completion times align with agreed Service Level Agreements (SLA). Audits and real-time tracking help identify and resolve SLA violations promptly. Real-time data monitoring enables the Group to proactively address inefficiencies, improving response times to issues such as peak-hour delays. Further, feedback from internal teams, including operations, IT, and customer service, helped address challenges like system slowdowns, manual interventions and training gaps.

Product and Service Innovation and Digitalisation

The transition to digital banking has reshaped how financial services are delivered, bringing both opportunities and challenges. The reduced reliance on physical paperwork through e-statements, digital contracts, and online applications significantly cut paper usage, reinforcing our commitment to environmental sustainability. Digitalisation also provided a platform for customers to perform transactions promptly through use of mobile devices adding to the convenience of transacting. During the year, we continued to enhance our digital offering through the Ziki mall. We are also uniquely positioned to provide customer support through online channels such as our website and social media. The adoption of advanced technologies can contribute to increased electronic waste, as older devices, servers, and infrastructure become obsolete and disposable. As digital and mobile banking platforms grow, more customer data is stored and processed electronically, enhancing accessibility but also raising risks over appropriate use and protection of personal data.

To support the product innovations and the move to digital platforms, CBZ made significant investments in upgrading its digital infrastructure, incorporating cloud computing and AI-driven technologies to enhance operational efficiency and scalability. These advancements are underpinned by cybersecurity measures to protect customer data. Using advanced encryption, MFA (Multi Factor Authentication) and end-to-end data protection, the Group effectively mitigates risks of data breaches and cyber threats, ensuring both customer privacy and the security of its digital channels. This infrastructure enables the secure and efficient delivery of services such as online banking, mobile payments, and digital lending, all of which contribute to improved customer satisfaction while reducing the environmental impact of traditional banking operations.

Relevant SDGs	8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Policies	As part of the Group's commitment to secure digital operations, the Cybersecurity and Data Protection Policy is fundamental in ensuring the integrity and security of digital platforms. This policy governs the storage, transmission, and processing of customer data, and ensures compliance with data protection regulations.
Targets and KPI	Our target is as follows: • Achieve 70% of total customers engaging with the Group's digital channels by the end of the fiscal year.
	Our KPIs are as follows: • Total number of customers using digital channels. • Total number of customers * 100.
Capital	

The implementation of Multifactor Authentication (MFA) across all digital platforms, resulted in a 25% decrease in cybersecurity incidents. The MFA systems for all digital banking services were upgraded. Continued efforts in user awareness and ongoing security enhancements are expected to help meet the year-end target. Employee insights, particularly from those in direct contact with our customers, have been invaluable in identifying common issues customers face with new technologies. Further, participation in training programmes strengthened internal capabilities, enabling quicker adaptation to technological advancements and better alignment with our digital objectives.

How we manage data security and customer privacy

Customer Privacy and Data Protection

Protecting customer privacy and customer data are essential elements to trust and confidence, the essential ingredients for long term success in the financial services sector. When individuals are confident their data is secure, they are more likely to adopt digital financial services supporting wider participation in the digital economy, increasing customer retention, and driving growth in financial product usage and revenue. Digital finance helps increase access and affordability to financial services, reduce paper waste and support environmental goals, however, as services shift online, concerns around data privacy become more pronounced. Customers may perceive frequent password changes, consent management, and data requests as excessive or intrusive, potentially undermining user experience. Sharing customer data with third-party partners for marketing or analytics, even under strict agreements, can heighten the risk of misuse or breaches.

Goals	• Enhance Customer Privacy and Protection. • Ensure protection of all customers personal and sensitive data to prevent unauthorised access, misuse, and breaches.
SDGs	 
Policies and Commit-ments	Our Data Protection and Privacy Policy outlines how customer data is collected, stored, processed, and shared. This policy ensures that customer data is handled with the highest standards of confidentiality, security and integrity.
Targets and KPIs	Our targets are as follows: • Achieve 100% encryption of all sensitive customer data (both in transit and at rest) across all systems by the end of Q4 2025. Our KPIs are as follows: • Track the number of data breaches or privacy incidents that occur within a defined period.
Capital	

The Group encrypts all sensitive customer data, both in transit and at rest, using industry-standard encryption algorithms to restrict unauthorised access. We mandate the use of MFA for accessing sensitive accounts and services, particularly for online and mobile banking platforms. The introduction of mobile banking and digital wallets has made it easier for customers to manage finances remotely, particularly in areas with limited traditional banking infrastructure. To support customers, the Group offers multiple channels of assistance, including in-branch, telephone, online chat, and email, addressing issues such as account management, product information and complaints. Public awareness campaigns educate customers about their data privacy rights, usage, and protective measures. Further, the group uses data analytics tools to monitor customer welfare actions, tracking financial product usage, loan repayment behaviour, customer interactions, and security incidents in real time.

We introduced annual security audits, compliance checks for all online and mobile banking users, providing an additional layer of security. Sensitive data is now encrypted across 98% of our systems, with plans to achieve full encryption by Q4 2025. This ensures that, even if data is intercepted, it cannot be accessed without the decryption key. Internal audit feedback confirms that these encryption measures have significantly reduced the risk of data breaches. CBZ identified that third-party vendors can present considerable privacy risks, particularly when they handle sensitive customer data. To prevent this, we implemented a system to track and monitor third-party access to customer information. Access is now strictly limited to what is necessary and thoroughly documented, with regular reviews of the data practices of our third-party vendors.

Access & Affordability

Advancing Financial Inclusion

CBZ is committed to bridging the gap between formal financial services and underserved populations, particularly in rural areas, among women, youth, and small-scale entrepreneurs. The Group's approach focuses on expanding access through innovative digital platforms such as CBZ Touch and a growing agent banking network. We also offer basic mobile banking on feature phones for our customers who do not have access to internet. This enables the customers to enjoy the same services as those provided on CBZ touch. CBZ is investing in product innovation tailored to the needs of the informal sector and low-income groups. This includes flexible micro-loans, group savings schemes, low-premium insurance products, and agribusiness financing. The Group also places a strong emphasis on financial literacy by conducting community outreach, SME capacity-building programs, and incorporating educational tools into its digital platforms. The Group collaborates with stakeholders to ensure its initiatives align with the national financial inclusion agenda and global best practices. Through this integrated and adaptive approach, CBZ aims to drive inclusive economic participation and foster long-term financial resilience across Zimbabwe.

Economic Value Generated and Distributed

The Group plays a direct role in driving positive impacts through our financial performance, tax payments, job creation, and support for economic activity. Our financial success translated into meaningful contributions to public revenue, supporting national development and public services. Our banking platform supported over one million retail and corporate customers, disbursing loans that facilitated broad economic activity. Our sustained profitability enables us to expand lending to small and medium-sized enterprises (SMEs) and agribusinesses, thereby supporting rural development and food security. Beyond our own activities, some of our financing and investment relationships are linked to environmentally sensitive sectors such as mining and fossil fuel logistics.

Direct Economic Value Generated and Distributed for the period under review was as follows:

	FY 2024 ZWG 000	FY 2023 ZWG 000
Direct Economic Value Generated		
Total Income	4 111 409	5 271 467
Operating Costs	(859 832)	(695 697)
Employee Costs and Benefits	(2 143 571)	(1 541 723)
Payments to Shareholders as Dividend	(68 724)	(102 008)
Payments to Government	(101 432)	416 867
Total Value Distributed	**(3 173 559)**	**(1 922 561)**
Value Added	**937 850**	**3 348 906**

Cybersecurity and Privacy Protection

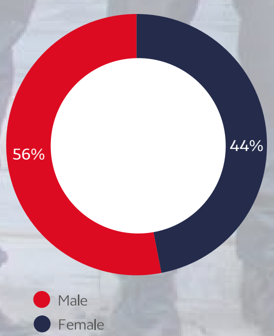
We recognise that operating digital banking platforms, mobile apps, and online services involves collecting and processing significant amounts of personal and financial data, making cybersecurity and privacy protection critical. The Group implemented internal controls such as password sharing policies and suspicious emails reporting frameworks. We only partner with technology vendors, fintech firms, and cloud providers who meet our stringent cybersecurity standards. We raise awareness to our clients through text messaging by providing details on prominent cyber-attacks and guidelines for prevention.

Goal	Protect customer data and enhance trust.
Risk	• High energy use and electronic - waste from data centres without green Information Technology (IT) practices. • Breaches can expose personal data, causing financial and emotional harm. • Loss of trust from customers and business partners if there is a breach.
Opportunity	• Our transition to secure digital banking platforms reduces the need for paperwork, branch visits, and energy-intensive traditional processes, helping to lower our carbon footprint. • Sustainable cloud-based cybersecurity is more energy-efficient than legacy on-premises systems. It reduces space requirements and enhances data security as data is stored on platforms not susceptible to physical damage.
Policies	• Central bank consumer protection framework. • Information sharing customer acceptance clause. • Customer complaints handling procedure. • PCI DSS security standards.
Tools	• Tenable Nessus Vulnerability Scanning Tools. • Microsoft Security Baseline Analyser. • Security Information & Event Management (SIEM). • Privilege Access Management (PAM) tools.
Measures	• Vendors, partners, and third parties undergo cybersecurity due diligence. • Contracts mandate compliance with cybersecurity and privacy standards. • Formal Incident Response Plan to ensure fast action during cyber incidents. • Crisis Management Procedures guide containment and recovery efforts. • Critical vendors are subject to regular audits and penetration tests. • Cybersecurity architecture follows a defence-in-depth approach. • Real-time monitoring and network segmentation. • Access is controlled using Multifactor Authentication (MFA) and least privilege principles. • Sensitive data is encrypted both in transit and at rest.
Incidents	• **SIM Swap** In 2024, Bank recorded 6 Sim swap cases amounting to ZWL 212,049,996 which translates to ZWG 84,863.31. A solution was applied by the bank on Mobile Application which works by tracking change of device IMEI and blocks resetting of login credentials in the event of device IMEI change. No cases have been reported since this implementation. • **Card related fraud incidents** A merchant client processed 6 x POS MasterCard transactions amounting to US$32,849.99. Transactions amounting to US$6,345.07 were charged back as fraud. The transactions were initiated through a link sent to a client to pay using card. There were no losses on the transactions that were protested as fraudulent. POS terminal service was revoked from client.
Relevant SDG	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Target and KPI	Our target: • Zero critical data breaches annually.
	Our KPIs are as follows: • Number of critical customer data breaches. • Customer satisfaction scores regarding digital security.
Progress	• 100% of data subject access and correction requests were processed within regulatory timelines, achieving the compliance target.

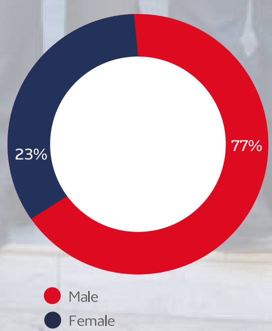
While technological defences play a crucial role in protecting customer data, human error remains a significant vulnerability particularly through actions like clicking on phishing emails or mishandling sensitive information. Ongoing customer and employee education is essential to help users recognise scams, protect passwords, and adopt safe digital practices. We strengthen our third-party risk management by conducting thorough assessments, requiring security certifications, and embedding cybersecurity obligations into contracts. Our updated due diligence processes ensure that these requirements extend to subcontractors, reinforcing the entire supply chain's commitment to security.

SOCIAL
Our Human Capital Framework

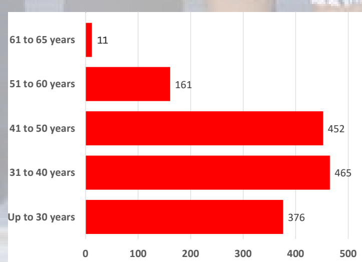
Gender
Group-wide



Gender
Management & Executive



Age
Group-wide



At CBZ Holdings, our people remain at the heart of our business, shaping our culture, driving innovation, and delivering on our promise to build a sustainable financial services powerhouse. In 2024, our Human Resources function continued to advance the Group's strategic priorities through a deliberate focus on talent attraction, development, and engagement, while also responding to the evolving needs of a multi-generational workforce.

A Multi-Generational Workforce Driving Transformation

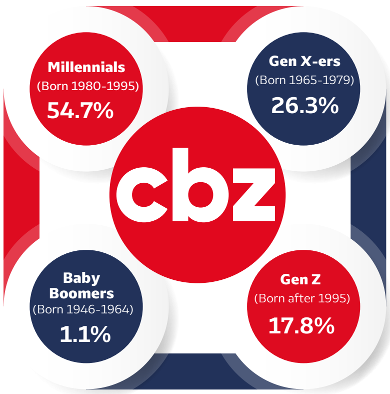
Our workforce is a reflection of Zimbabwe's generational mosaic, with Millennials (54.7%) making up the largest segment of our staff. These digital-savvy, purpose-driven professionals are playing a pivotal role in modernising our operations and embracing new ways of working. Generation X (26.3%) brings stability, institutional memory, and leadership experience, while the growing presence of Generation Z (17.8%) signals a bold shift toward fresh thinking and future-readiness. A smaller yet vital group of Baby Boomers (1.1%) continues to lend deep wisdom and mentorship to younger colleagues.

Gender Representation: Progress and Intentional Action

Anchored in our commitment to creating a high-performance, values-driven culture, we continue to strive for greater gender balance across all levels of the organisation. Women account for 43.96% of our total workforce, and while this reflects steady progress, we acknowledge that leadership representation still requires targeted attention. In 2024, 37.54% of managerial positions were held by women, while 23.33% of executive roles were occupied by female staff.

In response, during Women's Month, we launched the SheLeads program, a bespoke leadership initiative designed to empower women in management by equipping them with the skills, confidence, and support networks needed to thrive and advance. This marks a significant step in our broader efforts to build inclusive leadership and unlock the full potential of our diverse talent pool.

Our Multi-Generational Workforce



Gender Representation:

Building Tomorrow's Leaders Today

Our future depends on the strength of our leadership pipeline. This year, we placed emphasis on developing young professionals through flagship programs such as the TOPP (Training Outside Public Practice) initiative, with 15 trainees advancing toward Chartered Accountancy certification. We also engaged 146 students on industrial attachment, providing them with real-world exposure and mentorship as part of their mandatory learning experience year in pursuit of a Bachelor's degree. This initiative aligns with the national agenda to groom well-rounded graduates who are equipped to contribute meaningfully to the formal economy. The fact that 39.1% of managerial roles are held by employees under 40 reflects a deliberate shift towards youth leadership and the empowerment of emerging talent.

Internal Mobility and Talent Retention

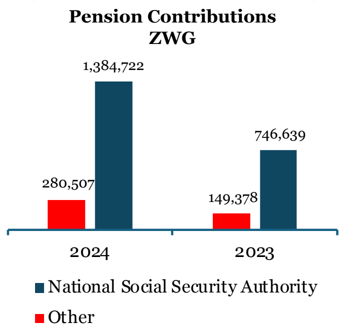
Recognising the importance of career growth in retaining top talent, we celebrated 114 internal promotions in 2024. These career advancements not only reflect the calibre of our people but also reinforce our internal mobility ethos. In parallel, 56 new employees joined the CBZ team bringing fresh energy and diverse capabilities to support our ongoing transformation.

Learning Culture: Equipping a Future-Ready Workforce

At the core of our people strategy is a strong belief in continuous learning as a driver of growth, innovation, and excellence. In 2024, we strengthened our learning culture by ensuring that every employee across the Group has access to LinkedIn Learning, a world-class digital platform offering thousands of on-demand courses. This initiative supports self-paced development in critical areas such as leadership, digital transformation, financial acumen, and customer experience. We also promoted learning communities and peer knowledge sharing to create a dynamic, collaborative learning environment that fuels both individual and organisational growth.

Life After Employment

The Group's continued pension contributions play a vital role in building sustainable retirement income, supporting financial stability after employees retire. These contributions demonstrate the Group's dedication to the long-term welfare of its employees and underscores the value of preparing for financial security in the future. Our financial contributions to pensions schemes are presented below:



Employee Relations

Structured employee representation through internal bodies and Trade Unions plays a critical role, as it enables engagement on matters of mutual interest that directly impact operations. When managed well, these relationships foster positive and collaborative interactions, support open communication on business and strategic issues, and contribute significantly to employee motivation and productivity. Conversely, poor employee relations can harm service delivery to customers and third parties, damage our reputation, and attract negative publicity. Neglecting employee concerns may lead to low morale and dissatisfaction; thus, line managers and Human Capital Business Partners continuously monitor employee relations and act promptly to address any issues.

Goals	Have a stable and productive employee base.
Policies	We have Group Human Resources Policies that emphasises the importance of open and mutual communication and engagements in adherence to: • Labor act • Protocol of 2014 to the Forced Labour Convention 1930 as ratified by the Zimbabwean Government
Actions Taken	• Open door policy on issues and concerns impacting on employees. • Regular employee briefings and business update meetings by Group Executive Management. • Regular Works Council meetings.
Targets	• Quarterly Works Council Meetings/Engagements.
KPIs	• Number of resolved/closed issues. • Number of complaints received. • Employee Engagement Index score.
Capital	

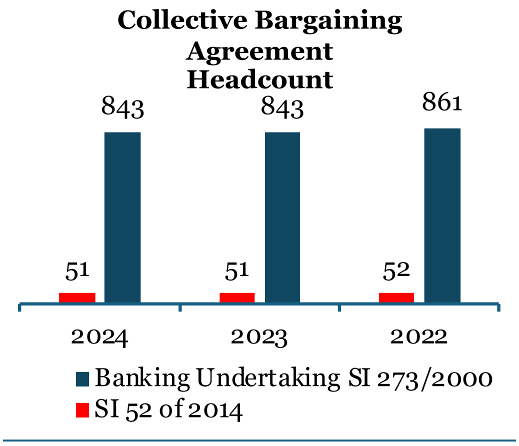
Collective Bargaining Agreements (CBA)

We acknowledge that CBA plays a critical role in fostering stable labour relations, ensuring equitable treatment of employees, and enhancing business predictability. The implementation of stable employee remuneration structures enhances employee cost management and improves employee motivation. There are risks of strained industrial relations if employee needs are not met either for financial remuneration or professional development. Labour disputes can result in labour strikes which can cause down times and lost revenue. As a group we therefore thrive to ensure our employees are remunerated fairly and we keep an open channel of communication to address their needs.

The Group is a member of the Banker's Employers Association of Zimbabwe (BEAZ) that engages the Trade Union, Zimbabwe Banks and Allied Workers Union (ZIBAWU) in coming up with sector Collective Bargaining Agreements for the banking sector. Further, employees working within the insurance cluster particate in CBA in line with the provisions of S152 of the Labour Act. We strive to comply with the provisions of the Labour Act [Chapter 28:01] and appropriate statutory instruments related to wages and working conditions.

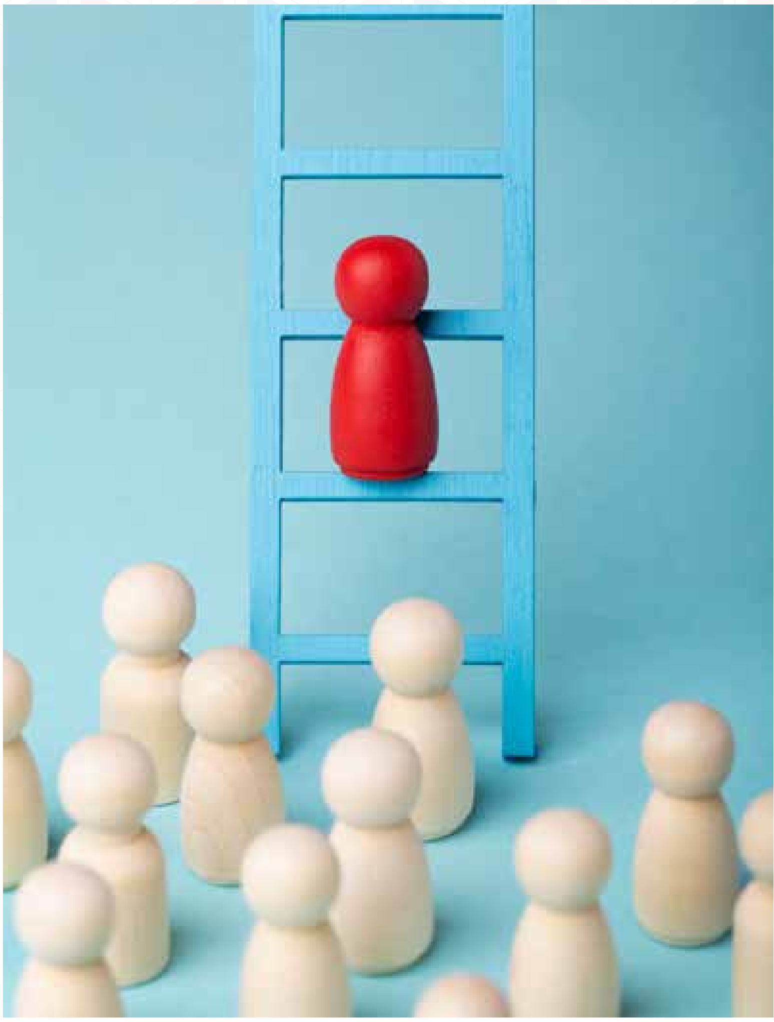
Goals	• Stable industrial relations.
Actions Taken	• Negotiations grounded in economic indicators and business performance. • Interim cost of living adjustments and discretionary interventions. • Implementing remedial interventions outside the sector level platform through the internal Works Council platform.
Processes	• Stakeholder feedback is provided through the number of signed Collective Bargaining Agreements and/or declared deadlocks in wage negotiations and the intended legal remedies to address the impasse.
Targets	• Quarterly Works Council Meetings/Engagements.
KPIs	• Number of signed Collective Bargaining Agreements per Negotiating cycle. • Number of attended Collective Bargaining Meetings. • Percentage compliance to payment of the Minimum wages for the negotiating peri.

Collective Bargaining is guided by principles of fairness, evidence-based negotiation, business performance, and the social cushioning of employees. Key stakeholders, including the Bankers Association of Zimbabwe (BAZ) as the principal, are engaged early to obtain and guide the sector's wage mandate and are continuously consulted throughout the negotiation process to ensure alignment across Group. Effective and consistent information flow between all parties, including informal engagement with Trade Unions to understand labour expectations, plays a vital role in building consensus, fostering transparency, and ensuring successful, stable, and constructive negotiations. CBA for the period under review was as follows:



Expertise and Skills Development

As CBZ, we recognise that enhanced career mobility and succession readiness stem from ongoing talent development, while continuous learning strengthens our organisational culture. Increased internal promotion rates helps in reducing external recruitment costs, and our strengthened employer brand continues to attract high potential talent. We acknowledge the importance of upskilled employees in improving adaptability to market changes and aligning individual capabilities with our strategic business needs. However, we are aware of adverse impacts that can arise, such as training fatigue or overload during high-pressure periods, inequitable access to learning opportunities for remote or frontline employees, and budget constraints that may limit the reach and inclusivity of programmes. Talent attrition following significant training investments due to external poaching or career mobility is also a concern. We also recognise that if learnings are not tailored to the needs of our employees, we may incur training costs that do not bring a long-term benefit.

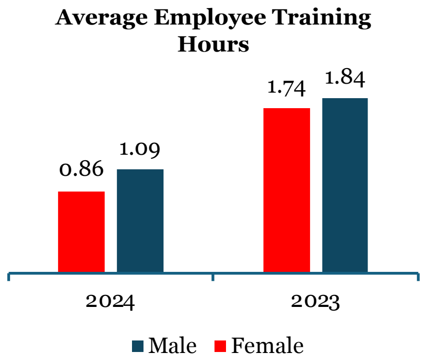


We established a Talent Development Policy to govern our training and education practices. Our aim is to provide equitable access to relevant and high-quality learning for all employees, support career development through structured talent and leadership development programmes. Our training initiatives are aligned to the Group's business strategy ensuring individual development plans assist employees affected by organisational transitions through reskilling or redeployment support. The Group's training and education initiatives include:

- Rotating learning schedules to avoid overload during peak work seasons.
- Expanding access via online platforms and blended delivery to reach dispersed teams.
- Evaluating training needs through feedback.
- Developing catch-up learning programmes for underserved segments.
- Integrating training metrics into performance management dashboards.

Goal	Build a future-ready workforce aligned with CBZ strategic goals.
Targets	• 100% participation in mandatory compliance and technical training. • 32 learning hours per participant delivered per quarter. • 70% of employees engaged in LinkedIn Learning monthly.
KPIs	• Learning hours per employee. • Training participation rates (by gender, department, level). • Internal promotion rate.
Achievement	• Training hours and participation targets for Q1 and Q2 were met or exceeded. • Expanded learning library and course access through LinkedIn Learning.

The Group is enhancing its monitoring and reporting of training participation by department, gender, and employee level. We implemented signature programmes such as SEED, TOPP, and the Supervisory and Managerial Development Programme, alongside rolling out LinkedIn Learning to promote self-paced, personalised learning paths. As part of our continuous improvement, we acknowledge the need for contextualised content and have begun leveraging internal subject matter experts and co-creating programmes with business units. We introduced a training calendar synchronised with business cycles to avoid capacity clashes, and we hold strategic alignment sessions with Heads of Departments to tailor learning priorities an approach that has proven effective in addressing specific departmental needs. Average employee training hours for the period under review was as follows:



Give Your Child a Brighter Future

Protect your child's future with our ComfortSure Sarapavana education packages for children from ECD to secondary school.

Package	Monthly Premium	Annual Benefit
Basic Package • Basic Package covers from ECD to Grade 7	$2.30	$500 **[$167 per term]**
Secondary Package • Covers children attending secondary education	$1.47	$500 **[$167 per term]**
Premium Package • Covers both primary and secondary education	**Premiums are term-based and depend on individual policy.**	**Above** $500

cbz Life

Partners for Success

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Toll free: 460 / 461 • **Mail:** contactcentre@cbz.co.zw • **Site:** www.cbz.co.zw

Employee Wellness: Supporting the Whole Person

We understand that thriving employees are not just productive; they are also healthy, engaged, and resilient. In 2024, we deepened our commitment to employee wellbeing through various wellness initiatives that cater to both mental and physical health.

In 2024, on-site health screenings were also conducted across multiple locations, providing employees with vital checks on blood pressure, blood sugar, BMI, dental, and eye health. These insights will inform targeted lifestyle and chronic illness management initiatives in 2025.

Mental wellness remained a priority, with employees accessing psychosocial support and participating in awareness campaigns and webinars focused on stress, mental health, and substance abuse. A highlight of the year was the continued tradition of hosting the CBZ Man Cave during Men's Month under the theme "Zero Male Suicides", a safe, engaging space where male employees came together for open conversations on mental health, personal growth, and holistic wellbeing. This initiative is part of our broader wellness philosophy that prioritises psychological safety, emotional intelligence, and work-life balance.

In commemoration of International Women's Month, celebrated under the global theme "**Inspire Inclusion**," CBZ hosted elegant high tea events that brought women across the Group together to reflect, connect, and be empowered. These gatherings fostered a sense of belonging, recognition, and dialogue around the importance of inclusion and gender equity in the workplace.

We also strengthened financial resilience through Group-wide financial wellness training delivered in partnership with Old Mutual, reaching over 900 employees across all levels.

To encourage active lifestyles and foster team spirit, CBZ Holdings invested in various sporting disciplines, with teams excelling in the Bankers' League. Notable achievements included 1st place in soccer and pool, and 2nd place finishes in darts and basketball, demonstrating the strength and unity of our workforce both on and off the field. CBZ also proudly supported 48 staff members who participated in the 2 Oceans Marathon and 19 who represented the Group at the prestigious Comrades Marathon. These iconic international races not only tested the endurance and resilience of our people but also reinforced the Group's commitment to holistic wellness and the pursuit of excellence beyond the workplace. Their participation served as a powerful symbol of determination, discipline, and the CBZ spirit in motion.

The Road Ahead

As we look to the future, we remain unwavering in our commitment to creating a purpose-led, people-powered organisation. In 2025 and beyond, our focus will be on deepening leadership capability, championing equity and inclusion, and creating a culture of innovation, agility, and resilience. Through strategic workforce planning and values-based leadership, we are building not just a great place to work but a workforce ready to shape the future of financial services in Zimbabwe and beyond.

Employee Health & Safety

Occupational Health & Safety Management System: The Safety, Health & Wellness System of CBZ Holdings Ltd and its Subsidiaries (The Group) is designed to foster a secure work environment, mitigate potential safety and health risks and always prioritize the well-being of employees. The OSH System applies to all employees within the Group, including CBZ Holdings Limited, CBZ Bank Ltd, CBZ Capital, CBZ Life, CBZ Insurance, CBZ Risk Advisory Services, CBZ Asset Management (DATVEST), CBZ Properties, Redsphere Finance and other workers who are not directly employed by CBZ Holdings. The Zimbabwean government oversees Occupational Health & Safety through the National Social Security Authority (NSSA).

Key OSH regulations in Zimbabwe that apply to CBZ Holdings:

- Factories & Works Act of 1996 and its regulations,
- RGN 262 - RGN 264. RGN 278 of 1976,
- Electrical Regulation,
- SI 287 of 1982,
- NSSA (S.I. 68 of 1990) and Workers Compensation, Scheme,
- Hazardous Substances & Articles Act Chapter 15:05,
- Public Health Act of 1925 and amended 1970,
- Labour Relations Act.

CBZ Holdings' joint management-worker health and safety Committee

CBZ Holdings has an established formal joint management-worker health and safety committee. The committee is made up of Health, Safety & Wellness representatives, a representative from the Premises & Projects Department and a representative from the Premises Security & Risk Department. It is led by the Employee Safety, Health & Wellness Coordinator. The role of a Health and Safety Committee is to identify and assess workplace hazards and actively contribute to the creation and execution of initiatives aimed at safeguarding the well-being and security of employees. Meetings are held on a quarterly basis and workplace safety assessments are conducted monthly.

Hazard Identification, Risk Assessment and Incident Investigation

Identification of work-related hazards and assessment of risks: A standard Health & Safety Practices & Housekeeping Inspection Form assesses work stations, kitchens, ablution facilities and yard areas. Trained Employee Wellness Champions carry out these inspections monthly. Results are consolidated by Employee Safety, Health & Wellness Coordinator, who ensures identified hazards are eliminated. CBZ Properties and Employee Safety, Health and Wellness Champions carry out scheduled inspections and maintenance to ensure that Mechanical and Electrical installations are in sound state. Such inspections are conducted quarterly or as the situation demands. Separately, Group Risk Management assesses the adequacy of firefighting equipment at all buildings including branches during their routine visits.

Reporting of work-related hazards and hazardous situations: Employee Wellness Champions are informed about work-related hazards and are committed to address them through established channels. The policy provides protection for employees who take charge and make the executive call to remove themselves from a hazardous situation. Effective participation from both management and staff is crucial for the success of safety, health, wellness and environmental matters. Employees take ownership of their work environment and promptly notify management of any equipment issues or hazardous conditions in their workstations. Management then escalates these matters to CBZ Properties. Additionally, there is a dual reporting system in place with the Loss Control and Security Department for the purpose of servicing and maintaining fire extinguishers and ensuring the security of emergency exit routes.

Removing workers from hazardous situations: Wellness Champions and Fire Marshalls have the authority to communicate with the leader of the Strategic Business Unit (SBU) and provide recommendations for necessary actions to be taken to prioritize the well-being of our employees and safeguard our valuable assets and equipment. Emergency Evacuation procedures are thoroughly taught to all employees and prominently displayed in each SBU.

Occupational Health Services: The Group does not gather personal medical health information from personnel. To get treatments, employees contact their preferred medical practitioner and use their medical insurance coverage. Medical practitioners keep medical health records while respecting patient-doctor confidentiality. Counselling cases handled by the resident therapist adhere to counsellor-client confidentiality. In circumstances that need further referrals, the client's permission is requested to contact professionals to resolve the issue. Medical records for workers treated by a Group-appointed doctor stay with the attending physician, who solely provides advice and direction.

Promotion of Worker Health

Employee Healthcare Access: The Group provides comprehensive medical insurance for all permanent employees, extending coverage to spouses and up to 4 children. All medical insurance subscriptions are fully covered by the company. Furthermore, awareness campaigns for both communicable and non-communicable diseases are implemented. Some examples of screening campaigns are Breast Cancer, Cervical Cancer and Prostate Cancer. The company keeps track of staff who have used the service and the service provider maintains records of the medical treatment provided. The implementation of the campaign for annual medical check-ups aims to prioritize the well-being of staff members by promoting early care and treatment, while also encouraging a culture of proactive health-seeking behavior and long-term lifestyle changes. We establish partnerships with health service providers to ensure that all staff have convenient access to service providers.

Prevention and Mitigation of OH&S Impacts Directly Linked to Business Relationships: Staff receive comprehensive training on emergency evacuation procedures to ensure the safety of all individuals in the event of unexpected incidents such as fires, bomb scares and robberies. Furthermore, the Crisis Management Committee establishes plans to be executed in the case of natural disasters such as cyclones. Business Continuity Plans (BCPs) are regularly developed, evaluated and tested to ensure the efficiency of disaster management strategies.

SOCIAL

Building Sustainable Communities

CBZ Holdings is committed to creating lasting value in the communities where we operate. Through targeted initiatives, we aim to address key social, environmental, and economic challenges, enhancing the quality of life for the communities in which we serve.

Empowering Communities

We contribute sustainable community development by supporting initiatives that promote social and economic well-being. We recognise the importance of inclusive growth and strive to create opportunities that empower individuals and communities to thrive. Through targeted programmes and strategic partnerships, we focus on building resilience, enhancing livelihoods, and leaving a long-term positive impact. Our approach is rooted in collaboration, ensuring that development efforts are responsive to community needs and aligned with broader sustainability goals.

Corporate Social Investment

CBZ Holdings has made significant strides in delivering positive socio-economic outcomes through its structured Corporate Social Responsibility (CSR) programmes. Our efforts, coordinated primarily through the CBZ Foundation and in partnership with key NGOs, created measurable benefits for communities across Zimbabwe. Our CSR initiatives aim to deepen the inclusion of rural populations in national health and education programmes, especially where infrastructure or access has historically been limited. By fostering long-term partnerships with high-impact NGOs, CBZ is promoting corporate citizenship and social cohesion. Nevertheless, there is a risk of uneven national perception if CSR initiatives are not equitably distributed across all provinces. In some cases, delays in fund disbursement have hindered the execution of time-sensitive interventions. There is also reputational risk if NGO partners do not meet ethical standards or fall short in programme delivery.

We developed a CSR Partner Vetting Process to rigorously assess the legitimacy, capability, and alignment of all applicant organisations. The Group closely monitors project deliverables through mid-implementation check-ins and requires photographic evidence of progress. We established feedback and grievance mechanisms to engage communities and receive real-time input. We re-evaluated our existing partners to ensure alignment with our values and, where necessary, restructured our support or phased out partnerships that did not meet expectations. Our Donations and Sponsorships Policy serves as a guiding document in selecting and assessing supported programmes, ensuring consistency with the Group's strategic focus areas. We aim to allocate no less than 1% of post-tax profits annually to structured CSR initiatives. CBZ prioritises partnerships that promote health, education, and the well-being of vulnerable groups. We conduct internal audits and programme evaluations regularly through the Group Internal Audit team, while periodic impact assessments are used to gauge the success of specific interventions.

Goals

- Become the most impactful corporate foundation in Zimbabwe by 2026.
- Support sustainable transformation in the lives of at least 1 million Zimbabweans by 2030.

Targets	KPIs
• To fund 150 surgeries (hernia & cleft lip combined). • To sponsor 300 children through all education levels. • To extend CSR programmes to all 10 provinces of Zimbabwe.	• Number of surgeries conducted and rehabilitation outcomes. • Student retention and graduation rates from CBZ sponsorship. • Geographic spread and diversity of CSR initiatives.

Progress Made

- USD 7,000 hernia surgery sponsorship supported multiple children in FY2024.
- Tariro girls' education support (USD 9,854) led to 6 tertiary graduates and Makomborero transport sponsorship improved student access and academic performance.
- Operation HOPE restored beauty, dignity, health and smiles to children with cleft lip deformities.

Relevant SDGs	Relevant Capitals
17 PARTNERSHIPS FOR THE GOALS; 4 QUALITY EDUCATION; 3 GOOD HEALTH AND WELL-BEING	

CBZ Holdings recognises that long-term impact is significantly enhanced when support initiatives are complemented by follow-ups and mentorships. Through structured dialogues with key stakeholders including the Ministry of Health, NGOs, and school leadership, the Group refined its targeting of beneficiaries for greater effectiveness. Insights from stakeholder feedback informed the development of more robust impact measurement tools, including dashboards and post-beneficiary tracking systems, ensuring greater accountability and continuous improvement in our CSR interventions.

Advancing Sustainable Development Goals (SDGs)

CBZ Holdings is committed to advancing the Sustainable Development Goals (SDGs) through a structured and strategic approach. Our process begins with aligning the SDGs to the Group's long-term vision, core business activities, and values. We actively engage with stakeholders to understand pressing social and environmental needs, ensuring our efforts address areas where we can have the greatest impact. SDGs are prioritised based on their relevance, achievability, and potential to create lasting value for communities and the broader economy. This enables us to allocate resources and apply our capabilities in a manner that delivers meaningful and measurable outcomes.

SOCIAL

CSR Initiatives

In 2024, CBZ Holdings facilitated community-driven, sustainable, and environmentally inclusive projects to further the socio-economic status of the underprivileged populations in Zimbabwe, leveraging on staff volunteerism, philanthropy, health, and sports excellence pillars. As responsible corporate citizens, we aim to address the immediate needs of the community, and among these is advancing and nurturing the education of the less privileged students.

Several initiatives were carried out during this period, including donations of reusable pads to less privileged girl learners in secondary schools. The reusable pads will benefit girl learners by providing them with safe, hygienic and environmentally friendly solutions to help them manage their monthly periods. Without proper sanitary wear, the girls are forced to skip school until their period is over and this intervention will reduce the number of girl learners who miss school during such a period and will result in better educated communities. The secondary schools that received the donated reusable pads were Kandeya Sec School, Mt Darwin; Mutumba Sec School, Mt Darwin; Mukomberanwa High School, Chirumhanzu, and Chishuku High School, Mvuma.

Through the CBZ sporting excellence pillar, which plays an imperative role in promoting healthy lifestyles, social inclusion and tolerance, and combating discrimination, the group hosted the annual 2024 CBZ Marathon at the Old Georgians Sports Club in Harare, where approximately 1,800 athletes from across the country competed in races ranging from 5 km, 10 km, 21.1 km, and the main 42.2 km race. The event was also attended by elite runners as a qualifier for the Two Oceans Marathon and Comrades Marathon.

We look forward to a deeper engagement with all our partners, beneficiaries, local administrations, and employees to accelerate the impact of our work in the community. Our efforts will continue to focus on bringing about sustainable change in the communities we serve.

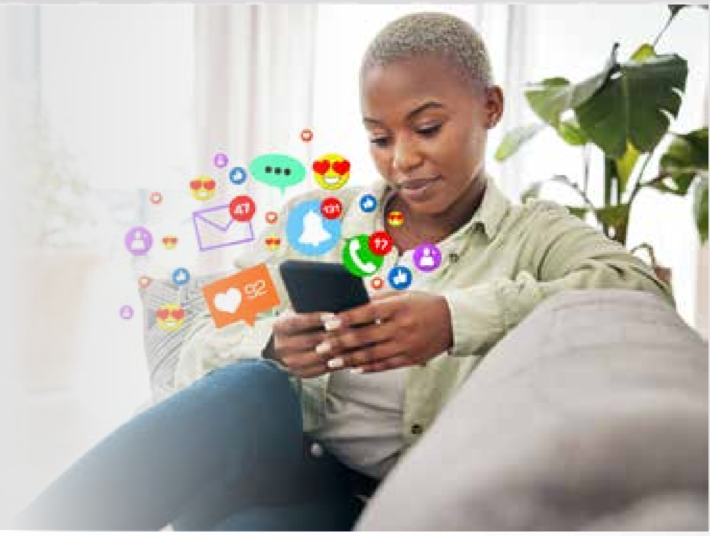
SOCIAL
CORPORATE ACHIEVEMENTS & AWARDS


MAZ
Marketers Association Zimbabwe

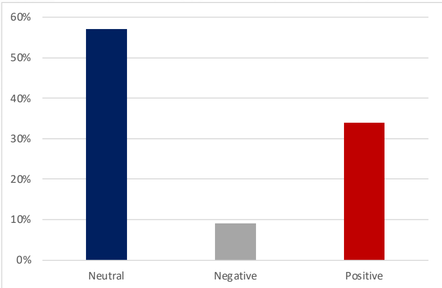

teamwork =
team work!


cbz Life

OUR ONLINE PRESENCE



Digital Media Update



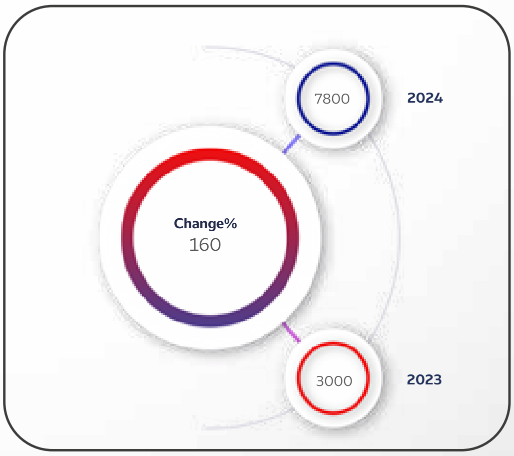
Positive sentiment:
Highlights the positive impact of marketing campaigns on brand perception.
Negative sentiment:
Indicates areas for improvement in product customer experience.
Neutral sentiment:
Shows that the brand is well known and recognizable, with room for more differentiation.

Channel	2024	2023	Change%
Facebook	157,700	145,520	8.37
X	42,800	40,500	5.68
Instagram	13,000	9,310	39.63
LinkedIn	78,800	55,100	43.06
Tiktok	8,900	-	-
Total	301,200	250,430	20.27

Metrics	2024	2023	Change%
Reach (Av.)	1,300,000	830,900	56.46
Impressions	22,000,000	7,500,000	193.33

Website Insights

Visitors (Av. Per week)



2024 CORPORATE ENGAGEMENTS

cbz Holdings

- Zimbabwe National Choral Music Awards 2024 (Impacting communities through lifestyle sponsorships).
- Institute of Public Relations and Communications Zimbabwe (IPRCZ) - Influencer Marketing – Listed Companies (Platinum).
- 2024 Zimbabwe Agricultural Show Award - 1st prize for the 2024 Best Display by Financial Institution.
- IPRCZ - Best Employee Communications (Platinum).
- Customer Experience Association of Zimbabwe (CXAZ) - Best Contact Centre (2nd runner up).

cbz Bank

- Global Finance Magazine Best Bank in Zimbabwe.
- Marketers Association Zimbabwe Superbrand in the Banking Sector.
- Top 20 B2B – 4th position.
- CXAZ - Banking Sector (2nd runner up).

red Sphere Finance

- CXAZ - Microfinance Sector (winner).
- Zimbabwe Association of Microfinance Institutions (ZAMFI) Awards - Most Profitable and Financially Stable Microfinance.
- Institute (MFI) of the year (Runner Up).

DATVEST

- Capital Market Awards - Best Equities Fund Manager (Winner).

OUR SUSTAINABILITY JOURNEY CONTINUES

GOVERNANCE

The Group seeks to continuously improve sustainability and ESG data collection methods and platforms. This success is based on raising awareness of the importance of operating sustainably in the broader ecosystem.


cbz
6 PEACE, JUSTICE AND STRONG INSTITUTIONS

GOVERNANCE

Sustainability Governance

Approach to ESG Incorporation

CBZ Holdings is firmly committed to embedding sustainability principles and practices into its core strategy to create long-term value for shareholders, clients, and communities. The Group recognises the pivotal role of financial institutions in driving inclusive growth, environmental responsibility, and sound governance practices. The Group's leadership acknowledges that while the journey toward sustainability is ongoing, meaningful progress has already been made.

Environmental, Social, and Governance (ESG) performance is overseen by the Group CEO, supported by the ESG Committee, with strategy led by the Senior Executive team and approved annually by the Board. The Board reviews ESG progress quarterly, adjusting risk appetite and targets as needed. The Risk Management and Legal Compliance Committee supervises enterprise-wide ESG due diligence and stakeholder engagement, reporting quarterly to the Board, while the Audit and Finance Committee verifies key ESG data before sustainability reports are published. An annual external review of Board effectiveness ensures continuous governance improvements; the 2024 review resulted in enhanced ESG reporting and formal establishment of the ESG Committee. This momentum is driving CBZ Holdings to operationalise sustainability principles in a way that supports both immediate performance and long-term resilience.

As Mr Luxon Zembe, Board Chair, states,

"CBZ Holdings is committed to integrating sustainability into our core strategy to deliver long-term value for shareholders, clients and communities. We will leverage our financial expertise to drive inclusive growth, environmental stewardship and robust governance."

Group Chief Executive Officer, Mr Lawrence Nyazema, notes,

"...we have not yet reached where we want to, but the current traction and understanding is reasonable enough to create a momentum that we can consistently ride on."

Business Model Resilience & Innovation

Business Strategy and Resilience: Integrating ESG factors into the overall business strategy enhances the resilience of an entity's business model, opens opportunities for innovation and generates long-term value for all stakeholders.

Opportunities: The Group appreciates that there are significant opportunities and great responsibilities that comes with walking the sustainability journey to which we continually look forward to. It is a journey the Group cannot walk alone and it has therefore engaged thought leaders and subject matter experts in the following areas:

New Markets & Products:

Creating innovative financial products and services to meet the increasing need for sustainable solutions, such as green loans, ESG-focused insurance and sustainable investment funds is the focus.

Attract New Clients:

Attracting the attention of clients who value companies with robust ESG practices, both in terms of the environment and social impact.

Enhanced Reputation:

Showcasing strong leadership in sustainability is crucial for enhancing brand reputation and attracting top talent.

Risk Mitigation:

Recognising and handling environmental and social risks within the Group's diversified portfolio, which could potentially enhance your financial performance.

Regulatory Advantage:

Staying ahead of evolving regulations related to ESG disclosure and sustainability practices, with a focus on staying at the forefront of industry standards and best practices.

Philanthropic Impact:

Harnessing the CBZ Holdings available resources to champion sustainable development initiatives and promote social good especially through the efforts of the CBZ Foundation.

Approach to Financial Risk

CBZ manages financial risks through a series of specialised frameworks and policies. These frameworks are designed to address key areas, including:

Financial Risk	Credit Risk	Market Risk	Liquidity Risk	Capital and Insolvency Risk	Investment Risk

Each of these risk categories above is supported by clearly defined governance structures. These structures ensure accountability and oversight. Each category has a specific risk appetite statement which articulates the level of risk the Group is willing to accept. A range of measurement tools such as Value at Risk (VaR), liquidity ratios, stress tests, and scenario analysis are then used to quantify and monitor these risks.

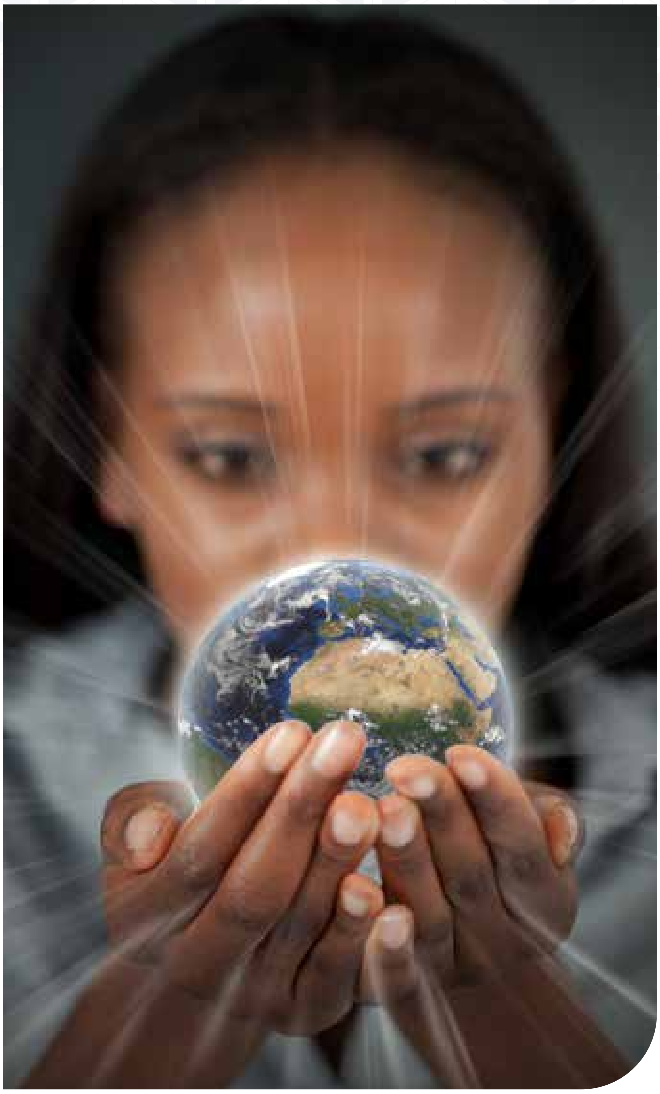
The assessment of financial risks is an ongoing process which involves continuous exposure monitoring to track current position and potential vulnerabilities. Limit controls are in place to prevent excessive risk-taking and risk dashboards provide a consolidated view of key risk indicators, enabling timely decision-making.

