

EcoCash

HOLDINGS ZIMBABABWE LIMITED

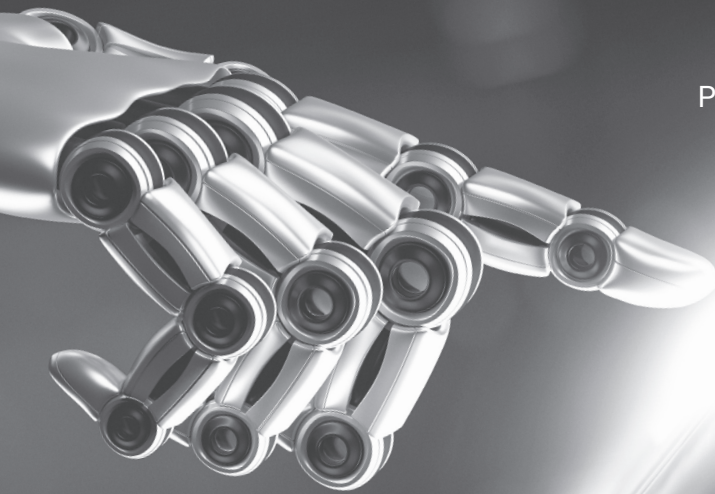
ANNUAL REPORT 2024



FINTECH

INSURTECH

DIGITAL
PLATFORMS



Digitally
Empowering
People

About This Report

Report Boundaries

The purpose of this annual report is to provide an analysis of EcoCash Holdings Zimbabwe Limited's (EHZL) operations for the fiscal year that ended on February 29, 2024. The report details our non-financial and financial performance. To raise the level of accountability and transparency of our efforts with all stakeholders and wider audience, EcoCash Holdings Zimbabwe Limited's Environmental, Social, and Governance (ESG) activities will be shared in this report. The information in the report demonstrates how our business supports the full value chain. By disclosing our performance and corporate sustainability, we build a platform for feedback from our stakeholders.

You are kindly invited to contact us at <https://www.EcoCashholdings.co.zw/>.

Econet Scheme of Reconstruction

On 16 January 2024, shareholders were advised of an impending scheme of reconstruction transaction. The EGM to consider and approve the proposed scheme of reconstruction was held on the 17th of April 2024. The shareholders approved the scheme of reconstruction where all non-banking assets will be transferred from EcoCash Holdings Zimbabwe Limited to Econet Wireless Zimbabwe Limited. Accordingly, therefore, the financial results and non-financial ESG impacts reflected in this report have been prepared for EcoCash Holdings Zimbabwe Limited in its current form as at 29 February 2024. Any changes from the date of transaction will be incorporated in the annual report for the year ending 28 February 2025.



**Digitally
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People**

For we are God's handiwork, created in Christ Jesus to do good works, which God prepared in advance for us to do.

Ephesians 2:10
New International Version (NIV) - Bible



Reporting Standards and Responsibilities

EHZL applies International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and interpretations as issued by the IFRS Interpretations Committee. For the non-financial sustainability performance, EcoCash Holdings has reported in accordance with the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) standards for the period March 2023 to February 2024. The report has been prepared to comply with S.I. 134 of 2019 Securities and Exchange (Zimbabwe Stock Exchange Listings Requirements) as well as the Companies and Other Business Entities Act (Chapter 24:31).

We demonstrate how some of our business activities support the aims of the United Nations Sustainable Development Goals (SDGs) and the United Nations Global Compact's (UNGC) 10 principles, where EcoCash Holdings is a participating member. The Audit Committee recommends to the Board of Directors the Annual Financial Statements (AFS) for approval. The AFS are audited by independent external auditors, BDO Zimbabwe. The Directors are responsible for the Annual Report as a whole. The report has also been subject to type 1 moderate assurance procedures by

external certified sustainability assurance providers in accordance with the AA 1000 Assurance Standard (AA1000AS). The assurance statement can be found on page 278.

Restatements of Information

There are no restatements of sustainability disclosures provided in this report.

Data Collection

Our report is compiled using information provided by the different units of the business from internal reports, data management systems and board reports.

DISCLAIMER FORWARD LOOKING STATEMENTS

An Annual Report includes certain 'forward-looking statements. These forward-looking statements are about the future and therefore incorporate degrees of uncertainty. Consequently, future actual results and performance may differ from these statements. The forward-looking statements are currently predicted as of the date of publication of the Annual Report. EcoCash Holdings makes no representation that the information will be updated after release of this report.

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OVERVIEW



EcoCash
HOLDINGS ZIMBABWE LIMITED

*Your diversified
digital solutions
group*

OVERVIEW

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Glossary of Terms

ACRONYM	
AFC	Agricultural Finance Corporation
CCAZ	Contact Centre Association of Zimbabwe
CSAT	Customer Satisfaction
DPA	Distributed Power Africa
ECD	Early Childhood Development
ERCO	Enterprise Risk Committee
EHZL	EcoCash Holdings Zimbabwe Limited
EIP	EcoCash Instant Payments
ESG	Environment, Social and Governance
GRI	Global Reporting Initiative
HLF	Higher Life Foundation
IFRS	International Financial Reporting Standards
IPEC	Insurance and Pensions Commission
KPI	Key Performance Indicator
KYC	Know Your Customer

ACRONYM	
MAZ	Marketers Association of Zimbabwe
MPS	Monetary Policy Statement
NPS	Net Promoter Score
RBA	Rural Brand Ambassador
RBZ	Reserve Bank of Zimbabwe
SB	Steward Bank
SDG	Sustainable Development Goals
SASB	Sustainability Accounting Standards Board
UNGC	United Nations Global Compact
VDF	VAYA Digital Farmer
WUA	Woman's University in Africa
ZSE	Zimbabwe Stock Exchange
ZSS	Zimbabwe Shared Services
ZNCC	Zimbabwe National Chamber of Commerce

Digitally Empowering People



**Digitally
Empowering
People**

EcoCash
HOLDINGS ZIMBABWE LIMITED

This annual report is a comprehensive report on EcoCash Holdings's activities throughout the year. The theme for this year's report, for the third-year running is "**Digitally Empowering People**", which speaks to a multistage process that gives individuals new skills and opportunities to better participate and express themselves in a networked society through information technology.



*Your diversified
digital solutions
group*

Vision, Mission and Values



Your diversified digital solutions group

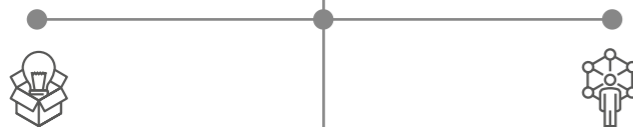
VISION

Our vision is a digitally connected future that leaves no Zimbabwean behind.

MISSION

To improve the overall quality of life by offering access to social and financial services through technology.

VALUES



EXPERIMENTAL
Experiment and explore, venture outside the boundaries of familiar experience.

PERCEPTUAL
Envision the future, sensitive to external realities in light of this networked global world.

DISRUPTIVE
Actively seek to disrupt and confront the status quo.

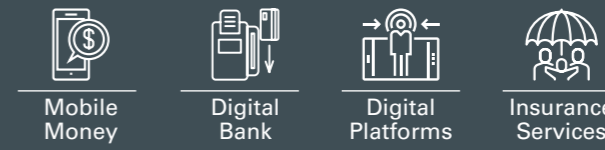
Company Details



Name of Organisation	Ownership and Legal Form	Date Established	Location of Headquarters and Operations
EcoCash Holdings Zimbabwe Limited (EHZL)	EcoCash Holdings Zimbabwe Limited is a listed company on the Zimbabwe Stock Exchange (ZSE)	30 November 2018	1906 Liberation Legacy Way (formerly Borrowdale Road), Borrowdale, Harare

Group Structure and Business Outline

EcoCash Holdings Zimbabwe Limited (EHZL) and its associated companies includes



Scale of the Reporting Organisation

For the consolidated statement of financial position with details of assets, equity and liabilities, see Compliance and Financial Reporting > Consolidated statement of financial position on page 110.

Composition of the Workforce

As at 29 February 2024, EcoCash Holdings Zimbabwe Limited employed a total staff complement of 1,063 members.

**Digitally
Empowering
People**



Financial Performance Highlights

INFLATION ADJUSTED

Revenue

ZWL 875 billion 
ZWL 534 billion in FY2023

Gross Profit

ZWL 758 billion 
ZWL 466 billion in FY2023

Profit After Tax

ZWL 287 billion 
ZWL (89) billion in FY2023

CAPEX

ZWL 148 billion 
ZWL 43 billion in FY2023

NB* Comparatives have been restated as per IFRS 5 PAR 34 which requires the restatement of comparatives.

Non-Financial Performance Highlights

The business experienced a turbulent environment characterised by increased inflation and higher cost of living and the challenges faced depicted the BANI World framework which stands for Brittle, Anxious, Nonlinear, and Incomprehensible. This provides a lens through which we can understand the challenges and uncertainties that arose from the economic environment coupled with changes in the digital technologies, Artificial Intelligence (AI), and Internet of Things (IoT).

GREENING OUR FOOTPRINT

% Econet Electronic Airtime Recharge via (Mobile Money)
ZWL 90%
FY2023: 68%

#VAYA Electric Vehicle Trips
937
FY2023: 2,217

DIGITAL AND FINANCIAL INCLUSION (continued)

Kashagi Nano Loan Disbursements
468,711
FY2023: 902,875

Kashagi Nano Loan Access
ZWL 23.4 billion
FY2023: ZWL 2.8 billion

BRIDGING THE GAP - SOCIAL INCLUSION

EcoSure Customer Reach
3 million
FY2023: 3 million

Number of EcoSure Claims Processed
4,580
FY2023: 5,750

GENDER EQUALITY FOR A SUSTAINABLE FUTURE

% Women in Management
31%
FY2023: 31%

% Women Employees
43%
FY2023: 43%

ETHICS AND COMPLIANCE

of Corruption and Bribery Cases Reported
2
FY2023: 0

of Fraud Cases Gone for Disciplinary Action
2
FY2023: 0



Digitally Empowering People



DIGITAL AND FINANCIAL INCLUSION

Steward Bank Account Holders
1.1 million
FY2023: 1.3 million

Steward Bank Account Opened through USSD
10,185
FY2023: 197,419

Steward Bank Mobile Banking Registrations
0.9 million
FY2023: 1.1 million

Number of Rural Nano Loans
81,094
FY2023: 153,489

Value of Rural Mobile Money Transactions
ZWL 4.78 trillion
FY2023: ZWL 2.3 trillion

Value of Total Mobile Money Transactions
ZWL 19.51 trillion
FY2023: ZWL 1.6 trillion

Number of Lives Covered Monthly
803,892
FY2023: 700,000

Amount of Claims Processed
ZWL 105 billion
FY2023: ZWL 3.3 billion

% Women Promotions into Supervisory Roles
37%
FY2023: 40%

% Women in Executive Positions
15%
FY2023: 23%

% Women Headed Departments
28%
FY2023: 27%

% Women in Key Technical Courses
40%
FY2023: 42%

of Regulatory Penalties
0
FY2023: 0





BUSINESS OPERATIONS



EcoCash
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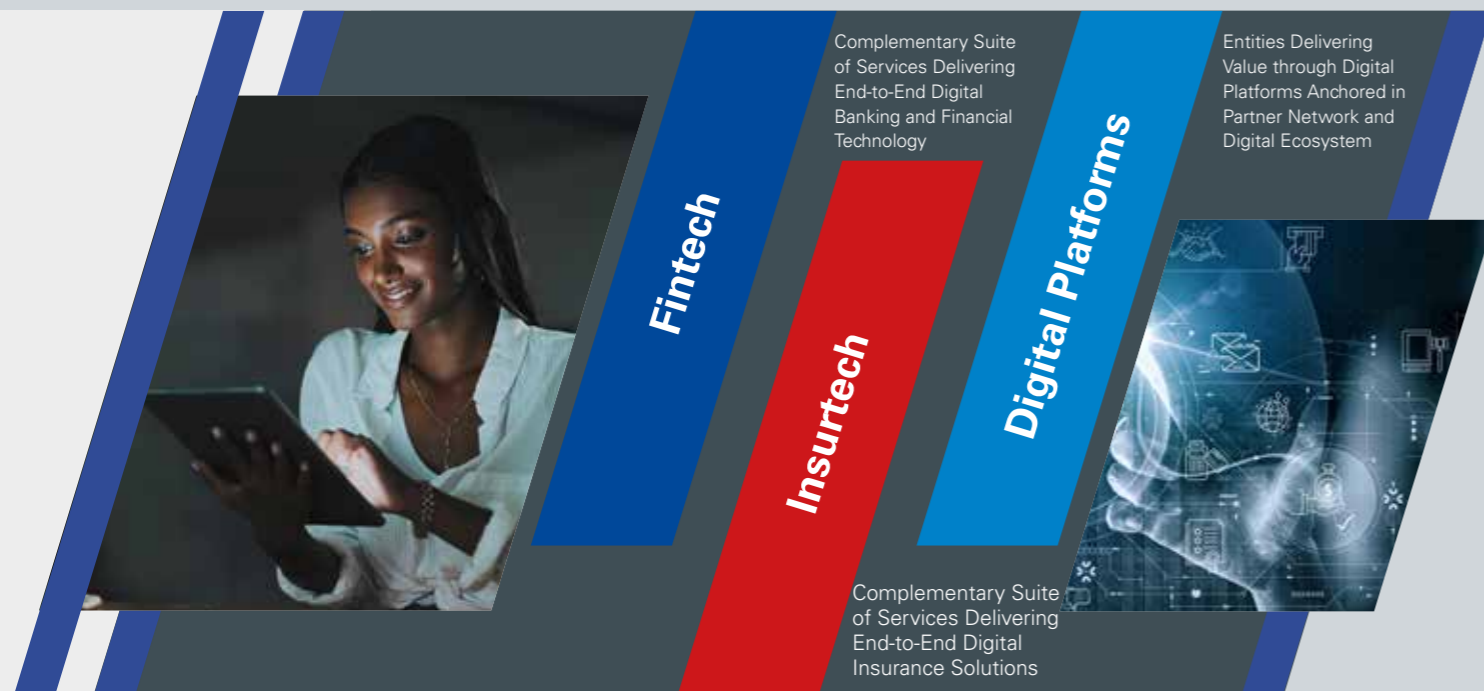
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Strategy, Policies and Practices

EcoCash Holdings's Commitment to Sustainable Development

At EcoCash Holdings, we see our business as more than just generating profits. We recognise the profound impact our operations have on the economy, environment, and people across Zimbabwe. Embracing this responsibility, we are committed to maximizing positive impact. We believe that sustainable business practices and good governance are not just beneficial, but essential, for building thriving communities.

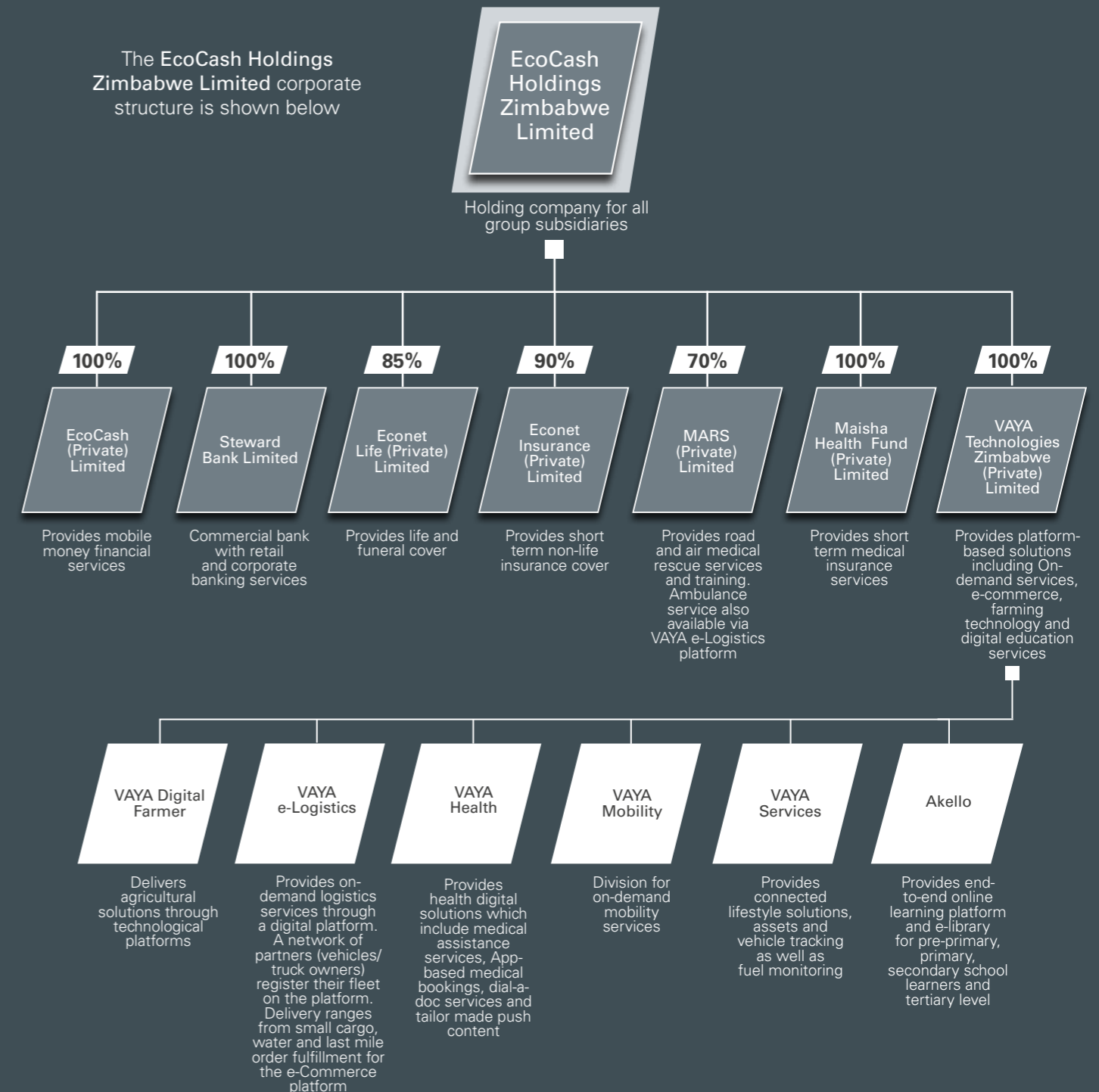


As a leading diversified digital solutions group, we empower individuals, businesses, and governments through our financial and enterprise solutions. Our core mission is to digitally empower Zimbabweans, offering accessible products and services that promote financial inclusion, healthcare, education, agriculture, and logistics through the power of digital platforms. Putting our customers first and delivering relevant, sustainable solutions drives our pursuit of operational excellence.

We extend our commitment to sustainability beyond our own operations. We actively engage with all stakeholders in our value chain, encouraging them to integrate the Sustainable Development Goals (SDGs) into their own practices. By working together, we can leverage the power of technology to create a more equitable, prosperous, and environmentally responsible future for Zimbabwe.

Corporate Structure

The EcoCash Holdings Zimbabwe Limited corporate structure is shown below



Registered Entities Divisions

Chairperson's Statement

“The shareholders approved the scheme of reconstruction where all non-banking assets will be transferred from EcoCash Holdings Zimbabwe Limited to Econet Wireless Zimbabwe Limited.”

OPERATING ENVIRONMENT

FY24 was a pivotal year for EcoCash Holdings, characterized by a drive to consolidate and expand our services, building on the efforts and achievements of the preceding year. During the year, EcoCash Holdings navigated a dynamic operating environment characterized by evolving market trends and regulatory changes. We remained agile and adaptive, capitalizing on emerging opportunities while addressing challenges to sustain our leadership in the digital financial services sector. Our dedication to delivering cutting-edge solutions and customer-centric services has positioned us at the forefront of the evolving digital financial landscape.

KEY DEVELOPMENTS

Scheme of Reconstruction

The EGM to consider and approve the proposed scheme of reconstruction was held on the 17th of April 2024. The shareholders approved the scheme of reconstruction where all non-banking assets will be transferred from EcoCash Holdings Zimbabwe Limited to Econet Wireless Zimbabwe Limited. The Scheme of Reconstruction will not result in the delisting of EcoCash Holdings Zimbabwe Limited from the Zimbabwe Stock Exchange.

Subject to regulatory approval, only the banking unit, Steward Bank, will remain under EcoCash Holdings and has been classified as Continuing Operations in the audited Financials under review. Businesses transferring to Econet have been classified as Discontinuing Operations and are shown separately in the Financial Statements in line with IFRS 5 "Non-current Assets Held for Sale and Discontinuing Operations".

OPERATIONS REVIEW

Continuing Operations

Digital Banking

The financial year under review reflects a decade of Steward Bank promoting digital financial inclusion through pioneering products and services in the Zimbabwean market. The bank has been at the forefront of competitiveness in the banking industry pushing boundaries to provide innovative banking solutions.

The banking services division has observed considerable growth in the adoption of USD banking services. Notably, VISA card transaction values achieved a 115% increase affirming the bank's position as a market leader.

The increasing prevalence of USD transactions in the economy has been followed by considerable growth in FCA accounts. To further enhance the USD banking experience for customers, Steward Bank introduced the FCA Debit card, providing added convenience for local USD transactions. This addition aligns with our commitment to offering seamless and accessible banking services. The Point of Sale (POS) network saw improved devices distributed throughout our network of merchant partners for acquiring both local currency and USD transactions on the same POS device.

The launch of the Agent Portal to support the agency banking model during the year has significantly improved access for Steward Bank customers. With the integration of USSD services, the Agent Portal enables customers to access banking services through a simple mobile device, expanding the reach of our services to 130 locations and improving customer experience.

Steward Bank is fully compliant with the Tier 1 capital requirements prescribed by the Reserve Bank of Zimbabwe.

Discontinued Operations

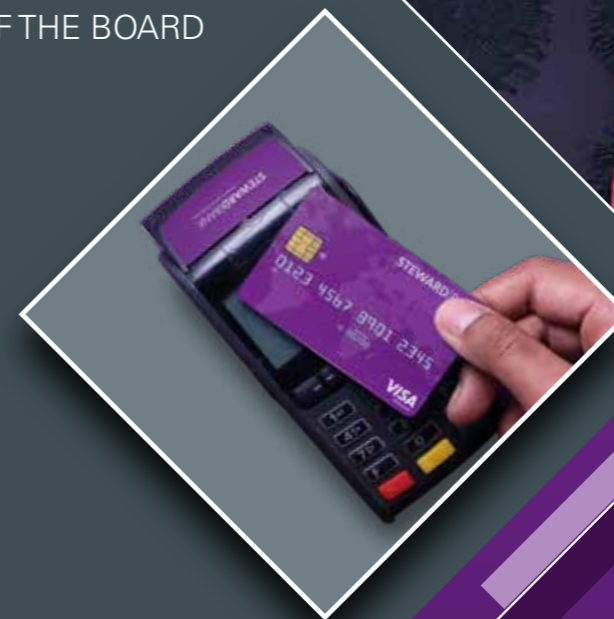
Mobile Money

The mobile money business experienced consistent growth in customer base, transaction volumes and values particularly for USD transactions, due to the efficient distribution network, enhanced customer experience, and sustained innovation. EcoCash also reintroduced Kashagi loans in USD, making the loan application process instant and hassle-free. The mobile money partnership network expanded significantly, enabling various sectors such as agriculture, corporates, NGOs, and pensions to process payroll and cash disbursements conveniently. Integration of USD payments rails with partners and banking institutions further strengthened EcoCash's value proposition, providing customers with a wider range of services and benefits.

Insurtech

EcoSure, the life insurance division, witnessed growth in the core funeral value proposition and relaunched the "Enda Education Cover" to provide comprehensive coverage for your child's education in case of unfortunate events. The year saw the introduction of "Airtime Cover," a unique bundled product that bundles airtime and data purchases with life insurance cover. The company has seen significant growth in USD policies, on account of synergies realized from the uptake of the USD EcoCash wallet.

Mrs Sherree
Shereni
CHAIRPERSON
OF THE BOARD



The year saw the introduction of
"Airtime Cover,"

a unique bundled product that bundles
airtime and data purchases
with life insurance cover

Steward bank has been at the forefront
of competitiveness in the banking industry
pushing boundaries to provide
**innovative banking
solutions**

Chairperson's Statement (continued)

The short-term insurance business, Moovah, has forged strategic partnerships to enhance the efficiency of insurance claim resolutions, particularly for vehicles. The number of customer touch points for vehicle insurance has increased from 150 to 250 by the end of FY24, resulting in an increase of our market share. The goal is to provide exceptional service standards and convenience for our customers, with partnerships benefiting key sectors such as mining, manufacturing, tourism, and agriculture.

Other Business Segments

VAYA Technologies has focused on nurturing anchor businesses in Healthtech, Agritech, and On-Demand Services. They have expanded their offerings and delivered innovative solutions in these sectors. One of VAYA Technologies' recent launches, 'Asset Track,' is an IoT-powered solution that has contributed to a 32% growth in connections. VAYA Technologies is committed to enhancing and optimizing products and services in these sectors, driven by a strong belief in the potential and opportunities they offer.

FINANCIAL PERFORMANCE

On the 5th of April 2024, Statutory Instrument 60 of 2024 was gazetted where the Reserve Bank of Zimbabwe issued a new currency, Zimbabwe Gold (ZiG), which replaced the Zimbabwe dollar. This report has been presented in ZWL which is the reporting currency for the year ended 29 February 2024.

The report of the Directors is based on inflation-adjusted financial statements, which are the primary financial statements. Historical financial statements have been presented as supplementary information. To comply with International Accounting Standard 29 – Financial Reporting in Hyperinflationary Economies (IAS 29) in the preparation of our financial statements, the Group estimated and applied inflation rates for the year ended 29 February 2024 based on the Total Consumption Poverty Line published by ZIMSTAT. The Directors caution users of the financial statements on the usefulness of these reported inflation-adjusted financial results, in light of distortions that arise when reporting in a hyperinflationary economy.

The results for EcoCash Holdings continuing operations exclude the businesses transferring to EWZL in line with IFRS 5 "Non-Current Assets Held for Sale and discontinued operations."

EcoCash Holdings recorded revenue of ZWL 874.7 billion for the period, a 64% increase from the prior period's ZWL 534.1 billion. Profit for the year was ZWL 287.3 billion, a 423% increase from prior year loss of ZWL 89 billion. Foreign exchange losses from debentures reduced by 40% compared to prior year following the settlement of the debentures during the year. The Group is confident that the Bank's contribution will grow next year on the back of the Bank's diversification strategy.

The loss for the year from discontinued operations was ZWL 42.1 billion, a reduction from the previous year's position of ZWL 151.6 billion due to the cost optimisation that increased operational efficiencies.

The business continues to leverage on technology to strengthen the control environment in line with the combined assurance model.

DIVIDEND DECLARATION

The Directors have decided not to declare a dividend for the period under review as they continue to assess the economic environment.

SUSTAINABILITY

The Group maintains a steadfast dedication to upholding the requirements of the Global Reporting Initiatives (GRI) Standards. This dedication aligns with internationally recognized frameworks for responsible business conduct, including the UN Global Compact's ten principles. Our commitment extends to ensuring long-term sustainability by adhering to robust environmental, social, and governance (ESG) practices. Our ESG approach is aligned with the relevant Sustainable Development Goals ("SDGs"). We are committed to sustainable development within our operating environment. As we strive for long-term business success, we persistently reinforce our sustainability practices and values throughout our operations, continuously seeking improvement.

BUSINESS OUTLOOK

Post the Scheme of Reconstruction, the Bank, which will be the remaining unit under EcoCash Holdings, is poised to drive a digital banking expansion as it invests in technologies to enhance operational efficiencies and increase the product offering to customers. These technological innovations will necessitate a parallel scaling up of the Bank's underlying systems and processes and grow shareholder value.

The businesses being transferred to EWZL post the scheme of reconstruction will leverage on the MNO customer base and technologies to scale up and increase operating efficiencies through leveraging on synergies.

APPRECIATION

On behalf of the Board, I extend heartfelt gratitude to our customers, business partners, shareholders, and other stakeholders for their unwavering support. I would also like to extend my gratitude to the EcoCash Holdings employees, management, executive team, and my fellow directors for their effort during the year under review. Their unwavering passion, commitment, and dedication has been pivotal to ensuring our continuous growth and prosperity.

On behalf of the Board



Sherree Shereni
BOARD CHAIRPERSON

24 June 2024



**Digitally
Empowering
People**

EcoCash

LIVE LIFE THE ECOCASH WAY!

A robust unified mobile payment platform that has found its feet in a world that is growing to be more digital each day.

There are over 100,000 EcoCash partners to date. The business has maintained its position as the best mobile money service.

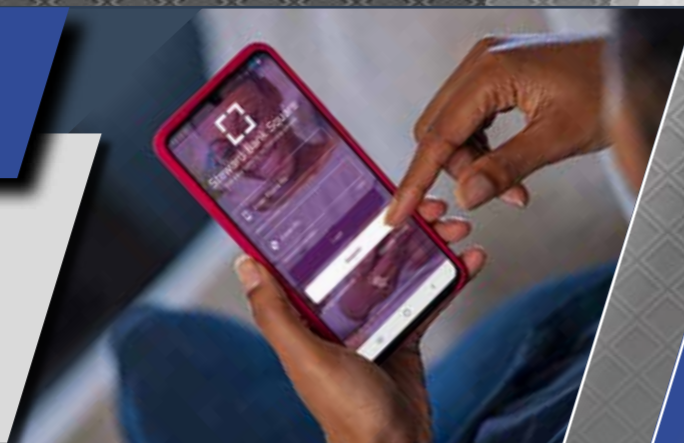
www.ecocashholdings.co.zw



Fintech

EcoCash

STEWARDS BANK



Mobile Money, Digital Banking, Payment Services, and International Remittances are all part of a unique digital transaction ecosystem. We have been able to increase financial inclusion in Zimbabwe from under 10% in 2011 to 92% of the adult population, resulting in thousands of new jobs and business prospects for a cross profile of entrepreneurs and individuals, thanks to our Fintech inclusive services.

Environmental

EcoCash
HOLDINGS ZIMBABWE LIMITED



**Digitally
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People**

Group Chief Executive Officer's Operations Review

“Our commitment to financial inclusion and digital transformation has driven our growth and reinforced our position as a leader in the digital solutions space.”

OVERVIEW

EcoCash Holdings has continued to demonstrate resilience, agility, and innovation despite the prevailing tough macro-environment. We have remained focused on delivering value to our customers, shareholders, and the communities we serve. Our commitment to financial inclusion and digital transformation has driven our growth and reinforced our position as a leader in the digital solutions space. We have expanded our product offerings, improved our digital platforms, enhanced our customer experience and build stronger relationships with all our stakeholders which will enable us to continue delivering good value now and into the future.

We are delighted to report another successful year for our company, despite the challenges posed by the local and global economic landscape. The following report highlights our key achievements, financial performance, and outlook for the coming period.

KEY ACHIEVEMENTS

- 1. Financial Growth:** EcoCash Holdings achieved a 64% increase in revenue compared to the prior year. This growth is attributed to several key initiatives which included growth in our customer base, expansion of our distribution, significant inroads into the informal sector and continued refinement of our customer experience.
- 2. Product Innovation:** We launched several new products and features, including re-introduction of KaShagi, the micro-loan product in USD, EcoSure "Airtime Cover," a unique bundles product that bundles airtime and data purchases with life insurance cover, Asset Track, an IoT-powered solution for tracking assets. Key product enhancements for the period include mobile wallet enhancements, international remittances, micro-insurance bundled offers and the bank's POS network and agent portals which supports the agency banking model. These innovations and enhancements have further strengthened our value proposition and provided greater convenience and accessibility to our customers.

- 3. Partnerships:** The short-term insurance business, Moovah, forged strategic partnerships to enhance the efficiency of insurance claim resolutions, particularly for vehicles. The number of customer touch points for vehicle insurance has increased from 150 to 250 by the end of FY24, resulting in an increase of our market share. The goal is to provide exceptional service standards and convenience for our customers, with partnerships benefiting key sectors such as mining, manufacturing, tourism, and agriculture.

FINANCIAL PERFORMANCE

Despite the challenging macro-environment, EcoCash Holdings achieved strong financial performance in the past financial year. Key highlights include the following,

- **Revenue:** ZWL 875 billion for the period, a 64% increase from the prior period's ZWL 534.1 billion
- **Net Profit:** Profit for the year was ZWL 287 billion, a 423% increase from prior year loss of ZWL 89 billion

We are proud of this growth, which was driven by improved activity on our platforms, in particular the mobile money business whose growth was accelerated by increased activity on the USD wallet, which volumes grew by 2,431%. Our drive to serve the informal market through distribution expansion and product awareness also significantly contributed to our success.

SUSTAINABILITY

At EcoCash Holdings, we are committed to integrating digital and sustainable business practices into our operations. We achieve this by adhering to robust ESG practices that are aligned with internationally recognized frameworks like the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB) guidelines. Upholding the ten principles of the UN Global Compact (UNGC) further reinforces our commitment to responsible business conduct.

Mr Eddie Chibi
GROUP CHIEF
EXECUTIVE
OFFICER



Profit for the year was
ZWL 287 billion,
a 423% increase from
prior year loss of ZW\$ 89 billion

Innovation
enhancements have further
**strengthened our
value proposition and
provided greater
convenience and
accessibility**
to our customers.

Group Chief Executive Officer's Operations Review (continued)



Financial inclusion is a cornerstone of our sustainability strategy. We are proud to announce reaching 8.35 million subscribers in FY24, empowering individuals and communities with access to essential financial services. This progress contributes to the UN Sustainable Development Goals (SDGs). We are also actively committed to promoting gender equality within the financial ecosystem, seeing a rise in female users and those utilizing merchant payments. This dedication reflects our commitment to SDG 5 for gender equality, and we remain dedicated to bridging the gap and fostering a more inclusive financial landscape. We view sustainability as a continuous journey, actively seeking feedback from our stakeholders and refining our practices to ensure long-term environmental and social responsibility.

LOOKING AHEAD

Looking ahead, we remain committed to driving innovation and growth of our business. Our key focus areas for the coming financial year include;

- Product innovation and enhancement
- Product bundling, cross selling and up-selling
- Ubiquitous distribution for our products and services
- Customer experience enhancements and focus
- Investment in technology infrastructure and security
- Strengthening partnerships and collaborations

We are confident that these strategies will position our

business for sustained success and enable us to deliver on our mandate.

CONCLUSION

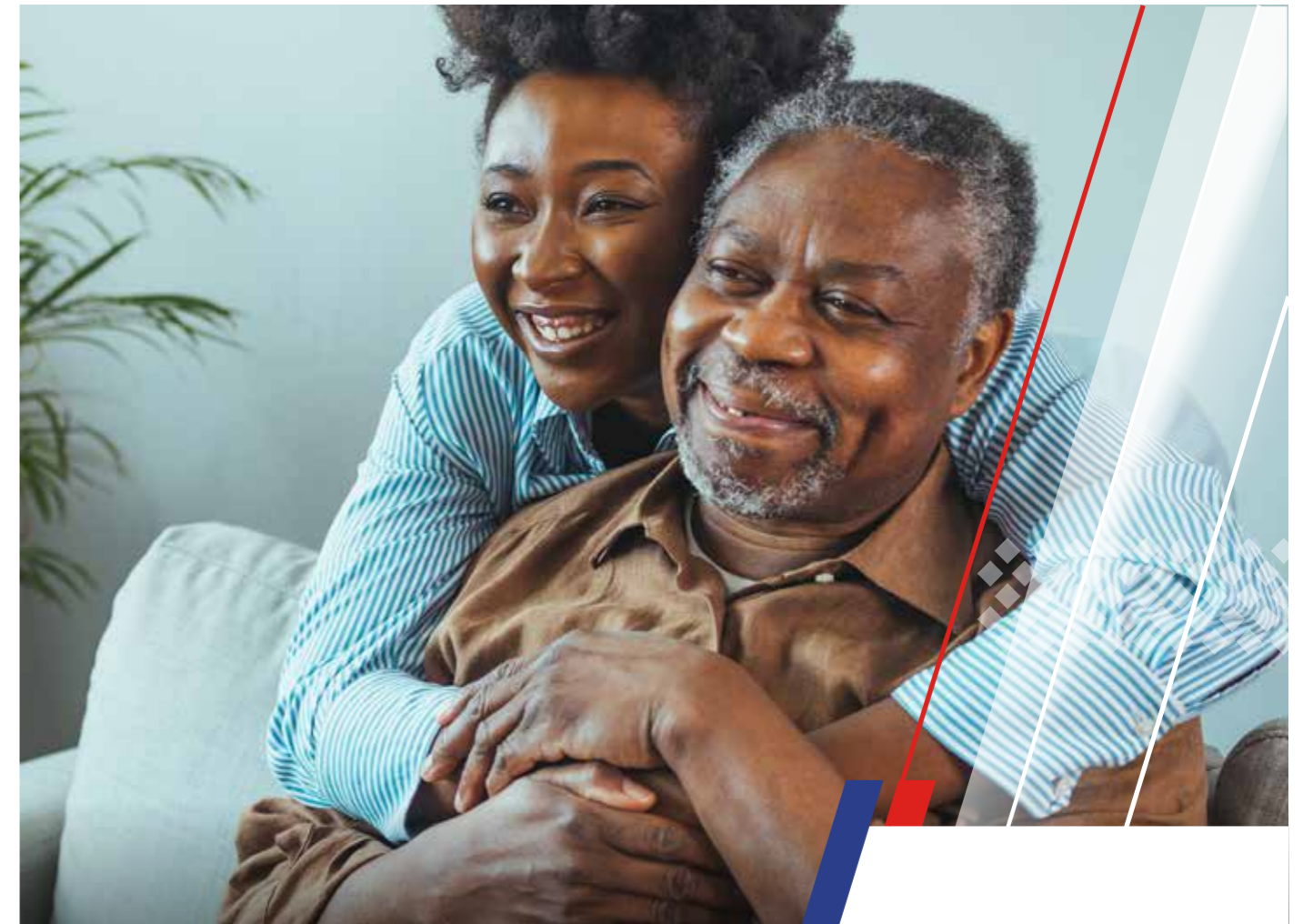
While the macroeconomic environment remains unpredictable, we are confident of sustained growth in the business into the coming year. Being a well-diversified group positions us to take advantage of several opportunities in our market to drive business growth and profitability. The resilience that the business has exhibited in the past year is expected to prevail, and as we continue to navigate the environment with agility, we are confident we will continue building a business that our teams, customers, industry and communities will be proud of. We have entered the new financial year with a lot of hope, determination and impetus to develop digital solutions and deliver on our promise.

On behalf of the management team, I wish to extend my sincere gratitude to our customers, employees, board members, and shareholders for their trust and support in our ability to grow and build this business further. The dedication of our team, the loyalty of our customers, and the support of all our stakeholders remains pivotal to our success.

On behalf of the Board

Eddie Chibi
GROUP CHIEF EXECUTIVE OFFICER

24 June 2024



EcoSure

**Digitally
Empowering
People**

FUNERAL, ACCIDENT AND HOSPITAL COVER

For millions of Zimbabweans, the pain of losing a loved one is compounded by the difficulty of finding means to provide a dignified funeral. Our funeral cover, as a micro-insurance product, is low-cost, with premiums as low as USD 0.75 cents per month, and is meant to include the previously excluded. The digital platform has enabled us to on-board marginalized rural communities either as individuals or as groups. The business works with a partner network of service providers linked through our digital platforms.

www.ecocashholdings.co.zw

Company Overview

EcoCash
Mobile Money

STEWARDS BANK
Digital Banking



FINTECH

EcoCash Holdings Zimbabwe Limited (EHZL) is a diversified digital solutions group with a mandate to pioneer socio-economic development and improve the overall quality of life for Zimbabweans through the provision and usage of digital solutions. As an organisation, we take pride in developing approaches and formats that enable us to implement digital applications to meet the needs of all our clients, which range from individuals to businesses and to government agencies.