Approach to Social Risks

In business, where there are significant opportunities, there are also risks that need to be considered. Some of the risks that are present in the Group's journey are:

SHIFTING CLIENT NEEDS:	REPUTATIONAL RISK FROM CONTROVERSIAL INVESTMENTS:	INCREASED COSTS:	DATA & MEASUREMENT CHALLENGES:	STRANDED ASSETS:	GREENWASHING ACCUSATIONS:
There is an ever present threat of not being able to keep up with changing client sustainability preferences and failing to adapt our products and services accordingly.	Increased scrutiny for financing companies with poor environmental or social practices.	Investments in developing new ESG-focused products, staff training and potential technology upgrades.	Challenges in precisely measuring and reporting ESG.	Loans to businesses that are unable to adapt to a changing environment may eventually become non-performing.	Potential concern of being seen as merely paying lip service to sustainability without taking tangible steps.

Every SBU in the Group will encounter distinct opportunities and risks associated with ESG and Sustainability. But the appreciation across business is that of a long-term view that will allow the Group to operate sustainably into the foreseeable future.



Business Model and Strategy Planning

CBZ Holdings is actively addressing environmental and social risks, diversifying its product offering and adapting to market requirements. It is now providing financing for solar and income-generating products, demonstrating its commitment to sustainability and meeting customer needs. This is driven by the desire to expand our customer base beyond government clients and to ensure that our interest rates are in line with economic conditions and funding costs. Efforts to enhance efficiency in information technology will greatly enhance competitiveness and customer retention. The Group's Environmental and Social Risk Policy Framework outlines its approach to effectively managing and overseeing environmental and social risks within its operations, with a particular emphasis on the most critical issues. The Group thoroughly evaluates projects to ensure they align with all relevant laws, permits and ethical considerations. For medium and high-risk projects, the Group prioritizes frequent site inspections and monitoring to ensure that performance criteria are consistently met, to ensure it meets performance standards.

Impact of Environmental and Social Risks and Opportunities on CBZ Holdings

The impact of Environmental and Social risks and opportunities has been more prevalent in the period under review. Due to the drought that was forecasted and experienced there was a need to strategize and adapt the overall Group Strategy particularly on lending business exposed to Agriculture. The Group has a Business Continuity Plan (BCP) in place and it is reviewed regularly to align with climate change particularly when it comes to climate adaptation and mitigation activities.

The Group has in place policies and procedures to guide operations. The Group supports the 17 SDG Goals to ensure a better and more sustainable future for all people across the globe. Its business aims to mobilize and scale financial capital and human innovation to accelerate the financing of companies aligned with the SDGs.

Digital Transformation

CBZ Holdings has been strategically adapting to the changing customer needs and competitive environment through an extensive digital transformation.

The digital transformation is fueled by a strong drive to elevate the customer experience, optimize efficiency, foster innovation and minimize risk. The Group is deliberately investing in automating and digitizing transaction monitoring and risk assessment technologies to align with its expanding ESG commitments. It is crucial for the organisation to take a proactive approach in identifying, mitigating and responding to ESG issues as they arise. This ongoing digital transformation is a testament to the Group's forward-thinking funding in information and technology strategy, which have positioned it strongly for the future of banking.

Business Ethics

The Group continually grapples with the delicate task of harmonizing its drive for profitability with a commitment to ethical business practices. We understand that due to the scale and scope of CBZ Holdings' operations, potential conflicts of interest can arise. As an illustration, CBZ Capital can provide expert guidance to a company regarding mergers and acquisitions, while CBZ Bank fulfils a crucial funding role. Investors and consumers are always interested in the Group's commitments and history when evaluating our business ethics. It's crucial for us to maintain transparency and integrity to gain and maintain their trust.

Anti-Corruption and Anti-Money Laundering Training

Every employee and board member at CBZ Holdings receives comprehensive training on Anti-Corruption during their induction into the organisation. Training on other areas crucial to the Group's operations, such as Anti-Money Laundering, is also conducted concurrently. Regular training sessions and informative updates are provided throughout the year to ensure that all stakeholders are well-informed about the latest advancements in their respective fields.

Management of Legal & Regulatory Environment

The Group actively engages in public policy development and lobbying efforts, working through the Bankers Association of Zimbabwe. Through this association, the Group expresses its recommendations to the Central Bank for amending, reviewing, or repealing finance-related legislations that are not in the best interest of the public. In the agricultural sector, CBZ Agro-Yield is actively involved in public policy formation through its participation in associations and forums such as the Zimbabwe Agricultural Society.

CBZ Holdings also provides support in areas such as education, humanitarian efforts, sports, national progress, healthcare and the arts. The company strives to support public policy-related activities in these areas.

Political Contributions

The Group does not provide any financial or non-financial support to political parties, whether directly or indirectly. The company's policies dictate the procedures for handling Politically Exposed Persons (PEPs), such as the Credit Policy and Anti-Money Laundering (AML) Policy, are crucial for maintaining transparency and preventing financial crimes.

Compliance with Laws and Regulations

During the reporting period, CBZ Holdings did not have any recorded instances of noncompliance that led to fines or non-monetary sanctions.

Systematic Risk Management Approach

Stress testing plays a crucial role in managing systemic risk and has become a standard requirement for banks to assess their financial and operational capabilities. Demonstrating resilience is crucial. Although the Group conducts stress tests, these tests do not consider ESG risks and therefore do not contribute to the company's ESG strategy.

CBZ Holdings is committed to minimizing potential risks that may arise from non- insurance activities. Our comprehensive risk management policies and our credit and liquidity risk appetite guide our decision-making process.

Sustainability Related Risks and Opportunities (SRRO)

As we navigate the complexities of the financial services sector, we face several sustainability-related risks, including sustainability regulation compliance risks, resource scarcity, and potential reputational damage associated with Environmental, Social and Governance (ESG) issues. These risks can affect our long-term operational efficiency and stakeholder trust. Through integrating sustainable practices into our operations, we promote and enhance our ability to identify and manage sustainability risks and opportunities, thereby unlocking innovation in our product offerings, enhancing customer loyalty, and attracting new market segments.

Land Degradation

Risk: Continuous monoculture and poor agronomic practices degrade soil fertility. This leads to lower crop yields and financial instability for farmers, heightening the risk of defaults.

Financial Implication
- -5% from yield declining thereby higher risk of farmer default.
- Potential long-term reduction in viability of target production areas.
- -6% Return on Assets (Lower productivity).

Opportunities
- Fund research and development of sustainable agricultural practices that improve soil health and productivity.
- Provide training for farmers and subsidiaries on sustainable agronomic practices to improve soil fertility and yield.
- Develop financial solutions tailored for sustainable agricultural practices, helping farmers invest in eco-friendly technologies.

Regulatory Compliance

Risk: Non-compliance with sustainability regulations can result in fines, legal actions, and reputational damage, affecting stakeholder trust.

Financial Implication
- Fines, legal actions, and reputational damage can lead to financial losses and decreased shareholder value.
- Investment in sustainable products and stakeholder engagement can lead to increased revenue, enhanced brand reputation, and long-term profitability.

Opportunities
- Integrating ESG (Environmental, Social, and Governance) criteria into risk management and investment decisions enhances transparency.
- Developing innovative financial products and services that promote sustainability to meet regulatory requirements and customer demands.
- Engaging with regulators, and stakeholders to shape sustainability policies and standards can position the Group as a leader in responsible banking practices.

Financial Inclusion

Risk: Limited access to banking services for marginalised groups can perpetuate financial exclusion and widen socio-economic disparities.

Financial Implication
- Costs associated with outreach programs and financial inclusion initiatives may impact short-term profitability.
- Increased customer base and revenue streams from financial inclusion efforts can offset initial costs and lead to sustainable growth.

Opportunities
- Expanding Accessible Banking Services through online platforms and community outreach.
- Providing microfinance loans and financial assistance to entrepreneurs in underserved communities to stimulate economic growth and financial empowerment.

Financial Literacy

Risk: Low levels of financial literacy can lead to poor financial choices, debt accumulation, and limited wealth-building opportunities.

Financial Implication
- Costs associated with financial education programs and tools may impact short-term expenses.
- Improved financial literacy among customers can lead to better financial decision-making, reduced default rates, and increased revenue for the Group.

Opportunities
- Offering workshops, seminars, and resources to improve financial knowledge and decision-making skills among customers and the community.
- Partnering with schools and educational institutions to incorporate financial literacy curriculum and empower the next generation with essential financial skills.
- Providing user-friendly financial management tools and resources to help individuals track expenses, set financial goals, and improve financial well-being.

Human Capital

Risk: Inadequate talent management practices can lead to high employee turnover, decreased productivity, and diminished organisational performance.

Financial Implication
- High employee turnover, recruitment, and training expenses can impact financial resources.
- Investment in talent development, diversity programs, and employee well-being initiatives can lead to improved employee retention, productivity, and overall financial performance.

Opportunities
- Offering training, mentorship, and professional development opportunities to employees to enhance skills, knowledge, and career growth.
- Promoting diversity, equity, and inclusion within to create a supportive and inclusive work environment.
- Implementing initiatives to support employee health, well-being, and work-life balance to enhance job satisfaction, productivity, and retention.

Cybersecurity

Risk: Cyber-attacks can result in data breaches, operational disruptions, and reputational harm.

Financial Implication
- Cybersecurity incidents, regulatory fines, and data breaches can lead to financial losses and damage to the bank's reputation.
- Investment in cybersecurity infrastructure and training programs can protect revenue streams.

Opportunities
- Implementing advanced cybersecurity measures, encryption technologies, and threat detection systems to prevent cyber- attacks and secure sensitive information.
- Providing cybersecurity awareness training to employees to educate them on cyber risks, phishing scams, and best practices for data protection.
- Developing incident response plans and protocols to effectively manage and mitigate the impact of cybersecurity incidents.

CORPORATE GOVERNANCE

OUR APPROACH TO CORPORATE GOVERNANCE

Integrity, strong ethical values, professionalism and the highest standards of governance are core to CBZ Holdings Limited. The Board understands that effective governance is key to the successful development and execution of the Group's strategy. Governance is how the Board makes decisions and provides oversight to promote the success of the Group for the long-term sustainable benefit of our shareholders, having regard to the interests of our stakeholders, including our clients, customers, staff and the society and wider environment in which we operate.

The Group aims to stay abreast with the developments in good governance and has a governance framework that guarantees continuous compliance with the Zimbabwe Corporate Governance Code (ZIMCODE 2014), the Zimbabwe Stock Exchange Rules SI134/2019; the Reserve Bank of Zimbabwe Corporate Governance Guidelines No. 01-2004/BSD; the Banking Act (Chapter 24:20), the Banking Amendment Act of 2015; Microfinance Act [Chapter 24:30], IPEC Directive on Governance and Risk Management for Insurance Companies of March 2016 and amendments, Securities Act (Chapter 24:25); Securities Amendment Act No. 2 of 2013, Asset Management Act (Chapter 24:26), Companies and Other Business Entities Act (Chapter 24:31) and the South African King Reports.

As a listed entity, CBZ Holdings has developed a Group Governance Code that has been approved and adopted throughout the Group. The Board is pleased to report that the Company complied with the provisions of the Code during the year ended 31 December 2024.

Our Governance Framework

The Board is ultimately responsible for ensuring effective governance, which is supported by a structure that the Board has determined to be suitable for the needs of the organisation. The Audit and Finance Committee; the Risk Management Committee; Legal and Compliance Committee; the Human Resources and Corporate Governance Committee (this committee also serves as the Nomination Committee); the Information Technology Committee; Environmental Social and Governance Committee; and Strategy Committee are the Board's six primary committees. The Board reserves certain matters for its own consideration.

OUR GROUP EXECUTIVE TEAM

The Group Executive Committee comprises the Group's most senior executives. The Executive management team supports the Group Chief Executive Officer in managing the company's businesses.

The Executive management team is responsible for developing and delivering strategy and priorities approved by the Boards, monitoring performance against key financial objectives, managing and overseeing asset and liability management, capital allocations, risk, disclosure issues, investments, acquisitions and disposals, operational issues, customer issues and succession planning. The Executive management team actively promotes the Group's culture and values.

Joel Makombe
Capacity: Group Chief Finance Officer

Lawrence Nyazema
Capacity: Group Chief Executive Officer

Norman Tafadzwa Mhondiwa
Capacity: CBZ Bank Acting Managing Director

Thabo Ndlela
Capacity: Group Chief Information Officer

Nyasha Mangwiza
Capacity: Group Chief Human Capital Officer

Rumbidzayi Jakanani
Capacity: Group Chief Legal Counsel & Governance Officer

Matilda Nyathi
Capacity: Group Chief Marketing & Customer Experience Officer

Takawira Chinyani
Capacity: Head of Insurance Cluster

Tendai Muzadzi
Capacity: Head of Investments Cluster

Wellington Mutizwa
Capacity: Head of Agro-Business Cluster

OUR GROUP BOARD

Luxon Zembe

Group Chairman

Age: 68

Qualifications

- MBA degree from Henley International Business School.
- Chartered Fellow of the Chartered Institute of Personnel Development (CIPD) (UK).
- Fellow of the Institute of Directors.
- Fellow of the Zimbabwe Institute of Management.
- DAE(UZ)
- Dip in Personnel & Training-IPM(SA)
- Dip Bus. Mgt(Henley-UK);
- Globally Certified Consultant & Trainer for Directors(IOD & Commonwealth Gov Center).

Profile

Luxon Zembe is a distinguished business leader, strategic management consultant and entrepreneur with 35 years of experience across the private, public and NGO sectors locally, regionally, and internationally. He is the current Independent Non-Executive Chairman of CBZ Holdings Limited. He previously served as Chairman and Independent Non-Executive Director of ZB Financial Holdings. Luxon has held senior executive and directorship roles in manufacturing, mining, financial, and commercial sectors of the economy, including serving on the Reserve Bank of Zimbabwe's Advisory Board and Monetary Policy Committee, National Economic Consultative Forum, as well as leading strategic change initiatives at Standard Chartered Bank Africa. An accomplished corporate governance expert, he is a Senior Consultant and Trainer for Directors at the Institute of Directors and Quality Corporate Governance Center. He is Chairman of his own business Group of Companies involved in Governance and Strategic Management Consultancy, Offshore Financial Investment and Advisory Services, Commercial Farming and Eco-Tourism. He is the past President of the Zimbabwe National Chamber of Commerce, founding Vice President of the Pan African Chamber of Commerce and Industry, past President of Zimbabwe Institute of Management, past President of Business Chamber of Professional SMEs, and past Vice President of the Institute of Personnel Management. Luxon is academically and professionally accomplished, holding numerous fellowships, business qualifications and extensive lectureships. He is also a committed philanthropist who supports educational and community welfare causes. He has supported numerous professional and educational institutions, including mentoring over 100 successful and prominent young people alongside his wife, Charity. His leadership is grounded in biblical principles of integrity, probity, honesty, stewardship and a deep commitment to transformative service to the nation and the community.

Committee Membership:

- Strategy Committee
- Environmental, Social And Governance Committee
- Human Resources & Corporate Governance Committee
- Risk Management, Legal & Compliance Committee
- Information Technology Committee

Lawrence Nyazema

Group Chief Executive Officer

Age: 54

Qualifications

- B.BA in Business Management from Mancosa, South Africa.
- M. Sc in Finance from University of London, United Kingdom.
- Diplomas in Banking from the Institute of Bankers South Africa & Zimbabwe.

Profile

Lawrence has 33 years banking experience working with local, regional and international financial institutions in various capacities.

Before his appointment as Group Chief Executive Officer, Lawrence was the Managing Director of CBZ Bank Limited, a position he took up on 1 January 2022 after joining the Bank as Executive Director – Wholesale Banking in January 2020. Prior to that he spent 19 years with Barclays Bank (now First Capital Bank) in various capacities including that of Commercial Director from April 2011 to December 2019 and Treasurer from July 2007 to March 2011. His career started at ZB Financial Holdings spanning from 1990 to the year 2000 where he occupied various positions starting off as an Analyst to Senior Treasury Dealer by the time he left.

Lawrence also serves as the current President of the Bankers Association of Zimbabwe.

Committee Membership:

- Strategy Committee
- Audit & Finance
- Human Resources & Corporate Governance Committee
- Risk Management, Legal & Compliance Committee
- Environmental, Social And Governance Committee
- Information Technology Committee

OUR GROUP BOARD (CONTINUED...)

Joel Makombe

Group Chief Finance Officer

Age: 46

Qualifications
- Fellow Chartered Certified Accountant (FCCA) ACCA.
- Chartered Accountant (ACA) Institute of Chartered Accountants in England and Wales (ICAEW).
- Chartered Accountant CA (Z) Institute of Chartered Accountants of Zimbabwe (ICAZ)
- Associate Banker Institute of Bankers Zimbabwe (IOBZ).
- M. Sc Professional Accountancy University of London.
- Master of Business Administration (MBA) Oxford Brookes University.
- Business and Finance Professional (BFP) Institute of Chartered Accountants in England and Wales (ICAEW).
- PRINCE 2 (Project Management) AXELOS.
- Bachelor of Accountancy Honors Degree (UZ).

Profile

Joel is an accomplished Finance professional, with vast experience in financial leadership and business partnering.

He has more than 20 years' experience within the Financial Services industry, spanning the Banking, Insurance and Asset Management spheres, in which he has held Senior Managerial and Executive Finance roles.

Prior to his appointment as the Group Chief Finance Officer, Joel was the Divisional Director Group Finance at CBZ Holdings Limited, a position he held for the past five years.

Committee Membership:
- Strategy Committee
- Audit & Finance
- Environmental, Social And Governance Committee
- Risk Management, Legal & Compliance Committee
- Information Technology Committee

Edward Ushemazoro Mashingaidze

Independent Non-Executive Director

Age: 69

Qualifications

- Student: Doctor of Business Administration (DBA) with the University of Liverpool, UK.
- Master of Research and a Master of Business Administration (MBA)-International Business from University of Liverpool.
- Bachelor of Commerce (Economics) from the University of South Africa.

Profile

Edward U. Mashingaidze has been instrumental in the start-up, growth and expansion of EnergyDAS (Private) Limited. He manages and provides leadership for EnergyDAS's large-scale high-tech projects that involve multiple stakeholders and organisations. He coordinates specialist engineering teams working on advanced technical implementation throughout Africa. He has over 20 years' extensive experience in the processing industry having worked for TA Holdings Limited from 1986 to 1996 as Managing Director of United Refineries (Private) Limited. Edward also spent 15 years as Managing Director of a distributor of Komatsu earth moving equipment in the mining and construction industry.

Committee Membership:

- Audit & Finance
- Human Resources & Corporate Governance (also sits as Nominations Committee)
- Environmental, Social And Governance Committee
- Strategy Committee
- Information Technology Committee

OUR GROUP BOARD (CONTINUED...)

Edward Elio Galante

Board Director (Independent Non-Executive Director)

Age: 67

Qualification

- College of Notre Dame – BA History and Philosophy
- YPO Continuing Education
  - London Business School
  - Harvard Business school
- IMF Board Training Programs
- AI Training Programs

Profile

Edward ("Ted") Galante is a seasoned executive and entrepreneur who has had a long career in founding and leading companies in Zimbabwe, the Southern African Region and the United States.

He is currently a management and strategic consultant after retiring from Mangwana Capital, Zimbabwe's first locally funded Private Equity Group which he co-founded.

In addition to current interests in farming, financial services and real estate, and having been a managing partner at a boutique investment Bank in South Africa, he was the Founder of Houses for Africa which built and financed over 5000 homes in Zimbabwe and developed 4000 serviced stands. His experience is in property development with a particular focus on the design, sale and implementation of mortgage-backed securities in Zimbabwe and regional and international capital raising.

Prior to emigrating to Zimbabwe in 1992, he worked in the securities business in San Francisco and New York and held various positions in securities research, institutional sales, asset management, syndicate, and corporate finance.

He recently financed the sustainable design of Oxford University Said Business School's financial inclusion program to bridge the gap between financial capital, accessible through micro lending, and knowledge capital, through targeted business and finance training and is spearheading the launch of the program in Zimbabwe.

He is the Chapter Champion and founding Chairman of the Young President's Organization (YPO) chapter in Harare and the immediate past YPO Africa Gold Regional Chairman.

Ted holds a BA from the College of Notre Dame and has completed continuing education at the London Business School and Harvard Business School.

Committee Membership:

- Audit & Finance
- Strategy Committee
- Environmental, Social And Governance Committee

Rebecca Louisa Gaskin Gain

Board Director (Independent Non-Executive Director)

Age: 58

Qualifications

- Bachelor of Arts (History), Honors Program, from the Wake Forest University.
- Juris Doctor Degree from the Emory University School of Law.
- Corporate Finance Research for the Columbia University School of Law Institutional Investor Project
- Foundations in Finance program at the Insead-Amsterdam Institute of Finance.
- Postgraduate studies in Islamic Finance at the Insaniah University (Malaysia)
- Intensive Arabic Language program at the Yemen College of Middle Eastern Studies.

Profile

Rebecca has more than 30 years of experience in the emerging markets and 25 years of experience in Africa. She has served in advisory, executive and director roles. She is a lawyer by profession and was admitted to the New York State Bar Association in 1990. She completed a clerkship at the Appellate Division of the Supreme Court of New York, and subsequently served as a transaction advisor on privatization portfolios for the Czech Ministry of Privatisation and the Russian Privatisation Centre, and served as a Privatisation Advisor to the Ugandan Minister of Finance responsible for Privatisation.

In 2000, she was the first female appointed by the Standard Bank Group to serve as Chief Executive Officer for a group subsidiary, Standard Bank Congo, a position that she held for three years. In 2003, she was the first female appointed to the Group's Africa Executive Committee. In the domain of foreign direct investment, Rebecca understands the range of complex issues involved with negotiating and implementing investment conventions with governments and related project finance agreements with developers, investors and financial institutions.

More recently, Rebecca provided business development support to Nexant Inc's energy advisory and government service operations. She was the Lead Transaction Advisor in Djibouti from 2015 to 2018, with the responsibility to originate and drive priority projects in energy and related pipeline infrastructure projects under the United States initiative, Power Africa. She also served as the Senior Energy Advisor to Power Africa for Somalia and led the due diligence of the Electricity Supply Industry in Somalia and Somaliland in 2017.

Rebecca has served on the UNHABITAT Consultative Board in Nairobi, Kenya, and represented a private investor on the Investment Committee of CASF, a fund providing equity and debt investments into the Democratic Republic of Congo and the Central African Republic. She is a Member of the National Order of Civil Merit of the Democratic Republic of Congo.

Rebecca was appointed as an independent Non-Executive Director on 1 November 2019.

Committee Membership:

- Environmental, Social And Governance Committee
- Risk Management, Legal & Compliance Committee
- Strategy Committee
- Human Resources & Corporate Governance Committee
- Information Technology Committee

OUR GROUP BOARD (CONTINUED...)

Rumbidzayi Angeline Jakanani

Group Chief Legal Counsel & Governance Officer

Age: 47

Qualifications

- Bachelor of Law (Honors) Degree – University of Zimbabwe.
- Master of Law in International Economic Law - University of Warwick UK.
- Master of Business Administration Degree in Strategic Management – National University of Science and Technology.

Profile

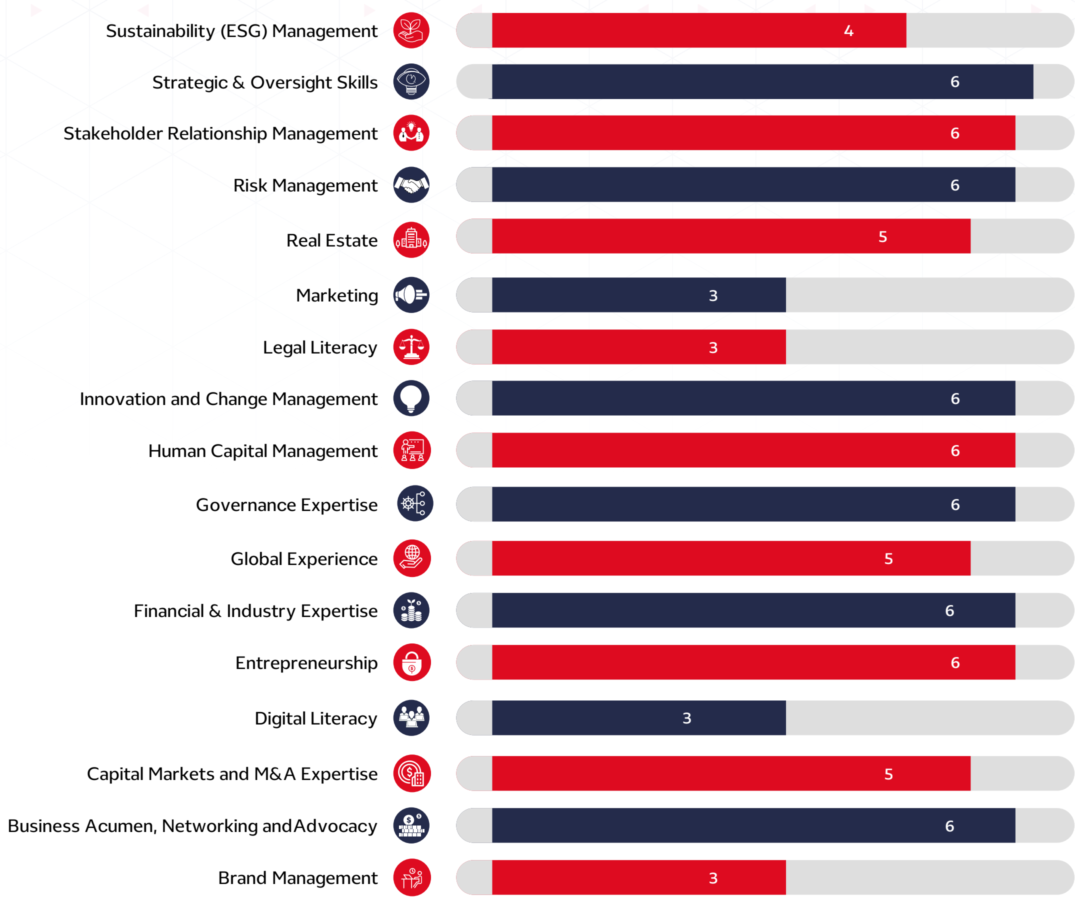
Rumbidzayi is a lawyer by profession and an experienced governance officer. She undertook her legal training with Stumbles and Rowe Legal Practitioners and joined CBZ in 2005 in her capacity as Manager Corporate Governance and Compliance. In 2009, she was appointed as Legal Corporate Secretary for CBZ Bank Limited then elevated to her appointment as Group Legal Corporate Secretary, CBZ Holdings Limited, in 2012 a position she held until December 2022 when she was appointed as the Group Chief Governance Officer. In October 2024 she was appointed the Acting Group Chief Legal Counsel & Governance Officer which position was made substantive in February 2025.

With her 20 years of diversified and uninterrupted experience providing legal, corporate governance and company secretarial duties, she has facilitated corporate processes, securing favourable company terms and acquisitions. Rumbidzayi offers strong legal, governance and leadership skills and provides guidance to the Board as a whole and to individual directors with regard to how their responsibilities should be discharged in the best interests of the Group.

She holds a Masters of Laws in International Economic Law from the University of Warwick (UK), an MBA in Strategic Management from the National University of Science and Technology and a Bachelors (Honours) Degree in Law from the University of Zimbabwe.

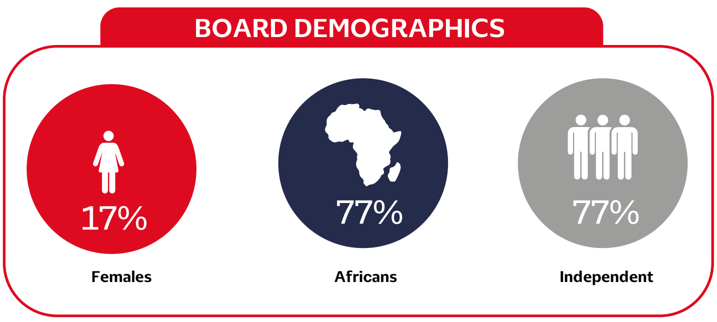
BOARD EXPERTISE AND DIVERSITY PROFILE

BOARD SKILLS MATRIX

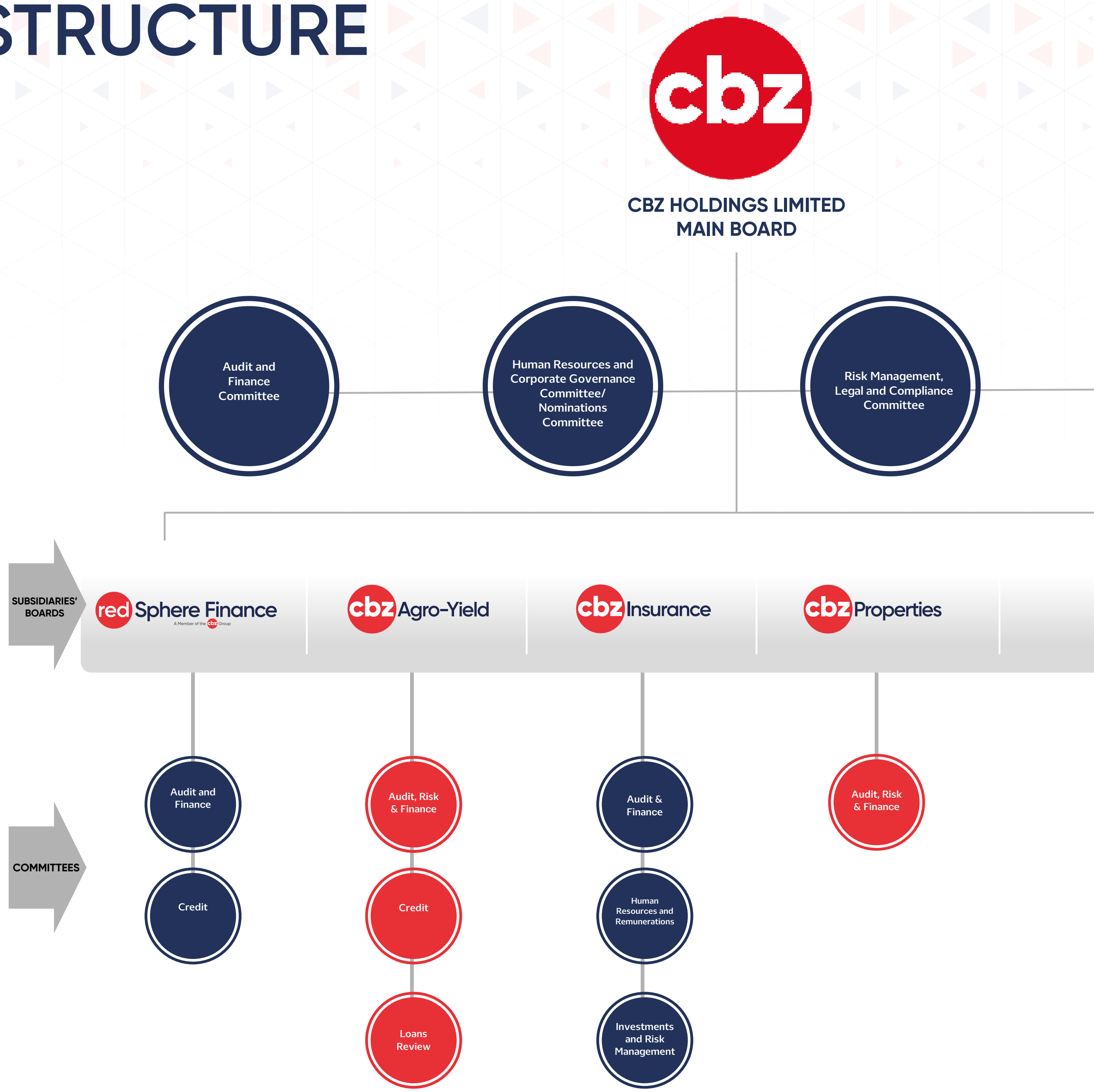


Following recent retirements, the Board is in the process of refreshing its composition and actively recruiting suitably qualified individuals to enhance its capabilities and ensure continued effectiveness

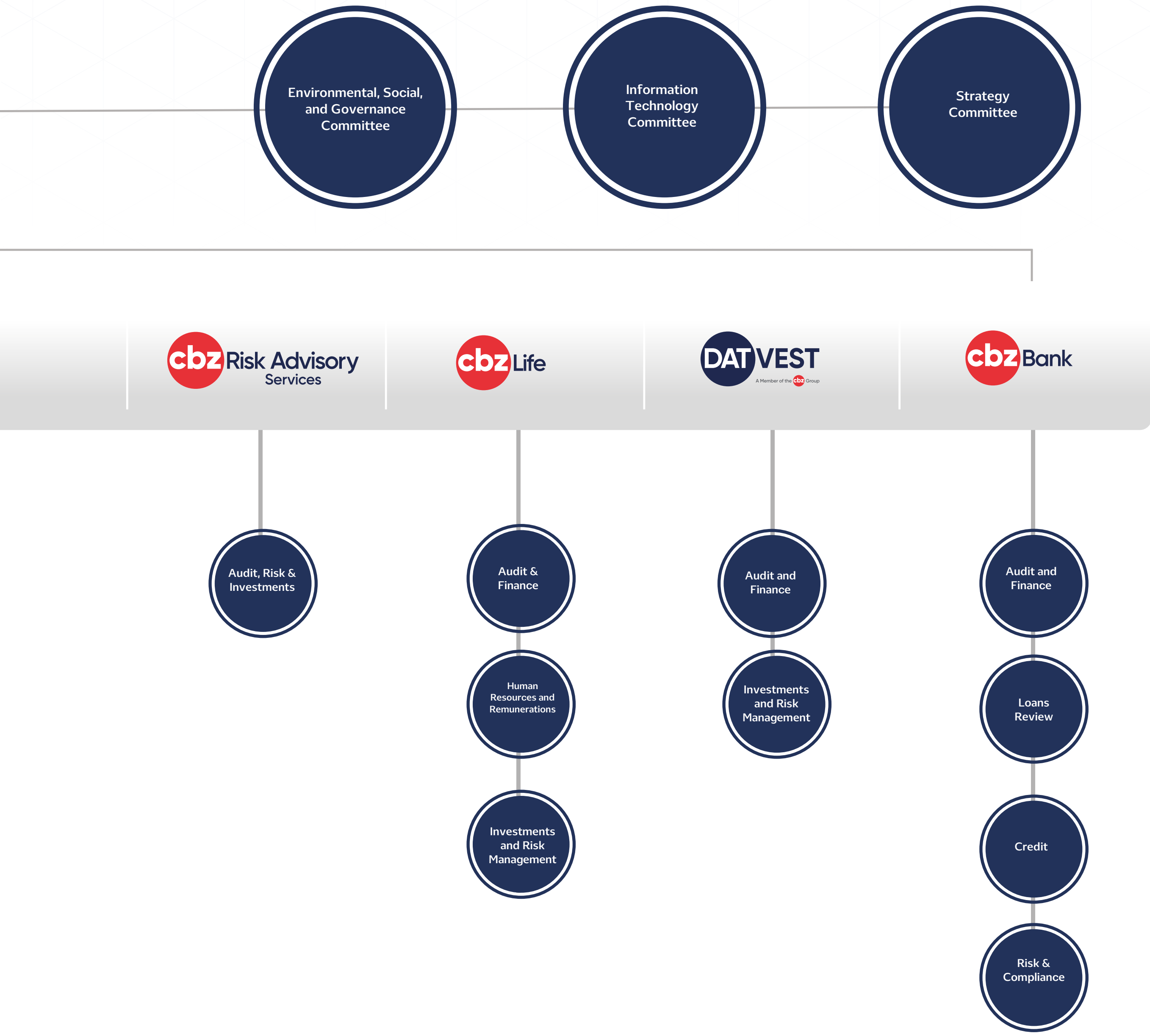
BOARD DEMOGRAPHICS



OUR BOARD GOVERNANCE STRUCTURE



Agroyield and CBZ Properties Committees have been approved by their respective Boards and are being implemented


Environmental, Social, and Governance Committee
Information Technology Committee
Strategy Committee
cbz Risk Advisory Services
cbz Life
DATVEST
A Member of the cbz Group
cbz Bank
Audit, Risk & Investments
Audit & Finance
Human Resources and Remunerations
Investments and Risk Management
Audit and Finance
Investments and Risk Management
Audit and Finance
Loans Review
Credit
Risk & Compliance

The Role of the Board of Directors
This is the main decision making body, setting the strategic direction of the Group and ensuring that the Group manages risk effectively.

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic direction to the Company. The Board has a fiduciary responsibility to ensure that the Company has clear goals and measurable objectives to promote a healthy corporate culture aligned with strategy, shareholder value and the Company's growth.

The Board exercises its duties with care, skill and diligence and exercises independent judgment. The Board sets strategic goals and seeks accountability for their fulfilment. The Board also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations.

The roles of the Chairman and the Group Chief Executive Officer are formalised, separate and clearly defined. This division of responsibilities at the helm of the Company ensures a balance of authority and power, with no one individual having unrestricted decision-making powers.

The non-executive directors have extensive business experience and specialist skills across a range of sectors, including accounting, finance, law, risk management, retailing, economics and human resources. This enables them to provide balanced and independent advice and judgement in the decision-making process.

The Board meets at least four times a year. Additional meetings can be convened to consider specific business issues which may arise between scheduled meetings.

The Board of directors reviews and sets the strategic direction of the Group and, as appropriate, the strategies for each of its businesses, within the parameters set by the Group Board. The Board also oversees the execution of the Group strategy and holds executive management to account for its delivery.

Integrity and availability of information to the Board
All directors receive accurate, timely and clear information on all relevant matters and have access to the advice and services of the Group Chief Legal Counsel & Governance Officer. In addition, all directors are able, if necessary, to obtain independent professional advice at the Company's expense.

The Board has unrestricted access to all Company-related information, including that of employees. At board meetings, managers and representatives who can provide additional insights into the items being discussed are invited. Regular updates provided to the Board include:

- Annual strategic and operating plans and budgets, capital budgets and updates;
- Quarterly results of operating Subsidiary Units;
- Dividend information;
- Information on recruitment and remuneration of Executive Management;
- Materially important litigation, show cause, demand, prosecution and penalty notices;
- Any materially relevant defaults in financial obligations;
- Any issue that involves possible public or product liability claims of a substantial nature;
- Details of joint ventures, mergers and acquisitions of companies, or collaboration agreements;
- Transactions that involve substantial payments toward goodwill, brand equity or Intellectual Property (IP);
- Any significant development involving human resource management;
- Sale of a material nature, or of investments, subsidiaries and assets, which are not part of the normal course of business;
- Non-compliance with any regulatory, statutory or listing requirements, as well as shareholder services, such as non-payment of dividend and delays in share transfer.

Balance and Diversity
The Board is structured to ensure that the directors provide the Group with the appropriate balance of skills, experience, knowledge and diversity, as well as independence. Given the nature of the Group's businesses, experience of banking and financial services is clearly of benefit and the Board has Directors with substantial experience in those areas.

The Board promotes diversity at board level focusing on the promotion of diversity attributes of gender, race, culture, age, field of knowledge, skills and experience. The Board strives to have an appropriate balance of diversity to ensure robust governance, decision making and strong technical input. Our Board is diverse in terms of age, race, ethnicity, tenure, country of origin, culture, educational background, skills, experience and knowledge. This provides a fertile environment for discussion, debate, input, challenge and thought outcomes.

The composition review considers rotation plans, tenure, succession, retirement, resignation, skills and outcomes of board evaluations. The Board has acknowledged and is focused on the promotion of the diversity attributes of gender. Currently the Board has one female Independent Non-Executive Director and 5 males, two of which are executive directors and the remaining are independent.

Board Charter
Our Board Charter is the foundation of our governance principles and practices. The Charter, which is reviewed annually, sets out the scope of authority, responsibility, composition and functioning of the Board. The Charter:

- Defines separate roles for the Group Chairman and Group Chief Executive Officer;
- Outlines a formal process for director induction, appointment and training;
- Sets criteria for directors' independence and the assessment of such independence;
- Outlines the Board's mandate and outlines matters reserved for the Board detailing that directors retain overall responsibility and accountability for:
  - i. Ensuring the sustainability of the business;
  - ii. Approving strategic plans;
  - iii. Monitoring operational performance and management;

iv. Ensuring effective risk management and internal controls;
v. Monitoring legislative, regulatory and governance compliance;
vi. Approval of significant accounting policies and annual financial statements;
vii. Selection, orientation and evaluation of directors;
viii. Ensuring appropriate remuneration policies and practices;
ix. Monitoring transformation and empowerment; and
x. Promoting balanced and transparent reporting to shareholders.

Size and Composition of the Board

The Board has an appropriate mix of directors to maintain its independence and separate its functions of governance and management. The Board comprises of 6 Directors being; 4 Independent Non-Executive Directors and two Executive Directors.

The Company's Board size is determined by:

- Provisions in terms of the its Memorandum and Articles of Association;
- Provisions in the Zimbabwe Corporate Governance Code (2014);
- Provisions in the Banking Amendment Act (2015);
- Provisions in terms of the RBZ Corporate Governance Guideline No. 01/2004/BSD;
- Provisions in terms of the Banking Act [Chapter 24:20];
- Provisions in terms of the Companies and other Business Entities Act [Chapter 24:31];
- International best practice guided by King Reports and Codes of Governance;
- The governance arrangements for the Board and its committees have been designed to enable the Board to exercise appropriate oversight.

Director Training and Professional Development

Directors have access to a wide range of briefing and training sessions and other professional development opportunities. Directors undertake the training they consider necessary to assist them in carrying out their duties and responsibilities. Non-executive directors discuss professional development needs with either the Group Chief Legal Counsel and Governance Officer or the Chairman at least annually.

During 2024 the Board training programme covered ESG/Climate Governance, Anti Money Laundering Countering the Financing of Terrorism/Counter Proliferation Financing and Enterprise Risk Management. The Board was also invited to attend an Audit Forum and an IFRS, Tax & Business Seminar both hosted by KPMG.

Each year, the Group and subsidiary boards approve a calendar of training programmes. Director training needs are determined by changes in the legislative and business environment, including weaknesses and training needs identified through the annual Board evaluation exercise.

This report provides an overview of the Director Training programs conducted in 2024. The objective of training was to enhance the skills and competencies of both Executive and Non-Executive Directors so as to keep the Directors abreast of the ever changing corporate environment.

Board Training Schedule

DATE	COURSE	FACILITATOR	CBZ HOLDINGS	CBZ BANK	CBZ AGRO YIELD	CBZ ASSET MANAGEMENT	CBZ INSURANCE	CBZ LIFE	CBZ PROPERTIES	CBZ RISK ADVISORY	RedSphere FINANCE
23-Jan-24	ESG/Climate Governance facilitated by the International Finance Corporation	International Finance Corporation	4	3	1	4	2	1	3	3	1
25-Jul-24	KPMG Audit Forum	KPMG	2	2	1	2	3	2	1	2	3
20-Aug-24	Anti Money Laundering Countering the Financing of Terrorism/Counter Proliferation Financing	Insurance and Pension Commission	2	2	1	1	1	2	0	2	0
24-Oct-24	KPMG IFRS, Tax & Business Seminar	KPMG	2	2	1	2	2	0	2	1	2
5-Nov-24	Enterprise Risk Management	In house	3	2	1	1	1	1	0	1	1

In line with strategic imperatives, the Board acknowledges that a training programme achieves the following objectives:

- To ensure that Directors are supported and enabled to meet the changing demands of the Company and its operating environment so that the Company achieves its strategic objectives;
- To facilitate professional and personal development through assisting Directors to broaden, deepen and thereby further enhance their existing skill base; and
- To provide an enabling environment where continuous learning and development takes place.

Key focus in 2024 was on ESG training to bolster Directors' skills and knowledge in areas of sustainability.

Board Meetings

In 2024 a minimum of four formal Board meetings were scheduled and individual attendance by directors at these meetings is presented in the report. The Board meets quarterly. Board meetings are scheduled well in advance according to a board calendar which is set and approved in advance. Additional board meetings, apart from those planned, are convened as circumstances dictate. The Board agenda and meeting structure focuses on strategy, risk management, performance monitoring, governance and related matters. This ensures that the Board's time and energy are appropriately applied. Directors may propose additional matters for discussion at board meetings. In advance of each meeting, the directors are supplied with comprehensive board reports.

Board meetings are conducted in a manner that promotes open communication, active participation and timely resolution of issues. Sufficient time is provided during board meetings for thoughtful discussions. Board meetings are facilitated, but not overly influenced by the Chairman. Other executives such as the Group Chief Legal Counsel and Governance Officer, Group Chief Internal Auditor, Group Chief Risk Officer, Chief Compliance Officer, Group Chief Technology Officer and the Group Chief Human Resources Officer attend Board committee meetings by invitation. This provides the Board with an opportunity to engage directly with management on key issues and it also supports the Board succession planning activities.

DIRECTORS' RESPONSIBILITIES

Accountability

All directors receive guidance on their statutory duties under the Companies and Other Business Entities Act [Chapter 24:31] and are supported in the discharge of their duties by the Group Chief Legal Counsel and Governance Officer. Directors roles and responsibilities are continuously articulated through the Governance Report that is tabled quarterly through the Group Human Resources and Governance Committee. The Board has approved and maintains the "CBZ Governance Code" which sets out the governance, systems and controls applicable to Group. The code is supported by relevant board policies and is made available to all directors and is reviewed and approved by the Board annually.

The Board maintains a register of directors' interests and appointments, which is reviewed annually by the Board, and there is discussion of directors' conflicts in Board meetings, as required.

RETIREMENT AND APPOINTMENT OF NEW DIRECTORS

During the course of the year the Group experienced the following Board changes:

Board Appointments during 2024

Name	Status	Board	Date of Appointment
Mr Gift Simwaka	Managing Director	CBZ Bank	1 September 2024
Mrs Shirley Bridget Naik	Independent Non-Executive Director	CBZ Bank	30 September 2024
Mr Norman Mhondiwa	Chief Financial Officer	CBZ Bank	1 1 October 2024

Board Retirements during 2024

Name	Status	Board	Date of Retirement
Mr Robert Snow	Managing Director	CBZ Properties	31 January 2024
Mr Livingstone Magorimbo	Independent Non-Executive	CBZ Risk Advisory	15 May 2024
Mr. Kamal Khalfan	Independent Non-Executive	CBZ Life	23 May 2024 (Deceased)
Mr Jack Smith	Deputy CEO Group Investments	Subsidiary Boards	31 December 2024
Mr Hasmon Bvumburai	General Manager	CBZ Properties	31 December 2024
Mr Simbarashe Mhungu	Chief Operating Officer	CBZ Agro-Yield	31 December 2024

In the first quarter of 2025 eight independent non-executive directors were appointed and the recruitment of additional directors is still ongoing. The appointment of new directors is based on pre-established criteria having regard to the existing skills mix on the Board as a whole and having assessed areas where additional skill, expertise or experience is required. These appointments to the Board are made with due cognisance of the need to ensure that the Board comprises of a diverse range of skills, knowledge and expertise and has the requisite independence, including the professional and industry knowledge necessary to meet the Group's strategic objectives.

All appointments follow a transparent procedure and are subject to confirmation by shareholders at the Annual General Meeting. Before appointment, potential Board appointees must undergo a Fitness and Probity assessment in line with the Reserve Bank of Zimbabwe (RBZ) Prudential Guidelines, the Banking Act and IPEC Directives on Corporate Governance.

BOARD COMMITTEES

In order to carry out its obligations effectively, the Board relies on the assistance of committees. Our Board committees comprise of directors with a variety of skills and experience so that no undue reliance is placed on any one individual.

The Board understands that by utilising committees, it achieves:

Enhanced expertise:

Committees allow board members with specific expertise to focus on relevant issues, leading to more informed decisions.

Increased efficiency:

By delegating specific tasks and diving deeper into complex matters, committees streamline board meetings and improve efficiency.

Improved oversight:

Committees provide a closer look at critical areas like financial reporting, risk management and executive compensation.

Enhanced accountability:

Committee members are directly accountable for their designated areas, promoting board ownership and responsibility.

Succession planning:

Committees can help identify and groom potential board candidates, ensuring a robust pipeline for future leadership.

The committees meet quarterly to discuss past performance and to provide direction to management on both operational and policy-related matters. Every committee operates in accordance with a set of written terms of reference, according to which certain responsibilities of the Board are distributed for the fulfilment of specifically outlined goals. In cases where it is deemed appropriate to do so, the Board of Directors and the committees of the Board may seek independent counsel at the cost of the Group.