In our quest to transform, we envision a future where our digital solutions are ubiquitous, positively impacting the lives of all Zimbabweans, including the previously excluded. Since its inception, EcoCash Holdings Zimbabwe has undergone a transformative evolution that has provided the basis for the expansion of a full-fledged smart technology company.

To counter everyday challenges, the company leverages new opportunities through innovative, inclusive, stable, and reliable digital solutions. As of now, the group's portfolio is made up of the following diversified businesses which are Fintech, Insurtech and Digital Platforms.

FINTECH

The Fintech business provides a broad spectrum of digital transaction services such as Mobile Money, Digital Banking, Payment Services, and International Remittances. The provision of these services have made it possible to raise financial inclusion from below 10% in 2011 to over 92% of the adult population in Zimbabwe in 2023. Moreover, it is now possible for the young age groups from nine years to 17 years to transact using the Junior Wallet which is in support of the theme digitally empowering people.

EcoCash

EcoCash is an innovative mobile payment solution that enables Econet customers to perform financial transactions such as buying airtime and data bundles, sending money, receiving money, and paying for goods and services. EcoCash also has the USD Wallet which enables customers to transact using USD currency. Customers can access both USD and local currency services using the EcoCash App as well. All these services have promoted a cashless society with an advantage of accessing the mobile money platform via either USSD or the EcoCash application.

Services Offered By EcoCash Include:

VCN Payments

Virtual Card Number (VCN) allows customers to make MasterCard payments. This option allows an individual to generate the Virtual Card Number (VCN) which is valid for one year, and it allows 3D secure payments to be made on an international platform. This service has greatly benefited customers as their VCN accounts also act as a MasterCard

connected to their EcoCash USD wallet account, allowing transactions on all MasterCard-enabled rails.

Banking Services

EcoCash has bi-lateral integrations with all banks in Zimbabwe, and a secondary link through the national switch enables customers to move funds from their bank account into the wallet and vice versa. This service allows customers to access their EcoCash accounts 24 hours a day locally or internationally if they are roaming on an Econet line which is registered for EcoCash. Service enables EcoCash subscribers to move USD and ZWL in and out of the banks and provide the much needed convenience.

EcoCash Kashagi

EcoCash reintroduced Kashagi loans in USD, reaffirming its commitment to providing accessible financial services to its customers. Accessing Kashagi loans is easy and hassle-free through the EcoCash platform. Qualifying EcoCash customers with a good track record of transactions can apply for these loans conveniently from their mobile devices, eliminating the need for extensive paperwork and long waiting periods. The process is user-friendly, ensuring that individuals can access funds when they need them the most. To access the 30-day loan, customers simply dial *151*6# and select the desired loan amount. The funds will be instantly credited to their EcoCash wallet, ready for immediate use.

EcoCash Diaspora

EcoCash Diaspora was created specifically to cater for people that are in the Diaspora who wish to send money to friends and loved ones back in Zimbabwe. EcoCash has partnered

with remittance companies such as World Remit, Sasai money transfer, Thunes and Western Union which offer convenient ways of sending money from abroad.

Merchant Payments

This payment method allows suppliers to receive payments for goods and services from customers. EcoCash has partnered with the major retailers, hardwares, fuel stations, credit stores to facilitate payments.

Payroll and Bulk Payment

This option allows any organisation to act as a bulk payer and make bulk transfers of money to recipients using the EcoCash platform as a channel. This function is ideal for payroll administration and has been utilised for social and pension payouts as well as payment of contract farmers. In the FY24 tobacco season, EcoCash partnered with tobacco companies to disburse funds to over 10k smallholder farmers.

Steward Bank

The bank is driving digital innovation through the promotion of Artificial Intelligence (AI) powered chatbot "Batsi". Batsi is a virtual assistant for bank customers. Our key offerings include the versatile Visa Globetrotter payment card, POS Devices supporting SMEs and corporate clients, a mobile banking solution empowering individuals and businesses on-the-go, a robust internet banking platform accessible 24/7, convenient Bill payments through digital channels, and digital Nano loans for immediate financial needs. Our diverse product portfolio serves individuals, small businesses, and corporate entities, contributing to financial inclusion and driving local economic growth.

Company Overview (continued)

Maisha
Health Fund
Medical
Insurance

EcoSure
Micro
Insurance

Moovah
Short Term
Insurance



VAYA
MOBILITY
On-Demand
Mobility Service

VAYA
SERVICES
Digital asset tracking
solutions, IoT solution
applications

VAYA
DIGITAL FARMER
Mobile Farming
Platform

INSURTECH

VAYA TECHNOLOGIES LIMITED (VTL)

INSURTECH

EcoSure

Launched in 2014, EcoSure Funeral Cover was developed with an aim to leverage on technology to drive insurance penetration and lowering premiums through digitalising the on boarding process and automating premium collections. EcoSure has affordable packages that cater to individuals from all socioeconomic backgrounds. Premiums are conveniently paid via EcoCash through a monthly automatic debit order system. Additionally, one can also initiate payment for other EcoSure subscribers through a facility known as auto sponsor premium payment. This mobile funeral cover plan allows Zimbabweans to prepare for unforeseen circumstances. EcoSure funeral cover caters for all groups of people, and it provides a platform for this through Burial Societies, Companies, Families, and individuals. The product lines include:

- Funeral Assurance
- Life Assurance
- Educational Insurance

Moovah

This brand provides mobile phone-based vehicle insurance, offering convenience, ease of use and efficient claims pay out. Moovah's tagline is "Your Cover on the Go," which gives an insight into the unique selling point of the brand. This service can be accessed through USSD code *901# which allows an individual to pay vehicle insurance. Moovah also provides all other non-motor insurance products like, Home, Travel, Crop, Fire and Engineering.

Maisha Health Fund

Aims to provide flexible health insurance options catering to individuals, businesses, Small and Medium scale Enterprises (SME's), universities, and schools. This allows for affordable premiums from as low as USD 5 per month.

VAYA TECHNOLOGIES LIMITED (VTL)

VAYA Logistics

This brand leverages on Research and Development to assist in building a digital economy within the transportation of goods and services, including agricultural produce, people, water, e-Commerce, healthcare, and education space.

Maisha Digital Health

Maisha is a digital personal health assistant that connects patients, doctors, laboratories, dentists, pharmacists, clinics, hospitals, and other health service providers on an integrated mobile platform. The Maisha Medik application provides medical information through Maisha Health Tips, Dial-a-Doc, and Symptom Checker with the objective of improving access to healthcare. This empowers users to holistically manage their health by providing services such as advice, diagnosis, treatment, monitoring and promoting people's overall wellbeing.

MARS

Medical Air Rescue Services (MARS) is a critical emergency medical service that has been operating in Zimbabwe since 1991. It provides air and ground ambulance services, as well as comprehensive training programs in emergency care. MARS operates 10 bases across Zimbabwe, with a fleet of air and road ambulances.

VAYA Digital Farmer (VDF)

VAYA Digital Farmer is a mobile farming platform that was launched in 2013. The platform addresses challenges faced by farmers in Zimbabwe's agricultural sector such as mechanisation, warehousing to logistics, fragmented markets, low yield, and post-harvest losses. An estimated 67% of the population are involved in agriculture. These services are provided to small scale-farmers, large-scale farmers and farmer organisations. For one to register on VDF they can easily dial *144# and follow through the steps.

VAYA Mobility

This is a ride hailing platform that has undertaken the initiative to utilize green energy by making use of electric vehicles in its fleet.

VAYA Services

VAYA Services platforms provides the tools and technologies needed to seamlessly build robust, easy-to-use IoT solutions and augmented reality (AR) experiences that leverage data from smart, connected products and operations to drive innovation.

Akello

Akello is a pioneering Edutech unit dedicated to transforming education. Its mission is to enhance educational outcomes by providing access to innovative, tech-based learning platforms and materials. We envision a future where every young person can learn and thrive, regardless of their location, with the freedom to access quality education anytime, anywhere.

Corporate Memberships and Associations

EcoCash Holdings Zimbabwe Limited is a member of various national associations and organisations that contribute towards business continuity, business improvement and sustainability. Our corporate memberships and associations are essential to our business's success. They provide us with access to valuable resources, networking opportunities, and industry insights. By engaging in these organisations, we can stay up to date on the latest trends, collaborate with other businesses, and advocate for our industry's interests.



Institute of Directors



Institute of People Management of Zimbabwe



Zimbabwe Medical Association



Insurance Council of Zimbabwe



Marketers Association of Zimbabwe



Confederation of Zimbabwe Industries



Bankers Association of Zimbabwe



The Chartered Institute of Marketing



The Institute of Chartered Accountants of Zimbabwe



CFA Institute



Zimbabwe National Chamber of Commerce



Project Management Institute



Association of Chartered Certified Accountants



Zimbabwe Institute of Tax Accountants

Awards and Recognition FY24

The business won the following awards in the period under review:



AWARDING INSTITUTION

Top Companies Survey 2023

AWARD

- Top Life Assurer - Top Companies Survey 2023

AWARDING INSTITUTION

Marketer's Association of Zimbabwe (MAZ)

AWARD

- 2nd Runner Up - Funeral Services and Assurance Sector



AWARDING INSTITUTION

Marketers Association of Zimbabwe

AWARD

- 2nd Runner Up in the Banking Sector for Superbrand 2023



AWARDING INSTITUTION

Customer Service Excellence Contact Centre Association of Zimbabwe

AWARD

- Winner - Service Excellence Awards



AWARDING INSTITUTION

Institute of Corporate Governance Zimbabwe

AWARD

- Zimbabwe Corporate Governance Excellence Awards - Best Use of Technology

AWARDING INSTITUTION

ESG Network Zimbabwe

AWARD

- Outstanding - Financial Inclusion Initiatives Award



AWARDING INSTITUTION

Marketers Association of Zimbabwe

AWARDS

- 2nd Runner Up - Best TV Advert for 2023

Maisha Health Fund/MARS

- Best - Television Commercial Award



AWARDING INSTITUTION

Marketers Association of Zimbabwe

AWARD

- Best - Promotional Campaign of the Year: Chakachaya

New Products and Services Launched - EcoCash



Do So Much More

Campaign
Campaign aimed at showcasing all you can do with the USD wallet.



EcoCash 3D Secure Debit Card

Campaign
Product innovation aimed at increasing security when making international transactions with the EcoCash Debit Card



Chakachaya EcoCash

Promotion
Promotion aimed at increasing usage of the USD wallet



Zvakabhadhara neEcoCash

Campaign
Product aimed at simplifying Xpress payments, Automatic monthly payments, Real time bill payments, Buy airtime / bundles and Check account balance.



Instant Kashagi USD Loans

Campaign
New product aimed at promoting financial inclusion for all through provision of short term loans



Pocket Double

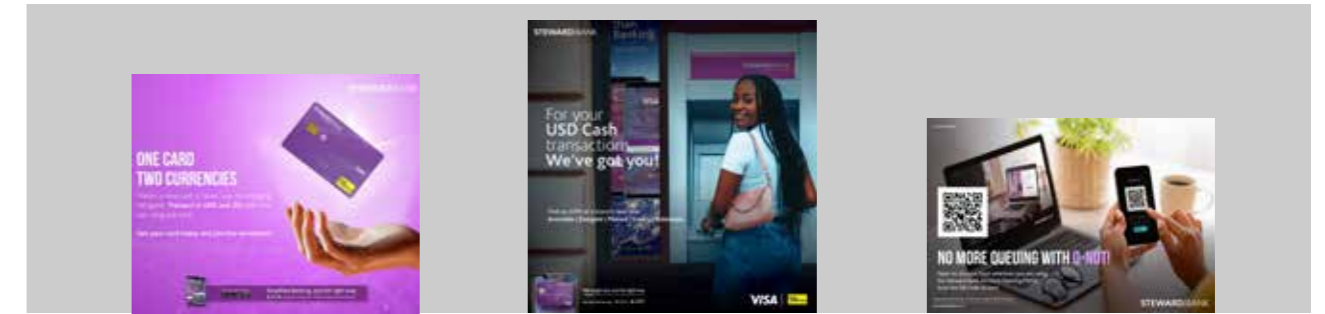
Promotion
Campaign aimed at promoting International Remittances



EcoCash-EcoSure Payroll Bundle

Campaign
Product aimed at ensuring corporates sign up for EcoCash Payroll for their employees. Free funeral cover offered to registered staff.

New Products and Services Launched - Steward Bank



Multi-currency Card

Product:
FCA Card
FCA enabled Debit Cards

Sustainability Impact

Industry innovation and infrastructure

7,426 Clients have activated their cards

Smart ATMs

Product:
ATMs
Smart ATMs for USD cash withdrawals

Sustainability Impact

Improvement of financial literacy and reduced inequalities.

5,605 Transactions since launch

Q-Not

Product:
Online Account Opening
Online account opening platform

Sustainability Impact

Financial inclusion and reduced inequalities.

USD 35,000 Revenue since launch.



Kashagi USD Portfolio

Product:
Kashagi Loans
Micro loans issued through the EcoCash Platform and are payable within 1 month.

Sustainability Impact

Improvement of financial literacy and reduced inequalities.

USD 96,000 Revenue for both Payroll and ZESA Kashagi



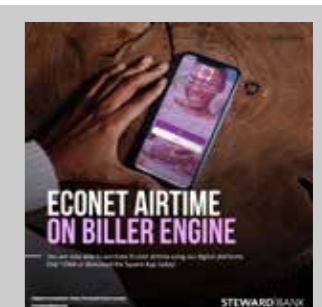
FCA Banking Services

Product:
Bank to Wallet USD
Bank to wallet and wallet to bank transactions

Sustainability Impact

Financial inclusion and reduced inequalities.

USD 175,000 Revenue realised.



USD Billers

Product:
USD Airtime
Purchase of USD airtime using the Banking mobile app.

Sustainability Impact

Financial inclusion and reduced inequalities.

USD 165,000 Revenue generated.



Insurtech



Funeral, Motor, Non-motor, Education, and Health are all covered by our unique and inclusive technology driven solutions. Our services are provided through a non-traditional, creative approach that allows us to offer affordable insurance premiums by leveraging the mobile network services and the mobile wallet.



**Digitally
Empowering
People**



ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) PERFORMANCE



EcoCash
HOLDINGS ZIMBABWE LIMITED

*Your diversified
digital solutions
group*

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Stakeholder Management







The business believes that active listening and collaboration are key to sustainable success. That is why stakeholder engagement is at the heart of our approach. We recognise that strong relationships with our stakeholders – those who influence or are affected by our actions – not only enhance our competitive edge but also help us mitigate risks and identify opportunities for mutual growth. Therefore, we meticulously identify and engage with stakeholder groups critical to our operations. This includes those with significant social, environmental, or economic influence on EHZL, as well as those directly impacted by our decisions.

Our commitment to transparency fuels our comprehensive stakeholder engagement strategy. We maintain an annual stakeholder engagement plan, meticulously crafted by all divisions, to ensure consistent and effective communication throughout the year. This plan outlines various channels – from annual reports and shareholder meetings to open forums and social media – to keep stakeholders informed





about our products, services, challenges, and resolution processes.

In addition to information sharing, we actively embrace dialogue through focused discussions and feedback mechanisms. This allows us to proactively address potential concerns, discover potential conflicts, and identify new avenues for development. We ensure all voices are heard by offering various platforms for feedback, minimizing barriers to communication, and even providing a dedicated whistle-blower policy for confidential reporting. Stakeholder feedback informs not only issue resolution but also shapes our operational decisions and future strategies. We regularly share our progress through interim reports, annual general meetings, and other avenues, fostering trust and transparency. This open communication is vital in building a collaborative ecosystem that propels both EHZL and our stakeholders towards a shared, sustainable future.

EcoCash Holdings Stakeholder Engagement Review

STAKEHOLDERS	ENGAGEMENT FOCUS	OUTCOMES
 <p>Government and Regulators</p>	<p>Maintaining strong relationships with government bodies and regulators is essential for our business operations. In the past financial year, we actively engaged with the government and key regulators who include the Reserve Bank of Zimbabwe (RBZ), Insurance and Pensions Commission (IPEC) and Zimbabwe Stock Exchange, through regular meetings, electronic correspondence, and compliance reporting. We work closely with regulators to ensure compliance across all EcoCash Holdings group entities. Our regulators remain pivotal in developing and enforcing industry frameworks, ensuring robust risk management, customer protection, and approvals of product innovations. Our relationship and engagement efforts with government and key regulators, has helped us develop a regulatory environment that supports innovation and is an enabler to EcoCash Holdings operations.</p>	<ul style="list-style-type: none"> • Participation in policy formulation • Partnership for national sustainable development • Regulatory compliance • Approvals of all new products, tariffs, and transaction limit reviews • Drive financial and social inclusion
 <p>Customers</p>	<p>The customers are central to our business, and we are committed to providing them with exceptional experiences and innovative solutions. This included the deployment of AI driven virtual assistants to increase efficiency. Engagement efforts have centered around new product awareness, customer support and taking customer feedback on their product and service experience. The business focused on understanding our customer's evolving needs through customer surveys, feedback sessions, and market research. In response, we aimed at developing user-friendly innovations, enhanced support channels as well as expanded our service offerings to meet emerging demands. Independent customer insight surveys were conducted to improve customer experience as we tracked the Net Promoter Score, Customer Effort Score and Customer Satisfaction scores.</p>	<ul style="list-style-type: none"> • Feedback and insights for enhancing customer experience • Access and affordability of products and services • Drive revenue
 <p>Suppliers</p>	<p>Suppliers play a crucial role in our ability to deliver reliable services. The organization established strong partnerships with suppliers who share our commitment to ethical practices, quality, and sustainability. In the past year, through regular engagements, assessments, and collaboration, we were able to build good relationships with our suppliers and ensured procurement of products and services within agreed Service Level Agreements.</p>	<ul style="list-style-type: none"> • Efficient, cost-effective, sustainable supply chain • Cost optimization • Adherence to contractual Service Level Agreements. • Timely payment for goods and services
 <p>Employees</p>	<p>Our employees are the backbone of our organization, and we prioritize their well-being, professional development, and job satisfaction. In the past year, we focused on professional growth. The business partnered with training institutions to provide Management, Supervisory and Executive Development Programs. Cyber Security Awareness training, Wellness training and Learning Management Systems were provided for all staff. Opportunities were provided for training, upskilling, and career development, enabling our employees to reach their full potential. Feedback was obtained through the annual Louis Allen Worldwide Engagement Survey (LAWES) and the organization implemented several initiatives to promote work-life balance, engagement, and retention. We value the establishment of a conducive work environment that fosters motivated and engaged staff who are instrumental in delivering superior services and driving the company forward.</p>	<ul style="list-style-type: none"> • Rewarding career opportunities, learning and growth • Training and development to improve skills and execution. • Promote a healthy work-life balance. • Motivated and engaged staff • Staff alignment to business objectives • Talent retention

EcoCash Holdings Stakeholder Engagement Review (continued)

STAKEHOLDERS	ENGAGEMENT FOCUS	OUTCOMES
 Shareholders	Shareholders open and transparent communication was maintained through regular engagement via annual general meetings, quarterly trading updates, quarterly Board meetings and extraordinary general meetings. Keeping shareholders well informed is a key priority that not only keeps the business accountable and transparent, but also enhances shareholders confidence on the business's profitability and long-term sustainability.	<ul style="list-style-type: none"> • Return on investment • Investment for growth and expansion • Updates on business performance, accountability, and transparency • Enhanced shareholders confidence, on the business's profitability and going concern
 Media	We recognise the media's role in shaping public perception and providing accurate information on EcoCash Holdings's operations. Active engagement of the media through media briefings, press releases and interviews was conducted to ensure timely and accurate reporting. Open communication, transparency, and responsiveness to address inquiries, correct misconceptions, and share our achievements and initiatives with the wider public was implemented.	<ul style="list-style-type: none"> • Open, transparent dialogue • Fair coverage and distribution of the EHZL story • Release of public information e.g., Annual Reports, Trading Updates and Financial Publications. • Brand equity building and reputation management
 Industry/ Business Partners	Collaboration with industry and business partners is vital to our growth and success. We have actively sought partnerships and alliances with organisations that share our vision and complement our services as well as engaged to update industry players on the group's operations, products, services, and key developments. Through industry associations, we have been able to lobby on key business and economic matters which affect EcoCash Holdings business segments.	<ul style="list-style-type: none"> • Lobbying on key business and economic matters through industry associations. • Reliable partners and platforms for efficient service delivery • Revenue, joint venture/innovation opportunities
 Communities and Local Authorities	Making a positive impact on the communities we serve is key and our interests include giving back to the community, responsible roll-out of products/services, social responsibility to invest and positively impact the community. The business supports projects that promote financial inclusion, economic empowerment, environmental sustainability, and social well-being. By engaging with local authorities and communities, we aim to strengthen community relationships, build trust, increase brand awareness, and responsibly operate in the community.	<ul style="list-style-type: none"> • Community development and transformation • Social responsibility to invest and positively impact communities • Responsible roll-out of the group's products/services • Social license to operate



Mrs F. Gandiya
GENERAL MANAGER
SUSTAINABILITY

Message from the General Manager Sustainability

As we look back on the previous reporting period, Environmental, Social, and Governance (ESG) principles shaped our business landscape. With the growing awareness of ESG risks and the increasing focus on sustainability, EcoCash Holdings Zimbabwe Limited (EHZL) has remained dedicated to implementing programs that adhere to responsible business practices and accountability. Our ongoing commitment involves promoting sustainable development, supporting local communities and upholding ethical standards in all our digital empowerment efforts. We focused on harnessing digital and financial technologies to cultivate shared economies, facilitate economic empowerment, drive financial and social inclusion, being resolute on our mission to create enduring positive impacts through "Digitally empowering people".

As part of this endeavour, we have diligently integrated ESG considerations into our operations and business strategies. We then tracked identified ESG KPIs to gauge our performance against targets set.

Understanding the crucial role of stakeholders in our success, addressing their needs has been a central focus within our ESG framework. By leveraging innovative technologies and digital platforms, our Fintech has revolutionized the way individuals access and manage their finances, particularly in underserved communities. Through its user-friendly mobile payment services and digital wallets, EcoCash and Steward Bank have made financial services more accessible to a wider population, including those who were previously unbanked or underbanked. This has not only increased financial literacy but has also empowered individuals to participate more fully in the

economic ecosystem. EHZL's commitment to expanding financial opportunities through Fintech is evident in its continuous efforts to bridge the gap between traditional banking services and the unbanked, ultimately fostering greater financial inclusion and economic empowerment.

Furthermore, EHZL advanced social inclusion through digital empowerment, with a particular focus on Health-tech and Insure-tech. Through the innovative use of digital platforms, EcoCash Holdings drives accessibility to affordable insurance solutions, thereby dismantling barriers to financial security for marginalized communities. The vulnerable populations can readily access essential insurance and health services, contributing to the creation of resilient communities. By harnessing digital technology for social good, EcoCash Holdings is actively driving positive change in advancing financial inclusion and fostering a more inclusive society for all. Our efforts to promote inclusivity and empower women in the country's financial ecosystem saw an increase in female customers from 44% to 45% in FY24.

Notably, we have conducted human rights trainings to ensure that our operations are not complicit in human rights issues. The establishment of a Human Rights Policy underscores EcoCash Holdings's commitment to respecting and protecting human rights within its sphere of influence, aligning with global expectations for responsible business conduct. We focused on cultivating an inclusive working environment, advancing gender equality, and supporting female representation across our organisation. The percentage of women promotions into supervisory roles increased from 40% in FY23 to 56% in FY4.

Message from the General Manager Sustainability (continued)

One of our important supply chain initiatives this year was the Meet the Buyer event, where we collaborated with the Women-Owned Businesses Trust to provide a platform for women-owned enterprises within our supply chain. The success of this event, attended by eighty-seven (87) guests, reflects our dedication to promoting diversity, sustainability, and broader socio-economic goals. Our Board's Environmental, Social, and Governance Committee has continually supervised our sustainability performance, guaranteeing that our actions are strong and in harmony with integrity.

We are unwavering in our responsibility to improving our operational footprint, accelerating sustainable solutions, and transparently documenting our progress. Recognizing the growing significance of conversations around corporate accountability and sustainable development, we paid attention to tracking our contribution to the Sustainable Development Goals.

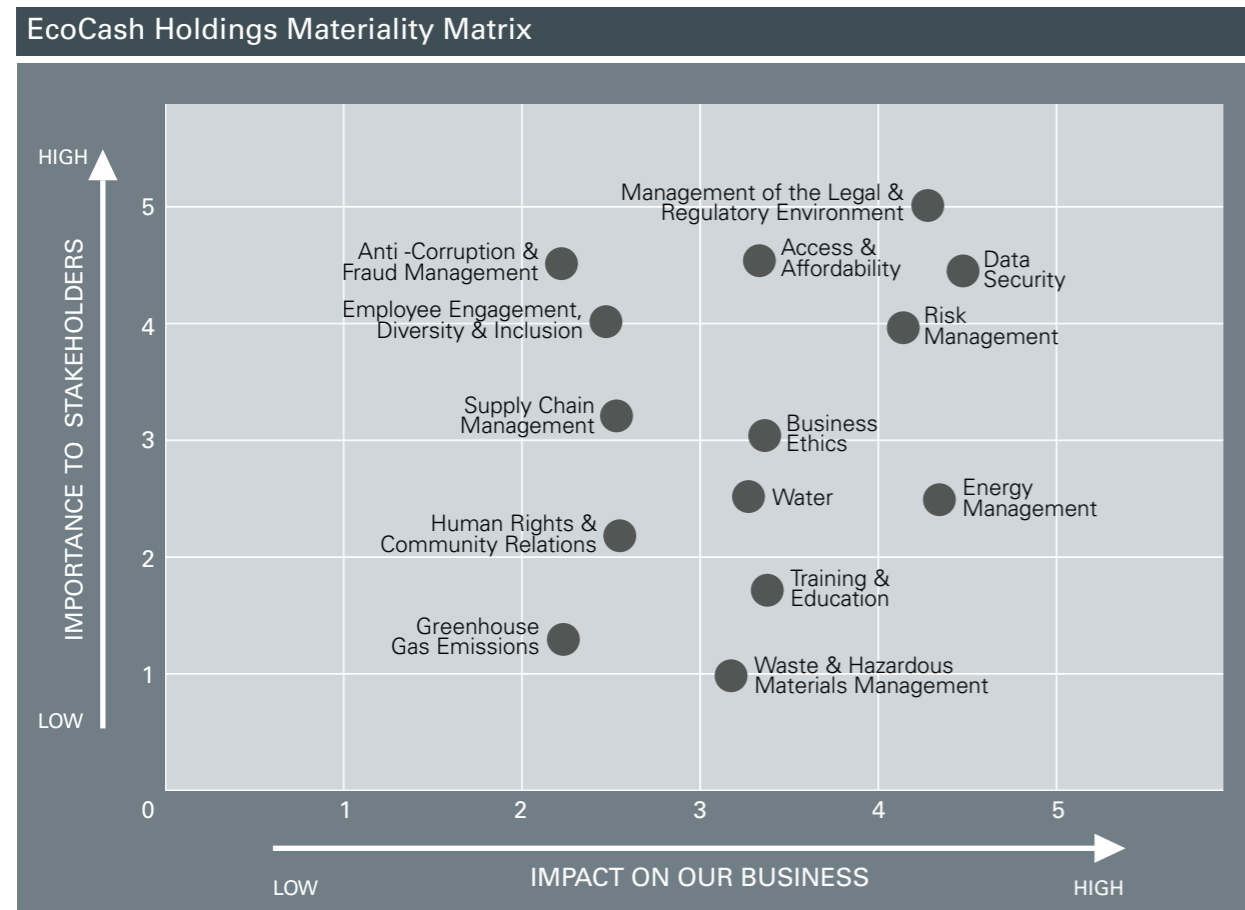
Environmental Social Governance Framework

The emergence of ESG as a key business factor has seen its move into an inextricable part of how we do business in EHZL. Our ESG strategy is based on a comprehensive framework that is organised into five key sustainability dimensions which

are Environment, Human Capital, Social Capital, Leadership and Governance and Business Model and Innovation. These inform the business strategic objectives and Key Performance Indicators which in turn show our impact on SDGs and our sustainability footprint.

ESG Materiality Matrix

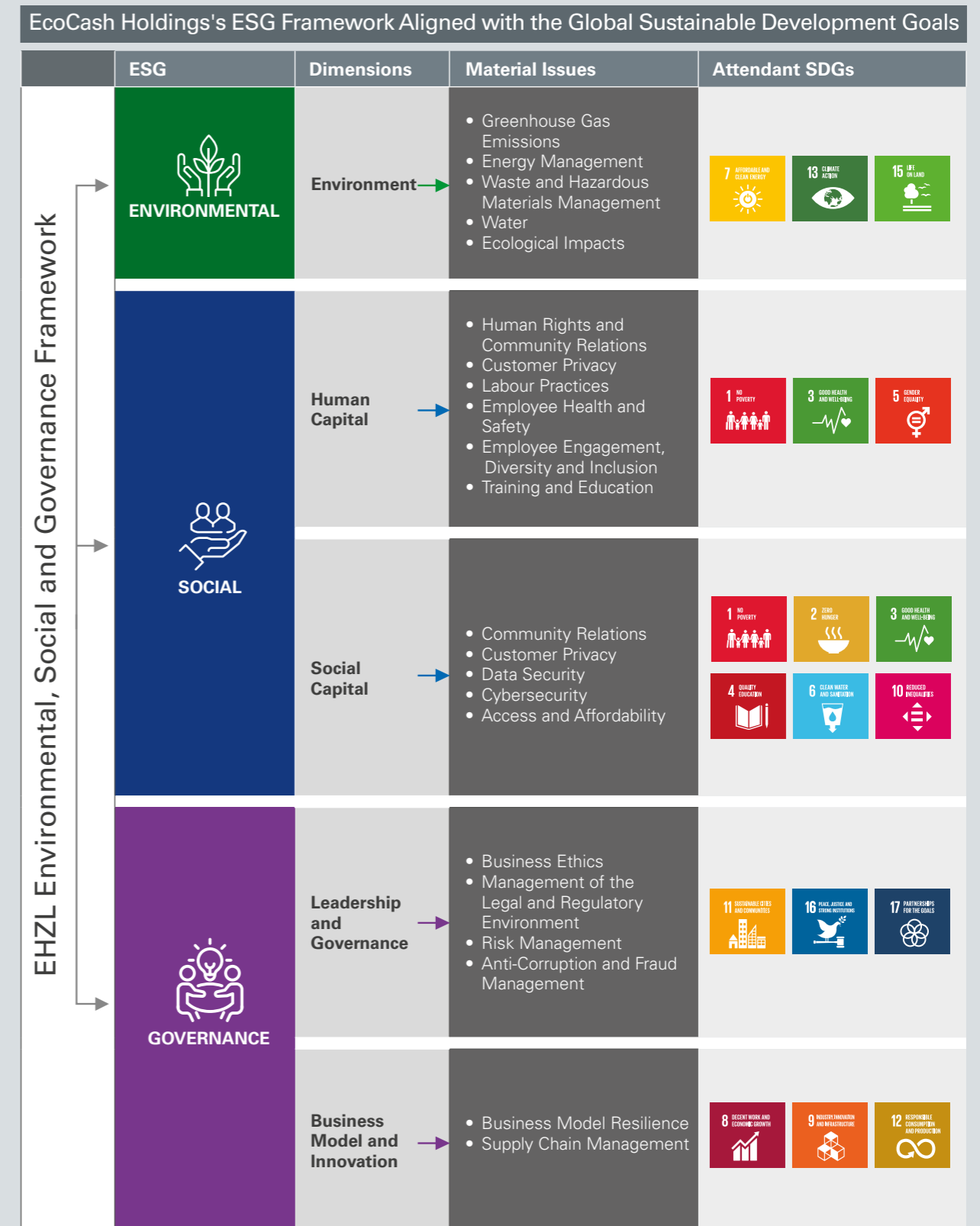
Our ESG materiality assessment identifies the most relevant or material topics from a Sustainability perspective. These are the areas that the business tracked and managed throughout the year to enhance and measure our sustainability footprint and impact. Concentrating on these material topics allowed us to reduce overall business risk and improve business alignment to key ESG principles. In arriving at the material ESG topics highlighted in this report, we considered our group business model and the nature of the operations of the constituent business units to determine the actual and potential impacts that the collective group might have on the economy, the environment, and the society. Key stakeholders comprising staff, regulators, customers, top management and ESG subject matter experts were consulted to appraise the materiality of each identified material topic as it relates to the business impact to our key business partners and external stakeholders.



Participation in the United Nations Global Compact (UNGC)

The organisation enhanced its ESG tracking, benchmarking, and reporting by utilising a range of toolkits and sustainability training materials available to it as a UNGC participant.

Our Environmental, Social and Governance Approach



Our Impact on the UN Sustainable Development Goals and Targets

THE GLOBAL GOALS



At EcoCash Holdings, we recognise the significant impacts our operations have on the economy, environment, and people, including their human rights. We take full responsibility for managing these impacts ethically and transparently. Sustainability guides every decision we make; from the technologies we develop to the partnerships we forge. We are deeply committed to contributing to the UN Sustainable Development Goals, working tirelessly to make the world a better place.

The organisation appreciates that innovative technology can be a powerful force for good, driving progress towards a more sustainable future. Hence there is dedication to using our platform to digitally empower communities, protect the environment, and promote inclusive economic growth. Together, we can build a brighter tomorrow, one digital transaction at a time.



- **+90 Tonnes** VAYA Fresh fruits/vegetable products delivered.
- **+30,000 Hectares** tilled by VDF since launch.
- **65ha** Contract Farming (Potato) piloted by VDF.
- **+4 million** Bulk SMSs distributed to farmers (in partnership with NGOs & agribusinesses).

2 ZERO HUNGER **SDG 2- Zero Hunger**



3 GOOD HEALTH AND WELL-BEING **SDG 3- Good Health and Well-being**

- **617** Clinical and auxiliary staff trained in emergency obstetric and newborn care. Maternal Care.
- **1,115,330 million** Maisha Health Tips subscribers.
- **0.3 million** Subscribers to mental health education tips.
- **1.1 million** People reached with Cholera Awareness information (Cholera Elimination Secretariat: CES).

- **51,000** Students on Akello digital learning platform.
- **1,250** Extension officers trained through HLF.
- **11,000** Primary and Secondary school fellows assisted through the HLF Capernaum Scholarship.
- **1,500** ECD HLF teacher training for teachers, which benefitted **> 90,000** students.
- **18%** ZIMSEC O-level pass rate increase recorded by HLF from **29%** in 2022 to **47%** in 2023. This was higher than the national average, which stood at **29%**.
- **3,050** Students have received Joshua Nkomo Scholarships to date.
- **6,929** Students Trained at MARS Training Academy.
- **1.71** Average learning hours per employee.

4 QUALITY EDUCATION **SDG 4- Quality Education**



5 GENDER EQUALITY **SDG 5- Gender Equality**

- **43%** Female Employees.
- **45%** Financial Inclusion for Females on EcoCash.
- **37%** Promotions were women into supervisory roles.

- **12,048** Zama Zama Sole Trader Accounts.
- **7,758** Zama Zama Business Current Accounts.
- **3,153** Domestic Transactions
- **USD 599,598.64** Value of Domestic Remittances.
- **8.6 million** Transactions on the Bank mobile platform.
- **468,711** Volumes of Kashagi loans paid out.
- **ZWL 23.4 billion** Value of Kashagi loans paid out.
- **699,788** Low-cost accounts.
- **+1 million** Steward Bank Total Accounts.
- **USD 19.81 million** Lending to Agricultural Sectors.

8 DECENT WORK AND ECONOMIC GROWTH **SDG 8- Decent Work and Economic Growth**



11 SUSTAINABLE CITIES AND COMMUNITIES **SDG 11- Sustainable Cities and Communities**

- **ZWL 9.4 billion** EcoSure Investment in Community Projects.
- **3 million** EcoSure Customer Reach.
- **803,892** Number of lives covered monthly.



- Antibribery and Corruption Policy, Code of Ethics Policy, Tip Off Anonymous, and ESG Board Committee-approved policies are all available.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS **SDG 16- Peace Justice and Strong Institutions**



13 CLIMATE ACTION **SDG 13- Climate Action**

- **ZWL 261 million** Green Energy Financing.
- **872,000** People in disaster-prone communities were trained in disaster risk reduction to bring a total of **1.8 million** people capacitated to date.
- Construction of the National Emergency Operation Centre (NEOC).
- **2,250** Trees Distributed in FY24

- **UNGC** Membership.
- **UN SDG** Impact Commemorations.

17 PARTNERSHIPS FOR THE GOALS **SDG 17- Partnerships for the Goals**



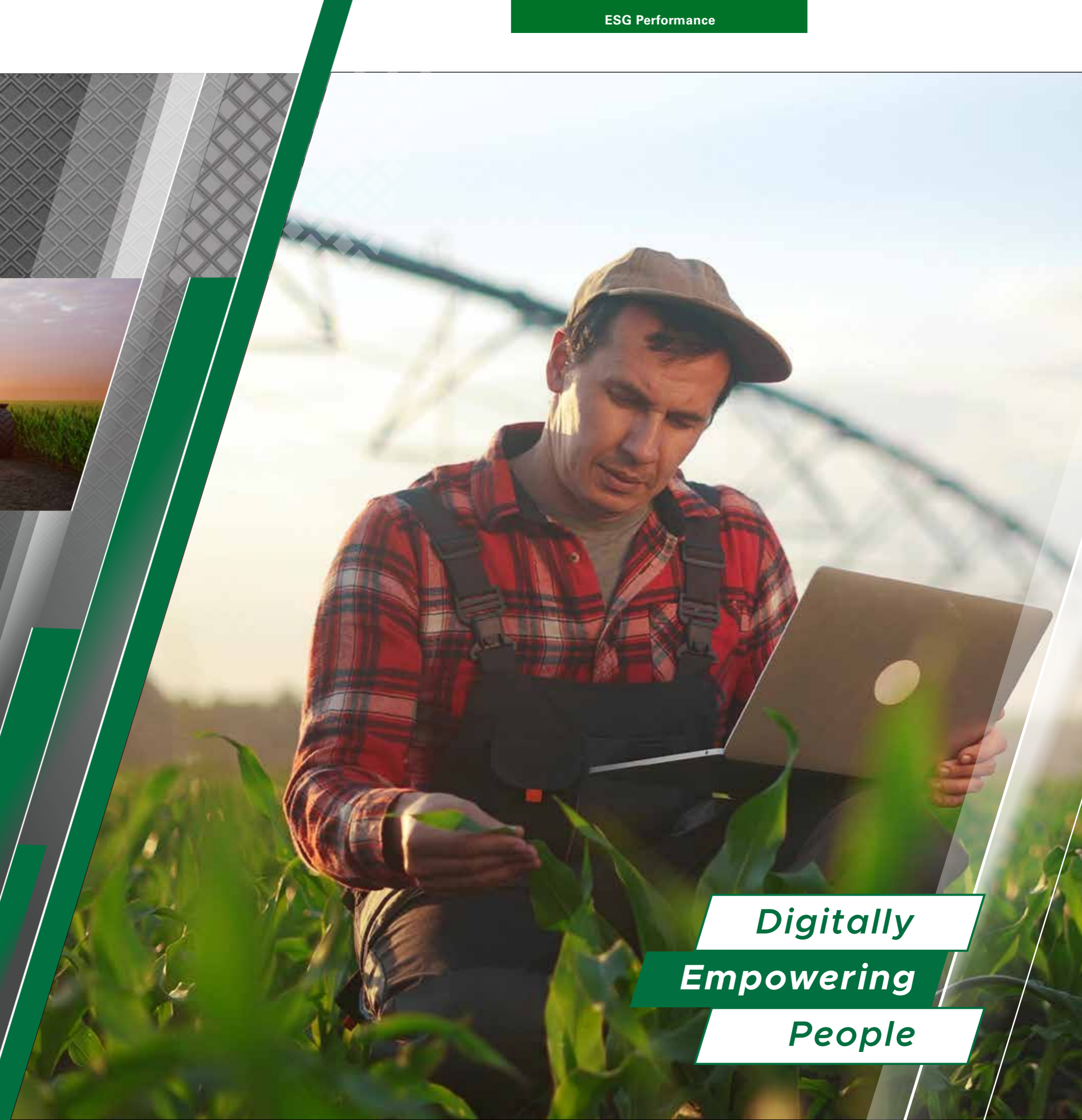


Agritech



VAYA Digital Farmer is a platform that uses technology to provide digital agricultural solutions to farmers, government, non-governmental organizations (NGOs), farmer unions, small holder farmers and other key stakeholders in the agriculture value chain.