During the year under consideration, the Board committees continued to play an essential part in the governance structure of the Company by carrying out their work in a manner that was both comprehensive and efficient in supporting the work of the Board. The Board of Directors has established and delegated specific roles and responsibilities to six standing committees in order to assist it in discharging its duties. These committees are the Risk Management, Legal and Compliance Committee, the Group Human Resources and Corporate Governance Committee (also sits as the Nominations Committee), the Audit and Finance Committee, the Information Technology Committee, the Strategy Committee and the Environmental, Social and Governance Committee.

Our Board believes that committees are the backbone of effective corporate governance. In the first quarter of 2024, the Board approved the setting up of additional Committees to allow the board to delve deeper into critical areas, fostering informed decision-making and enhanced oversight. The new committees that were set up are the Information Technology Committee, Strategy Committee and the Environmental, Social and Governance Committee.

BOARD COMMITTEES

AUDIT & FINANCE COMMITTEE

Mr. E. E. Galante (Chair)
Mr. E.U. Mashingaidze
Mr. L.C. Gerken*

- The committee assists the Board in the discharge of its duties relating to the coordination of internal control management and risk management activities. This covers internal control systems and internal audit, recommending the appointment; reappointment or removal of external auditors, financial and integrated reporting, budget development and financial planning.
- The Group financials, budgets, Internal Audit and External Audit reports are presented and discussed by this committee.

HUMAN RESOURCES & CORPORATE GOVERNANCE COMMITTEE

(also sits as Nominations Committee)

Mr. E.U. Mashingaidze (Chair)
Ms. R.L Gaskin Gain

- Sets, reviews and recommends overall remuneration policy and strategy.
- Reviews and approves remuneration arrangements for executive directors and senior management.
- Oversees matters of corporate governance for the Group and Board including formulating the governance framework.
- Identification of non-executive director candidates for election to the Board and ensuring the integrity of the nomination process.
- The committees also provides general oversight over strategic human resources and governance matters.
- The Group Human Resources Report and Corporate Governance Report are presented and discussed by this committee.
- The Nominations committee is responsible for considering and making recommendations to the Board in respect of Board appointments. The Nominations committee reviews the structure, size and composition of the Board, and makes recommendations to the Board in relation to any necessary changes, having regard to the overall balance of skills, knowledge, experience and diversity on the Board, the length of service of the Board as a whole; and the requirement to keep membership regularly refreshed. The Nominations committee considers Board composition and succession planning at least annually.

RISK MANAGEMENT, LEGAL & COMPLIANCE COMMITTEE

Ms. R.L Gaskin Gain (Chair)
Mr. L.C. Gerken*
Mr. T. Gumbo*

- The committee provides oversight of effectiveness of the systems of risk management and internal controls.
- Review, approve and recommend to the Board for approval the methodologies used to identify, assess, measure, monitor and report on risks.
- Review, monitor and challenge the actual assessment and reporting of risks, trends and concentrations.
- Review and recommend to the Board, the risk strategy for the Group.
- Monitor and express an opinion to the Board on the effectiveness of the Group risk management system.
- Develop and implement the Group Compliance framework.
- The Group Risk Report, Group Legal Report and Group Compliance Report are presented and discussed by this committee.

INFORMATION TECHNOLOGY COMMITTEE

Mr. L.C. Gerken (Chair)*
Mr. L. Zembe
Ms. R.L Gaskin Gain

- The committee assists the Board in the discharge of its duties relating to the provision of strategic direction, oversight and governance to ensure that IT initiatives support the Company's objectives while mitigating risks and maximizing value.
- The committee is established to assist the Board in fulfilling its oversight responsibilities related to information technology strategy, digital transformation initiatives, cybersecurity and data management;
- The committee serves as a forum for discussion, evaluation and recommendation on matters pertaining to Information Technology governance and digital innovation within the CBZ Group.
- The committee reviews, monitors and provides guidance on matters related to the Group's IT and information management strategies, governance, operations, policies and controls.

Key
* Retired

STRATEGY COMMITTEE

Mr. L Zembe (Chair)
Mr. E.U. Mashingaidze
Ms. R.L Gaskin Gain
Mr. L.C. Gerken
Mr. T Galante
Mr. L. Nyazema
Mr. T Gumbo*

- The committee has the following duties and responsibilities.
- Consider, review, analyse, monitor, evaluate and exercise general oversight of and make recommendations to the Board on the Company and the Group's strategic plan and overall strategy.
- Consider and review (and where it thinks appropriate, recommending to the Board) all potential acquisitions and disposals of any business or business unit or significant asset by any member of the Group.
- Review and evaluate any proposed merger, joint venture, profit sharing or similar transaction involving any member of the Group.
- Review key strategic projects of the Group.
- Assist the Board in assessing major financial plans and investment plans and other material issues that affect the strategic plan of the Company.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Mr. T Galante (Chair)
Ms. R.L Gaskin Gain
Mr. L.C. Gerken

- The committee assists the Board with the performance of its duties pursuant to discussions within and decisions of the Board on such matters where these relate to and/or concern the various areas of ESG.
- development of ESG and the integration of ESG in the company and its strategy.
- ESG priority-setting and ESG-related KPIs and connected target setting, and the progress achieved on these disclosures, reporting and assurance: compliance with applicable laws and regulations in the field of ESG, in particular relating to (corporate and regulatory) reporting and disclosure requirements and assurance, taxonomy and labelling.
- Assist the Board with generally monitoring and advising on relevant ESG developments.

Key
* Retired

BOARD EVALUATION

A review of the effectiveness of the Board, including the Chairman, individual Directors and Board committees is conducted annually. An effective Board is the key driver of business growth and success; this is complemented where an organisation has a structured program for Board Evaluation.

The Board provides the overall leadership and vision for the Company, setting its direction and major policies, appointing and supervising Executive Management, ensuring it complies with relevant laws and regulations as well as being accountable to the shareholders and stakeholders at large. The Board is ultimately responsible for the performance of the Company, hence it is important for the Board's performance to be regularly evaluated against agreed set criteria.

In accordance with ZSE, SEC, IPEC and RBZ requirements, the Group Boards are to undertake an annual performance evaluation. The respective Board therefore undertakes a formal and rigorous annual evaluation of its own performance and that of its committees and each Director. The Board uses a detailed questionnaire, completed by each director, as the basis of these evaluations. This evaluation process is aimed at determining how the Board's effectiveness can be improved.

A final Board Evaluation Report compiled by external consultants is submitted to the regulators and the Board Evaluation conducted in year 2024 covered the following assessments:

- Board self-evaluation;
- Chairman's assessment;
- Individual Director assessment;
- Committee assessment.

The Board was rated as satisfactory in Succession Planning and Training and was rated as strong in the following areas that were evaluated:

- Board Strategy and Effectiveness
- Board Structure and Committees
- Board Meetings and Procedures
- Board and Management Relations
- Board Responsibilities

Progress following the 2024 evaluation
In 2024, the Board and Committee evaluation was facilitated by an external consultant. Key findings, recommendations and actions were aligned across the Group. The Board agreed on an action plan in response to the 2024 evaluation recommendations and implementation of the actions was overseen by the Group Human Resources and Governance Committee during 2025.

The Boards of Directors of the various units as at 31 December 2024 were constituted as tabulated below:

cbz Holdings

Group Board

1. Luxon Zembe - **Board Chairman**
2. Edward Galante
3. Rebecca Gaskin Gain
4. Edward Mashingaidze
5. Louis Gerken*
6. Lawrence Nyazema - **Group Chief Executive Officer**
7. Tawanda Gumbo - **Group Chief Finance Officer***

Group EXCO

1. Lawrence Nyazema - **Group Chief Executive Officer**
2. Tawanda Gumbo - **Group Chief Finance Officer ***
3. Jack Smith - **Deputy CEO (Investments)***
4. Rumbidzayi A. Jakanani - **Group Chief Legal Counsel & Governance Officer**
5. Nyasha Mangwiza - **Group Chief Human Capital Officer**
6. Matilda Nyathi - **Group Chief Marketing & Customer Experience Officer**
7. Melanie May Vogt - **Group Chief Legal Officer***
8. Clemence Chimwanda - **Group Chief Risk Officer***

cbz Bank

1. Dr. Alex Marufu - **(Chairman)**
2. Jiten Shah
3. Edwin Shangwa
4. Dr. Christian Beddies
5. Tawanda L. Gumbo*
6. Shirley Naik
7. Robert Hoard**
8. Lawrence Nyazema
9. Joel Makombe**
10. Gift Simwaka **(Managing Director)***
12. Norman Mhondiwa **(Acting Managing Director)**

DATVEST

1. Never Mhlanga - **(Chairman)**
2. Conrad Mukanganga
3. Mirirai Moyo
4. Heena Joshi
5. Tendayi Muzadzi - **(Managing Director)**
6. Lawrence Nyazema
7. Tawanda L. Gumbo*
8. Joel Makombe**
9. Jack F. Smith*

red Sphere Finance

1. Jamille Jinnah - **(Chairman)**
2. Walker Jabulani Ntini
3. Tsitsi Mariwo
4. Violet Masunda
5. Desmund Ali - **(Managing Director)**
6. Lawrence Nyazema
7. Tawanda L. Gumbo*
8. Joel Makombe**

cbz Agro-Yield

1. Wayne Parham - **(Acting Chairman)**
2. Percival Mazike
3. Prof. Paul Mapfumo**
4. Michael Zihumo**
5. George Mutendadzamera**
6. Wellington Mutizwa **(Managing Director)**
7. Simbarashe Mhungu *
8. Lawrence Nyazema
9. Tawanda L. Gumbo*
10. Joel Makombe**

cbz Risk Advisory Services

1. Livingstone Magorimbo- **(Chairman*)**
2. Nomathema Ndlovu
3. Nhamo Marandu
4. Takawira Chinyani - **(Principal Officer)**
5. Lawrence Nyazema
6. Tawanda L. Gumbo*
7. Joel Makombe**

cbz Insurance

1. Ambrose Matika- **(Chairman)**
2. Wilberforce Chitiga
3. Jame Mharadze - **(Principal Officer)**
4. Lawrence Nyazema
5. Tawanda L. Gumbo*
6. Joel Makombe**

cbz Life

1. Henry Tshuma - **(Chairman)**
2. Munesh Narotam
3. Kamal Khalfan***
4. Dr. Chessman Wekwete**
5. Dr. Welcome Sibanda**
6. Jonah Mutizwa – **(Principal Officer)**
7. Lawrence Nyazema
8. Tawanda L. Gumbo*
9. Joel Makombe**

cbz Properties

1. Motsi Sinyoro - **(Acting Chairman)**
2. Brenda Tsvetu**
3. Nyasha Mukura**
4. Robert Snow – **(Managing Director)***
5. Hasmon Bvumbirai *
6. Lawrence Nyazema
7. Tawanda L. Gumbo*
8. Joel Makombe**

Key:

*	Retired/Resigned in 2024/25
**	Appointed Q1 2025
***	Deceased 23 May 2024

BOARD COMMITTEE AND BOARD ATTENDANCE REGISTER

Group Board attendance registers

CBZ Holdings Limited (Attendance Register January to December 2024 Boards, Merger And Integration Strategy Committee Engagements)

	Meetings Held	Zembe L Board Chairman	Mashingaidze EU Independent non-executive director	Galante EE Independent non-executive director	Gain R Independent non-executive director	Gerken LC Independent non-executive director	Gumbo T*** Chief Finance Officer	Nyazema L Chief Executive Officer
Audits & Finance	8	1*	8	8	1*	8	7*	7*
Risk Management	4	*	*	*	4	4	1*	4*
ESG Committee	1	*	*	1	1	1	**	1
IT Strategy Committee	3	3	*	*	3	3	**	3
Strategy Committee	2	2	2	2	2	2	1	2
HR & Corp Govern	18^	9	18	*	9	1*	**	9
Merger & Integration	6	5	6	1	**	**	*	1
Strategy	3	3	3	3	3	3	2	3
Special Main Board	8	8	8	7	6	7	7	7
Main Board	7	7	7	7	7	7	6	7
Total Committees	**42**	**20**	**34**	**12**	**20**	**19**	**9**	**27**
Total Boards	**18**	**18**	**18**	**17**	**16**	**17**	**15**	**17**

Key

* not a member ** did not attend *** Mr. T Gumbo retired 28 Feburary 2025 and was succeed by Mr. J Makombe

^ During 2024, the committee held four meetings and 2 special meetings. In addition, members of the committee attended several engagements which included amongst others, human capital matters and the Group restructuring exercise which commenced in 2024.

Subsidiary Board attendance registers

CBZ BANK LIMITED Board Attendance Register (January to December 2024)

Name	Audit & Finance	Special Audit & Finance	Annual Audit Engagement	Risk Management & Compliance	Special Credit	Credit	Loans Review	Special Main Board & CBZH Strategy	Main Board	Total Committees	Total Main Board
Meetings Held	4	1	1	4	4	4	4	8	5	22	13
Dr M.P.A. Marufu	4*	1*	*	*	*	*	4	7	5	5	12
E.T. Shangwa	4	1	1	*	4	4	*	7	5	14	12
Dr C.H. Beddies	4	1	1	4	4	4	*	8	5	18	13
J.G. Shah	4	1	1	4	1*	1*	4	7	4	16	11
S.B. Naik	1*	*	*	1	1*	1*	1*	1	1	5	2
L. Nyazema	4*	1*	*	4	4	4	4	6	4	21	10
T. L. Gumbo	3*	1*	*	3	1*	1*	3	2	3	12	5
S. Mandidi**	1*	1*	*	1	3	1	1	3	1	8	4
G. Simwaka**	2*	*	*	2	2	1	2	1	2	5	2
N.T. Mhondiwa**	1*	*	*	1	***	1	1	***	1	4	1

Key

* not a member ** Executive *** did not attend

CBZ Asset Management (Private) Limited Board and Committees Attendance Register (January to December 2024)

Name	Audit & Compliance	Annual Audit Engagements (external)	Investments & Risk	Main Board	Special Main Board	CBZH Strategy	Total Committees	Total Boards
Meetings Held	4	1	4	4	2	2	9	8
N. Mhlanga	1*	*	4	4	2	2	5	8
M.T.V. Moyo	4	1	*	4	2	2	5	8
C.F Mukanganga	4	1	4	4	2	2	9	8
H. J. Joshi	3	1	4	4	2	***	8	6
L. Nyazema	4*	*	4	3	2	1	8	6
T. L. Gumbo	1*	*	3	1	2	***	4	3
J.F. Smith**	3*	*	3	3	1	1	6	5
T. Muzadzi**	4*	*	4	4	1	1	8	6

Key
* not a member ** Executive *** did not attend

CBZ Life Limited Board and Committees Attendance Register (January to December 2024)

Name	Investments & Risk	HR & Remuneration	Audit & Finance	Special Board	External Audit Engagement	Main Board	CBZH Strategy	Total Committees	Total Boards
Meetings Held	4	4	4	1	1	4	2	13	7
H.Tshuma	4	4	4	1	1	4	2	13	7
K.M. Khalfan	1	1	1	***	***	1	***	3	1
M.B. Narotam	4	4	4	1	1	4	1	13	6
L. Nyazema	4	4	4*	1	*	4	***	12	5
T.L. Gumbo	4	3	3*	1	*	3	***	9	4
J. F. Smith**	3	3	3*	1	*	3	***	9	4
J. Mutizwa****	4*	4*	4*	1	*	4	***	12	4

Key
* not a member ** Executive *** did not attend **** Ex-officio member

CBZ Insurance Board and Committees Attendance Register (January to December 2024)

Name	HR & Remuneration	Investments & Risk	Audit & Finance	External Audit Engagement	Special Board	Main Board	CBZH Strategy	Total Committees	Total Boards
Meetings Held	4	4	4	1	1	4	2	13	7
A.K.T. Matika	4	4	4	1	1	4	2	13	7
W. Chitiga	4	4	4	1	1	4	1	13	6
L. Nyazema	4	4	4*	*	1	4	***	12	5
T.L. Gumbo	2	2	2*	*	1	2	***	6	3
J.F. Smith**	3	3	3*	*	1	3	***	9	4
J. Mharadze***	4	4	4*	*	1	4	****	12	5

Key
* not a member ** Executive *** did not attend **** Ex-officio member

CBZ Risk Advisory Services Board and Committees Attendance Register (January to December 2024)

Name	Audit & Risk	Annual Audit Engage-ments	Special Board	Board	CBZH Strategy	Total Committees	Total Boards
Meetings Held	4	1	1	3	1	5	5
L. Magorimbo *****	***	*	1	1	1	***	3
N. Ndlovu	4	1	1	4	2	5	7
N. Marandu	4	1	1	4	1	5	6
L. Nyazema	4*	*	1	4	***	4	5
T. L. Gumbo	3*	*	1	3	***	3	4
J. F. Smith**	3*	*	1	3	***	3	4
T. Chinyani****	4*	*	1	4	1	4	6

Key
* not a member ** Executive *** did not attend **** Ex-officio member *****Retired 15 May 2024

Red Sphere Finance Board and Committees Attendance Register (January to December 2024)

Name	Audit & Risk Committee	Board Credit	Annual Audit Engagements	Special Board	Board	CBZH Strategy	Total Committees	Total Board
Meetings Held	4	4	1	1	4	2	9	7
J. Jinnah	*	4	1	1	4	2	5	7
W.J. Ntini	4	*	1	1	4	1	5	6
T. Mariwo	***	4	*	1	4	1	8	6
V. Masunda	4	4	1	1	4	1	9	6
L. Nyazema	3	4	*	1	4	***	7	5
T. L. Gumbo	3	3	*	1	3	***	6	4
D Ali**	4	4	*	1	4	***	8	5

Key
* not a member ** Executive *** did not attend

CBZ Properties Board Attendance Register (January to December 2024)

Name	Main Board	Annual Audit Engagements	CBZH Strategy	Total Board
Meetings Held	4	1	2	7
M. Sinyoro	4	1	2	7
L. Nyazema	4	*	***	4
T. L. Gumbo	3	*	***	3
J. F. Smith	3	*	***	3
H. Bvumburai**	3	*	1	4

Key
* not a member
** Executive
*** did not attend

CBZ Agro Yield Board Attendance Register (January to December 2024)

Name	Special Board	Annual Audit Engagements	Main Board	CBZH Strategy	Total Board
Meetings Held	1	1	4	1	7
W.D. Parham	1	1	3	1	6
P.S. Mazike	1	1	4	1	7
L. Nyazema	1	*	4	***	5
T.L. Gumbo	1	*	3	***	4
W. Mutizwa**	1	*	4	***	5
S. Mhungu**	1	*	3	***	4

Key
* not a member
** Executive
*** did not attend

REPORT OF THE DIRECTORS

We have the pleasure in presenting our report and the audited financial statements for the year ended 31 December 2024.

SHARE CAPITAL

The authorized and issued share capital of the Company is as follows:
Authorised: 1 000 000 000 ordinary shares
Issued and fully paid: 622 068 783 ordinary shares

INCORPORATION, ACTIVITES AND RESULTS

The Group offers commercial banking, micro financing, asset management, property management, short and long-term insurance and other financial services and is incorporated in Zimbabwe.

Summarised below is a breakdown of the application of profit after tax attributable to equity holders of the parent:

	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Dividend Pay-out	68 724	102 008
Retained for future growth	99 637	1 438 562
	168 361	**1 540 570**

Directorate as at 31 March 2025

Mr Luxon Zembe (Group Chairman)	Independent Non Executive Director
Mr Edward Ushemazoro Mashingaidze	Independent Non Executive Director
Ms Rebecca Loiuse Gaskin Gain	Independent Non Executive Director
Mr Edward Elio Galante	Independent Non Executive Director
Mr Lawrence Nyazema*	Group Chief Executive Officer
Mr Joel Makombe*	Group Chief Finance Officer

*Executive

By Order of the Board

....
Rumbidzayi Angeline Jakanani
Group Chief Governance Officer

31 March 2025

SHAREHOLDERS' INFORMATION

ANALYSIS OF SHAREHOLDERS

Industry	Holders	% of Holders	Shares	% of Shares
COMPANIES	353	3.22	147 400 251	23.70
INDIVIDUALS	10 371	94.60	20 697 481	3.33
NON RESIDENTS	81	0.74	123 315 402	19.82
PENSION FUND	85	0.78	213 052 510	34.25
NOMINEES	30	0.27	115 428 954	18.56
INVESTMENTS TRUSTS & PROPERTY COMPANIES	32	0.29	659 918	0.11
INSURANCE	11	0.10	1 514 267	0.23
Total	**10 963**	**100**	**622 068 783**	**100**

Range	Holders	% of Holders	Shares	% of Shares
0 - 5 000	10 021	91.41	6 944 469	1.12
5 001 - 10 000	402	3.67	2 961 324	0.48
10 001 - 25 000	323	2.95	5 092 953	0.82
25 001 - 100 000	147	1.34	7 302 879	1.18
100 001 - 200 000	23	0.21	3 191 413	0.51
200 001 - 500 000	20	0.18	6 234 917	1.00
Above 500 000	27	0.24	590 340 828	94.89
Total	**10 963**	**100**	**622 068 783**	**100**

CONSOLIDATED TOP 10 AS AT 31 DECEMBER 2024

Account Name	Shares	% of Total
NATIONAL SOCIAL SECURITY AUTHORITY	144 999 769	23.31
AKRIBOS WEALTH MANGRS NOMINEES	114 139 177	18.35
GOVERNMENT OF ZIMBABWE	110 000 000	17.68
LIBYAN FOREIGN BANK (NEW NON RESIDENT) THE	96 609 470	15.53
PUBLIC SERVICE PF	60 715 448	9.76
DATVEST NOMINEES (PVT) LTD	16 340 694	2.63
BLMH INTERNATIONAL HOLDINGS	15 670 453	2.52
KAJA TRADING LIMITED	10 601 987	1.70
QUANT AFRICA WEALTH MANAGEMENT	5 832 305	0.94
STANBIC NOMINEES (PVT) LTD	5 316 552	0.85
TOTAL	**580 225 855**	**93.27**
OTHER SHAREHOLDERS	**41 842 928**	**6.73**
SHARES IN ISSUE	**622 068 783**	**100**

SHAREHOLDERS' CALENDAR

Anticipated dates

Half year financial results to 30 June 2025
August 2025

Full year financial results to 31 December 2025
March 2026

Integrated Annual report and Annual General Meeting
July 2026

Partners for Success

ACTUARY'S REPORTS

CBZ INSURANCE (PRIVATE) LIMITED INDEPENDENT ACTUARY'S REPORT

AS AT 31 DECEMBER 2024

STATUTORY INSTRUMENT 183 OF 2009 INSURANCE (AMENDMENT) REGULATIONS

INDEPENDENT ACTUARY'S OPINION

I, Tafadzwa Chiduza, of Claxon Actuaries (Pvt) Ltd , acting as the Independent Appointed Actuary of CBZ Insurance Company (Private) Limited, certify that, as at 31 December 2024, this Actuarial Valuation for CBZ Insurance Company has been prepared in accordance with the Guidelines to the Insurance Industry on Actuarial Valuations issued by the Insurance and Pensions Commission in Zimbabwe as well as generally accepted actuarial principles.
I conclude that, as of 31 December 2024, CBZ Insurance Company (Private) Limited:

- Had inadequate solvency capital to meet the prescribed minimum regulatory requirement in accordance with ZiCARP, the Insurance Act and IPEC guidelines. Appropriate remedies are needed by the business to rectify their position.
- Disclosed technical provisions that were calculated in accordance with the prevailing Guidelines and generally accepted actuarial principles; and
- Had appropriate assets in terms of the profile of its technical liabilities. However, in total the eligible assets were insufficient to support the ZiCARP solvency requirements.

For and on Behalf of,
Claxon Actuaries (Pvt) Ltd

....

Tafadzwa Chiduza

31 March 2025

CBZ LIFE (PRIVATE) LIMITED INDEPENDENT ACTUARY'S REPORT

AS AT 31 DECEMBER 2024

STATUTORY INSTRUMENT 183 OF 2009
INSURANCE (AMENDMENT) REGULATIONS, 2009 (No. 14)

CERTIFICATE AS TO THE SOLVENCY OF CBZ LIFE AS AT 31 DECEMBER 2024

I, the undersigned, hereby certify that CBZ Life is solvent on an ongoing basis as at 31 December 2024 as shown in the table below. This is after adjusting company values based on calculations in terms of the "Guideline for the Insurance and Pensions Industry on Adjusting Insurance and Pension Values in Response to Currency Reforms".

The following table shows the results of the actuarial valuation of CBZ Life on the Published Reporting Basis in respect of the year ended 31 December 2024.

	31 DEC 2024 ZWG	31 DEC 2023 ZWG
Total Assets	293 784 048	93 865 850
Current and other Liabilities	(18 363 495)	(2 009 406)
Policyholder Liabilities	(121 079 375)	(44 609 545)
Excess Assets	**154 341 178**	**47 246 899**

The following table shows the results of the actuarial valuation of CBZ Life on the Statutory Reporting Basis in respect of the year ended 31 December 2024.

	31 DEC 2024 ZWG	31 DEC 2023 ZWG
Total Admissible Assets	230 319 153	76 028 173
Policyholder Liabilities	(121 079 375)	(44 609 545)
Excess Assets	**109 239 778**	**31 418 628**
Minimum Capital Requirements*	**51 597 000**	**27 123 200**

*Minimum capital requirement is US$2 000 000 at valuation date exchange rate.

For statutory valuation purposes, all assets in excess of the admissibility requirements in terms of Statutory Instrument 95 of 2017 must be treated as inadmissible. SI 95 of 2017 requires insurers to hold ZWG 51,597,000 capital after excluding inadmissible assets and imposing haircuts on others. The Company had admissible assets that exceeded actuarial and current liabilities as at 31 December 2024 by ZWG 109,239,778. The ratio of the Company's excess assets to the minimum capital requirement of ZWG 51,597,000 as at 31 December 2024 was 212%.

I hereby certify that, to the best of my knowledge and belief, at 31 December 2024, the value of the admissible assets in respect of all classes of life business carried out by CBZ Life Limited exceeded the amount of liabilities in respect of those classes of insurance by 212% of the minimum requirement of ZWG 51,597,000 subject to my comment above.

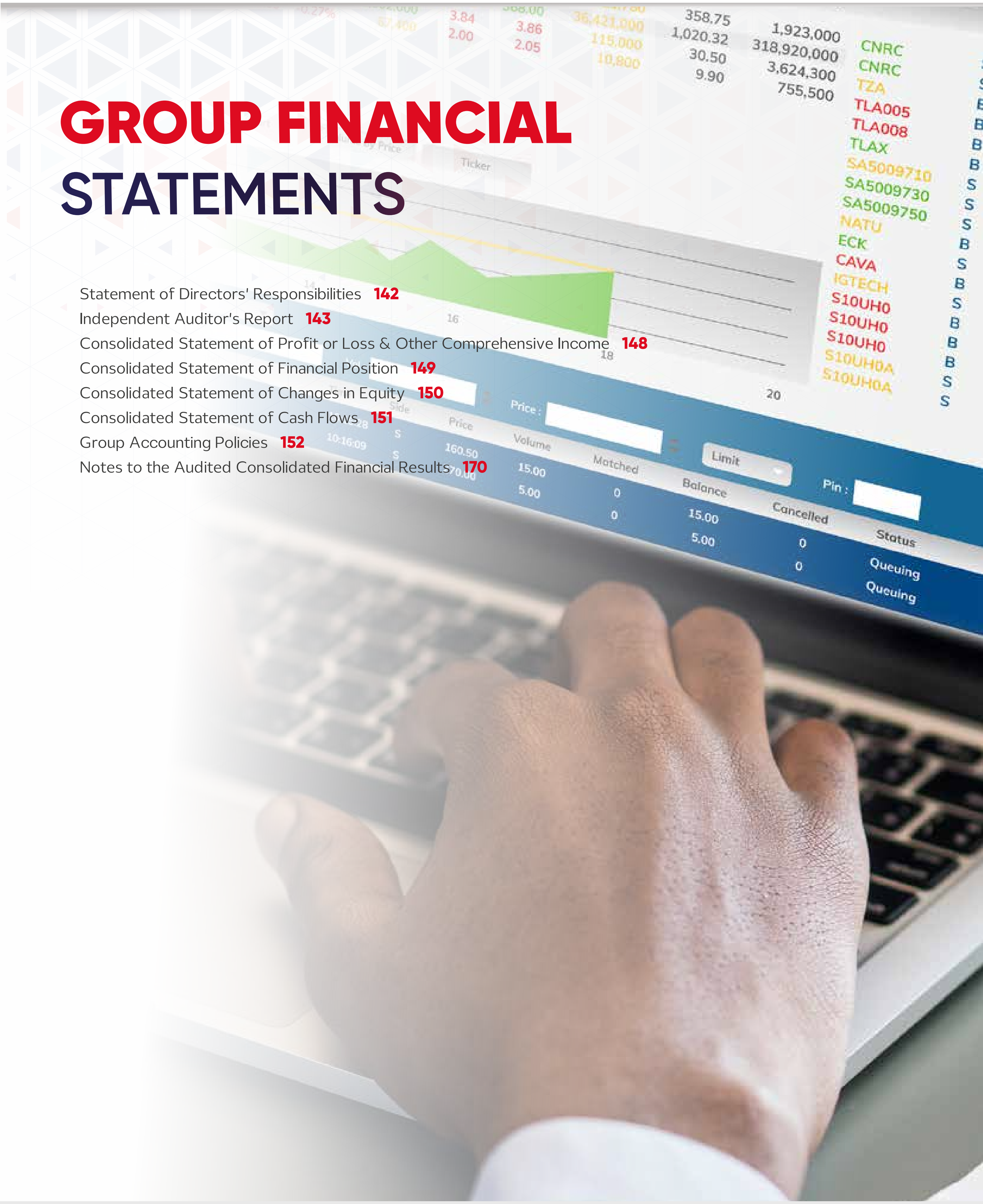
Published Basic Reconciliation of Excess Assets	31 DEC 2024 ZWG	31 DEC 2023 ZWG
Excess Assets per Published Accounts	**154 341 178**	**47 246 898**
Less: Inadmissible Assets	**45 101 399**	**15 828 270**
Discount 20% on Equities	13 607 181	3 689 451
Discount 20% on Investment Property	26 036 925	9 783 102
Discount 20% on Direct Property	5 457 294	2 355 717
Excess Assets per Statutory Valuation	**109 239 779**	**31 418 628**

Name of the Revaluation Actuary: Tinashe Mashoko

Name of Actuary's Professional Principal Regulator: Actuarial Society of South Africa.

Signature: ....
Date: 19 March 2025

GROUP FINANCIAL STATEMENTS




Credit : 0
Cash : 0
SUBMIT
CLEAR

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the oversight of the consolidated financial statements preparation to ensure that they comply with the Companies and Other Business Entities Act (Chapter 24:31) and IFRS® Accounting Standards. They have general responsibility, through various Board Committees, Executive management, compliance, and internal audit function for risk management and ensuring that internal controls are in place to identify and mitigate risks of the Group to prevent and detect fraud and other irregularities.

The consolidated financial statements are, by Law and IFRS® Accounting Standards, required to present fairly, the financial position of the Group and its performance for that period. In preparation of the Group financial statements, the Directors are required to:

- state whether they have been prepared in accordance with IFRS® Accounting Standards; and
- prepared on the going concern basis, unless it is inappropriate to presume that the Group will continue in business.
- select suitable accounting policies and then apply them consistently; and
- make judgements and estimates that are reasonable and prudent.

Compliance with Local legislation

The consolidated financial statements have been prepared in the manner required by the Companies and Other Business Entities Act (Chapter 24:31), Banking Act (Chapter 24:20), Insurance Act (Chapter 24:07), Securities and Exchange Act (Chapter 24:25); Microfinance Act (Chapter 24:29), Asset Management Act (Chapter 24:26) and Zimbabwe Stock Exchange (ZSE) Listing Rules of 2019. In addition, the Group is in compliance with the RBZ Banking Regulations, Statutory Instrument 205 of 2000.

Compliance with IFRS

The consolidated financial statements of the Group have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB).

Change in functional currency

In recent years, monetary policy and exchange control measures have undergone significant changes, which have positively affected the Group's operations. The economy also experienced significant improvement, as a result of a substantial increase in foreign currency transactions. Consequently, the Group's foreign currency transactions activity, deposits, and advances also increased. As a result, the Directors assessed as required by International Accounting Standard (IAS) 21, The Effects of Changes in Foreign Exchange Rates whether the use of the Zimbabwean Dollar as the functional currency remained appropriate. Based on the assessment, the Directors concluded that there has been a change in functional currency from Zimbabwe Dollar (ZWL) to United States Dollars ("US$") with effect from 1 January 2024.

Going concern

The Directors have assessed the ability of the Group to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate. The Directors have engaged themselves to continuously assess the ability of the Group to continue to operate as a going concern and to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements.

Responsibility

The Directors are responsible for preparing the annual financial statements. These consolidated financial statements were prepared by CBZ Holdings Limited's Group Finance Department, under the direction and supervision of the Group Chief Finance Officer, Mr Joel Makombe, CA(Z) PAAB Registration Number 03744.

By order of the Board.

J. MAKOMBE	L. NYAZEMA
GROUP CFO	**GROUP CEO**
31 March 2025	31 March 2025

INDEPENDENT AUDITORS' REPORT

KPMG

Independent Auditors' Report

To the shareholders of CBZ Holdings Limited

Qualified opinion

We have audited the consolidated and separate financial statements of CBZ Holdings Limited (the Group and Company), which comprise the consolidated and company statement of financial position as at 31 December 2024, the consolidated and company statement of profit or loss and other comprehensive income, consolidated and company changes in equity and consolidated and company cash flows for the period then ended, and group and company material accounting policies and notes to the consolidated and company financial statements , as set out on pages 148 to 228.

In our opinion, except for the possible effect of the matter described in the Basis for qualified opinion section of our report, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of CBZ Holdings Limited as at 31 December 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the period then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the manner required by the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Securities and Exchange Act (Chapter 24:25), Microfinance Act (Chapter 24:29), the Insurance Act (Chapter 24:07) and the Asset Management Act (Chapter 24:26).

Basis for qualified opinion

As explained in notes 17.1 to the consolidated financial statements, CBZ Holdings Limited has equity accounted investees compromising of interest in associate in First Mutual Holdings Limited (FMHL) and First Mutual Properties (FMP). As at 31 December 2024, both FMHL and FMP were accounted for using the equity method based on unaudited amounts with the equity-accounted investees amounting to ZWG$1.1billion (December 2023: ZWG$754million) included in the consolidated statement of financial position and the share of profit of equity-accounted investees ZWG$(231million) (December 2023: ZWG$296million), and share of other comprehensive loss of equity-accounted investees of ZWG$37million (December 2023: ZWG$53million), being included in the consolidated statement of profit or loss and other comprehensive income for the year then ended.

Included in the company's statement of financial position as at 31 December 2024 is the investments in associates, relating to FMHL and FMP amounting to ZWG$974million (December 2023: ZWG$512million) carried at cost.

We were unable to obtain sufficient appropriate audit evidence about the carrying amount of the Group and Company's investment in FMHL as at 31 December 2024 and the Group's share of FMHL's profit and other comprehensive income for the year then ended. Consequently, we were unable to determine whether any adjustments to these amounts in the Group and Company's financial statements were necessary in the circumstances.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report. We are independent of the Group and Company in accordance with the International 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 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 qualified opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the 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. The key audit matters below do not relate to the Company as the Company did not have material balances relating to Valuation of investment properties and land and buildings, Expected credit losses in respect of loans and advances to customers and Valuation of unlisted equities.

In addition to the matter described in the Basis for qualified opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

1. Valuation of investment properties and land and buildings

Refer to;

- Group and Company material accounting policies - the significant accounting estimates and judgements note 1.3 fair value measurement principles, the investment properties accounting policy note 1.5, the property and equipment accounting policy note 1.6 and the fair value measurement accounting policy note 1.30
- Notes to the consolidated financial statements - the fair value measurement note 19, the property and equipment note 20 and the investment properties note 21.

Key audit matter	How the matter was addressed in our audit
The Group holds land and buildings measured at fair value in accordance with IAS 16, Property, Plant and Equipment (IAS 16). The Group also holds investment properties 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 valued at ZWG$1,07billion and also held investment properties valued at ZWG1,05 billion. Investment properties, and land and buildings are subject to variability in values. The fair values of the properties were determined by a registered internal appraiser. The Group uses several methods, such as the implicit investment approach and market value of similar properties method in performing the valuations. The Group properties are classified as Level 2 in the fair value hierarchy, through their use of observable inputs such as rental rates per square meter and capitalisation rates which have estimation uncertainty inherent in their values. Given the degree of complexity involved in determining the fair value of the land and buildings and investment properties, the significant judgement and estimation required in determining the key inputs and assumptions used in determining the fair values in the local property market, the valuation of the Group's land and buildings and the investment properties was considered a key audit matter.	Our procedures included the following: • Obtaining an understanding of the Group and Company property portfolio and the selection of the methods used in the valuation of the different properties. • Performing an independent deeds search to confirm the ownership and accuracy of data such as land sizes and locations used in the property valuations. • Evaluating the professional qualifications, competence, capabilities and objectivity of the registered internal appraiser, employed by management, who valued the Group's and Company properties through the inspection of their professional membership and reviewing their curriculum vitae. • Evaluating the professional qualifications, competence, objectivity, capabilities and independence of our own engaged professional independent property valuer by enquiring about their interest and relationship with the Group and confirming their membership to professional associations. • Assessing the adequacy of the disclosures in the consolidated financial statements in respect of the valuation of land and buildings and investment properties in accordance with IAS 16, IAS 40 and IFRS 13, Fair value measurement (IFRS 13). • Testing a completeness of key inputs such as the land size, lettable area and property descriptions by inspecting the title deeds and assessing the changes from the prior year. • Our engaged external property valuation expert assisted with: • Evaluating the appropriateness of the valuation methodologies used by the internal appraiser, by comparing the valuation methods used by the internal appraiser to market best practice property valuation methods based on our specialist's knowledge of the industry; and • Challenging the assumptions such as capitalisation rates, rent per square meter and market comparable prices used to the properties through performing independent property valuations for a sample of properties. The performance of independent fair values involved re-computation of capitalisation rates and comparison of management's rentals per square meter and comparable market prices to the engaged specialist values observed from market transactions and offer prices.

2. Expected credit losses in respect of loans and advances to customers

Refer to:

- Group and Company material accounting policies - significant accounting estimates and judgements note 1.3, expected credit loss and the impairment of financial assets policy accounting policy note 1.9
- Notes to the consolidated financial statements - the loans and advances to customers note 12, the expected credit losses on financial instruments note 13 and the credit risk note 34.3.

Key audit matter	How the matter was addressed in our audit
The Group assesses at each reporting date on a forward-looking basis, the Expected Credit Losses (ECL) associated with the loans and advances to customers. The Group carries out a significant increase in credit risk assessment at each reporting date in order to determine whether the credit risk of its loans and advances to customers has increased significantly since initial recognition. As at reporting date, the Group assessed the ECL in respect of gross loans and advances to customers of ZWG$831million. The Group's ECL model includes certain judgements and assumptions such as: • the credit rating allocated to the counterparties; • the determination of the Group's definition of default; • the estimate of the likelihood of default over a given time horizon, probability of default (PD); • the estimate of the loss arising in the case where a default occurs at a given time, loss given default (LGD); • the estimate of the exposure at a future default date, exposure at default (EAD); • the criteria for assessing a significant increase in credit risk (SICR); • 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 held: • the incorporation of forward-looking information related to the expected outlook on the country's macro-economic variables and the gross domestic product growth rates used in determining the expected credit losses in the loans and advances portfolios; Due to the significance of the loans and advances to customers to the Group and the level of judgement applied in determining the ECL, the expected credit loss in respect of loans and advances to customers was considered a key audit matter.	Our procedures included the following; • Obtaining an understanding of the Group's IFRS 9, Financial instruments (IFRS 9) policy and models. • Assessing whether the models are compliant with the requirements of IFRS 9 by inspecting the IFRS9 accounting policy and IFRS 9 ECL model document. • Evaluating the effectiveness of credit risk management and governance controls by testing the design, implementation, and operating effectiveness of controls implemented by the Group. • Identifying changes that were implemented in the ECL models parameters during the year and challenging management on the reasonableness and validity of the changes applied to key parameters. • Performing advanced credit risk reviews on a sample of loans and advances to customers which include significant borrowers and watchlist facilities by assessing the reasonability of credit risk ratings that had been applied in determining the probability of default (PD). • Testing the accuracy and completeness of historical credit loss information that is used in the development of the probability of default (PD) model by our engaged specialist by inspecting the source documents in the credit origination process. • Assessing the completeness, accuracy and validity of data and inputs used during the application of the ECL model by obtaining external confirmations for loan balances, reconciling the balances on the sub-ledger to the general ledger and agreeing interest rates to loan agreement. • Testing collateral data to confirm the registration of collateral recognised in the model by agreeing the value of collateral to supporting legal documentation Engaged our financial risk management specialists to: • Assessing the reasonableness of management's assumptions in the determination of the PD, EADs and LGDs for stage 1 and stage 2 loans by comparing against industry benchmarks. • Testing the LGD model for unsecured loans by using historical write-off and recovery data to create an independent LGD estimate. • Assessing the appropriateness of the Group's IFRS 9 ECL models by reperforming management's calculations using our own independent models. • Engaging an economist and using available external and independent macro-economic information (gross domestic product growth rates) to challenge management's judgements and assumptions incorporated into forward looking ECLs. • Performing an analysis of the financial performance of selected entities and independently computing the credit rating through use. • Assessing the adequacy of the Group's disclosures in respect of ECL as required in terms of IFRS 7 Financial Instruments: Disclosures (IFRS 7).

3. Valuation of unlisted equities

Refer to:

- Group and company material accounting policies - the significant accounting estimates and judgements note 1.3; the financial assets accounting policy note 1.7 and fair value measurement accounting policy note 1.30;
- notes to the financial statements - the equity investments note 16 and the fair value measurement note 19.

Key audit matter	How the matter was addressed in our audit
• The Group holds unlisted investments amounting to ZWG$441million which are measured at fair value. • Unlisted investments are shares that are not listed on a registered stock exchange therefore the prices are not quoted in any active market and are classified as level 3 financial instruments in the fair value hierarchy. • The Group measures its unlisted equities at fair value using the earnings multiple valuation technique and the discounted cash flows technique. The use of different assumptions and methodologies could lead to different measurements of fair value. • We identified assessing the fair value of the unlisted investments as a key audit matter because the valuation methodologies, assumptions and inputs used by management include significant unobservable inputs resulting in significant judgement being applied by management.	We engaged our own equity valuation specialists who assisted by: • Evaluating and challenging the appropriateness of the methodologies applied by management by comparing with market best practices. • Evaluating and challenging assumptions such as comparable entities, country and size discounts, used in the valuation of the unlisted investments through performing an independent computation using our own independent inputs and considering macro- economic factors. This included: • Calculating a range for the expected minimum and maximum values for the PE multiple method and using the Earnings Before Interest and Tax ("EBITA") multiple method through identification of a number of comparable entities and using company specific risk assumptions. • In addition to the procedures performed by the specialist above, our procedures included the following: o Obtaining external confirmations of the holding of the shares held directly with the investee and confirmed that the holding was appropriately considered in the determination of the fair value of the investments; and o Assessing whether the disclosures in the financial statements appropriately reflected the Group's exposure to financial instrument valuation risk in accordance with the requirements of IFRS 13. • Reviewing the adequacy of the disclosures for fair value measurement of unlisted equities.

Other matter

The prior year statutory financial statements were issued on 30 April 2024 using ZW$ as the presentation currency. The comparative financial statements are thus reflected as audited, as the conversion to presentation currency of the Zimbabwe Gold is indicated in note 1.1 to the consolidated financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "CBZ Holdings Group and Company Annual Financial Statements for the year ended 31 December 2024", which we obtained prior to the date of this report, and the Sustainability Report and the Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the manner required by the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Securities and Exchange Act (Chapter 24:25), Microfinance Act (Chapter 24:29), the Insurance Act (Chapter 24:07) and the Asset Management Act (Chapter 24:26) and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group'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 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 consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence, regarding the financial information of the business activities within the group, as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

KPMG

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

01 April 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 PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	NOTES	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Interest income	2	1 684 892	1 480 464
Interest expense	2	(300 185)	(263 863)
Net interest income		**1 384 707**	**1 216 601**
Non-interest income	3	2 770 945	4 126 772
Net insurance service result	4.1	(41 371)	(66 554)
Net insurance finance cost	4.2	(2 872)	(5 352)
Total income		**4 111 409**	**5 271 467**
Operating expenditure	5	(3 003 403)	(2 237 420)
Expected credit loss expense on financial assets	13	(800 651)	(583 824)
Operating income		**307 355**	**2 450 223**
Net change in investment contract liabilities		(9 366)	(33 351)
Monetary loss		-	(755 155)
Share of (loss)/ profit of equity-accounted investees net of tax	17	(231 371)	295 583
Profit before taxation		**66 618**	**1 957 300**
Taxation	6.1	101 432	(416 867)
Profit after tax for the year		**168 050**	**1 540 433**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(Losses)/ Gains on property revaluations		(542 372)	598 366
Gains on equity instruments at FVOCI*		21 545	110 803
Exchange gains on translation to presentation currency		4 323 672	-
Deferred income tax relating to components of OCI	6.3	101 156	(149 685)
Other comprehensive income for the year net of tax		**3 904 001**	**559 484**
Items that are or may be reclassified subsequently to profit or loss			
Exchange loss on translation of foreign subsidiaries	28.7	(204)	(1 005)
Share of OCI of equity-accounted investees net of tax		37 343	(52 502)
Other comprehensive income for the year net of tax		**37 139**	**(53 507)**
Total comprehensive income for the year		**4 109 190**	**2 046 410**
Profit for the year attributable to:			
Equity holders of parent		168 361	1 540 570
Non-controlling interests	28.5	(311)	(137)
Profit after tax for the year		**168 050**	**1 540 433**
Total comprehensive income for the year attributable to:			
Equity holders of parent		4 109 435	2 046 345
Non-controlling interests	28.5	(245)	65
Total comprehensive income for the year		**4 109 190**	**2 046 410**
Earnings per share (ZWG cents)			
Basic	7.1	27.06	278.41
Basic diluted	7.1	27.06	278.41
Headline	7.1	71.87	204.61

*FVOCI - Fair Value through Other Comprehensive Income

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	NOTES	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
ASSETS			
Cash and cash equivalents	9	6 994 166	4 137 303
Money market assets	10	1 084 650	451 783
Financial securities	11	5 853 981	2 790 163
Loans and advances to customers	12	8 300 282	4 603 658
Insurance assets	25	21 357	25 838
Reinsurance assets	25	46 634	27 620
Equity investments	16	581 699	270 798
Equity-accounted investees	17	1 116 901	754 085
Land inventory	15	498 997	222 280
Other assets	14	6 573 577	2 730 182
Current tax receivable		148	64 435
Intangible assets	22	28 355	9 969
Property and equipment	20	1 750 576	1 123 933
Investment properties	21	1 051 139	879 322
Deferred tax assets	23.1	517 042	250 588
TOTAL ASSETS		**34 419 504**	**18 341 957**
LIABILITIES			
Deposits	24	21 588 205	12 387 863
Insurance liabilities	25	189 286	106 090
Reinsurance liabilities	25	10 187	2 957
Other liabilities	26	3 948 831	1 224 336
Current tax liabilities		44 446	11 323
Investment contract liabilities	25.2	16 467	12 239
Lease liabilities	20.1b	21 247	9 338
Deferred tax liabilities	23.2	687 483	714 925
TOTAL LIABILITIES		**26 506 152**	**14 469 071**
EQUITY			
Share capital	28.1	9 879	9 879
Share premium	28.2	232 384	232 384
General reserve	28.10	(15 159)	(52 502)
Revaluation reserve	28.3	269 576	703 494
Share based payment reserve	28.8	20 911	20 911
Fair value reserve	28.6	218 344	203 979
Retained earnings	28.4	2 844 831	2 745 194
Foreign currency translation reserve	28.7	4 332 697	9 413
Equity attributable to equity holders of the parent		**7 913 463**	**3 872 752**
Non-controlling interests	28.5	(111)	134
TOTAL EQUITY		**7 913 352**	**3 872 886**
TOTAL LIABILITIES AND EQUITY		**34 419 504**	**18 341 957**

L.ZEMBE
GROUP CHAIRMAN

31 March 2025

L.NYAZEMA
GROUP CHIEF EXECUTIVE OFFICER

31 March 2025

R. A. JAKANANI
GROUP CHIEF GOVERNANCE OFFICER

31 March 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	AUDITED											
	Share capital ZWG 000	Share premium ZWG 000	SAAR** ZWG 000	Share based payment reserve ZWG 000	Revaluation reserve ZWG 000	Fair value reserve ZWG 000	FCTR* ZWG 000	General reserve ZWG 000	Retained earnings ZWG 000	Total equity attributable to parent ZWG 000	Non-controlling interests ZWG 000	Total Equity ZWG 000
31 December 2023												
Opening balance	9 872	60 328	39 726	20 911	245 151	103 040	10 418	-	1 306 632	1 796 078	69	1 796 147
Profit for the year	-	-	-	-	-	-	-	-	1 540 570	1 540 570	(137)	1 540 433
Other comprehensive income for the year	-	-	-	-	458 343	100 939	(1 005)	(52 502)	-	505 775	202	505 977
Dividend paid	-	-	-	-	-	-	-	-	(102 008)	(102 008)	-	(102 008)
Issue of shares	7	172 056	(39 726)	-	-	-	-	-	-	132 337	-	132 337
Closing balance	**9 879**	**232 384**	**-**	**20 911**	**703 494**	**203 979**	**9 413**	**(52 502)**	**2 745 194**	**3 872 752**	**134**	**3 872 886**
31 December 2024												
Opening balance	9 879	232 384	-	20 911	703 494	203 979	9 413	(52 502)	2 745 194	3 872 752	134	3 872 886
Profit for the year	-	-	-	-	-	-	-	-	168 361	168 361	(311)	168 050
Other comprehensive income for the year	-	-	-	-	(433 918)	14 365	4 323 284	37 343	-	3 941 074	66	3 941 140
Dividend paid	-	-	-	-	-	-	-	-	(68 724)	(68 724)	-	(68 724)
Closing balance	**9 879**	**232 384**	**-**	**20 911**	**269 576**	**218 344**	**4 332 697**	**(15 159)**	**2 844 831**	**7 913 463**	**(111)**	**7 913 352**

* Foreign currency translation reserve

** Shares awaiting allotment reserve

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	66 618	1 957 300
Non-cash items:		
Monetary loss	-	755 155
Depreciation	134 004	74 873
Amortisation of intangible assets	7 371	6 320
Bad debts recovered	(49 296)	-
Write off of intangible assets	-	54
Fair value adjustments on investment properties	330 318	(554 358)
Write off of right of use asset and lease liabilities	-	(4)
Fair value adjustments on financial instruments	73 268	(54 884)
Expected credit loss expense on financial assets	800 651	583 824
Unrealised gains on foreign currency exchange	(840 915)	(1 935 512)
Profit on disposal of investment properties	-	(3 255)
Changes in insurance and reinsurance assets/ liabilities	(10 433)	13 423
Accrued interest on financial instruments	(55 799)	(41 593)
Dividend in specie - equity investments received	(4 983)	-
Profit on sale of property and equipment	(201)	(2 224)
Share of loss/ (profit) in associate	231 371	(295 583)
Day one gains on financial instruments	(305 926)	-
Write off of property and equipment	45 251	17 315
Interest on lease liabilities	1 568	700
Operating cash flows before changes in operating assets and liabilities	**422 867**	**521 551**
Changes in operating assets and liabilities		
Deposits	6 857 159	19 887 124
Loans and advances to customers	(777 512)	(7 663 199)
Life assurance investment contract liabilities	4 228	29 117
Insurance assets	4 481	(14 619)
Reinsurance assets	(10 361)	(4 353)
Insurance liabilities	83 196	80 502
Reinsurance liabilities	18 562	6 903
Money market assets	(149 851)	(557 328)
Financial securities	(548 685)	(10 145 894)
Land inventory	(41 544)	(271)
Other assets	(961 871)	126 530
Other liabilities	(3 534 971)	3 376 361
	942 831	**5 120 873**
TAXATION		
Corporate tax paid	(151 219)	(407 743)
Net cash inflow from operating activities	**1 214 479**	**5 234 681**
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on disposal of investment property	-	11 107
Investment in equities during the year	(39 601)	(74 182)
Equity investments disposed during the year	8 194	75 796
Investments in associates	-	(119 478)
Purchase of investment property	(30 853)	(35 721)
Proceeds on disposal of property and equipment	868	2 414
Purchase of property and equipment	(330 488)	(113 132)
Purchase of intangible assets	(19 831)	(6 469)
Dividend received - investments in associates	12 981	-
Net cash outflow from investing activities	**(398 730)**	**(259 665)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	36 223
Lease liabilities principal repayment	(9 022)	(7 287)
Interest on lease liabilities paid	(1 568)	(700)
Dividend paid	(68 724)	(102 008)
Net cash outflow from financing activities	**(79 314)**	**(73 772)**
Net increase in cash and cash equivalents	**736 435**	**4 901 244**
Cash and cash equivalents at beginning of the year	4 137 303	2 807 792
Exchange gains on foreign cash balances	(1 087 143)	715 157
Inflation effects on cash and cash equivalents	-	(4 286 890)
Effects of translation to presentation currency	3 207 571	-
Cash and cash equivalents at the end of the year	**6 994 166**	**4 137 303**

GROUP ACCOUNTING POLICIES

For the year ended 31 December 2024

The following paragraphs describe the main accounting policies of the Group. The same accounting policies are equally applicable to the Company, unless explicitly stated otherwise.