VAYA Tractor, information services and logistics improves farm production and livelihoods for millions of Zimbabweans.



**Digitally
Empowering
People**



ENVIRONMENTAL IMPACT

Your diversified digital solutions group



Environmental Environmental Footprint

ESG Performance



Management Approach

EcoCash Holdings Zimbabwe Limited prioritises compliance with local, regional, and international environmental laws, conventions, and regulations. We have put in place various internal policies and procedures to manage our processes for effectively minimising negative environmental impacts from our operations while enhancing our positive externalities. The business constantly engages and collaborates with stakeholders to ensure compliance with environmental requirements that lead to positive environmental impact in the communities in which we operate. We are committed to integrating sound environmental practices into our daily business operations and ensuring that all staff members and subcontractors are responsible for compliance with all statutory obligations and best practice conformance.

We are committed to **integrating sound environmental practices** into our daily business operations

By fostering a shared **commitment to sustainability** across our entire value chain, we aim to reduce our **greenhouse gas emissions** and contribute to a more sustainable future

Greenhouse Gas Emissions (GHG)

Management Approach

EcoCash Holdings is committed to minimizing its environmental impact, with a particular focus on greenhouse gas emissions reduction. This aligns with our ESG Policy, which prioritizes environmental sustainability practices. We recognize the urgency of addressing climate change, as outlined in Article 2 of the Paris Agreement as limiting the temperature increase to 1.5°C above pre-industrial levels will greatly lessen the risks and impacts of climate change and keeping the increase in the world average temperature to well below 2°C over pre-industrial levels. To this end, we have implemented a multi-pronged approach that tackles our environmental footprint across several key areas.

Firstly, we prioritize energy efficiency in our operations. This includes utilizing renewable energy sources like solar power, and continuously improving our facilities and infrastructure for better energy use. Initiatives like energy-efficient lighting, server virtualization, and optimized data centres all contribute to this goal.

Secondly, we extend our environmental focus beyond our own operations. We actively engage with our suppliers through conducting environmental and social assessments,

ensuring they adhere to strict environmental standards and requirements. This is achieved through regular supplier questionnaires of our partners, product suppliers, and equipment manufacturers. By fostering a shared commitment to sustainability across our entire value chain, we aim to significantly reduce our greenhouse gas emissions and contribute to a more sustainable future.

GHG Accounting Methodology

Our carbon accounting process addresses two Scopes of emissions under the Greenhouse Gas Protocol. To reduce our exposure to climate risk, our carbon footprint assessment evaluated our Scope 1 and Scope 2 GHG emissions in FY24. EcoCash Holdings carbon footprint was calculated using the operational control approach. The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard provided guidance for our scientific method for calculating our GHG emissions. The Department of Environment and Rural Affairs (DEFRA) FY23 emission factors were used to calculate our Scope 1 emissions. To assess Scope 2 GHG Emissions, we quantified emissions from purchased electricity from the Zimbabwean National Grid using the Institute of Global Environmental Strategies (IGES) (0,98 tCO2/MWh) emission factor.

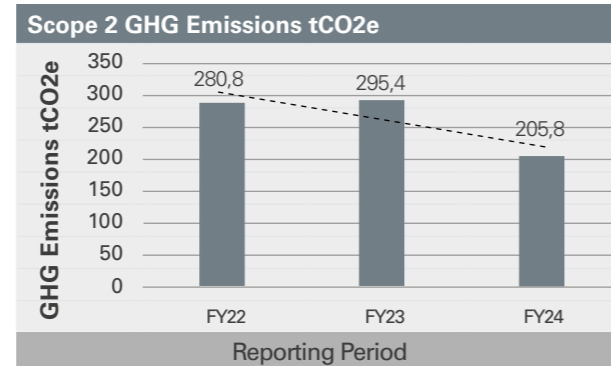
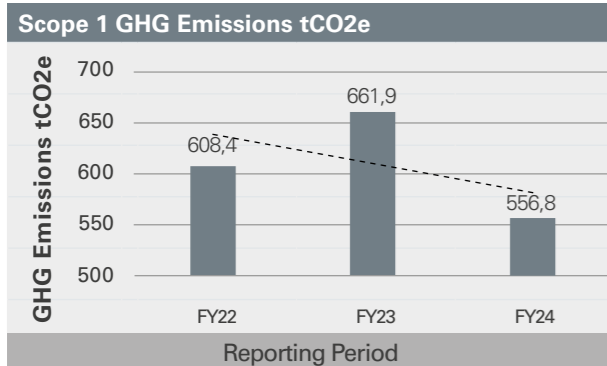
Environmental

Greenhouse Gas Emissions (GHG) (continued)

EcoCash Holdings Carbon Footprint

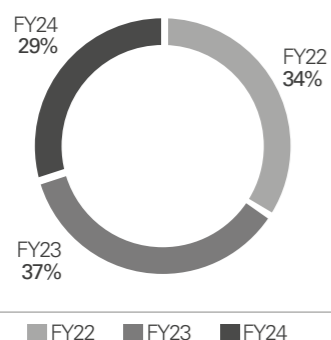
¹ **Scope 1**- GHG Emissions that are the direct result of owned or controlled sources.
² **Scope 2**- GHG Emissions indirectly resulting from the generation of purchased electricity.

Emission Source	Key Performance Indicator	FY2022	% Change	FY2023	% Change	FY2024
Mobile Combustion - Petrol	Company Vehicles – Petrol (Litres)	48,961.00	41%	83,507	-8.2%	76,673
Mobile and Stationery Combustion - Diesel	Company Vehicles & Generators Diesel (Litres)	119,401.14	37%	190,572	-28.1%	137,082
Purchased Electricity	Purchased Electricity (kWh)	286,484.97	-4.97%	301,468.8	-30.3%	210,000
Refrigerant Gases	R22	0	0	0	0	0
	HFC -134a (Kg)	0	0	0	0	3.5
	R406 (Kg)	0	0	0	0	5.8
	R407a (Kg)	0	0	0	0	5.8
	R410a (Kg)	0	0	0	0	18.7
R141b (Kg)	0	0	0	0	0	
	Direct Scope 1 GHG Emissions tCO₂e	608.40	8%	661.95	-15.90%	556.80
	Indirect Scope 2 GHG Emissions tCO₂e	280.80	5%	295.44	-30.34%	205.8
	Total GHG Emissions tCO₂e³	889.20	7%	957.39	-20.40%	762.60



³ **tCO₂e** - Tonnes of Carbon Dioxide Equivalent is a metric measure used to compare the emissions from various greenhouse gases on the basis of their global-warming potential (GWP)

EHZL Total GHG Emissions tCO₂e



Scope 1 GHG Emissions for EcoCash Holdings reduced by 15.9% from 661.95 tCO₂e in FY23 to 556.8 tCO₂e in FY24. Scope 2 GHG Emissions also reduced from 295.44 tCO₂e in FY23 to 205.8 tCO₂e in FY24. These reductions in GHG emissions were due to optimising logistics and transportation routes and cost cutting measures implemented by the business which resulted in reduced energy consumption. EHZL Total GHG Emissions decreased by 20.40% from 957.39 tCO₂e in FY23 to 726.60 tCO₂e in FY24. Total Scope 1 Greenhouse Gas Emissions (GHG) emissions had increased by 8% from 608.4 tCO₂e in FY22 to 661.95 tCO₂e in FY23 due to several factors including the return to the office, increased travel, new product innovations and increased operations as we

emerged from the pandemic. An increased usage of diesel from our generators due to increased load shedding had also contributed to increased Scope 1 emissions from FY22 to FY23. Scope 2 GHG emission factors had also increased by 5% from 280.80 tCO₂e to 295.44 tCO₂e due to increased electricity consumption at office sites due to return to office policy. From FY22 to FY23 total GHG emissions had increased by 7% from 889.2 tCO₂e to 957.39 tCO₂e. The business conducted a tree planting exercise with 1125 trees being distributed to staff during the reporting period to offset the GHG emissions from business operations

Energy Management

EcoCash Holdings is committed to understanding and improving its environmental impact. This inaugural FY24 Energy Consumption Report establishes a baseline for measuring our energy use and identifying opportunities for future efficiency gains.

In FY24, EcoCash Holdings consumed a total of 84,872.00 Megajoules (MJ) of energy. This figure represents the combined energy used from petrol, diesel, and electricity. Most of this consumption came from diesel (5,277,657 MJ), followed by petrol (2,453,536 MJ) and electricity (756,000 MJ).

The following table details the FY24 energy consumption for each fuel type, along with the corresponding consumption volume and the conversion factor used.



Fuel Type	Conversion Factor (MJ/Unit)	Energy Consumption (MJ)
Petrol	32 MJ/L	2,453,536
Diesel	38.5MJ/L	5,277,657
Electricity	36 MJ/kWh	756,000
Total		8,487,200 (Note: Total reflects values before rounding)

Massachusetts Institute of Technology conversion factors were applied to ensure consistent and accurate measurement across all fuel types. The conversion factors used are listed in the table for informational purposes. It's important to note that these factors may vary slightly depending on the specific fuel source.

By establishing this baseline data in FY24, EcoCash Holdings can track energy consumption trends in future reports. This ongoing monitoring will allow us to identify areas for improvement and implement strategies to promote sustainable practices and enhance energy efficiency throughout our operations.

⁴ Massachusetts Institute of Technology conversion factors



SOCIAL IMPACT

Your diversified digital solutions group

Social Human Capital



Management Approach

Social responsibility, covered in our framework through social capital and Human capital, is an integral part of who we are. In our operations, we consider the needs of our internal and external stakeholders, ensuring that we drive positive impact while managing and reducing the negative impacts. The business values giving back to the community and transforming livelihoods through our products and services offerings.

As a technological industry, regulation is a key imperative, hence we value guidelines and standards that uphold social responsibility, hence we have developed appropriate policies to guide our business activities in this regard. The business has also embedded the rights of the customer as pertains to data privacy, through privacy policies and in line with applicable legal and regulatory requirements.

The business values giving back to the community and **transforming livelihoods** through our products and services offerings

We are committed to **fostering a work environment** that is not only productive but also **diverse, equitable and inclusive**

EcoCash Holdings recognises that a strong and sustainable human capital strategy is fundamental to our success. We are committed to fostering a work environment that is not only productive but also diverse, equitable, and inclusive. Our management approach outlines our key policies and practices that contribute to this commitment. Our Diversity, Equity, and Inclusion (DE&I) policy serves as the cornerstone of our efforts in this area. It ensures that we recruit, develop, and retain a talented pool of individuals from all walks of life, and that everyone has equal opportunities for advancement and professional growth regardless of background. To attract and retain the best and brightest minds, we offer competitive compensation and benefits packages. We foster a positive work culture that promotes work-life balance through flexible work arrangements and well-being initiatives. Additionally, our agile policy allowed us to adapt to a dynamic industry, ensuring a stimulating and ever-evolving work environment.

EcoCash Holdings is dedicated to the continuous learning and development of our employees. We offer a comprehensive range of training programs designed to enhance their skills and knowledge in areas relevant to their roles and the ever-changing FinTech, Insurtech and Digital Platforms. We also encourage knowledge sharing through mentorship programs, internal workshops, and collaborative initiatives. We are committed to

fostering a workplace environment built on trust and integrity. Our code of ethical conduct outlines the expected behaviours and principles that guide our professional interactions. Our comprehensive code ensures fair and consistent treatment for all employees. Furthermore, our zero-tolerance sexual harassment policy protects employees from any form of unwanted sexual advances or conduct.

Gender equality is a core value at EcoCash Holdings. We actively aim to achieve gender parity in leadership positions and across all departments. Our commitment extends to ensuring equal pay for equal work, creating a culture of respect and inclusion for all genders, and offering opportunities for women in Science, Technology, Engineering, and Mathematics (STEM) fields, particularly within the FinTech industry. By promoting gender equality, we contribute to several UN Sustainable Development Goals (SDGs), including SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), and SDG 10 (Reduced Inequalities). Through these policies and practices, EcoCash Holdings is building a sustainable human capital foundation that not only attracts and retains top talent but also fosters a diverse, equitable, and inclusive workplace. The business, on an ongoing basis, is monitoring and improving its approach to ensure it remains an employer of choice and a leader in corporate social responsibility.

Social

Human Capital (continued)

Training and Education

EcoCash Holdings recognises the changing talent landscape and the need to invest in its workforce. To address attrition and a dynamic skills market, the company has adopted a “total workforce” philosophy focused on reskilling and upskilling current employees. This approach leverages MyTalentHub to identify skill gaps and industry trends, then implements efficient training programs for seamless execution across the company.

Examples of these programs include Leadership Development Programs for various levels of management (Senior Management Development Program, Management Development Program and Supervisory Development Program) equipping them with the necessary skills for effective leadership in a changing environment. Additionally, AI training keeps employees abreast of technological advancements, while the Graduate Trainee Program builds a pipeline of future talent. Cybersecurity training ensures the company’s protection, and the Female Leadership Development Program, in partnership with Higher Life Foundation, fosters future female leaders within EcoCash Holdings.

LinkedIn Learning

EHZ has encouraged training and development for all employees by providing them with LinkedIn Licences to allow them the flexibility in choosing courses that addresses their skills gap.

The learning days per employee have been incorporated individually on all staff members’ score cards as a critical KPI (key performance indicator) and the business acknowledged top performing staff members at the Eco Stars Awards that were held in the month of December 2023. The positive and supportive learning culture is one that measures and celebrates learning outcomes, both at the individual and organizational level.

The target participant training days (PTDs) was 10 days per annum and the actual training days per annum recorded for FY24 was 1763 days, hence we surpassed the target by 76%.

The Top 10 LinkedIn Courses were;

- GDPR (General Data Protection Regulation).
- Compliance Essential Training.
- Introducing AI to Your Organization.
- Cyber Security Awareness.
- Digital Marketing Foundation.
- Unconscious Bias.
- AI in Fintech Essential.
- Excel Essential Training.
- Python Essential Training.
- People Analytics.
- Learning Personal Branding.

EcoStars Awards

To support a high-performance culture among our staff members, the business officially recognised and celebrated its top-performing employees. This is over and above other performance incentives that the company awards employees from time to time. Creating a digitally connected future that leaves no Zimbabwean behind requires extraordinary effort

and extra-mile performance. Creating a performance culture is sustained by the art of recognition among other core fundamentals which are important in how a business continues to be an employer of choice.

Using Data to Enhance Employee Experiences.

EHZ continually uses data to enhance employee experience by leveraging insights and information to understand employee needs, preferences, and behaviours. We analyse data from various sources such as employee engagement surveys, performance reviews, training attendance records, interviews, or focus groups and HRIS systems. Optimizing data to enhance employee experience allows us to also identify patterns, trends, and areas for improvement. We look for correlations between different data points and use the data collected to personalize the employee experience. This data-driven knowledge assists in tailored training and development programs, recognition initiatives, and benefits packages to meet individual needs and preferences. Moreover, using data to enhance employee experience allows room for personalization, which can help boost engagement and employee satisfaction. We also make use of predictive analytics to forecast employee behaviour and identify potential issues or opportunities. For example, we use data to predict attrition risk, performance gaps, and training needs. This proactive approach allows our organization to address issues at their core, before they become problems. Furthermore, we regularly review and update our employee experience initiatives based on data insights and monitor the impact of changes and make adjustments as needed. Employee needs and preferences evolve, so it is essential for us to stay agile and adaptive.

Remuneration Initiatives

The business monitors ongoing market developments to ensure our remuneration structure allows us to compete for talent, and that our remuneration offering is compelling and fair. This is done by continuous alignment of remuneration with strategic objectives and performance resulting in the following implemented over the period:

- Continuous Salary Benchmarking using National Salary Survey Reports.
- Performance-Based Bonuses to ensure the promotion and rewarding of the right behaviour within the business that drives a high performing organisational culture.
- Critical Skills retention scheme through the top Talent Recognition Remuneration Program to motivate employees to increase their productivity and continually improve their performance and output.

Emphasizing the Role of Teams Among Employees

Within the current hybrid model, participating in a virtual team often helps teams form new relationships and access new resources. Teams may contribute to a more positive work culture when all employees feel valued as equals among their peers. EHSL has gone a step further by designing super teams, which combine a larger amount of people and technology to produce a higher work output. Successful teams often emphasize the role of a work culture that celebrates growth, adaptability, and resilience. Other factors contributing to this success include enabling employees through upskilling, reskilling and mobility and using new technologies (AI). Several team-building initiatives were also utilised whereby engagement activities were successfully implemented across functional teams.

Contract Type	Number of Employees	Male	Female
Permanent Employees	733	440	293
Temporary Employees	330	165	165
Full-time Employees	1,062	604	458
Part-time Employees	1	1	0

Human Capital KPIs	Performance
Total Number of Employees	1,063
Cumulative YTD Turnover (%)	12%
Learning Days per Employee	1
% of Female Employees	43%
# of women in managerial and senior roles	80
% Age - 18 to 24	12%
% Age - 25 to 34	49%
% Age - 35 to 44	28%
% Age - 45 to 54	10%
% Age - 55 to 64	1%
% Age 65 and above	0%
Annual Lewis Allan Score	4



Employee Health and Safety

Management Approach

At EcoCash Holdings, the wellness of our staff and customers is at the core of our group’s success and sustainable development. We have established a comprehensive safety and health policy that aligns with Zimbabwean regulations and international standards. This policy underscores our unwavering commitment to employee welfare and clearly defines responsibilities for implementing and maintaining sustainable and resilient safety and health management systems.

Our proactive approach involves regular risk assessments to identify potential hazards and then implement targeted control measures to mitigate these risks and effectively eliminate and reduce them. A robust system for reporting and investigating work-related incidents and near misses is in place and ensures continuous improvement by identifying trends and areas

requiring attention.

Furthermore, the group fosters a safety and health-conscious culture through ongoing training and transparent communication. All staff periodically receive safety and health training, covering:

- Hazard identification,
- Safe and healthy work practices,
- Mental health management and
- Emergency management among other key topics.

Our safety and health awareness programmes keep staff informed about the emerging issues of safety and health matters.



Edutech



Digital platforms provide equal access to high-quality education. We understand the importance of promoting education access in Zimbabwe, through creative means.

EcoCash
HOLDINGS ZIMBABWE LIMITED



**Digitally
Empowering
People**



Social
Social Capital



Higherlife Foundation conducted teacher training for **1,500 ECD teachers**, to improve their classroom skills. This training benefitted about **90,000 students**.

A total of **617 clinical & auxiliary staff** were trained in emergency **obstetric and newborn care**



Higherlife Foundation (HLF)

Through HLF activities the business is proud to support Zimbabwe's socio-economic development by implementing innovative interventions that address the challenges local communities face. These interventions are implemented by the Higherlife Foundation and align with national government priorities as well as the Sustainable Development Goals (SDGs) – specifically Goals 2, 3, 4, and 6.

Education

Through Higherlife Foundation, EHZL has aided improved learning outcomes through deep investments in education from Early Childhood Development (ECD) to PhD level. Core to this work is the continued support of orphaned and vulnerable children to access education through fully funded scholarships.

Scholarships

In 2023, we assisted 11,000 primary and secondary school fellows through the Capernaum Scholarship. Through the scholarship, students receive financial support to complete school. This assistance impacted 2% of orphaned and vulnerable children in Zimbabwe.

Furthermore, through the Joshua Nkomo Scholarship, each year we support 50 academically gifted students from Zimbabwe's 10 provinces, pursuing degrees in science, technology, engineering, or mathematics (STEM). Zimbabwe, like many countries, faces a significant skills gap in STEM-related fields, and this scholarship goes some way in addressing this need. As of December 2023, a total of 3,050 students had received a Joshua Nkomo Scholarship.

Guardian Training

Joint research by the Higherlife Foundation and Lupane State University found a correlation between learner output and the quality of parental involvement in learning processes. We realised that there is a skills gap and started training parents or guardians on how to contribute meaningfully to their children's

Higherlife Foundation (continued)

learning. During the period under review, we trained 2,540 guardians, reaching 7,620 students.

The impact of the interventions was evident in the 2023 ZIMSEC results published in January 2024. The Higherlife Foundation recorded an 18% O-level pass rate increase from 29% in 2022 to 47% in 2023. This was higher than the national average, which stood at 29%.

Improving Access to Quality Learning Resources

Through Akello, our smart learning digital platform, the Higherlife Foundation seeks to catalyse access to quality education while addressing challenges related to learning loss. To achieve this, it identifies schools and learners that have challenges and grants them access to the platform through a scholarship that covers a yearly Akello subscription. In FY24, there were 51,000 students learning through the Akello digital learning platform.

In supporting access to quality foundational learning, we met our target of distributing 1,500 Growing Tree Books to students. These are instructional foundational texts to help improve literacy and numeracy skills among students from Early Childhood Development (ECD) classes to Grade 3. In addition to the books, Higherlife Foundation conducted teacher training for 1,500 ECD teachers, to improve their classroom skills. This training benefitted about 90,000 students.

Alignment to Broader Policy and Development Priorities

Our efforts speak to a shared goal under Sustainable Development Goal 4, which envisions a world with inclusive and equitable quality education and promotes lifelong learning opportunities for all. The work also aligns with the aspirations of the Education Sector Strategic Plan (2021 – 2025), which include increasing national completion rates, catalysing the reduction of zero-percent pass rates, and providing quality learning.

Health and Climate Change

The group's initiatives in health are informed by the understanding that for communities to thrive, they must be in good health and well-being. The work aligns with Sustainable Development Goal 3. Through the Higherlife Foundation, the group invests in three health-related areas: one, improving maternal and neonatal health; two, reducing the transmission of neglected tropical diseases (NTDs); and three, eliminating cholera.

Maternal Health

We have contributed to efforts to improve maternal health in Zimbabwe and reduce neonatal mortality rates through staff capacity building and provision of basic and critical care equipment for wards. A total of 617 clinical and auxiliary staff were trained in emergency obstetric and newborn care in the reporting period.

Social

Higherlife Foundation (continued)



The Higherlife Foundation placed equipment in eight maternity wards at provincial hospitals, two district hospitals, and one city hospital. The model of equipment placement is an innovative method which involves continued maintenance support to ensure that the machines remain in use.

Neglected Tropical Diseases

In the period under review, the Foundation implemented a demand-led sanitation program that resulted in the immediate construction of 124 demonstration latrines in the Buhera District. This approach fosters the improvement of sanitation action and collective responsibilities among community members to construct and use latrines, thereby reducing the risk of transmission of NTDs.

Cholera Elimination Secretariat

In response to the prolonged cholera outbreak in 2023, the group has worked to reach at risk communities with information to help them become more aware in how to prevent, identify, and respond to a cholera outbreak. Over 1.1 million people were reached with this material. A response that highlights the effectiveness and connections Higherlife Foundation has with local communities. In addition, Higherlife Foundation rehabilitated three boreholes providing people with access to clean water. The Foundation also constructed 120 toilets, improving sanitation practices for a similar number of people. These improvements to sanitation will help prevent future diseases outbreaks and restore dignity to our communities. The Group, through Higherlife Foundation, continues to fund and chair the Cholera Elimination Secretariat (CES). The CES brings ensures better collaboration and coordination in its efforts to eliminate cholera in Zimbabwe.

Climate Change

Following Cyclone Idai in 2019, Higherlife Foundation implemented a range of efforts to strengthen Zimbabwe's preparedness and response to disasters. In 2023, 872,000 people in disaster-prone communities were trained in disaster risk reduction to bring a total of 1.8 million people capacitated to date. A key outcome of the work in disaster relief and

preparedness was the construction of the National Emergency Operation Centre. The NEOC will play an important role in any future disaster, by bringing together key decision makers and stakeholders in one location to coordinate response efforts and make collective decisions.

Rural Transformation and Sustainable Livelihoods

The Ministry of Lands, Agriculture, Fisheries, Water, Climate, and Rural Development acknowledged the work that the Higherlife Foundation is doing in agriculture, especially training and providing catalytic input support. By the end of 2023, the Higherlife Foundation had trained 1,250 extension officers, supervisors, trainees, specialists, and support staff across 13 districts. This training enhanced the understanding of how climate-smart agricultural practices can improve or maintain crop yield in the wake of increased rainfall variability. Following the training of trainers, the Higherlife Foundation, with the support of Agritex extension officers, reached 200,150 farmers with training. The expectation for every farmer trained is to be food secure, experience dietary diversity, and improve their household income at the end of the farming season, which aligns with Sustainable Development Goal 2, which aims to eliminate hunger. In addition to ensuring household food self-sufficiency, all registered children's homes with space were enlisted under our Climate-Smart Agriculture Program.

Institutional Support

The Higherlife Foundation continues to support all registered institutions in Zimbabwe. Through our support which is wide-ranging, we are providing scholarships and funding renovations to ensuring the health and wellness of children.

Our teams have worked to support 27 institutions or orphaned children homes to identify and receive grants from other organisations. These grants are often critical in funding operational costs, buying medicines and addressing short-term nutritional challenges.

Data Security



Management Approach

EHZL continued its journey towards digital transformation as it worked towards creating a digitally interconnected tomorrow. The mission is to improve the overall quality of life by offering access to social and financial services through technology. Over the past year improvements were made to increase the cybersecurity posture of the organisation. This covered all our key information systems and interactions with our stakeholders.

Enhancement to cybersecurity monitoring was made through the Group-wide implementation of the Security Operations Centre (SOC) and an AI-based cybersecurity solution to improve our security robustness. In the months of October and November 2023, we partnered with various industry stakeholders and civic society in disseminating cybersecurity awareness through conferences, radio, and social media broadcasts.

ISO/IEC 27001:2013 Information Security Management System (ISMS) and ISO 22301:2019 Business Continuity (BCMS)

The business got certified on ISO:IEC 27001:2013 Information Security Management System (ISMS) and ISO 22301:2019 Business Continuity Management System (BCMS). These are global industry certifications that demonstrates our commitment to cybersecurity, information security and business continuity management. The certifications reassure our customers, partners and all other stakeholders of our dedication and efforts to build trust and resiliency in our services and systems. It further provides frameworks for establishing, implementing, maintaining and continually improving Information Security and Business Continuity Management Systems

Cybersecurity Awareness

In October and November 2023, we partnered with various industry stakeholders and civic society organisations to promote cybersecurity awareness during the national cybersecurity month. Some of the activities conducted in the two months included dissemination of information through national radio, broadcast radio skits, flight infographics and various social media channels. The topics covered included Card Cloning, One Time Password (OTP) Fraud, Fake SMS,

Social Engineering, etc. The organisation continually develops new content in alignment with the changing global technological environment. Internally, we continued to conduct awareness at group level to make all employees cybersecurity aware. Our objective is to make sure that employees take appropriate measures and steps to preserve the Confidentiality, Integrity, and Availability (CIA) of data and information systems. As it is the nature of the technological industry, regulation is crucial. Our priority remained ensuring the business was conversant and compliant with all applicable regulations. We also embedded the customer's rights regarding data privacy through privacy policies in line with applicable legal and regulatory requirements.

Personal Data Protection and Privacy

We remain committed to ensuring customer data and information is processed in accordance with the service subscribed by the customer and in alignment to the relevant regulations to data privacy. These are highlighted in our privacy policies and practiced as guided by the information security management certifications we hold. Controls to ensure compliance are built into the systems that process customer data, with assurance services engaged to ensure adequate operating effectiveness.

Cybersecurity Practices

The business also adopted the below globally recommended cybersecurity practices during the period:

- Training and Awareness - Staff and our external stakeholders were trained through automated learning platforms and made aware of the various cybersecurity threats and mechanism with which they can be perpetrated. Quarterly trainings were conducted for staff.
- Continuous risk assessment and management - Risk assessments were continuously done to identify potential threats and vulnerabilities to data and systems. These assessments considered both internal and external factors, such as the type of data being stored, the systems and networks used to store and transmit data, and the potential impact of a data breach (Business Impact Assessments).
- Access Controls - Appropriate access controls were used to ensure that only authorised individuals have access to sensitive data, information, and systems. User access reviews on applications were conducted quarterly with business and security teams.
- Incident response and management - A robust incident response plan was put in place to respond to data breaches or other security incidents quickly and effectively. This plan includes procedures for identifying and containing the incident, notifying affected parties, and restoring normal operations.
- Regular internal and external audits were conducted, including penetration tests and other assessments to identify vulnerabilities and weaknesses in systems. By following these practices and continuously monitoring and improving the security performance, the business mitigates the risk of data breaches and other cybersecurity incidents.

Financial Access and Affordability



Fintech

EcoCash

EcoCash has made remarkable strides in promoting inclusive financial services, with a subscriber base of **8.35 million**

EcoCash has continually expanded its **distribution network**, ensuring the availability of our offerings to a wider customer base

EcoCash

EcoCash Pvt Ltd is dedicated to proactively managing its business relationships and activities to minimise negative impacts. The company upholds transparent and ethical practices across its operations, ensuring that its activities and partnerships do not adversely affect the economy, environment, or people's rights. Throughout the fiscal year 2024, EcoCash has made remarkable strides in promoting inclusive financial services, with a subscriber base of 8.35 million, positively transforming the lives and livelihoods of individuals by ensuring comprehensive financial inclusion for all. The organisation has implemented comprehensive policies and commitments to ensure financial and social inclusion. These policies place strong emphasis on accessibility, affordability, and the provision of secure and reliable mobile money services to under-served communities. EcoCash is also dedicated to responsible environmental practices and actively supports initiatives that enhance social well-being. EcoCash, aiming to promote gender equality in Zimbabwe, achieved a slight increase in the number of women using their services. The percentage of female customers went up from 44% to 45%, and the proportion of women using merchant payments increased from 39% to 41%. These targets reflect EcoCash's ongoing efforts to promote inclusivity and empower women in the country's financial ecosystem. Following are women financial inclusion statistics:



Indicator	FY23	FY24	Target
Males	56%	55%	52.5%
Females	44%	45%	47.5%

Furthermore, in alignment with its goals, the business has reaffirmed its commitment to GSMA Connected Women, a global initiative aimed at promoting gender equality in mobile technology. Through this partnership, the business is actively working towards achieving the women financial inclusion targets by 2025. By collaborating with GSMA Connected Women, the business leverages industry expertise, and resources to drive meaningful change and accelerate progress towards greater female representation in mobile money services. This renewed commitment exemplifies the business's dedication to fostering inclusivity and achieving its gender-related objectives. EcoCash has embraced sustainability and demonstrated unwavering commitment to aligning with our business strategy, which aims to provide unparalleled solutions and access to Zimbabweans through connectivity and innovative products (Goal 9) and by leveraging our technologies and partnerships (Goal 17). This approach has been instrumental in facilitating connectivity and innovation.

To further enhance connectivity and introduce innovative products, EcoCash has actively promoted electronic airtime recharge for both ZWL and USD, resulting in a remarkable 16% growth in ZWL recharge compared to the previous fiscal year. Additionally, USD airtime experienced a significant growth of 64% compared to the prior year performance.

Indicator	FY23	FY24	Target
ZWL	76%	90%	85%
USD	8%	25%	50%
Combined	18%	30%	40%

In response to the growing demand for our products and services, EcoCash has continually expanded its distribution network, ensuring the availability of our offerings to a wider customer base. This expansion has been made possible through our robust technologies and strategic partnerships.

Indicator	FY23	FY24	Target
Total Registered Franchises	987	4,478	5,000
Active	651	3,442	3,750
Activity Ratio	66%	77%	75%

EcoCash diligently pursued initiatives and projects aimed at achieving our business objectives, with a strong focus on customer growth and the widespread adoption of our products and services. EcoCash has taken several actions to manage social and financial inclusion and related impacts. These actions include:

- Implementation of robust risk management processes to prevent and mitigate potential negative impacts on the economy, environment, and people. This includes continuous monitoring of compliance frameworks, and adherence to regulatory requirements.
- Prompt and proactive measures to address any actual negative impacts that may arise through staff and partners training on Anti Money Laundering (AML).
- Strategic initiatives and collaborations to maximize the positive impacts of its services, such as financial literacy programs, promoting entrepreneurship and partnering with local organisations to foster economic development and social empowerment.

EcoCash tracks the effectiveness of its actions through various processes, including:

Regular monitoring, evaluation, and reporting of key performance indicators related to financial and social inclusion. This includes tracking metrics such as registered customers as a percentage of population, customer satisfaction, and the reach of financial services to under-served populations (rural penetration). Setting goals and targets aligned with its commitment to financial and social inclusion. These goals include increasing customer access (growth of distribution network), expanding service coverage and enhancing the overall customer experience.

Below is the evaluation of the effectiveness of the business sustainability actions set by EcoCash in FY2024:

Indicator	FY23	FY24	Target
Overall Financial Inclusion	84%	87%	90%
Overall Distribution channel (Merchant, Billers)	42,320	53,421	55,000

EcoCash continuously improves its approach based on insights gained, ensuring ongoing alignment with its commitment to financial and social inclusion.

A CARD FOR EVERYONE

Introducing our new suite of VISA debit and credit cards, with contactless payment functionality. Ready to send you to higher limits.



STEWARD|BANK

Digitally
Empowering
People

BANKING WITH A VIEW

Through the Bank's Digital Banking model, customers are able to use their mobile devices to access a wide array of banking services for their added convenience. Steward Bank leverages on Group and Non-Group entities for increased use cases on the Bank's digital platforms to reach the previously unbanked.

Our strategy is to tap into the value that exists at the intersection of mobile money and banking. We operate on the basis of a transactional banking model, with the following main services: Microloans, Savings, Agent Banking (intended to reach the previously unbanked), Corporate & Investment Banking (CIB), Agribusiness, SME segment and Diaspora Banking are just a few of the options available. "Square" is the name of the Digital Bank's flagship platform.

www.ecocashholdings.co.zw

Social

Financial Access and Affordability (continued)



STEWARD|BANK

Management Approach

Steward Bank prioritises financial inclusion as a corner stone for a thriving society. Financial inclusion empowers individuals and communities, fosters economic growth, and paves the way for a more equitable future. Recognizing this critical role, Steward Bank has emerged as a champion for financial inclusion in Zimbabwe. The United Nations Sustainable Development Goals (SDGs) paint a vision for a world free from poverty, hunger, and inequality. Financial inclusion is recognised as a key driver of progress towards these ambitious goals. The United Nations Capital Development Fund (UNCDF) underlines this importance by integrating financial inclusion as a target in eight of the seventeen SDGs.

We established a comprehensive approach that prioritises financial inclusion for under-served communities. This commitment is reflected in our policies, committees, and a dedication to innovative digital solutions. Products like micro-loans and mobile banking increase financial access, while their focus on sectors like agriculture and renewable energy contributes to both economic development and environmental sustainability.

We acknowledged the potential impact of our operations and took responsibility for managing both positive and negative impacts. As a bank we prioritize responsible lending practices, risk assessments, and adherence to regulations to mitigate potential harm. Additionally, we actively monitored and evaluated our initiatives to ensure continuous improvement. The business set goals, traced progress, and utilised data insights to refine products, identify areas for improvement, and strengthened our social and financial inclusion efforts. Monitoring of customer activity to adapt products to inflationary environments and

employ churn prediction models was key to proactively address the customer needs. This dedication to ongoing evaluation and adaptation ensured the company remained committed to promoting financial and social inclusion.

As a bank we leveraged technology to dismantle barriers to financial access. By offering digital account opening platforms, Steward Bank removed geographical limitations and simplified the account opening process. This empowered individuals, particularly those residing in remote areas, to participate in the formal financial system. Digital solutions significantly reduced operational costs, enabling us to offer financial services at competitive rates. This made banking services more accessible to low-income earners who were previously excluded from traditional banking models.

Banking for All

The bank's digital account opening platform (*236# USSD) simplifies account opening, promoting greater access and use of financial services. 10,100 accounts have been opened over the period under review, with a target to reach 1 million Low KYC customers, contributing to SDG 10 on reduced inequality and SDG 1 eradicating extreme poverty.

According to the Zimbabwe National Statistics Agency (Zimstat, 2023), 76.56% of transactions are conducted in USD, reflecting the dual currency structure of the Zimbabwean economy. To meet evolving customer needs, the bank launched new products, including FCA Mobile Banking, FCA to VISA functionality, KaShagi KeStaff, FCA Banking Services, and Civil Servants Foreign Currency Loans.

In FY2024, the bank completed 23 community outreaches, resulting in the opening of 3,821 FCA accounts in high-impact areas.

Supporting Micro, Small to Medium Enterprises (MSMEs)

The MSME sector contributes approximately 60% to Zimbabwe's GDP and has an estimated annual turnover of USD 14.2 billion. The bank supports this sector through SME & Business Banking solutions, including SME lending. These efforts contribute to inclusive growth and SDG 8 on promoting economic growth and jobs. Additional SME products include Zama Zama Sole Trader and Business current accounts.

Kashagi Digital Micro-Credit Loans

In FY2024, the Bank introduced more variants of the Kashagi product (Kashagi KeZesa, KaShagi Kestaff) to meet emerging digital credit customer needs. This product contributes to SDG 1 on poverty eradication. The Bank's core banking system remains central to its digital transformation strategy, leading to accelerated digitalisation and notable enhancements in customer experience. The Bank's digital onboarding process and the Kashagi digital credit solution continue to drive financial inclusion. The Bank's lending expansion in the agriculture, health, and renewable energy sectors played a critical role in supporting the economy. Leveraging Artificial Intelligence (AI), the Bank gained valuable customer insights, resulting in overall service improvements.

Social

Social Access and Affordability



EcoSure



EcoSure continues to promote **social inclusion** and as such has realized a growth of **+50,000 customers**

Despite the challenging economic conditions on the consumer, the business managed to close the financial year with +700,000 lives covered, a growth of 16% compared to the FY23 exit position. The growth being pushed by the diversified products being offered by the business that speak to the different needs and financial positions of our customers. EcoSure continues to promote social inclusion and as such has

realized a growth of +50,000 customers who are based in rural areas.

Servicing claims and ensuring that our customers are afforded dignified burials remains one of the key pillars of the business, and as such claims worth more than ZWL 5.9 billion and USD 2.7 million were paid, with an inflation adjusted growth of 6% compared to the prior financial year.

As we continued to be customer centric, by the exit of the financial year +65% of the customers had been migrated to the USD denominated products that offer a higher level of stability and comfort. To also ensure convenience to the customer when accessing services, the business now has over 400 customer touch points an increase of 35% from the previous year exit.

Financial Year	Investment in Community Projects	EcoSure Customer Reach	Families afforded decent burials through the low cost and affordable funeral	People insured	Number of Claims Processed	Amount spent to assist in decent sanitation at funerals
FY23	USD 25,000	3 million	+5,750	+600,000	+ZWL 1,9 billion +USD 0.59 million	ZWL 3.3 million
FY24	USD 18,740	3 million	+4,570	803,892	+USD 2.7 million +ZWL 5.9 billion	USD 7,760

Business Impact in the Society

The business continues to give back to the community by donating over 100 sanitization basins with soap to over 34 schools in a bid to combat Cholera around the country.



Moovah

We implemented risk management strategies, including robust underwriting practices, to prevent potential negative impacts from the insurance business. These measures aim to assess risks accurately, provide appropriate coverage for policyholders and put in place adequate reinsurance structures. In cases where negative impacts have occurred, we took actions to provide support and cooperate in their remediation. This involved prompt claims processing, effective customer support, and collaborating with relevant authorities and stakeholders to resolve issues. The business actively managed and maximized the potential positive impacts of our operations. This includes fostering financial and social inclusion through offering a wide range of products which appeal to different demographics and markets offering training on insurance offerings to our distributors and supporting community development initiatives.

The business utilises internal tracking systems, data analysis, and reporting mechanisms to monitor the effectiveness of the actions taken. This enables us to identify trends, measure performance, and make informed decisions. We established specific goals and targets aligned with our policies and commitments. Key performance indicators (KPIs) are used to evaluate progress, such as claims settlement time, customer satisfaction ratings, and environmental metrics.

Regular assessments indicate the effectiveness of our actions. We review progress towards goals and targets, identify areas for improvement, and implement necessary adjustments to enhance performance. Use of both internal and external audit reports is key under this process. Lessons learned from previous experiences are incorporated into our operational policies and procedures. This iterative process enables us to continuously improve our approach and adapt to changing circumstances.



Maisha

Maisha is a digital personal health assistant that offers access to a spectrum of technology enabled health and wellness products and services ranging from health education, diagnosis, treatment, and chronic disease management all via your mobile phone. Our aim is to grow digital health services business through an innovative product portfolio.

- Lifesaver/Capitation service-subsidised subscription package enabling access to countrywide road ambulance, online doctor consultations and health tips.
- Maisha Health Tips - Subscription service that delivers reliable health advice and education for healthy living and wellness via SMS.
- Maisha Trivia Games – Interactive health and wellness play and win SMS platform.
- Dial a Doc 24/7 Health call centre service for health advice from a qualified medical doctor.

The growth of Digital Health Services business through an innovative product portfolio has impacted on SDG goals 3 and 9. Maisha Digital Health (MDH) has partnered with Mars ambulance service to provide a low-cost bundled product that provides access to healthcare in Zimbabwe at an affordable rate. Zimbabwe has a doctor-to-Patient ratio of more than 1:12,000, an overburdened public health system and having 90% of Zimbabweans being not covered by medical aid insurance. This presented an opportunity to relaunch Lifesaver product in Nov 2023. MDH delivers reliable health advice and education with 11 different health packages available via the Maisha health tips subscription service. Maisha Health Tips has 1,115,330 subscriptions with over 0.3 million people subscribed to mental health education tips with a target of 1.1 million subscribers.

Social

Social Access and Affordability (continued)

Qualified medical doctors operate the Dial a Doc 147 contact centre providing health and wellness advice for general calls and telemedicine consultation for Lifesaver customers.

Trivia games is targeting the youths with fun and interesting games at the same time educating them. Trivia Games has a cumulative subscription of 152,000 against a target of 120,000 players in the financial year. Annual Mass Diabetes screening was provided to group employees in partnership with Mars and Corporate Wellness augmenting Government's efforts of raising awareness of the chronic condition and allowing people to know their status for better management in November 2023.

With the growing demand and consumption of health and fitness services in Zimbabwe and beyond, this has presented MDH opportunity to continuously research, innovate products and services that provide universal access to healthcare. Maisha Health enhances research, innovation and upgrading of the technological capabilities of the health sector in Zimbabwe and expansion into other countries for business growth and development. Maisha is significantly increasing access to health information, consultation, treatment, monitoring, and chronic diseases management through technology by providing affordable health solutions. Maisha Digital Health remitted 15% (ZWL18 million) net revenue from Cancer Tips Health Package to Cancer serve Trust (Maisha Cancer Treatment Fund) in FY24.



Akello is an Edtech organisation committed to improving education outcomes across Africa through access to tech-based education platforms/materials. We envision a world in which all young people have the opportunity to learn and thrive anytime, anywhere. At Akello, our commitment to social inclusion and impact is deeply ingrained in our approach. We believe in fostering an environment where everyone, regardless of background or circumstance, has equal access to education and opportunities for personal growth. In the past year, our approach to social inclusion and impact encompassed several key pillars:

Accessible Learning Platforms: We are dedicated to making education accessible to all learners, including those with disabilities or socio-economic challenges. During the review period, we introduced Akello Library, which has improved

access options such as offline reading on mobile and desktop applications and text-to-speech capabilities on all our learning platforms. These accessibility enhancements empower learners with disabilities, including those with visual, auditory, or motor impairments, to engage more effectively with educational content and participate fully in digital learning experiences.

Community Engagement Programs: We strengthened our commitment to community engagement through strategic partnerships. Through these partnerships, we actively engage with communities to understand their needs and tailor our offerings to address local challenges. As an industry leader, Akello partners with schools, non-profit organisations, and government agencies, to provide resources and support to under-served communities, helping bridge the digital divide and promote equitable access to education for over 50,000 students per year.

STAKEHOLDERS	FY24 OPERATIONAL HIGHLIGHTS	IMPACT
	989 School Engagements (454 Primary Schools +526 High Schools) 1,000 headmasters engaged through the NASH conferences. 450 headmasters engaged through the NAPH conferences.	Accelerating the adoption of digital learning platforms across the education system.
	An online digital interactive learning platform for primary and secondary school learners. New key platform features include an AI-powered chatbot, Improved Interactive learning content and text-to-speech capabilities for visually impaired learners. Educators were trained in digital skills, and mirror servers were installed at 18 schools to improve network availability in underprivileged communities, impacting 20,000 learners. 64,213 learners from 989 schools accessed the e-learning platform.	Improved learning outcomes for at least 60,000 through improved access to a vast library of curriculum-aligned multimedia educational resources, practice exercises and reference materials. AI-powered chatbot, which facilitates personalised intelligent tutoring with interactive micro lessons, explanations, and practice questions across various subjects. Users converse with the chatbot in natural language via the Akello platform. Improved quality teaching through generative multimedia content, automated lesson planning, assessment generation, grading, and tracking student performance.
	Akello Library offers a wide range of up-to-date, carefully curated academic and revision textbooks targeted towards primary and secondary school learners. Improved access through desktop and mobile applications, which allow in-app downloads of books for offline reading. Five local Publishers were onboarded, increasing the number of books on the platform. 17,000 users registered and accessed the library platform during a successful pilot study.	Improved distribution channel for learners to access a wide range of up-to-date, carefully curated academic and non-academic learning material and books aligned to the latest Curriculum. Low-priced and offline access options to ensure everyone has access to equitable, inclusive and quality education.



VAYA Smart Services

VAYA Services platforms provide the tools and technologies to build robust, easy-to-use IoT solutions and Augmented Reality (AR) experiences that leverage data from smart, connected products and operations to drive innovation. IoT and AI products deployment enhances operational efficiency, optimises routing, and reduces fuel consumption, improving security leading to cost savings for businesses. Real-time tracking and monitoring have helped businesses to streamline their operations, reduce downtime, and improve resource

allocation, thereby increasing productivity and creating employment opportunities for installation, maintenance, and control room monitoring. Vehicle Services, through its connected car product, promotes fuel-efficient driving behaviour, such as reducing idling time and optimizing routes, leading to a decrease in fuel consumption and associated greenhouse gas emissions. By optimizing routes and reducing unnecessary travel, VAYA Services systems contributed to lowering vehicle emissions and air pollution.

VAYA's smart security solutions enhances safety by deterring break-ins through rapid response partnerships and AI-powered security systems. Connected car enhances driver safety by monitoring driving behaviour, providing alerts for speeding or harsh braking, and enabling prompt emergency response in case of accidents. four stolen vehicles and three stolen motor bikes were recovered through our tracking platforms which deters criminal activities and provides a sense of security to vehicle owners. The collection and storage of real-time location data raises privacy concerns by individuals and corporates that feel potential infringement on their right to privacy. The business has adopted policies and commitments on data privacy issues as well as implemented employee trainings on data security. Various cybersecurity awareness campaigns were deployed. Initiatives undertaken to increase awareness on data privacy and cybersecurity included the following:

Social

Social Access and Affordability (continued)

- Mandatory Knowbe4 training for all staff members
- Refresher training for the employees
- LinkedIn course recommended by the human resources and Information Systems departments.
- Technicians and Control room upskilling

In compliance with Statutory Instrument (SI) 118 of 2023, which makes it mandatory for all public service vehicles to be fitted with speed limiting and monitoring devices, VAYA Services partnered with the Zimbabwe Public Transport Organisation (ZPTO) and ZRP HQ Traffic Operations to set up a control room for monitoring public transport speeds.



VAYA Digital Farmer

VAYA Digital Farmer Market Linkages (Trading Platform)

Product Description

The VAYA Fresh platform that connects fresh fruits/vegetable producers to reliable consumers of goods and/or retailers was launched. Through this, VDF aims to assist farmers who have faced challenges with access to offtake markets with better prices for their produce. The platform also seeks to empower logistic partners as it will also partner with owners of delivery vehicles who will have the responsibility of making sure the products get to the market on time.

PRODUCT

VAYA Fresh
VAYA Fresh has been launched as a platform that connects fresh fruits/vegetable producers to reliable consumers of goods and/or retailers.

SUSTAINABILITY IMPACT

Through the provision of offtake markets to previously disadvantaged farmers with limited access to profitable markets, this service contributes towards **SDG 10-Reduced inequalities**

STATUS UPDATE

+90 tonnes of fresh produce delivered

Platform Services

Through the *144# platform and the Bulk SMS Service, VDF offers farming information delivered via SMS across a wide range of value chains.

These services help farmers to: Engage in best farming practises which can help improve their yields thereby contributing towards **SDG 1- No poverty.**

Gain Increased access to m-agri services which will improve livelihoods & food security, addressing **SDG 2- Zero hunger.**

+4 million Bulk SMSs distributed (in partnership with NGOs & agribusinesses)

Equipment Services

This is a platform which allows farmers in need of equipment to hire.

Through the digitalisation of tillage, farmers can achieve higher levels of economic productivity, contributing towards **SDG 8- Decent work and economic growth.**

+30,000 hectares since launch



Digitally Empowering People

HIRE AND PAY FOR FARMING EQUIPMENT ON YOUR PHONE

Farmers order a tractor using the VAYA Africa mobile app or via USSD, allowing them to implement mechanization technology. Farm equipment has been placed on a digital platform, allowing farmers to request service. The platform then matches the request with the closest available equipment, which is subsequently deployed.

Social

Social Access and Affordability (continued)



VAYA Mobility

Ride-hailing services provide a convenient, safe, dependable, and accessible means of transportation. VAYA Mobility's decision to incorporate Electric Vehicles (EVs) into its fleet aims to promote positive environmental impacts. Through its introduction three partners purchased EVs during the period, further contributing to the company's goal of reducing GHG emissions and improving air quality as more people choose cleaner mobility. The company continues to expand its use of IoT throughout various transport sectors. VAYA Mobility took pride in its safe and secure systems, which are supported by ISO certifications 27001 and 22301, as well as integrations with in-house internationally recognised Fintech systems. The VAYA Apps have been downloaded by 820,000 passengers and 200,000 drivers. VAYA Mobility business provided jobs for drivers which supported the local economy through a USD 90,000 VAT contribution.

To improve driver performance, the company decided to reduce its commission share, which allowed drivers to earn 90% of the gross collection for each trip. VAYA Mobility has acknowledged the significance of switching to eco-friendly vehicles, particularly electric vehicles (EVs) and

hybrid vehicles. This move aims to promote sustainability in the economy by minimizing carbon emissions, promoting energy efficiency, and encouraging the adoption of greener transportation options. This initiative is consistent with global efforts to combat climate change and create an environmentally friendly transportation sector.

VAYA utilizes data generated by its platform to assess the efficiency of its business strategies. The applications incorporate a rating system that gathers feedback from both customers and drivers regarding their ride experiences. Every quarter, engagement forums are held to gather insights from drivers on operational issues.

To track the adoption of hybrid vehicles on its platform, VAYA Mobility assesses the percentage of hybrid vehicles in comparison to the total number of vehicles available. Additionally, surveys are conducted to determine the percentage of customers who prefer electric and hybrid vehicles to conventional ones. The ride-hailing industry has evolved to prioritize customer experience, regulatory compliance, innovation, data-driven insights, and driver empowerment.



Digitally
Empowering
People

ENHANCING PEOPLE'S SAFETY AND THE SECURITY OF ASSETS 24/7

VAYA Smart Security (VSS) is a smart home and business security system that allows users to remotely manage, monitor and control their security system from anywhere, anytime. The system detects home or business intrusion by using state of the art security sensors and cameras and provides efficient and reliable rapid response.



GOVERNANCE IMPACT

Your diversified digital solutions group



Governance Business Model and Innovation



Management Approach

EcoCash Holdings Zimbabwe Limited is committed to upholding corporate governance, knowing that this is central in achieving not only its strategic objectives but also fostering a culture that values high ethical standards, personal and corporate integrity. The business uses a risk-based approach to identify potential risks and mitigation measures across its operations. To ensure that we have best-practice in governance, appropriate board committees are in place to govern key business sustainability aspects.

The business uses **a risk-based approach** to identify potential risks and mitigation measures across its operations

Our objective is to **diversify our supply chain** by increasing our spend with the various diverse supplier groups

Supply Chain Management

At EcoCash Holdings, we recognise the responsibility we hold not only for our operations but also for the ethical practices of our broader network. The business actively builds a responsible supply chain, grounded in unwavering integrity and a commitment to positive social and environmental impact. Every vendor and supplier we partner with must adhere to our Code of Ethics and Business Conduct Policy, Anti-Corruption and Anti-Bribery Policy, and Supplier Code of Conduct. These strict guidelines promote ethical behaviour throughout our ecosystem. Before engaging with any new supplier, we conduct thorough environmental and social impact assessments. This proactive approach allows us to identify potential risks and prioritize partners who share our commitment to sustainability and fair labour practices. Through thorough risk assessments, we actively identify and address potential vulnerabilities within our supply chain, such as forced labour, child labour, modern-day slavery, and money laundering. Our comprehensive risk mitigation strategy ensures we do not contribute to, or become complicit in, such harmful practices.

Our procurement and supply chain strategy is designed to build collaboration, agility, and innovation to ensure a cost effective and customer centric delivery model with a focus on the following key priorities: Cost Optimization, Collaborative Supplier Partnerships to Maximize Business Value, Automation and Digital Transformation, Digital Skills and Capabilities and Focus on Sustainability. The macro-economic environment continued to present challenges of price and exchange rate volatility. Furthermore, there were delays in the supply of goods due to global supply chain disruptions. This resulted in the need for management to take strategic action of tightening on cost control and building systems and tools to mitigate supply risk and assure supply chain resilience.

Sustainable Procurement

During the reporting period, EcoCash awarded purchase orders in the region of ZWL 1.5 trillion for the procurement of a range of goods and services. This spend was distributed across 300+ suppliers, of which 291 are local. The major spends categories include Equipment IT Hardware and Software, Fuel and Security Services.

Governance

Supply Chain Management (continued)

Spend Analysis Summary		
Description	Count	% Contribution (ZWL)
Foreign Suppliers (Count)	11	4%
Local Suppliers (Count)	291	96%
Total Suppliers (FY24)	302	100%

The total local spend of approximately ZWL 665 billion represents a contribution of more than 45% of the total spend. The business managed to achieve a notable contribution of 45% in local spend, illustrating the business's commitment to support local businesses and to driving local economic growth through its procurement activity.

Promoting Supplier Diversity

Through EHZL's Supplier Diversity & Inclusivity program, the business is deliberate about promoting diversity and inclusion within the supply chain by increasing the value of goods and services procured from minority businesses. Minority businesses include small and medium Enterprises (SMEs), women-owned businesses, youth-led enterprises, and businesses that are owned and operated by people with disabilities. Our objective is to diversify our supply chain by increasing our spend with the various diverse supplier groups. Our current Supplier Diversity contribution in this reporting period is 11%, and with a goal of reaching 15% by the next reporting period (FY25).

Supporting SMEs

Zimbabwe has a high informal sector economy that is dominated by small and medium enterprises (SMEs). The SME sector is recognised as a significant contributor to economic growth and development and significant employment. Of the 290+ local suppliers that EcoCash contracted with during the reporting period 222 (76%) are small and medium enterprises. Of the ZWL 665 billion spend with local suppliers, ZWL 153 billion (or 23% of the local spend) was sourced from SMEs in this reporting period, illustrating EcoCash's commitment to support small and medium enterprises and contribute to Zimbabwe's economic growth and development.

Increasing Women Owned Business Spend

Under-representation of women businesses in corporate supply chains is a missed opportunity, from both a social and economic standpoint. Studies conducted show that when women earn an income, they invest 90% back into their

families and economies. At EcoCash, we have recognised the opportunity and responsibility and through our Supplier Diversity and Inclusion program have committed to increasing our spend with women-owned businesses to help economically empower female entrepreneurs. The business implemented several key initiatives in this reporting period to achieve our objective of increasing women owned business spend:

In April 2023, the business signed a partnership agreement with Women-Owned Business Trust (WOBT) to enhance Supplier Diversity Inclusion (SDI). Through this partnership EcoCash is working with WOBT – a trust dedicated to helping women access markets and scale their businesses – to increase our procurement expenditure with women-owned businesses. To increase our women-owned business spend contribution, the business recognises the need to expand the number of women-owned businesses that are registered as EcoCash suppliers. The business participated in four 'Meet the Buyer' events, which provide a platform for women-owned businesses to introduce and showcase their businesses to EcoCash. During this reporting period, because of the Supplier Diversity and Inclusion initiatives employed, EcoCash's expenditure with women-owned business grew by 1000% to close at ZWL 30 billion, from ZWL 2.6 billion in the prior year.

Supplier Sustainability Assessment

EcoCash is committed to -integrating sustainability throughout its supply chain by improving its overall procurement process. Forty-nine (49) new suppliers were added to our supplier database. One hundred percent (100%) of the suppliers added to our database were successfully screened using environmental and social criteria through completion of the Supplier Sustainability Self-Assessment Questionnaire (SSAQ) which includes questions in the following areas: sustainability management, environment, human rights and working conditions, ethics, and compliance and - as well as responsible sourcing. The objective of the SSAQ is to demonstrate the extent to which our suppliers meet the EcoCash sustainability requirements. Our 50 top tier suppliers, representing over +90% of total spend, achieved a combined ESG score of ~78%, exceeding the target score of 70%-indicating strong adherence to EcoCash's sustainability standards). In addition, to the suppliers completing the SSAQ, the Procurement staff conduct supplier visits to validate/verify the SSAQ results. Forty (40) supplier visits were conducted in this reporting period.

There are no suppliers at significant risk for child labour or forced labour. Through completion of the SSAQ any suppliers at significant risk are flagged and a validation exercise conducted to verify the extent of the risk. No suppliers were identified in this reporting period to be of significant risk.

Risk Management

Management Approach

EcoCash Holdings has a robust risk management environment, which is underpinned by understanding and complying with regulatory requirements set by all Regulators. This involves conducting thorough risk assessments to identify, understand and prioritize various risks that affect the business objectives as well as risks that open opportunities for the business. Fostering a strong risk culture throughout the organisation is crucial, supported by clear governance structures and comprehensive policies and procedures aligned with regulatory standards. Implementing vigorous systems for ongoing risk monitoring, reporting, and mitigation is part of the day-to-day operations of the business. Continuous improvement, regular Board oversight, and senior management engagement are vital to adapt to evolving market conditions and emerging risks effectively. By following these steps, the business has built resilience, ensured compliance, and protected the interests of stakeholders.

Risk management is applied across the organisation spanning across functions, projects, activity, and time dimensions. The adoption of consistent processes within a comprehensive

framework helps us to ensure that risk is managed effectively, efficiently, and coherently within the organisation. The approach described in this Governance, Risk and Compliance Policy is aligned with the Enterprise Risk Management framework, International Standard Organisation - ISO 31000. The approach prescribes the principles and guidelines for managing risk in a systematic, transparent, and credible manner and within any scope and context.

Risk Management Framework

To ensure that our risk management programs concentrate on risks that have the biggest influence on ongoing or future business operations, EcoCash Holdings periodically evaluates and updates its top risks and mitigation procedures. The Governance, Risk, and Compliance policy, which offers management and staff guidance, information, and understanding of the Board's ERM requirements, governs our approach to risk management and helps them manage risks in an orderly, efficient, and responsible manner. The risk management system has been institutionalized inside EcoCash Holdings through the development of a governance structure.

Responsibility and Accountability

The table below outlines the role matrix for managing risk in EcoCash Holdings.

Board of Directors & Committee	Risk Management Functions	Staff Members
<ul style="list-style-type: none"> EHZL has a Board of Directors responsible for organisation success and shareholder accountability. The Board oversees management independently and ensures performance accountability. <p>Risk Committee</p> <ul style="list-style-type: none"> A Risk Committee operates to maintain a robust risk management system and control environment. <p>Audit Committee</p> <ul style="list-style-type: none"> The Committee's goal is to ensure the integrity of financial reporting and implementation of sound internal controls and risk management. 	<p>Lead by the Chief Risk Officer comprises of the following:</p> <p>Enterprise Risk Management</p> <ul style="list-style-type: none"> Independently appraise EHZL operations, advise risk owners, assist in development, and assess the effectiveness of risk mitigation strategies. <p>Internal Audit</p> <ul style="list-style-type: none"> The internal audit department adopts a risk-based approach guided by extensive risk assessment of the business on issues identified by the audit committee and senior management. <p>External Audit</p> <ul style="list-style-type: none"> The role of external audit is to provide an opinion on the truth and fairness of the financial statements, effectiveness of corporate governance, risk management and internal controls. <p>Compliance Department</p> <ul style="list-style-type: none"> The department institutes management processes which identify applicable requirements, be it laws, regulations, contracts, policies, processes and procedures and strategies. 	<ul style="list-style-type: none"> All staff must engage in the risk management process, as it is mandatory. Staff responsible for risk management due to their job roles have personal risk responsibilities. Personal risk responsibilities include completing monthly risk reports, monitoring, and controlling risks assigned to them. Individual work and performance objectives incorporate staff's risk management responsibilities.

Governance

Risk Management (continued)

Initiatives to Enhance our Risk Management Practices.

To improve our strategy and reach a better degree of risk management maturity, we continue to focus on strengthening and incorporating the global risk management framework into our risk management procedure. The following are a few of the programs we have launched to promote consistency in our risk management procedures:

- Combined Assurance.
- Risk culture entrenchment through Enterprise Risk Committee (ERCO) reports and meetings

- Refresher training coordinated by Risk Function.

- Quarterly review of the Corporate Risk Register.

Top 10 Risk Scorecard for EcoCash Holdings

Risk management is pivotal in achieving our objectives hence implementation of risk mitigation is executed at the level of risk taking by the relevant Executives. The process entails continuous monitoring of risk direction in the context of material changes to our operating environment and making interventions. The table below highlights top risks faced by the business.

#	Risk name	Risk Category	Risk Owner
1	Economic Risk	Financial	Chief Financial Officer
2	Business Model Risk	Strategic	Chief Operating Officer
3	Business Performance	Strategic	Chief Commercial Officer
4	Cyber Security and Fraud Risk	Operational	Chief Technology Officer
5	Competitive Risk	Strategic	Chief Commercial Officer
6	Staff Disengagement and Attrition	Strategic	Chief Human Resources Officers
7	Regulatory Compliance Risk	Regulatory &/or Compliance	Legal Counsel
8	Foreign Currency Risk	Financial	Chief Financial Officer
9	Credit Risk	Financial	Chief Financial Officer
10	Digital Transformation and Technology Risk	Operational	Chief Technology Officer

Risks and Mitigation Framework

Key Risk Mitigation by Risk Category

#	Risk Category	Risks Under the Category	Description of the Category	Risk Mitigations
1	Strategic	<ul style="list-style-type: none"> • Business Model Risk • Business Performance • Competitive Risk • Staff disengagement and attrition 	<ul style="list-style-type: none"> • Risk of failing to achieve set strategic objectives due to external and internal threats. 	<ul style="list-style-type: none"> • Product innovation and diversification strategies with multi-currency offering. • Enhancing customer experience programs. • Employee experience initiatives.
2	Financial	<ul style="list-style-type: none"> • Economic Risk • Foreign Currency Risk • Credit risk 	<ul style="list-style-type: none"> • Risk of losing money from a business venture or transaction. 	<ul style="list-style-type: none"> • Value preservation initiatives including USD denominated products. • Monitoring cash flows and taking proactive remedial actions to identified gaps. • Conduct thorough credit assessments, diversify credit exposures, obtain collateral, monitor creditworthiness, use credit insurance, and set credit limits.
3	Regulatory & /or Compliance	<ul style="list-style-type: none"> • Regulatory Compliance Risk 	<ul style="list-style-type: none"> • Risk of failing to adhere to regulatory expectations in a timeous manner. • Inability to adapt to the changing regulatory landscape increases compliance costs. 	<ul style="list-style-type: none"> • Establishing compliance programs, staying informed about regulations, conducting audits, providing training, and maintaining communication with regulatory authorities.
4	Operational	<ul style="list-style-type: none"> • Cyber Security and Fraud Risk • Digital Transformation and Technology Risk 	<ul style="list-style-type: none"> • Risk of losses caused by flawed or failed processes, policies, systems, or events that disrupt business operations. Employee errors as well as fraudulent activities and physical events are among the factors that can trigger operational risk 	<ul style="list-style-type: none"> • Information security programs such as Security Information and Event Management (SIEM) solution to continuously monitor our environment. • Digital transformation programs anchored on process transformation and optimisation.

Governance

Risk Management (continued)

Risk Outlook

An environmental scan on the major disruptions to our operations during the financial year which made up the risk sources impacting the business are as below. Most of these risks critically affect the business performance as evidenced by the overall financial loss the business experienced over the past two years and is likely to continue to pose a huge risk on business model risk and viability.

#	Risks Likely to increase in the Outlook	Description	Impacted Top Risks
1	Economic Downturn	<ul style="list-style-type: none"> Near-zero or sluggish national economic growth persisting over an extended period, refers to a scenario where the pace of economic expansion across the country remains minimal or negative for an extended duration. This condition can result from a combination of factors such as weakened consumer and business confidence, subdued investment activity, trade tensions, geopolitical uncertainties, and structural economic challenges. 	<ul style="list-style-type: none"> Business Model Risk Business Performance Economic Risk Foreign Currency Risk Credit Risk Competitive Risk Staff disengagement and attrition
2	Inflation	<ul style="list-style-type: none"> Persistent rises in the prices of goods and services over time. This phenomenon can stem from various factors, including inflationary pressures, supply chain disruptions, changes in consumer demand, fluctuations in currency values, and geopolitical tensions. 	<ul style="list-style-type: none"> Business Performance Economic Risk Foreign Currency Risk Credit risk. Staff disengagement and attrition
3	Extreme Weather Events	<ul style="list-style-type: none"> Extreme weather events result in the loss of human lives, harm to ecosystems, property destruction, and financial losses. Climate change is exacerbating the frequency and intensity of many of these extreme weather events, highlighting the urgent need for mitigation and adaptation measures to minimize their devastating effects. 	<ul style="list-style-type: none"> Regulatory Compliance Risk
4	Cyber Insecurity	<ul style="list-style-type: none"> Cyber weapons and tools are utilized for cyberwarfare, cyber-espionage, and cyber-crime, aiming to gain control over digital entities and/or induce operational disruptions 	<ul style="list-style-type: none"> Cyber Security and Fraud Risk Digital Transformation & Technology Risk

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Governance

Anti-corruption and Fraud Management

Management Approach

During FY24, EcoCash Holdings demonstrated a strong commitment to professionalism and ethical conduct by implementing comprehensive measures to manage fraud and unethical behaviour. These measures included the establishment of clear policies, utilisation of advanced detection tools, provision of employee training, and prompt incident response. By prioritising responsible practices and transparency, the company fostered a culture of integrity throughout the organisation.

To further reinforce its commitment to ethical conduct, EcoCash Holdings has a whistle-blower hotline to improve the flow of information, enabling employees and stakeholders to report concerns, and ensuring the protection of whistle-blowers. By implementing these measures and promoting

transparency, the business minimises the risk of fraud and corruption, protecting its reputation, and maintaining the trust of stakeholders. The organisation's proactive approach to addressing these issues demonstrates its dedication to upholding ethical standards.

Ethics and Fraud-related Performance

Key indicators, including reported corruption and bribery cases, disciplinary actions, regulatory penalties, detection and response time, policy compliance, financial losses due to fraud, and investigations, are used to assess progress and identify areas for improvement. These metrics demonstrate our unwavering commitment to maintaining a robust ethical framework and effectively combatting fraud and corruption across the organisation.

KPI	FY21	FY22	FY23	FY24
# of Corruption and bribery cases reported	0	0	0	2
# of Fraud Cases Gone for Disciplinary Action	0	7	0	2
# of Regulatory Penalties	0	1	0	0

Management of the Legal and Regulatory Environment

Our Approach to Tax

Management Approach

Sustainability is integrated into our impact strategy and decision-making processes, including how we approach and pay tax. Taxes are important for societies to help fund development, education, healthcare, infrastructure, etc. There are many technical considerations and different tax types that do not always align with activities. The tax system is slowly evolving to manage these challenges. We are committed to fostering informed discussions about the tax system by emphasizing the importance of factual information. Transparency regarding our tax practices is integral to this goal.

Tax Governance

We are committed to being open and transparent about how we conduct our tax affairs and ensuring the highest level of tax compliance with laws and regulations in every country where we operate. We believe this is a key part of being a responsible corporate citizen. Our Tax Policy is built upon two pillars, Compliance and Transparency. It contains the principles, guidance, and expectations, set by EcoCash Holding's Board of Directors, for how all EcoCash Holdings Group companies should approach tax. Our Tax Policy includes all directors, managers and employees who are involved in, or whose actions impact, the management of taxes within the EcoCash Holdings Group, and to all types of taxes (direct, indirect, collected and borne). Our Tax Policy is reviewed, amended as needed and approved by the Board of Directors annually.

Compliance

We have policies and procedures to ensure that our taxes are correct and paid on time. The business commits to complying with the law, only undertaking transactions with commercial substance, paying the respective taxes in the value created and filing tax returns as required by legislation. We transparently provide regular information to our external stakeholders about our approach to tax and taxes paid. We take active part in the global and local debate on tax.

Focus Areas within Tax in 2024

Effective tax risk management requires understanding where and how tax risks can arise and having clear governance arrangements and guidelines on how to deal with tax risks to achieve our objectives and strategy. Risks can be caused by several factors, including, but not limited to, a changing economic landscape, business changes, unintended internal errors, and factual disagreements.

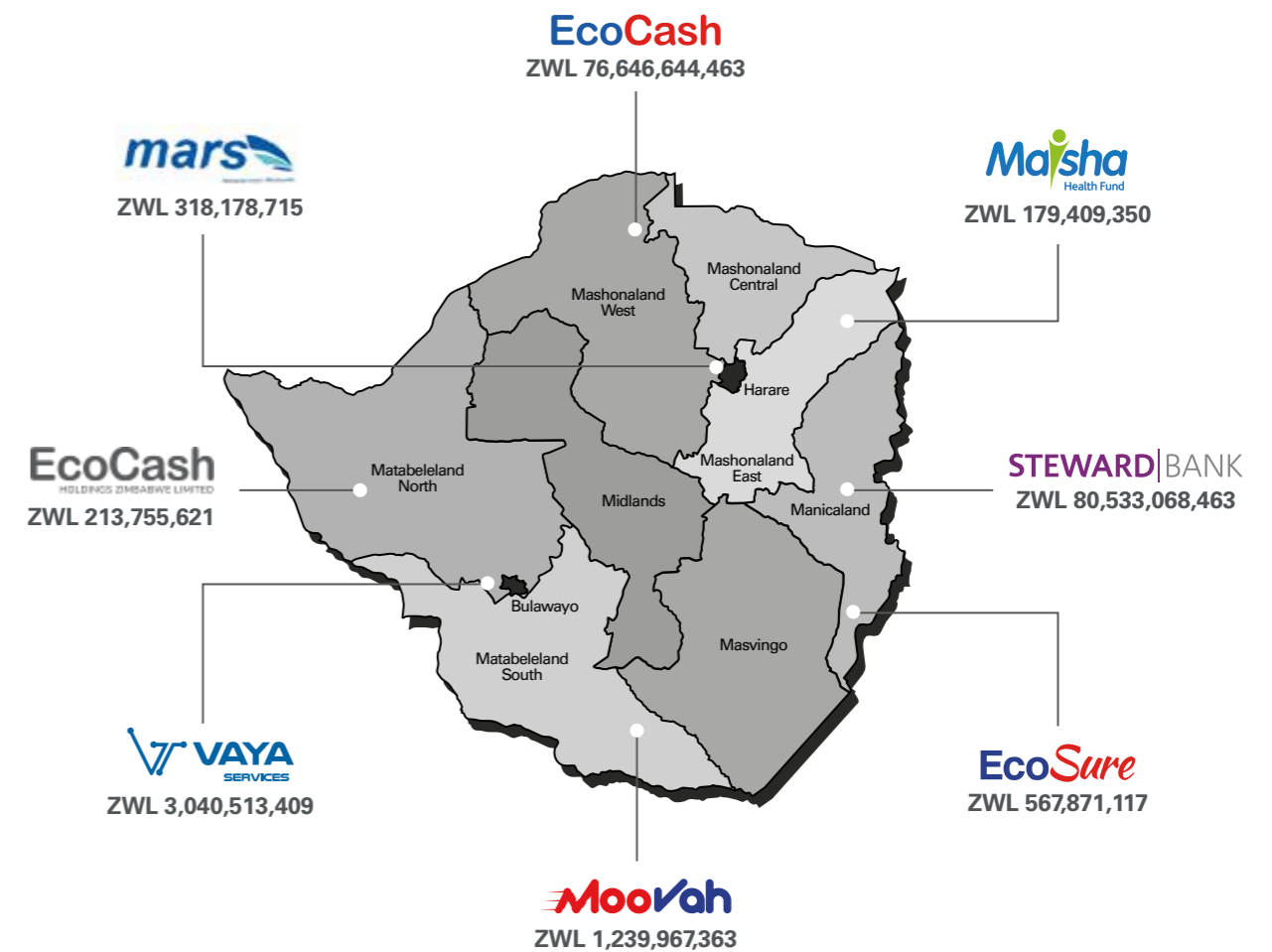
In 2024, we filed 100 percent of our tax returns within the deadline set by the relevant tax authority. In addition, following several transactions, we reviewed and implemented our tax governance procedures and transfer pricing set-up in our segment. Based on this and the changes to how we organise our customer segments, we adjusted the governance of taxes to match the business.

We work towards improving our tax risk management framework and controls, using IT systems that monitor and report on specific tax risks automatically. ZIMRA introduced a more efficient and robust Tax and Revenue Management System (TARMS) in October 2023. This system aims to improve tax compliance and revenue collection through increased efficiency and robustness.

Management of the Legal and Regulatory Environment (continued)



Our Tax Footprint for 2024 is below.



Governance

Corporate Governance Statement

The EcoCash Holdings Zimbabwe Limited (“EHZL”) Board of Directors is committed to upholding the highest standards of corporate governance by ensuring that business is conducted in a transparent, responsible, and accountable manner as enshrined in the international and local corporate governance frameworks.

The Group continues to comply with and apply the corporate governance principles set out in the King Codes as well as the mandatory principles of governance as contained in the Zimbabwe National Code on Corporate Governance and the Zimbabwe Stock Exchange Listing Requirements.

The Group is also regulated by several regulatory authorities. Management maintains regular contacts with the regulators, the objective being to ensure the Group’s full compliance with the relevant laws and laid-down regulations. The Group is aligned with the United Nations Global Compact, a principle-based framework for businesses to pursue sustainable and socially beneficial policies and strategies.

The Board is committed to the creation and sustenance of shareholder value and is accountable to its shareholders as well as to all other stakeholders including EHZL’s employees, customers, suppliers, regulatory authorities, and the community from which it operates.

Board Responsibilities

The Board has a Charter that sets out its authority, duties, responsibilities and arrangements by which it operates. The Board Charter is also available to Directors for reference regarding their duties and obligations. The Charter also clearly establishes the relationship between the Board of Directors and management. The Board will regularly review its structure and policies in line with international best practice.

The Board of Directors is responsible for the strategic direction and overall corporate governance of the Group, ensuring that appropriate controls, systems, and policies are in place. The Board monitors the implementation of these policies through a structured approach to reporting and accountability. EHZL enhanced its strategy with a strong focus on digital technology. The Board held six (6) Board meetings during the period to assess risk, review performance and provide guidance to management.

The Board is responsible for the preparation of financial statements for each financial period that give a true and fair view of the situation of the Group as at the end of the financial period. The Board monitors management’s performance and ensures that prudent and effective controls are always in place.

Board Composition

The Board is comprised of ten (10) Directors, which include eight (8) non-executive directors and two Executive directors (the Chief Executive Officer and the Finance Director). The Board is led by an Independent Non-Executive Chairperson, thereby ensuring constructive checks and balances between Executive management and the Board.

The Board considers that its membership should reflect an appropriate balance between executives possessing extensive direct experience and expertise in core business activities and non-executive members who bring to the Board a broad range of general commercial expertise and experience. The Board composition is fully compliant with Section 206 (2) of the Companies and Other Business Entities Act (Chapter 24:31).

	Name of Director	Status
1	Mrs Sherree Gladys Shereni (Chairperson)	Independent Non-Executive Director
2	Dr Zienzile Dillon (Deputy Chairperson)	Independent Non-Executive Director
3	Mr Michael Louis Bennett	Independent Non-Executive Director
4	Mr Hardy Pemhiwa	Non-Executive Director
5	Ms Elizabeth Tanya Masiyiwa	Non-Executive Director
6	Mr Darlington Tafara Mandivenga	Non-Executive Director
7	Mr Christopher Maswi	Independent Non-Executive Director
8	Mr Dominic Musengi	Independent Non-Executive Director
9	Mr Edmore Chibi	Executive Director
10	Mrs Theresa Nyemba	Executive Director

Board Diversity

The Board recognises the importance of diversity and inclusion in its decision-making processes. The Board members have a vast array of experience in areas that include accounting, economics, legal, corporate finance, marketing, and business administration to enable it to discharge its responsibilities. The Board is made up of five (5) independent non-executive directors; three (3) non-executive directors and two (2) executive directors. There are four (4) female directors.