1.1 BASIS OF PREPARATION

The Group and Company financial statements have been prepared in accordance with IFRS® Accounting Standards, as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the International Financial Reporting Interpretations Committee, ("IFRS IC") interpretations. In addition, these consolidated financial statements have also been prepared in the manner required by the Companies and Other Business Entities Act (Chapter 24:31), Banking Act (Chapter 24:20), Insurance Act (Chapter 24:07); Securities and Exchange Act (Chapter 24:25), Microfinance Act (Chapter 24:29) and Asset Management Act (Chapter 24:26).

Functional currency

Over the past few years, there have been notable changes in monetary policy and exchange control measures that have had a positive impact on the Group's operations. In March 2020, SI 185 of 2020 "Exchange Control (Exclusive Use of Zimbabwe Dollar for Domestic Transactions) (Amendment) Regulations was pronounced introducing dual pricing and displaying, quoting, and offering of prices for goods and services in both Zimbabwean local and foreign currency. In June 2022, SI 118A of 2022 "Presidential Powers (Temporary Measures) (Amendment of Exchange Control Act) Regulations, 2022" was entrenched into law allowing the multicurrency regime to continue till December 2025. In addition, on 27 October 2023, Statutory Instrument 218 of 2023 (SI 218/23) extended the settlement of transactions in foreign currency until 31 December 2030, providing the much-needed policy clarity on the continuation of the multi-currency regime, thereby enabling the Group to effectively underwrite long term products in currencies other than the Zimbabwean local currency.

As a result of the above monetary and fiscal measures, the economy witnessed a substantial increase in foreign currency transactions. The Group, in line with market developments also experienced an increase in foreign currency transactional activity, deposits, and advances. Considering the foregoing, the Directors assessed as required by International Accounting Standard (IAS) 21, The Effects of Changes in Foreign Exchange Rates whether use of the Zimbabwean Dollar as the functional currency remained appropriate. In assessing the functional currency, the Directors considered parameters set in IAS 21 as follows:

- The currency that mainly influences the sales prices for goods and services.
- The currency of the competitive forces and regulations that mainly determines the sales prices of goods and services.
- The currency that mainly influences labour, material, and other costs of providing goods and services (normally the currency in which such costs are denoted and settled).
- The currency in which funds from financing activities are generated; and the currency in which receipts from operating activities are usually retained.

Based on the assessment above, the Directors concluded that there has been a change in functional currency from Zimbabwe Dollar (ZWL) to United States Dollars ("US$") with effect from 1 January 2024. Following the change in functional currency, the Group applied the translation procedures applicable to the new functional currency prospectively in compliance with International Accounting Standard 29, Financial Reporting in Hyperinflation economies and International Accounting Standard 21, Effects of Changes in Foreign Exchange Rates, whereby 31 December 2023 inflation adjusted figures were translated to US$ using the prevailing official exchange rate. The resultant balances were adopted as the opening US$ balances for the current year.

Presentation currency

The Group's financial statements are presented in Zimbabwe Gold (ZWG), and all values are rounded to the nearest ZWG except when otherwise indicated. The Group applied the below procedures to translate the financial performance and financial position from its functional currency to the presentation currency:

(a) assets and liabilities from statement of financial position were translated at the closing rate as at 31 December 2024.
(b) income and expenses for each statement of profit or loss and other comprehensive income were translated using the monthly average exchange rates; and
(c) all resulting exchange differences were recognised in other comprehensive income.
(d) The effects of translation to presentation currency were shown separately on the Group's notes to the financial statements and to the reconciliation of cash and cash equivalents. The Group considered the broad objectives of IAS 21 & IAS 7 to appropriately present and disclose the effects of translation to presentation currency on the statement of Cash Flows.

The Group has been presenting its annual financial statements in the ZWL to 31 December 2023. Following the regulatory pronouncements by the central bank, introducing the Zimbabwean Gold "the ZWG" currency and discontinuing the use of the " ZWL" as the Zimbabwean currency, the Group adopted the ZWG as the Group's presentation currency effective the 4th of April 2024, the date on which the ZWL currency was discontinued by regulatory pronouncements.

The Group's 2024 annual financial statements have been presented by converting the USD functional currency to the ZWG presentation currency. The change has been applied retrospectively and on comparative information, the Group applied the official central bank inaugural rate of USD1: ZWG 13.56 to all comparatives in order to obtain ZWG values.

Basis of consolidation.

i. Business combinations

The Group's consolidated financial statements incorporate the financial statements of the Group and entities (including structured entities) controlled by the Group and its subsidiaries. In the separate financial statements of the Company, Investments in subsidiaries are held at cost less accumulated impairment losses.

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which it ceases. All intra-group balances, transactions, income and expenses, profits and losses resulting from intra-group transactions that are recognised in assets and liabilities and income and expenses are eliminated in full.

iii. Non-controlling interests

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group Interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iv. Loss of control
When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related Non-Controlling Interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is assessed to determine its classification and the measurement approach after control is lost.

v. Interests in equity-accounted investees
The Group's interests in equity accounted investees comprises interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control over the financial and operating activities.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent, to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence ceases.

vi. Transactions eliminated on consolidation
Intra Group balances and transactions, and any unrealised income and expenses arising from intra Group transactions are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but to the extent that there is no evidence of impairment.

1.2 CHANGES IN MATERIAL ACCOUNTING POLICIES AND DISCLOSURES

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7
In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The transition rules clarify that an entity is not required to provide the disclosures in any annual periods in the year of initial application of the amendments.

The amendments had no impact on the Group's annual condensed consolidated financial statements.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback
In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Group's annual condensed consolidated financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current
In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement.
- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Group's annual condensed consolidated financial statements.

1.3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the Group's accounting policies, management made certain judgements and estimates that have a significant effect on the amounts recognised in the financial statements as stated below:

Fair value measurement principles
The fair value of financial instruments is based on their market price at the reporting date. If a market price is not available, the fair value of an instrument is estimated by using the Price earnings multiples "PE". Where PE multiples techniques are used, the multiples are based on comparable entities at the reporting date for companies with similar business selected by management based on their judgement, then adjusted for country and size discounts based on judgement.

The Group adopted the Directors valuation on its Investment properties, land inventory and owner occupied properties. The frequency of valuations depends on the changes in the fair values. The Group's valuations rely on available market evidence as input for calculating property fair values. This includes transaction prices for comparable properties, rents and capitalisation rates.

In view of the emergence and availability of US$ denominated evidence on the market, for the year ending 31 December 2024 the Group's properties were valued using a direct US$ valuation. For the year ended 31 December 2023, the Group's valuations were done in direct ZWL.

Expected Credit Loss
The Group reviews all financial assets, financial guarantees and letters of credit at the reporting date to assess whether there has been increase in credit risk for the purposes of expected credit loss expense calculation. In particular, judgement by Management is required on key concepts such as whether there has been a significant increase in credit risk, measurement of lifetime expected credit losses and forward-looking assumptions on determining the probability of default. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

IFRS 9 requires the assessment of the Expected Credit loss (ECL) on all financial assets from initial recognition. The ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. The Group records the expected loss expense through profit or loss. Refer to note 12.4 for more detail on the Expected Credit loss (ECL) expense on financial assets.

Assets and liabilities linked to RBZ Financial asset in lieu of legacy debts and nostro gap accounts
The Group held foreign currency denominated legacy debts and nostro gap accounts amounting to US$ 80,634,302 (December 2023: US$133,369, 793). These debts relate to liabilities denominated in US$ and are presented in deposits in the statement of financial position and in Note 24, and are classified as financial liabilities subsequently measured at amortised cost.

The Reserve Bank of Zimbabwe (RBZ) committed to provide foreign currency funding in full to support the Group in financing legacy debts and nostro gap at an exchange rate of US$1:Z$1. In the prior periods, the RBZ requested the Group to pay over the Zimbabwe dollar equivalent of legacy debt and nostro gap accounts at an exchange rate of US$1:Z$1. The Group recognised a foreign denominated asset for this amount and as at 31 December 2024, US$123,247,923 (2023:US$140,013,942) was receivable from the RBZ. This amount is presented as a receivable in other assets in the statement of financial position and in Note 14 and is classified as a financial asset subsequently measured at amortised cost.

To date amounts totalling US$ 70 259 297(December 2023: US$54 083 770) were received from the RBZ against the RBZ financial asset and were utilised to settle legacy debt and nostro gap. The Group exercised judgement, in setting its expectation

GROUP ACCOUNTING POLICIES (continued...)

that the RBZ financial asset will be recovered and that the RBZ has the intention and ability to settle on a gradual basis, the outstanding amounts. In light of amortised cost measurement, the Group estimated the timing and amount of the cash flows associated with the legacy debt and nostro gap financial liability and RBZ financial asset.

Estimation of property and equipment useful life

The determination of estimated useful life for property and equipment is carried out at each reporting date. At the end of each financial year, the Group's valuations department assesses all property taking into account the market values and physical status. The Group reassesses the estimated useful life for property and equipment at each reporting period. The reassessment takes into account physical status, technological trends and historical usage. Where the reassessment indicates a change in the useful life the change is treated as a change in accounting estimate and accounted for prospectively in line with IAS 8. Refer to accounting policy note 1.6 for the useful lives of property and equipment.

Estimation of property and equipment residual values

The residual value of an asset is the estimated amount that an entity would expect to obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life. The estimated residual values of property and equipment are determined at each reporting date. The residual values are taken into account on depreciation calculation where Property and equipment are depreciated over their estimated useful lives on a straight line basis such that the cost or valuations of the assets are reduced to the estimated residual values. The Group reviews annually the residual values and useful lives of the assets. Where there has been a change on the residual value of an asset of property and equipment the change is accounted for prospectively as a change in accounting estimate. The average of 10% residual value has been determined from the general assessment for other components of property and equipment, save for land, buildings and software.

Inputs for valuation of unlisted equity investments

When the fair values of financial assets recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques that include the earnings multiple and the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as discounts rates, cash flows, comparable prices, comparable entities and jurisdiction/country and size discounts.

Deferred tax

Deferred taxation 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. Temporary differences arising out of the initial recognition of assets or liabilities and temporary differences on initial recognition of business combinations that affect neither accounting nor taxable profit are not recognised. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Management exercised judgement on the extent to which the Group that will generate taxable profit against which the deductible temporary difference can be utilised.

Effective Interest rate

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Group estimates future cash flows considering all contractual terms of the financial instrument, excluding ECL. For purchased or originated credit impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including ECL. In coming up with the effective interest rate, the Group makes significant judgement on credit rating of a specific customer, the security available to cover the exposure, the facility type and the tenure of the exposure.

Uncertain Tax treatments

Income tax expense represents the sum of the tax currently payable and deferred tax. The Group uses judgement to determine whether each tax treatment should be considered independently or whether some tax treatments should be considered together. The decision is based on which approach provides better predictions of the resolution of the uncertainty. The Group assumes that the taxation authority will examine amounts reported to it and will have full knowledge of all relevant information when doing so. Where the Group concludes that it is probable that a particular tax treatment will be accepted, it determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment included in its income tax files. If the Group concludes that it is probable that a particular tax treatment will be accepted, it uses the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group included the renewal period as part of the lease term for leases of buildings that are used as branches. The Group typically exercises its option to renew these leases to avert the notable business disruption risks, which would be encountered if replacement assets are not readily available. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Determining the incremental borrowing rate to use as discount rate on initial recognition

The Group's incremental borrowing rate represents what the Group 'would have to pay to borrow over a similar term and with similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment.' In applying the concept of 'similar security', the Group uses the right of-use asset granted by the lease and not the fair value of the underlying asset. The Group's rate represents the amount that would be charged to acquire an asset of similar value for a similar period. The Group estimates the IBR using observable inputs (such as market interest rates) and make certain entity-specific adjustments (such as the subsidiary's stand-alone credit rating, or to reflect the terms and conditions of the lease). The Group applied judgement to estimate an incremental borrowing rate in the context of a right-of-use asset, especially when the value of the underlying asset differs significantly from the value of the right-of-use asset.

Property lease classification – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

Classification and measurement of insurance contracts

The Group assessed whether the contracts it issues are within the scope of IFRS 17 and whether they meet the definition of an insurance contract. In applying that judgement, the Group considered whether the contracts it issues transfer significant insurance risk. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Group uses judgement to assess whether a contract transfers insurance risk (i.e. if there is a scenario with commercial substance in which the Group has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant. Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Company to financial risk are classified as investment contracts and follow financial instruments accounting under IFRS 9.

Determination of unit of account for portfolio and insurance group determination.

a) Determination of portfolios of contracts

Insurance contracts that are subject to similar risks and managed together are included within a portfolio. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts). Portfolio risks are based on the possible perils that insurance holders may be exposed to.

b) Aggregation of insurance contracts issued on initial recognition into groups of onerous contracts, groups of contracts with no significant possibility of becoming onerous and groups of other contracts.

All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts) and are;

(i) contracts that are onerous at initial recognition;
(ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or
(iii) a group of remaining contracts.

These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are not subsequently reconsidered. For each portfolio of contracts, the Group determines the appropriate level at which reasonable and supportable information is available to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous. This level of granularity determines sets of contracts. The Group uses significant judgement to determine at what level of granularity the Group has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment to test whether contracts are onerous.

Sets of contracts usually correspond to policyholder pricing groups that the Group determined to have similar insurance risk and that are priced within the same insurance rate ranges. The Group monitors the profitability of contracts within portfolios and the likelihood of changes in insurance, financial and other exposures resulting in these contracts becoming onerous at the level of these pricing groups with no information available at a more granular level.

Aggregation of insurance contracts issued on initial recognition into groups of onerous contracts, groups of contracts with no significant possibility of becoming onerous and groups of other contracts.

All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts) and are:

i) contracts that are onerous at initial recognition;
ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or
iii) a group of remaining contracts.

These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are not subsequently reconsidered. For each portfolio of contracts, the Group determines the appropriate level at which reasonable and supportable information is available to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous. This level of granularity determines sets of contracts. The Group uses significant judgement to determine at what level of granularity the Group has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment.

Sets of contracts usually correspond to policyholder pricing groups that the Group determined to have similar insurance risk and that are priced within the same insurance rate ranges. The Group monitors the profitability of contracts within portfolios and the likelihood of changes in insurance, financial and other exposures resulting in these contracts becoming onerous at the level of these pricing groups with no information available at a more granular level. This judgement was based on a number of assumptions in forecasting of future cash flows and their discounting.

The effect of these judgements it entails that onerous contracts loss is immediately recognised in the profit or loss statement. Similar grouping assessment is also done for reinsurance contracts held.

Measurement approaches
The Group uses different measurement approaches depending on the type of contracts, as follows:

Contracts issued	Product classification	Measurement model
Term life insurance contracts	Insurance contracts	PAA for policies issued (with coverage of one year or less)
All contracts under the short term	Insurance contracts	PAA for policies issued
Universal life insurance contracts	Insurance contracts without direct participation features	GMM
Direct participating contracts	Investment contracts with direct participation features	VFA
Investment contracts with DPF	Investment contracts with direct participation features	VFA
Investment contracts without DPF	Financial instruments	Financial liabilities measured at FVTPL under IFRS 9
Reinsurance contracts held		
Term life - quota share reinsurance	Reinsurance contract held	GMM

The Group does not have any reinsurance contracts issued to compensate another entity for claims arising from one or more insurance contracts issued by that other entity.

Measurement methods applicable for each portfolio
The Group applied either the GMM, PAA, or VFA measurement models to its groups of contracts. Contracts accounted for using the PAA model had to meet the eligibility test. Significant judgement was applied in concluding the PAA approach on some term life insurance products (GLA and Comfort-sure portfolios). These portfolios where PAA has been applied have a coverage period of one year or less. The Group applied significant judgement in determining whether the renewal period cash flows fall within the contract boundary for these portfolios. Full consideration was given to facts and conditions at point of renewal including the factoring of insurance risk in the renewal price. The conclusion on this judgement has been to exclude the renewal period from the coverage period as it constitutes a new contract. This has an implication of the portfolios qualifying in the PAA measurement approach.

Cash flows to fulfil insurance contracts
The Group uses judgement to determine which cash flows are within the boundary of insurance contracts, thus those that relate directly to the fulfilment of the contracts. The Group performs regular expense studies and uses judgement to determine the extent to which fixed and variable overheads are directly attributable to fulfilling insurance contracts using the following systematic methods in allocating overheads.

Expense attribution
Insurance acquisition costs such as costs of selling, underwriting and starting a group of insurance contracts were allocated to products based on the percentage of new business premiums per product, products with higher premiums have high allocated insurance acquisitions costs. Similarly, policy administration & maintenance costs and fixed & variable overheads, were allocated based on total premiums so that the products with a large amount of premiums also had a high amount of expenses allocated to it. The claims handling costs were split using the actual of claims paid so that a product with a high amount of claims paid will also have a high amount of claims handling expenses.

Based on the facts and circumstances during the reporting period, management judged that there were no abnormal expenses attributed to insurance service.

The effect of this judgement has been the inclusion of all directly attributable expenses in the insurance service results.

1.3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Determination of discount rates
The bottom-up approach was applied in the determination of the discount rates for all products. Under this approach, the discount rate is determined as the risk-free yield adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (known as an illiquidity premium). The ZWG risk free yield was derived using the Reserve Bank of Zimbabwe's Treasury bill projections to come up with a yield curve. The Treasury bills projections from the 2021 RBZ annual report were used to come up with the ZWG risk free rate. The risk-free yield was derived using credit rating information from the Corporate Finance Institute. Since Zimbabwe is not rated, management assumed the worst-case scenario and adopted the default probability of CCC.

Credit Rating	Default Probability
AAA	0%
AA	0.30%
A	0.39%
BBB	1.02%
BB	4.22%
B	13.84%
CCC	49.28%

Table - Credit Rating against default probability

Mortality Risk
The Group derives mortality rates assumptions from all lives graduated mortality rates with SA85-90 and SA56-62 published mortality rates from and the Actuarial Society of South Africa as well as the a (55) mortality rates as per 1000 lives from the United Kingdom. Mortality rates are differentiated between policyholder groups based on age.

Persistency/Lapse Risk
The Group derives assumptions about lapse and surrender rates based on the Group's own experience. Historical lapse and surrender rates are derived from the company's policy administration data. An analysis is then performed of the company's historical rates in comparison to the assumptions previously used. Statistical methods are used to derive adjustments to reflect the company's own experience and any trends in the data to arrive at the probability weighted expected lapse and surrender rates. Analysis is performed and assumptions are set by major product line. Currently the only product affected by lapse risk is the Funeral Cash Plan.

Determination of risk adjustment
The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the insurance contract is fulfilled. Because the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Group's degree of risk aversion. The Group estimates an adjustment for non-financial risk separately from all other estimates.

GROUP ACCOUNTING POLICIES (continued...)

The risk adjustment was calculated at the entity level and then allocated down to each group of contracts in accordance with their risk profiles. The provision for adverse deviation method was used to derive the overall risk adjustment for non-financial risk for contracts measured under GMM and VFA whilst the Mack method was used to derive the overall risk adjustment for non-financial risk for contracts measured under PAA.
In the provision for adverse deviation method, the risk adjustment is determined by applying a stress to the best estimate assumptions and re-projecting the cash flows under that stress. The stress factors chosen will be in line with the mandatory margins prescribed in the SAP 104 Standard. A confidence level of 90% was used to determine the risk adjustment for non-financial risk.

In the Mack method, the risk adjustment is determined by using past claims data to derive the estimates of the mean and variance of the total ultimate claims arising from each accident period. The method is based on pure chainladder method. Management set a confidence level of 90% in determining the risk adjustment for non-financial risk.

Coverage units
The Group uses the amount that it expects the policyholder to be able to validly claim in each period if an insured event occurs as the basis for the quantity of benefits and the Group determines coverage units as follows:

a) for term life and universal life insurance contracts, coverage units are determined based on the policies' face values that are equal to the fixed death benefit amounts;
b) for direct participating contracts, coverage units are based on the fixed death benefits amounts (during the insurance coverage period) plus policyholders' account values;
c) for investment contracts with DPF, coverage units are based on policyholders' account values;
d) for automobile insurance contracts acquired in the run-off period, coverage units are based on the expected amount of claims covered in the period and the expected amount of claims remaining to be covered in future periods.

The Group reflects the time value of money in the allocation of the CSM to coverage units.

IFRS 17 Transition
IFRS 17 replaced IFRS 4 Insurance Contracts for annual periods on or after 1 January 2023. The Group applied significant judgement in applying the transitional provisions.

Methods used and judgements applied in determining the IFRS 17 transition amounts
The Group has adopted IFRS 17 retrospectively, applying alternative transition methods where the full retrospective approach was impracticable. The full retrospective approach was applied to groups of insurance contracts in force at the transition date that were originated less than two years prior to transition (all contracts that started after 31 December 2019) and to all short term insurance products. The modified retrospective approach was applied to groups of Long term insurance contracts that were originated more than two years prior to transition (contracts that started prior to 31 December 2019).

The transition approach was determined at a group of insurance contracts level and affected the approach to calculating the CSM on initial adoption of IFRS 17 as follows:
a) full retrospective approach - the CSM at inception is based on initial assumptions when groups of contracts were incepted and rolled forward to the date of transition as if IFRS 17 had always been applied;
b) modified retrospective approach - the CSM at inception is calculated based on assumptions at transition using some simplifications and taking into account the actual pre-transition FCF.

The Group determined that it would be impracticable to apply the full retrospective approach where any of the following conditions existed:

The effects of the full retrospective application were not determinable, for example:

a. Some reasonable and supportable information about actual historical cash flows may have been available from the Group's systems, but in many cases such information was only available at higher levels or different levels of aggregation compared to the groups required by IFRS 17. This lack of information makes it impracticable to accurately calculate the FCF on a retrospective basis and segregate groups based on profitability.
b. The information necessary to estimate the effect of contracts derecognised before the transition date on allocation of the CSM between past and future periods on the transition date was not available in many cases. This was particularly challenging for large portfolios of long-term contracts for which terms and circumstances (for example, size and number of contracts issued in prior reporting periods) often change.

The full retrospective application required assumptions that would have been made in an earlier period, for example:

a. For contracts with direct participation features, the Group's expectations regarding the policyholder's share of underlying assets at contract inception would not have been possible to recreate without the use of hindsight.
b. Difficulties in retrieving relevant reliable information existed where assumptions developed at the date of initial recognition were not on an IFRS 17 basis (e.g., discount rates, risk adjustment for non-financial risk, expenses).
c. Changes in assumptions have not been historically documented on an ongoing basis.
d. The older the in-force contracts (e.g., term life products), the more challenging it would have been to retrieve data from the past on assumptions.

The full retrospective application required significant estimates of amounts, and it was impossible to distinguish objectively between information about those estimates that provided evidence of circumstances that;
(i) existed on the date at which those amounts were to be recognised, measured or disclosed; and
(ii) would have been available when the consolidated financial statements for that prior period were authorised for issue, and other information, for example:

a. The Group had limited, or no information required for the allocation of acquisition costs and other overhead expenses to respective groups under IFRS 17. Systems have not been tracking or allocating acquisition costs as previous accounting policies did not require this. In addition, the allocation of applicable overheads to groups of contracts could require information that has not historically been tracked/recorded.
b. The Group has not historically been accumulating information about the changes in estimates that would have been recognised in profit or loss for each accounting period because they did not relate to future service, and the extent to which changes in the FCF would have been allocated to the loss component.

Full retrospective approach
The Group has determined that reasonable and supportable information was available for all contracts in force at the transition date that were issued within two years prior to the transition (all contracts that started after 31 December 2019).

In addition, for insurance contracts originated by the Group that are eligible for the PAA, management concluded that sufficient information was available to apply the full retrospective approach as if IFRS 17 had always been applied. The retrospective approach was used for certain life insurance contracts and all short term insurance contracts issued by the Group.

Accordingly, the Group has recognised and measured each group of insurance contracts in this category as if IFRS 17 had always applied; derecognised any existing balances that would not exist had IFRS 17 always applied; and recognised any resulting net difference in equity.

Modified retrospective approach
After making reasonable efforts to gather necessary historical information, the Group determined that for certain groups of contracts, such information was not available or not available in a form that would enable it to be used without undue cost and effort. It was therefore impracticable to apply the full retrospective approach. Significant judgement was applied in determining the transition amounts under these approaches.

1.4 FOREIGN CURRENCIES

The Group's consolidated financial statements are presented in ZWG which is also the Holding company's presentation currency. All transactions are initially recognised in the USD functional currency. Transactions in foreign currencies are initially recorded at the spot exchange rate at transaction date. Monetary assets and liabilities denominated in foreign currencies are restated at reporting date. Management established the prevailing interbank foreign exchange rate published by the Reserve Bank of Zimbabwe (RBZ) as the appropriate spot rate during the period on the basis that the central bank promulgated the same as the official exchange rate applicable to all foreign exchange transactions. The Group and its customers buy and sell foreign currency at this official rate, hence ascertaining the exchangeability principle in accordance with IAS 21. Non-monetary assets denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of transaction while those at fair value are translated using the exchange rate at the date when the fair value was determined. All exchange gains/losses arising on the translation or settlement of foreign denominated monetary items are recognised in profit or loss.

1.5 INVESTMENT PROPERTIES

Recognition criteria
Investment properties are those properties held for earning rental income and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day-to-day servicing of an investment property.
Subsequent to initial recognition, investment properties are measured at fair value. Gains

or losses arising from changes in fair values of investment properties are included in profit or loss in the period in which they arise, together with any corresponding tax effects. Rental income from letting of the investment properties is recognised straight line over the lease term. The fair value assessments by the valuer take into account the following aspects:

- Age of property
- Aesthetic quality
- Structural condition
- Size of land
- Location

Transfers to and from investment properties
Transfers are made to or from investment property only when there is a change in use and a revaluation is done first before the transfer from or right after the transfer to. If an investment property becomes more than 20% owner occupied where split is not possible, it is reclassified as property and equipment in accordance with IAS 16 (Property, plant and equipment) and its fair value at the date of its classification becomes its cost for subsequent accounting as property and equipment under IAS 16.

Derecognition
Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

1.6 PROPERTY AND EQUIPMENT

Recognition criteria
Work in progress is stated at cost, net of accumulated impairment losses, if any. All equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any except for properties which are accounted for using the revaluation method. Costs that are directly attributable to the acquisition, construction, or improvement of an item of property and equipment are capitalised to its cost. Such costs include the cost of replacing part of such property and equipment when that cost is incurred and the recognition criteria are met. Gross carrying amount represents either cost or the revalued amount, in the case of revalued property. Property and equipment are depreciated over their estimated useful lives on a straight line basis such that the cost or valuations of the assets are reduced to their estimated residual values. The estimated useful lives at the end of this reporting period are:

Buildings	40 years
Computer and equipment	5 years
Furniture & Fittings	10 years
Leasehold improvements	10 years
Motor vehicles	3-5 years

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be the same as the recoverable amount. The assets' residual values useful lives and methods of depreciation are reviewed and adjusted, where appropriate, at each financial year end.
Freehold land and buildings are measured at fair value while subsequent additions between valuation dates are shown at cost. The frequency of valuations depends on the changes in the fair values these assets. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Any revaluation surplus is credited to the asset revaluation reserve except to the extent that it reverses a revaluation loss of the same asset previously recognised in profit or loss in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss except where a deficit directly offsets a previous surplus on the same asset. This deficit is directly offset against the surplus in the asset revaluation reserve. All other items of property and equipment are carried at cost.

Derecognition
An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Revaluation reserves are maintained as long as the Group still holds the assets. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

1.7 FINANCIAL ASSETS

Initial recognition
A financial instrument is a contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets held by the Group include balances with banks and cash, money market assets, financial securities, loans and advances, debt and equity instruments and RBZ financial asset in lieu of legacy debt.
Financial assets that are debt instruments in the scope of IFRS 9 (Financial instruments) are classified, at initial recognition, and subsequently measured at:

- Amortised Cost,
- Fair Value Through Other Comprehensive Income (FVOCI), or
- Fair Value Through Profit or Loss (FVPL),

When financial assets are recognised initially they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, any directly attributable transaction costs. Transaction costs on all financial assets that are carried at fair value through profit or loss, they are accounted for as an expense. The Group determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year end.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement
For purposes of subsequent measurement, the Group's financial assets are classified in the following three categories:

i. Financial assets at amortised cost
The Group's financial assets are classified as subsequently measured at amortised cost under IFRS 9 if they meet both of the following criteria:

- Hold to collect business model test – The asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows. The hold to collect business model does not require that financial assets are always held until their maturity. The Group's business model can still be to hold financial assets to collect contractual cash flows, even when sales of financial assets occur. Examples of these sales that would not contradict holding financial assets to collect contractual cash flows include selling the financial asset close to its maturity and selling the financial asset to realise cash to deal with an unforeseen need for liquidity.

- Solely payments of principal and interest (SPPI) contractual cash flow characteristics test – The contractual terms of the financial asset give rise to cash flows that are SPPI on the principal amount outstanding on a specified date (i.e. the contractual cash flows are consistent with a basic lending arrangement).

The carrying amount of these assets is adjusted by any expected credit loss allowance recognised. Interest income from these financial assets is included in the Group's interest income using the effective interest rate method. The Group's financial assets at amortised cost mainly include loans and advances to customers, financial securities, listed debt bonds, money market assets, RBZ financial asset in lieu of legacy debt, trade receivables.

ii. Financial assets at fair value through other comprehensive income
The Group measures its debt instruments at fair value through OCI if both of the following conditions are met:

- financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments measured at fair value through OCI, interest income and foreign exchange revaluation are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. However, the loss allowance is recognised in other comprehensive income and does not reduce the carrying amount

GROUP ACCOUNTING POLICIES (continued...)

of the financial asset in the Statement of Financial position. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments not held for trading as equity instruments designated at fair value through OCI. This election is made on an instrument by instrument basis. The Group's equity investments measured under this category are unquoted equities. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

iii. Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

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

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired.
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:

a. the Group has transferred substantially all the risks and rewards of the asset; or
b. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to pay.

1.8 FINANCIAL LIABILITIES

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities and recognised at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, other liabilities and deposits (including legacy debt and nostro gap).

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost
After initial recognition, interest-bearing loans, other borrowings and deposits are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability and the difference in the respective carrying amounts is recognised in profit or loss.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

1.9 IMPAIRMENT

Financial assets
The Group assesses at each reporting date on a forward looking basis, the expected credit losses (ECL) associated with a financial asset or a group of financial assets. The Group carries out a significant increase in credit risk assessment at each reporting date in order to determine whether the credit risk of its financial assets has increased significantly since initial recognition. This assessment determines which grading/ classification stage the instrument is in and the amount of ECL to recognise. Whether credit risk has significantly increased or not is determined based on the changes in default risk. Evidence of changes in default risk may include indications that the debtors or a group of debtors is experiencing significant difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial Assets carried at amortised cost
The carrying amount of the financial asset in the Statement of Financial Position shall be reduced with the loss allowance for expected credit losses (ECL). The Group recognizes 12-month expected credit loss as a loss allowance when there is no significant increase in the credit risk of the financial asset since initial recognition. When there is a significant increase in credit risk since initial recognition, expected credit losses for the remaining life of the financial assets are recognized as a loss allowance. The amount of the credit loss expense is measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The Group recognises credit loss even if it expects to be paid in full but later than when contractually due.

The Group recognises in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised.

The Group carries out significant increase in credit risk assessment at each reporting date in order to determine whether the credit risk of its financial assets has increased significantly individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually, significant since initial recognition. If it is determined that there is no significant increase in the credit risk since initial recognition, the Group recognizes 12-month expected credit losses. If it is determined that there is significant increase in the credit risk since initial recognition, the Group recognizes life time credit loss allowance.

If in a subsequent period, the amount of the Expected Credit Loss (ECL) decreases and the decrease can be due to credit risk the previously recognised loss allowance is reversed. Any subsequent reversal of the loss allowance is recognised in profit or loss to the extent that the carrying value of the asset does not exceed what the amortised cost would have been had the impairment is reversed.

Expected credit losses are also calculated for Bank and cash balances.

Financial Assets carried at Fair Value through other comprehensive income (FVOCI)
The Group's equity investments measured at Fair Value through other comprehensive income are unlisted equity investments. No impairment loss is recognised on equity instruments as they are measured at fair value with gains and losses recognised through OCI and the fair value reserve.

Financial Assets carried at Fair Value through profit or loss (FVPL)
No impairment is recognised for financial assets measured at Fair value through profit or loss. Changes in fair value are recognised through profit and loss in as much as they affect the carrying amount of these assets. The Group has listed equity investments and these are measured at FVPL.

Non-Financial Assets
The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less cost of disposal and its value in use and is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects market assessments of the time value of money and the risks specific to the asset. Impairment of continuing operations is recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

1.10 REVENUE RECOGNITION

The Group's major revenue items emanate from IFRS 15 (Revenue from contract with customers), as well as IFRS 9 (Financial instruments), and IFRS 17 insurance Contracts (Refer to note 1.11). The Group's revenue is presented as total income in the Group's statement of profit or loss and other comprehensive income.

a) Revenue within the scope of IFRS 15

The Group recognises revenue from contracts with customers under the scope of IFRS 15 as it transfers promised goods or services to customers at an amount that reflects the consideration to which the Group expects to be entitled to in exchange for those goods or services excluding amounts collected on behalf of third parties. The Group applies the five step approach to revenue recognition under IFRS 15. The Group recognises revenue when a performance obligation is satisfied by transferring a promised good or service to the customer (which is when the customer obtains control of that good or service).
The Group satisfies a performance obligation by transferring control of a promised good or service to the customer, which could occur over time (typically for promises to transfer services to a customer) or at a point in time (typically for promises to transfer goods to a customer). Control includes the ability to prevent others from directing the use of and obtaining the benefits from the asset. The Group satisfies a performance obligation at a point in time unless it meets one of the following criteria, in which case, it is deemed to be satisfied over time:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If the Group does not satisfy its performance obligation over time, it satisfies it at a point in time and revenue will be recognised when control is passed at that point in time. Factors that indicate the passing of control include the present right to payment for the asset or the customer has legal title to the asset or the Group has transferred physical possession of the asset.

When the revenue is recognised over time, the Group recognises the revenue in line with the pattern of transfer. The Group selects an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Whether the Group recognises revenue over the period during which it produces a product/services, or on delivery to the customer will depend on the specific terms of the contract.

The Group's major revenue items recognised under the scope of IFRS 15 are as follows:

i. Services rendered

The Group recognises revenue for services rendered at an amount that reflects the consideration to which the Group expects to be entitled to in exchange for the services excluding amounts collected on behalf of third parties to customers based on the estimated outcome of the transactions. (These include project management fees and advisory income that is recognised over a period of time and net income from foreign currency dealing). The revenue is recognised by reference to the stage of completion of the transaction at the reporting date. The stage of completion is measured based on the amount of work performed. When the outcome cannot be reliably estimated, revenue is recognised only to the extent of the expenses incurred that are recoverable.

ii. Commission and fee income

The Group recognises revenue from commission and fee income including account maintenance fees, ledger fees, advisory income, Agro Inputs handling fees, ATM/ cash withdrawal fees and Point of sale income as the related services are performed. Other fee and commission expenses relate mainly to transaction and service fees, which are expensed as the services are received.

iii. Property sales

Revenue arising from the sale of land inventory is recognised as an amount that reflects the consideration to which the Group expects to be entitled to in exchange of the land inventory excluding amounts collected on behalf of third. The revenue is measured at the transaction price agreed under the contract. In most cases, the consideration is due when control has been transferred upon signing of the sale agreement. While deferred payment terms may be agreed in rare circumstances, the deferral never exceeds twelve months.

iv. Agro-business income

The Group records revenue from the provision of Agricultural inputs to its beneficiary contract farmers. The revenue is recognised when the control of agricultural inputs transfers to the beneficiary contract farmer, which generally occurs at the time of collection of inputs from the designated supplier, distributor or directly delivered to the beneficiary contract farmer's preferred location. The Group prices agricultural inputs at market price of such inputs. Once these criteria are met, the inputs debtor- asset is derecognized, where inputs were paid in advance and the gain or loss on such inputs is recorded upon the transfer of control of the agricultural inputs to the beneficiary farmer.

b) Revenue within the scope of IFRS 9

The Group's revenue items recognised under the scope of IFRS 9 are as follows:

i. Trading income

Net trading and dealing 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 impact of changes in foreign currency exchange rates on foreign currency denominated monetary balances.

ii. Interest Income

Interest income and expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets (POCI), the Group estimates future cash flows considering all contractual terms of the financial instrument, but not ECL. For purchased or originated credit impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including ECL.

For Financial assets that are not POCI, but have become credit impaired (or stage 3), interest income is calculated by applying the effective interest to their amortised cost (i.e. net of the expected credit loss provision).

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

iii. Commission and fee income

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. 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.

iv. Dividends

Dividend income is recognised when the right to receive income is established. Usually, this is the ex-dividend date for quoted equity securities. Dividends are presented either in net trading income, net income from other financial instruments at FVTPL or other revenue based on the underlying classification of the equity investment.

Dividends on equity investments designated at FVOCI are recognised in P/L, unless if the dividend clearly represents a recovery of part of the cost of the investment. Dividends received from equity accounted investee are recognised in the carrying amount of the investment, in line with the equity method of accounting. The holding Company may receive dividends from its subsidiaries, these are eliminated for group reporting.

v. Other income

Other income relates largely to insignificant and non-routine income earned by the group, which often is aggregated for reporting, and may be disaggregated as and when they become material. These items include unrealised gains on foreign currency monetary balances held, Group holiday facility income and non-routine income on various customers' or business once off transactions.

vi. Management fees

The Holding company earns management fees from its subsidiaries, and these are eliminated for group reporting.

GROUP ACCOUNTING POLICIES (continued...)

c) Revenue within the scope of IFRS 13
The Group's revenue items recognised and originating from measurements under the scope of IFRS 13 are as follows:

i. Fair Value adjustments on Investment Properties. The Group recognises income from Gains or losses arising from changes in fair values of investment properties.
ii. Fair Value adjustments on listed equity investments. The Group recognises income from Gains or losses arising from changes in fair values of listed equity investments.

d) Lease income under IAS 40
Rental income from letting of the investment properties is recognised in the Statement of Profit or Loss on straight line basis over the lease term.

e) Income from disposal of Investment property and property plant and equipment
Profit or loss on disposal of investment property and property and equipment is recognised in the Statement of Profit or loss. The profit or loss on disposal is calculated by comparing the carrying amount of the asset disposed on disposal date and the proceeds from disposal.

1.11 IFRS 17 INSURANCE CONTRACTS

Recognition, measurement and presentation of insurance contracts
IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts, reinsurance contracts and investment contracts with discretionary participation features. It introduces a model that measures groups of contracts based on the Group's estimates of the present value of future cash flows that are expected to arise as the Group fulfils the contracts, an explicit risk adjustment for non-financial risk and a CSM.

Under IFRS17, Insurance revenue in each reporting period represents the changes in liabilities for remaining coverage that relate to services for which the Group expects to receive consideration and allocation of premiums that relate to recovering insurance acquisition cash flows. In addition, investment components are no longer included in insurance revenue and insurance service expenses.

The standard also requires that insurance finance income and expenses are presented separately from insurance revenue and insurance expenses. When measuring the liability for remaining coverage, the Premium Allocation Approach is similar to the Group's previous accounting treatment. However, when measuring liabilities for incurred claims, the Group now discounts the future cash flows (unless they are expected to occur in one year or less from the date on which the claims are incurred) and includes an explicit risk adjustment for non-financial risk.

Previously, all acquisition costs were recognised and presented as separate assets from the related insurance contracts (deferred acquisition costs) until those costs were included in the profit or loss. Under IFRS17, only insurance acquisition cash flows that arise before the related insurance contracts are recognised as separate assets and are tested for recoverability. These assets are presented in carrying amount of related portfolio of contracts and are derecognised once the related contracts are recognised.
Income and expenses from reinsurance contracts other than insurance finance income and expenses are presented as a net amount in the profit or loss. Previously, amounts recovered from reinsurers and reinsurance expenses were presented separately.

Definition of an insurance contract
Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder.

The Company offers short term insurance, term funeral, credit life, and annuity contracts, as well as life assurance. The main risks that the Group is exposed to are as follows:

- Mortality risk – risk of loss arising due to the incidence of policyholder death being earlier than expected.
- Morbidity risk – risk of loss arising due to policyholder health experience being worse than expected.
- Longevity risk – risk of loss arising due to the annuitant living longer than expected.
- Expense risk – risk of loss arising from Expense experience being higher than expected.
- Policyholder decision risk – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected.

The objective of the Group is to ensure that sufficient reserves are available to cover the liabilities associated with the insurance contracts that it issues. The risk exposure is mitigated by diversification across the portfolios of insurance contracts. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of outwards reinsurance arrangements.

Separating components from insurance and reinsurance contracts
The Group assesses its life insurance and reinsurance products to determine whether they contain components which must be accounted for under another IFRS rather than IFRS 17 (distinct non insurance components). After separating any distinct components, the Company applies IFRS 17 to all remaining components of the (host) insurance contract.

Where insurance premiums include an investment (i.e. deposit) component - an amount that will be paid to policyholders or their beneficiaries regardless of whether an insured event occurs. The receipt and repayment of these non-distinct investment components do not relate to the provision of insurance service; therefore, such amounts are not presented as part of the insurer's revenue or insurance service expenses. The Group applies IFRS 9 to account for distinct investment components (not interrelated with insurance and able to be sold separately). That is, the related net investment income is excluded from the insurance service result and presented separately.
Some of the products issued by the Group include an investment component. This has been assessed to meet the definition of a distinct investment component in IFRS 17.
An investment component is distinct if, and only if, both of the following conditions are met:
- The investment component and the insurance component are not highly interrelated, and
- A contract with equivalent terms is sold, or could be sold, separately at least in the same jurisdiction.

An investment component and an insurance component are highly interrelated if, and only if:
- The insurer is unable to measure one component without considering the other component. For instance, when the value of one component changes in direct response to a change in the other component, or
- The policyholder is unable to benefit from one component unless the other component is also present. For instance, if the lapse or maturity of one component would cause the lapse or maturity of the other component, this would suggest the two components are highly interrelated.

Otherwise, the investment component and the insurance component would not be considered highly interrelated.

Recognition and de-recognition of insurance contracts
Groups of insurance contracts issued are initially recognised from the earliest of the following:
- the beginning of the coverage period;
- the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Group determines that a group of contracts becomes onerous.

A group of reinsurance contracts held that covers the losses of separate insurance contracts on a proportionate basis (proportionate or quota share reinsurance) is recognised at the later of:
- the beginning of the coverage period of the group; or
- the initial recognition of any underlying insurance contract.

The Group does not recognise a group of quota share reinsurance contracts held until it has recognised at least one of the underlying insurance contracts. A group of reinsurance contracts held that covers aggregate losses from underlying contracts in excess of a specified amount (non-proportionate reinsurance contracts, such as excess of loss reinsurance) is recognise at the earlier of:

(a) the beginning of the coverage period of the group of reinsurance contracts held; and
(b) the date the Group recognises an onerous group of underlying insurance contracts,
(c) if the Group entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

Only contracts that meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, subject to the annual cohorts' restriction. Composition of the groups is not reassessed in subsequent periods.

An insurance contract is de-recognised when it is:
- extinguished (i.e. when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified and certain additional criteria are met.

When an insurance contract is modified by the Group as a result of an agreement with the counterparties or due to a change in regulations, the Group treats changes in cash flows caused by the modification as changes in estimates of the FCF, unless the conditions for the de-recognition of the original contract are met. The Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

a) if the modified terms had been included at contract inception and the Group would have concluded that the modified contract:
   (i) is not in scope of IFRS 17;
   (ii) results in different separable components;

(iii) results in a different contract boundary; or
(iv) belongs to a different group of contracts;

b) the original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or
c) the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

When an insurance contract not accounted for under the PAA is derecognised from within a group of insurance contracts, the Group:
a) Adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the group.
b) Adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the LRC of the group) in the following manner, depending on the reason for the de-recognition:
   (i) If the contract is extinguished, in the same amount as the adjustment to the FCF relating to future service.
   (ii) If the contract is transferred to a third party, in the amount of the FCF adjustment in (a) less the premium charged by the third party.
   (iii) If the original contract is modified resulting in its de-recognition, in the amount of the FCF adjustment in a. adjusted for the premium the Group would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification. When recognising the new contract in this case, the Group assumes such a hypothetical premium as actually received.

c) Adjusts the number of coverage units for the expected remaining coverage to reflect the number of coverage units removed.
   When an insurance contract accounted for under the PAA is derecognised, adjustments to the FCF are done to remove relating rights and obligations and account for the effect of the de-recognition result in the following amounts being charged immediately to profit or loss:
   (i) if the contract is extinguished, any net difference between the derecognised part of the LRC of the original contract and any other cash flows arising from extinguishment;
   (ii) if the contract is transferred to the third party, any net difference between the derecognised part of the LRC of the original contract and the premium charged by the third party;
   (iii) if the original contract is modified resulting in its de-recognition, any net difference between the derecognised part of the LRC and the hypothetical premium the entity would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

Insurance acquisition costs
The Group includes the following acquisition cash flows within the insurance contract boundary that arise from selling, underwriting and starting a group of insurance contracts and that are:
a) costs directly attributable to individual contracts and groups of contracts; and
b) costs directly attributable to the portfolio of insurance contracts to which the group belongs, which are allocated on a reasonable and consistent basis to measure the group of insurance contracts.