Ethical Values

Directors and employees are required to observe the highest ethical standards, ensuring that business practices are conducted in a manner which, in all reasonable circumstances, is beyond reproach. In this regard, the Group has a detailed code of ethics for all levels of employees. In line with the Zimbabwe Stock Exchange listing requirements, the Group observes a closed period before the publication of its quarterly, half yearly and year-end financial results, during which period Directors, officers and employees may not deal in the shares of the Group. Where appropriate, this restriction is also extended to include other sensitive periods.

Director Declarations

The Board has in place a Policy that manages conflict of interest including situational and transactional conflict. Directors disclose their interests on joining the Board and at every meeting of the directors, they disclose any additional interests and confirm or update their Declarations of Interest accordingly. Each year Directors are required to submit in writing whether they have interests in any contracts of significance to the Group, which could give rise to conflict of interest. A Director who is in any way whether directly or indirectly, interested in a contract or proposed contract which has been or is to be entered into by the Group is required to declare the nature and extent of this interest. Such a director is not permitted to vote in respect of any contract or arrangement in which he or she is interested. Any service rendered by the directors and all directors’ interests in the Group is required to be conducted on an arm’s length basis. Full disclosure of any such arrangements by all the current Executive and Non-Executive Directors must be made in accordance with legal requirements.

Share Dealing

The Group has in place a Policy specifying closed periods that prohibit trading in the Group’s shares by Directors, senior executives, and employees. No Director, officer or employee of the Company may deal directly or indirectly in the Company’s shares based on unpublished price-sensitive information regarding its business or affairs. In addition, no Director, officer, or employee may trade in the Company’s shares during closed periods. Closed periods are from the end of the interim and annual reporting periods to the announcement of financial and operating results for the respective periods, and while the Company is under a Cautionary Announcement. As a matter of policy all directors trading in the Group’s shares, even outside of the closed period, require the prior approval of the Board Chairperson. Senior management are required to notify the Finance Director prior to the transaction.

Directors’ Remuneration

The Remuneration Policy promotes the Group’s long-term financial performance and creates long-lasting shareholder value. This policy is intended to remunerate the directors appropriately in accordance with their qualifications, responsibilities and dedication required, ensuring that such remuneration is in line with market trends and sufficient to attract and retain directors of the desired profile. The Shareholders approve the remuneration of the Board of Directors annually at the Annual General Meeting. With regard specifically to the directors who carry out executive duties, the policy aims to attract, retain, and motivate the Group’s professionals.

Board Capacity Development

EHZL has in place a Board Training and Development Plan designed to enable the Directors to gain an appreciation of the Group’s strategic, financial, operational and risk management structures.

Transparency

The Board has unrestricted access to Company information, records, documents, and management. Efficient and timely procedures for briefing Board members before Board meetings have been developed and implemented. Management is under obligation to provide regular reports or additional information when requested timeously to ensure that the Board discharges its duties effectively. Directors are free to seek independent professional advice, at the expense of EHZL, in the furtherance of their duties.

The Board recognises the importance of Stakeholder Engagement as a key aspect of good corporate governance. The business has several platforms for directly communicating with stakeholders which include quarterly trading updates, meetings with the CEO, annual report, and employee representative meetings. The Board has delegated to the Chief Executive Officer, the Finance Director, and the Chairperson the responsibility of communicating with stakeholders and the investment community. The Board is kept fully apprised of the results of these engagements.

Sustainable Business Practices

The Group recognises the importance of the Environmental, Social and Governance (ESG) aspects for its business operations. The business is guided by the Global Reporting Initiative (GRI) Standards in measuring and assessing its sustainability performance and impacts.

Appointment of Auditors

BDO Zimbabwe Chartered Accountants were reappointed as the Group’s external auditors at the EHZL 2023 Annual General

Governance

Corporate Governance Statement (continued)

Meeting. As necessary, the Group calls upon the services of other firms to assist with non-audit management consultancy work.

Going Concern

The Directors have assessed, subject to the current and anticipated economic conditions, the Group's ability to continue as a going concern and hereby confirm that they are satisfied that the Group has adequate financial resources to continue in operational existence for the foreseeable future.

Board Committees

The Board has established and delegated specific roles and responsibilities to standing Committees, to assist it in discharging its mandate. Members of the Executive Committee and other management attend meetings of the various committees by invitation. Each Committee acts within written terms of reference approved by the Board and reviewed at least annually. All Board Committees are chaired by non-Executive Chairpersons.

To assist the Board in the discharge of its responsibilities, the following standing Committees have been established, namely:

- i. Board Audit Committee.
- ii. Board Risk Committee.
- iii. Board Environmental, Social and Governance Committee.
- iv. Board Remuneration Committee.

The Chair of each Committee (or a person nominated by the Chair of the Committee for that purpose), reports to the Board at the Board's next meeting on any matters relevant to the Committee's duties and responsibilities.

The Board Committees are comprised as follows:

Board Audit Committee Composition:

- Z. Dillon (Non- Executive Chairperson)
- C. Maswi (Non-Executive Member)
- D.T. Mandivenga (Non-Executive Member)

The role of the Audit Committee is to provide an independent evaluation of the adequacy and efficiency of the institution's internal control system, accounting practices, information systems and auditing processes.

The Committee's goal is to ensure the integrity of financial reporting and implementation of sound internal controls and risk management. The Committee considers and reviews

reports from management with a view to assessing the quality of the financial reporting and compliance with disclosure requirements. It also considers measures to enhance the credibility and objectivity of financial statements and reports prepared with reference to the Company's affairs.

The external auditors attend the committee meetings to present their report on key matters and any findings deemed necessary to bring attention to the Committee. Both internal and external auditors have a direct line of communication at any time to, either the Chairperson of the Committee, or the Board Chairperson. The Committee meets at least quarterly or as necessary.

Board Risk Committee Composition

- C. Maswi (Non- Executive Chairperson)
- Z. Dillon (Non-Executive Member)
- D.T. Mandivenga (Non-Executive Member)

The Risk Committee's primary role is to oversee the effectiveness of risk and compliance management within the Group. The Committee focuses on the effectiveness and appropriateness of the enterprise risk management framework, including but not limited to risk strategy, risk tolerance and risk governance. The identification and management of risk are central to the Group's objective of creating long-term shareholder value.

The Committee reviews and assesses the integrity of the Group's risk control systems and ensures that the risk policies and strategies are effectively managed. The Committee also sets policy guidelines for ensuring and monitoring compliance with all regulatory laws and directives, and internal policies and procedures. The Committee has oversight on the overall compliance and management framework.

The Risk Committee assists the Board of Directors in the discharge of its duties relating to corporate accountability and associated risks in terms of management, assurance, and reporting. The Committee meets at least quarterly, or as necessary.

Board Environmental, Social and Governance Committee

- M.L. Bennett (Non- Executive Chairperson)
- E.T. Masiyiwa (Non-Executive Member)
- D. Musengi (Non-Executive Member)

The Board Environmental Social and Governance (ESG) Committee has an independent, oversight role in relation to the Group's ESG strategy and activities. It reviews the ESG

policies and initiatives of the Group ensuring they remain effective and up to date.

The Committee assists the Board in promoting the long-term sustainable success of the Company regarding ESG matters by ensuring that appropriate strategies and action plans are in place to meet the Group's desired goals and monitor progress against those goals. It oversees communication of the Group's ESG activities with its stakeholders and provides input to the Board and other Board Committees on ESG matters as required. The Committee monitors the Group's compliance with legal and regulatory requirements (including corporate governance principles) legislated social and economic development requirements and other codes of good practice relating to corporate citizenship, the environment, health, public safety, and consumer protection.

It also monitors ethics and integrity within the Group, having regard to the need to maintain the highest standards of governance and the strategic direction of the Group.

Board Remuneration Committee Composition

- H. Pemhiwa (Non- Executive Chairperson)
- M.L. Bennett (Non-Executive Member)
- E.T. Masiyiwa (Non-Executive Member)
- D. Musengi (Non-Executive Member)

The Board Remuneration Committee's overall responsibility is to review, on behalf of the Board, the Group's remuneration structure and employment policies with a view to ensuring that the Group provides competitive rewards to attract motivate and retain the required skills.

The Committee considers all human resources issues including industrial relations, the recruitment and retention policy and remuneration terms and packages for management, staff, and Directors. The remuneration policy is designed to attract and retain high-calibre senior executives and Directors capable of meeting the specific management needs of the business.

The Committee meets at least twice a year or as necessary.

EHZL Main Board Attendance

As of 29 February 2024, EHZL's Main Board held six (6) meetings and the attendance record of each Director is depicted below:

Board Attendance

Name of Director	Designation	Total Meetings Held	Total Present
Mrs S.G. Shereni	Independent Non-Executive Director (Chairperson)	6	5
Dr Z. Dillon	Independent Non-Executive Director (Deputy Chairperson)	6	6
Mr H. Pemhiwa	Non-Executive Director	6	5
Mr M.L. Bennett	Independent Non-Executive Director	6	6
Ms E.T. Masiyiwa	Non-Executive Director	6	6
Mr D.T. Mandivenga	Non-Executive Director	6	6
Mr C. Maswi	Independent Non-Executive Director	6	6
Mr D. Musengi	Independent Non-Executive Director	6	6
Mr E. Chibi	Executive Director	6	6
Mrs T. Nyemba	Executive Director	6	6

By Order of the Board

Mrs S.G. Shereni
CHAIRPERSON OF THE BOARD

Mr E. Chibi
CHIEF EXECUTIVE OFFICER

Mrs C.R. Daniels
GROUP COMPANY SECRETARY

Governance

Composition of the Board of Directors

The Board of Directors includes both professional Board members and members with executive position. The Board has independent non-executive members who ensure that decision making is objective, pragmatic and unbiased. Board members possess expertise within a wide range of areas as well as in-depth knowledge of EHZLs business. These diverse profiles ensure that the Board of Directors can operate efficiently and support the Group's strategy. The current composition of the Board of Directors is deemed appropriate as it provides a good balance between knowledge, competencies, and experience.

The Directors who served during the year were:

- Mrs Sherree G. Shereni (Chairperson, Independent Non-Executive),
- Dr Zienzile Dillon (Deputy Chairperson, Independent Non-Executive),
- Mr Hardy N. Pemhiwa (Non-Executive),
- Mr Darlington T. Mandivenga (Non-Executive),
- Ms Elizabeth T. Masiyiwa (Non-Executive),
- Mr Michael L. Bennett (Independent Non-Executive),
- Mr Christopher Maswi (Independent Non-Executive),
- Mr Dominic Musengi (Independent Non-Executive),
- Mr Eddie Chibi (Executive),
- Mrs Theresa Nyemba (Executive)

Each year the Board of Directors carries out a self-evaluation of its competencies and skills. The evaluation is carried out systematically, using clearly defined criteria to ensure the Board constantly improves its own performance and its cooperation with Management. The Board of Directors is responsible for safeguarding the interests of the shareholder, while also considering all other stakeholders. At least once a year, the Board of Directors assesses its most important tasks, based on the overall strategic direction of the Group. The Board of Directors also evaluates the performance of the Executive Group Management on a continual basis.

Directors Interests

Members of the Board at each meeting declare all interests inclusive of any conflicts that may have arisen after the last meeting. Similar disclosures are required at managerial level.

Cross-board Membership

In terms of the Companies and Other Business Entities Act [Chapter 24:31] and as stated in the Board charter, members of the Board are encouraged to avoid cross Board membership during the tenure of their directorship. However, in the event

that there is conflict members of the Board at each meeting declare all interests inclusive of any conflicts that may have arisen after the last meeting.

Cross-shareholding with Suppliers and other Stakeholders

In terms of the Board charter, members of the board are encouraged to avoid situations that may be deemed to cause a conflict of interest during the tenure of their directorship. However, in the event that there is conflict members of the Board at each meeting declare all interests inclusive of any conflicts that may have arisen after the last meeting.

Reporting

The Board of Directors establishes dedicated committees to supervise and solve specific tasks. Currently, there are four committees: a Remuneration Committee, Risk Committee, ESG Committee and an Audit Committee. Management on a quarterly basis provides the Main Board and the Audit, Risk and Remuneration Committee with reports on issues of critical concern and highlight the following.

- i. The nature of the concern in relation
- ii. Actions taken to control and mitigate the concern
- iii. Corrective action being implemented to ensure that such concern does not recur.

ESG Committee which is focused on Sustainability and ESG impact issues. Strategic initiatives are closely monitored by the Board to ensure the group remains focused on delivering futureproof solutions that will help our customers across our segments achieve their business goals, sustainability agendas and ESG ambitions.

The strategic goal of the Board and management was for Increased focus on material issues to accelerate the group's sustainability journey. The business units were mandated to harness the power of technology and innovation can tackle environmental and social impacts faced by our community and improve the lives through sustainable products and services.

The Board of Directors determines annually whether to instigate new programmes and, if so, the scope and objectives of said programmes. The Board recognises sustainability governance as a key enabler for accelerating progress on sustainability KPIs. Currently the group does not have a specific office that looks at the management of impact. However, this is an issue that management look out for on the day-to-day operations of the entities.



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Governance

Board of Directors



Mrs S. G. Shereni
(Chairperson)



Mr M. L. Bennett



Dr Z. Dilion



Ms E.T. Masiyiwa



Mr C. Maswi

Our business is led by our Board of Directors.

Mrs Shereni is an Economist with a diverse corporate affairs experience in the soft drink beverage industry across Africa and Southern Asia. Her accomplishments in this field have been recognized internationally and have resulted in successful public-private partnership and outcomes for businesses, governments and civil society throughout Africa. She is a professional with 35 years of solid experience and accomplishments in both the private and public sectors. She is an accomplished former Central Banker.

She has expertise in strategy development, strategic planning and management; with a keen focus on triple bottom-line management encompassing Sustainability and Sustainable Business Practices.

Her qualifications include:
MBA in Leadership and Sustainability (Robert Kennedy College in Switzerland)
Diploma in Business Administration, (University of Manchester) UK
Bachelor of Science (Economics) Hons Degree (University of Zimbabwe).

Mr Bennett holds a BA LLB Degree from Rhodes University, South Africa and was a partner at Scanlen & Holderness, Zimbabwe. He qualified as a Solicitor in England and Wales in 2001 and is currently a Partner at Hill Dickinson LLP.

Michael has significant international experience across a variety of sectors in mergers and acquisitions acting for both companies and entrepreneurs.

Pan African and Global Banker with over 35 years solid banking experience including central banking, retail, corporate and investment banking at executive level. Zienzi has over 21 years Board level experience including chairing the Audit Committees for the South Africa Government Departments of Public Enterprises, Public Service Commission and Gauteng Provincial Government Cluster 2. She was also an Audit Committee member of the South Government Department of Mineral Resources. She is currently Founder and Chief Executive Officer of Carmel Global Capital, New York and former Head of Public Sector, Corporate and Investment Banking for Barclays Africa. In addition she is currently African Union Development Agency Goodwill Ambassador to the USA.

She is a Chartered Certified Accountant (UK), holds an MBA in Finance from Manchester Business School. She completed a Leadership Development program with Harvard Business School and Portfolio Management courses at the New York Institute of Finance. She is an Accredited Fellow for the Macro-Economic and Financial Management Institute for Central Banks in East and Southern Africa.

She is a former UN Ambassador at large (consultative status) and was also awarded an Honorary PHD.

Elizabeth Tanya Masiyiwa is a social entrepreneur and smartech executive. She is the CEO of Delta Philanthropies UK and the CEO of Akello, an African company transforming education with technology-based solutions. She is a board member of Higherlife Foundation and is responsible for the education portfolio across the foundations and the Econet Group of Companies. Elizabeth sits on the boards of several charities and foundations including Harvard University's Leadership Council for the Centre of Africa Studies and advises several entrepreneurship and philanthropy networks. Elizabeth holds a Bachelor of Science in Banking and International Finance, a Masters in Social Entrepreneurship and an Executive MBA from Cambridge University.

Mr Maswi is a Chartered Accountant. He founded Fairvalue Management Consultancy (Pvt) Limited in 2005 and has been leading the firm since then. He has worked in various leadership positions.

He qualified as an Accountant with ICAZ in 1992 and holds a Master of Business Leadership MBL, (UNISA).

Governance

Board of Directors (continued)



Mr D. Musengi



Mr H. Pemhiwa



Mr D.T. Mandivenga



Mr E. Chibi



Mrs T. Nyemba

Mr Musengi is a Legal Practitioner who started his career in 1993 and has worked in different capacities in both the private and public sectors. He has over 27 years experience in diverse fields covering Company Secretarial, Financial Advisory, Legal Advisory Services, Human Resources and General management.

He is currently the Senior Partner at Musengi & Sigauke Legal Practitioners with particular focus on Commercial Law, Corporate Law, Banking and Finance, Labour and Conveyancing,

He holds an LLM (UNISA), LLB (Hons) Degree (University of Zimbabwe), Post Graduate Certificate in Management (NTU,UK) and Diploma in Personnel Management.

Hardy is the President and Group Chief Executive Officer of Cassava Technologies. Hardy also serves as the Group Managing Director of the Econet Group, the parent company of Cassava Technologies.

Cassava Technologies is Africa's leading integrated technology company providing digital infrastructure and digital services across 31 Countries in Africa, Middle East, Europe, USA and Latin America.

Hardy is a seasoned board-level practitioner with 25 years of senior management experience in banking and finance, ICT and infrastructure development. He holds Engineering and Business degrees from Queen Mary College (University of London) and from the Edinburgh Business School.

Mr Mandivenga has a career spanning over 20 years in both high growth and start up organisations in the Telecoms and financial technology service sectors. He has C-Suite experience backed up by a high level of creativity and innovation.

He holds an MBA (Nottingham Trent University), MA Leadership and Management and Bachelor of Technology Management (Hons) both from the University of Zimbabwe.

Mr Chibi is the Chief Executive Officer of EcoCash Holdings Zimbabwe Limited. He joined the Econet Group in 2000 and has over 21 years' experience in Telecoms, ISP and Mobile Financial Services. He has served in the Telecoms industry in Nigeria, Burundi and Zimbabwe in Sales, Marketing and Customer Experience roles. He has also served as Chief Commercial Officer for Econet Burundi and for Econet Wireless Zimbabwe as Chief Sales and Distribution Officer prior to his appointment as CEO of EHZL.

He holds an MBA, BBA, Bachelor of Arts, Diploma in Communication and an MSc Marketing with the University of Salford (UK).

Theresa Nyemba was appointed as the Finance Director with effect from 1 March 2021.

She trained with EY Zimbabwe and is a seasoned Chartered Accountant with a wealth of knowledge and experience. Theresa has previously held the position of Divisional Finance Director at Art Holdings Limited as well as several executive positions within the Econet Wireless Group since 2010. Prior to her appointment, she was the Chief Finance Officer for Steward Bank Limited.

Theresa holds a Bachelor of Accounting Science (Honours BCompt) among other academic qualifications.

BOARD COMMITTEES

- i. Board Audit Committee;
- ii. Board Risk Committee;
- iii. Board Remuneration Committee; and
- iv. Board Environmental, Social and Governance (ESG) Committee.

Board Audit Committee

Composition

- Z. Dillon (Non-Executive Chairperson)
- C. Maswi (Non-Executive Member)
- D.T. Mandivenga (Non-Executive Member)

Board Risk Committee

Composition

- C. Maswi (Non- Executive Chairperson)
- Z. Dillon (Non-Executive Member)
- D.T. Mandivenga (Non-Executive Member)

Board Remuneration Committee

Composition

- H. Pemhiwa (Non-Executive Chairperson)
- M.L. Bennett (Non-Executive Member)
- E.T. Masiyiwa (Non-Executive Member)
- D. Musengi (Non-Executive Member)

Board Environment, Social and Governance (ESG) Committee

Composition

- M.L.Bennett (Non-Executive Chairperson)
- E.T. Masiyiwa (Non-Executive Member)
- D. Musengi (Non-Executive Member)



COMPLIANCE AND FINANCIAL REPORTING



EcoCash
HOLDINGS ZIMBABWE LIMITED

*Your diversified
digital solutions
group*

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Mrs. C.R. Daniels
GROUP COMPANY SECRETARY

Certificate by the Group Company Secretary

In my capacity as Group Company Secretary, I hereby confirm that in terms of the Companies and Other Business Entities Act [Chapter 24:31] that for the year ended 29 February 2024, EcoCash Holdings Zimbabwe Limited has lodged with the Registrar of Companies all such returns as are required by a Public Company in terms of the Companies and Other Business Entities Act and that all such returns are, to the best of my knowledge, true and correct.

Mrs. Charmaine Rose Daniels
GROUP COMPANY SECRETARY

24 June 2024

Directors' Report

The Directors present their report and audited financial statements for the year ended 29 February 2024. In the report "EHZL" or "Group" or "Company" refers to EcoCash Holdings Zimbabwe Limited and its subsidiaries.

Principal Activities and Operations Review

The principal activities of EHZL are split into three broad business segments namely Fintech, Insurtech and On-Demand services. The Fintech segment comprises the Financial Mobile Money, Digital Banking, Payment Services and International Remittances while the Insurtech segment offers mobile micro-insurance solutions covering Funeral, Auto, Education and Health. The On-Demand services offer a converged platform for all on-demand services across transport, health, agriculture and security services sectors utilising the technology platforms.

People

The Group firmly believes that superior and sustained business performance requires the business to continually hone its competitive advantage, which is its People.

The Board is committed to the health and safety of its employees and to ensuring that they work in a positive and comfortable environment, hence the Board's support for the measures implemented by management. The previous COVID-19 pandemic necessitated new and innovative ways to maintain employee engagement, and conducted its work through virtual meetings. A hybrid working environment was introduced. The issues from the engagements were regularly reported to the Board.

Financial Results

Details of the financial results are set out on pages 108 to 242 of the Consolidated Annual Financial Statements and on pages 246 to 259 of the separate Annual Financial Statements. The directors have approved the Consolidated and separate Annual Financial Statements as reflected on pages 101 and 243 respectively.

Dividend

During the year ended 29 February 2024 no dividend was declared.

Share Capital and Share Buy-backs

Details of the Company's share capital and share buy-backs are set out in Note 20 on page 192. At the 5th EHZL Annual General Meeting held on 31 August 2023, shareholders authorised the Company to undertake the purchase of its own ordinary shares in such manner and on such terms as the Directors may from time to time determine up to 10% of its issued ordinary share capital. Shareholders will be asked to approve this at the 2024 Annual General Meeting to renew this authority.

Directors and their Interests

The biographical details of the Directors who served during the year are set out in the Board of Directors' section. The details include their qualifications, experience and particular responsibilities. In terms of Article 69 of the Company's Articles of Association, Directors are not required to hold any shares in the Company by way of qualification. The Directors who served during the year were:

- Mrs. Sherree G Shereni (Chairperson, Independent Non-Executive),
- Dr. Zienzile Dillon (Deputy Chairperson, Independent Non-Executive),
- Mr. Hardy N. Pemhiwa (Non-Executive),
- Mr. Darlington T Mandivenga (Non-Executive),
- Ms. Elizabeth T Masiyiwa (Non-Executive),
- Mr. Michael L Bennett (Independent Non-Executive),
- Mr. Christopher Maswi (Independent Non-Executive),
- Mr. Dominic Musengi (Independent Non-Executive),
- Mr. Eddie Chibi (Executive); and
- Mrs. Theresa Nyemba (Executive).

Directors' Report (continued)

Article 89 of the Company's Articles of Association provides that at each annual general meeting at least one third of the directors must retire and seek re-election.

The following Directors shall retire by rotation at the next annual general meeting and, being eligible, shall seek re-election:

- **Mrs. Sherree Gladys Shereni**
- **Mr. Hardy Pemhiwa**
- **Mr. Darlington Tafara Mandivenga**

The shareholding of Directors in the Company, held directly, indirectly or beneficially, appears in Note 21 of the financial statements.

As part of good corporate governance Directors are prohibited from dealing, directly or indirectly, in the shares of the Company during the Company's closed period. Also, Directors have to disclose any direct or indirect interest they may have in any transaction in which the Company is involved.

During the year, no Director had a material interest in any significant contract with the Company.

At the 2024 Annual General Meeting, shareholders will be asked to approve the Directors' fees for the year.

Register of Members

The Register of Members of the Company is kept at the offices of the Company's transfer secretaries, First Transfer Secretaries (Private) Limited. The Register is open for inspection to members and the public, during business hours.

Borrowing Powers

As provided in Article 102 of the Company's Articles of Association, the Directors can exercise, on behalf of the Company, its powers to borrow funds for its operations. The details of the Group's borrowings are set out in Note 34 to the financial statements.

Capital Commitments

Details of the Group's capital commitments and expenditure are set out in Note 35 to the financial statements.

Donations to political parties

In line with its policy, no political contributions or donations were made by the Group.

Auditors

Members will be requested to consider and, if deemed fit to approve the independent auditor's fees for the past financial year and to appoint independent auditor of the Group for the ensuing year. Messrs. BDO Zimbabwe Chartered Accountants offer themselves for re-appointment.

By Order of the Board



Mrs. S. G. Shereni
CHAIRPERSON OF THE BOARD



Mr. E. Chibi
CHIEF EXECUTIVE OFFICER



Mrs. C.R. Daniels
GROUP COMPANY SECRETARY

24 June 2024

Directors' responsibility for financial reporting

The Directors of Ecocash Holdings Zimbabwe Limited ("the Company") and its subsidiaries (together, "the Group") are responsible for the maintenance of adequate accounting records, and the preparation, integrity and fair presentation of the consolidated financial statements and related information. The Group's independent external auditors, BDO Zimbabwe Chartered Accountants have audited the consolidated financial statements, and their report appears on pages 102 to 107.

The consolidated financial statements for the year ended 29 February 2024 presented from pages 108 to 242 have been prepared with the aim to comply with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The consolidated financial statements have also been prepared in accordance with the disclosure requirements of the Securities and Exchange (Zimbabwe Stock Exchange Listings Requirements) Rules 2019, the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Insurance Act (Chapter 24:07), the Medical Services Act (Chapter 15:13), and related regulations. They are based on accounting policies which have been consistently applied and modified where necessary by the impact of new and revised IFRSs, with material changes relating to IFRS 5 (Non-current assets held for sale and discontinued operation). The financial results have also been prepared based on the requirements of International Financial Reporting Standards (IFRS) 17 "Insurance Contracts" (IFRS 17) which came into effect on 1 January 2023. The business is fully compliant with IFRS 17. The application of these accounting policies is supported by reasonable and prudent judgments and estimates. Compliance with IFRS and laws and regulations is intended to achieve consistency and comparability of financial statements.

In as much as all reasonable care and attention has been taken by the Directors to present information that is meaningful and relevant to the users of the financial statements, due to reporting the multiple factors in the environment, including but not limited to the legislative framework and economic variables affecting companies operating in Zimbabwe, this information in a way is contradictory to International Financial Reporting Standards. Due to factors that result from the prevailing economic environment, these financial statements have been qualified by the auditors and in summary based on the determination of the functional currency of some of its significant subsidiaries. In their opinion, the Group has been unable to comply with the requirements of the International Accounting Standard 21 (IAS 21), The Effects of Changes in Foreign Exchange Rates as referenced in their audit report. These circumstances require care and attention by users of the consolidated financial statements in their interpretation of financial information presented under such conditions.

The Directors are also responsible for the maintenance of adequate accounting records and are responsible for the content and integrity of related financial information included in this report, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The systems of internal control are designed to provide reasonable, but not absolute, assurance as to the reliability of the consolidated financial statements, and to safeguard, verify and maintain accountability of assets, and to prevent and detect material misstatements and losses. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The Directors have a reasonable expectation that the Group and the Company will have adequate resources to continue in operational existence and as a going concern in the financial year ahead. Refer to Note 33 for detailed information on going concern.

The consolidated financial statements were approved by the Board of Directors on 24 June 2024 and are signed on its behalf by:



Mrs. S. G. Shereni
CHAIRPERSON OF THE BOARD



Mr. E. Chibi
CHIEF EXECUTIVE OFFICER

Preparer of the consolidated financial statements

These consolidated financial statements have been prepared under the supervision of Theresa Nyemba.



Mrs. T. Nyemba
FINANCE DIRECTOR
Registered Public Accountant
PAAB Practice Certificate No: 03452



BDO Zimbabwe Chartered Accountants

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Zimbabwe

Independent Auditor’s Report

TO THE SHAREHOLDERS OF ECOCASH HOLDINGS ZIMBABWE LIMITED

Qualified Opinion

We have audited the inflation adjusted consolidated financial statements of EcoCash Holdings Zimbabwe Limited and its subsidiaries (the Group), which comprise the inflation-adjusted consolidated statement of financial position as at 29 February 2024, and the inflation adjusted consolidated statement of comprehensive income, inflation adjusted statement of changes in equity and inflation-adjusted statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as presented from page 108 to 242.

In our opinion, except for the matter discussed in the basis for Qualified Opinion section of our report, the inflation-adjusted consolidated financial statements present fairly, in all material respects, the inflation adjusted financial position of EcoCash Holdings Zimbabwe Limited and its subsidiaries as at 29 February 2024, its inflation-adjusted financial performance and inflation-adjusted cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for a Qualified Opinion

Non-compliance with International Accounting Standard 21 (IAS 21), The Effects of Changes in Foreign Exchange Rates

The Group has not complied with the requirements of International Accounting Standard 21 (IAS 21), The Effects of Changes in Foreign Exchange Rates, in the determination of its functional currency for some of its significant subsidiaries, namely Econet Insurance (Private) Limited, Econet Life (Private) Limited, Maisha Health Fund (Private) Limited and Mars (Private) Limited. Based on our assessment using the guidance in IAS 21, the functional currency for the respective subsidiaries changed during the financial year to United States dollar, however, management continued to use the Zimbabwe dollar as the functional currency. This resulted in distortions to the financial information of the respective subsidiaries.

The distortions affect the following line items: Loss from discontinued operations, Assets held for sale and Liabilities associated with assets held for sale in the statement of financial position. Had the functional currency been changed in compliance with IAS 21, the amounts reclassified and accounted for under International Financial Reporting Standard 5 (IFRS 5)-Non-current assets held for sale and discontinued operations would have been materially different from those reported in these inflation adjusted consolidated financial statements. The effect of the non-compliance with IAS 21 could not be quantified but is considered to be material to the financial statements.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA) (Parts A and B), together with other ethical requirements that are relevant to our audit of the financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

BDO Zimbabwe, a Zimbabwean partnership, is a member of BDO International Limited, a UK company limited by guarantee and forms part of the International BDO network of independent member firms.

A list of partner names is available for inspection at our registered office, No. 3 Baines Avenue, Harare.

Key audit matters

Key audit matters are those matters that in our professional judgment were of most significance in our audit of the inflation-adjusted consolidated financial statements of the Group for the current period. These matters were addressed in the context of our audit of the inflation-adjusted consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion, we have determined the matters described below to be key audit matters to be communicated in our report: -

Key audit matter	Audit responses
<p>IFRS 17 - Insurance Contracts - Implementation and Reporting</p> <p>The new standard, IFRS 17 - “Insurance Contracts” (‘IFRS 17’), which became effective for reporting periods beginning on or after 1 January 2023 was adopted by the Group’s Insurtech entities on 1 March 2023. IFRS 17 replaces IFRS 4 – “Insurance Contracts”. Since the Standard required retrospective application, the Insurtech entities applied IFRS 17 to insurance contracts issued and reinsurance contracts held as at 1 March 2022. The adoption of IFRS 17 is described in Note 32 to the inflation adjusted consolidated financial statements, in accordance with the accounting policies outlined in the same note.</p> <p>Initial implementation of IFRS 17 required the Insurtech entities to make estimates for previous accounting periods as well as the current period as IFRS 17 was applied on a full retrospective basis for all contracts measured under the Premium Allocation Approach (PAA). This was impracticable for one product measured under the General Measurement Model (GMM) for which the modified retrospective approach was utilised. Under both approaches, items in the opening statement of financial position and comparative information were restated.</p> <p>Applying IFRS 17 involves inherent risk factors such as significant complexity and subjectivity associated with the selection and application of the methods, assumptions and data used in developing accounting estimates, and the degree of estimation uncertainty. These factors include:</p> <ul style="list-style-type: none"> Increased estimation uncertainty, complexity and subjectivity in the actuarial models required to produce estimates of future cash flows on an expected present value basis, determine the risk adjustment, and determine and track the Contractual Service Margin (CSM) over time. Increased complexity and subjectivity in developing the assumptions underpinning the actuarial models. 	<p>Our procedures on the application of IFRS 17 included assessing:</p> <ul style="list-style-type: none"> Whether the measurement method selected is appropriate under IFRS 17; Whether the calculations are applied in accordance with the method and are mathematically accurate; Whether judgements have been applied consistently and adjustments to the models are consistent with the objectives of IFRS 17 and are appropriate in the circumstances; and Appropriateness of significant assumptions and the completeness and accuracy of data used. Obtaining an understanding and evaluating the design and implementation of management’s controls over the adoption of IFRS 17 accounting policies and the significant estimates and assumptions used in the determination of the Group’s insurance contracts. Evaluating, with the assistance of external actuarial experts, the related accounting policies and actuarial methodologies to assess compliance with IFRS 17. The methodologies included classification of contracts in terms of the three different measurement approaches (the General Measurement Model, the Premium Allocation Approach and the Variable Fee Approach); the transition and valuation approaches and the wide range of financial and non-financial assumptions. On the transition approaches applied in the calculation of the CSM, evaluating the Group’s assessment of the availability of reasonable and supportable historical information required by the full retrospective approach and the appropriateness of simplifications, under the modified retrospective approach, or fair value approach applied and where applicable test underlying contracts and data.

Independent Auditor's Report (continued)

Key audit matter	Audit responses
<p>IFRS 17 - Insurance Contracts - Implementation and Reporting (continued)</p> <ul style="list-style-type: none"> An increase in the granularity and volume of data required to apply IFRS 17, including data not previously utilised by insurers, and the need to enhance systems and information flows to capture this data. Enhanced disclosure requirements relating to estimates, including a number of complex reconciliations from the opening to the closing of several components of insurance and reinsurance liabilities/assets. <p>This required the application of significant auditor judgment and involved specialised actuarial skills and knowledge to assist in evaluating and assessing management's judgements and assumptions.</p> <p>Accordingly, we have identified the initial application of IFRS 17 as a key audit matter. The critical accounting judgements and impact of the initial application of IFRS 17 are set out in Note AA to the inflation adjusted consolidated financial statements.</p>	<ul style="list-style-type: none"> Assessing the appropriateness and consistency of key assumptions (both new and revised) considering industry and other external sources of benchmarking where applicable, and knowledge of the products and the requirements of IFRS 17. Testing the completeness and accuracy of data used in the calculation of the transition balances to underlying source systems on a sample basis. Considering whether the associated transition disclosures in the financial statements are in compliance with IFRS 17 and with the methodologies and assumptions approved by the directors.
<p>Determination of Expected Credit Loss of the Bank</p> <p>The Bank's expected credit loss (ECL) on advances and sundry receivables amounted to ZWL 79,684,784,296.26. The determination of impairment loss is an inherently uncertain process involving various assumptions and factors including the financial condition of the counterparty, expected future cash flows, observable market prices and expected interest rates. The use of different modelling techniques and assumptions could produce significantly different estimates of provisions. The determination of the ECL is a key area of judgement for management.</p> <p>We therefore considered the fair statement of expected credit losses as a key audit matter.</p>	<p>We assessed and tested the design and operating effectiveness of the controls over individual and collective impairment calculations including the quality of underlying data and systems.</p> <p>For loans and advances provisions calculated on an individual basis we tested the assumptions underlying the impairment identification and quantification including forecasts of future cash flows, valuation of underlying collateral and estimates of recovery on default.</p> <p>For provisions calculated on a collective basis we tested, with the assistance of internal IFRS 9 experts, the underlying models including the model approval and validation process.</p> <p>We tested the appropriateness and accuracy of the inputs to those models, such as recovery and cure rates, and where available, compared data and assumptions made to external benchmarks.</p> <p>We tested the accuracy and completeness of the receivables aging analysis with regards to the sundry debtors and circulated confirmation letters to confirm balances owed to the Bank.</p>

Key audit matter	Audit responses
<p>Completeness, occurrence, and accuracy of revenue</p> <p>Some revenue streams of the Group are characterised by high volumes of transactional data which is generated in a highly automated environment. The likelihood that small errors may become significant on aggregation is high due to the risk of automated replication. There are also different fee charges for the various service types, and these were subject to frequent changes during the year in response to the hyper-inflationary operating environment. The frequent changes to standing data increases the risk of errors. We therefore considered the completeness, occurrence and accuracy of revenue to be a key audit matter.</p>	<p>We performed the following procedures to address this matter:</p> <ul style="list-style-type: none"> Obtained an understanding of the revenue cycle and our information systems auditors, tested the design, implementation and operational effectiveness of general and application controls relevant to the revenue cycle. Wrote scripts which enabled us to extract data from the revenue information systems and recomputed revenue 100%. Reviewed access logs to the standing data in the revenue systems and verified that all tariff changes were authorised and timeously updated. Reviewed the revenue ledgers for unusual or unexpected entries. We also reviewed the exception reports which are generated by the revenue systems. Assessed the appropriateness of the revenue recognition criteria for compliance with the requirements of IFRS 15.
<p>Valuation of Property, Equipment, and Investment property</p> <p>The Group held investment property valued at ZWL 403,672,000,000 and property and equipment valued at ZWL 821,473,179,000 as at 29 February 2024.</p> <p>A valuation exercise was carried out at year end. The valuation of property, equipment, and investment property was performed by independent valuers.</p> <p>The determination of the value of property, equipment, and investment property was considered to be a matter of significance due to:</p> <p>Inherent subjectivity of the key assumptions and judgements that underpin the process thereon due to the heightened uncertainties in the economic environment.</p> <p>Subjectivity of the process that involved making a choice of the exchange rates to apply in the prevailing economic environment.</p>	<p>The Group applied the requirements of International Financial Reporting Standard 13 (IFRS 13) Fair Value Measurement and International Accounting Standards 21 (IAS 21) The Effects of Changes in Exchange Rates in the valuation of its assets.</p> <p>We performed the following procedures to address this matter:</p> <ul style="list-style-type: none"> Obtained an understanding of the approach followed by the independent valuers and directors. Evaluated the independent valuers' work by assessing their competence, independence, capabilities and industry experience. Reviewed the valuation methods used and assessed whether they are appropriate and consistent with the reporting requirements. Evaluated the principles and the integrity of the models used, in accordance with generally accepted valuation methodologies in the economic environment at hand. Assessed the inputs in the valuation model for accuracy, completeness and reasonableness. Assessed the reasonableness of the spot exchange rate used in the valuation process in the context of disparities on available foreign exchange rates.

Independent Auditor's Report (continued)

Other information

The Directors are responsible for other information. The other information is included in the EcoCash Holdings Zimbabwe Limited Annual Report for the financial year ended 29 February 2024 and does not include the Auditor's report and financial statements which are on pages 102 to 242. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on other information that we have obtained prior to the date of the Auditor's Report, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the inflation-adjusted consolidated financial statements

The Directors are responsible for the preparation and fair presentation of these inflation-adjusted consolidated financial statements in accordance with the International Financial Reporting Standard (IFRSs) and supporting regulations. The responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of inflation-adjusted consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

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

Our objectives are to obtain reasonable assurance about whether the inflation-adjusted consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' 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 those inflation-adjusted consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the inflation-adjusted consolidated 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Evaluate the overall presentation, structure and content of the inflation-adjusted consolidated financial statements, including the disclosures, and whether the inflation-adjusted consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Auditors' responsibilities for the audit of the inflation-adjusted consolidated financial statements (continued)

- 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's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the inflation-adjusted consolidated 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 auditors' report. However future events or conditions may cause the Group to cease to continue as a going concern.