These includes for example, non-refundable commissions paid on issuance of a contract. Before a group of insurance contracts is recognised, the Group can pay directly attributable acquisition costs to originate them. When such prepaid costs are refundable in case of insurance contracts termination, they are recorded as a prepaid insurance acquisition cash flows asset within other assets and allocated to the carrying amount of a group of insurance contracts when the insurance contracts are subsequently recognised.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised in the statement of financial position, a separate asset for insurance acquisition cash flows is recognised for each related group. The asset for insurance acquisition cash flow is derecognised from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the related group of insurance contracts.

At the end of each reporting period, the Company revises amounts of insurance acquisition cash flows allocated to groups of insurance contracts not yet recognised, to reflect changes in assumptions related to the method of allocation used.

After any re-allocation, the Company assesses the recoverability of the asset for insurance acquisition cash flows, if facts and circumstances indicate the asset may be impaired. When assessing the recoverability, the Company applies:

- An impairment test at the level of an existing or future group of insurance contracts; and
- An additional impairment test specifically covering the insurance acquisition cash flows allocated to expected future contract renewals.

If an impairment loss is recognised, the carrying amount of the asset is adjusted and an impairment loss is recognised in profit or loss. The Company recognises in profit or loss a reversal of some or all of an impairment loss previously recognised and increases the carrying amount of the asset, to the extent that the impairment conditions no longer exist or have improved.

Initial measurement - Groups of contracts not measured under the PAA
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 the CSM,
(b) the fulfilment cash flows of a group of insurance contracts do not reflect the Group's non-performance risk.

Fulfilment cash flows
The fulfilment cash flows (FCF) are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:
   (i) are based on a probability weighted mean of the full range of possible outcomes;
   (ii) are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables; and
   (iii) reflect conditions existing at the measurement date.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the LIC. The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation.

Risk of the Group's non-performance is not included in the measurement of groups of insurance contracts issued.

In the measurement of reinsurance contracts held, the probability weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

The Group estimates certain FCF at the portfolio level or higher and then allocates such estimates to groups of contracts.

The Group uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

Contractual service margin
The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Group will recognise as it provides coverage in the future.

At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous) arising from:

a) the initial recognition of the FCF;
b) the de-recognition at the date of initial recognition of any asset or liability recognised for insurance acquisition cash flows; and
c) cash flows arising from the contracts in the group at that date.

A negative CSM at the date of inception means the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately with no CSM recognised on the balance sheet on initial recognition.
For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Group recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Group will recognise as a reinsurance expense as it receives reinsurance coverage in the future.
For insurance contracts acquired, at initial recognition, the CSM is an amount that results in no income or expenses arising from:

a) the initial recognition of the FCF; and
b) cash flows arising from the contracts in the group at that date, including the fair value of the groups of contracts acquired as at the acquisition date as a proxy of the premiums received.

GROUP ACCOUNTING POLICIES (continued...)

Reinsurance contracts held measurement
The measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued, with the exception of the following:

- Measurement of the cash flows include an allowance on a probability-weighted basis for the effect of any non-performance by the reinsurers, including the effects of collateral and losses from disputes.
- The Company determines the risk adjustment for non-financial risk so that it represents the amount of risk being transferred to the reinsurer.
- The Company recognises both day 1 gains and day 1 losses at initial recognition in the statement of financial position as a CSM and releases this to profit or loss as the reinsurer renders services, except for any portion of a day 1 loss that relates to events before initial recognition.

Where the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, it establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The Group calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Group expects to recover from the group of reinsurance contracts held. Where only some contracts in the onerous underlying group are covered by the group of reinsurance contracts held, the Group uses a systematic and rational method to determine the portion of losses recognised on the underlying group of insurance contracts to insurance contracts covered by the group of reinsurance contracts held.

The loss-recovery component adjusts the carrying amount of the asset for remaining coverage. Where the Group enters into reinsurance contracts held which provide coverage relating to events that occurred before the purchase of the reinsurance, such cost of reinsurance is recognised in profit or loss on initial recognition.

Risk adjustment for non-financial risk
The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows and reflects the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

Contract boundary
The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts. This assessment is reviewed every reporting period. Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance coverage or other services. A substantive obligation ends when:

a) the Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the pricefully reflects those risks; or
b) both of the following criteria are satisfied:
   (i) the Group has the practical ability to reprice the portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
   (ii) the pricing of premiums related to coverage to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the Group, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and expense risk, are not included.

Riders represent add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, which are issued together with the main insurance contract forms part of a single insurance contract with all the cash flows within its boundary. Some insurance contracts issued by the Group provide policyholders with an option to buy an annuity upon the initially issued policy maturity. The Group assesses its practical ability to reprice such insurance contracts in their entirety to determine if annuity-related cash flows are within or outside of the insurance contract boundary. As a result of this assessment, non-guaranteed annuity options are not measured by the Group until they are exercised.

Cash flows are outside the insurance contracts boundary if they relate to future insurance contracts and are recognised when those contracts meet the recognition criteria. Cash flows are within the boundaries of investment contracts with DPF if they result from a substantive obligation of the Group to deliver cash at a present or future date.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Company is compelled to pay amounts to the reinsurer or in which the Company has a substantive right to receive services from the reinsurer. The Group's quota share life reinsurance agreements held are one year renewable contracts. Estimates of future cash flows arising from all underlying contracts issued and expected to be issued within one-year's boundary are included in each of the reinsurance contracts' measurement.

The excess of loss reinsurance contracts held provides coverage for claims incurred during an accident year. Thus, all cash flows arising from claims incurred and expected to be incurred in the accident year are included in the measurement of the reinsurance contracts held. Some of these contracts may include mandatory or voluntary reinstatement reinsurance premiums, which are guaranteed per the contractual arrangements and are thus within the respective reinsurance contracts' boundaries.
Cash flows that are not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognised in other operating expenses as incurred.

Subsequent measurement - Groups of contracts not measured under the PAA
The carrying amount at the end of each reporting period of a group of insurance contracts issued is the sum of:

a) the LRC, comprising:
   (i) the FCF related to future service allocated to the group at that date; and
   (ii) the CSM of the group at that date; and
b) the LIC, comprising incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

The carrying amount at the end of each reporting period of a group of reinsurance contracts held is the sum of:
a) the remaining coverage, comprising:
   (i) the FCF related to future service allocated to the group at that date; and
   (ii) the CSM of the group at that date; and
b) the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

Changes in fulfilment cash flows
The FCF are updated by the Group for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates. The changes in estimates of the FCF are treated as follows:
a) changes that relate to current or past service are recognised in profit or loss; and
b) changes that relate to future service are recognised by adjusting the CSM or the loss component within the LRC as follows;

For insurance contracts under the GMM, the following adjustments relate to future service and thus adjust the CSM:
a) experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;
b) changes in estimates of the present value of future cash flows in the LRC, except for those that arise from the effects of the time value of money, financial risk and changes therein;
c) differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period; and
d) changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments for (a) to (d) are measured using the locked-in discount rates
For insurance contracts under the GMM, the following adjustments do not relate to future service and thus do not adjust the CSM:
a) changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereof;
b) changes in the FCF relating to the LIC; and
c) experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

For insurance contracts issued, at the end of each reporting period (which the Group defines as three-month annual), the carrying amount of the CSM is adjusted by the Group to reflect the effect of the following changes:
a) The effect of any new contracts added to the group.
b) For contracts measured under the GMM, interest accreted on the carrying amount of the CSM.
c) Changes in the FCF relating to future service are recognised by adjusting the CSM. Changes in the FCF are recognised in the CSM to the extent the CSM is available. When an increase in the FCF exceeds the carrying amount of the CSM, the CSM is reduced to zero, the excess is recognised in insurance service expenses and a loss component is recognised within the LRC. When the CSM is zero, changes in the FCF adjust the loss component within the LRC with correspondence to insurance service expenses. The excess of any decrease in the FCF over the loss component reduces the loss component to zero and reinstates the CSM.

d) The effect of any currency exchange differences.
e) The amount recognised as insurance revenue for services provided during the period determined after all other adjustments above.

For a group of reinsurance contracts held, the carrying amount of the CSM at the end of each reporting period is adjusted to reflect changes in the FCF in the same manner as a group of underlying insurance contracts issued, except that when underlying contracts are onerous and thus changes in the underlying FCF related to future service are recognised in insurance service expenses by adjusting the loss component, respective

Subsequent measurement - Groups of contracts not measured under the PAA (continued)
changes in the FCF of reinsurance contracts held are also recognised in the insurance service result.

Interest accretion on the CSM
Under the GMM, interest is accreted on the CSM using discount rates determined at initial recognition that are applied to nominal cash flows that do not vary based on the returns of underlying items (locked-in discount rates). If more contracts are added to the existing groups in the subsequent reporting periods, the Group revises the locked-in discount curves by calculating weighted-average discount curves over the period that contracts in the group are issued.

The weighted-average discount curves are determined by multiplying the new CSM added to the group and their corresponding discount curves over the total CSM.

Adjusting the CSM for changes in the FCF relating to future service
The CSM is adjusted for changes in the FCF measured applying the locked-in discount rates.

Release of the CSM to profit or loss
The amount of the CSM recognised in profit or loss for services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the group of insurance contracts based on coverage units. For contracts issued, the Group determines the coverage period for the CSM recognition as follows:

a) for term life and universal life insurance contracts, the coverage period corresponds to the policy coverage for mortality risk;
b) for direct participating contracts and for investment contracts with DPF, the coverage period corresponds to the period in which insurance or investment management services are expected to be provided; and

The total number of coverage units in a group is the quantity of coverage provided by the contracts in the group over the expected coverage period. The coverage units are determined at each reporting period-end prospectively by considering:

i. the quantity of benefits provided by contracts in the group;
ii. the expected coverage duration of contracts in the group; and
iii. the likelihood of insured events occurring, only to the extent that they affect the expected duration of contracts in the group.

The Group uses the amount that it expects the policyholder to be able to validly claim in each period if an insured event occurs as the basis for the quantity of benefits and the Company determines coverage units as follows:

a) for term life and universal life insurance contracts, coverage units are determined based on the policies' face values that are equal to the fixed death benefit amounts;
b) for direct participating contracts, coverage units are based on the fixed death benefits amounts (during the insurance coverage period) plus policyholders' account values;
c) for investment contracts with DPF, coverage units are based on policyholders' account values;
d) for automobile insurance contracts acquired in the run-off period, coverage units are based on the expected amount of claims covered in the period and the expected amount of claims remaining to be covered in future periods.

For reinsurance contracts held, the CSM is released to profit or loss as services are received from the reinsurer in the period. Coverage units for the proportionate term life reinsurance contracts are based on the insurance coverage provided by the reinsurer and are determined by the ceded policies' fixed face values taking into account new business projected within the reinsurance contract boundary.

The coverage period for these contracts is determined based on the coverage of all underlying contracts whose cash flows are included in the reinsurance contract boundary.

Onerous contracts - Loss component
When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous and the Company recognises the excess in insurance service expenses and records it as a loss component of the LRC. When a loss component exists, the Company allocates the following between the loss component and the remaining component of the LRC for the respective group of contracts, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

a. expected incurred claims and expenses for the period;
b. changes in the risk adjustment for non-financial risk for the risk expired; and
c. finance income (expenses) from insurance contracts issued.

The amounts of loss component allocation in a. and b. above reduce the respective components of insurance revenue and are reflected in insurance service expenses. Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

Investment Contracts with Discretionary Participation Features measured under VFA
For investment contracts with DPF that are measured under the VFA and provide the Group with discretion as to the timing and amount of the cash flows to be paid to the policyholders, a change in discretionary cash flows is regarded as relating to future service and accordingly adjusts the CSM. At inception of such contracts, the Group specifies its commitment as crediting interest to the policyholder's account balance based on the return on a pool of assets less a spread. The effect of discretionary changes in the spread on the FCF adjusts the CSM while the effect of changes in assumptions that relate to financial risk on this commitment are reflected in insurance finance income or expenses.

When no commitment is specified, the effect of all changes in assumptions that relate to financial risk and changes thereof on the FCF is recognised in insurance finance expenses. For insurance contracts under the VFA, the following adjustments relate to future service and thus adjust the CSM:

a) changes in the Group's share of the fair value of the underlying items; and
b) changes in the FCF that do not vary based on the returns of underlying items:
   (i) changes in the effect of the time value of money and financial risks including the effect of financial guarantees;
   (ii) experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;
   (iii) changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;
   (iv) differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period; and
   (v) changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments for (ii) to (v) are measured using the current discount rates.
Investment Contracts with Discretionary Participation Features

For insurance contracts under the VFA, the following adjustments do not relate to future service and thus do not adjust (a) the CSM:
a) changes in the obligation to pay the policyholder the amount equal to the fair value of the underlying items;
b) changes in the FCF that do not vary based on the returns of underlying items:
   i. changes in the FCF relating to the LIC; and
   ii. experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

Initial and subsequent measurement - Groups of contracts measured under the PAA
The Group may simplify the measurement of a group of insurance contracts using the premium allocation approach if, and only if, at the inception of the group:

(a) the Group reasonably expects that such simplification would produce a measurement of the liability for remaining coverage for the group that would not differ materially from the one that would be produced by applying the General Measurement Model; or
(b) the coverage period of each contract in the group (including insurance contract services arising from all premiums within the contract boundary is one year or less.

For insurance contracts issued, insurance acquisition cash flows are deferred and recognised over the coverage period of contracts in a group.

For insurance contracts issued, on initial recognition, the Group measures the LRC at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the de-recognition of the prepaid acquisition cash flows asset.

For reinsurance contracts held, on initial recognition, the Group measures the remaining coverage at the amount of ceding premiums paid.

GROUP ACCOUNTING POLICIES (continued...)

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:
a. the LRC; and
b. the LIC, comprising the for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:
a. the remaining coverage; and
b. the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:
a. increased for premiums received in the period;
b. decreased for insurance acquisition cash flows paid in the period;
c. decreased for the amounts of expected premiums received recognised as insurance revenue for the services provided in the period; and
d. increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses.

For contracts measured under the PAA, the LIC is measured at the fulfilment cash flows relating to incurred claims. Future cash flows are not adjusted for the time value of money since short term insurance contracts issued by the Company and measured under the PAA typically have a settlement period of less than one year.

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:
a. increased for ceding premiums paid in the period; and
b. decreased for the amounts of ceding premiums recognised as reinsurance expenses for the services received in the period.

The Group does not adjust the LRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money as insurance premiums are due within the coverage of contracts, which is one year or less. For contracts measured under the PAA, the LIC is measured similarly to the LIC's measurement under the GMM. Future cash flows are not adjusted for the time value of money since short term insurance contracts issued by the Company and measured under the PAA typically have a settlement period of over one year. If a group of contracts becomes onerous, the Company increases the carrying amount of the LRC to the amounts of the FCF determined under the GMM with the amount of such an increase recognised in insurance service expenses.

Subsequently, the Group amortises the amount of the loss component within the LRC by decreasing insurance service expenses. The loss component amortisation is based on the passage of time over the remaining coverage period of contracts within an onerous group. If facts and circumstances indicate that the expected profitability of the onerous group during the remaining coverage has changed, then the Company re-measures the FCF by applying the GMM and reflects changes in the FCF by adjusting the loss component as required until the loss component is reduced to zero.

As the Group provides services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration the Company expects to be entitled to in exchange for those services.
Insurance acquisition cash flows recovery is determined by allocating the portion of premiums related to the recovery of those cash flows on the basis of the passage of time over the expected coverage of a group of contracts. For groups of insurance contracts measured under the PAA, the Group recognises insurance revenue based on the passage of time over the coverage period of a group of contracts.

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 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.

Insurance service expenses
Insurance service expenses include the following:
a. incurred claims and benefits excluding investment components;
b. other incurred directly attributable insurance service expenses;
c. amortisation of insurance acquisition cash flows;
d. changes that relate to past service (i.e. changes in the FCF relating to the LIC); and
e. changes that relate to future service (i.e. losses/reversals on onerous groups of contracts from changes in the loss components).

For contracts not measured under the PAA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue, whilst for contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time.

Other expenses not meeting the above categories are included in other operating expenses in the statement of profit or loss.

Insurance service result from reinsurance contracts held
The Group presents financial performance of groups of reinsurance contracts held on a net basis in net income (expenses) from reinsurance contracts held, comprising the following amounts:
a. reinsurance expenses;
b. incurred claims recovery;
c. other incurred directly attributable insurance service expenses;
d. effect of changes in risk of reinsurer non-performance;
e. for contracts measured under the GMM, changes that relate to future service (i.e. changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts); and
f. changes relating to past service (i.e. adjustments to incurred claims).

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance recoveries recognised in the reporting period depicts the transfer of received services at an amount that reflects the portion of ceding premiums the Group expects to pay in exchange for those services. For contracts not measured under the PAA, net reinsurance expenses comprise the following amounts relating to changes in the remaining coverage:
a) ceded premium experience adjustments relating to past and current service;
b) Insurance claims and other expenses in the period measured at the amounts expected to be incurred at the beginning of the period, excluding repayments of investment components;
c) changes in the risk adjustment for non-financial risk, excluding:
   i. changes included in finance income (expenses) from reinsurance contracts held; and
   ii. changes that relate to future coverage (which adjust the CSM);
d) amounts of the CSM recognised in profit or loss for the services received in the period; and

For groups of reinsurance contracts held measured under the PAA, the Group recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses.

Insurance finance income or expenses
Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:
a. the effect of the time value of money and changes in the time value of money; and
b. the effect of financial risk and changes in financial risk.

For contracts measured under the GMM, the main amounts within insurance finance income or expenses are:
a. interest accreted on the FCF and the CSM;
b. the effect of changes in interest rates and other financial assumptions; and
c. foreign exchange differences arising from contracts denominated in a foreign currency.

For contracts measured under the VFA, the main amounts within insurance finance income or expenses are:
a. changes in the fair value of underlying items;
b. interest accreted on the FCF relating to cash flows that do not vary with returns on underlying items; and
c. the effect of changes in interest rates and other financial assumptions on the FCF relating to cash flows that do not vary with returns on underlying items.

For contracts measured under the PAA, the main amounts within insurance finance income or expenses are:
a. interest accreted on the LIC; and
b. the effect of changes in interest rates and other financial assumptions.

The Group disaggregates changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.
For the contracts measured under the GMM and the PAA, the Group includes all insurance finance income or expenses for the period in profit or loss (i.e. the profit or loss option (the PL option) is applied).

The Group disaggregates insurance finance income or expenses on insurance contracts with direct participating features between profit or loss and OCI. The impact of changes in market interest rates on the value of the life insurance and related reinsurance assets and liabilities are reflected in OCI in order to minimise accounting mismatches between the accounting for financial assets and insurance assets and liabilities.

1.12 EMPLOYEE BENEFITS

Employee benefits are the considerations given by the Group in exchange for services rendered by employees. Such benefits include:

Short-term benefits
Benefits earned by employees under normal employment terms including salaries, wages, bonuses and leave pay. These are expensed as earned and accordingly provisions are made for unpaid bonuses and leave pay. These provisions are included in other liabilities in the Statement of Financial Position.

i) The Group and employees contribute towards the National Social Security Authority, a defined contribution fund. Costs applicable to this scheme are determined by the systematic recognition of legislated contributions.
ii) The Group operates a defined contribution scheme, the assets of which are held in a separate trustee-administered fund. The costs are charged to the profit or loss as incurred.

Employee share option scheme
The Group's Employee Share Options Scheme ("ESOS") is a share-based, cash-settled employee compensation scheme. The ESOS allows the employees of the Group to become entitled to a future cash payment (rather than an equity instrument), based on Group's share price upon fulfilling certain conditions.

The fair value of the amount payable to employees in respect of cash settled employee compensation is recognised as an expense with a corresponding increase in liabilities over the period during which the employees become unconditionally entitled to payment. The liability is measured at each reporting date and at settlement date based on the fair value of the shares. Any changes in the liability are recognised as staff costs within operating expenditure in profit or loss.

1.13 TAXATION

Current taxation
The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes items that are never taxable or deductible. The tax rates and tax laws used to compute the amount are those that were enacted or substantively enacted at reporting date.

Capital gains tax
At reporting date, deferred tax is computed based on the applicable capital gains tax rate on the sale of investment property held for capital appreciation or equity investments.

Value added tax
Revenue, expenses, and assets are recognised net of Value Added Tax (VAT) except where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognised as part of the cost of the acquisition of the asset or as part of the expense item as applicable and receivables and payables that are stated with the amount of VAT included.

Deferred taxation
Deferred income tax is provided using the full liability method on temporary differences at reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences except:
a) where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and
b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilised except:
- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted at reporting date.

Deferred tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in profit or loss. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Changes in tax rates
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates/laws that have been enacted or substantively enacted by the end of the reporting period. If the tax rate increases, deferred taxes will also increase, i.e. deferred tax assets and liabilities will increase. Similarly, if the tax rate decreases, deferred taxes also decrease. The effect of the change in tax rates is shown separately on the tax rate reconciliation and is accounted for in the Statement of profit or loss.

1.14 CONTINGENCIES AND COMMITMENTS

Transactions are classified as contingencies where the Group's obligations depend on uncertain future events and principally consist of guarantees provided for third party obligations underwritten. Items are classified as commitments where the Group commits itself to future transactions or if the items will result in the acquisition of assets.

1.15 OPERATING SEGMENTS

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenue and expenses that relate to transactions with any of the Group's other components, for which discreet information is available. All operating segments' operating results are reviewed regularly by the Group Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance.

1.16 FIDUCIARY ACTIVITIES

The Group's Asset Management subsidiary acts as a trustee in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, post-employment benefit plans and other institutions. These assets and income arising thereon are excluded from these consolidated financial statements as they are not assets and income of the Group.

1.17 FINANCIAL GUARANTEES AND LOAN COMMITMENTS

'Financial guarantees' are contracts that require the Group to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument. 'Loan commitments' are firm commitments to provide credit under pre-specified terms and conditions. Financial guarantees issued or commitments to provide a loan at a below-market interest rate are initially measured at fair value. Subsequently, they are measured at the higher of;
- the loss allowance determined in accordance with IFRS 9; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15.

Expected credit losses arising from financial guarantees are included within provisions. The Group has issued no loan commitments that are measured at FVTPL.

1.18 EARNINGS PER SHARE

The Group presents basic and diluted earnings per share (EPS) data 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 outstanding during the period, adjusted for own shares held. Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

GROUP ACCOUNTING POLICIES (continued...)

1.19 LEASED ASSETS

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset- this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either the Group has the right to operate the asset; or the Group designed the asset in a way that predetermines how and for what purpose it will be used.

Group as a lessee
The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use Asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in the Statement of Financial Position.

Leases of low-value assets
The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets. All leased assets valued at or below ZWG 25,799 qualify for the low value lease exemption. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Short-term leases
A short-term lease is a lease that, at the commencement date, has a lease term of 12 months or less and do not contain a purchase option. The Group applies the short-term lease recognition exemption to its short-term leases of buildings. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

1.20 SHARE CAPITAL

Ordinary share capital
Ordinary shares are classified as equity. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at Annual general meetings of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued.

Repurchase of share capital (treasury shares)
When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are disposed the resulting surplus or deficit on the transaction is recognised directly in retained earnings.

Cancellation of Treasury shares
When treasury shares are cancelled the Group's share capital and share premium is reduced with the effect of the cancellation. The resulting deficit on the transaction is recognised directly in revenue reserve.

1.21 REVALUATION RESERVE

The revaluation reserve represents all revaluation adjustments made to property and equipment.

1.22 RETAINED EARNINGS

This reserve represents cumulative profits that have not been paid out as dividends.

1.23 SHARE PREMIUM

This represents capital raised through an issue of shares that exceeds the nominal value of the shares. This capital is not available for distribution to shareholders as dividends.

1.24 FAIR VALUE RESERVE

Fair value reserve represents changes in the fair value of unquoted equities that are irrevocably elected to be initially measured at fair value through other comprehensive income.

1.25 FOREIGN CURRENCY TRANSLATION RESERVE

The Foreign currency translation reserve represents the exchange rate gains or losses arising from translating a foreign subsidiary and foreign exchange gains or losses as a result of translation from functional currency to presentation currency. Gains or losses arising from translation of the foreign subsidiaries are reclassified from equity to profit or loss upon disposal of the subsidiary. Gains and losses arising from translation to presentation currency are recognised through other comprehensive income and are presented within equity.

1.26 SHARE BASED PAYMENT RESERVE

Share based payment reserve represents movements arising from transacting with the entity's own shares, in equity settled share based payments.

1.27 SHARES AWAITING ALLOTMENT RESERVE

The shares awaiting allotment reserve represents a pool of capital raised to which shares are yet to be allotted to potential shareholders.

1.28 GENERAL RESERVE

The general reserve reflects changes in the share of other comprehensive income (OCI) of equity-accounted investees.

1.29 RELATED PARTIES

The Group has related party relationships with its shareholders, subsidiaries, Directors and key management employees, and their close family members. Transactions with related parties are carried out on arm's length basis.

1.30 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 no performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. See note 17,20 &21.

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

The Group measures fair values using the following fair value hierarchy that reflects the significance of inputs used in making the measurements:

- **Level 1**: Quoted market price (unadjusted) in an active market for identical instruments.
- **Level 2:** Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- **Level 3:** Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable input have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

1.31 LAND INVENTORY

Inventory is stated at the lower of cost and net realisable value. Cost is determined using the Average cost method. The Group first calculates all the costs of the whole area of land inventory (purchase price and development costs) including roads in order to ascertain the total costs of bringing the whole area of land inventory to its resalable condition. When the total costs are obtained it is then divided by the total size of the land inventory (stands) in square meters. This will result in obtaining the cost of the land inventory per square meter. When the individual stands are now sold the cost of each stand is the result of multiplying the size of the individual stand by the cost per square meter.

1.32 CASH AND CASH EQUIVALENTS

Balances with other banks and cash and bank balances include cash on hand, deposits held at call with other banks, RBZ statutory reserves (comprising of reserving requirements), 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. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

1.33 LEGACY DEBTS & NOSTRO GAP ACCOUNTS

The undertaking by the Reserve Bank of Zimbabwe (RBZ) to provide US Dollars to assist in settling Legacy debt and Nostro gap accounts at an exchange rate of 1:1 was recognised as a government assistance. The resulting outstanding RBZ financial asset in lieu of legacy debt was accounted for at the closing interbank rate. On the liability side the Legacy debts and Nostro gap accounts were treated as deposits and translated to the functional currency at the closing interbank rate.

RBZ financial asset in lieu of legacy debt receivable is initially measured at fair value and subsequently at amortised cost as per the requirements of IFRS 9. This is in line with the measurement policy for the Group's monetary assets classified and measured at amortised cost. Subsequent measurement takes into account expected credit losses. Refer to detailed accounting policy note 1.7 on financial assets measured at amortised cost.

1.34 ACCOUNTING FOR GOLD COINS

The Gold coins are initially measured at cost, including transaction costs. Subsequent to initial recognition, Gold coins are measured at fair value. Gains or losses arising from changes in fair value are included in the statement of profit or loss in the period in which they arise.

1.35 SHARE BASED PAYMENT TRANSACTIONS

Equity-settled share-based payment transactions
For equity-settled share-based payment transactions with external parties other than employees, the Group measure the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If the Group cannot estimate reliably the fair value of the goods or services received, the Group measure their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

The Group measures the fair value of the services or goods received by reference to the fair value of the equity instruments granted. The fair value of those equity instruments are measured at grant date. Employee share options are addressed under employee benefits.

1.36 CHANGES THE PRESENTATION OR CLASSIFICATION OF FINANCIAL STATEMENTS

The group changes the presentation of its financial statements only if the changed presentation provides information that is reliable and more relevant to users of the financial statements and the revised structure is likely to continue. In the prior year, the group changed the presentation of expected credit losses on the statement of comprehensive income, to include them in operating income. The change has no impact of profit for the period, as it is just a reclassification. During the current period, the Group did not make any presentation changes and presentation of items in the annual financial statements and related notes is aligned to the preceding year.

1.37 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Lack of exchangeability – Amendments to IAS 21
In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information. The amendments are not expected to have a material impact on the Group's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements
In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss'

GROUP ACCOUNTING POLICIES (continued...)

and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures
In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards. IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted. As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures)
Clarify financial assets and financial liabilities are recognized and derecognized at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception. The new exception permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date. They also provide guidelines to assess contractual cash flow characteristics of financial assets, which apply to all contingent cash flows, including those arising from environmental, social, and governance (ESG)-linked features. Additionally, these amendments introduce new disclosure requirements and update existing ones.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

Annual Improvements to IFRS Accounting Standards – Amendments to:

IFRS 1 First-time Adoption of International Financial Reporting Standards;
IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
IFRS 9 Financial Instruments;
IFRS 10 Consolidated Financial Statements; and
IAS 7 Statement of Cash flows

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS

For the year ended 31 December 2024

1.2 INCORPORATION AND ACTIVITIES

The consolidated financial results of the Group for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 31 March 2025. The Group offers commercial banking, property management, asset management, short term insurance, life assurance, agro business and other financial services and is incorporated in Zimbabwe.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
2. INTEREST		
Interest income		
Overdrafts	164 798	224 607
Loans	1 007 685	666 281
Mortgage loans	49 088	28 452
Staff loans	12 037	26 608
Securities investments	430 462	434 690
Other investments	20 822	99 826
	1 684 892	**1 480 464**
Interest expense		
Savings deposits	7 407	17 861
Money Market deposits	70 733	166 252
Other offshore deposits	132 016	41 756
Lease liabilities	1 568	700
Other	88 461	37 294
	300 185	**263 863**
NET INTEREST INCOME	**1 384 707**	**1 216 601**

Interest income and Interest expense is calculated using the Effective Interest Rate method.

3. NON-INTEREST INCOME

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Fair value adjustments on financial instruments	(73 268)	54 884
Fair value adjustments on investment properties	(330 318)	554 358
Net income from trading securities	12	1 736
Net income from treasury and dealing	591 275	572 530
Unrealised gains on foreign currency exchange	840 915	1 935 512
Agro business income	36 166	48 686
Commission and fee income	1 409 209	900 802
Profit on disposal of property and equipment	201	2 224
Profit on disposal of investment property	-	3 255
Bad debts recovered	229 159	175 650
Property sales	24 206	49 229
Lease income	24 758	12 531
Other operating income	18 630	(184 625)
Total non interest income	**2 770 945**	**4 126 772**

Included in unrealised gains are exchange gains on foreign currency monetary balances held largely by the Banking operations and Agro business segments. Commission and fee income largely comprises income earned from Banking operations.

3.1 Disaggregation by class

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Fair value gains recognised through profit or loss		
Fair value adjustments on financial instruments	(73 268)	54 884
Fair value adjustments on investment properties	(330 318)	554 358
Total	**(403 586)**	**609 242**
Trading and foreign exchange gains income		
Net income from trading securities	12	1 736
Net income from foreign currency dealing	591 275	572 530
Unrealised profit on foreign currency exchange	840 915	1 935 512
Total	**1 432 202**	**2 509 778**
Transactional income at a point in time		
Agro business income	36 166	48 686
Commission and fee income	1 409 209	900 802
Total	**1 445 375**	**949 488**

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Other income		
Property sales	24 206	49 229
Profit on disposal of property and equipment	201	2 224
Profit on disposal of investment property	-	3 255
Bad debts recovered	229 159	175 650
Lease income	24 758	12 531
Other operating income	18 630	(184 625)
Total	**296 954**	**58 264**
Total non interest income	**2 770 945**	**4 126 772**

Included in commission and fee income are largely fees and other commissions earned on group banking operations customer transactions. Major lines included in commission and fee income are cash withdrawal fees (ZWG 622,086,566), Service fees (ZWG 354,690,240) and funds transfer fees (ZWG 293,612,564).

Other operating income comprises of day one gains on financial instruments initial fairvalue measurement, dividend income, group holiday home facility income, and other non-routine facilitation fees on customer transactions and losses on de-recognition of promissory notes.

4. INSURANCE INCOME

4.1 Insurance service result

Insurance revenue (i)	266 344	170 000
Insurance service expenses (ii)	(268 197)	(225 340)
Net expenses from reinsurance contracts held (iii)	(39 518)	(11 214)
Insurance service result	**(41 371)**	**(66 554)**

(i) Insurance revenue

Changes in liability for remaining coverage	57 230	31 956
Revenue from contracts measured under Premium Allocation Approach (PAA)	209 114	138 044
Total	**266 344**	**170 000**

Included in changes in liability for remaining coverage is a combined impact of largely contractual service margin and related changes, risk adjustments and experience adjustments resulting from re-measurement of insurance contract assets under the general measurement model.

Included in the changes in remaining coverage is contractual service margin recognised for services provided amounting to ZWG16,669,891 (2023: ZWG 8,159,809). Also included in the changes in remaining coverage are profit/ loss movement relating to Change in risk adjustment for non-financial risk, expected incurred claims & other insurance service expenses.

(ii) Insurance service expenses

Incurred claims	127 776	72 053
Changes to liabilities for incurred claims	(8 309)	9 317
Onerous contracts	(15 458)	1 343
Insurance acquisition cashflow amortisation	54 794	26 228
Other directly attributable expenses	109 394	116 399
Total	**268 197**	**225 340**

(iii) Net income/ expenses from reinsurance contracts held

Changes in asset for remaining coverage	(5 394)	(5 899)
Reinsurance expenses for contracts measured under PAA	(67 671)	(48 727)
Claims recovered from reinsurance contracts under PAA	33 547	42 171
Other	-	1 241
Total	**(39 518)**	**(11 214)**

4.2 Net insurance finance cost

Expenses from insurance contracts issued	4 293	5 352
Income from reinsurance contracts held	(1 421)	-
	2 872	**5 352**

4.3 Disaggregation of insurance service result by product

Life assurance	(7 631)	(29 903)
Short term insurance	(33 740)	(36 651)
	(41 371)	**(66 554)**

5. OPERATING EXPENDITURE

Staff costs	2 143 571	1 541 723
Administration expenses	754 812	675 403
Audit fees	20 408	17 928
Depreciation	134 004	74 873
Amortisation of intangible assets	7 371	6 320
Property cost of sales	7 380	20 207
Write off & Impairment of property and equipment	45 251	17 315
Write off intangible assets	-	54
Write off of right of use asset and lease liabilities	-	(4)
Total operating expenditure	**3 112 797**	**2 353 819**
Expenditure relating to insurance service	(109 394)	(116 399)
Operating expenditure as reported	**3 003 403**	**2 237 420**

Included in Audit fees are charges for non-audit services for the reviews of interim consolidated financial statements performed by the entity's audit. Fees for non-audit services were ZWG NIL (2023: ZWG 1,155,203).

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Remuneration of directors and key management personnel (included in staff costs)		
Fees for services as directors	20 898	25 213
Pension and retirement benefits for past and present directors	8 476	11 875
Salaries and other benefits	164 422	362 933
	193 796	**400 021**
Short term employment benefits	185 320	388 146
Post-employment benefits	8 476	11 875
	193 796	**400 021**

6. TAXATION

6.1 The following constitutes the major components of income tax expense recognised in the Statement of Profit or Loss.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Analysis of tax charge in respect of the profit for the year		
Current income tax charge	233 500	224 455
Deferred income tax	(334 932)	192 412
Tax (income)/ expense	**(101 432)**	**416 867**

6.2 Tax rate reconciliation

	%	%
Notional tax	25.00	24.00
Aids levy	0.75	0.72
Exempt income	(116.61)	(15.97)
Non-deductible expenditure	494.13	19.71
Effect of rebasing tax bases	(595.16)	(1.56)
Effect of special tax rate	67.01	(1.40)
Change in tax rate	-	0.62
Tax credits	(27.38)	(4.82)
Effective tax rate	**(152.26)**	**21.30**

Included in exempt income is income from government bills, mortgage housing income and dividend income. Non-deductible expenses include expenditure on exempt income, excess pension costs and disallowable donations. Rebasing of taxes includes deferred tax release emanating from change in functional currency.

6.3 The following constitutes the major components of deferred income tax expense recognised in the Statement of Other Comprehensive Income.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Revaluation of property	(108 336)	139 839
Unlisted equities	7 180	9 846
Total taxation relating to components of other comprehensive income	**(101 156)**	**149 685**

7. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding at the end of the year.

Diluted earnings per share is calculated by dividing the profit attributable to ordinary equity holders of the parent by sum of the weighted average number of ordinary shares outstanding at the end of the year and the weighted average number of potentially dilutive ordinary shares.

The following reflects the income and shareholding data used in the basic and diluted earnings per share computations:

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
7.1 Annualised earnings per share (ZWG cents)		
Basic	27.06	278.41
Diluted basic	27.06	278.41
Headline	71.87	204.61
7.2 Earnings attributable to holders of parent		
Basic	168 361	1 540 569
Diluted basic	168 361	1 540 569
Headline	447 072	1 132 213

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
	Number of shares used in calculations (weighted)		
	Basic	622 068 783	553 348 787
	Diluted basic	622 068 783	553 348 787
	Headline	622 068 783	553 348 787
7.3	**Reconciliation of denominators used for calculating basic and diluted earnings per share:**		
	Weighted average number of shares used for basic EPS	**622 068 783**	**553 349**
	Weighted average number of shares used for diluted EPS	**622 068 783**	**553 349**
7.4	**Headline Earnings**		
	Profit attributable to ordinary shareholders	168 361	1 540 570
	Adjusted to exclude re-measurements		
	Write off & impairment of property and equipment	45 251	17 315
	Write off of intangible assets	-	68
	Disposal gain on property and equipment	(201)	(2 224)
	Profit on disposal of investment property	-	(3 255)
	Loss/ (gain) on investment properties valuation	330 318	(554 358)
	Tax relating to remeasurements	(96 657)	134 101
	Headline earnings	**447 072**	**1 132 217**
8.	**DIVIDENDS**		
	Dividend paid on ordinary shares:		
	Interim dividend	-	50 696
	Final dividend	68 724	51 312
	Interim paid per share (ZWG cents)	-	9.16
	Final dividend paid per share (ZWG cents)	11.05	9.27

Dividends are paid on shares held at the record date net of treasury shares held on the same date.

		31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
9.	**CASH AND CASH EQUIVALENTS**		
	Interbank placements	112 095	155 728
	Cash and current accounts	1 254 620	1 193 990
	Balances with foreign banks	1 041 530	342 241
	Balances with the Reserve Bank of Zimbabwe	1 341 151	1 486 812
	RBZ statutory reserve	3 244 770	958 532
		6 994 166	**4 137 303**

The cash and cash equivalents balance represent the Group's cash and cash equivalent balance. RBZ Statutory reserve balances relates to restricted liquid reserve determined in line with the RBZ Statutory reserve guidelines currently 30% for demand deposits and 15% for term deposits denominated in both Zimbabwean local and foreign currency.

		31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
9.1	**Restricted cash and cash equivalents**		
	RBZ Statutory reserve	3 244 770	958 532
	Amounts secured as guarantees or collateral	98 470	44 186
		3 343 240	**1 002 718**
10.	**MONEY MARKET ASSETS**		
	Interbank placements	1 071 837	459 725
	RBZ savings bonds	26 538	6 794
	Bankers acceptances	7 741	4 123
	Accrued interest	15 495	5 398
	Total gross money market assets	**1 121 611**	**476 040**
	Allowance for expected credit loss	(36 961)	(24 257)
	Total net money market assets	**1 084 650**	**451 783**
10.1	**Maturity analysis**		
	The maturity analysis of money market assets is shown below:		
	Between 0 and 3 months	567 879	328 543
	Between 3 and 6 months	551 367	6 714
	Between 6 and 12 months	2 365	140 783
		1 121 611	**476 040**

Maturity analysis is based on the remaining period from 31 December 2024 to contractual maturity.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
11.	**FINANCIAL SECURITIES**		
	Treasury bills	5 160 230	2 106 290
	Savings bonds	671	705
	Promissory notes	228 806	556 462
	Accrued interest	565 418	187 693
	Total gross financial securities	**5 955 125**	**2 851 150**
	Allowance for expected credit loss	(101 144)	(60 987)
	Total net financial securities	**5 853 981**	**2 790 163**
11.1	**Maturity analysis**		
	The maturity analysis of financial securities is shown below:		
	Between 0 and 3 months	831 205	601 348
	Between 3 and 6 months	2 222 887	811 499
	Between 6 and 12 months	1 467 713	655 405
	Between 1 and 5 years	1 432 982	777 283
	Above 5 years	338	5 615
		5 955 125	**2 851 150**

Maturity analysis is based on the remaining period from 31 December 2024 to contractual maturity.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
12.	**LOANS AND ADVANCES TO CUSTOMERS**		
	Overdrafts	1 591 771	610 218
	Commercial loans	6 033 018	3 646 589
	Staff loans	82 865	132 065
	Mortgage advances	493 998	187 728
	Agro business loans	653 260	573 761
	Interest accrued	276 856	75 357
	Total gross loans and advances to customers	**9 131 768**	**5 225 718**
	Allowance for Expected Credit Loss (ECL)	(831 486)	(622 060)
	Total net advances	**8 300 282**	**4 603 658**

		AUDITED 31 DEC 2024 ZWG 000	%	AUDITED 31 DEC 2023 ZWG 000	%
12.1	**Sectoral analysis:**				
	Private	3 119 820	34	1 288 790	25
	Agriculture	2 110 016	24	1 165 513	22
	Mining	1 638 764	18	857 043	16
	Manufacturing	647 133	7	737 157	14
	Distribution	981 358	11	722 702	14
	Construction	164 788	2	53 717	1
	Transport	33 041	-	15 863	-
	Communication	199 403	2	190 659	4
	Services	199 586	2	182 954	4
	Financial organisations	37 859	-	11 320	-
		9 131 768	**100**	**5 225 718**	**100**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
12.2	**Maturity analysis**		
	Less than 1 month	1 592 361	1 258 818
	Between 1 and 3 months	687 761	555 848
	Between 3 and 6 months	1 459 822	551 006
	Between 6 months and 1 year	3 116 731	1 176 133
	Between 1 and 5 years	2 202 720	1 646 725
	More than 5 years	72 373	37 188
		9 131 768	**5 225 718**

Maturity analysis is based on the remaining period from 31 December 2024 to contractual maturity.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
12.3	**Loans to directors and key management**		
	Included in advances are loans to executive directors and key management:		
	Opening balance	39 903	23 774
	Effects of translation to presentation currency	13 513	-
	Advances made during the year	9 236	94 440
	Foreign exchange losses	(46 529)	-
	Monetary adjustment	-	(75 558)
	Repayments during the year	(4 713)	(2 753)
	Closing balance	**11 410**	**39 903**
	Loans to employees		
	Included in advances are loans to employees:		
	Opening balance	92 163	54 587
	Advances made during the year	60 607	241 865
	Foreign exchange losses	(114 483)	-
	Effects of translation to presentation currency	46 940	-
	Monetary adjustment	-	(174 368)
	Repayments during the year	(13 771)	(29 921)
	Closing balance	**71 456**	**92 163**

Loans to employees and directors are at arm's length, where the interest rates charged are lower than market rates in line with group policy for internal lending, the fairvalue loss on initial recognition of the financial asset is recognised through PL as employee benefits. At 31 December 2024 the ECLs recognised for loans to directors, key management and employees were ZWG 1,140,365 (2023:ZWG 4,164,333).

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
12.4	**Allowance for Expected Credit Loss (ECL)**		
	Opening balance	622 060	765 080
	Effects of translation to presentation currency	335 021	-
	Credit loss expense on loans and advances	791 782	509 529
	Foreign exchange (gains)/ losses	(69 778)	522 552
	Monetary adjustment	-	(605 866)
	Amounts written off during the year	(847 599)	(569 235)
	Closing balance	**831 486**	**622 060**
12.5	**Collateral**		
	Government guarantee	873 419	469 438
	Cash cover	8 287	77 457
	Registered marketable commodities	29 411	172 136
	Mortgage bonds	3 599 503	1 097 829
	Notarial general covering bonds	2 056 053	1 057 936
		6 566 673	**2 874 796**

13. EXPECTED CREDIT LOSSES (ECL) ON FINANCIAL ASSETS

The table below shows the ECL charges on financial assets for the year recorded in the Statement of Profit or Loss:

AUDITED				
	Stage 1 ZWG 000	Stage 2 ZWG 000	Stage 3 ZWG 000	Total ZWG 000
	31 DEC 2024	31 DEC 2024	31 DEC 2024	31 DEC 2024
Money market assets	(7 748)	-	-	(7 748)
Financial securities	(22 093)	-	-	(22 093)
Loans and advances to customers	42 049	280 648	469 085	791 782
Financial guarantees	362	-	-	362
Other commitments	28 120	73	2 163	30 356
Lease receivables	-	516	7 476	7 992
Expected credit loss expense	**40 690**	**281 237**	**478 724**	**800 651**

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

AUDITED				
	Stage 1 ZWG 000	Stage 2 ZWG 000	Stage 3 ZWG 000	Total ZWG 000
	31 DEC 2023	31 DEC 2023	31 DEC 2023	31 DEC 2023
Money market assets	7 385	-	-	7 385
Financial securities	60 507	-	-	60 507
Loans and advances to customers	(34 936)	3 852	540 613	509 529
Financial guarantees	(520)	-	-	(520)
Other commitments	5 583	(323)	1 030	6 290
Lease receivables	3	(4)	634	633
Expected credit loss expense	**38 022**	**3 525**	**542 277**	**583 824**

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
14. OTHER ASSETS		
Prepayments and deposits	351 410	256 708
Other receivables	6 222 167	2 473 474
	6 573 577	**2 730 182**

Included in other receivables is an amount of ZWG 3,179,611,536 (2023: ZWG 1,890,805,062) which relates to the RBZ financial asset in lieu of legacy debt registration. RBZ committed to provide USD to the Group for all registered legacy liabilities and nostro gap accounts at an exchange rate of US$1:ZWL$1.

The RBZ financial asset is denominated in USD and has been translated to ZWG using the closing exchange rate in line with the translation procedures for assets to presentation currency as prescribed in IAS 21.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
15. LAND INVENTORY		
Opening balance	222 280	222 017
Additions	48 924	20 478
Effects of translation to presentation currency	236 192	-
Transfer to investment property	(1 028)	-
Disposals	(7 371)	(20 215)
Closing balance	**498 997**	**222 280**
16. EQUITY INVESTMENTS		
Opening balance	270 798	185 016
Effects of translation to presentation currency	326 234	-
Additions	44 584	74 182
Disposals	(8 194)	(75 796)
Write offs	-	(78 291)
Fair value adjustments through profit or loss	(73 268)	54 884
Fair value adjustments through other comprehensive income	21 545	110 803
	581 699	**270 798**
16.1 Investments in Equities		
Listed investments	140 757	47 321
Unlisted investments	440 942	223 477
	581 699	**270 798**
Equity investments designated at fair value through profit or loss	140 757	47 316
Equity investments designated at fair value through other comprehensive income	440 942	223 482
	581 699	**270 798**

The Group's listed investments are mandatorily measured at fair value through profit or loss. The Group does not have any other financial assets that have been designated as such upon initial recognition.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

		AUDITED		AUDITED	
		31 DEC 2024 ZWG 000	%	31 DEC 2023 ZWG 000	%
16.2	**Investment in subsidiaries**				
	CBZ Bank Limited	68 270	100	35 884	100
	CBZ Asset Management (Private) Limited	10 752	100	5 655	100
	CBZ Insurance (Private) Limited	37 065	98.4	19 488	98.4
	CBZ Properties (Private) Limited	46 619	100	24 506	100
	CBZ Life Assurance (Private) Limited	35 553	100	18 688	100
	CBZ Asset Management Mauritius	46 090	100	24 031	100
	CBZ Risk Advisory Services (Private) Limited	17 086	100	8 978	100
	Red Sphere Finance (Private) Limited	37 438	100	19 678	100
	CBZ Agro Yield (Private) Limited	689	100	366	100
	CBZ South Africa Private Limited	21 710	100	11 419	100
		321 272		**168 693**	

		AUDITED	AUDITED
		31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
17.	**EQUITY-ACCOUNTED INVESTEES**		
	Opening balance	754 085	-
	Investments during the year	-	511 004
	Share of profit in associate	(231 371)	295 583
	Share of OCI in associate	37 343	(52 502)
	Dividends distributed	(12 981)	-
	Effects of translation to presentation currency	569 825	-
	Closing balance	**1 116 901**	**754 085**

17.1 First Mutual Holdings Limited ("FMHL")

First Mutual Holdings Limited is a Holding company incorporated in Zimbabwe. It has diverse interests in Life Assurance, Health Insurance, Short Term Insurance, Short Term Re-insurance, Long Term Re-insurance, Wealth Management, Property sector, Funeral Services and Microfinance, housed under the following subsidiaries; First Mutual Life, First Mutual Health, Nicoz-Diamond Insurance, First Mutual Reinsurance, FMRE Property & Casualty (Botswana) First Mutual Wealth Management, First Mutual Properties, First Mutual Funeral Services and First Mutual Microfinance, respectively.