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 the 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, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the inflation adjusted consolidated financial statements for the current year and are therefore 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.

Report on legal and regulatory requirements

The accompanying financial statements were not prepared in accordance with the requirements of section 273 of the Companies and Other Business Entities Act (Chapter 24:31) due to non-compliance with IAS 21, The Effects of Changes in Foreign Exchange Rates.

The audit engagement partner on the audit resulting in this independent auditor's report is Gilbert Gwatiringa.



BDO Zimbabwe Chartered Accountants

Kudenga House,
3 Baines Avenue,
Harare

Gilbert Gwatiringa CA(Z)

Partner
PAAB Practicing Certificate No. 0475
Registered Public Auditor

27 June 2024

Consolidated statement of profit or loss and other comprehensive income

For the year ended 29 February 2024

	Notes	INFLATION ADJUSTED		HISTORICAL COST*	
		2024 ZW\$ '000	2023 ZW\$ '000 Restated**	2024 ZW\$ '000	2023 ZW\$ '000 Restated**
Continuing Operations					
Revenue	2	874,707,786	534,101,367	182,235,861	22,214,861
- Interest income calculated using the effective interest method		200,077,614	236,514,981	41,629,273	10,073,284
- Non-interest income		674,630,172	297,586,386	140,606,588	12,141,577
Cost of sales and external services rendered		(83,632,837)	(45,383,179)	(18,940,298)	(1,978,465)
Impairment on financial assets charge: expected credit loss allowances on loans and advances to bank customers		(33,293,529)	(23,216,541)	(33,293,529)	(1,241,669)
Gross profit		757,781,420	465,501,647	130,002,034	18,994,727
Other income	6.1	126,117,057	112,002,237	614,298,166	18,671,813
Other expenses	6.2	(398,580,254)	(89,484,210)	(50,568,727)	(1,031,671)
General administrative expenses	3	(848,887,176)	(526,630,371)	(202,636,317)	(21,739,688)
Marketing and sales expenses		(60,048,455)	(32,937,273)	(11,745,809)	(1,344,083)
Foreign exchange gains arising from items other than debenture related liabilities		(460,413,872)	298,722,000	71,338,103	12,309,692
Foreign exchange losses arising from debenture related liabilities		(350,525,206)	(586,052,671)	(79,216,601)	(22,101,579)
Gain on net monetary position		1,671,053,344	506,929,298	-	-
Profit before net finance costs from continuing operations		436,496,858	148,050,657	471,470,849	3,759,211
Finance costs	4	(30,378,592)	(49,155,265)	(3,600,258)	(1,080,329)
Profit before tax from continuing operations		406,118,266	98,895,392	467,870,591	2,678,882
Income tax expense	7	(76,686,078)	(36,327,231)	(47,186,606)	(3,126,061)
Profit / (loss) for the year from continuing operations		329,432,188	62,568,161	420,683,985	(447,179)
Discontinued operations					
Loss for the year from discontinued operations net of tax	16.1	(42,092,328)	(151,597,059)	(39,225,790)	1,400,692
PROFIT / (LOSS) FOR THE YEAR		287,339,860	(89,028,898)	381,458,195	953,513
Other comprehensive income for the year					
Items that may not be reclassified to profit or loss		60,316,918	375,686,484	534,810,433	29,255,112
Gain arising on revaluation of property and equipment	5	82,104,723	498,642,109	715,131,727	38,750,465
Taxation effect of other comprehensive income	5	(21,787,805)	(122,955,625)	(180,321,294)	(9,495,353)
COMPREHENSIVE INCOME FOR THE YEAR		347,656,778	286,657,586	916,268,628	30,208,625

	Notes	INFLATION ADJUSTED		HISTORICAL COST*	
		2024 ZW\$ '000	2023 ZW\$ '000 Restated**	2024 ZW\$ '000	2023 ZW\$ '000 Restated**
Profit / (loss) for the year attributable to:		287,339,860	(89,028,898)	381,458,195	953,513
Equity holders of parent		293,671,284	(72,155,715)	371,340,831	866,650
Non-controlling interest		(6,331,424)	(16,873,183)	10,117,364	86,863
Other comprehensive income attributable to:		60,316,918	375,686,484	534,810,433	29,255,112
Equity holders of parent		59,810,982	372,535,242	529,656,895	28,973,204
Non-controlling interest		505,936	3,151,242	5,153,538	281,908
		347,656,778	286,657,586	916,268,628	30,208,625
Earnings per share attributable to owners of the parent in the financial statements					
Basic and diluted earnings / (loss) per share (ZW\$)	8	88.168	(34.366)	117.048	0.368
Headline earnings / (loss) per share (ZW\$)	8	87.970	(12.970)	117.019	0.446

** The historical cost financial information is unaudited and has been presented as supplementary information, in line with the PAAB's recommendation set out in Pronouncement 01/2019. The audited inflation adjusted results represent the primary financial information required by IAS 29 and in respect of which the auditors have expressed their opinion.

* Comparatives have been restated as per IFRS 5 PAR 34 which requires the restatement of comparatives in the Statement of Profit or Loss and Other Comprehensive Income.

The notes on pages 115 to 242 are an integral part of these consolidated financial statements.

Mr. E. Chibi
CHIEF EXECUTIVE OFFICER

Mrs. S. G. Shereni
CHAIRPERSON OF THE BOARD

Mrs. T. Nyemba
FINANCE DIRECTOR

24 June 2024

Consolidated statement of financial position

As at 29 February 2024

	Notes	INFLATION ADJUSTED			HISTORICAL COST*		
		2024 ZW\$ '000	2023 ZW\$ '000 Restated**	1 March 2022 ZW\$ '000 Restated**	2024 ZW\$ '000	2023 ZW\$ '000 Restated**	1 March 2022 ZW\$ '000 Restated**
ASSETS							
Intangible assets	12	167,300,295	178,041,698	179,631,315	4,182,270	1,181,335	684,994
Property and equipment	9	336,892,590	843,525,400	585,049,905	287,210,788	43,232,014	8,490,288
Right of use assets	10	16,660,677	13,225,570	8,678,177	693,144	421,275	43,306
Investment property	11	395,572,000	413,236,461	114,173,431	395,572,000	22,100,747	1,888,757
Inventories	17	25,584,931	33,771,833	47,790,303	1,734,976	730,666	115,592
Current tax assets	23.2.2	16,249,678	-	-	16,249,678	-	-
Amounts owed by related party companies	27	1,562,465	2,838,371	7,302,614	1,562,465	151,802	120,284
Trade and other receivables	18	165,671,972	515,741,069	416,276,489	114,445,878	22,793,338	5,954,483
Loans and advances to bank customers	19	426,803,977	522,575,302	403,890,004	426,803,977	27,948,416	6,681,503
Treasury bills and government bonds	14.1	158,276,467	228,634,678	353,249,363	158,276,467	12,227,859	5,843,761
Financial assets at fair value through profit or loss	15	165,752,221	199,323,891	369,276,618	165,752,221	10,660,257	6,108,898
Insurance contract assets	32	-	-	55,286	-	-	915
Reinsurance contract assets	32	-	44,132,119	57,996,608	-	1,963,859	949,520
Cash and cash equivalents		351,760,377	753,264,724	400,515,865	351,760,377	40,286,167	6,625,685
Total Assets from Continuing operations		2,228,087,650	3,748,311,116	2,943,885,978	1,924,244,241	183,697,735	43,507,986
Assets in disposal group classified as held for sale	16.2	1,539,745,308	-	-	1,185,653,338	-	-
Total assets		3,767,832,958	3,748,311,116	2,943,885,978	3,109,897,579	183,697,735	43,507,986
EQUITY AND LIABILITIES							
Capital and reserves							
Share capital and share premium		164,755,039	8,619,185	8,619,185	156,138,477	2,591	2,591
(Accumulated losses) / Retained earnings		(17,235,811)	(310,907,095)	(195,260,968)	372,481,888	1,141,057	994,130
Other reserves	22	1,310,208,203	1,252,948,995	880,622,720	562,509,845	34,840,150	5,902,755
Equity attributable to owners of parent		1,457,727,431	950,661,085	693,980,937	1,091,130,210	35,983,798	6,899,476
Non-controlling interest		19,136,998	24,962,486	(3,225,878)	16,228,152	957,250	376,820
Total equity		1,476,864,429	975,623,571	690,755,059	1,107,358,362	36,941,048	7,276,296
Liabilities							
Deferred tax liabilities	13	122,903,464	158,715,712	134,442,424	63,414,086	7,572,077	1,498,198
Lease liabilities	31	6,918,848	15,433,804	3,694,639	6,918,848	825,432	61,120
Provisions	23.1	-	28,375,338	106,962,918	-	1,756,213	362,939
Corporate tax liability	23.2	-	61,308,083	6,264,621	-	3,278,884	96,625
Loans and borrowings	24	1,214,402	121,099,676	245,770,361	1,214,402	6,476,663	4,065,749
Amounts owed to related party companies	27	80,779,868	598,327,735	256,771,522	80,779,868	31,999,814	4,247,741
Trade and other payables	23	232,272,266	475,171,609	209,114,529	232,272,266	25,013,350	5,567,836
Mobile money trust liabilities		-	345,417,787	327,257,818	-	18,473,663	5,413,786
Deposits due to banks and customers	25	727,520,120	862,114,188	771,923,849	727,520,120	46,107,663	12,769,841
Insurance contract liabilities	32	-	106,723,613	190,895,968	-	5,252,928	2,146,129
Reinsurance contract liabilities	32	-	-	32,270	-	-	1,726
Total Liabilities from Continuing operations		1,171,608,968	2,772,687,545	2,253,130,919	1,112,119,590	146,756,687	36,231,690
Liabilities in disposal group classified as held for sale	16.2	1,119,359,561	-	-	890,419,627	-	-
Total liabilities		2,290,968,529	2,772,687,545	2,253,130,919	2,002,539,217	146,756,687	36,231,690
Total equity and liabilities		3,767,832,958	3,748,311,116	2,943,885,978	3,109,897,579	183,697,735	43,507,986

*Comparatives are not restated as per IFRS 5 PAR 40 which exempts the restatement of comparatives in the Statement of Financial Position.

**The Group is presenting a statement of financial position as at 1 March 2022 to reflect the initial application of IFRS 17, Insurance contracts. Refer to note 32 for further details.



Mr. E. Chibi
CHIEF EXECUTIVE OFFICER



Mrs. S. G. Shereni
CHAIRPERSON OF THE BOARD



Mrs. T. Nyemba
FINANCE DIRECTOR

The notes on pages 115 to 242 are an integral part of these consolidated financial statements.

24 June 2024

Consolidated statement of changes in equity

For the year ended 29 February 2024

	INFLATION ADJUSTED					
	Share capital and share premium ZW\$'000	Retained earnings ZW\$ '000	Other reserves (Note 22) ZW\$ '000	Attributable to equity holders of the entity ZW\$'000	Non-controlling interest ZW\$'000	Total ZW\$'000
Balance at 1 March 2022 as previously reported	8,619,185	(185,749,476)	880,622,720	703,492,429	(1,867,093)	701,625,336
Effect of initial application of IFRS 17	-	(9,511,492)	-	(9,511,492)	(1,358,785)	(10,870,277)
Restated balances as at 1 March 2022	8,619,185	(195,260,968)	880,622,720	693,980,937	(3,225,878)	690,755,059
Profit for the year	-	(72,155,715)	-	(72,155,715)	(16,873,183)	(89,028,898)
Impact of IFRS 17 restatement	-	(4,480,395)	-	(4,480,395)	(640,056)	(5,120,451)
Other comprehensive income:	-	-	372,535,242	372,535,242	3,151,242	375,686,484
Revaluation of property and equipment net of tax	-	-	372,535,242	372,535,242	3,151,242	375,686,484
Total comprehensive income	-	(76,636,110)	372,535,242	295,899,132	(14,361,997)	281,537,135
Transfers within and out of reserves	-	(39,010,017)	(208,967)	(39,218,984)	42,550,361	3,331,377
Non-controlling interests share of capitalisation of a subsidiary	-	-	-	-	3,331,377	3,331,377
Transfer from reserves to non-controlling interests	-	(39,010,017)	(208,967)	(39,218,984)	39,218,984	-
Restated balance at 28 February 2023	8,619,185	(310,907,095)	1,252,948,995	950,661,085	24,962,486	975,623,571
Profit/(loss)for the year	-	293,671,284	-	293,671,284	(6,331,424)	287,339,860
Other comprehensive income	-	-	59,810,982	59,810,982	505,936	60,316,918
Revaluation of property and equipment net of tax	-	-	59,810,982	59,810,982	505,936	60,316,918
Total comprehensive income	-	293,671,284	59,810,982	353,482,266	(5,825,488)	347,656,778
Transfers within reserves	156,135,854	-	(2,551,774)	153,584,080	-	153,584,080
Issue of shares	156,135,854	-	-	156,135,854	-	156,135,854
Purchase of treasury shares	-	-	(2,551,774)	(2,551,774)	-	(2,551,774)
Balance at 29 February 2024	164,755,039	(17,235,811)	1,310,208,203	1,457,727,431	19,136,998	1,476,864,429

	HISTORICAL COST*					
	Share capital and share premium ZW\$'000	Retained earnings ZW\$ '000	Other reserves (Note 22) ZW\$ '000	Attributable to equity holders of the entity ZW\$'000	Non-controlling interest ZW\$'000	Total ZW\$'000
Balance at 1 March 2022 as previously reported	2,591	1,229,712	5,902,755	7,135,058	400,432	7,535,490
Effect of initial application of IFRS 17	-	(235,582)	-	(235,582)	(23,612)	(259,194)
Restated balances as at 1 March 2022	2,591	994,130	5,902,755	6,899,476	376,820	7,276,296
Profit for the year	-	866,650	-	866,650	86,863	953,513
Impact of IFRS 17 restatement	-	(647,097)	-	(647,097)	(64,858)	(711,955)
Other comprehensive income:	-	-	28,973,204	28,973,204	281,908	29,255,112
Revaluation of property and equipment net of tax	-	-	28,973,204	28,973,204	281,908	29,255,112
Total comprehensive income	-	219,553	28,973,204	29,192,757	303,913	29,496,670
Transfers within and out of reserves	-	(72,626)	(35,809)	(108,435)	276,517	168,082
Non-controlling interests share of capitalisation of a subsidiary	-	-	-	-	168,082	168,082
Transfer from reserves to non-controlling interests	-	(72,626)	(35,809)	(108,435)	108,435	-
Restated balance at 28 February 2023	2,591	1,141,057	34,840,150	35,983,798	957,250	36,941,048
Profit/(loss)for the year	-	371,340,831	-	371,340,831	10,117,364	381,458,195
Other comprehensive income	-	-	529,656,895	529,656,895	5,153,538	534,810,433
Revaluation of property and equipment net of tax	-	-	529,656,895	529,656,895	5,153,538	534,810,433
Total comprehensive income	-	371,340,831	529,656,895	900,997,726	15,270,902	916,268,628
Transfers within reserves	156,135,886	-	(1,987,200)	154,148,686	-	154,148,686
Issue of shares	156,135,886	-	-	156,135,886	-	156,135,886
Purchase of treasury shares	-	-	(1,987,200)	(1,987,200)	-	(1,987,200)
Balance at 29 February 2024	156,138,477	372,481,888	562,509,845	1,091,130,210	16,228,152	1,107,358,362

*Comparatives are not restated as per IFRS 5 PAR 40 which exempts the restatement of comparatives in the Statement of Financial Position.

**The Group is presenting a statement of financial position as at 1 March 2022 to reflect the initial application of IFRS 17, Insurance contracts. Refer to note 32 for further details.

The notes on pages 115 to 242 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

For the year ended 29 February 2024

	Notes	INFLATION ADJUSTED		HISTORICAL COST*	
		2024 ZW\$ '000	2023 ZW\$ '000 Restated**	2024 ZW\$ '000	2023 ZW\$ '000 Restated**
Operating activities					
Cash generated from operations	26.2	98,666,411	361,189,832	437,335,446	26,184,216
Income tax paid	26.3	(131,399,448)	(14,336,506)	(78,633,101)	(708,740)
Net cash flows (utilised in) / generated from operating activities		(32,733,037)	346,853,326	358,702,345	25,475,476
Investing activities					
Dividends received		-	117,929,942	-	4,464,085
Investment income received		7,496,828	8,270,377	1,115,037	378,772
Acquisition of investment property		(36,566,063)	(56,956,264)	(6,889,654)	(1,072,607)
Acquisition of intangible assets		(15,121,507)	(3,822,678)	(3,560,433)	(192,112)
Net acquisition of financial assets at fair value through profit or loss		(836,773)	(1,539,020)	(836,773)	(705,807)
Proceeds from disposal of assets held for sale		-	31,558	-	522
Purchase of property and equipment		(90,292,870)	(27,045,064)	(20,507,433)	(1,175,800)
Proceeds on disposal of property and equipment		-	24,023	-	423
Net cash (utilised in) or generated from investing activities		(135,320,385)	36,892,874	(30,679,256)	1,697,476
Financing activities					
Interest on lease liability paid		(1,871,499)	(1,588,238)	(348,528)	(49,351)
Proceeds from rights issue		1,010,314,472	-	165,750,504	-
Repayment of debenture liability		(942,457,533)	-	(154,618,008)	-
Rights offer expenses		(67,856,939)	-	(11,132,496)	-
Proceeds from loans and borrowings		-	32,140,539	-	1,718,943
Repayment of loans and borrowings		-	(14,628,131)	-	(963,663)
Finance costs paid		(28,507,093)	(41,173,246)	(3,251,731)	(1,831,123)
Lease repayments		(6,370,891)	(2,096,207)	(1,268,160)	(118,813)
Net cashflows utilised in financing activities		(36,749,483)	(27,345,283)	(4,868,419)	(1,244,007)
Net increase / (decrease) in cash and cash equivalents		(204,802,905)	356,400,917	323,154,670	25,928,945
Cash and cash equivalents at the beginning of the year		557,106,919	203,421,116	29,149,344	3,365,629
Expected credit losses (ECL)		(543,637)	(2,715,114)	(543,637)	(145,230)
Cash and cash equivalents at the end of the year		351,760,377	557,106,919	351,760,377	29,149,344

*Comparatives are not restated as per IFRS 5 PAR 40 which exempts the restatement of comparatives in the Statement of Financial Position.

**The Group is presenting a statement of financial position as at 1 March 2022 to reflect the initial application of IFRS 17, Insurance contracts. Refer to note 32 for further details.

The notes on pages 115 to 242 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

For the year ended 29 February 2024

Policy note	IFRS/IAS reference	Content
A	IAS 1	General information
B	IAS 1	Basis of preparation
C	IAS 8	Adoption of new and revised standards and interpretations
D	IAS 21	Foreign currency transactions and balances
E	IFRS 3, 10	Business combinations and goodwill
F	IAS 38	Intangible assets
G	IAS 23	Borrowing costs
H	IAS 16	Property and equipment
I	IAS 40	Investment properties
J	IAS 36	Impairment of non-financial assets
K	IFRS 9	Borrowings
L	IFRS 16	Leases
M	IAS 2	Inventories
N	IFRS 15	Revenue recognition
O		Other income
P	IAS 12	Taxation
Q	IAS 19	Employee benefits
R	IFRS 13	Fair value measurement
S	IFRIC 17	Cash dividend and non-cash distribution to equity holders of the parent
T	IFRS 9, IFRS 7	Financial instruments
U	IAS 7	Cash and short term-deposits
V	IAS 32	Treasury shares
W	IAS 37	Provisions
X	IAS 27	Fiduciary assets
Y	IFRS 8	Operating segment information
Z	IFRS 5	Non-current assets held for sale and discontinued operations
AA	IFRS 17	Insurance contracts
AB	IAS 1	Significant assumptions and key sources of estimation uncertainty
AC		Directors' explanatory note on the qualified audit opinion

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

A. GENERAL INFORMATION

A.1 Corporate information

EcoCash Holdings Zimbabwe Limited (“EHZL” or “the Company”) and its subsidiary were demerged from Econet Wireless Zimbabwe Limited (“EWZL”), effective 1 November 2018.

These consolidated financial statements comprise the Holding Company and its subsidiary (collectively “the Group” or the “Group companies”). The group’s subsidiary is Steward Bank Limited which is a digital commercial bank:

Below is a list of entities and their main activities, which were subsidiaries of the Group and are now classified as a disposal group held for sale to Econet Wireless Zimbabwe as at 29 February 2024;

- EcoCash (Private) Limited - (mobile money transfer and payments services);
- Econet Life (Private) Limited - (mobile based funeral and life assurance company)
- Econet Insurance (Private) Limited - (short-term insurance company);
- Vaya Technologies Zimbabwe (Private) Limited (formerly Econet Services (Private) Limited) - (On-demand services, e-commerce, farming technology, connected lifestyle and digital education services);
- Maisha Health Fund (Private) Limited - (medical aid service provider); and
- MARS (Private) Limited - (medical air and road rescue services)

EHZL and its the subsidiary are incorporated in Zimbabwe. EHZL’s registered office is 1906 Liberation Legacy Way (formerly “Borrowdale Road”), Harare. The ultimate holding company for the Group is Econet Global Limited, which is registered in Mauritius.

The historical cost results have been presented as supplementary information, in line with the Public Accountants and Auditors Board (“PAAB”) recommendation set out in Pronouncement 01/2019. The inflation-adjusted results represent the primary financial information required by IAS 29 and these have been subjected to an audit by the auditors.

A.2 Currency of account

These consolidated financial statements are presented in Zimbabwe Dollars (“ZW\$”), which is the presentation currency of the Group. In the current year, all transactions in currencies other than the ZW\$ were translated in accordance with the requirements of IAS 21, at the applicable official exchange rates. The amounts in the financial statements are rounded off to the nearest One thousand Zimbabwean Dollars (ZW\$ '000), except where indicated otherwise.

B. BASIS OF PREPARATION

B.1 Statement of compliance

The consolidated financial statements have been prepared in compliance with the recognition and measurement criteria of International Financial Reporting Standards (“IFRSs”), as issued by the International Accounting Standards Board (“IASB”) and interpretations developed and issued by the International Financial Reporting Standards Interpretations Committee (“IFRS IC”) except for non-compliance IAS 21, ‘The Effects of Changes in Foreign Exchange Rates’. Consequently, the Directors advise users of these consolidated financial statements to exercise caution.

The consolidated financial statements have been prepared in accordance with the disclosure requirements of the Securities and Exchange (Zimbabwe Stock Exchange Listings Requirements) Rules 2019, the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Insurance Act (Chapter 24:07), the Medical Services Act (Chapter 15:13), and related regulations.

The principal accounting policies of the Group have been applied consistently in all material respects with those of the previous period, unless otherwise stated and except for the adoption of new standards and amendments that became effective for the year ended 29 February 2024.

B. BASIS OF PREPARATION (CONTINUED)

B.2 Application of IAS 29 - Financial Reporting in Hyperinflationary Economies

In the current year, because it is still reporting in the currency of a hyperinflationary environment, the Group has applied the requirements of IAS 29 and is presenting inflation adjusted consolidated financial statements as its primary financial statements.

The PAAB issued Pronouncement 01/2019 in October 2019 prescribing application of inflation accounting for reporting periods ended on or after 1 July 2019. Historical cost financial results have been presented as supplementary information, and the auditors have not expressed an opinion on those historical results.

The conversion factors used to restate the underlying historical numbers for the consolidated financial statements for the year ended 29 February 2024 are as follows;

	Index	Conversion Factor
29 February 2024	270,996.36	1.00
28 February 2023	14,493.45	18.70
1 March 2023 to 29 February 2024 Average	63,771.06	4.25
1 March 2022 to 28 February 2023 Average	10,835.36	1.34

Non-monetary assets and liabilities carried at historical cost have been restated to reflect the change in the general price index from 1 October 2018 to the end of the reporting period. Monetary assets and liabilities, and non-monetary assets and liabilities carried at revalued amounts have not been restated as they are presented at the measuring unit current at the end of the reporting period. Items recognised in the statement of profit or loss have been restated by applying the change in the general price index from the dates when the transactions were initially earned or incurred. A net monetary adjustment was recognised in the statement of profit or loss. All items in the statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

On the 3rd of March 2023, the Government of Zimbabwe through the Ministry of Finance and Economic Development (“MoFED”) promulgated Statutory Instrument (“S.I.”) 27 of 2023. Through S.I. 27, the old benchmark headline Consumer Price Index (“CPI”) that was being published month on month since 2019, tracking ZW dollar inflation was discontinued effective February 2023. A blended CPI was introduced which is a weighted average based on the use of Zimbabwean dollars and United States dollars. The Group concluded that the blended CPI did not meet the criteria for the application of IAS 29 and an estimate was determined from February 2023 to February 2024 which meets the IAS 29 criteria.

Interpretation of financial statements prepared under hyperinflationary conditions

In as much as all reasonable care and attention has been taken by the Directors to present information that is meaningful and relevant to the users of the financial statements, it is not always possible to present this information in a way that is not contradictory to International Financial Reporting Standards when reporting is impacted by multiple factors in the environment, including but not limited to the legislative framework and economic variables affecting companies operating in Zimbabwe. This has resulted in a qualification to these financial statements. Economic variables changed at an extremely fast pace during the period under consideration. These circumstances require care and attention by users of financial statements in their interpretation of financial information presented under such conditions.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

B. BASIS OF PREPARATION (CONTINUED)

B.3 Use of estimates and judgements

Preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Information about the significant areas of accounting judgment; estimations and assumptions in applying accounting policies that have the most significant effect on the amounts recognised in these consolidated financial statements are described in Note Z.

B.4 Basis of consolidation

The consolidated financial statements comprise of the financial statements of the Company and its subsidiary as at 29 February 2024. Control is achieved when the Company has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements;
- the Company voting rights and potential voting rights; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The Company re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of the subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

C. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

C.1 Amended IFRSs that are effective for the current year and applicable to the Group

The Group adopted these standards and amendments for the first-time, which are effective for annual periods beginning on or after 1 January 2023.

Standard	Scope	Effective date
IFRS 17 Insurance Contracts	<p>The Group has adopted IFRS 17 and the related amendments for the first time in the current year. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.</p> <p>The Group has contracts that meet the definition of insurance contracts under IFRS 17. This has resulted in the accounting treatment of such insurance contracts changing. The group has however resolved to dispose of the subsidiary with insurance contracts, thus the impact of IFRS 17 is only limited to the 2024 financial reporting period. Refer to note 17 for the insurance results under IFRS 17.</p>	1 January 2023
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies	<p>The Group has adopted the amendments to IAS 1 for the first time in the current year. The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies.</p> <p>The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. There was no impact to the current year financial statements as the group considers all accounting policies currently being applied to be material.</p>	1 January 2023
Amendments to IAS 12 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction.	<p>The Group has adopted the amendments to IAS 12 for the first time in the current year.</p> <p>The amendments introduce a further exception from the initial recognition exemption.</p> <p>Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.</p> <p>Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit.</p> <p>Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.</p> <p>There was no impact on the financial statements.</p>	1 January 2023
Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates	<p>The Group has adopted the amendments to IAS 8 for the first time in the current year.</p> <p>The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.</p> <p>There was no material impact on the financial statements as the group was already identifying accounting estimates in the way defined.</p>	1 January 2023

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

C. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS (CONTINUED)

C.2 New standards, interpretations, and amendments not yet effective

At the date of authorisation of these consolidated financial statements, the Group has not early-adopted the following new and revised IFRS Standards that have been issued but are not yet effective.

Standard	Scope	Effective date
Amendment to IAS 1: Classification of liabilities as current or non-current	<p>The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.</p> <p>The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.</p> <p>There may be an impact on the financial statements in future periods if the group holds such liabilities.</p>	Annual periods beginning on or after 01 January 2024
Narrow scope amendments to IAS 1 'Presentation of Financial Statements', Practice statement 2 and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'	The amendments aim to improve accounting policy disclosures and to help users of the Financial Statements to distinguish changes in accounting policies from changes in accounting estimates. The standard amended has an impact of increasing clarity to users.	Annual periods beginning on or after 01 January 2024
Amendments to IAS 1-Non-current liabilities with covenants	<p>The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or noncurrent). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).</p> <p>The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.</p> <p>There may be an impact on the financial statements in future periods if the group holds such liabilities.</p>	1 January 2023

C. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS (CONTINUED)

C.2 New standards, interpretations, and amendments not yet effective (continued)

Standard	Scope	Effective date
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements	<p>The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.</p> <p>The term 'supplier finance arrangements' is not defined. Instead, the amendments describe the characteristics of an arrangement for which an entity would be required to provide the information. To meet the disclosure objective, an entity will be required to disclose in aggregate for its supplier finance arrangements:</p> <ul style="list-style-type: none"> • The terms and conditions of the arrangements. • The carrying amount, and associated line items presented in the entity's statement of financial position, of the liabilities that are part of the arrangements. • The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers. • Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement. • Liquidity risk information. There is no expected impact on the financial statements in the future periods. 	Annual periods beginning on or after 01 January 2025
Amendment to IFRS 16 - Leases on sale and leaseback	<p>Scope Effective date Amendment to IFRS 16 - Leases on sale and leaseback These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.</p> <p>This amendment has no further impact on the Group.</p>	Annual periods beginning on or after 01 January 2024
Amendments to IAS 21 -Lack of Exchangeability (Amendments to IAS 21)	<p>An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.</p> <p>This amendment has a material impact to the Group as the Group has a Zimbabwean dollar functional currency. The currency lacks exchangeability with other currencies thus the amendment becomes applicable. However, with the introduction of the ZiG currency on 5 April 2024, the impact in the future has been assessed as moderate as the currency is relatively new and its long term exchangeability with other currencies is yet to be observed.</p>	Annual periods beginning on or after 01 January 2025

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

D. FOREIGN CURRENCY TRANSACTIONS AND BALANCES

The Group's consolidated financial statements are presented in Zimbabwe dollars ("ZW\$"), which is also the parent Company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in currencies other than a Group entity's functional currency (foreign currencies) are initially recorded by the Group's entities at their respective functional currency using spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on re-translation of non-monetary items is treated in line with the recognition of the gain or loss on change in fair value of the item i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit, or loss is also recognised in other comprehensive income or profit or loss.

E. BUSINESS COMBINATIONS AND GOODWILL

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred to the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12, 'Income Taxes' and IAS 19, 'Employee Benefits' respectively.
- liabilities or equity instruments related to share-based payment arrangements of the acquiree, or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2, 'Share-Based Payments' at the acquisition date (see below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5, 'Non-current Assets Held for Sale and Discontinued Operations' are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

E. BUSINESS COMBINATIONS AND GOODWILL (CONTINUED)

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Goodwill is subsequently tested for impairment at least on an annual basis and any resulting impairment is recognised immediately in the statement of comprehensive income.

Where goodwill has been allocated to a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

F. INTANGIBLE ASSETS

The Group has two classes of intangible assets comprising goodwill and computer software. Goodwill is measured at cost and tested for impairment annually. The computer software is measured at cost.

Cost Model

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of comprehensive income in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

F. INTANGIBLE ASSETS (CONTINUED)

F.1 Computer software

Software comprises software held by Steward Bank Limited and entities included in disposal group held for sale.

The software and licenses held by Steward Bank Limited is amortised over 4 years. While those for the disposal group held for sale are amortised as follows:

- Software held by Ecocash (Private) Limited is amortised over 5 years;
- Software held by Maisha Health Fund (Private) Limited is amortised over 5 years;
- Software held by EcoSure (Private) Limited is amortised over 5 years; and
- Software held by Econet Insurance (Private) Limited is amortised over 5 years.

G. BORROWING COSTS

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are expensed in the period in which they are incurred.

H. PROPERTY AND EQUIPMENT

Initial recognition and measurement

At initial recognition, tangible assets used in the production or supply of goods or services for rental to others (excluding investment properties), or for administrative purposes are classified as Property and Equipment. The initial cost capitalised include costs incurred initially to acquire or construct a property and equipment item and costs incurred subsequently to add to, replace part of or service it (under certain circumstances).

Subsequent measurement

The property and equipment are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.

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

Depreciation on revalued assets is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings.

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

H. PROPERTY AND EQUIPMENT (CONTINUED)

Subsequent measurement (continued)

Depreciation is recognised to write off the valuation of assets less their residual values over their useful lives, using the straight-line method, on the same basis as described under the cost model above.

Depreciation is not provided on freehold land and capital projects under development classified under work in progress. Other assets are depreciated on such bases as are deemed appropriate to reduce book values to estimated residual values over their useful lives as follows:

- Buildings - 40 years
- Switching and network equipment – 3 to 25 years
- Office equipment – 4 to 10 years
- Furniture and fittings – 4 to 10 years
- Motor vehicles – 4 to 5 years

The useful lives above were determined based on the condition/age of the asset on purchase, the frequency of use, anticipated technological improvements and information for comparable assets. The residual values were determined mainly based on the estimated salvage value.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Based on the reviews performed, there were no significant changes to the determinants of the estimated useful lives, residual values and depreciation methods as noted above.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

I. INVESTMENT PROPERTY

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment property is measured initially at cost, including transaction costs. Subsequently, investment property is stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment property is included in profit or loss in the period in which they arise, including the corresponding tax effect.

Fair values are determined based on an annual evaluation performed by an accredited external independent valuer, applying a valuation model recommended by the International Evaluation Standards Committee.

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

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

J. IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's ("CGU's") fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU 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 current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its value in use calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

Goodwill is tested for impairment annually at the reporting date and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the reporting date at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

K. BORROWINGS

The Group's loans and borrowings relate to financing wherein the consideration was received as a fixed number of listed equities in a specific entity and are repayable in the same number of listed equities as were initially received (i.e., repayable through a non-cash settlement in the form of listed equities in the specific entity).

On initial recognition, these loans and borrowings are irrevocably designated as measured at fair value through profit or loss in order to eliminate measurement and recognition inconsistencies that would otherwise arise from measuring the related financial assets (in the form of listed equities) and financial liabilities (also in the form of listed equities), or recognising the relevant gains and losses on them, on different bases.

K. BORROWINGS (CONTINUED)

The financial assets that are received as the consideration in respect of the loans and borrowings give rise to fair value adjustments that are triggered by changes in the listed equities' quoted share price. Fair value gains on the financial assets are recognised in profit or loss as other income. The financial liability in respect of the loans and borrowings also gives rise to fair value adjustments that are triggered by changes in the listed equities' quoted share price, and these fair value losses are recognised in profit or loss as other expenses.

The Group derecognises its loans and borrowings when, and only when, the Group's obligations are discharged through settlement that is achieved by delivery of the required number of listed equities.

L. LEASES

(a) The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less and without any renewal option) and leases of low value assets (such as small items of office equipment). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

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

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

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

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

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

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

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

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

L. LEASES (CONTINUED)

(a) The Group as lessee (continued)

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

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

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment of Non-financial Assets' policy.

(b) The Group as lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

M. INVENTORIES

Initial recognition and measurement

At initial recognition, inventory include items held for sale in the ordinary course of business or in the process of production for such sales and to be consumed in the production of goods and services for sale.

At initial measurement, inventory is measured a cost plus cost directly attributable to acquisition excluding subsidies, discounts and rebates

Subsequent Measurement

Land inventory

Land inventories are measured at the lower of cost or net realisable value. The cost of inventories is based on the first-in first out principle. The Group first calculates all the costs of the whole area of land inventory (purchase price and development costs) including roads to ascertain the total costs of bringing the whole area of land inventory to its resalable condition. When the total cost is 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.

Consumables and other inventories

Consumables and other inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first out principle.

Impairment

Write downs to net realisable value and inventory losses are expensed in the period in which they occur. Obsolete and slow-moving inventories are identified and written down to their estimated economic or realisable value.

N. REVENUE RECOGNITION

The Group recognises revenue primarily from the rendering of financial technology services using digital platforms. Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Revenue consists of commissions, fees, interest income, contribution income and premiums, and excludes value added tax, where applicable. Intra-group revenue which arises in the normal course of business is excluded from Group revenue.

The Group recognises revenue from the following major sources;

N.1 Mobile money transaction fees

Mobile money transaction platform allows customers to transfer money, cash out money and pay for goods and services using a mobile phone. Revenue is largely earned from transfer fees, cash out fees and payment to merchant fees, based on a graduated tariff structure. Revenue is recognised at a point in time when the transaction is completed.

N.2 Interest income

For all financial instruments measured at amortised cost, financial instruments designated at fair value through other comprehensive income (FVOCI) and financial instruments designated at fair value through profit or loss, interest income is recorded using the effective interest rate (EIR) method over time. EIR is the rate that exactly discounts estimated future cash payments receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The carrying amount of the financial asset or financial liability is adjusted if estimates of payments or receipts are revised. The adjusted carrying amount is calculated based on the original EIR and the change in carrying amount is recorded as 'Interest income' for financial assets and 'Interest expense' for financial liabilities.

Once the recorded value of a financial asset or a group of similar financial assets has been written down due to an impairment loss, interest income continues to be recognised on the unimpaired amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

N.3 Banking fee and commission income

This relates to banking fee and commission income that is earned from a diverse range of services offered to customers. Fee income can be divided into the following two categories:

- Fee income earned from services that are provided over a certain period; and
- Fees income from providing transaction services.

These fees include commission income and asset management, custody and other management and advisory fees.

Loan commitment fees for loans that are likely to be drawn down and other credit related fees are deferred (together with any incremental costs) and recognised as an adjustment to the EIR on the loan. When it is unlikely that a loan will be drawn down, the loan commitment fees are recognised over the commitment period on a straight-line basis.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

N. REVENUE RECOGNITION (CONTINUED)

Fee income from providing transaction services

Fees arising from negotiating or participating in the negotiation of a transaction for a third party, such as the arrangement of the acquisition of shares or other securities or the purchase or sale of businesses, are recognised on completion of the underlying transaction. Fees or components of fees that are linked to a certain performance are recognised after fulfilling the corresponding criteria.

N.4 Sale of property inventory

Revenue arising from the sale of property inventory is recognised as an amount that reflects the consideration to which the Group expects to be entitled to, in exchange of the property inventory excluding amounts collected on behalf of third parties. The revenue is measured at the transaction price agreed under the contract. In most cases, the revenue is recognised 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.

O. OTHER INCOME

O.1 Net trading income from financial instruments

Results arising from trading activities include all gains and losses from changes in fair value and related interest income or expense and dividends for financial assets and financial liabilities at fair value through profit or loss.

O.2 Dividend income

Dividend income is recognised when the Group's right to receive the payment is established (if it is probable that the economic benefits will flow to the Group), which is generally when shareholders approve the dividend.

O.3 Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in other income in profit or loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

P. TAXATION

P.1 Current income tax

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

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

P.2 Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or 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 taxable temporary differences associated with investments in the subsidiary, associates and interests in joint ventures, when 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.

P. TAXATION (CONTINUED)

P.2 Deferred tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when 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 the subsidiary, 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 re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits 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 in 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 the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

P.3 Current and deferred tax for the period

Current and deferred tax are recognised as income or as an expense in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

P.4 Value added tax (VAT)

Expenses and assets are recognised net of the amount of VAT, except;

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

Q. EMPLOYEE BENEFITS

Employee benefits are all forms of consideration given in exchange for services rendered by employees or for the termination of employment. The classification, recognition and measurement of employee benefits is as follows;

a) Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. The Group's short-term employee benefits comprise remuneration in the form of salaries, wages, bonuses, employee entitlement to leave pay and medical aid. The undiscounted amount of all short-term employee benefits expected to be paid in exchange for service rendered are recognised as an expense or as part of the cost of an asset during the period in which the employee renders the related service. The Group recognises the expected cost of bonuses only when the Group has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

b) Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Post-employment benefits comprise retirement benefits that are provided for Group employees through an independently administered defined contribution fund and by the National Social Security Authority ("NSSA"), which is also a defined contribution fund from the Group's perspective. Payments to the defined contribution fund and to the NSSA scheme are recognised as an expense when they fall due, which is when the employee renders the service. The Group has no liability for post-employment retirement benefit funds once the current contributions have been paid at the time the employees render service.