	AUDITED	AUDITED
	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
% shareholding	36.47%	36.47%
The carrying amount of interest in associate is split as follows:		
Opening balance	338 600	-
Effects of translation to presentation currency	417 301	-
Investment in associate during the year at cost	-	418 082
Dividend received	(12 981)	-
Share of profit in associate	(69 188)	(26 980)
Share of OCI in associate	37 343	(52 502)
Carrying amount of interest in associate	**711 075**	**338 600**
The following table analyses the audited financial information of FMHL as included in its own Financial Statements as at 31 December 2024		
Non-current assets (100%)	5 013 204	3 140 053
Current assets (100%)	1 648 697	643 186
Non-current liabilities (100%)	1 280 466	2 023 879
Current liabilities (100%)	3 023 908	240 244
Fair value of FMHL shares (100%)*	3 245 343	1 625 168
Group's share of fair value (36.47%)	1 183 577	592 696
Revenue	273 098	2 573 151
Profit from continuing operations (100%)	(471 991)	776 402
Other comprehensive income (100%)	102 392	135 345
Total comprehensive income (100%)	(369 598)	911 746
Group share of Total Comprehensive Income	**(31 845)**	**(83 729)**

*The fair value was determined using the quoted market price of FMHL shares on the Zimbabwe stock exchange.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

17.2 First Mutual Properties Limited ("FMP")

First Mutual Properties, is a subsidiary of First Mutual Holdings. It is a real estate company with vested interests in the development and management of commercial properties in the major towns of Zimbabwe.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
% shareholding	16.8%	16.8%
The carrying amount of interest in associate is split as follows:		
Opening balance	415 479	-
Effects of translation to presentation currency	152 530	-
Investment in associate during the year at cost	-	92 916
Share of profit in associate	(162 183)	322 563
Carrying amount of interest in associate	**405 826**	**415 479**

The following table analyses the financial information of FMP as included in its own Audited Financial Statements as at 31 December 2024

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Non-current assets (100%)	3 461 666	2 426 455
Current assets (100%)	69 624	24 492
Non-current liabilities (100%)	457 290	134 450
Current liabilities (100%)	93 328	35 748
Fair value of FMP (100%)*	3 249 007	885 410
Group's share of the fair value (16.8%)	545 833	148 839
Revenue	151 674	1 244 236
Profit from continuing operations (100%)	(965 377)	1 230 295
Total other comprehensive income (100%)	(965 377)	1 230 295
Group share of Total Comprehensive Income	**(162 183)**	**12 585**

*The fair value was determined using the quoted market price of FMP shares on the Zimbabwe stock exchange.

The Directors have provided additional information as shown below on how the reported Group's financial performance would be excluding the equity - accounted investments in FMHL and FMP.

	Including Investment in Associate 31 DEC 2024 ZWG 000	Excluding Investment in Associate 31 DEC 2023 ZWG 000
Statement of Profit or loss and other Comprehensive Income		
Profit after tax	168 050	399 421
Other comprehensive income	3 941 140	3 903 797
Total comprehensive income for the year	**4 109 190**	**4 303 218**
Statement of Financial Position		
Total assets	34 419 504	33 302 603
Total liabilities	26 506 152	26 506 152
Equity	7 913 352	7 928 511

18. CATEGORIES OF FINANCIAL ASSETS

	AUDITED			
	At fair value through profit or loss ZWG 000	At fair value through OCI ZWG 000	At amortised cost ZWG 000	Total carrying amount ZWG 000
31 December 2024				
Balances with banks and cash	-	-	6 994 166	6 994 166
Money market assets	-	-	1 084 650	1 084 650
Financial securities	-	-	5 853 981	5 853 981
Loans and advances to customers	-	-	8 300 282	8 300 282
Equity investments	140 757	440 942	-	581 699
Other assets	-	-	6 222 167	6 222 167
Total assets	**140 757**	**440 942**	**28 455 246**	**29 036 945**

	AUDITED			
	At fair value through profit or loss ZWG 000	At fair value through OCI ZWG 000	At amortised cost ZWG 000	Total carrying amount ZWG 000
31 December 2023				
Balances with banks and cash	-	-	4 137 303	4 137 303
Money market assets	-	-	451 783	451 783
Financial securities	-	-	2 790 163	2 790 163
Loans and advances to customers	-	-	4 603 658	4 603 658
Equity investments	47 321	223 477	-	270 798
Other assets	-	-	2 473 480	2 473 480
Total assets	**47 321**	**223 477**	**14 456 387**	**14 727 185**

Fair value of assets measured at amortised cost was not measured as the financial instruments' carrying amount is a reasonable approximate of the fair value on transaction date.

19. FAIR VALUE MEASUREMENT

19.1 The following table presents items of the Statement of Financial Position which are recognised at fair value:

	AUDITED							
	Level 1		Level 2		Level 3		Total carrying amount	
	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Equity investments	140 757	47 321	-	-	440 942	223 477	581 699	270 798
Land and buildings	-	-	1 038 519	878 030	-	-	1 038 519	878 030
Investment properties	-	-	1 051 139	879 322	-	-	1 051 139	879 322
Total assets at fair value	**140 757**	**47 321**	**2 089 658**	**1 757 352**	**440 942**	**223 477**	**2 671 357**	**2 028 150**

Level 2 valuation techniques are highlighted on note 20 for Property and equipment and note 21 for Investment properties.

There were no transfers between Level 1 and Level 2 during 2024.

The fair values of the non-listed equities have been classified as level three investments.

19.2 Level 3 valuation techniques

The fair values were derived using a combination of income and market approaches depending on the appropriateness of the methodologies to the type of equity instruments held. The valuation took into account certain assumptions about the model inputs, including but not limited to liquidity discounts, country or jurisdiction factors, inflation, credit risk and volatility. A range of probabilities was also applied to these inputs and the fair values derived were deemed to be within acceptable fair values ranges of the equities.

The following table shows the valuation techniques used in measuring the fair value of unquoted equities as well as the significant unobservable inputs used.

Valuation Technique	Significant unobservable inputs	Interrelationship between key unobservable inputs and fair value measurement
Earnings Multiple	• Jurisdiction/country and size discount (40-50%)	The fair values would increase/ decrease if: • The jurisdiction/country and size discount was higher or lower
Discounted Cash Flow Technique	• Inflation shock adjusted return (1.5%) • Discount rate (10-15%)	The fair values would increase/ decrease if: • The Inflation shock adjusted return was higher/ lower • The discount rate was lower / higher

If the average jurisdiction or country discount had been at 5% more or less, the impact on other comprehensive income would be ZWG 20,677,744 and impact on statement of financial position would be ZWG 23,631,708.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

20. PROPERTY AND EQUIPMENT

AUDITED

	Land ZWG 000	Buildings ZWG 000	Leasehold improvements ZWG 000	Motor vehicles ZWG 000	Computer ZWG 000	Equipment ZWG 000	Furniture & Fittings ZWG 000	Work in progress ZWG 000	Total ZWG 000
31 December 2024									
Cost									
Opening balance	123 779	773 327	4 444	40 307	123 464	49 197	32 465	89 405	1 236 388
Effects of translation to presentation currency	111 688	699 972	3 623	47 833	117 634	52 546	31 986	70 667	1 135 949
Additions	-	16 213	-	14 342	75 078	22 616	5 173	212 486	345 908
Revaluation loss	(108 150)	(506 859)	-	-	-	-	-	-	(615 009)
Disposals	-	-	-	-	(1 328)	(421)	(311)	-	(2 060)
Write offs	-	(3 508)	-	(44)	(210)	(102)	(42)	(45 093)	(48 999)
Intercategory transfers	-	-	-	6 608	4 121	5 379	1 333	(17 441)	-
Closing balance	**127 317**	**979 145**	**8 067**	**109 046**	**318 759**	**129 215**	**70 604**	**310 024**	**2 052 177**
Accumulated depreciation									
Opening balance	-	9 634	2 334	13 109	54 396	21 577	11 405	-	112 455
Effects of translation to presentation currency	-	23 748	2 285	16 497	58 911	20 551	10 928	-	132 920
Charge for the year	-	81 319	719	11 008	28 246	8 857	3 855	-	134 004
Disposals	-	-	-	-	(895)	(347)	(151)	-	(1 393)
Write offs	-	(3 508)	-	(39)	(75)	(92)	(34)	-	(3 748)
Revaluation	-	(72 637)	-	-	-	-	-	-	(72 637)
Closing balance	**-**	**38 556**	**5 338**	**40 575**	**140 583**	**50 546**	**26 003**	**-**	**301 601**
Net Book Value	**127 317**	**940 589**	**2 729**	**68 471**	**178 176**	**78 669**	**44 601**	**310 024**	**1 750 576**

AUDITED

	Land ZWG 000	Buildings ZWG 000	Leasehold improvements ZWG 000	Motor vehicles ZWG 000	Computer ZWG 000	Equipment ZWG 000	Furniture & Fittings ZWG 000	Work in progress ZWG 000	Total ZWG 000
31 December 2023									
Cost									
Opening balance	43 025	291 653	3 400	17 060	109 207	32 100	21 907	60 118	578 470
Additions	-	10 471	1 044	23 168	12 524	15 779	10 511	50 538	124 035
Revaluation gain	80 754	463 367	-	-	-	-	-	-	544 121
Disposals	-	-	-	(418)	(178)	(19)	(97)	-	(712)
Transfers from investment properties	-	8 066	-	-	-	-	-	-	8 066
Write offs	-	(230)	-	-	(28)	(28)	(7)	(17 299)	(17 592)
Intercategory transfers	-	-	-	497	1 939	1 365	151	(3 952)	-
Closing balance	**123 779**	**773 327**	**4 444**	**40 307**	**123 464**	**49 197**	**32 465**	**89 405**	**1 236 388**
Accumulated depreciation									
Opening balance	-	7 826	1 872	11 946	41 940	19 524	9 394	-	92 502
Charge for the year	-	56 165	462	1 478	12 574	2 093	2 101	-	74 873
Disposals	-	-	-	(315)	(100)	(16)	(84)	-	(515)
Write offs	-	(112)	-	-	(18)	(24)	(6)	-	(160)
Revaluation	-	(54 245)	-	-	-	-	-	-	(54 245)
Closing balance	**-**	**9 634**	**2 334**	**13 109**	**54 396**	**21 577**	**11 405**	**-**	**112 455**
Net Book Value	**123 779**	**763 693**	**2 110**	**27 198**	**69 068**	**27 620**	**21 060**	**89 405**	**1 123 933**

The carrying amount of the land and buildings is the fair value of the property as determined by a registered internal appraiser, having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The valuation was in accordance with the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual and the Real Estate Institute of Zimbabwe standards.

In determining the market values of the subject properties, the following was considered:

- Comparable market evidence which comprised complete transactions as well as transactions where offers had been made but the transactions had not been finalised.
- Professional judgement was exercised to take cognisance of the fact that properties in the transaction were not exactly comparable in terms of size, quality and location of the properties owned by the group.
- The reasonableness of the market values of commercial properties so determined, per above bullet, was assessed by reference to the properties in the transaction.
- The values per square metre of lettable spaces for both the subject properties and comparable were analysed.
- With regards to market values for residential properties, the comparison method was used. This method entails carrying out a valuation by directly comparing the subject property, which have been sold or rented out. The procedure was performed as follows:

  i Surveys and data collection on similar past transactions.
  ii. Analysis of collected data.

- Comparison of the analysis with the subject properties and then carrying out the valuation of the subject properties. Adjustments were made to the following aspects:

  a) Age of property – state of repair and maintenance,
  b) Aesthetic quality – quality of fixtures and fittings,
  c) Structural condition – location,
  d) Accommodation offered – size of land.

The maximum useful lives are as follows:

Buildings	40 years
Motor vehicles	3-5 years
Leasehold improvements	10 years
Computer equipment	5 years
Furniture and fittings	10 years

The carrying amount of buildings would have been ZWG 343,254,879 (31 December 2023: ZWG 182,532,330) had they been carried at cost. Property and equipment was tested for impairment through comparison with open market values.

If the fair value adjustment had been 5% up or down, the Group's other Comprehensive Income would have been ZWG 20,135,561 (31 December 2023: ZWG 22,214,338) higher or lower than the reported position, impact on the Financial Position would be ZWG 27,118,600 (31 December 2023:ZWG 29,918,300) higher or lower than the reported position.

Included in property and equipment are amounts relating to right of use assets for buildings that are leased by the Group for periods more than one year. The buildings are used by the Group for its various branches and operations.

The information about the leases for which the Group is a lessee is presented below;

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
20.1a	**Right of use assets**		
	Opening balance	9 442	576
	Additions	15 420	10 903
	Write offs	-	(117)
	Effects of translation to presentation currency	13 207	-
	Depreciation charge for the year	(8 682)	(1 920)
	Closing balance	**29 387**	**9 442**

The Group leases a number of branches and IT equipment under operating leases. The buildings and equipment are mainly used by the Bank for its various branches and operations. The leases run for a period of five years with an option to renew the lease for a further five years after the expiry date.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
20.1b	**Lease liabilities**		
	Opening balance	9 338	2 794
	Additions	15 420	10 903
	Write-offs	-	(121)
	Interest	1 568	700
	Effects of translation to presentation currency	5 704	-
	Repayment	(10 590)	(7 987)
	Foreign exchange (gains)/ losses on lease liabilities	(193)	7 091
	Monetary adjustment	-	(4 042)
	Closing balance	**21 247**	**9 338**

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
20.1c	**Lease liabilities maturity analysis**		
	Less than one month	1 107	587
	One to three months	2 522	1 222
	Three to six months	3 220	1 420
	Six to twelve months	5 477	2 629
	One to five years	10 618	4 639
		22 944	**10 497**
20.1d	**Amounts recognised in statement of profit or loss**		
	Interest on lease liabilities	1 568	700
	Depreciation	8 682	1 920
	Expenses relating to short term leases	1 346	4 660
		11 596	**7 280**
20.1e	**Amounts recognised in statement of cash flow**	**10 590**	**7 987**
21.	**INVESTMENT PROPERTIES**		
	Opening balance	879 322	305 160
	Additions	30 853	35 721
	Disposals	-	(7 851)
	Transfer from inventory	1 028	-
	Transfer to property and equipment	-	(8 066)
	Effects of translation to presentation currency	470 254	-
	Fair valuation adjustments	(330 318)	554 358
	Closing balance	**1 051 139**	**879 322**

The carrying amount of the investment property is the fair value of the property as determined by a registered internal appraiser, having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The valuation was in accordance with the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual and the Real Estate Institute of Zimbabwe Standards. Fair values were determined having regard to recent market transactions for similar properties in the same location as the Group's investment properties and in reference to the rental yields applicable to similar properties. The properties were valued as at 31 December 2024.

	Valuation technique	Significant observable inputs	Range (weighted average)
Office and Retail properties	Implicit investment approach	Comparable rentals per month per square meter	ZWG 45.15 – ZWG 1 160.93
		Capitalisation rate	8.5% - 13. 5%
Land and Residential property	Market value of similar properties	Comparable rate per square meter	ZWG 257.99 - ZWG 1 934.89

In arriving at the market value of the property, the implicit investment approach was applied based on the capitalisation of income. This method is based on the principle that rentals and capital values are inter-related. Hence given the income produced by a property, its capital value can therefore be estimated. Comparable rentals inferred from properties within the locality of the property based on use, location, size and quality of finishes were used. The rentals were then adjusted per square meter to the lettable areas, being rentals achieved for comparable properties as at 31 December 2024. The rentals are then annualised and a capitalisation factor was applied to arrive at a market value of the property, also inferring on comparable premises which are in the same category as regards the building elements.

In assessing the market value of the residential stands, values of various properties that had been recently sold or which are currently on sale and situated in comparable residential areas were used. Market evidence from other estate agents and local press was also taken into consideration.

The rental income derived from investment properties amounted to ZWG 24,757,646 (December 2023: ZWG 12,530,779) and direct Operating expenses amounted to ZWG 3,052,454 (December 2023: ZWG 2,034,969). All the Group's lettable Investment properties were occupied as at 31 December 2024.

If the fair value adjustment had been 5% up or down, the Group's profit would have been ZWG 15,690,175 (31 December 2023: ZWG 26,332,046) higher than the reported position and the Statement of Financial Position would be ZWG 16,515,900 (31 December 2023: ZWG 27,717,944) higher than the reported position.

Investment property comprises a number of commercial properties that are leased to third parties. Each of the leases contains an initial non-cancellable period of 5 years. Subsequent renewals are negotiated with the lessee and historically the average renewal period is 5 years.

The following sets outs a maturity analysis of lease payments showing the undiscounted lease payments to be received after the reporting date:

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
21.1	**Lease income maturity analysis**		
	Up to one year	30 723	2 767
	Between 1 and 2 years	23 022	2 278
	Between 2 and 3 years	11 001	1 261
	Between 3 and 4 years	7 214	1 261
	Between 4 and 5 years	2 511	949
		74 471	**8 516**

22. INTANGIBLE ASSETS

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
At cost	84 657	34 080
Accumulated amortisation	(56 302)	(24 111)
	28 355	**9 969**
Movement in intangible assets		
Opening balance	9 969	9 874
Additions	19 831	6 469
Write offs	-	(54)
Amortisation charge	(7 371)	(6 320)
Effects of translation to presentation currency	5 926	-
Closing balance	**28 355**	**9 969**

Intangible assets are carried at cost less accumulated amortisation charge. The intangible assets which comprise computer software are amortised over a period of 3 years.

23. DEFERRED TAXATION

23.1 Deferred tax asset

Deferred tax asset represents the amount of income taxes recoverable in future years in respect of deductible temporary differences, unused tax losses and unused tax credits.

The deferred tax included in the Statement of Profit or Loss and Other Comprehensive Income composed of:

	AUDITED					
	Statement of Profit or Loss		Statement of Other Comprehensive Income		Total carrying amount	
	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Opening balance	250 588	339 467	-	-	250 588	339 467
Assessed losses	20 355	(74 331)	-	-	20 355	(74 331)
Impairments and provisions	225 113	(955)	-	-	225 113	(955)
Tax claimable impairments	-	(17 163)	-	-	-	(17 163)
Other	20 986	3 570	-	-	20 986	3 570
Closing deferred tax balance	**517 042**	**250 588**	**-**	**-**	**517 042**	**250 588**

The deferred tax included in the Statement of Financial Position are comprised of:

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Assessed losses	48 276	27 923
Expected credit loss provisions	422 502	197 389
Other	46 264	25 276
Closing deferred tax balance	**517 042**	**250 588**

23.2 Deferred tax liability

Deferred tax liability represents the amount of income taxes payable in future years in respect of taxable temporary differences.

The deferred tax included in the Statement of Profit or Loss and Other Comprehensive Income composed of:

	AUDITED					
	Statement of Profit or Loss		Statement of Other Comprehensive Income		Total carrying amount	
	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Opening balance	501 089	402 007	213 836	64 149	714 925	466 156
Intangible assets	2 791	(145)	-	-	2 791	(145)
Equity investments	11 278	(5 155)	7 180	9 842	18 458	4 687
Property and equipment	168 698	(18 230)	(108 337)	139 845	60 361	121 615
Investment properties	34 805	71 685	-	-	34 805	71 685
Other	(143 857)	50 927	-	-	(143 857)	50 927
Closing deferred tax balance	**574 804**	**501 089**	**112 679**	**213 836**	**687 483**	**714 925**

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

The deferred tax liability balances included in the Statement of Financial Position are comprised of:

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Intangible assets	4 522	1 731
Equity investments	30 595	12 136
Property and equipment	232 375	172 014
Investment properties	129 316	94 511
Other	290 675	434 533
Closing balance	**687 483**	**714 925**

Included in other are deferred tax balances relating to unrealised foreign currency exchange gains/ losses, deferred facilitation fees, deferred establishment fees and other commissions.

24. DEPOSITS

Demand	16 948 800	11 073 141
Savings	354 822	170 225
Time	543 120	407 560
Treasury	593 443	102 105
Credit lines	3 059 467	520 250
Accrued interest	88 553	114 582
	21 588 205	**12 387 863**

24.1 Settlement of legacy liabilities and nostro gap accounts

Included in the deposits balance above are amounts that are denominated in USD amounting to US$ 80,634,302 (December 2023: US$133,369 793), being legacy liabilities of US$46,177,401 (December 2023: US$46 221 338) and nostro gap accounts of US$34 456 901 (December 2023: US$64,247,506) which are shown at ZWG2,080,244 040 (December 2023: ZWG 89,951,669). These liabilities which are payable on demand are subject to a special settlement arrangement with the RBZ as detailed in Note 26.7 to the financial statements wherein the Reserve Bank of Zimbabwe (RBZ) will provide funding to the Group for all registered legacy liabilities and nostro gap accounts at an exchange rate of 1:1. We note that to date US$ 70,259,33297(December 2023: US$54,083,770) has been made available under this arrangement demonstrating the willingness and capability of the RBZ to honour the settlement arrangement.

The Group has however identified key risks attendant to the legacy liabilities and nostro gap accounts. A report on the risks and respective mitigating strategies are available for inspection at the Company's Registered Offices.

The Group has however identified key risks attendant to the legacy liabilities and nostro gap accounts which risks are noted below:

i) The risk that a significant portion (or all) gets recalled for which the Bank is unable to settle without immediate assistance from the Reserve Bank of Zimbabwe.

The Group draws comfort from the fact that as at 31 December 2024 the Group held cash and cash equivalents amounting to an equivalent of US$271,107,467 (2023: US$160,369,905) (this includes all foreign denominated balances after translation to US$) which amounts are greater than the total legacy debts of US$46,177,401. Therefore any liability calls can be funded from these balances.

While the Group acknowledges that the timing of outflows of these liabilities as well as the timing of available support from the Reserve Bank of Zimbabwe is largely outside of their control management continues to actively engage the counterparties to influence both the timing and amount of the potential calls and also continues to actively manage the retention of foreign export proceeds to manage this exposure.

ii) The risk that no foreign currency or insufficient currency is made available from the Reserve Bank thus making the guarantee void and the call falling back on the Bank.

The Group acknowledges that in the event of a call of a portion (or all) of these liabilities at a time when support from the Reserve Bank of Zimbabwe is not immediately available, the Group would need to meet the repayments from its own resources. However, the Bank draws comfort from the fact that as at 31 December 2024 it had cash and cash equivalents of US$271,107,467 which amounts are greater than the total legacy debts of US$46,177,401. Therefore any liability calls will be funded from these balances

iii) The risk on capital posed by the significant and continued depreciation of the local currency against the US dollar.

Given the current foreign currency shortages in the market and in the event that the required support from the Reserve Bank of Zimbabwe is not available when the Bank is potentially required to make a repayment of any of these debts the Bank may be required to fund the repayment itself from its net assets. The amount required by the Group to fund any such repayment will move in line with any fluctuations of the ZWG: USD exchange rate

The RBZ financial asset Note 14 and the Group's own foreign currency assets address the issue of foreign exchange risk as the value of these assets exceed the total of legacy liabilities and nostro gap accounts and other foreign denominated liabilities. The exchange losses on the foreign denominated liabilities are offset by the exchange gains on the RBZ financial asset and the other foreign denominated assets.

In the event that all the risks noted above materialise despite management's mitigating efforts and the debt is called in its entirety and the funding is not immediately available from the Reserve Bank of Zimbabwe despite their guarantee the group would potentially have a significant gap in its liquidity and would be required to engage with its counterparties to negotiate repayment and to also engage with the Government of Zimbabwe for assistance in this regard. The potential liquidity gap can be derived from note 34.4 to the financial statements if one excludes the RBZ financial asset disclosed within Other Assets in the "less than one month" bucket

24.2 Sectoral Analysis

	AUDITED 31 DEC 2024 ZWG 000	%	AUDITED 31 DEC 2023 ZWG 000	%
Private	1 542 590	7	588 858	5
Agriculture	281 439	1	147 462	1
Mining	416 862	2	276 385	2
Manufacturing	523 844	2	343 759	3
Distribution	1 778 093	8	620 850	5
Construction	106 709	1	85 628	1
Transport	66 349	1	75 457	1
Communication	197 864	1	208 035	2
Services	12 895 619	60	8 810 144	71
Financial organisations	2 868 675	13	982 158	7
Financial and investments	910 161	4	249 127	2
	21 588 205	**100**	**12 387 863**	**100**

24.3 Maturity analysis

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Less than 1 month	18 411 189	11 595 399
Between 1 and 3 months	61 269	5 194
Between 3 and 6 months	910 622	258 579
Between 6 months and 1 year	959 396	-
Between 1 and 5 years	1 245 729	12 728
More than 5 years	-	515 963
	21 588 205	**12 387 863**

Maturity analysis is based on the remaining period from 31 December 2024 to contractual maturity.

25. INSURANCE CONTRACTS

The group offers insurance services under CBZ Insurance and CBZ Life, which offers short term insurance on property and life assurance services respectively.

25.1 Balance sheet composition of insurance assets and liabilities

	AUDITED					
	Life Risk ZWG 000	Property Risk ZWG 000	Total ZWG 000	Current ZWG 000	Non current ZWG 000	Total ZWG 000
31 December 2024						
Insurance contract assets	21 357	-	21 357	-	21 357	21 357
Reinsurance assets	543	46 091	46 634	46 091	543	46 634
Insurance liabilities	(113 716)	(75 570)	(189 286)	(75 570)	(113 716)	(189 286)
Reinsurance liabilities	(597)	(9 590)	(10 187)	(9 590)	(597)	(10 187)
Total	**(92 413)**	**(39 069)**	**(131 482)**	**(39 069)**	**(92 413)**	**(131 482)**

	AUDITED					
	Life Risk ZWG 000	Property Risk ZWG 000	Total ZWG 000	Current ZWG 000	Non current ZWG 000	Total ZWG 000
31 December 2023						
Insurance contract assets	25 789	49	25 838	49	25 789	25 838
Reinsurance assets	926	26 694	27 620	26 694	926	27 620
Insurance liabilities	(63 077)	(43 013)	(106 090)	(43 013)	(63 077)	(106 090)
Reinsurance liabilities	(203)	(2 754)	(2 957)	(2 755)	(203)	(2 957)
Total	**(36 565)**	**(19 024)**	**(55 589)**	**(19 025)**	**(36 565)**	**(55 589)**

At 31 December 2024, the maximum exposure to credit risk from insurance contracts is ZWG NIL (2023: ZWG 93,835) which primarily relates to premiums receivable for services that the Group has already provided, and the maximum exposure to credit risk from reinsurance contracts is ZWG 7,633,771 (2023: ZWG 5,756,166). Expected credit losses on receivables, have been accounted for in line with accounting policies for other trade receivables held by the Group.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

25.2 Movement in insurance assets and liabilities by risk

25.2 (a) Analysis of insurance contract liabilities by remaining coverage and incurred claims

	AUDITED					
	LIFE RISK			PROPERTY RISK		
	Liability for remaining coverage ZWG 000	Liability for incurred claims ZWG 000	Total ZWG 000	Liability for remaining coverage ZWG 000	Liability for incurred claims ZWG 000	Total ZWG 000
31 December 2024						
Movements in insurance contract balances						
Opening insurance contract assets	25 680	109	25 789	49	-	49
Opening insurance contract liabilities	(63 463)	386	(63 077)	(22 139)	(20 874)	(43 013)
Net opening balance	**(37 783)**	**495**	**(37 288)**	**(22 090)**	**(20 874)**	**(42 964)**
Amounts recognised in comprehensive income						
Insurance revenue	117 362	-	117 362	169 673	-	169 673
Insurance service expenses	(29 881)	(84 193)	(114 074)	(36 379)	(112 254)	(148 633)
Finance expenses from insurance contracts issued	(1 938)	(195)	(2 133)	-	-	-
Foreign exchange gains/ (losses)	(54 778)	16 272	(38 506)	2 402	8 930	11 332
Other	-	-	(11 114)	(15 208)	(26 322)	-
Amounts recognised in cashflow statement						
Premiums received	(93 003)	-	(93 003)	(198 316)	-	(198 316)
Claims and other directly attributable expenses paid	13 601	28 447	42 048	-	99 482	99 482
Insurance acquisition cash flows	19 743	13 492	33 235	60 178	-	60 178
Net closing balance	**(66 677)**	**(25 682)**	**(92 359)**	**(35 646)**	**(39 924)**	**(75 570)**
Closing insurance contract assets	21 357	-	21 357	-	-	-
Closing insurance contract liabilities	(88 034)	(25 682)	(113 716)	(35 646)	(39 924)	(75 570)
Net closing balance	**(66 677)**	**(25 682)**	**(92 359)**	**(35 646)**	**(39 924)**	**(75 570)**

25.2 Movement in insurance assets and liabilities by risk

25.2 (a) Analysis of insurance contract liabilities by remaining coverage and incurred claims

	AUDITED					
	LIFE RISK			PROPERTY RISK		
	Liability for remaining coverage ZWG 000	Liability for incurred claims ZWG 000	Total ZWG 000	Liability for remaining coverage ZWG 000	Liability for incurred claims ZWG 000	Total ZWG 000
31 December 2023						
Movements in insurance contract balances						
Opening insurance contract assets	4 403	215	4 618	10 620	-	10 620
Opening insurance contract liabilities	(21 155)	(519)	(21 674)	(12 254)	(9 377)	(21 631)
Net opening balance	**(16 752)**	**(304)**	**(17 056)**	**(1 634)**	**(9 377)**	**(11 011)**
Amounts recognised in comprehensive income						
Insurance revenue	68 618	-	68 618	109 582	-	109 582
Insurance service expenses	(35 067)	(57 544)	(92 611)	(44 202)	(88 517)	(132 719)
Finance expenses from insurance contracts issued	(5 347)	(5)	(5 352)	-	-	-
Foreign exchange gains/ (losses)	9 545	(738)	8 807	(9 485)	(11 934)	(21 419)
Other	66 829	(2 008)	64 821	10 597	12 046	22 643
Amounts recognised in cashflow statement						
Premiums received	(129 635)	-	(129 635)	(70 200)	-	(70 200)
Claims and other directly attributable expenses paid	-	25 445	25 445	-	76 908	76 908
Insurance acquisition cash flows	4 026	35 649	39 675	(16 748)	-	(16 748)
Net closing balance	**(37 783)**	**495**	**(37 288)**	**(22 090)**	**(20 874)**	**(42 964)**
Closing insurance contract assets	25 680	109	25 789	49	-	49
Closing insurance contract liabilities	(63 463)	386	(63 077)	(22 139)	(20 874)	(43 013)
Net closing balance	**(37 783)**	**495**	**(37 288)**	**(22 090)**	**(20 874)**	**(42 964)**

25.2 (b) Analysis by measurement approach

Life risk contracts not measured under the PAA

	AUDITED			
	PV of Cashflows ZWG 000	**Risk adjustment ZWG 000**	**CSM ZWG 000**	**Total ZWG 000**
31 December 2024				
Net opening balance	(11 379)	19 983	26 942	35 546
Statement of comprehensive income				
Changes relating to current services				
CSM recognised change in risk adjustment	31 810	(1 200)	(16 670)	13 940
Changes relating to future services				
Initial recognition of contracts	27 732	429	(42 341)	(14 180)
Changes in estimates affecting CSM	3 822	35	1 294	5 151
Other	642	1 074	45 399	47 115
Changes relating to past services				
Adjustments to liabilities for incurred claims	(526)	-	-	(526)
Other				
Finance expenses	(412)	(281)	(1 526)	(2 219)
Foreign exchange rate movement	56 682	661	(5 885)	51 458
Net closing balance	**108 371**	**20 701**	**7 213**	**136 285**

	AUDITED			
	PV of Cashflows ZWG 000	**Risk adjustment ZWG 000**	**CSM ZWG 000**	**Total ZWG 000**
31 December 2023				
Net opening balance	3 776	578	6 595	10 949
Statement of comprehensive income				
Changes relating to current services				
CSM recognised change in risk adjustment	13 901	(651)	(366)	12 884
Adjustments to Cashflows	(5 239)	(334)	3 114	(2 459)
Changes relating to future services				
Initial recognition of contracts	(26 590)	20 146	-	(6 444)
Changes in estimates affecting CSM	-	-	22 322	22 322
Other changes	(1 887)	(458)	(5 223)	(7 568)
Changes relating to past services				
Adjustments to liabilities for incurred claims	(1 259)	-	-	(1 259)
Other				
Finance expenses	5 919	702	500	7 121
Net closing balance	**(11 379)**	**19 983**	**26 942**	**35 546**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
25.3	**Investment contract liabilities**		
	Opening balance	12 239	4 929
	Amounts recognised in profit or loss		
	Investment return on underlying items	2 623	27 371
	Cash flows		
	Contributions received	1 433	1 740
	Benefits paid	(138)	-
	Other		
	Effects of translation to presentation currency	310	-
	Monetary adjustment	-	(21 801)
	Closing balance	**16 467**	**12 239**
25.4	**Investment contract liabilities are supported by the following net assets**		
	Money market assets	660	346
	Cash	439	434
	Prescribed assets	9 303	8 987
	Listed equity investments	13 628	5 935
	Investment property	3 708	-
		27 738	**15 702**

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
26.	**OTHER LIABILITIES**		
	Deferred revenue	64 942	7 676
	Sundry creditors	2 570 330	425 522
	Accruals	317 757	338 904
	Suspense	42 288	207 221
	Provisions	953 514	245 013
		3 948 831	**1 224 336**

All other liabilities are current and are expected to be realized within the next twelve months. Included in provisions are provisions for performance based incentive scheme, audit fees provision and leave pay provision and largely expected to be utilized in the following year.

As at 1 January 2024, the Group had unearned revenue of ZWG 64,941,603 (2023: ZWG 7,675,862), which comprised of deferred advisory fees, deferred guarantee commission and revenue received in advance. All deferred revenue at the end of the previous year has been recognised as revenue in the current year.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
27.	**CATEGORIES OF FINANCIAL LIABILITIES**		
	Deposits	21 588 205	12 387 863
	Other liabilities	3 883 889	425 523
	Lease liabilities	21 247	9 338
		25 493 341	**12 822 724**
28.	**EQUITY AND RESERVES**		
28.1	**SHARE CAPITAL**		
	Authorised		
	1 000 000 000 ordinary shares of ZWG 0.01 each	10 000 000	10 000 000
		Shares	**Shares**
	Opening balance	622 069	522 016
	Issue of shares	-	100 053
	Issued and fully paid	**622 069**	**622 069**
	Opening balance	9 879	9 872
	Issue of shares	-	7
	Closing balance	**9 879**	**9 879**
28.2	**SHARE PREMIUM**		
	Opening balance	232 384	60 328
	Issue of shares	-	172 056
	Closing balance	**232 384**	**232 384**
28.3	**REVALUATION RESERVE**		
	Opening balance	703 494	245 151
	Net revaluation (loss)/ gain	(433 918)	458 343
	Closing balance	**269 576**	**703 494**
28.4	**RETAINED EARNINGS**		
	Retained earnings comprises:		
	Opening balance	2 745 194	1 306 632
	Profit for the year	168 361	1 540 570
	Dividend paid	(68 724)	(102 008)
	Closing balance	**2 844 831**	**2 745 194**
	Retained earnings comprises:		
	Holding company	(41 449)	130 563
	Subsidiary companies	2 972 106	2 564 656
	Effect of consolidation journals	(85 826)	49 975
	Closing balance	**2 844 831**	**2 745 194**
28.5	**NON CONTROLLING INTERESTS (NCI)**		
	Opening balance	134	69
	Profit for the year	(311)	(137)
	Other comprehensive income	66	202
	Closing balance	**(111)**	**134**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
28.6	**FAIR VALUE RESERVE**		
	Opening balance	203 979	103 040
	Other comprehensive income	14 365	100 939
	Closing balance	**218 344**	**203 979**
28.7	**FOREIGN CURRENCY TRANSLATION RESERVE**		
	Opening balance	9 413	10 418
	Exchange gain on translation to presentation currency	4 323 488	-
	Exchange loss on translation of a foreign subsidiary	(204)	(1 005)
	Closing balance	**4 332 697**	**9 413**
28.8	**SHARE BASED PAYMENT RESERVE**		
	Opening balance	20 911	20 911
	Closing balance	**20 911**	**20 911**
28.9	**SHARES AWAITING ALLOTMENT RESERVE**		
	Opening balance	-	39 726
	Shares issues during the year	-	(39 726)
	Closing balance	**-**	**-**

During the year ended 31 December 2022 the Group received funds for a share issue transaction. The shares were allotted during the year 2023.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
28.10	**GENERAL RESERVE**		
	Opening balance	(52 502)	-
	Share of OCI of equity-accounted investees	37 343	(52 502)
	Closing balance	**(15 159)**	**(52 502)**

29. CAPITAL MANAGEMENT

The Group adopted the Internal Capital Adequacy Assessment Policy (ICAAP) which enunciates CBZ Holding's approach, assessment and management of risk and capital from an internal perspective that is over and above the minimum regulatory rules and capital requirements of Basel II. The primary objective of the Group's capital management is to ensure that the Group complies with externally imposed capital requirements and economic capital requirements which is risk based capital requirements. The Group maintains strong credit ratings and healthy capital ratios in order to support its business and maximise shareholder value. ICAAP incorporates a capital management framework designed to satisfy the needs of key stakeholders i.e. depositors, regulators, rating agencies who have specific interest in its capital adequacy and optimal risk taking to ensure its going concern status (solvency). The focus is also targeted at meeting the expectations of those stakeholders i.e. shareholders, analysts, investors, clients and the general public who are interested in looking at the profitability of the Group vis-à-vis assumed levels of risk (risk versus return).

30. CONTINGENCIES AND COMMITMENT

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Guarantees	35 595	27 069
Closing balance	**35 595**	**27 069**
Capital Commitments		
Authorised and contracted for	2 892	-
Closing balance	**2 892**	**-**

The capital commitments are funded from the Group's own resources.

31. FUNDS UNDER MANAGEMENT

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Pension Funds	3 841 362	2 116 653
Institutional & individual clients - Equities	3 460 456	1 234 209
Institutional & individual clients - Fixed Income	417 563	199 931
Exchange traded funds	6 096	3 341
Real Estate Investment Trusts	554 508	231 940
Unit Trust Funds	6 705	3 531
Closing balance	**8 286 690**	**3 789 605**

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

32. OPERATING SEGMENTS

The Group is comprised of the following operating segments:

Banking Operations

Provides commercial banking products through retail banking corporate and merchant banking and investing portfolios through the treasury function.

Asset Management

Provides fund management services to a wide spectrum of investors through placement of either pooled portfolios or individual portfolios.

Insurance Operations

Provides short term insurance and Life assurance. Also provides Risk Advisory Services to its clients as part of its insurance operations function.

Property Investments

Property investment arm of the Group.

Agro Business

Provides contract farming loans to farmers both individual and commercial.

Micro Finance

Provides financial services to the informal sector, SMEs, Civil Servants, small holder farmers and all those who are gainfully employed.

Other Operations

Other operations provided by the Group include equity investments by the Holding Company.

The table below shows the segment operational results for the year ended 31 December 2024:

32.1 Segment operational results

AUDITED	Banking operations ZWG 000	Asset management ZWG 000	Insurance operations ZWG 000	Property investment ZWG 000	Agro business ZWG 000	Micro Finance ZWG 000	Other operations ZWG 000	Elimination of intersegment amounts ZWG 000	Consolidated ZWG 000
INCOME									
Net interest income for the year ended 31 Dec 2024	**1 215 529**	**37**	**4 305**	**(4 639)**	**99 377**	**124 651**	**(54 946)**	**393**	**1 384 707**
Net interest income for the year ended 31 Dec 2023	1 371 881	42	(1 228)	(1 084)	(137 613)	52 638	(68 364)	329	1 216 601
Non-interest income for the year ended 31 Dec 2024	**2 880 183**	**41 442**	**20 612**	**(112 232)**	**(23 638)**	**21 595**	**451 734**	**(508 751)**	**2 770 945**
Non-interest income for the year ended 31 Dec 2023	3 168 756	53 766	113 648	210 699	627 522	16 979	601 894	(666 492)	4 126 772
Insurance service result for the year ended 31 Dec 2024	**-**	**-**	**(24 379)**	**-**	**-**	**-**	**-**	**(16 992)**	**(41 371)**
Insurance service result for the year ended 31 Dec 2023	-	-	(58 355)	-	-	-	-	(8 199)	(66 554)
Total income for the year ended 31 Dec 2024	**4 095 712**	**41 479**	**(2 334)**	**(116 871)**	**75 738**	**146 246**	**396 788**	**(525 349)**	**4 111 409**
Total income for the year ended 31 Dec 2023	4 540 637	53 808	48 713	209 615	489 909	69 618	533 530	(674 363)	5 271 467
Staff costs for the year ended 31 Dec 2024	**1 446 391**	**29 911**	**87 783**	**45 748**	**87 194**	**32 572**	**413 972**	**-**	**2 143 571**
Staff costs for the year ended 31 Dec 2023	880 337	23 740	66 152	23 441	79 440	22 668	445 945	-	1 541 723
Administrative expenses for the year ended 31 Dec 2024	**764 168**	**13 060**	**56 035**	**13 796**	**49 663**	**28 473**	**78 897**	**(249 280)**	**754 812**
Administrative expenses for the year ended 31 Dec 2023	707 710	22 362	102 884	14 847	71 729	30 456	95 346	(369 931)	675 403
Depreciation & amortisation for the year ended 31 Dec 2024	**120 779**	**408**	**4 967**	**643**	**5 480**	**2 093**	**8 175**	**(1 170)**	**141 375**
Depreciation & amortisation for the year ended 31 Dec 2023	71 189	214	1 764	309	4 382	1 205	4 555	(2 425)	81 193
Expected credit loss expense for the year ended 31 Dec 2024	**835 749**	**132**	**1 154**	**468**	**(60 379)**	**16 365**	**6 980**	**182**	**800 651**
Expected credit loss expense for the year ended 31 Dec 2023	409 016	1 691	249	(290)	155 500	2 639	60	14 959	583 824
RESULTS									
Profit before taxation for the year ended 31 Dec 2024	**928 625**	**(5 391)**	**(58 853)**	**(180 314)**	**(8 310)**	**66 090**	**(114 059)**	**(561 170)**	**66 618**
Profit before taxation for the year ended 31 Dec 2023	1 505 075	5 752	44 706	181 031	212 995	4 455	122 202	(118 916)	1 957 300
Cash flows:									
Used in operating activities for the year ended 31 Dec 2024	**1 395 209**	**(1 471)**	**49 543**	**(577)**	**89 956**	**(5 268)**	**37 575**	**(350 488)**	**1 214 479**
Used in operating activities for the year ended 31 Dec 2023	5 362 897	(8 797)	(20 278)	(15 324)	56 046	(166 904)	269 658	(242 617)	5 234 681
Used in investing activities for the year ended 31 Dec 2024	**(337 695)**	**(393)**	**(44 815)**	**(264)**	**(31 361)**	**(691)**	**(1 338)**	**17 827**	**(398 730)**
Used in investing activities for the year ended 31 Dec 2023	(169 826)	5 194	(7 593)	(437)	(2 784)	(718)	(31 066)	(52 435)	(259 665)
Used in financing activities for the year ended 31 Dec 2024	**(290 541)**	**(197)**	**(189)**	**(786)**	**(65 881)**	**(3 307)**	**(72 984)**	**354 571**	**(79 314)**
Used in financing activities for the year ended 31 Dec 2023	(294 365)	2 244	35 646	13 637	(22 488)	2 622	(65 181)	254 113	(73 772)
TOTAL ASSETS AND LIABILITIES									
Reportable segment liabilities for the year ended 31 Dec 2024	**23 903 347**	**46 616**	**279 729**	**102 054**	**626 231**	**220 344**	**1 180 413**	**147 418**	**26 506 152**
Reportable segment liabilities for the year ended 31 Dec 2023	13 287 165	15 232	160 347	44 363	365 125	117 115	584 786	(105 062)	14 469 071
Total segment assets for the year ended 31 Dec 2024	**30 041 668**	**74 901**	**470 859**	**334 738**	**1 443 455**	**314 739**	**1 787 557**	**(48 413)**	**34 419 504**
Total segment assets for the year ended 31 Dec 2023	15 818 715	38 541	313 181	315 491	770 098	128 196	999 906	(42 171)	18 341 957

33. RELATED PARTIES

The Group does not have an ultimate parent as it is owned by several shareholders none of which has a controlling interest. The Group has related party relationships with its Directors and key management employees, their companies and close family members. The Group carries out banking and investment related transactions with various companies related to its shareholders, all of which were undertaken at arm's length and in compliance with the relevant Banking Regulations.

Loans and advances to Directors' companies

	AUDITED					
	Gross limits ZWG 000		Utilised limits ZWG 000		Value of security ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Loans to directors' companies	36 141	15 492	18 102	5 957	-	424

The loans to directors' companies above include companies directly owned or significantly influenced by executive and non-executive directors and/or their close family members. The loans above are provided at commercial terms with interest rates ranging from 12% to 24% per annum and a tenure ranging from 1 month to 12 months. The loans to directors and key management personnel are shown in note 12.3.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Transactions with Directors' companies		
Interest income	1 110	424
Commission and fee income	128	81
	1 238	**505**

34. RISK MANAGEMENT

34.1 Risk overview

CBZ Group Enterprise Wide Risk Management Framework is anchored on the desire to uphold a High Risk Management and Compliance Culture as one of the major strategic thrusts and is supported by a clearly defined risk appetite in terms of various key exposures. This approach has given direction to the Group's overall Going Concern underpinned by robust strategic planning and policies.Through the CBZ Group risk management function, the Group regularly carries risk analysis through value at risk (VaR) assessments, stress testing as well as simulations to ensure that there is congruency or proper alignment between its strategic focus and its desired risk appetite.

34.2 Group risk management framework

The Group's risk management framework looks at enterprise wide risks and recognises that for effective risk management to take root, it has to be structured in terms of acceptable appetite, defined responsibility, accountability and independent validation of set processes. The Group Board is responsible for setting and reviewing the risk appetite as well as Group Policies. Management and staff are responsible for the implementation of strategies aimed at the management and control of the risks that fall within their strategic organisational responsibilities. The CBZ Group Enterprise Wide Risk Management function is responsible for ensuring that the Group's risk taking remains within the set risk benchmarks. The Group Internal Audit function on the other hand provides independent assurance on the adequacy and effectiveness of the deployed risk management processes.

The CBZ Group Enterprise Wide Governance and Compliance Unit evaluates quality of compliance with policies, processes and governance structures. In terms of risk governance, the Group Board has delegated authority to the following Group Board Committees whose membership consists of Non–Executive Directors of the Group:

Risk Management & Compliance Committee – has the responsibility for oversight and review of prudential risks comprising of but not limited to credit, liquidity, interest rate, exchange, investment, operational, equities, insurance, security, technological, reputational and compliance. Its other responsibilities include reviewing the adequacy and effectiveness of the Group's risk management policies, systems and controls as well as the implications of proposed regulatory changes to the Group. It receives consolidated quarterly risk and compliance related reports from the Group Executive Management Committee (Group EXCO) and Group Risk Management Sub-Committee. The committee governance structures ensure that approval authority and risk management responsibilities are cascaded down from the Board through to the appropriate business units and functional committees. Its recommendations are submitted to the Group Board.

IT & Business Development Committee – oversees the harmonisation, adequacy, relevance and effectiveness of Group IT systems in supporting as well as delivering services to the Group's stakeholders. In addition, the committee looks at the integrity of the Group's management information systems.

Audit & Finance Committee – manages financial risk related to ensuring that the Group's financial results are prepared in line with the International Financial Reporting Standards. This committee is responsible for capital management policy as well as the adequacy of the Group's prudential capital requirements taking into account the Group's risk appetite. The committee is also tasked with the responsibility of ensuring that efficient tax management systems are in place and that the Group is in full compliance with tax regulations.

Human Resources & Remunerations Committee – is accountable for people related risks and ensures that the Group has the optimal numbers as well as the right mix in terms of skills and experience for the implementation of the Group's strategy. The committee also looks at succession planning, the welfare of Group staff as well as the positive application of the Group's Code of Ethics.

34.3 Credit risk

This is the risk of potential loss arising from the probability of borrowers and or counterparties failing to meet their repayment commitments to the Group as and when they fall due in accordance with agreed terms and conditions.

Credit risk management framework

Credit risk is managed through a framework of credit policies and standards covering the identification, management, measurement and control of credit risk. These policies are approved by the Board, which also delegates credit approvals as well as loans reviews to designated sub committees within the Group. Credit origination and approval roles are segregated.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

The Group uses an internal rating system based on internal estimates of probability of default over a one year horizon and customers are assessed against a range of both quantitative and qualitative factors. Credit concentration risk is managed within set benchmarks by counterparty or a group of connected counterparties, by sector, maturity profile and by credit rating. Concentration is monitored and audited through the responsible risk committees set up by the Board.

The Group through credit originating units as well as approving committees regularly monitors credit exposures, portfolio performance and external environmental factors that are likely to impact on the credit book. Through this process, clients or portfolios that exhibit material credit weaknesses are put on watch for close monitoring or exiting of such relationships where restructuring is not possible. Those exposures which are beyond restructuring are downgraded to Recoveries and Collections Unit.

Credit mitigation

Credit mitigation is employed in the Group through taking collateral, credit insurance and other guarantees. The Group is guided by considerations related to legal certainty, enforceability, market valuation and the risk related to guarantors in deciding which securities to accept from clients. Types of collateral that are eligible for risk mitigation include cash, mortgages over residential, commercial and industrial property, plant and machinery, marketable securities, guarantees, assignment of crop or export proceeds, leasebacks and stop-orders.

Non – performing loans and advances

The Group's credit policy also covers past due, default, impaired and non–performing loans and advances, as well as specific and portfolio impairments. Past due refers to a loan or advance that exceeds its limit for fluctuating types of advances or is in arrears by 30 days or more. Non-performing loans and advances is where, for example, a specific provision for impairment is raised against a credit exposure as a result of a decline in the credit quality or where an obligation is past due for more than 90 days or an obligor has exceeded a sanctioned limit for more than 90 days. Non-performing loans and advances are defined as loans and advances where the Group has raised a specific provision for impairment. A specific provision for impairment is raised where an asset is classified as:

- Substandard, doubtful or loss under the prudential lending guidelines issued by the Regulatory authorities and where collateral held against the advance is insufficient to cover the total expected losses.
- Portfolio impairment, on the other hand, applies under loans and advances that have not yet individually evidenced a loss event i.e. advances classified as "Pass" and "Special Mention" under prudential lending guidelines issued by the Regulatory authorities. For such portfolios, the Group calculates and makes general provisions.

34.3 (a) Credit risk exposure

The table below shows the maximum exposure to credit risk for the components of the statement of financial position.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Balances with banks	5 739 546	2 943 310
Money market assets	1 084 650	451 783
Financial securities	5 853 981	2 790 163
Loans and advances to customers	8 300 282	4 603 658
Other assets	6 222 167	2 473 480
Total	**27 200 626**	**13 262 394**
Financial guarantees	35 594	27 069
Total	**35 594**	**27 069**

Where financial instruments are recorded at fair value the amounts shown above represent the current credit risk exposure but not maximum risk exposure that could arise in the future as a result of changes in value.

The Group held cash and cash equivalents of ZWG 5,763,513,051 (2023: ZWG 2,946,305,545) (excluding notes and coins) as at 31 December 2024 which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with the Central Bank, local banks and foreign banks.

Balances with foreign banks represent Bank balances and Short term Money market assets with foreign banks and are assessed for credit quality with reference to external credit ratings of the foreign counterparty banks as shown below:

The balances disclosed in the table below represents the maximum credit exposure for each foreign banking counterpart.

	Rating Agency	Rating	2024 ZWG 000	2023 ZWG 000
African Export Import Bank	Fitch	B	3 846	80 773
Oddo BHF Aktiengesellschaft Bank	Fitch	B	84 677	1 102
First Rand Bank South Africa	Fitch	B-	535 920	97 567
Bank of China	Fitch	B-	2 386	2 740
Aktif Yatirim Bank	Fitch	B-	647	1 102
United Oversees Bank	Fitch	AB+	46 684	17 893
Bidvest Bank South Africa	Fitch	AB-	561	526
CSC Bank	Fitch	B-	18 200	11 200
South African Reserve Bank	Fitch	AB+	36	1 435
Total			**692 957**	**214 338**

34.3(b) An industry sector analysis of the Group's loans and advances before and after taking into account collateral held is as follows:

	AUDITED		AUDITED	
	31 DEC 2024 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2023 ZWG 000
	Gross maximum exposure	Net maximum exposure (not covered by mortgage security)	Gross maximum exposure	Net maximum exposure (not covered by mortgage security)
Private	3 119 820	2 731 125	1 288 790	1 096 842
Agriculture	2 110 016	789 012	1 165 513	349 800
Mining	1 638 764	1 414 858	857 043	714 687
Manufacturing	647 133	-	737 157	486 807
Distribution	981 358	410 432	722 702	513 200
Construction	164 788	-	53 717	-
Transport	33 041	15 849	15 863	-
Communication	199 403	198 841	190 659	190 659
Services	199 586	42 395	182 954	29 394
Financial organisations	37 859	-	11 320	43 675
Gross value	**9 131 768**	**5 602 512**	**5 225 718**	**3 425 064**

	AUDITED	AUDITED
	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Collateral split by class		
Government Guarantee	873 419	469 438
Cash cover	8 287	77 457
Registered Marketable Commodities	29 411	172 136
Mortgage bonds	3 599 503	1 097 829
Notarial general covering bonds	2 056 053	1 057 936
	6 566 673	**2 874 796**

The Group holds collateral against loans and advances to customers in the form of mortgage bonds over property, other registered securities over assets, guarantees, cash cover, assignment of crop or export proceeds, leasebacks and stop-orders. Estimates of fair values are based on the value of collateral assessed at the time of borrowing, and are regularly aligned to trends in the market.

Collateral split by asset quality

The table below sets out the carrying amount and the value of the identifiable collateral held against loans and advances to customers measured at amortized cost.

	AUDITED		AUDITED	
	31 DEC 2024		31 DEC 2023	
	Carrying amount ZWG 000	Collateral ZWG 000	Carrying amount ZWG 000	Collateral ZWG 000
Stage 1 & 2	8 371 684	5 035 217	4 748 431	2 713 249
Stage 3	760 084	1 531 456	477 287	161 547
	9 131 768	**6 566 673**	**5 225 718**	**2 874 796**

The are no financial instruments for which no expected credit loss allowance was recognized due to collateral held.

The Group holds collateral against certain of its credit exposures. The following table sets out the principal types of collateral held against different types of financial assets.

Collateral for loans and advances split by asset type

	Percentage of exposures that is subject to collateral requirements		
	31 DEC 2024 %	31 DEC 2023 %	Principal Type of collateral held
Loans & advances to retail customers	-	1.65	Cash
	13.15	24.27	Mortgage security
	-	-	Marketable commodities
	4.62	-	Government guarantee
	6.74	-	NGCBs
	75.49	74.08	Other
Loans and advances to corporate customers	0.02	0.07	Cash
	16.90	17.18	Mortgage security
	0.03	25.19	Marketable commodities
	10.64	44.50	Government guarantee
	6.36	8.48	NGCBs
	66.05	4.58	Other

Included in other collateral for retail customers are largely direct deductions, structured receivables, corporate guarantees and liens.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

34.3 (c) Credit quality per class of financial assets

a. Loans and advances to customers

(i) The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in Note 34.3.1.

AUDITED									
	SRS Rating	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
		31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Internal rating grade									
Performing	"1 - 3c"	3 593 168	1 933 806	30 744	195 694	-	-	3 623 912	2 129 500
Special mention	"4a - 7c"	3 620 672	1 633 939	1 127 100	984 992	-	-	4 747 772	2 618 931
Non-performing	"8 - 10"	-	-	-	-	760 084	477 287	760 084	477 287
Total		**7 213 840**	**3 567 745**	**1 157 844**	**1 180 686**	**760 084**	**477 287**	**9 131 768**	**5 225 718**

(ii) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans and advances is as follows:

GROSS CARRYING AMOUNT	AUDITED							
	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Opening balance	3 567 745	1 581 167	1 180 686	162 513	477 287	902 161	5 225 718	2 645 841
New assets originated or purchased	8 049 046	12 342 866	2 370 142	1 855 424	115 576	262 825	10 534 764	14 461 115
Transfers from Stage 1	(617 932)	(4 142 070)	437 775	3 858 469	180 157	283 601	-	-
Transfers from Stage 2	561 691	658 582	(2 470 216)	(3 011 052)	1 908 525	2 352 470	-	-
Transfers from Stage 3	28 228	144 431	15 457	1 474	(43 685)	(145 905)	-	-
Effects of translation to presentation currency	3 196 173	-	1 074 832	-	109 870	-	4 380 875	-
Foreign exchange (loss)/ gains	(4 451 115)	1 792 537	(1 054 793)	956 558	(855 865)	431 535	(6 361 773)	3 180 630
Repayments during the year	(3 119 996)	(3 338 729)	(396 039)	(1 958 812)	(231 796)	(1 079 335)	(3 747 831)	(6 376 876)
Amounts written off	-	-	-	-	(899 985)	(2 229 869)	(899 985)	(2 229 869)
Monetary adjustment	-	(5 471 039)	-	(683 888)	-	(300 196)	-	(6 455 123)
Gross loans and advances to customers	**7 213 840**	**3 567 745**	**1 157 844**	**1 180 686**	**760 084**	**477 287**	**9 131 768**	**5 225 718**
ECL allowance	(217 792)	(103 310)	(127 257)	(154 097)	(486 437)	(364 653)	(831 486)	(622 060)
Net loans and advances to customers	**6 996 048**	**3 464 435**	**1 030 587**	**1 026 589**	**273 647**	**112 634**	**8 300 282**	**4 603 658**

The Group may write off financial assets that are still subject to enforcement activity. The outstanding contractual amounts of such assets to recover amounts it is legally owed in full, but which have been partially written off due to no reasonable expectation of recovery.

(iii) The table below shows the Expected Credit Loss allowance reconciliation from 1 January 2024 to 31 December 2024:

ECL RECONCILIATION	AUDITED							
	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Opening balance	103 310	98 402	154 097	43 361	364 653	623 316	622 060	765 079
New assets originated or purchased	182 857	105 498	1 003 760	397 567	91 582	101 971	1 278 199	605 036
Effects of translation to presentation currency	96 678	-	143 356	-	153 476	-	393 510	-
Transfers from Stage 1	(62 378)	(104 720)	15 096	63 322	47 282	41 398	-	-
Transfers from Stage 2	35 650	1 342	(1 150 817)	(543 852)	1 115 167	542 510	-	-
Transfers from Stage 3	716	393	3 466	44	(4 182)	(437)	-	-
Foreign Exchange (loss)/ gain	(28 101)	85 048	(20 547)	252 570	(74 299)	184 935	(122 947)	522 553
Amounts written off	-	-	-	-	(1 076 582)	(569 235)	(1 076 582)	(569 235)
Amounts paid off	(110 940)	(77 925)	(21 154)	(34 338)	(130 660)	(493 604)	(262 754)	(605 867)
Monetary adjustment	-	(4 728)	-	(24 577)	-	(66 201)	-	(95 506)
Closing balance	**217 792**	**103 310**	**127 257**	**154 097**	**486 437**	**364 653**	**831 486**	**622 060**

The Group may write off financial assets that are still subject to enforcement activity. The outstanding contractual amounts of such assets written off during the year ended 31 December 2024 amounted to ZWG 1,076,581,842 (2023: ZWG 569,234,986). The Group still seeks to recover amounts it is legally owed in full, but which have been partially written off due to no reasonable expectation of recovery.

b. Financial Securities

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in Note 34.3.1.

		AUDITED							
	SRS Rating	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
		31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Internal rating grade									
Performing	"1 - 3c"	5 955 125	2 851 150	-	-	-	-	5 955 125	2 851 150
Total		**5 955 125**	**2 851 150**	**-**	**-**	**-**	**-**	**5 955 125**	**2 851 150**

(ii). An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to financial securities as follows:

	AUDITED							
	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Opening balance	2 851 150	530 561	-	-	-	-	2 851 150	530 561
New assets originated or purchased	2 703 996	10 586 826	-	-	-	-	2 703 996	10 586 826
Effects of translation to presentation currency	2 636 045	-	-	-	-	-	2 636 045	-
Monetary adjustment	-	(8 264 814)	-	-	-	-	-	(8 264 814)
Maturities during the year	(2 236 066)	(1 423)	-	-	-	-	(2 236 066)	(1 423)
Gross financial securities	**5 955 125**	**2 851 150**	**-**	**-**	**-**	**-**	**5 955 125**	**2 851 150**
ECL allowance	(101 144)	(60 984)	-	-	-	-	(101 144)	(60 984)
Closing balance	**5 853 981**	**2 790 166**	**-**	**-**	**-**	**-**	**5 853 981**	**2 790 166**

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

c. Money market asset

(i) The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in Note 34.3.1.

AUDITED									
	SRS Rating	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
		31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Internal rating grade									
Performing	"1 - 3c"	1 121 611	476 040	-	-	-	-	1 121 611	476 040
Total		**1 121 611**	**476 040**	**-**	**-**	**-**	**-**	**1 121 611**	**476 040**

(ii) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to money market assets is as follows:

GROSS CARRYING AMOUNT	AUDITED							
	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Opening balance	476 040	384 773	-	-	-	-	476 040	384 773
New assets originated or purchased	2 931 133	1 165 657	-	-	-	-	2 931 133	1 165 657
Maturities during the year	(2 694 873)	(762 894)	-	-	-	-	(2 694 873)	(762 894)
Monetary adjustment	-	(311 496)	-	-	-	-	-	(311 496)
Effects of translation to presentation currency	409 311	-	-	-	-	-	409 311	-
Gross money market assets	**1 121 611**	**476 040**	**-**	**-**	**-**	**-**	**1 121 611**	**476 040**
ECL allowance	(36 961)	(24 257)	-	-	-	-	(36 961)	(24 257)
Closing balance	**1 084 650**	**451 783**	**-**	**-**	**-**	**-**	**1 084 650**	**451 783**

Movement in ECLs for money market assets relate to new origination and maturities. All money market assets were classified as stage 1 and there were no inter stage transfers during the year. Refer to Note 13 for ECLs recognized in the statement of comprehensive income in respect of money market assets.

d. Financial guarantees

(i) The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in Note 34.3.1.

AUDITED									
	SRS Rating	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
		31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Internal rating grade									
Performing	"1 - 3c"	35 594	27 069	-	-	-	-	35 594	27 069
Total		**35 594**	**27 069**	**-**	**-**	**-**	**-**	**35 594**	**27 069**

(ii) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to financial guarantees is as follows:

AUDITED								
	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Opening balance	27 069	6 654	-	-	-	-	27 069	6 654
New assets originated or purchased	35 594	69 609	-	-	-	-	35 594	69 609
Effects of translation to presentation currency	24 424	-	-	-	-	-	24 424	-
Monetary adjustment	-	(43 770)	-	-	-	-	-	(43 770)
Guarantees expired during the year	(51 493)	(5 424)	-	-	-	-	(51 493)	(5 424)
Gross guarantees	**35 594**	**27 069**	**-**	**-**	**-**	**-**	**35 594**	**27 069**
ECL allowance	(896)	(145)	-	-	-	-	(896)	(145)
Closing balance	**34 698**	**26 924**	**-**	**-**	**-**	**-**	**34 698**	**26 924**

Movement in ECLs for financial guarantees relate to new origination and maturities. All financial guarantees were classified as stage 1 and there were no inter stage transfers during the year. Refer to Note 13 for ECLs recognized in the statement of comprehensive in come in respect of financial guarantees.

The Financial Assets that were impaired under IFRS 9 were Loans, Overdrafts, Leases, Bank Guarantees, and Letters of Credit, Credit Cards Facilities, Money Market Placements and Treasury Bills and other receivables. Expected Credit Losses of these assets were calculated as at 31 December 2024.

Expected Credit Losses (ECL) are computed as the expected present value of credit losses incorporating forward looking macro-economic variables. The general framework of this computation has three components, namely Probability of Default (PD); Exposure at Default (EAD); and Loss Given Default (LGD), with the ECL expressed as a product of the components. During the year, two adjustments to the LGD estimates have been considered by management to ensure non-zero valued ECL when a borrower is over-collateralised. An LGD Floor is defined at the lowest value for the LGD, greater than zero, that can be applied for ECL purposes. The LGD Floor is set equal to 10% and 5% for foreign and local currency denominated exposures respectively. A Haircut is also applied to pledged collateral and depends on the collateral type. Management has increased the haircuts on selected collateral types for ECL purposes. These adjustments are designed to keep the ECL model dynamic and responsive to emerging risks, ensuring that it remains reliable and accurately reflects the credit risk associated with the Group's financial assets.

The Group writes off financial assets when there is no longer any reasonable expectation of recovery. The Group still continues with recovery efforts for amounts it is legally owed but which have been written off.

34.3.1 Definition of Parameters used for Calculation of Expected Credit Losses (ECL)

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.

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

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

The Loss Given Default (LGD)
This is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. LGD measurement takes into account time value of money, from the time of the default to when collateral cash will be received and it is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Bank considers three scenarios (a base case, an upside and a downside). Each of these is associated with different PDs, EADs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

With the exception of credit cards and other revolving facilities, the maximum period for which the credit losses are determined is the contractual life of a financial instrument, unless the Bank has the legal right to call it earlier. Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

Significant increase in credit risk and Stage Recognition
The CBZ Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.
A significant increase in credit risk is defined as a significant increase in the probability of a default occurring since initial recognition. Credit risk has increased significantly when contractual payments are more than 30 days past due.

Key consideration for a significant change in credit risk under a financial asset include the following;

i. The counterparty rating deteriorates. The downward credit migration of a credit rating by at least three (3) notches is categorised as Significant Increase in Credit Risk.
ii. Breaches in conditionality or covenants.
iii. Deterioration in account conduct. This can be through account performance deterioration.
iv. Any corporate action relating to changes in corporate structure, control, acquisitions or disposals.
v. Significant changes in executive leadership.

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vi. Any other factor that is reasonably expected to have a negative impact on prospects for repayment, including but not limited to legislative changes, perceived sectoral risks, and negative media coverage.
vii. Actual or expected significant change in the financial instrument's external credit rating (Credit Reference Bureau rating).
viii. Declining Asset Quality.
ix. Reduction in financial support from the parent company.
x. Expected changes in the loan agreement terms and conditions.
xi. Changes in group parent's payment pattern.
xii. Decision to change collateral.
xiii. Deterioration of macro-economic factors affecting the borrower. Observance of environmental factors that would negatively influence performance of the client is also factored to determine Significant Increase in Credit Risk depending on the severity of change.

Forward looking information
In its ECL model, the Group considers three scenarios, namely Best Case, Base Case and Worst Case from a spectrum of macro-economic fortunes and the scenarios are probability weighted. The ECL model focuses on perturbing PDs by treating this ECL component as a random variable. It is assumed that macro-economic fortunes are related to credit default.

Gross Domestic Product (GDP) growth rates is the variable in use for forward looking PDs. GDP growth rate is a consistent macro-economic variable that may have the requisite intuitive correlation to credit default risk measurement and can be easily corroborated over time. It is assumed that low GDP growth rate environments will result in higher credit default probabilities and the opposite is also assumed to be true. In addition to being intuitive, the approach relies on observations at both external and internal environments. The model is applicable in the case when there is insufficient data to calibrate standard models with the added feature that implicitly improves credit risk measurement with continued use.

Credit default risk is modelled as a Bernoulli trial in which either default or no default occurs over a specified time interval. The probability of default itself is also treated as a random variable that follows a beta distribution. The model is based on the notion of a mixed Bernoulli-Beta distribution and this mixture has a conjugate prior distribution which will allow a simple way in which the models are re-calibrated in the future as lending portfolios grow and evolve, hence the implicit improvement to credit default measurement.

The GDP growth rates are assumed to be random variables and follow a Gaussian distribution. The parameters of the Gaussian distribution are also treated as random variables. IMF historical GDP growth rates for similar economies are used to calibrate parameters for the Gaussian distribution. In addition to historical GDP for the nation and similar economies, Group Economics team provides estimates of future Best Case GDP growth rate for Zimbabwe. Using the statistical concepts of Bayesian Inference, parameter estimates are incorporated to derive predictive distribution of GDP growth rates.

The centre of the distribution (Base Case) for the predictive model is assumed to be the expected growth rate as per Ministry of Finance and Economic Development. In order to postulate credit default probabilities in alternative macro-economic conditions, there is a function that maps the GDP growth rates distribution to the default probabilities distribution. The method employed here relies on establishing Best Case GDP growth rate to be compared to the Base Case GDP growth rate and a measure of likelihood obtained using the assumed Gaussian distribution for GDP growth rates. Using this measure of likelihood, an applicable quantile on the distribution for probability of default is obtained and defined as the upper bound for the Best Case probability of default for the respective credit rating. The Base Case probability of default is determined as the mode of the probability of default distribution. The Worst Case probability of default is determined as function of the mean of the default distribution under the low GDP growth scenarios.

The combination of the Bernoulli-Beta and Gaussian distribution for forward looking PDs resulted in the weightings of 20%, 52% and 28% being applied for Best Case, Base Case and Worst Case scenarios respectively. The scenarios and their attributes are reassessed at least annually.

Based on financial asset's stage, 12 Months or Life-Time Expected Credit Losses were calculated.

a) 12 Months Expected Credit Losses is a portion of Lifetime expected credit losses that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.
b) Lifetime Expected Credit Losses are the expected present value of losses that arise if borrowers default on their obligations at some time during the life of the financial asset. These are weighted average credit losses that result from all possible default events over the expected life of the financial asset or instrument.

Stage 1: Performing
The financial assets in this stage are neither past due nor specifically impaired, and are current and fully compliant with all contractual terms and conditions. When loans are first recognised, the Group recognises an allowance based on 12 months ECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2. The Group calculates the 12m ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast exposure at default (EAD) and multiplied by the expected loss given default (LGD) and discounted by an approximation to the original EIR.

Stage 2: Underperforming
The assets have early arrears but not specifically impaired loans. It covers all loans where the counterparties have failed to make contractual payments and are less than 90 days past due, but are expected that the full carrying values will be recovered when considering future cash flows including collateral. When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3: Credit Impaired
For loans considered credit-impaired, the Group recognises the lifetime expected credit losses (LTECLs) for these loans. LTECLs were calculated for all the assets which were classified under this stage. Loans satisfying the followings were classified under Stage 3;
a) Instalments (Principal and Interest) were due and unpaid for 90 days or more.
b) The Group had identified objective evidence of default, such as a breach of a material loan covenant or condition (there is marked significant increase in credit risk i.e. deterioration in asset quality).
c) The Group had sufficient evidence about significant financial difficulties of the borrower contrary to cash flow projections.
d) High probability of bankruptcy or other financial reorganization of the borrower has been identified.
Under this stage interest revenue recognised was based on Amortised Cost i.e. Gross exposure amount less allowance.

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

For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

Debt instruments measured at fair value through OCI
The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

Cure, Modification and Forbearance of Financial Assets
During the period under Review, some of the financial assets were cured, modified and forborne.

Cure
Cure is the reclassification of a non-performing or underperforming asset into performing status. The specific requirements for reclassifying non-performing forborne exposures comprise the completion of a "cure period" of six (6) months and that the debtor's behaviour demonstrates that financial difficulties no longer exist. To dispel concerns regarding financial difficulties, all of the following criteria should be satisfied:

i) The borrower should have settled, by means of regular payments, an amount equivalent to all the amounts past due on the date the forbearance measures were granted (if there were past-due amounts at this date), or to the amount written-off as part of these forbearance measures (if there was no past-due amount at the date of the forbearance measures).
ii) It has been established that the obligor is able to meet the requirements of the revised terms and conditions.
iii) For retail exposures, the borrower should have settled 6 full consecutive monthly payments under the revised terms.
iv) For other Corporate, Agriculture and some wholesale clients with quarterly or longer dated repayment terms, further evaluation should be done by the Management Credit Committee which may include qualitative factors in additions to compliance with revised payment terms.
v) The borrower does not have any other transactions with amounts more than 90 days past due at the date when the exposure is reclassified to the performing category.

Modification and Forbearance
These are formal, contractual agreements between the customer and the Group to change cash flows from what was originally agreed or previously amended as well as contractual terms and conditions. Where a contract was subjected to some or all of the above forbearance measures, it was referred to as modification. It was also referred to as Restructuring by the Group. Modification in some instances resulted in change in PD, instalment and interest rate among other factors.

The Group sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties, rather than taking possession of, or otherwise enforce collection of collateral. The Group considers a loan forborne when such concessions or modifications are provided as a result of the borrower's present or expected financial difficulties and the Group would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms. It is the Group's policy to monitor forborne loans to help ensure that future payments continue to be likely to occur. If these procedures identify a loss in relation to a loan, it is disclosed and managed as an impaired Stage 3 forborne asset until it is collected or written off.

Any loan that has been renegotiated or modified but not derecognised, the Group also reassesses whether there has been a significant increase in credit risk. The Group also considers whether the assets should be classified as Stage 3. Once an asset has been classified as forborne, it will remain forborne for a minimum six months' probation period. In order for the loan to be reclassified out of the forborne category, the customer has to meet all of the following criteria:

- All of its facilities have to be considered performing.
- The probation period of six months has passed from the date the forborne contract was considered performing.
- Regular payments of more than an insignificant amount of principal or interest have been made during at least half of the probation period.
- The customer does not have any contract that is more than 30 days past due.

The Group also recalculate for recognition, the gross carrying amount of the financial asset and recognise a modification gain or loss in profit or loss if the contractual cash flows of a financial asset are renegotiated or modified and the renegotiation or modification does not result in the derecognition of that financial asset. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest or the revised effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

Derecognition
Derecognition decisions and classification between Stage 2 and Stage 3 are determined on a case-by-case basis. The Group de-recognizes a financial asset when, and only when:
a) The contractual rights to the cash flows from the financial asset expire, or
b) It transfers the financial asset and the transfer qualifies for de-recognition.

Write-offs
Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance. Any subsequent recoveries are treated as Other income.

- A loan or asset graded "loss" shall be written off after at least a year (360 days) from date of such classification whether or not the Group intends or is in the process of attempting to recover the loan or asset. These write-offs will require the recommendation of Recoveries and Collections department and approved as per the Group credit policy in place. When central bank regulations allow it, the board may authorize write-offs in certain circumstances.
- Write–off of debt arising from Bank charges, service fees, commissions and resultant interest accruals with supporting schedules must be approved as per current the Group expenditure policy.

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34.3.2 Market risk

This is the risk of loss under both the banking book and or trading book arising from unfavourable changes in market price such as interest rates, foreign exchanges rates, equity prices, credit spreads and commodity prices, which can cause substantial variations in earnings and or economic value of the Group and its strategic business units (SBUs) if not properly managed. The Group's exposure to market risk arises mainly from customer driven transactions.

34.3.3 Group market risks management framework

To manage these risks, there is oversight at Group Board level through the Group Board Risk Management Committee, which covers Asset and Liability Management processes through yearly review of the Group's Asset and Liability as well as investment policies and benchmarks meant to assist in attaining the Group's liquidity strategic plan. The Group's (SBU) Boards are responsible for setting specific market risks strategies for their respective SBU and Executive Management implements policy and track performance regularly against set benchmarks through use of daily liquidity position reports, investment portfolio mix, cash flow analysis, liquidity matrix analysis, liquidity gap analysis and liquidity simulations to evaluate ability of the SBU to withstand stressed liquidity situations.

34.4 Liquidity risk

Liquidity relates to the Group's ability to fund its growth in assets and to meet obligations as they fall due without incurring unacceptable losses. The Group recognises two types of liquidity risks i.e. Market liquidity risk and Funding liquidity risk.

Market liquidity risk is the risk that the Group cannot cover or settle a position without significantly affecting the market price because of limited market depth.

Funding risk on the other hand is the risk that the Group will not be able to efficiently meet both its expected as well as the unexpected current and future cash flow needs without affecting the financial condition of the Group.

The Group's liquidity risk management framework ensures that limits are set under respective Group Strategic Business Units relating to limits such as levels of wholesale funding, retail funding, loans to deposit ratio, counter-party exposures, liquidity coverage ratio, net stable funding ratio as well as prudential liquidity ratio.

The primary funding sources under the Group are customer deposits made up of current, savings and term deposits and these are diversified by customer type and maturity profile. The Group, through the ALCO processes and statement of financial position management ensures that asset growth and maturity are funded by appropriate growth in deposits and stable funding, respectively.

34.4.1 CONTRACTUAL GAP ANALYSIS

CONTRACTUAL LIQUIDITY PROFILE AS AT 31 DECEMBER 2024

	AUDITED						
	Less than 1 month ZWG 000	1 to 3 months ZWG 000	3 to 6 months ZWG 000	6 to 12 months ZWG 000	1 to 5 years ZWG 000	5 years and above ZWG 000	Total ZWG 000
Assets							
Balances with banks and cash	7 039 548	-	-	-	-	-	7 039 548
Money market assets	402 366	181 265	593 917	-	-	-	1 177 548
Financial securities	216 630	622 799	2 350 382	1 541 212	1 516 553	2 142	6 249 718
Loans and advances to customers	1 675 110	816 646	1 678 548	3 451 670	2 655 686	95 819	10 373 479
Insurance contract assets	-	-	21 357	-	-	-	21 357
Reinsurance contract assets	27 654	9 218	9 761	-	-	-	46 633
Financial guarantees	5 756	6 328	14 083	9 427	-	-	35 594
Other liquid assets	2 267 636	3 187 750	223 228	86 786	174 463	272 277	6 212 140
Total assets	**11 634 700**	**4 824 006**	**4 891 276**	**5 089 095**	**4 346 702**	**370 238**	**31 156 017**
Liabilities							
Deposits	18 484 874	72 167	993 308	1 040 917	1 635 800	-	22 227 066
Insurance contract liabilities	45 342	128 830	15 114	-	-	-	189 286
Reinsurance contract Liabilities	5 754	1 918	1 918	-	-	-	9 590
Other liabilities	1 081 878	2 026 746	791 714	107 316	44 614	-	4 052 268
Lease liabilities	1 612	3 095	4 299	8 201	25 303	-	42 510
Investment contract liabilities	-	-	-	16 467	-	-	16 467
Financial guarantees	5 756	6 328	14 083	9 427	-	-	35 594
Capital commitments	2 892	-	-	-	-	-	2 892
Total liabilities	**19 628 108**	**2 239 084**	**1 820 436**	**1 182 328**	**1 705 717**	**-**	**26 575 673**
Liquidity gap	**(7 993 408)**	**2 584 922**	**3 070 840**	**3 906 767**	**2 640 985**	**370 238**	**4 580 344**
Cumulative liquidity gap	**(7 993 408)**	**(5 408 486)**	**(2 337 646)**	**1 569 121**	**4 210 106**	**4 580 344**	**4 580 344**

CONTRACTUAL LIQUIDITY PROFILE AS AT 31 DECEMBER 2023

AUDITED	Less than 1 month ZWG 000	1 to 3 months ZWG 000	3 to 6 months ZWG 000	6 to 12 months ZWG 000	1 to 5 years ZWG 000	5 years and above ZWG 000	Total ZWG 000
Assets							
Balances with banks and cash	4 137 303	-	-	-	-	-	4 137 303
Money market assets	350 184	9 127	147 134	-	-	-	506 445
Financial securities	125 526	485 121	706 799	768 452	836 298	2 666	2 924 862
Loans and advances to customers	1 294 589	620 022	634 724	1 324 236	1 722 807	52 253	5 648 631
Insurance assets	30	10	25 799	-	-	-	25 839
Reinsurance assets	20 855	5 964	9 410	18 459	-	-	54 688
Other liquid assets	292 044	2 029 243	125 668	2 067	98 703	-	2 547 725
Total assets	**6 220 531**	**3 149 487**	**1 649 534**	**2 113 214**	**2 657 808**	**54 919**	**15 845 493**
Liabilities							
Deposits	11 595 655	5 385	269 659	10 091	586 729	-	12 467 519
Insurance liabilities	25 808	8 603	71 680	-	-	-	106 091
Reinsurance liabilities	1 653	551	551	-	-	-	2 755
Other liabilities	464 691	420 232	270 096	45 549	-	21 708	1 222 276
Lease liabilities	718	1 087	1 405	2 856	5 221	-	11 287
Financial guarantees	4 839	625	3 145	18 459	-	-	27 068
Total liabilities	**12 093 364**	**436 483**	**616 536**	**76 955**	**591 950**	**21 708**	**13 836 996**
Liquidity gap	**(5 872 833)**	**2 713 004**	**1 032 998**	**2 036 259**	**2 065 858**	**33 211**	**2 008 497**
Cumulative liquidity gap	**(5 872 833)**	**(3 159 829)**	**(2 126 831)**	**(90 572)**	**1 975 286**	**2 008 497**	**2 008 497**

The table above shows the undiscounted cash flows of the Group's non-derivative on and off balance sheet financial assets and liabilities on the basis of their earliest possible contractual maturity and the related year gaps. For issued financial guarantee contracts the maximum amount of the guarantee is allocated to the earliest year in which the guarantee could be called.

The Group's SBUs carry out static statement of financial position analysis to track statement of financial position growth drivers, the pattern of core banking deposits, statement of financial position structure levels and direction of the SBU's maturity mismatch and related funding or liquidity gap. The Group also relies on stress testing under various scenarios i.e moderate extreme and severe in line with RBZ Recovery Planning Guideline to assess and manage liquidity risk. The Asset and Liability Management Committee (ALCO) of the respective SBU comes up with strategies to manage these liquidity gaps through funding gap limits. Additionally the Group models asset and liability behaviours to measure liquidity risk from a behavioural perspective.

Details of the liquidity ratios for the relevant Group SBUs as at the reporting date and during the year were as follows:

	CBZ Bank Limited %
At 31 December 2023	53.45
At 31 December 2024	43.76
Average for the year	54.05
Maximum for the year	59.14
Minimum for the year	43.76

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34.5 INTEREST RATE RISK

This is the possibility of Group's interest income being negatively influenced by unforeseen changes in the interest rate levels arising from weaknesses related to a Group's trading funding and investment strategies.

This is managed at both Board and Management level through the regular policy and benchmarks which relate to interest rate risk management. The major areas of intervention involves daily monitoring of costs of funds, asset yield, monthly analysis of interest re-pricing gaps and monthly interest rate simulations to establish the Group and its SBUs' ability to sustain a stressed interest rate environment, value at risk (VaR), interest rate risk set limits and various interest rate risk hedging strategies. The use of stress testing is an integral part of the interest rate risk management framework and considers both the historical market events as well as anticipated future scenarios. The Group and its SBUs denominate their credit facilities in the base currency, the ZWG in order to minimise cross currency interest rate risk. The Group's interest rate risk profiling is illustrated on the next table.

At 31 December 2024 if interest rates (both earning and paying rates) at that date had been 15 basis points higher or lower with all other variables held constant post tax profit would have been ZWG15,430,612 lower or higher respectively than the reported position. This arises as a result of the sensitivity of the net interest assets in the movement in the interest rates.

34.5.1 INTEREST RATE REPRICING

AUDITED								
	Less than 1 month ZWG 000	1 to 3 months ZWG 000	3 to 6 months ZWG 000	6 to 12 months ZWG 000	1 to 5 years ZWG 000	5 years and above ZWG 000	Non-interest bearing ZWG 000	Total ZWG 000
31 December 2024								
Assets								
Balances with banks and cash	2 072 636	-	-	-	-	-	4 921 530	6 994 166
Money market assets	400 955	173 717	504 423	3 191	2 364	-	-	1 084 650
Financial securities	280 934	615 481	2 121 890	1 468 345	1 366 993	338	-	5 853 981
Loans and advances to customers	1 124 403	656 477	1 396 119	2 988 586	2 065 771	68 926	-	8 300 282
Insurance assets	-	-	-	-	-	-	21 357	21 357
Reinsurance assets	-	-	-	-	-	-	46 634	46 634
Equity investments	-	-	-	-	-	-	581 699	581 699
Investments in equity accounted investees	-	-	-	-	-	-	1 116 901	1 116 901
Land inventory	-	-	-	-	-	-	498 997	498 997
Other assets	89	-	205 201	77 396	173 234	269 984	5 847 673	6 573 577
Current tax receivable	-	-	-	-	-	-	148	148
Intangible assets	-	-	-	-	-	-	28 355	28 355
Investment properties	-	-	-	-	-	-	1 051 139	1 051 139
Property and equipment	-	-	-	-	7 280	-	1 743 296	1 750 576
Deferred taxation	-	-	-	-	-	-	517 042	517 042
Total assets	**3 879 017**	**1 445 675**	**4 227 633**	**4 537 518**	**3 615 642**	**339 248**	**16 374 771**	**34 419 504**
Equity & Liabilities								
Deposits	18 411 189	61 269	910 622	959 396	1 245 729	-	-	21 588 205
Insurance liabilities	-	-	-	-	-	-	189 286	189 286
Reinsurance liabilities	-	-	-	-	-	-	10 187	10 187
Other liabilities	220 117	20 509	787 140	91 522	40 461	-	2 789 082	3 948 831
Current tax payable	-	-	-	-	-	-	44 446	44 446
Investment contract liabilities	-	-	-	-	-	-	16 467	16 467
Deferred taxation	-	-	-	-	-	-	687 483	687 483
Lease liabilities	1 308	2 492	3 409	6 598	7 440	-	-	21 247
Equity	-	-	-	-	-	-	7 913 352	7 913 352
Total liabilities and equity	**18 632 614**	**84 270**	**1 701 171**	**1 057 516**	**1 293 630**	**-**	**11 650 303**	**34 419 504**
Interest rate repricing gap	**(14 753 597)**	**1 361 405**	**2 526 462**	**3 480 002**	**2 322 012**	**339 248**	**4 724 468**	**-**
Cumulative gap	**(14 753 597)**	**(13 392 192)**	**(10 865 730)**	**(7 385 728)**	**(5 063 716)**	**(4 724 468)**	**-**	**-**

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

AUDITED								
	Less than 1 month ZWG 000	1 to 3 months ZWG 000	3 to 6 months ZWG 000	6 to 12 months ZWG 000	1 to 5 years ZWG 000	5 years and above ZWG 000	Non- interest bearing ZWG 000	Total ZWG 000
31 December 2023								
Assets								
Balances with banks and cash	1 731 080	-	-	-	-	-	2 406 223	4 137 303
Money market assets	325 252	2 391	124 140	-	-	-	-	451 783
Financial securities	124 224	485 121	695 143	769 753	714 379	1 543	-	2 790 163
Loans and advances to customers	931 334	522 091	551 006	1 152 102	1 409 937	37 188	-	4 603 658
Insurance assets	-	-	-	-	-	-	25 838	25 838
Reinsurance assets	-	-	-	-	-	-	27 620	27 620
Equity investments	-	-	-	-	-	-	270 798	270 798
Equity-accounted investees	-	-	-	-	-	-	754 085	754 085
Land Inventory	-	-	-	-	-	-	222 280	222 280
Other assets	-	-	-	136 435	98 703	-	2 495 044	2 730 182
Current tax receivable	-	-	-	-	-	-	64 435	64 435
Intangible assets	-	-	-	-	-	-	9 969	9 969
Investment properties	-	-	-	-	-	-	879 322	879 322
Property and equipment	-	-	-	-	-	-	1 123 933	1 123 933
Deferred taxation	-	-	-	-	-	-	250 588	250 588
Total assets	**3 111 890**	**1 009 603**	**1 370 289**	**2 058 290**	**2 223 019**	**38 731**	**8 530 135**	**18 341 957**
Equity & Liabilities								
Deposits	522 266	5 191	258 573	-	12 735	515 960	11 073 138	12 387 863
Insurance liabilities	-	-	-	-	-	-	106 090	106 090
Reinsurance liabilities	-	-	-	-	-	-	2 957	2 957
Other liabilities	23 905	46 888	32 901	12 540	-	21 708	1 086 394	1 224 336
Current tax payable	-	-	-	-	-	-	11 323	11 323
Investment contract liabilities	-	-	-	-	-	-	12 239	12 239
Deferred taxation	-	-	-	-	-	-	714 925	714 925
Lease liabilities	333	828	945	1 613	3 373	2 246	-	9 338
Equity	-	-	-	-	-	-	3 872 886	3 872 886
Total liabilities and equity	**546 504**	**52 907**	**292 419**	**14 153**	**16 108**	**539 914**	**16 879 952**	**18 341 957**
Interest rate repricing gap	**2 565 386**	**956 696**	**1 077 870**	**2 044 137**	**2 206 911**	**(501 183)**	**(8 349 817)**	**-**
Cumulative gap	**2 565 386**	**3 522 082**	**4 599 952**	**6 644 089**	**8 851 000**	**8 349 817**	**-**	**-**

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

34.6 EXCHANGE RATE RISK

This risk arises from the changes in exchange rates and originates from mismatches between the values of assets and liabilities denominated in different currencies and can lead to losses if there is an adverse movement in exchange rate where open positions either spot or forward, are taken for both on and off statement of financial position transactions.

Supervision is at Board level through the Board Risk Management Committee which covers ALCO processes by way of strategic policy and benchmarking reviews and approval. The management Assets and Liabilities Committee (ALCO) which meets on a monthly basis reviews performance against set benchmarks embedded under acceptable currencies, currency positions as well as stop loss limits.

At 31 December 2024, if foreign exchange rates at that date had weakened or strengthened by 5 percentage points with all other variables held constant, post tax profit for the year would have been ZWG 30,465,271 higher or lower respectively than the reported position. This arises as a result of the increase or decrease in the fair value of the underlying assets and liabilities denominated in foreign currencies.

Sensitivity by currency:

	USD	ZAR	GBP	EUR	Other foreign currencies
Impact in ZWG	(813 780)	7 429 484	24 521 231	14 371 014	(10 228 976)

The foreign currency position for the Group as at 31 December 2024 is as below:

FOREIGN CURRENCY POSITION

AUDITED							
Position expressed in ZWG 000	**Total**	**USD**	**ZWG**	**ZAR**	**GBP**	**EUR**	**Other foreign currencies**
31 December 2024							
Assets							
Balances with banks and cash	6 994 166	5 370 375	1 182 363	301 895	24 739	61 485	53 309
Money market assets	1 084 650	1 084 650	-	-	-	-	-
Financial securities	5 853 981	5 385 470	468 511	-	-	-	-
Loans and advances to customers	8 300 282	7 272 950	986 107	41 225	-	-	-
Insurance assets	21 357	16 222	5 135	-	-	-	-
Reinsurance assets	46 634	37 416	9 218	-	-	-	-
Equity investments	581 699	536 505	45 194	-	-	-	-
Equity-accounted investees	1 116 901	1 116 901	-	-	-	-	-
Land inventory	498 997	498 997	-	-	-	-	-
Other assets	6 573 577	6 287 448	286 021	52	51	5	-
Current tax receivable	148	148	-	-	-	-	-
Intangible assets	28 355	28 355	-	-	-	-	-
Investment properties	1 051 139	1 051 139	-	-	-	-	-
Property and equipment	1 750 576	1 750 576	-	-	-	-	-
Deferred taxation	517 042	515 629	1 413	-	-	-	-
	34 419 504	**30 952 781**	**2 983 962**	**343 172**	**24 790**	**61 490**	**53 309**
Equity & Liabilities							
Deposits	21 588 205	18 600 354	2 693 291	195 035	3 800	45 556	50 169
Insurance liabilities	189 286	105 507	83 779	-	-	-	-
Reinsurance liabilities	10 187	8 269	1 918	-	-	-	-
Other liabilities	3 948 831	3 602 611	327 971	2 329	588	1 512	13 820
Current tax payable	44 446	27 029	17 417	-	-	-	-
Investment contract liabilities	16 467	16 467	-	-	-	-	-
Deferred taxation	687 483	686 828	655	-	-	-	-
Lease liabilities	21 247	10 734	10 513	-	-	-	-
Equity	7 913 352	7 913 352	-	-	-	-	-
Total equity and liabilities	**34 419 504**	**30 971 151**	**3 135 544**	**197 364**	**4 388**	**47 068**	**63 989**

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

	AUDITED						
Position expressed in ZWG 000	**Total**	**USD**	**ZWG**	**ZAR**	**GBP**	**EUR**	**Other foreign currencies**
31 December 2023							
Assets							
Balances with banks and cash	4 137 303	3 263 509	542 230	232 530	2 745	45 548	50 741
Money market assets	451 783	439 641	12 142	-	-	-	-
Financial securities	2 790 163	2 571 592	218 571	-	-	-	-
Loans and advances to customers	4 603 658	3 976 001	626 178	1 479	-	-	-
Insurance assets	25 838	25 838	-	-	-	-	-
Reinsurance assets	27 620	18 660	8 960	-	-	-	-
Equity investments	270 798	514	270 284	-	-	-	-
Equity-accounted investees	754 085	-	754 085	-	-	-	-
Land Inventory	222 280	-	222 280	-	-	-	-
Other assets	2 730 182	2 401 433	315 536	3	1 053	368	11 789
Current tax receivable	64 435	-	64 435	-	-	-	-
Intangible assets	9 969	-	9 969	-	-	-	-
Investment properties	879 322	-	879 322	-	-	-	-
Property and equipment	1 123 933	-	1 123 933	-	-	-	-
Deferred taxation	250 588	-	250 588	-	-	-	-
Total assets	**18 341 957**	**12 697 188**	**5 298 513**	**234 012**	**3 798**	**45 916**	**62 530**
Equity & Liabilities							
Deposits	12 387 863	9 898 335	1 962 998	456 294	2 514	20 153	47 569
Insurance liabilities	106 090	33 850	72 240	-	-	-	-
Reinsurance liabilities	2 957	2 156	801	-	-	-	-
Other liabilities	1 224 336	517 701	697 226	2 036	325	1 467	5 581
Current tax payable	11 323	3 735	7 588	-	-	-	-
Investment contract liabilities	12 239	-	12 239	-	-	-	-
Deferred taxation	714 925	-	714 925	-	-	-	-
Lease liabilities	9 338	2 709	6 629	-	-	-	-
Equity	3 872 886	-	3 872 886	-	-	-	-
Total equity and liabilities	**18 341 957**	**10 458 486**	**7 347 532**	**458 330**	**2 839**	**21 620**	**53 150**

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

FOREIGN CURRENCY POSITION AS AT 31 DECEMBER 2024

	UNDERLYING CURRENCY				
	ZWG 000	**ZAR 000**	**GBP 000**	**EUR 000**	**Other foreign currencies [ZWG] 000**
Assets					
Balances with banks and cash	1 182 363	301 895	24 739	61 485	53 309
Financial securities	468 511	-	-	-	-
Loans and advances to customers	986 107	41 225	-	-	-
Insurance assets	5 135	-	-	-	-
Reinsurance assets	9 218	-	-	-	-
Equity investments	45 194	-	-	-	-
Other assets	286 021	52	51	5	-
Investment properties	-	-	-	-	-
Deferred taxation	1 413	-	-	-	-
Total assets	**2 983 962**	**343 172**	**24 790**	**61 490**	**53 309**
Liabilities					
Deposits	2 693 291	195 035	3 800	45 556	50 169
Insurance liabilities	83 779	-	-	-	-
Reinsurance liabilities	1 918	-	-	-	-
Other liabilities	327 971	2 329	588	1 512	13 820
Current tax payable	17 417	-	-	-	-
Deferred taxation	655	-	-	-	-
Lease liabilities	10 513	-	-	-	-
	3 135 544	**197 364**	**4 388**	**47 068**	**63 989**
Net position	**(151 582)**	**145 808**	**20 402**	**14 422**	**(10 680)**

FOREIGN CURRENCY POSITION AS AT 31 DECEMBER 2023

	UNDERLYING CURRENCY				
	USD 000	**ZAR 000**	**GBP 000**	**EUR 000**	**Other foreign currencies [USD] 000**
Assets					
Balances with banks and cash	224 116	422 067	145	5 042	196
Money market assets	34 943	-	-	-	-
Financial securities	44 990	-	-	-	-
Loans and advances to customers	201 510	886	-	-	-
Insurance assets	1 711	-	-	-	-
Reinsurance assets	71	-	-	-	-
Equity investments	63	-	-	431	-
Other assets	373 021	5 831	24	108	-
Total assets	**880 425**	**428 784**	**169**	**5 581**	**196**
Liabilities					
Deposits	684 993	636 484	104	3 441	2 893
Insurance liabilities	1 734	-	-	-	-
Reinsurance liabilities	50	-	-	-	-
Other liabilities	30 751	1 718	27	69	-
Lease liabilities	238	-	-	-	-
Total liabilities	**717 766**	**638 202**	**131**	**3 510**	**2 893**
Net position	**162 659**	**(209 418)**	**38**	**2 071**	**(2 697)**

34.6.1 CLOSING EXCHANGE RATES

	AUDITED 31 DEC 2024 ZWG	**AUDITED** 31 DEC 2023 ZWG
USD	25.7985	13.5616
ZAR	1.3725	0.7403
GBP	32.3745	17.3168
EUR	26.8408	15.0154

34.7 Operational risk

This is the potential for loss arising from human error and fraud, inadequate or failed internal processes, systems failure, non-adherence to procedure or other external sources that result in the compromising of the Group and its SBUs revenue or erosion of the Group and its SBUs' statement of financial position value.

34.7.1 Operational risk management framework

The Group Risk Management Committee exercises adequate oversight over operational risks across the Group with the support of SBU Boards as well as business and functional level committees. Group Risk Management is responsible for setting and approving of Group Operational Policies and maintaining standards for operational risk.