During the year, the Group contributed to the Group defined contribution fund and to the NSSA scheme.

c) Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or contractual date, or an employee's decision to accept voluntary redundancy in exchange for those benefits. The Group recognises termination benefits as a liability and an expense at the earlier of when the offer of termination cannot be withdrawn or when the related restructuring costs are recognised under IAS 37 Provisions, Contingent Liabilities and Contingents Assets.

Termination benefits are measured according to the terms of the termination contract. Where termination benefits are due more than 12 months after the reporting period, the present value of the benefits is determined. The discount rate used to calculate the present value is determined by reference to market yields on high quality corporate bonds at the end of the reporting period.

R. FAIR VALUE MEASUREMENT

The Group measures financial instruments such as financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss and non-financial assets such as investment properties, at fair value at each statement of financial position date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

R. FAIR VALUE MEASUREMENT (CONTINUED)

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing 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.

The directors through management determine the policies and procedures for both recurring fair value measurement, such as investment properties, and for non-recurring measurement, such as assets held-for-sale, where applicable.

External values are involved for valuation of significant assets, such as investment properties. Involvement of external valuers is decided upon annually by the Directors. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or reassessed according to the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

S. CASH DIVIDEND AND NON-CASH DISTRIBUTION TO EQUITY HOLDERS OF THE PARENT

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in Zimbabwe, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity. Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of comprehensive income.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

T. FINANCIAL INSTRUMENTS

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

T.1 Financial assets

Classification and measurement of financial assets

The Group classifies financial assets at initial recognition as financial assets measured at amortised cost and financial assets measured at fair value through profit or loss.

(i) Amortised cost and effective interest method

Trade and other receivables, treasury bills and government bonds, loans and advances to bank customers, amounts owed by related party companies and cash and cash equivalents are classified as financial assets at amortised cost because these instruments are held by the Group to collect contractual cashflows that are solely payments of principal and interest.

A financial asset that meets both the following condition is classified as a financial asset measured at amortised cost.

- the financial asset is held within the Group's business model whose objective is to hold assets to collect contractual cash flows.
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition. Interest income is recognised in profit or loss.

(ii) Financial assets at FVTPL

Equity securities at fair value through profit or loss comprise quoted and unquoted securities.

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL.

Specifically:

- investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition. Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL.

T. FINANCIAL INSTRUMENTS (CONTINUED)

T.1 Financial assets (continued)

Classification and measurement of financial assets (continued)

(ii) Financial assets at FVTPL (continued)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in profit or loss. Fair value is determined in the manner described in Note R.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically;

- for financial assets measured at amortised cost, exchange differences are recognised in profit or loss;
- for financial assets measured at FVTPL, exchange differences are recognised in profit or loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on trade and other receivables, treasury bills and government bonds, loans and advances to bank customers, amounts owed by related party companies and cash and cash equivalents. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime expected credit losses ("ECL") for trade and other receivables based on the simplified approach which considers forward looking information. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical cost credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments such as treasury bills and government bonds, loans and advances to bank customers, amounts owed by related party companies and cash and cash equivalents, the Group applies a general approach to measure the ECL. The Group considers whether there has been a significant increase in credit risk since initial recognition on an ongoing basis. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical cost experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

The Group continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12-month ECL or lifetime ECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition.

The Group, particularly under the banking subsidiary, applies a qualitative method for triggering a significant increase in credit risk for an asset, such as moving a customer/facility to the watch list, or the account becoming forborne.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

T. FINANCIAL INSTRUMENTS (CONTINUED)

T.1 Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

The loans are ranked into Stage 1, Stage 2, Stage 3 and POCI, as described below. In certain cases, the Group may also consider that events below as significant increase in credit risk as opposed to a default:

- 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 Bank recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

- Stage 2 (underperforming):

When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECLs. The events below may be considered a significant increase in credit risk as opposed to a default thus resulting in loans to be classified as underperforming.

- (a) Internal rating of the borrower indicating near-default.
- (b) Internal rating of the borrower indicating near-default.
- (c) The borrower requesting emergency funding from the Banking subsidiary.
- (d) The borrower having past due liabilities to public creditors or employees.
- (e) A material decrease in the borrower's turnover or the loss of a major customer.
- (f) A covenant breach not waived by the Banking subsidiary.
- (g) Debtor's listed debt or equity suspended at the primary exchange because of rumours or facts about financial difficulties.

Stage 2 loans also include facilities, where the credit risk has improved, and the loan has been reclassified from Stage 3.

- Stage 3 (credit impaired):

The bank records an allowance for the LTECLs for loans considered credit impaired. Loans are considered under this stage based on the events below which may be considered as significant increases in credit risk.

- (a) Internal rating of the borrower indicating default.
- (b) The borrower is deceased.
- (c) A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral.
- (d) The debtor (or any legal entity within the debtor's Banking subsidiary) filing for bankruptcy application/protection.

- POCI:

POCI assets are financial assets that are credit impaired on initial recognition. The Bank only recognises the cumulative changes in lifetime ECLs since initial recognition, based on a probability-weighting of the three scenarios, discounted by the credit adjusted EIR.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

When estimating ECLs on a collective basis for a group of similar assets, the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

T. FINANCIAL INSTRUMENTS (CONTINUED)

T.1 Financial assets (continued)

Impairment of financial assets (continued)

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to repay the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the Group fails to collect the amount through legal proceedings, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, considering legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical cost data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical cost trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

T. FINANCIAL INSTRUMENTS (CONTINUED)

T.1 Financial assets (continued)

Impairment of financial assets (continued)

(v) Measurement and recognition of expected credit losses (continued)

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

T.2 Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

T. FINANCIAL INSTRUMENTS (CONTINUED)

T.2 Financial liabilities and equity (continued)

Financial liabilities (continued)

(i) Financial liabilities at FVTPL

Loans and borrowings have been irrevocably designated as measured at fair value through profit or loss in order to significantly reduce a measurement inconsistency that would otherwise arise from measuring the liability or recognising the gains and losses on it on different bases as the contract relates to settlement based on a non-cash item.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in profit or loss.

(ii) Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The financial liabilities measured subsequently at amortised cost include trade and other payables, amounts owed to related party companies, mobile money trust liabilities and deposits due to banks and customers.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

T. FINANCIAL INSTRUMENTS (CONTINUED)

T.2 Financial liabilities and equity (continued)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. There were no financial instruments that were offset during the year.

U. CASH AND SHORT-TERM DEPOSITS

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above and restricted and reserved cash balances held in trust for the EcoCash customers. The Group does not currently hold any overdraft arrangements with any financial institution.

V. TREASURY SHARES

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in share premium.

W. PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of the expenditure required to settle a provision to be reimbursed by another party, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

X. FIDUCIARY ASSETS

To the extent that the Group provides trust and other fiduciary services that result in the holding or investing of assets on behalf of its clients, the assets held in a fiduciary capacity are not reported in the financial statements, as they are not the assets of the Group.

Y. OPERATING SEGMENT INFORMATION

The Group identifies its segment as components of the Group that engage in business activities from which revenues are earned and expenses incurred (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The chief operating decision-maker has been identified as the Group Chief Executive Officer.

The accounting policies of the reportable segment are the same as the Group's accounting policies. Segment information has been reconciled to the consolidated financial statements to take account of inter-segment transactions and transactions and balances that are not allocated to reporting segments.

Z. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell except for insurance contracts that are being measured by applying principles of IFRS 17. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Additional disclosures are provided in Note 17. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

AA. INSURANCE CONTRACTS

The group has other discontinued operations that hold insurance contracts. These contracts are not measured in accordance with IFRS 5 but rather in accordance with IFRS 17 and all the disclosures have been limited to IFRS 5 guidelines.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

AA. INSURANCE CONTRACTS (CONTINUED)

Insurance contracts within the group are contracts under which the Company accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. 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 Company uses judgement to assess whether a contract transfers insurance risk (that is, if there is a scenario with commercial substance in which the Company has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

The group uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all of the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

Unit of account

The Group manages insurance contracts issued by product lines, where each product line includes contracts that are subject to similar risks. 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. Contracts that are in the same product line but that have cash flows in different currencies are considered to be 'subject to similar risks' as the nature and extent of all other risks apart from currency are similar.

For contracts measured using the PAA, the Group assumes that no such contracts are onerous at initial recognition, unless facts and circumstances indicate otherwise. If facts and circumstances indicate that some contracts are onerous, an additional assessment is performed to distinguish onerous contracts from non-onerous ones. For non-onerous contracts, the Group assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous.

The onerous contract assessment is done at portfolio level. For products sold to individuals, portfolios are determined based on product pricing groups that the Group determines to have similar insurance risk. For products sold to groups, portfolios are determined based on products that have similar insurance risk only, without consideration given to variations in pricing. 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 portfolios.

From this assessment, the Company identified the following portfolios from the insurance contracts it is currently issuing:

Portfolios under Life Products	Portfolios under General Insurance Products
Funeral Assurance portfolios	Comprehensive Motor Vehicle Insurance
Ecosure Lite	Third Party Motor Vehicle Insurance
Ecosure Basic	Non-Motor insurance
Ecosure Standard	Main
Ecosure Premium	
EcoSure Burial Societies	
EcoSure group funeral assurance	

AA. INSURANCE CONTRACTS (CONTINUED)

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 Company 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.

At a minimum, the Group further disaggregates the identified portfolios into annual groups based on the year in which the contracts in the portfolio were issued. For this purpose, the Company uses the calendar year to group contracts. As such, the identified groups do not include contracts issued more than one year apart. However, a group can be based on an issuing period that is less than one year.

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Group aggregates reinsurance contracts held concluded within a calendar year (annual cohorts) into groups of:

- (i) contracts for which there is a net gain at initial recognition, if any;
- (ii) contracts for which, at initial recognition, there is no significant possibility of a net gain arising subsequently; and
- (iii) remaining contracts in the portfolio, if any.

Reinsurance contracts held are assessed for aggregation requirements on an individual contract basis. The Group tracks internal management information reflecting historical cost experiences of such contracts' performance. This information is used for setting pricing of these contracts.

Measurement

The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts.

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 contract services.

A substantive obligation ends when:

- a. the Company has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or
- b. both of the following criteria are satisfied:
 - i. the Company has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
 - ii. the pricing of premiums up 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.

Cash flows from add-ons that provide additional benefits to the policyholder on top of the basic insurance policy at an additional cost, are assessed within the same contract boundary as the basic policy. This is because the cash flows on the add-ons move together with cash flows for the basic insurance policy.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

AA. INSURANCE CONTRACTS (CONTINUED)

Measurement (continued)

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Company that exist during the reporting period in which the Company is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive insurance contract services from the reinsurer. The Company renews its reinsurance contracts at the beginning of each year, covering underlying business issued within each year. Estimates of future cash flows arising from all underlying contracts issued and expected to be issued within the reinsurance contracts' one-year boundary are included in the measurement of the reinsurance contracts.

Insurance acquisition costs

Insurance acquisition cash flows are cash flows that arise from costs of selling, underwriting and starting a group of insurance contracts and that are directly attributable to the portfolio of insurance contracts to which the group belongs.

Insurance acquisition cash flows are allocated to groups of insurance contracts on a systematic and rational basis. Insurance acquisition cash flows that are directly attributable to a group of insurance contracts are allocated:

- a. to that group; and
- b. to groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group.

The Group considers direct expenses as those directly linked to its core business. These include administration expenses for the claims and membership departments as well as commission and other business acquisition expenses. Some direct expenses can be attributed to individual plan types while others are shared between products.

Cash flows that are not directly attributable to a portfolio of insurance contracts are recognised in other operating expenses as incurred. These mainly serve as support for the directly attributable expenses. Such expenses include rental expenses, group shared services and senior management staff expenses.

Expenses that overlap between directly attributable and operating expenses (such as senior management's remuneration) are split between the two cost categories using the level of involvement in the claims or membership management processes.

The Group defers the insurance acquisition cash flows and to amortize them in a pattern consistent with insurance revenue being in accordance with the passage of time.

Determining Fulfilment cash flows ("FCF")

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:

- a. are based on a probability-weighted mean of the full range of possible outcomes;
- b. are determined from the perspective of the Company, provided that the estimates are consistent with observable market prices for market variables; and
- c. reflect conditions existing at the measurement date.

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. An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. The Group has the option to not discount cash flows when using the premium allocation approach ("PAA") hence discounting was not considered for contracts issued by the Group that are measured under the PAA.

AA. INSURANCE CONTRACTS (CONTINUED)

Discount rate

The discount rate represents the interest rate used to calculate the present value of future cash flows. In the context of valuing insurance contracts, the discount rate is used to discount fulfilment cash flows, accrue interest on the CSM, and adjust the CSM for changes in future cash flows.

International Financial Reporting Standard 17, Insurance Contracts ("IFRS 17") requires adjustment of the estimates of future cash flows to reflect the time value of money and the financial risks related to those cash flows, to the extent that the financial risks are not included in the estimates of cash flows.

The Company adjusts the estimates of the future cash flows using discount rates which:

- a. reflect the time value of money, the characteristics of the cash flows and the liquidity characteristics of the insurance contracts;
- b. are consistent with observable current market prices for financial instruments with cash flows whose characteristics are consistent with those of the insurance contracts, in terms of, for example, timing, currency and liquidity; and
- c. exclude the effect of factors that influence such observable market prices but do not affect the future cash flows of the insurance contracts.

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 would require significant judgement and estimation.

The discount rate can be determined using either a bottom-up or a top-down approach. The bottom-up approach involves combining risk-free rates with corresponding illiquidity premiums, while the top-down approach entails estimating the expected yield of a chosen asset or reference portfolio net of adjustments for factors that are not relevant to insurance contracts such as market and credit risks.

The Group operates in a hyperinflationary economy where there are divergent views on the measurement of economic metrics and which is characterised by a lack of observable market inputs. The economic conditions create significant estimation uncertainties in the estimation of a discount rate from financial assets whose cash flow characteristics would match with the cash flow characteristics of the insurance contracts issued by the Group. The absence of observable market indicators would also create challenges in inputs required for a bottom-up or top-down approach.

The Group considered the following alternatives as options for estimating the discount rate:

- i. bottom-up approach which estimates the discount rate as the sum of a risk free rate of return plus an illiquidity premium.
- ii. Nelson siegel method which estimates the discount rate through estimation of a yield curve based on a risk free rate.
- iii. discount rates from similar markets, in which case South Africa was considered as a reference point.
- iv. Insurance and Pensions Commission ("IPEC") prescribed discount rate currently prescribed in the Zimbabwe Integrated.

Due to the limited availability of observable market inputs and the divergent views on economic inputs, the Group adopted the IPEC prescribed discount rate of 10% for use in insurance contract measurement. This rate is advantageous in that it is prescribed by the insurance regulator, IPEC, for the Zimbabwean insurance market. This determination will be revisited in subsequent financial years as the economy stabilises and new and more stable economic information emerges.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

AA. INSURANCE CONTRACTS (CONTINUED)

Discount rate (continued)

Measurement approaches

The insurance liability arising at the end of each reporting period from a group of insurance contracts issued is the sum of:

- the liability for remaining coverage ("LRC"); and
- the liability for incurred claims ("LIC"), comprising the FCF related to past service allocated to the group at the reporting date.

The insurance asset arising at the end of each reporting period from a group of reinsurance contracts held is the sum of:

- the asset for remaining coverage; and
- the asset for incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

The Group uses different measurement approaches to measure the LRC, depending on the type of contract, as follows:

Insurance contracts issued	Product classification	Measurement model
Funeral Assurance Individuals	Insurance contracts	Premium Allocation Approach
Funeral Assurance Groups	Insurance contracts	Premium Allocation Approach
Funeral Other: Data Cover	Insurance contracts	Premium Allocation Approach
Funeral Other: Hospital Cash Back Cover	Insurance contracts	Premium Allocation Approach
Funeral Other: Personal Accident Cover	Insurance contracts	Premium Allocation Approach
Group Life Assurance	Insurance contracts	Premium Allocation Approach
Credit Life Assurance	Insurance contracts	General Measurement Model
Mortgage Protection	Insurance contracts	General Measurement Model
Comprehensive Motor Vehicle Insurance	Insurance contracts	Premium Allocation Approach
Third Party Motor Vehicle Insurance	Insurance contracts	Premium Allocation Approach
Non-Motor insurance	Insurance contracts	Premium Allocation Approach
Main	Insurance contracts	Premium Allocation Approach

The Company measures reinsurance contracts separately using the same methodology and assumptions used in measuring the underlying contracts:

Reinsurance contracts held	Product classification	Measurement model
Funeral Assurance Excess of Loss Treaty	Reinsurance contract held	Premium Allocation Approach
Group Life Assurance Surplus Treaty	Reinsurance contract held	Premium Allocation Approach
Credit Life Surplus Treaty	Reinsurance contract held	General Measurement Model
Mortgage Surplus Treaty	Reinsurance contract held	General Measurement Model
Whole Account Excess of Loss Treaty	Reinsurance contract held	Premium Allocation Approach
Quota Share Treaty	Reinsurance contract held	Premium Allocation Approach
Whole Account Auto Facultative Treaty	Reinsurance contract held	Premium Allocation Approach
Whole Account Surplus Treaty	Reinsurance contract held	Premium Allocation Approach
Maisha USD Stop Loss Treaty	Reinsurance contract held	Premium Allocation Approach

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.

AA. INSURANCE CONTRACTS (CONTINUED)

Contracts measured under the premium allocation approach ("PAA")

The Premium Allocation Approach ("PAA") is a simplified approach used for measuring insurance contracts revenue and expenses over time. It is suitable for contracts with a coverage period of one year or less. The PAA may be used if the contracts in question do not carry significant risk. This is demonstrated if:

- premium allocation to coverage periods does not require significant judgement; and
- claims expectations are not likely to change significantly during coverage period.

The PAA simplifies the calculation of the liability for remaining coverage by exempting the Company from explicitly accounting for contractual service margin ("CSM"). Premiums are allocated over the coverage period in a simplified manner, matching the spread of the risk over the coverage period.

The Group uses the PAA for measuring contracts with a coverage period of one year or less. The funeral assurance, funeral add-ons, airtime cover and data cover are monthly renewable contracts and therefore have a coverage period of less than one year. The excess of loss reinsurance contracts held provide coverage on these contracts to cover claims incurred during the each financial year and are therefore accounted for under PAA.

Initial measurement - PAA

For insurance contracts issued, on initial recognition, the Group measures the Liability for Remaining Coverage ("LRC") at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the insurance acquisition cash flows asset and the derecognition of any other relevant pre-recognition cash flows.

For reinsurance contracts held, on initial recognition, the Group measures the remaining coverage at the amount of ceding premiums paid, plus broker fees paid to a party other than the reinsurer and any amounts arising from the derecognition of any other relevant pre-recognition cash flows.

Insurance acquisition cash flows allocated to a group are deferred and recognised over the coverage period of contracts in a group. For reinsurance contracts held, broker fees are recognised over the coverage period of contracts in a group.

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, because insurance premiums are due within the coverage period of contracts, which is one year or less.

The Group adjusts the remaining coverage for reinsurance contracts held for the effect of the risk of reinsurer's non-performance.

There are no investment components within insurance contracts issued and reinsurance contracts held that are measured under the PAA.

Subsequent measurement - PAA

For insurance contracts issued, at each of the subsequent reporting dates, the liability for remaining coverage is:

- increased for premiums received in the period, excluding amounts that relate to premium receivables included in the LIC;
- decreased for insurance acquisition cash flows paid in the period;
- decreased for the amounts of expected premium receipts recognised as insurance revenue for the services provided in the period; and
- increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

AA. INSURANCE CONTRACTS (CONTINUED)

Initial measurement - PAA

Subsequent measurement - PAA (continued)

For reinsurance contracts held, at each of the subsequent reporting dates, the asset for remaining coverage is:

- a. increased for ceding premiums paid in the period;
- b. increased for broker fees paid in the period; and
- c. decreased for the expected amounts of ceding premiums and broker fees recognised as reinsurance expenses for the services received in the period.

Initial measurement - GMM

The GMM is the default measurement approach under IFRS 17. The GMM measures the insurance contract liability as the present value of the expected cash flows, considering future cash inflows from premiums, cash outflows for claims and expenses, and the time value of money. The GMM also incorporates risk adjustment and contractual service margin ("CSM").

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 Company will recognise as it provides insurance contract services in the future.

At initial recognition, the CSM is defined as the net difference between the fulfilment cash inflows and outflows, floored by zero (i.e., cannot be negative). When the CSM calculation at initial recognition results in a net outflow, 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, and a loss component is established in the amount of loss recognised. At initial recognition, the CSM is an amount that results in no income or expenses arising from the below:

- a. the initial recognition of the FCF;
- b. cash flows arising from the contracts in the group at that date;
- c. the derecognition of any insurance acquisition cash flows asset; and
- d. the derecognition of any other pre-recognition cash flows. Insurance revenue and insurance service expenses are recognised immediately for any such assets derecognised.

The purpose of recognising a positive initial CSM is to report expected profitability from the contract over time, thus eliminating any day-one gain.

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 Company recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Company will recognise as a reinsurance expense as it receives insurance contract services from the reinsurer in the future and is calculated as the sum of:

- a. the initial recognition of the FCF; and
- b. cash flows arising from the contracts in the group at that date;
- c. the amount derecognised at the date of initial recognition of any asset or liability previously recognised for cash flows related to the group of reinsurance contracts held (other pre-recognition cash flows); and
- d. any income recognised in profit or loss when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

AA. INSURANCE CONTRACTS (CONTINUED)

Initial measurement - PAA (continued)

A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised in (d) above. This amount is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contracts held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

Subsequent measurement - GMM

The insurance liability at the end of each reporting period from a group of insurance contracts measured under the GMM is the sum of:

- a. the liability for remaining coverage comprising:
 - i. the fulfilment cash flows related to future service allocated to the group at that date, and
 - ii. the contractual service margin of the group at that date; and
- b. the liability for incurred claims, comprising the fulfilment cash flows related to past service allocated to the group at that date.

The insurance asset at the end of each reporting period from a group of reinsurance contracts held measured under GMM is the sum of:

- a. the asset for 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 asset for recovery of 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 Company 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 way in which the changes in estimates of the FCF are treated depends on which estimate is being updated:

- 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 per the policy below.

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;
- b. changes in estimates of the present value of future cash flows in the LRC; and
- c. changes in the risk adjustment for non-financial risk that relate to future service.

These adjustments are measured using discount rates determined on initial recognition (the locked-in discount rates).

For insurance contracts under the GMM, the following adjustments 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;
- c. experience adjustments – arising from premiums received in the period that do not relate to future service and related cashflows, such as insurance acquisition cash flow
- d. experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

AA. INSURANCE CONTRACTS (CONTINUED)

Changes in fulfilment cash flows (continued)

For insurance contracts issued, at the end of each reporting period 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. interest accreted on the carrying amount of the CSM;
- c. the effect of any currency exchange differences;
- d. The amount recognised as insurance revenue for insurance contract services provided during the period, determined after all other adjustments above.
- e. 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 that 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.

The amount of the CSM recognised in profit or loss for insurance contract 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 reinsurance contracts held, the CSM is released to profit or loss as insurance contract services are received from the reinsurer in the period.

Insurance revenue

As the Company provides insurance contract 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 that the Company expects to be entitled to in exchange for those services.

For contracts not measured under the PAA, insurance revenue comprises the following:

- a. amounts relating to the changes in the LRC;
 - claims and other directly attributable expenses incurred in the period measured at the amounts expected at the beginning of the period
 - changes in the risk adjustment for non-financial risk,
 - amounts of the CSM recognised for the services provided in the period
 - experience adjustments – arising from premiums received in the period other than those that relate to future service; and
 - other amounts, including any other pre-recognition cash flows assets derecognised at the date of initial recognition.
- b. 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.

AA. INSURANCE CONTRACTS (CONTINUED)

Insurance service expenses

Insurance service expenses include the following:

- a. incurred claims and benefit
- b. other incurred directly attributable expenses
- c. insurance acquisition cash flows amortisation;
- d. changes that relate to past service – changes in the FCF relating to the LIC;
- e. changes that relate to future service – changes in the FCF that result in onerous contract losses or reversals of those losses; and
- f. insurance acquisition cash flows assets impairment, net of reversals.

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, as described above.

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 consolidated statement of profit or loss.

The Company 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) for groups of reinsurance contracts measured under the PAA, broker fees are included within reinsurance expenses;
- (c) incurred claims recovery;
- (d) other incurred directly attributable expenses;
- (e) changes that relate to past service – changes in the FCF relating to incurred claims recovery;
- (f) effect of changes in the risk of reinsurers' non-performance
- (g) amounts relating to accounting for onerous groups of underlying insurance contracts issued

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received insurance contract services at an amount that reflects the portion of ceding premiums that the Group expects to pay in exchange for those services. Additionally, for reinsurance contracts held measured under the PAA, broker fees are included in reinsurance expenses.

For contracts measured under the GMM, reinsurance expenses comprise the following amounts relating to the changes in the remaining coverage:

- (a) claims and other directly attributable expenses recovery in the period, measured at the amounts expected to be incurred at the beginning of the period,
- (b) changes in the risk adjustment for non-financial risk,
- (c) amounts of the CSM recognised for the services received in the period; and
- (d) experience adjustments – arising from premiums paid in the period other than those that relate to future service.

For groups of reinsurance contracts held measured under the PAA, the Company recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

Ceding commissions reduce ceding premiums and are accounted for as part of reinsurance expenses.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

AA. INSURANCE CONTRACTS (CONTINUED)

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; and
- (b) the effect of changes in interest rates and other financial assumptions.

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.

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.

AB. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Note 30, Capital risk management.
- Note 30, Financial risk management and policies.
- Note 30, Sensitivity analysis disclosures.

Estimates and assumptions

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

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

AB.1 Property and equipment - IAS 16

Property and equipment represent 9% (2023: 23%) of the Group's total assets at the respective reporting date.

Residual values of property and equipment

During the year management assessed the residual values of property and equipment. Residual values of each asset category have been assessed by considering the fair value of the assets after taking into account age, usage and obsolescence. These residual values are reassessed each year and adjustments are made where appropriate. The valuation methods adopted in this process involve significant judgment and estimation.

AB. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

AB.1 Property and equipment - IAS 16 continued)

Useful lives of property and equipment

Management performed a review of the useful life of property and equipment based on the outcome of valuation reports from the engaged professional valuers, the age of the equipment, technological advancements and current use of the equipment. The determination of the remaining estimated useful lives of the items of property equipment requires significant judgement.

Revaluation of property and equipment

Property and equipment were revalued to their fair value based on the valuation performed by third party professional valuers. Changes in fair value net of deferred tax were recognised in other comprehensive income. The fair values of equipment were determined using the gross replacement cost approach that reflects the cost to a market participant to construct or purchase an asset of comparable utility and age, adjusted for obsolescence and physical deterioration. The fair values of land and buildings were determined using comparable method of valuation whereby sales similar to the subject property being valued were collected as comparatives and the value was established. The hyperinflationary environment has made it increasingly difficult to determine the fair value of property and equipment in local currency.

The qualified valuers, therefore, determined property values in USD and converted to local currency at the ruling interbank exchange rate as at 29 February 2024. Refer to Note 10.2 for detailed information on revaluation of property and equipment.

AB.2 Intangible assets - IAS 38

Intangible assets include goodwill and computer software. Goodwill was recognised from the acquisition of Steward Bank Limited.

The annual goodwill impairment test was conducted together with a sensitivity analysis of the value in use to changes in the key assumptions used to determine its present value. The pre-tax discount rate applied to cash flow projections used in calculating the value in use is 70% (2023: 116.03%). A growth rate of 3.5% (2023: 8%) was assumed for perpetuity into the future for cashflows. The Directors believe that the changes in key assumptions used in this analysis were within reasonable and likely outcome ranges and would not cause excess of the carrying amount over the respective value in use of the investments.

Useful lives of computer software

The useful life used to amortise intangible assets relates to the future performance of the assets acquired and management's judgment of the period over which economic benefit will be derived from the asset. The basis for determining the useful life for the intangible assets is as follows:

The useful life is determined by management at the time the software is acquired and brought into use and is regularly reviewed for appropriateness. For computer software licenses, the useful life represents management's view of the period over which the Group will receive benefits from the software, but not exceeding the license term.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

AB. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

AB.3 Impairment reviews - IAS 36

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cashflow ("DCF") model applying a discount rate of 70% (2023: 116.03%). A growth rate of 5% (2023: 8%) was assumed for perpetuity into the future for cashflows.

The cash flows are derived from approved budgets for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance or the Cash Generating Unit (CGU) being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. Refer to Note 13 for additional information.

AB.4 Valuation of investment property – IAS 40

The Group engages third party independent valuers to determine fair value. Consistent with the prior year, the valuers made use of level 2 inputs by using comparable market evidence based on lease and purchase transactions of similar buildings and residential stands to determine the fair value estimate of investment property. Where the fair values of investment property cannot be derived from an active market, they are determined using a variety of valuation techniques. Fair valuation of properties is difficult to ascertain as market comparable sales are not as readily available as a result of depressed economic activity which has resulted in a limited number of open market sales. Furthermore, the hyperinflationary environment has made it increasingly difficult to determine the fair value in local currency. The qualified valuers, therefore, determined property values in USD and converted to local currency at the ruling interbank exchange rate as at 29 February 2024.

Determining the valuation technique to use and the inputs requires significant judgment. Refer Note 12 for more detail on valuation of investment property.

AB.5 Impairment losses on loans and advances to bank customers – IFRS 9

The measurement of impairment losses under IFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by several factors, changes in which can result in different levels of allowances. For the banking subsidiary expected credit losses (ECL) calculations are outputs of complex models with several underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- the bank's internal credit grading model, which assigns probability of defaults (PDs) to the individual grades;
- the criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime expected credit loss basis and the qualitative assessment;
- the segmentation of financial assets when their ECL is assessed on a collective basis;
- development of ECL models, including the various formulas and the choice of inputs;
- determination of associations between macroeconomic scenarios and economic inputs, such as inflation levels and collateral values; and
- selection of forward-looking macroeconomic scenarios such as GDP growth, inflation rate, employment and general government expenditure and their probability weightings, to derive the economic inputs into the ECL models.

Refer to Note 20 for the carrying amount of loans and advances to customers and more information on the impairment of loans and advances to customers.

AB. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

AB.6 Taxation – IAS 12

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

These losses relate to the subsidiary that have a history of losses and may not be used to offset taxable income elsewhere in the Group. Further details on taxes are disclosed in Note 14.

AB.7 Functional and presentation currency – IAS 21

In recent years, the Group has been subjected to several and considerable fiscal and monetary changes in the dynamic Zimbabwean environment it operates in. During financial year ended February 2023, the economy has witnessed a substantial increase in volumes of foreign currency transactions and deposits in both formal and informal sectors hinging on the authorized use of free funds as promulgated by Statutory Instrument (SI) 85 of 2020.

Under these circumstances, it is necessary to consider and assess, for adequate and appropriate financial reporting, whether the underlying transactions, events and conditions indicate a potential change in the functional currency for the Group. Provisions of IAS 21, 'The effects of foreign exchange rates', considered in the assessment include but not limited to:

- The currency that mainly influences the sales prices for goods and services the Group offers, derived from open market operations or from regulators
- The currency that mainly influences input costs such as labour, material and other costs of providing goods and services the Group settles or pays
- The currency in which Group funds from financing activities are generated; and the currency in which receipts from Group operating activities are usually retained

In consistent view with prior year assessments, the Directors concluded that the Group's functional currency remains the Zimbabwe dollar (ZW\$).

AB.8 February 2024 CPI Estimation

As a result of S.I. 27 of 2023, blended inflation rate was reported by the authorities from February 2023 onwards. This was totally unanticipated and created a challenge for the Group which has a reporting date which falls on the 28th of February 2023 and 29th of February 2024. The use of a reliable, independently determined index makes comparability possible and easier for the Zimbabwean business and reporting landscape.

While it is desirable for all prepares of financial statements in a similar environment to use the same index, the absence of official ZW dollar related statistics brings the challenge of which index to use. However, IAS 29 permits the use of estimates for the indices for compliance with International Financial Reporting Standards (IFRS). The Group's functional and presentation currency has been determined as the Zimbabwe dollar.

After considering technical and legal concerns, the Group then adopted the CZI ("Confederation of Zimbabwe Industries") TCPL ("Total Consumption Poverty Line") driven indices as the best estimate which the business notes as depicting the wider representation of the inflationary effect. The application and adoption of this technique by the Group will result in a significantly higher monetary loss where one exists as compared to adoption of the blended CPI. This is key for the Group given that it is a business which largely operates with cash and the resultant exposure to hyperinflation of the ZW currency denominated assets and liabilities needs to be accurately and fairly reported.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

AB. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

AB.8 February 2024 CPI Estimation (continued)

A look at the trends between the Zimstat annual TCPL and Annual Inflation data from January 2022 to January 2023 suggests the two are closely related with a correlation coefficient of 0.997805 thereby indicating a strong positive co-movement between the two variables. Hence, estimation of the monthly CPI was obtained using the Year-on-Year Movement in the TCPL. The February 2024 index was then estimated using a backward recalculation based on the below formula;

$CPI_2 = \beta CPI_1 + CPI_1$ where:

CPI_2 is Consumer price Index for February 2023

CPI_1 is Consumer Price Index for February 2022

β is the estimated inflation rate using the TCPL basis

AB.9 Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The IBR reflects what the Group 'would have to pay' and this required estimation and significant judgement as the observable inputs such as market interest rates obtained needed to be adjusted to reflect the terms and conditions of the lease. Based on estimation and judgement, as a result of the inflationary environment, leases categorised as long term have a higher borrowing rate in comparison to those in the short to medium term category.

AB.10 Analysis of expenses recognised in profit or loss using a classification based on function

The Group analyses expenses recognized in profit or loss based on their function within the entity. This analysis is presented directly in the statement of profit or loss and other comprehensive income.

Additional line items are also included in the statement of profit or loss and other comprehensive income where the group believes such presentation is relevant to an understanding of the Group's financial performance.

The Group earns revenue mainly from mobile money transfer services, digital banking services and insurance services, that are all done over mobile and internet networks. The cost of sales and external services rendered therefore comprises principally only those expenses that can be directly attributable to the revenue generated. These include costs such as SMS notification costs, mobile network usage costs, commissions on mobile money transfers, reinsurance premiums and insurance claims, among others.

The principal business of the Group's banking subsidiary is to provide loans and advances to its customers. Interest income on loans and advances is included within revenue. The process of lending has inherent risks related to defaults on repayments that are recognized through expected credit losses. Because of the inherent risk, the Group includes the expected credit losses attributable to loans and advances in the determination of gross profit.

Impairment losses related to financial instruments measured at amortised cost, other than loans and advances, are presented as a component of general administration and other expense.

AB. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

AB.11 Liability for incurred claims

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder and Bornheutter-Ferguson methods.

AB.12 Risk adjustment for non-financial risk

- The risk adjustment for non-financial risk is the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.
- The Group has estimated the risk adjustment using a confidence level (probability of sufficiency) approach at the 75th percentile. That is, the Group has assessed its indifference to uncertainty for all product lines (as an indication of the compensation that it requires for bearing non-financial risk) as being equivalent to the 75th
- percentile confidence level less the mean of an estimated probability distribution of the future cash flows. The Group has estimated the probability distribution of the future cash flows, and the additional amount above the expected present value of future cash flows required to meet the target percentiles.

AB.13 Discount Rates applied on insurance contracts

Due to the limited availability of observable market inputs and the divergent views on economic inputs, the Group adopted the IPEC prescribed discount rate of 10% for use in insurance contract measurement. This rate is advantageous in that it is prescribed by the insurance regulator, IPEC, for the Zimbabwean insurance market. This determination will be revisited in subsequent financial years as the economy stabilises and new and more stable economic information emerges.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

1. OPERATING SEGMENTS

The principal activities set out below are the basis on which the Group reports its primary segment information.

For management purposes, the Group is organised into business units based on their products and services and has the following reportable segments:

- **Digital Banking Services**

Steward Bank Limited provides retail, corporate, and investment banking services in the key economic centres of Zimbabwe.

- **Holding company**

Relates to activities of EcoCash Holdings (Private) Limited, the Group's holding company.

Reporting

Management monitors the operating results of its business units separately for the purposes of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss for the year in the consolidated financial statements.

1. OPERATING SEGMENTS (CONTINUED)

Segment information for the year ended 29 February 2024

	INFLATION ADJUSTED			Total ZW\$ '000
	Digital Banking ZW\$ '000	Holding Company ZW\$ '000	Adjustment Journal and Eliminations ZW\$ '000	
For the year ended 29 February 2024				
Interest income	200,077,614	-	-	200,077,614
Non interest income	745,885,404	-	(71,255,232)	674,630,172
Finance costs	(1,871,499)	(28,507,093)	-	(30,378,592)
Fair value adjustments on financial assets	56,334,824	89,570,776	-	145,905,600
Depreciation, amortisation and impairment	(93,734,256)	-	-	(93,734,256)
Segment profit / (loss)	68,503,209	326,498,338	(65,569,359)	329,432,188
Segment assets	2,152,643,630	1,199,418,592	(1,123,974,572)	2,228,087,650
Segment liabilities	1,154,507,392	156,535,787	(139,434,211)	1,171,608,968
Analysis of additions during the year				
Additions to property and equipment	15,121,507	-	-	15,121,507
Additions to intangible assets	-	-	-	-
Additions to investment properties	836,773	-	-	836,773
For the year ended 28 February 2023				
Interest income	236,514,981	-	-	236,514,981
Non interest income	354,322,863	-	(56,736,477)	297,586,386
Finance costs	(1,588,457)	(41,173,265)	-	(42,761,722)
Fair value adjustments on financial assets	(55,458,114)	8,832,801	-	(46,625,313)
Depreciation, amortisation and impairment	(75,304,508)	-	-	(75,304,508)
Segment profit / (loss)	278,994,814	(18,743,903)	(197,682,750)	62,568,161
Segment assets	2,465,147,204	1,258,618,725	(635,111,273)	3,088,654,656
Segment liabilities	1,520,056,445	1,585,353,605	(332,722,505)	2,772,687,545
Analysis of additions during the year				
Additions to property and equipment	27,052,648	-	-	27,052,648
Additions to intangible assets	1,871,499	-	-	1,871,499
Additions to investment properties	56,964,123	-	-	56,964,123

~ The adjustment journal and elimination amounts relates to intercompany transactions between continuing and discontinued units.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

1. OPERATING SEGMENTS (CONTINUED)

Segment information for the year ended 29 February 2024

	HISTORICAL COST			Total ZW\$ '000
	Digital Banking ZW\$ '000	Holding Company ZW\$ '000	Adjustment Journal and Eliminations ZW\$ '000	
For the year ended 29 February 2024				
Interest income	41,629,273	-	-	41,629,273
Non interest income	154,204,462	-	(13,597,874)	140,606,588
Finance costs	(348,527)	(3,251,731)	-	(3,600,258)
Fair value adjustments on financial assets	102,719,266	57,829,110	-	160,548,376
Depreciation, amortisation and impairment	(14,376,754)	-	-	(14,376,754)
Segment profit / (loss)	553,409,333	(244,504,925)	111,779,577	420,683,985
Segment assets	1,892,214,585	42,536,629	(10,506,973)	1,924,244,241
Segment liabilities	1,100,607,121	156,535,787	(145,023,318)	1,112,119,590
Analysis of additions during the year				
Additions to property and equipment	20,507,433	-	-	20,507,433
Additions to intangible assets	3,560,433	-	-	3,560,433
Additions to investment properties	6,889,654	-	-	6,889,654
For the year ended 28 February 2023				
Interest income	10,073,284	-	-	10,073,284
Non interest income	14,427,403	-	(2,285,826)	12,141,577
Finance costs	(49,351)	(1,831,123)	800,145	(1,080,329)
Fair value adjustments on financial assets	698,164	446,038	446,037	1,590,239
Depreciation, amortisation and impairment	(1,609,461)	-	-	(1,609,461)
Segment profit / (loss)	26,180,855	(19,937,421)	(6,690,613)	(447,179)
Segment assets	123,746,719	11,720,172	(18,473,663)	116,993,228
Segment liabilities	79,881,243	37,350,291	(22,267,152)	94,964,382
Analysis of additions during the year				
Additions to property and equipment	1,175,959	-	-	1,175,959
Additions to intangible assets	192,112	-	-	192,112
Additions to investment properties	1,072,607	-	-	1,072,607

~ The adjustment journal and elimination amounts relates to intercompany transactions between continuing and discontinued units.