The Group Board Audit Committee through the Internal Audit function as well as Group Enterprise Wide Governance and Compliance, performs their independent review and assurances under processes and procedures as set under Business Units policies and procedure manuals. On the other hand, the Group Risk Management and Group IT Department with assistance from the Organisation and Methods Department within Group Human Resources ensure that processes, procedures and control systems are in line with variables in the operating environment.

34.8 Strategic risk

This is the risk that arises where the Group's strategy may be inappropriate to support its long term corporate goals due to underlying inadequate strategic planning processes, weak decision making processes as well as weak strategic implementation programs.

To mitigate this risk, the Group's Board, SBU Boards and Management teams craft the strategy which is underpinned by the Group's corporate goals. Approval of the strategy is the responsibility of the appropriate Board whilst implementation is carried out by Management. On the other hand, strategy and goal congruency is audited monthly by management and quarterly by the appropriate Board.

34.9 Regulatory risk

Regulatory risk is defined as the failure to comply with applicable laws and regulations or supervisory requirements, or the exclusion of provisions of relevant regulatory requirements out of operational procedures. This risk is managed and mitigated through the Group Board Risk Management Committee and the Group Enterprise Wide Governance and Compliance unit which ensures that:

a. Comprehensive and consistent compliance policies and procedures exist covering the Group and its SBUs;
b. A proactive and complete summary statement of the Group and its SBUs position on ethics and compliance exists;
c. A reporting structure of the Group Enterprise Wide Compliance Function exists that ensures independence and effectiveness; and
d. Yearly compliance and awareness training targeting employees in compliance sensitive areas is carried out.

34.10 Reputation risk

This is the risk of potential damage to the Group's image that arises from the market perception of the manner in which the Group and its SBUs package and deliver their products and services as well as how staff and management conduct themselves. It also relates to the Group's general business ethics. This can result in loss of earnings or adverse impact on market capitalisation as a result of stakeholders adopting a negative view to the Group and its actions. The risk can further arise from the Group's inability to address any of its other key risks. This risk is managed and mitigated through:

a. continuous improvements to the Group's operating facilities to ensure they remain within the taste of the Group's various stakeholders;
b. ensuring that staff subscribe to the Group's code of conduct, code of ethics and general business ethics; and
c. stakeholders' feedback systems that ensures proactive attention to the Group's reputation management.

34.11 Money-laundering risk

This is the risk of financial or reputational loss suffered as a result of transactions in which criminal financiers disguise the origin of funds they deposit in the subsidiaries of the Group and then use the funds to support illegal activities. The Group manages this risk through:

a. adherence to Know Your Customer Procedures;
b. effective use of compliance enabling technology to enhance anti–money laundering program management, communication, monitoring and reporting;
c. development of early warning systems; and
d. integration of compliance into individual performance measurement and reward structures.

34.12 Insurance risk

The principal risk that the insurance segment faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the insurance subsidiary is to ensure that sufficient reserves are available to cover these liabilities.

The above risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The subsidiaries also purchase reinsurance as part of their risk mitigation programme. Reinsurance ceded is placed on both a proportional and non-proportional basis. The majority of proportional reinsurance is quota-share reinsurance which is taken out to reduce the overall exposure of the company to certain classes of business. Non-proportional reinsurance is primarily excess-of-loss reinsurance designed to mitigate the company's net exposure to catastrophe losses. Retention limits for the excess-of-loss reinsurance vary by product line and territory.

The insurance company's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the company substantially dependent upon any single reinsurance contract.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

34.13 Risk and Credit Ratings

CBZ Bank Limited

Rating agent	2024	2023	2022	2021	2020	2019	2018	2017
Global Credit Rating (Long term)	AA-	AA-	AA-	A+	A+	A+	A	A

CBZ Life Private Limited

Rating agent	2024	2023	2022	2021	2020	2019	2018	2017
Global Credit Rating (Financial strength)	A(zw)-	A(zw)-	A(zw)-	A(zw)-	A(zw)-	A-	A-	BBB+

CBZ Insurance Private Limited

Rating agent	2024	2023	2022	2021	2020	2019	2018	2017
Global Credit Rating(Claims paying ability)	BBB-	BBB-	BBB-	BBB-	BBB-	BBB+	BBB+	BBB+

CBZ Asset Management Private Limited

Rating agent	2024	2023	2022	2021	2020	2019	2018	2017
Global Credit Rating (Manager quality)	MQ2(ZW)	MQ2(ZW)	MQ2(ZW)	MQ2(ZW)	MQ2(ZW)	A	A	A

34.13.2 Reserve Bank Ratings

CAMELS RATING MATRIX - 31 DECEMBER 2017 RBZ ONSITE EXAMINATION							
	Composite	Capital Adequacy	Asset Quality	Management	Earnings	Liquidity	Sensitivity to market risk
CBZ Bank (current)	2	1	3	2	2	2	2
CBZ Bank (previous)	1	1	2	1	1	2	2

Key
1. Strong 2. Satisfactory 3. Fair 4. Substandard 5. Weak

CBZ Bank Limited
Risk Matrix Summary

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

KEY

Level of Inherent Risk

Low - reflects a lower than average probability of an adverse impact on an institution's capital and earnings. Losses in a functional area with low inherent risk would have little negative impact on the institution's overall financial condition.

Moderate - could reasonably be expected to result in a loss which could be absorbed by an institution in the normal course of business.

High - reflects a higher than average probability of potential loss. High inherent risk could reasonably be expected to result in a significant and harmful loss to the institution.

Adequacy of Risk Management Systems

Weak - risk management systems are inadequate or inappropriate given the size complexity and risk profile of the banking institution. Institution's risk management systems are lacking in important ways and therefore a cause of more than normal supervisory attention. The internal control systems will be lacking in important aspects particularly as indicated by continued control exceptions or by the failure to adhere to written down policies and procedures.

Acceptable - management of risk is largely effective but lacking to some modest degree. While the institution might be having some minor risk management weaknesses these have been recognised and are being addressed. Management information systems are generally adequate.

Strong - management effectively identifies and controls all types of risk posed by the relevant functional areas or per inherent risk. The board and senior management are active participants in managing risk and ensure appropriate policies and limits are put in place. The policies comprehensively define the financial institution's risk tolerance responsibilities are effectively communicated.

Overall Composite Risk

Low Risk - would be assigned to low inherent risk areas. Moderate risk areas may be assigned a low composite risk where internal controls and risk management systems are strong and effectively mitigate much of the risk.

Moderate Risk - risk management effectively identifies and controls all types of risk posed by the relevant functional area significant weaknesses in the risk management systems may result in a moderate composite risk assessment. On the other hand a strong risk management system may reduce the risk so that any potential financial loss from the activity would have only a moderate negative impact on the financial condition of the organization.

High - Risk management systems do not significantly mitigate the high inherent risk. Thus, the activity could potentially result in a financial loss that would have a significant impact on the Bank's overall condition.

Direction of Overall Composite Risk Rating

Increasing - based on the current information composite risk is expected to increase in the next twelve months.
Decreasing - based on current information composite risk is expected to decrease in the next twelve months.
Stable - based on the current information composite risk is expected to be stable in the next twelve months.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

35 CAPITAL ADEQUACY

The capital adequacy is calculated in terms of the guidelines issued by the Reserve Bank of Zimbabwe.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Risk Weighted Assets	23 582 317	10 612 117
Total Qualifying Capital	**6 404 645**	**2 298 143**
Tier 1		
Share capital & share premium	35 888	49
Revenue reserves	3 417 205	1 532 667
Other reserves	1 807 981	-
Exposure to insiders	(29 596)	(65 860)
	5 231 478	**1 466 856**
Less Tier 3	(795 242)	(389 404)
	4 436 236	**1 077 452**
Tier 2		
Revaluation reserves	327 418	599 742
Fair Value Reserve	101 435	98 037
Other reserves	449 535	-
General provisions	294 779	133 508
	1 173 167	**831 287**
Tier 3		
Capital allocated for market risk	19 963	166 501
Capital allocated to operational risk	775 279	222 903
	795 242	**389 404**
Total capital	**6 404 645**	**2 298 143**
Total risk weighted assets	**23 582 317**	**10 612 117**
Capital Adequacy (%)		
Tier 1	18.81%	10.15%
Tier 2	4.97%	7.83%
Tier 3	3.37%	3.67%
Total	**27.15%**	**21.65%**

Regulatory capital consists of Tier 1 capital which comprises share capital share premium and revenue reserves including current period profit. The other component of the regulatory capital is Tier 2 capital which includes general provisions and revaluation reserves. The regulated minimum capital base required by the Central Bank is US$ 30 million with a tier 1 ratio of 8% and a total capital adequacy ratio of 12%.

36. GOING CONCERN

The Directors have assessed the ability of the Group to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate. The Directors have engaged themselves to continuously assess the ability of the Group to continue to operate as a going concern and to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements.

37. SUBSEQUENT EVENTS NOTE

(i) Restructuring Exercise

In August 2024, the Group initiated a strategic restructuring exercise aligned with the Group's five-year strategy (2024–2028). The restructuring exercise aimed at positioning the Group competitively and sustainably in a rapidly changing environment. It focussed on realigning the Group's structure to drive operational efficiencies, adapt to technological advancements, and support future growth. Subsequent to the reporting date, this exercise culminated in a reduction and retrenchment of 347 staff members as part of the Group's strategy realignment process. In light of the foregoing, management in line with IAS 37 "Provisions, Contingent Liabilities, and Contingent Assets", IAS 10 "Events after the reporting date" and IAS 19 "Employee Benefits" assessed whether restructuring costs paid in February 2025 qualified as a restructuring provision as at 31 December 2024.

Management concluded that a present obligation resulting from past events existed as of 31 December 2024. In addition, the Group determined that it was probable that an outflow of resources embodying economic benefits existed as of 31 December 2024 and that a reliable estimate of the obligation could be made. Moreover, the Group concluded that specific milestones required to recognise a restructuring provision were met as of 31 December 2024. As a result, management recognised the related restructuring provision in the financial statements for the year ended 31 December 2024.

(ii) Monetary Policy Developments

Subsequent to the reporting date, on February 6, 2025, the Governor of the Central Bank announced the latest monetary policy statement, which among other things, requires that all entities with immediate effect adopt a common presentation currency, the Zimbabwe Gold (ZWG), for reporting purposes.

Additionally, to enforce compliance, the Securities and Exchange Commission of Zimbabwe (SECZim) and the Zimbabwe Stock Exchange (ZSE), in accordance with paragraph 195 of the same monetary policy statement, issued a directive requiring all licensed and listed entities to align their financial reporting for periods ending 31 December 2024 with this new presentation currency requirement.

This development does not impact the Group's financial reporting, as the Group had already transitioned to ZWG as its presentation currency in April 2024, following the discontinuation of the Zimbabwean Dollar (ZWL). For further details, refer to Note 1.1b in the Group's annual audited financial statements.

COMPANY FINANCIAL STATEMENTS


EDIT
1,100
3,500
200
180
180
17,000
1,200
1,700
2,500
600
35,000
2,000
3,200
300
300
300
2,000
2,000
49.35
49.35
12.23
6.25
6.87
0.20
10.40
24.55
26.11
102.00
0.69
21.05
713.60
11.44
11.44
11.44
27.09
27.09
Credit : 0
Cash : 0
SUBMIT
CLEAR

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	NOTES	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Revenue	2	452 786	616 276
Operating expenditure	3	(558 520)	(635 194)
Operating loss		**(105 734)**	**(18 918)**
Expected credit loss expense		(6 980)	(60)
Monetary gain		-	144 141
Profit before tax		**(112 714)**	**125 163**
Taxation	4	8 127	(9 695)
(Loss)/ profit for the year after tax		**(104 587)**	**115 468**
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods			
(Losses)/ gains or on property revaluation		(905)	2 815
Fair value gains on equity investments		39	71 019
Exchange gains on translation to presentation currency		362 532	-
Deferred income tax relating to components of other comprehensive income	4.3	231	(2 972)
Other comprehensive income for the year net of tax		**361 897**	**70 862**
Total comprehensive income for the year		**257 310**	**186 330**
Profit for the year attributable to:			
Equity holders of parent		(104 587)	115 468
Total (loss)/ profit for the year		**(104 587)**	**115 468**
Total comprehensive income attributable to:			
Equity holders of parent		257 310	186 330
Total comprehensive income for the year		**257 310**	**186 330**
Earnings per share (ZWG cents):			
Basic		(19)	21
Fully diluted		(19)	21

COMPANY STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
ASSETS	**NOTES**		
Cash & cash equivalents	5	11 343	64 995
Other assets	12	278 660	179 865
Financial securities	14	63 479	-
Investments in equities	8.1	72 938	25 559
Investments in subsidiaries	8.2	321 272	168 884
Investments in associates	8.3	974 560	512 301
Property and equipment	10	42 193	20 334
Deferred tax assets	11.1	8 012	16 350
TOTAL ASSETS		**1 772 457**	**988 288**
LIABILITIES			
Other liabilities	15	1 144 043	544 359
Lease liabilities	10.2	14 481	4 065
Deferred tax liabilities	11.2	6 855	17 880
Current tax	4.1	3 953	7 445
TOTAL LIABILITIES		**1 169 332**	**573 749**
EQUITY AND RESERVES			
Share capital	19	9 879	9 879
Share premium	20	232 384	232 384
Revaluation reserve	18	2 660	3 332
Retained earnings	16	(42 746)	130 565
Fair value reserve	17	17 505	17 468
Share based payment reserve	22	20 911	20 911
Foreign currency translation reserve	23	362 532	-
TOTAL EQUITY AND RESERVES		**603 125**	**414 539**
TOTAL LIABILITIES AND EQUITY		**1 772 457**	**988 288**

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

AUDITED

	Share capital ZWG 000	Share premium ZWG 000	Shares awaiting allotment reserve ZWG 000	Revaluation reserve ZWG 000	Foreign currency translation reserve ZWG 000	Share based payment Reserve ZWG 000	Fair value reserve ZWG 000	Retained earnings ZWG 000	Total ZWG 000
31 December 2023									
Opening balance	9 872	60 328	39 726	1 242	-	20 911	32 689	33 111	197 879
Profit for the year	-	-	-	-	-	-	-	115 468	115 468
Other comprehensive income for the year	-	-	-	2 090	-	-	68 772	-	70 862
Shares issued during the year	7	172 056	(39 726)	-	-	-	-	-	132 337
Inter category transfer	-	-	-	-	-	-	(83 993)	83 993	-
Dividend paid	-	-	-	-	-	-	-	(102 007)	(102 007)
Closing balance	**9 879**	**232 384**	**-**	**3 332**	**-**	**20 911**	**17 468**	**130 565**	**414 539**
31 December 2024									
Opening balance	9 879	232 384	-	3 332	-	20 911	17 468	130 565	414 539
Profit for the year	-	-	-	-	-	-	-	(104 587)	(104 587)
Other comprehensive income for the year	-	-	-	(672)	362 532	-	37	-	361 897
Dividend paid	-	-	-	-	-	-	-	(68 724)	(68 724)
Closing balance	**9 879**	**232 384**	**-**	**2 660**	**362 532**	**20 911**	**17 505**	**(42 746)**	**603 125**

COMPANY STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(112 714)	125 163
Non-cash items:		
Depreciation	7 307	3 889
Monetary gain	-	(144 141)
Fair value adjustment on financial instruments	(4 982)	(50 140)
Unrealised loss or gain on foreign currency position	40 063	69 967
Loss/ (profit) on sale of property and equipment	8	(10)
Amortisation of intangible assets	-	1
Expected credit loss expense	6 980	60
Write offs and impairment of property and equipment	80	9 424
Interest on lease liability	1 188	353
Operating cash (outflow)/ inflow before changes in operating assets and liabilities	**(62 070)**	**14 566**
Changes in operating assets and liabilities		
Other assets	(429 263)	(651 121)
Financial securities	(63 480)	-
Other liabilities	611 463	911 906
	118 720	**260 785**
Corporate tax paid	(1 855)	(4 096)
Net cash inflow from operating activities	**54 795**	**271 255**
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in equities during the year	-	(148 178)
Purchase of property and equipment	(1 374)	(8 469)
Investment in associate during the year	-	(58 473)
Equity investments disposed during the year	2	186 303
Proceeds on disposal of property and equipment	34	22
Net cash outflow from investing activities	**(1 338)**	**(28 795)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of shares	-	35 705
Dividends paid	(68 724)	(102 007)
Lease liability principal payment	(3 231)	(3 182)
Interest on lease liability	(1 188)	(353)
Net cash outflow from financing activities	**(73 143)**	**(69 837)**
Net (decrease)/ increase in balances with banks and cash	**(19 686)**	**172 623**
Balances with banks and cash at the beginning of the year	64 995	(68 950)
Exchange (losses)/ gains on foreign cash balances	(18 688)	36 409
Effects of translation to presentation currency	(15 278)	-
Inflation effects on cash & cash equilivents	-	(75 087)
Cash & cash equivalents at the end of the year	**11 343**	**64 995**

NOTES TO THE COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. INCORPORATION AND ACTIVITIES

The financial statements of the Company for the year ended 31 December 2024 are prepared in accordance with the same principles used in preparing consolidated financial statements of the Group. For detailed accounting policies refer to the Group's Consolidated financial statements.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
2. REVENUE		
Fair value adjustments on financial instruments	4 982	50 140
Dividend income	364 901	322 202
(Loss)/ profit on disposal of property and equipment	(8)	10
Interest received	2 350	14 382
Other operating income	414	3 649
Foreign exchange loss	(40 063)	(69 967)
Management fees	120 210	295 860
	452 786	**616 276**
2.1 Disaggregation of revenue Income from investments		
Income from investments		
Dividends received from listed and unlisted investments	364 901	322 202
Fair value adjustments on financial instruments	4 982	50 140
Total	**369 883**	**372 342**
Exchange gains or (losses) on monetary balances		
Exchange (losses)/ gains on monetary assets	(53 110)	77 860
Exchange gains/ (losses) on monetary liabilities	13 047	(147 827)
Total	**(40 063)**	**(69 967)**
Revenue recognised at a point in time		
Management fees**	120 210	295 860
Other operating income	414	3 649
Total	**120 624**	**299 509**

The Company's revenue is recognised at a point in time.
**Management fees are wholly from subsidiary companies.

	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
3 OPERATING EXPENDITURE		
Staff costs	412 582	443 003
Other administration expenses	76 322	93 769
Audit fees	4 933	2 499
Depreciation	7 307	3 889
Amortisation of intangible assets	-	1
Interest expense	57 296	82 609
Write off of property and equipment	80	9 424
	558 520	**635 194**

Included in audit fees are charges for non-audit services performed by the entity's auditors. Fees for non-audit services amounted to NIL (2023: ZWG 693,122).

	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Remuneration of directors and key management personnel (included in staff costs)		
Fees for services as directors	9 601	539
Pension for past and present directors	5 681	7 890
Salaries and other benefits	111 058	75 680
	126 340	**84 109**
Short term employment benefits	120 659	76 219
Post employment benefits	5 681	7 890
	126 340	**84 109**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
4	**TAXATION**		
4.1	**The following constitutes the major components of income tax expense recognised in the Statement of profit or loss.**		
	Current tax	(4 554)	5 240
	Deferred tax	(3 573)	4 455
	Tax (income)/ expense	**(8 127)**	**9 695**
4.2	**Tax rate reconciliation**		
		%	%
	Notional tax	25.00	24.00
	Aids levy	0.75	0.72
	Non-deductible expenses	(1.02)	79.99
	Exempt income	0.88	(97.05)
	Effect on rebasing tax bases	(0.05)	(0.48)
	Effect of special tax rate*	-	0.56
	Effective tax rate	**25.57**	**7.74**

Included in exempt income is income from interest and local dividend income.
Non-deductible expenses include expenditure on exempt income,excess pension costs and disallowed expenses.
*This relates to dividend income which is taxed at a different rate from the normal corporate tax rate.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
4.3	**The following constitutes the major components of deferred income tax expense recognised in the statement of other comprehensive income**		
	Revaluation of property and equipment	(233)	725
	Unlisted equities	2	2 247
		(231)	**2 972**
5	**BANK AND CASH**		
	Cash at bank	11 343	64 995
		11 343	**64 995**

6 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding at the end of the per year after adjusting for treasury shares.

Diluted earnings per share is calculated by dividing the net profit attributable to ordinary equity holders of the parent by the sum of weighted average number of ordinary shares outstanding and the weighted average number of potentially dilutive ordinary shares after adjusting for treasury shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
6.1	**Annualised earnings per share (ZWG cents)**		
	Basic	(19)	21
	Diluted basic	(19)	21
6.2	**Earnings attributable to holders of parent**		
	Basic	(104 587)	115 468
	Diluted basic	(104 587)	115 468
	Number of shares used in calculations (weighted)		
	Basic	553 349	553 349
	Diluted basic	553 349	553 349
6.3	**Reconciliation of denominators used for calculating basic and diluted earnings per share:**		
	Weighted average number of shares before adjustment for treasury shares	553 349	553 349
	Weighted average number of shares used for basic EPS	**553 349**	**553 349**
	Weighted average number of shares used for diluted EPS	**553 349**	**553 349**
6.4	**Headline Earnings**		
	Profit attributable to ordinary shareholders	(104 587)	115 468
	Adjusted to exclude re-measurements		
	Write off & impairment of property and equipment	80	9 424
	Disposal gain on property and equipment	8	10
	Tax relating to remeasurements	(23)	(2 332)
	Headline earnings	**(104 522)**	**122 570**

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued...)

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
7	**DIVIDENDS**		
	Final dividend paid	68 724	102 008
		68 724	**102 008**
	Final dividend per share (cents)	11.05	18.43

Dividends are paid on shares held at the record date, net of treasury shares held on the same date.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
8	**EQUITY INVESTMENTS**		
	Opening balance	194 443	189 706
	Additions	422	148 178
	Disposals	(2)	(186 303)
	Transfer to investment in associate	-	(78 297)
	Fair value adjustments through Profit or Loss	4 982	50 140
	Fair value adjustments through Other Comprehensive Income	39	71 019
	Effects of translating to presentation currency	194 326	-
	Closing balance	**394 210**	**194 443**
8.1	**Equities investment split**		
	Listed investments	67 881	23 142
	Unlisted investments	326 329	171 300
		394 210	**194 442**
	At cost -Investment in subsidiaries (included in unlisted investments)	**321 272**	**168 884**
	Classification according to valuation		
	At fair value through other comprehensive income	5 057	2 416
	At fair value through profit or loss	67 881	23 142
	At cost	321 272	168 884
		394 210	**194 442**

8.2 Investment in subsidiaries

	AUDITED 31 DEC 2024 ZWG 000	%	AUDITED 31 DEC 2023 ZWG 000	%
CBZ Bank Limited	68 270	100	35 888	100
CBZ Asset Management (Private) Ltd	10 752	100	5 653	100
CBZ Insurance (Private) Ltd	37 065	98.4	19 485	98.4
CBZ Properties (Private) Ltd	46 619	100	24 506	100
CBZ Life Assurance (Private) Ltd	35 553	100	18 689	100
CBZ Asset Management Mauritius	46 090	100	24 228	100
CBZ Risk Advisory (Private) Ltd	17 086	100	8 981	100
Redsphere Finance (Private) Ltd	37 438	100	19 680	100
CBZ Agro Yield (Private) Ltd	689	100	362	100
CBZ South Africa Private Limited	21 710	100	11 412	100
	321 272		**168 884**	

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
8.3	**Investments in associates**		
	Opening balance	512 301	-
	Investments during the year	-	512 301
	Effects of translation to presentation currency	462 259	-
	Closing balance	**974 560**	**512 301**

CBZ Holdings "the company" holds investments in associates accounted for at cost in the separate Financial Statements of the company. These investments are equity-accounted at Group level refer to Group Financial Statements note 17.

9 FAIR VALUE MEASUREMENT

9.1 The following table presents items of the Statement of Financial Position of the Company which are recognised at fair value:

AUDITED								
	Level 1		Level 2		Level 3		Total carrying amount	
	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Equity investments	67 881	23 142	-	-	5 058	2 416	72 939	25 558
Land and buildings	-	-	6 243	4 382	-	-	6 243	4 382
Total assets at fair value	**67 881**	**23 142**	**6 243**	**4 382**	**5 058**	**2 416**	**79 182**	**29 940**

There were no transfers between Level 1 and Level 2 during the year ended 31 December 2024.

All the fair value gains on unquoted equities categorised within level 3 of the fair value hierarchy, were unrealised as at 31 December 2024. The fair value gains were recognised in the gains on equity instruments at FVOCI line item on Statement of Other Comprehensive Income.

Unobservable inputs used for land and buildings were not significant enough to result in these being Level 3.

The fair values of the non-listed equities that have been classified as level three investments.

Fair values are derived using a combination of income and market approaches depending on the appropriateness of the methodologies to the type of equity instruments held. The valuation takes into account certain assumptions about the model inputs, including but not limited to liquidity discounts, country / jurisdiction factors, inflation, credit risk and volatility. A range of probabilities was also applied to these inputs and the fair values derived therefrom were deemed to be within acceptable fair values ranges of the equities. The following notes show information about significant unobservable inputs used at 31 December 2024 and 2023 in measuring financial instruments categorized as level 3.

i. Unobservable inputs used in measuring fair value

Fair values of unlisted equity investments were derived using Earnings Multiple Valuation. The valuation took into account certain assumptions about the model inputs, including but not limited to jurisdiction/country and market discounts. A range of probabilities was also applied to these inputs and the fair values derived there from were deemed to be within acceptable fair values ranges of the equities. Where the discounted cash flow method is used, projected cash flows are based on historical performance and adjusted for future assumptions.

The following table sets out information about the valuation techniques used in measuring the fair value of unquoted equities as well as the significant unobservable inputs used.

Valuation Technique	Significant unobservable inputs	Interrelationship between key unobservable inputs and fair value measurement
Earnings Multiple	• Jurisdiction/country and size discount (10-20%)	The fair values would increase/decrease if: • The jurisdiction/country and size discount was higher or lower

ii. The effect of unobservable inputs on fair value measurement

The significant portion of the group's non-listed equities are measured at fair value using the earnings multiple valuation technique. Although the Group believes that its estimates of fair value are appropriate, the use of different assumptions and methodologies could lead to different measurements of fair value. Fair value measurements in Level 3, for which the earnings multiple technique was applied, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects.

Significant unobservable Input	Effect on OCI (unfavorable) ZWG 000
Country factor at 15%	540 429
Country factor at 20%	478 679

The unfavorable effects of using reasonably possible alternative assumptions for the valuation of unlisted investments have been calculated by recalibrating the model values using unobservable inputs based on lower and upper quartiles of the Group's range of possible estimates. Key input and assumption used in the model at 31 Dec included the jurisdiction/country and size discount of 10% (with reasonably possible alternative assumptions of 15% and 20%.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued...)

10 . PROPERTY AND EQUIPMENT

AUDITED

	Buildings ZWG 000	Leasehold improvements ZWG 000	Motor vehicles ZWG 000	Computers & Equipment ZWG 000	Furniture & fittings ZWG 000	Work in progress ZWG 000	Total ZWG 000
31 December 2024							
Cost							
Opening balance	14 576	2 442	4 021	6 229	2 686	-	29 954
Effects of translation to presentation currency	17 665	2 204	3 629	6 062	5 520	-	35 080
Right of use asset	6 158	-	-	-	-	-	6 158
Additions	-	-	-	1 248	126	-	1 374
Revaluation loss	(1 050)	-	-	-	-	-	(1 050)
Disposals	-	-	-	(26)	(37)	-	(63)
Write offs	-	-	-	(114)	-	-	(114)
Closing balance	**37 349**	**4 646**	**7 650**	**13 399**	**8 295**	**-**	**71 339**
Accumulated depreciation							
Opening balance	4 887	815	874	2 457	587	-	9 620
Effects of translation to presentation currency	6 695	1 026	1 335	2 691	672	-	12 419
Right of use asset	4 280	-	-	-	-	-	4 280
Charge for the year	145	544	1 022	957	359	-	3 027
Disposals	-	-	-	(7)	(14)	-	(21)
Revaluation	(145)	-	-	-	-	-	(145)
Write offs	-	-	-	(34)	-	-	(34)
Closing balance	**15 862**	**2 385**	**3 231**	**6 064**	**1 604**	**-**	**29 146**
Net book value	**21 487**	**2 261**	**4 420**	**7 335**	**6 691**	**-**	**42 193**

AUDITED

	Buildings ZWG 000	Leasehold improvements ZWG 000	Motor vehicles ZWG 000	Computers & Equipment ZWG 000	Furniture & fittings ZWG 000	Work in progress ZWG 000	Total ZWG 000
31 December 2023							
Cost							
Opening balance	5 270	1 581	1 477	2 716	1 153	9 424	21 621
Right of use asset	6 594	-	-	-	-	-	6 594
Additions	-	861	2 544	3 531	1 533	-	8 469
Revaluation gain	2 712	-	-	-	-	-	2 712
Disposals	-	-	-	(18)	-	-	(18)
Write offs	-	-	-	-	-	(9 424)	(9 424)
Closing balance	**14 576**	**2 442**	**4 021**	**6 229**	**2 686**	**-**	**29 954**
Accumulated depreciation							
Opening balance	2 552	579	561	1 675	472	-	5 839
Right of use asset	2 335	-	-	-	-	-	2 335
Charge for the year	103	236	313	788	115	-	1 555
Disposals	-	-	-	(6)	-	-	(6)
Revaluation	(103)	-	-	-	-	-	(103)
Closing balance	**4 887**	**815**	**874**	**2 457**	**587**	**-**	**9 620**
Net book value	**9 689**	**1 627**	**3 147**	**3 772**	**2 099**	**-**	**20 334**

Included in property and equipment are amounts relating to Right of use assets for buildings that are leased by the Company for periods more than one year. The information about the leases for which the Company is a lessee is presented below

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS (continued...)

10.1 Right of use Assets

The Company leases its head office from CBZ Asset Management under finance leases. The building is used as the Head office by the Company.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
At cost	31 106	10 194
Depreciation	(15 862)	(4 887)
Carrying Amount	**15 244**	**5 307**
Opening balance	5 307	1 047
Additions	6 158	6 595
Effects of translation to presentation currency	8 059	-
Depreciation charge for the year	(4 280)	(2 335)
Closing balance	**15 244**	**5 307**
10.2 Lease liability		
Opening balance	4 065	748
Additions	6 158	6 594
Effects of translation to presentation currency	7 490	-
Interest	1 188	353
Exchange loss	-	2 933
Monetary adjustment	-	(3 028)
Repayment	(3 232)	(3 182)
Interest paid	(1 188)	(353)
Closing balance	**14 481**	**4 065**
10.3 Lease liability maturity analysis		
Less than one year	7 352	2 236
One to five years	17 562	4 822
Total undiscounted lease liabilities	**24 914**	**7 058**
10.4 Amounts recognised in the statement of profit or loss		
Interest on lease liabilities	1 188	353
Expenses relating to short term leases	228	353
	1 416	**706**
10.5 Amounts recognised in the statement of cash flows		
Total cash outflow for leases	**(4 419)**	**(3 535)**
10.6 Intangible assets		
At cost	-	1
Amortisation	-	(1)
Carrying amount	**-**	**-**
Opening balance	-	1
Amortisation charge	-	(1)
Closing balance	**-**	**-**

Intangible assets are carried at cost less accumulated amortisation charge. The intangible assets, which comprise computer software, are amortised over an estimated useful life of 3 years.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued...)

11 DEFERRED TAXATION

11.1 Deferred tax asset

Deferred tax liability represents the amount of income taxes recoverable in future years in respect of taxable temporary differences.

The deferred tax included in the statement of financial position and changes recorded in the statement of profit or loss and other comprehensive income comprised of:

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Opening balance	16 350	7 818
Impairments and provisions	717	177
Effects of translating to presentation currency	14 657	-
Other	(23 712)	8 355
Closing deferred tax balance	**8 012**	**16 350**

The deferred tax included in the statement of financial position are comprised of:

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Credit loss provisions	1 454	386
Provisions	2 829	14 917
Lease liability	3 729	1 047
Closing deferred tax balance	**8 012**	**16 350**

11.2 Deferred tax liability

Deferred tax liability represents the amount of income taxes payable in future years in respect of taxable temporary differences.

The deferred tax included in the statement of profit or loss and other comprehensive income are comprised of:

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Opening balance	17 880	6 374
Equity investments	20	1 731
Property and equipment	971	744
Effects of translating to presentation currency	15 774	-
Unrealised foreign exchange gains	(27 790)	13 484
Transfer to capital gains tax	-	(4 453)
Closing balance	**6 855**	**17 880**

The deferred tax included in the statement of financial position are comprised of:

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Equity investments	1 256	650
Property and equipment	8 369	4 016
Unrealised foreign exchange gains	(2 770)	13 214
Closing balance	**6 855**	**17 880**

12 OTHER ASSETS

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Intercompany balances		
CBZ Asset Management (Private) Ltd	3 697	4 070
CBZ Insurance (Private) Ltd	-	3 308
CBZ Properties (Private) Ltd	25 927	5 747
CBZ Life Assurance (Private) Ltd	294	2 870
CBZ Risk Advisory (Private) Ltd	1 025	2 942
Redsphere Finance	-	13 893
Prepayments	198 929	120 087
Other receivables	48 788	26 948
	278 660	**179 865**

Outstanding intercompany balances with subsidiary Companies are priced at arm's length and none of these balances are secured. No Expected Credit Loss (ECL) allowance has been recognised in the current or prior year in respect of these as management has assessed the probability of default to be zero.

13 RELATED PARTIES

13.1 Intra-Group related party transactions

	Management Fees		Interest Expense		Other Costs (Shared Costs Insurance & Valuation fees)	
	AUDITED		AUDITED		AUDITED	
	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Related Party						
CBZ Bank Limited	107 317	210 566	(36)	(61 262)	(112)	(3 406)
CBZ Asset Management (Pvt) Ltd	1 929	10 708	-	-	(3 572)	-
CBZ Insurance (Pvt) Ltd	1 477	8 855	-	-	-	(3 206)
CBZ Properties (Pvt) Ltd	1 627	7 257	-	-	(2 731)	(199)
CBZ Life Assurance (Pvt) Ltd	1 298	7 988	(947)	-	-	-
CBZ Risk Advisory (Pvt) Ltd	1 195	8 582	-	-	-	-
Redsphere Finance	1 586	12 514	-	-	-	-
CBZ Agro Yield	3 781	29 390	-	-	-	(29 984)

13.2 Amounts due from or (to) group companies

	AUDITED		
	Amounts due from ZWG 000	Amounts due to ZWG 000	Net ZWG 000
31 December 2024			
Group Company			
CBZ Bank Limited	-	(26 227)	(26 227)
CBZ Asset Management (Pvt) Ltd	3 697	-	3 697
CBZ Insurance (Pvt) Ltd	-	(1 656)	(1 656)
CBZ Properties (Pvt) Ltd	25 927	-	25 927
CBZ Life Assurance (Pvt) Ltd	294	-	294
CBZ Asset Management-Mauritius	-	(623)	(623)
CBZ Risk Advisory (Pvt) Ltd	1 025	-	1 025
Redsphere Finance	-	(1 845)	(1 845)
CBZ Agro Yield	-	(58 477)	(58 477)
	30 943	**(88 828)**	**(57 885)**

Amounts due from or (to) group companies

	AUDITED		
	Amounts due from ZWG 000	Amounts due to ZWG 000	Net ZWG 000
31 December 2023			
Group Company			
CBZ Bank Limited	-	(61 979)	(61 979)
CBZ Asset Management (Pvt) Ltd	4 070	-	4 070
CBZ Insurance (Pvt) Ltd	3 308	-	3 308
CBZ Properties (Pvt) Ltd	5 747	-	5 747
CBZ Life Assurance (Pvt) Ltd	2 870	-	2 870
CBZ Asset Management-Mauritius	-	(327)	(327)
CBZ Risk Advisory (Pvt) Ltd	2 942	-	2 942
Redsphere Finance	13 893	-	13 893
CBZ Agro Yield	-	(21 129)	(21 129)
	32 830	**(83 435)**	**(50 605)**

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued...)

14 FINANCIAL SECURITIES

Financial securities are non credit financial assets with an original maturity of more than 1 year.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Treasury bills	63 479	-
Total gross financial securities	**63 479**	**-**

15 OTHER LIABILITIES

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Intercompany balances		
CBZ Bank Limited	26 227	61 979
CBZ Insurance (Private) Ltd	1 656	-
CBZ Asset Management Mauritius	623	327
Redsphere Finance	1 845	-
CBZ Agro Yield	58 477	21 129
Provisions	142 967	164 440
Sundry creditors	(2 674)	114 504
Accruals	200 675	92 729
Debentures	714 247	89 251
	1 144 043	**544 359**

16 RETAINED EARNINGS

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Revenue earnings comprises:		
Opening balance	130 564	33 110
Total comprehensive income for the year	(104 587)	115 468
Intercategory transfer*	-	83 993
Dividend paid	(68 724)	(102 007)
Closing balance	**(42 746)**	**130 564**

Retained earnings reserve includes all other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.
*Intercategory transfer relates to the transfer of accumulated fair value reserve balances relating to disposed unlisted equities.

17 FAIR VALUE RESERVE

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Opening balance	17 468	32 689
Intercategory transfer	-	(83 993)
Other comprehensive income	37	68 772
Closing balance	**17 505**	**17 468**

The fair value reserve comprises of the cumulative net change in the fair value of unquoted equities designated at FVOCI.
*Intercategory transfer relates to the transfer of accumulated fair value reserve balances relating to disposed unlisted equities

18 REVALUATION RESERVE

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Opening balance	3 332	1 242
Net revaluation gain	(672)	2 090
Closing balance	**2 660**	**3 332**

The revaluation reserve relates to the revaluation of property and equipment

19 SHARE CAPITAL

Authorised
1 000 000 000 ordinary shares of ZWG 0.01 each

		Shares 000	Shares 000
19	**SHARE CAPITAL (continued...)**		
	Opening balance	622 069	522 016
	Issue of shares	-	100 053
	Issued and fully paid	**622 069**	**622 069**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
	Opening balance	9 879	9 872
	Issue of shares	-	7
	Closing balance	**9 879**	**9 879**
20	**SHARE PREMIUM**		
	Opening balance	232 384	60 328
	Issue of shares	-	172 056
	Closing balance	**232 384**	**232 384**
21	**SHARES AWAITING ALLOTMENT RESERVE**		
	Opening balance	-	39 726
	Allotments during the year	-	(39 726)
	Closing balance	**-**	**-**
22	**SHARE BASED PAYMENT RESERVE**		
	Opening balance	20 911	20 911
	Closing balance	**20 911**	**20 911**
23	**FOREIGN CURRENCY TRANSLATION RESERVE**		
	Total comprehensive income	362 532	-
	Closing balance	**362 532**	**-**

24 RISK MANAGEMENT

The companies risk management is in line with the Groups risk management framework (note 34).

25 ACCOUNTING POLICIES

The company accounting policies are consistent with those applied in the Group's financial statements.

26 SUBSEQUENT EVENTS

(i) Restructuring Exercise

In August 2024, the Company initiated a strategic restructuring exercise aligned with the Company's five-year strategy (2024–2028). The restructuring exercise aimed at positioning the Company competitively and sustainably in a rapidly changing environment. It focussed on realigning the Company's structure to drive operational efficiencies, adapt to technological advancements, and support future growth. Subsequent to the reporting date, this exercise culminated in a reduction and retrenchment of 347 staff members as part of the Company's strategy realignment process. In light of the foregoing, management in line with IAS 37 "Provisions, Contingent Liabilities, and Contingent Assets", IAS 10 "Events after the reporting date" and IAS 19 "Employee Benefits" assessed whether restructuring costs paid in February 2025 qualified as a restructuring provision as at 31 December 2024.

Management concluded that a present obligation resulting from past events existed as of 31 December 2024. In addition, the Company determined that it was probable that an outflow of resources embodying economic benefits existed as of 31 December 2024 and that a reliable estimate of the obligation could be made. Moreover, the Company concluded that specific milestones required to recognise a restructuring provision were met as of 31 December 2024. As a result, management recognised the related restructuring provision in the financial statements for the year ended 31 December 2024.

(ii) Monetary Policy Developments

Subsequent to the reporting date, on February 6, 2025, the Governor of the Central Bank announced the latest monetary policy statement, which among other things, requires that all entities with immediate effect adopt a common presentation currency, the Zimbabwe Gold (ZWG), for reporting purposes. Additionally, to enforce compliance, the Securities and Exchange Commission of Zimbabwe (SECZim) and the Zimbabwe Stock Exchange (ZSE), in accordance with paragraph 195 of the same monetary policy statement, issued a directive requiring all licensed and listed entities to align their financial reporting for periods ending 31 December 2024 with this new presentation currency requirement. This development does not impact the Company's financial reporting, as the Company had already transitioned to ZWG as its presentation currency in April 2024, following the discontinuation of the Zimbabwean Dollar (ZWL). For further details, refer to Note 1.1b in the Company's annual audited financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued...)

27 GOING CONCERN

Management has assessed the ability of the Company to continue operating as a going concern and believe that the preparation of these company financial statements on a going concern basis is still appropriate. The Directors have engaged themselves to continuously assess the ability of the Company to continue to operate as a going concern and to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these company financial statements. At the end of reporting period 31 December 2024, CBZ Holdings, the company had a net current liability position in which current liabilities exceeded current assets.

Particular attention is given to the issues below:

a) Net current liability

The company is in a net current liability position due to borrowings acquired to finance the acquisition of First Mutual Holdings Limited and First Mutual Properties. The Company holds level one equity investments which are highly liquid and additional cash flows expected from dividends and management fees after taking into account operating expenses. The net liability position for the company therefore affects neither the operations nor going concern of the company as capacity exists to manage it post December 2024 year end. Therefore, there is no going concern risks emanating from the negative current liability position.

b) Company restructuring exercise

In August 2024, The Company initiated a strategic phased restructuring exercise necessitated by the evolving economic landscape and aligned with the Group's five-year strategy (2024–2028). The restructuring exercise aims to position the company competitively and sustainably in a rapidly changing environment focusing on realigning its structure to drive operational efficiencies, adapt to technological advancements, and support future growth. The restructuring plan aims to restore financial stability and operational viability, thus ensuring the company's ability to continue as a going concern for the foreseeable future. Based on management's current projections, including projected cash flows and anticipated cost savings, and based on the assumptions that the planned cost-cutting measures will be fully implemented by the second quarter of 2025 and that the company will be able to successfully implement planned technological upgrades, management believes the company can continue as a going concern. Management will closely monitor the execution of the restructuring plan and will adjust projections as needed.

The Directors will continually engage themselves to assess and safeguard the ability of the Company to continue in operational existence as a going concern. Notwithstanding the existence of the net current liability position management has concluded that the Company will continue operating as a going concern.

NOTICE OF AN ANNUAL GENERAL MEETING

For the year ended 31 December 2024

Notice is hereby given that the **Thirty-Third Annual General Meeting** of the Shareholders of **CBZ Holdings Limited** will be held through a virtual platform,
https://polling.fts-net.com on **Friday 18 July 2025** at **1000 hours (CAT**) for the purpose of transacting the following business:

AGENDA

To consider and if deemed fit, to pass the following resolutions with or without amendments:-

ORDINARY BUSINESS

1. **Virtual meeting**
   To note and approve the convening of the 33rd Annual General Meeting through a virtual platform.

2. **Minutes**
   Adoption of Minutes of the 32nd Annual General Meeting held on 19 July 2024.

3. **Financial Statements and Statutory Reports**
   To receive, consider, and adopt, if appropriate, the financial statements, and the reports of the Directors and Auditors for the year ended 31 December 2024.

4. **Dividend**
   To confirm a final dividend for the year ended 31 December 2024 as recommended by the Board and to consider the payment of such to its Members.

5. **Directorate**
   a. To note the retirement of Louis Charles Gerken from the Board of Directors with effect from 17 January 2025.
   b. To note the retirement of Tawanda Lloyd Gumbo from the Board of Directors with effect from 28 February 2025.
   c. To note the appointment of Joel Makombe as the Group Chief Finance Officer and Executive Director of the Company with effect from 1 March 2025.
   d. In accordance with Article 113 of the Company's Articles of Association, Directors appointed by the Board shall retire at the next Annual General Meeting. Consequently, Messrs. Pfungwa Serima and Takudzwa Mudzengerere who were appointed as Independent Non-Executive Directors by the Board of Directors on 22 April 2025 and 6 May 2025 respectively will be retiring and as they are eligible, each offers himself for re-election. Each Director will be appointed through a separate resolution.
   e. In accordance with Clause 6.10.2 of the Company's Board Charter, Directors are to retire from the board by rotation after having served three years and being eligible may offer themselves for re-election. Consequently, Ms Rebecca Gaskin Gain will be retiring by rotation and being eligible, offers herself for re-election.
   f. In accordance with Article 125(h) of the Company's Articles of Association, once a director reaches the age of 70 years of age, his office shall be extended on an annual basis until his seventy-eighth birthday. Consequently, Messrs Edward Ushemazoro Mashingaidze will be retiring and being eligible, offers himself for re-election for the ensuing year.

6. **Remuneration of Directors**
   To approve the remuneration of Directors for the past financial year.

(NOTE: In terms of Section 3 of Practice Note 4 issued by the ZSE on the 17th of January 2020, the Director's Remuneration Report shall be available for inspection by Members at the registered office of the Company)

7. External Auditors

a. To approve the remuneration to KPMG Chartered Accountants (Zimbabwe), the Company's Auditors for the past financial year's audit.
b. To appoint auditors for the ensuing year until the conclusion of the next Annual General Meeting. KPMG Chartered Accountants (Zimbabwe), the current auditors of the Company, have indicated their willingness to continue as auditors of the Company.

8. Approval of Policies

a. To approve the Shareholders Director Nominations Policy.
b. To approve the Company's Dividend Policy

9. Any Other Business

To transact any other business as may be transacted at an Annual General Meeting.

Appointment of Proxy

In terms of the Companies and Other Business Entities Act (Chapter 24:31), a member who is entitled to attend and vote at a meeting is also entitled to appoint a proxy to attend and vote on a poll and speak in his/her stead. Proxy forms should be forwarded to reach the office of the Company Secretary at least 48 (forty-eight) hours before the commencement of the meeting.

Notes: Details of the Virtual AGM will be emailed by First Transfer Secretaries (Pvt) Ltd to all Shareholders. Shareholders are advised to update their contact details with the following contact:

First Transfer Secretaries (Private) Limited
1 Armagh Avenue, Eastlea, Harare Telephone: +263 242 782869/72 Email: info@fts-net.co

By order of the Board

....
Rumbidzayi Angeline Jakanani
Group Chief Legal Counsel & Governance Officer

REGISTERED HEAD OFFICE
5 Campbell Road
Pomona
Borrowdale
Harare, Zimbabwe
Telephone: (263-4) 748050-79
Email: info@cbzh.co.zw

18 June 2025

FORM OF PROXY

I/We..

Of...

Being a member of CBZ Holdings Limited and entitled to.............................votes hereby

appoint..Of...

Or failing him/her...as my/our proxy to vote for me/us and on

my/our behalf at the Annual General Meeting to be held through Zoom at 1600 hours and at any adjournment thereof.

Signed by me this ___________________________ day of_________________________ 2024

Signature: _________________________________

NOTES:

1. Any member of the Company entitled to attend and vote at the meeting of the company shall be entitled to appoint another person, whether a member of the Company or not, as his proxy to attend, vote and speak in his stead.
2. Proxy Forms should be forwarded to reach office of the Company at least 48 (forty-eight) hours before the time appointed for holding the meeting.
3. An instrument appointing a proxy shall be valid only for the one specified meeting for which it shall be submitted and any adjournment thereof.

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GROUP DETAILS

REGISTERED HEAD OFFICE

5 Campbell Road
Pomona, Borrowdale
Harare, Zimbabwe
Telephone: (263-242) 748 050 - 79
Email: info@cbz.co.zw
www.cbz.co.zw

TRANSFER SECRETARIES

First Transfer Secretaries (Private) Limited
1 Armagh Avenue
Eastlea
Harare
P O Box 11 Harare
Zimbabwe
Tel:+263 4 782869/72; +263 772 146157
+263 4 749048
Email: info@fts-net.com
www.fts-net.com

LEGAL PRACTITIONERS

Mawere & Sibanda Legal Practitioners
3rd Floor Chiyedza House
1st Street/ Kwame Nkrumah Avenue
P.O Box CY 1376
Causeway
Harare, Zimbabwe

AUDITORS

KPMG Chartered Accountants (Zimbabwe)
Mutual Gardens
100 The Chase (West), Emerald Hill
Harare
Tel: +263 (242) 302600
Fax: +263 (242) 303699

DIRECTORS

Mr. L. Zembe - **Chairman**
Ms. R. L Gaskin Gain - **Non Executive**
Mr. E. U Mashingaidze - **Non Executive**
Mr. E. E. Galante - **Non Executive**
Mr L. Nyazema- **Executive**
Mr. J. Makombe - **Executive**

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REGISTERED HEAD OFFICE

5 Campbell Road
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