2. REVENUE

The group's primary segment, Steward bank, derives revenue from transfer of goods and services over time and at a point in time in the following major product lines. The disclosure of revenue by product line is consistent with the revenue information that is disclosed for each reportable segment under IFRS 8 (see Note N and Note 1).

	INFLATION ADJUSTED			Group total ZW\$ '000
	Interest income ZW\$ '000	Non-interest income ZW\$ '000	Other ZW\$ '000	
Year ended 29 February 2024				
Segment revenue	200,077,614	745,885,404	-	945,963,018
Inter-segment revenue	-	(71,255,232)	-	(71,255,232)
Revenue from external customers	200,077,614	674,630,172	-	874,707,786
Timing of revenue recognition				
At a point in time	-	674,630,172	-	674,630,172
Over time	200,077,614	-	-	200,077,614
Total revenue	200,077,614	674,630,172	-	874,707,786
Year ended 28 February 2023				
Segment revenue	236,514,981	354,322,863	-	590,837,844
Inter-segment revenue	-	(56,736,477)	-	(56,736,477)
Revenue from external customers	236,514,981	297,586,386	-	534,101,367
Timing of revenue recognition				
At a point in time	-	297,586,386	-	297,586,386
Over time	236,514,981	-	-	236,514,981
Total revenue	236,514,981	297,586,386	-	534,101,367

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

2. REVENUE (CONTINUED)

The group derives revenue from transfer of goods and services over time and at a point in time in the following major product lines. The disclosure of revenue by product line is consistent with the revenue information that is disclosed for each reportable segment under IFRS 8 (see Note 1).

	HISTORICAL COST			Group total ZW\$ '000
	Interest income ZW\$ '000	Non-interest income ZW\$ '000	Other ZW\$ '000	
Year ended 29 February 2024				
Segment revenue	41,629,273	154,204,462	-	195,833,735
Inter-segment revenue	-	(13,597,874)	-	(13,597,874)
Revenue from external customers	41,629,273	140,606,588	-	182,235,861
Timing of revenue recognition				
At a point in time	-	140,606,588	-	140,606,588
Over time	41,629,273	-	-	41,629,273
Total revenue	41,629,273	140,606,588	-	182,235,861
Year ended 28 February 2023				
Segment revenue	10,073,284	14,427,403	-	24,500,687
Inter-segment revenue	-	(2,285,826)	-	(2,285,826)
Revenue from external customers	10,073,284	12,141,577	-	22,214,861
Timing of revenue recognition				
At a point in time	-	12,141,577	-	12,141,577
Over time	10,073,284	-	-	10,073,284
Total revenue	10,073,284	12,141,577	-	22,214,861

3. PROFIT / (LOSS) BEFORE TAXATION

Profit / (loss) before taxation is arrived at after taking the following income / (expenditure) into account:

Notes	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Movement in expected credit loss allowance - trade and other receivables	(38,444,036)	(34,694,048)	(38,444,036)	(2,993,454)
Movement in expected credit loss allowance - loans and advances to bank customers	(33,293,529)	(23,216,541)	(33,293,529)	(1,241,669)
Movement in expected credit loss allowance - cash and cash equivalents	(398,407)	(1,919,783)	(398,407)	(102,674)
Movement in expected credit loss allowance - treasury bill and government bonds	(1,098,055)	(1,522,641)	(1,098,055)	(81,434)
Bad debts recovered	832,808	(316,565)	298,417	11,852
General administrative expenses:	(332,725,403)	(185,845,732)	(76,415,471)	(7,838,793)
Office expenses	(206,593,949)	(135,730,239)	(49,966,005)	(5,665,405)
Computer expenses	(73,564,899)	(30,276,962)	(15,241,047)	(1,353,878)
Call centre expenses	-	-	-	-
Consultancy, legal & professional fees	(6,917,083)	(2,353,517)	(1,467,417)	(87,090)
Bad debts written off	(3,483)	(551,250)	(1,552)	(29,482)
Other operating expenses**	(36,390,189)	(12,642,645)	(7,555,617)	(523,256)
Auditors remuneration	(9,255,800)	(4,291,119)	(2,183,833)	(179,682)
Staff Costs:	(369,884,187)	(220,269,597)	(69,419,752)	(8,841,699)
- short-term benefits	(363,416,793)	(199,271,270)	(68,198,002)	(7,998,819)
- termination benefits	-	(12,866,863)	-	(516,480)
- post-employment benefits	(6,467,394)	(8,131,464)	(1,221,750)	(326,400)
Depreciation, amortisation and impairment:	(93,734,256)	(75,304,508)	(14,376,753)	(1,609,462)
- Depreciation of property and equipment	(86,068,075)	(65,904,669)	(14,100,239)	(1,480,176)
- Amortisation of right of use assets	(6,514,463)	(5,645,685)	(127,730)	(65,170)
- Amortisation of intangible assets	(1,151,718)	(3,754,154)	(148,784)	(64,116)
Director's remuneration	(13,435,640)	(6,757,497)	(2,782,260)	(284,024)
- For services as directors	(13,435,640)	(6,757,497)	(2,782,260)	(284,024)
	(848,887,176)	(526,630,371)	(202,636,317)	(21,739,688)

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

4. FINANCE COSTS

	Notes	INFLATION ADJUSTED		HISTORICAL COST	
		2024	2023	2024	2023
		ZW\$ '000	ZW\$ '000	ZW\$ '000	ZW\$ '000
Interest on financial instruments measured at amortised cost					
Interest on loans and bank overdrafts**		(11,592,931)	(22,473,657)	(1,791,596)	(1,020,618)
Interest to related parties		(16,914,162)	(7,982,019)	(1,460,135)	(10,360)
Finance lease charges		(1,871,499)	(18,699,589)	(348,527)	(49,351)
		(30,378,592)	(49,155,265)	(3,600,258)	(1,080,329)

5. DISCLOSURE OF TAX EFFECTS RELATING TO EACH COMPONENT OF OTHER COMPREHENSIVE INCOME

	INFLATION ADJUSTED			HISTORICAL COST		
	Gross amount	Tax effect	Net Amount	Gross amount	Tax effect	Net Amount
	ZW\$ '000	ZW\$ '000	ZW\$ '000	ZW\$ '000	ZW\$ '000	ZW\$ '000
29 February 2024						
<i>Items that will not be reclassified subsequently to profit or loss</i>						
Gain arising on revaluation of property and equipment & intangible assets	82,104,723	(21,787,805)	60,316,918	715,131,727	(180,321,294)	534,810,433
Other comprehensive income, net of tax	82,104,723	(21,787,805)	60,316,918	715,131,727	(180,321,294)	534,810,433
28 February 2023						
<i>Items that will not be reclassified subsequently to profit or loss</i>						
Gain arising on revaluation of property and equipment & intangible assets	498,642,109	(122,955,625)	375,686,484	38,750,465	(9,495,353)	29,255,112
Other comprehensive income, net of tax	498,642,109	(122,955,625)	375,686,484	38,750,465	(9,495,353)	29,255,112

6. OTHER INCOME / (EXPENSES)

	INFLATION ADJUSTED		HISTORICAL COST	
	2024	2023	2024	2023
	ZW\$ '000	ZW\$ '000	ZW\$ '000	ZW\$ '000
6.1 Other income				
Sundry income	-	(10,449,294)	-	(528,668)
Fair value adjustment on financial assets	161,044,324	(43,207,273)	162,433,089	1,328,901
Fair value adjustment on investment property	(45,213,897)	164,797,562	382,302,355	17,825,876
Fair value adjustment on assets held for sale	10,286,630	861,242	69,562,722	45,704
	126,117,057	112,002,237	614,298,166	18,671,813
6.2 Other expenses				
Fair value adjustment on loan	(398,580,254)	(89,484,210)	(50,568,727)	(1,031,671)
	(398,580,254)	(89,484,210)	(50,568,727)	(1,031,671)

7. INCOME TAX EXPENSE

	INFLATION ADJUSTED		HISTORICAL COST	
	2024	2023	2024	2023
	ZW\$ '000	ZW\$ '000	ZW\$ '000	ZW\$ '000
Current income tax	(59,401,476)	(136,660,663)	(59,401,476)	(3,664,661)
Deferred tax	(17,284,602)	100,333,432	12,214,870	538,600
Income tax expense	(76,686,078)	(36,327,231)	(47,186,606)	(3,126,061)
Tax rate reconciliation				
Profit before taxation	406,118,266	98,895,392	467,870,591	2,678,882
Reconciliation of tax charge:				
Normal tax (expense) / credit at 24.72%	(100,392,435)	13,027,858	(115,657,610)	(901,665)
Tax effect of:				
Income that is exempt from taxation	729,071	163,645,569	123,854	4,747,408
Expenditure that is not deductible in determining taxable profit	22,977,286	(213,000,658)	68,347,150	(6,971,804)
Income tax expense	(76,686,078)	(36,327,231)	(47,186,606)	(3,126,061)

* Included in income that is exempt are fair value gains, revaluation gains on investment property, dividend income, interest on treasury bills and government bonds and mortgage loans interest.

** Non-deductible expenses include unrealised exchange losses, entertainment costs, Intermediated Money Transfer Tax (IMTT) and disallowable donations.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

8. EARNINGS PER SHARE

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Continuing operations	329,432,188	62,568,161	420,683,985	(447,179)
Discontinued operations	(42,092,328)	(151,597,059)	(39,225,790)	1,400,692
Profit / (loss) for the year attributable to ordinary shareholders	287,339,860	(89,028,898)	381,458,195	953,513
<i>Adjustment for capital items (net of tax):</i>				
Profit on disposal of property and equipment	(645,868)	(65,706)	(93,528)	(12,637)
Impairment of property and equipment	-	55,494,958	-	213,397
Headline earnings / (loss) attributable to ordinary shareholders	286,693,992	(33,599,646)	381,364,667	1,154,273

Basic earnings per share basis

The calculation is based on the profit attributable to ordinary shareholders and the weighted average number of shares in issue for the year which participated in the profit of the Group.

Diluted earnings per share basis

The calculation is based on the profit attributable to ordinary shareholders and the weighted average number of shares in issue after adjusting for conversion of share options not yet exercised and convertible instruments (as applicable). There were no instruments with a dilutive effect at the end of the financial year.

Headline earnings per share basis

Headline earnings comprise basic earnings attributable to ordinary shareholders adjusted for profits, losses and items of a capital nature that do not form part of the ordinary activities of the Group, net of their related tax effects in accordance with SAICA circular requirements.

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	3,259,002,528	2,590,577,241	3,259,002,528	2,590,577,241
Basic earnings / (loss) per share (ZW\$)	88.168	(34.366)	117.048	0.368
Headline earnings / (loss) per share (ZW\$)	87.970	(12.970)	117.019	0.446
Diluted basic earnings / (loss) per share (ZW\$)	88.168	(34.366)	117.048	0.368
Diluted headline earnings / (loss) per share (ZW\$)	87.970	(12.970)	117.019	0.446

9. PROPERTY AND EQUIPMENT

	INFLATION ADJUSTED						Total ZW\$ '000
	Land and Buildings ZW\$ '000	Switching and Network Equipment ZW\$ '000	Office Equipment ZW\$ '000	Furniture and Fittings ZW\$ '000	Vehicles ZW\$ '000	Work-in-Progress ZW\$ '000	
At Cost/ Valuation							
At 1 March 2022	183,079,591	2,200,574,733	1,835,287,806	58,249,432	74,500,276	105,296,440	4,456,988,278
Acquisition of subsidiaries	-	15,259,821	1,774,239	552,839	-	-	17,586,899
Additions	310,889	6,918	1,666,352	1,349,424	1,710,760	38,197,951	43,242,294
Disposals	-	-	(485,714)	(123,107)	(273,905)	62,282	(820,444)
Impairment	-	(2,521,854)	(6,058)	(113,197)	-	(52,853,849)	(55,494,958)
Revaluation of property and equipment	90,216,343	306,757,738	17,716,276,835	26,523,667	94,768,092	-	18,234,542,675
Transfer to investment property	(78,698,785)	-	-	-	-	-	(78,698,785)
Transfer from work in progress	237,537	930,705	31,500,867	924,066	12,687,726	(46,280,901)	-
Transfers to disposal group held for sale (note 16)	-	-	-	(487,154)	(400,639)	-	(887,793)
At 28 February 2023	195,145,575	2,521,008,061	19,586,014,327	86,875,970	182,992,310	44,421,923	22,616,458,166
Additions	-	8,975	1,455,305	4,160,336	4,004,710	138,434,566	148,063,892
Disposals	(1,642,078)	(12,739,111)	(10,273,654)	(3,679,665)	(2,917,195)	(3,756)	(31,255,459)
Revaluation of property and equipment	(473,761)	681,738,404	8,790,801,938	32,478,007	44,988,022	-	9,549,532,610
Transfer from work in progress	-	46,362,393	1,808,915	2,388,935	(493,164)	(50,560,243)	(493,164)
Transfer from inventory	29,242,087	-	18,907,308	5,426,924	1,618,177	(55,194,496)	-
Transfers to disposal group held for sale (note 16)	(13,689,199)	(3,236,378,722)	(28,075,517,256)	(91,367,540)	(217,830,631)	(16,891,792)	(31,651,675,140)
At 29 February 2024	208,582,624	-	313,196,883	36,282,967	12,362,229	60,206,202	630,630,905
Accumulated depreciation & impairment							
At 1 March 2022	(10,881,962)	(2,025,338,685)	(1,756,170,526)	(44,401,337)	(35,145,863)	-	(3,871,938,373)
Acquisition of subsidiaries	-	(10,928,800)	(913,727)	(282,338)	-	-	(12,124,865)
Charge for the year	(4,820,474)	(65,177,098)	(68,015,675)	(4,819,558)	(10,405,933)	-	(153,238,738)
Revaluation of property and equipment	-	(78,482,918)	(17,594,612,051)	(16,683,120)	(46,122,455)	-	(17,735,900,544)
Disposals	-	-	199,899	55,215	14,640	-	269,754
At 28 February 2023	(15,702,436)	(2,179,927,501)	(19,419,512,080)	(66,131,138)	(91,659,611)	-	(21,772,932,766)
Charge for the year	(31,317,931)	-	(50,472,011)	(1,889,725)	(2,388,408)	-	(86,068,075)
Revaluation of property and equipment	-	(590,078,645)	(8,785,358,955)	(34,818,708)	(57,171,578)	-	(9,467,427,886)
Disposals	1,618,335	(94,450,035)	(16,084,204)	(4,536,046)	(20,952,188)	-	(134,404,138)
Transfers to disposal group held for sale (note 16)	401,868	2,864,456,181	28,058,443,456	77,957,937	165,835,108	-	31,167,094,550
At 29 February 2024	(45,000,164)	-	(212,983,794)	(29,417,680)	(6,336,677)	-	(293,738,315)
CARRYING AMOUNT							
At 29 February 2024	163,582,460	-	100,213,089	6,865,287	6,025,552	60,206,202	336,892,590
At 28 February 2023	179,443,139	341,080,560	166,502,247	20,744,832	91,332,699	44,421,923	843,525,400
At 1 March 2022	172,197,629	175,236,048	79,117,280	13,848,095	39,354,413	105,296,440	585,049,905

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

9. PROPERTY AND EQUIPMENT (CONTINUED)

	HISTORICAL COST						Total ZW\$ '000
	Land and Buildings ZW\$ '000	Switching and Network Equipment ZW\$ '000	Office Equipment ZW\$ '000	Furniture and Fittings ZW\$ '000	Vehicles ZW\$ '000	Work-in-Progress ZW\$ '000	
At Cost/ Valuation							
At 1 March 2022	3,014,104	36,403,841	28,972,023	504,757	1,137,002	553,786	70,585,513
Acquisition of Subsidiaries	-	252,441	29,351	9,145	-	-	290,937
Additions	9,234	268	53,020	53,562	85,609	1,625,085	1,826,778
Disposals	-	-	(8,255)	(369)	(11,505)	-	(20,129)
Impairment	-	(71,696)	(663)	(6,054)	-	(134,984)	(213,397)
Revaluation of property and equipment	8,585,219	18,651,180	853,085,346	2,224,768	7,261,934	-	889,808,447
Transfer to investment property	(1,384,101)	-	-	-	-	-	(1,384,101)
Transfers from work in progress	11,318	149,780	966,241	25,881	396,367	(1,549,587)	-
Transfers to disposal group held for sale (note 16)	-	-	-	(26,054)	(21,427)	-	(47,481)
At 28 February 2023	10,235,774	55,385,814	883,097,063	2,785,636	8,847,980	494,300	960,846,567
Additions	-	1,622	226,915	491,756	893,039	28,363,903	29,977,235
Disposals	-	-	(1,092)	-	(17,092)	-	(18,184)
Revaluation of property and equipment	167,536,564	1,283,483,932	19,858,999,103	69,662,118	174,386,876	-	21,554,068,593
Transfers from work in progress	-	7,189,687	331,146	458,573	-	(7,979,406)	-
Transfers from inventory	4,568,474	-	4,991,682	263,102	156,014	(9,979,272)	-
Transfers to disposal group held for sale (note 16)	(13,287,331)	(1,345,880,244)	(20,637,397,181)	(66,601,870)	(177,833,653)	(375,125)	(22,241,375,404)
At 29 February 2024	169,053,481	180,811	110,247,636	7,059,315	6,433,164	10,524,400	303,498,807
Accumulated depreciation & impairment							
At 1 March 2022	(165,463)	(33,504,929)	(27,663,186)	(275,672)	(485,975)	-	(62,095,225)
Charge for the year	(473,330)	(2,102,435)	(1,190,822)	(88,679)	(415,155)	-	(4,270,421)
Revaluation of property and equipment	-	(1,355,947)	(845,322,647)	(1,315,546)	(3,063,841)	-	(851,057,981)
Disposals	-	-	6,800	1,228	1,627	-	9,655
At 28 February 2023	(638,793)	(37,144,105)	(874,184,971)	(1,683,340)	(3,963,344)	-	(917,614,553)
Charge for the year	(4,832,228)	-	(8,773,028)	(143,761)	(351,222)	-	(14,100,239)
Revaluation of property and equipment	-	(924,765,741)	(19,745,492,860)	(50,835,617)	(118,846,734)	-	(20,839,940,952)
Disposals	-	(12,228,669)	(1,907,069)	(718,099)	(2,596,728)	-	(17,450,565)
Transfers to disposal group held for sale (note 16)	-	973,957,704	20,620,323,381	53,186,788	125,350,417	-	21,772,818,290
At 29 February 2024	(5,471,021)	(180,811)	(10,034,547)	(194,029)	(407,611)	-	(16,288,019)
CARRYING AMOUNT							
At 29 February 2024	163,582,460	-	100,213,089	6,865,286	6,025,553	10,524,400	287,210,788
At 28 February 2023	9,596,981	18,241,709	8,912,092	1,102,296	4,884,636	494,300	43,232,014
At 1 March 2022	2,848,641	2,898,912	1,308,837	229,085	651,027	553,786	8,490,288

9. PROPERTY AND EQUIPMENT (CONTINUED)

9.1 Values of property and equipment under historic cost convention

Had the Group's property and equipment been measured on a historical cost basis, the related carrying amounts at year-end would have been as follows:

	INFLATION ADJUSTED						Total ZW\$ '000
	Land and Buildings ZW\$ '000	Switching and Network Equipment ZW\$ '000	Office Equipment ZW\$ '000	Furniture and Fittings ZW\$ '000	Vehicles ZW\$ '000	Work-in-Progress ZW\$ '000	
Cost Accumulated	209,056,385	(681,738,404)	(8,477,605,056)	3,804,959	(32,625,793)	60,206,202	(8,918,901,707)
Depreciation	(45,000,164)	590,078,645	8,572,375,163	5,401,028	50,834,903	-	9,173,689,575
At 28 February 2023	164,056,221	(91,659,759)	94,770,108	9,205,987	18,209,110	60,206,202	254,787,869
Cost Accumulated	104,929,233	2,214,250,322	1,869,737,492	60,352,305	88,224,218	44,421,923	4,381,915,492
Depreciation	(15,702,436)	(2,101,444,583)	(1,824,900,028)	(49,402,114)	(45,520,777)	-	(4,036,969,938)
At 28 February 2023	89,226,797	112,805,740	44,837,464	10,950,190	42,703,441	44,421,923	344,945,554
	HISTORICAL COST						Total ZW\$ '000
	Land and Buildings ZW\$ '000	Switching and Network Equipment ZW\$ '000	Office Equipment ZW\$ '000	Furniture and Fittings ZW\$ '000	Vehicles ZW\$ '000	Work-in-Progress ZW\$ '000	
Cost Accumulated	1,516,917	(1,283,303,121)	(19,748,751,467)	(62,602,803)	(167,953,712)	10,524,400	(21,250,569,786)
Depreciation	(5,471,021)	924,584,930	19,735,458,313	50,641,588	118,439,123	-	20,823,652,933
At 29 February 2024	(3,954,104)	(358,718,191)	(13,293,154)	(11,961,215)	(49,514,589)	10,524,400	(426,916,853)
Cost Accumulated	1,650,555	36,734,634	30,011,717	560,868	1,586,046	490,969	71,034,789
Depreciation	(638,793)	(35,788,158)	(28,862,324)	(365,339)	(898,627)	-	(66,553,241)
At 29 February 2023	1,011,762	946,476	1,149,393	195,529	687,419	490,969	4,481,548

9.2 Fair values of property and equipment

The carrying amounts of property and equipment as disclosed in the statement of financial position approximate their fair values.

The Group's property and equipment are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value measurements of the Group's property and equipment as at 29 February 2024 were performed by Bard Real Estate, independent valuers not related to the Group. Bard Real Estate are members of the Royal Institute of Chartered Surveyors, and they have appropriate qualifications and recent experience in the fair value measurement of properties in the relevant locations. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The fair values of equipment were determined using the gross replacement cost approach that reflects the cost to a market participant to construct or purchase an asset of comparable utility and age, adjusted for obsolescence and physical deterioration. The fair values of land and buildings were determined using comparable method of valuation whereby sales similar to the subject property being valued were collected as comparatives and the value was established. There has been no change to the valuation technique during the year.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

9. PROPERTY AND EQUIPMENT (CONTINUED)

9.2 Fair values of property and equipment (continued)

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique;

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows an analysis of the fair values of property and equipment recognised in the statement of financial position by level of the fair value hierarchy

	Total ZW\$ '000	Level 1 ZW\$ '000	Level 2 ZW\$ '000	Level 3 ZW\$ '000
At 29 February 2024				
Land and Buildings	163,582,460	-	-	163,582,460
Office Equipment	100,213,091	-	-	100,213,091
Furniture and Fittings	6,865,286	-	-	6,865,286
Vehicles	6,025,554	-	-	6,025,554
Work-in- Progress	60,206,202	-	-	60,206,202
	336,892,593	-	-	336,892,593

Valuation techniques used to derive level 3 fair values

- The table below presents the following for each class of assets:
- The fair value measurements at the end of the reporting period;
- The level of the fair value hierarchy (in this case level 3) within which the fair value measurements are categorized in their entirety;
- The valuation techniques applied; and
- The inputs used in the fair value measurement.

Asset Description	Fair Value 2024 (ZW\$ '000)	Fair Value 2023 (ZW\$ '000)	Valuation Technique	Significant unobservable inputs	Interrelationship between significant observable inputs and fair value measurement
Land and Buildings	163,582,460	179,443,139	Market comparison approach (adjusted market comparable)	Comparable transacted property prices	The estimated fair value would increase or decrease based on the movements in selling prices of comparable assets
Switching and Network Equipment	-	341,080,560	Cost Approach	Estimated replacement cost of similar assets	The fair value estimates provided at a reporting date based on level 3 inputs are sensitive to movements in replacement cost as at the reporting date, either up or down. Adopted useful life, expended useful life and remaining useful life are considered to be generally stable inputs and would not be subject to sensitivity unless the Group revised its policy with respect to the useful life of a particular asset class.
Office Equipment	100,213,089	166,502,247			
Furniture and Fittings	6,865,286	20,744,832			
Vehicles	6,025,553	91,332,699		Sales of similar vehicles	

9. PROPERTY AND EQUIPMENT (CONTINUED)

9.3 Debt collateralisation and borrowing costs

Property and equipment are unencumbered. No borrowing costs were capitalised during the year and in the prior year.

9.4 Sensitivity of property and equipment values to changes in the exchange rate

The valuations basis of the Group's property and equipment was determined using US\$ inputs by the external valuer. A rate of ZW\$14,912.83 to the US dollar was used to translate the US dollar values determined by the professional valuer at year end.

The sensitivity analysis below shows the impact of various exchange rates at 29 February 2024 on the carrying amount of property and equipment.

	SENSITIVITY ANALYSIS (IMPACT ON CARRYING AMOUNT)	
	Rate of 20,000 ZW\$ '000	Rate of 25,000 ZW\$ '000
Carrying amount	431,277,807	524,045,708
Increase in property and equipment revaluation reserve	28,008,144	55,536,361
Increase in deferred tax liabilities	7,432,410	14,737,464

9.5 Sensitivity of property and equipment values to changes in prices of comparable properties and equipment

Significant increases / (decreases) in prices of comparable properties and equipment in isolation would result in a significantly higher or (lower) fair value of the properties and equipment. With all other variables held constant, the Group's (loss) / profit before tax, investments property and deferred tax are affected through the impact on the fluctuating yield rate as follows:

	Increase in comparable prices 10% ZW\$ '000 2024	Decrease in comparable prices 10% ZW\$ '000 2024
Carrying amount	8,210,472	(8,210,472)
Profit for the year	6,180,844	(6,180,844)
Deferred tax effect	(2,029,629)	2,029,629

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

10. RIGHT-OF-USE ASSETS

	INFLATION ADJUSTED ZW\$ '000	HISTORICAL COST ZW\$ '000
COST		
At 1 March 2022	34,980,724	76,799
Additions	10,106,095	463,039
Modification	753,019	13,244
Disposals	(2,267,657)	(18,590)
At 28 February 2023	43,572,181	534,492
Additions	19,788,478	2,464,749
Modification	-	(371,771)
Disposals	(810,962)	(128,262)
Transfers to disposal group held for sale (note 16)	(16,525,421)	(1,611,608)
At 29 February 2024	46,024,276	887,600
ACCUMULATED DEPRECIATION		
At 1 March 2022	(26,302,547)	(33,493)
Charge for the year	(6,306,953)	(98,314)
Disposals	2,262,889	18,590
At 28 February 2023	(30,346,611)	(113,217)
Charge for the year	(6,514,463)	(127,730)
Opening Balance RTGS	426,204	(2,520)
Disposals	120,762	(168,187)
Transfers to disposal group held for sale (note 16)	6,950,509	217,198
At 29 February 2024	(29,363,599)	(194,456)
CARRYING AMOUNT		
At 29 February 2024	16,660,677	693,144
At 28 February 2023	13,225,570	421,275
At 1 March 2022	8,678,177	43,306

As a lessee, the Group recognised right-of-use assets, representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. Lease liabilities were measured at the present value of the remaining lease payments, discounted using a weighted average incremental borrowing rate ranging from 15% to 60% at 1 March 2023. Generally, the Group uses the weighted average incremental borrowing rate for discounting purposes which reflects the cost of long-term borrowings and estimated the adjustment factors for medium- and short-term loans on the average borrowing rate. Right-of-use assets were initially measured at the amount equal to the lease liability, adjusted by prepaid or accrued lease payments and initial direct costs, if any, relating to that lease recognised on the statement of financial position at 29 February 2024.

10.1 Leased property

Land and buildings

The Group leases land and buildings. The average lease term is 3 years. The Group has no options to purchase certain land and buildings for a nominal amount at the end of the lease term. The Group's obligations are secured by the lessors' title to the leased assets for such leases. Approximately one fifth of the leases for land and buildings expired in the current financial year. The expired contracts were replaced by new leases for identical underlying assets. This resulted in additions to right-of-use assets of ZW\$19.8 billion in the year ended 29 February 2024. The maturity analysis of lease liabilities is presented in Note 31.

10. RIGHT-OF-USE ASSETS (CONTINUED)

10.1 Leased property (continued)

Land and buildings (continued)

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Amounts recognised in profit and loss				
Amortisation expense on right-of-use assets	6,514,463	5,645,685	127,730	65,170
Interest expense on lease liabilities	1,871,499	18,699,589	348,527	49,351

In determining the lease tenure, consideration is given to all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Management applies judgement in assessing whether it is reasonably likely that options will be exercised. Factors considered include how far in the future an option occurs, the Group's business planning cycle and history of terminating/not renewing leases.

11. INVESTMENT PROPERTIES

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Opening balance	413,236,461	114,173,431	22,100,747	1,888,757
Additions	36,566,063	35,855,708	6,889,654	115,607
Transfers from inventory	-	24,932,013	-	38,731
Transfers from property and equipment	-	78,698,785	-	1,384,101
Disposals	(916,627)	(4,564,089)	(7,620,756)	(80,270)
Gain on fair value of investment property	(45,213,897)	164,140,613	382,302,355	18,753,821
Transfers to disposal group held for sale (note 16)	(8,100,000)	-	(8,100,000)	-
Closing balance	395,572,000	413,236,461	395,572,000	22,100,747

The increase in investment property was mainly driven by increase in fair value gains. The fair value gains were also based on the ZW\$/USD exchange rate which increased as at 29 February 2024 compared to prior year.

Investment property contains commercial buildings and residential properties leased to third parties and undeveloped residential land. The Group holds investment properties for long term rental yields and capital appreciation. The investment properties were measured using the fair value model based on the valuation of Bard Real Estate, an independent professional valuer at 29 February 2024. Bard Real Estate are members of the Royal Institute of Chartered Surveyors, and they have appropriate qualifications and recent experience in the fair value measurement of properties in the relevant locations. Bard Real Estate has experience in property transactions in the real estate market the Group's investment property falls under. The valuation was prepared in accordance with requirements of the Valuers Act 1996, the Real Estate Institute of Zimbabwe Standards, the RICS – Professional Standards 2011 which are in conformity with the International Valuation Standards (IVS) 2011 and the International Financial Reporting Standards (IFRS).

In determining fair value, the valuers made use of level 3 inputs by using comparable market evidence based on lease and purchase transactions of similar buildings and residential stands to determine the fair value estimate of investment property.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

11. INVESTMENT PROPERTIES (CONTINUED)

The fair value techniques applied in determining the fair values of these assets are categorised in the following hierarchy;

Level 1: fair value is determined from quoted (unadjusted) prices in active markets for identical assets and liabilities.

Level 2: fair value is determined using techniques that maximise use of observable market data as inputs, with little reliance on entity specific estimates.

Level 3: fair value is determined using techniques whose inputs are not observable market data.

Details of the Group's investment properties and information about the fair value hierarchy as at the end of the reporting period are as follows:

Asset Description	Valuation Technique	Significant unobservable inputs	Range	Interrelationship between significant observable inputs and fair value measurement
Land	Market comparison approach (adjusted market comparable)	Rate per square meter	USD45 – USD250	The estimated fair value would increase or decrease based on the movements in selling prices of comparable land pieces
Commercial Buildings	Investment method	Rental per square meter, yield	USD1 - USD12, 4% - 10%	The estimated fair value would increase if expected market rental growth
Residential Properties	Market comparison approach (adjusted market comparable)	Comparable transacted property prices		The estimated fair value would increase or decrease based on the movements in selling prices of comparable residential properties

11.1 Sensitivity of investment property values to changes in the exchange rate

The valuation basis of the Group's investment property was determined using US\$ inputs by the external valuer. A rate of ZW\$14,912.83 to the US dollar was used to translate the US dollar values determined by the professional valuer at year end.

The sensitivity analysis below shows the impact of various exchange rates at 29 February 2024 on the carrying amount of investment property.

	SENSITIVITY ANALYSIS (IMPACT ON CARRYING AMOUNT)	
	Rate of 20,000 ZW\$ '000	Rate of 25,000 ZW\$ '000
Carrying amount	530,512,317	663,140,397
Increase in investment property fair value	(60,637,581)	(75,796,976)
Increase in deferred tax liabilities	(14,989,610)	(18,737,012)

11. INVESTMENT PROPERTIES (CONTINUED)

11.2 Sensitivity of investment property values to changes in the yield rate

Significant increases / (decreases) in annual yield in isolation would result in a significantly higher or (lower) fair value of the properties. With all other variables held constant, the Group's (loss) / profit before tax, investments property and deferred tax are affected through the impact on the fluctuating yield rate as follows:

	Increase in yield 10% ZW\$ '000 2023	Decrease in yield 10% ZW\$ '000 2023
Carrying amount	(15,596,200)	15,596,200
Profit for the year	(11,740,819)	11,740,819
Deferred tax effect	3,855,381	(3,855,381)

12. INTANGIBLE ASSETS

	INFLATION ADJUSTED			
	Goodwill ZW\$ '000	Computer Software and other ZW\$ '000	Work-in- progress ZW\$ '000	Total ZW\$ '000
COST				
At 1 March 2022	30,361,027	261,500,339	19,112,382	310,973,748
Acquisition of Subsidiaries	-	2,085,259	-	2,085,259
Transfer from work in progress	-	7,461,602	(7,461,602)	-
Additions	-	11,509,611	3,823,206	15,332,817
At 28 February 2023	30,361,027	282,556,811	15,473,986	328,391,824
Additions	-	19,862,244	11,157,004	31,019,248
Transfers to disposal group held for sale (note 16)	-	(56,573,191)	-	(56,573,191)
At 29 February 2024	30,361,027	245,845,864	26,630,990	302,837,881
ACCUMULATED AMORTISATION AND IMPAIRMENT				
At 1 March 2022	-	(131,342,433)	-	(131,342,433)
Amortisation	-	(18,542,995)	-	(18,542,995)
Acquisition of Subsidiaries	-	(464,698)	-	(464,698)
At 28 February 2023	-	(150,350,126)	-	(150,350,126)
Amortisation	-	(1,151,718)	-	(1,151,718)
Transfers to disposal group held for sale (note 16)	-	15,964,258	-	15,964,258
At 29 February 2024	-	(135,537,586)	-	(135,537,586)
CARRYING AMOUNT				
At 29 February 2024:	30,361,027	110,308,278	26,630,990	167,300,295
At 28 February 2023:	30,361,027	132,206,685	15,473,986	178,041,698
At 1 March 2022	30,361,027	130,157,906	19,112,382	179,631,315

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

12. INTANGIBLE ASSETS (CONTINUED)

	HISTORICAL COST			Total ZW\$ '000
	Goodwill ZW\$ '000	Computer Software and other ZW\$ '000	Work-in- progress ZW\$ '000	
COST				
At 1 March 2022	7,861	427,392	322,403	757,656
Acquisition of Subsidiaries	-	4,893	-	4,893
Transfer from work in progress	-	134,957	(134,957)	-
Additions	-	400,667	192,112	592,779
At 28 February 2023	7,861	967,909	379,558	1,355,328
Additions	-	4,575,982	2,887,932	7,463,914
Transfers to disposal group held for sale (note 16)	-	(23,391)	(4,344,230)	(4,367,621)
At 29 February 2024	7,861	5,520,500	(1,076,740)	4,451,621
ACCUMULATED AMORTISATION AND IMPAIRMENT				
At 1 March 2022	-	(72,662)	-	(72,662)
Amortisation	-	(98,689)	-	(98,689)
Acquisition of Subsidiaries	-	(2,642)	-	(2,642)
At 28 February 2023	-	(173,993)	-	(173,993)
Amortisation	-	(148,784)	-	(148,784)
Transfers to disposal group held for sale (note 16)	-	53,426	-	53,426
At 29 February 2024	-	(269,351)	-	(269,351)
CARRYING AMOUNT				
At 29 February 2024:	7,861	5,251,149	(1,076,740)	4,182,270
At 28 February 2023:	7,861	793,916	379,558	1,181,335
At 1 March 2022	7,861	354,730	322,403	684,994

Intangible assets pertain to goodwill and computer software held by the Group and its subsidiaries. The Group uses the expected usage of the asset to determine the useful life of intangible assets. At 29 February 2024 the computer software had an average remaining useful life of 4 years. Software integral to an item of hardware equipment is classified as property and equipment (refer to Note 10).

Goodwill

The goodwill relates to the investment in Steward Bank Limited. The Group performed its annual impairment test as at 29 February 2024. The Group considers the relationship between the investment in subsidiary and its value in use, among other factors, when reviewing for indicators of impairment. The pre-tax discount rate applied to cash flow projections used in calculating the value in use is 116.03%. Based on the results of this analysis, management did not identify any indicators of impairment of goodwill.

12. INTANGIBLE ASSETS (CONTINUED)

Key assumptions used in value in use calculations and sensitivity to changes in assumptions

Pursuant to the annual impairment test, the Group performed a sensitivity analysis of the impairment to changes in the key assumptions used to determine the value in use for the investment in Steward Bank Limited. The Directors believe that the changes in key assumptions used in this analysis were within reasonable and likely outcome ranges and would not cause excess of the carrying amount over the respective value in use of the investments. The analysis revealed that the value in use is most sensitive to changes in the discount rate.

The discount rate represents the current market assessment of the risks specific to the Group, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and is derived from its weighted average cost of capital (WACC). The WACC considers both debt and equity. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

A rise in pre-tax discount rate to 136.03% (i.e., +20%) would not result in the carrying amount of either investments being more than their value in use.

A growth rate of 3.5% was assumed for perpetuity into the future for cashflows. The growth rate used reflects the expected long-term average growth rates in Zimbabwe where the two investments operate. The cashflows were projected for five years and beyond.

Computer Software

Computer software integral to an item of hardware equipment is classified as property and equipment (refer to Note 10). The Group uses the expected usage of the asset to determine the useful life of intangible assets.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

13. DEFERRED TAX (CONTINUED)

	HISTORICAL COST			Total ZW\$ '000
	Assessed losses ZW\$ '000	Accelerated Wear & Tear ZW\$ '000	Provisions and Other ZW\$ '000	
13.5 Deferred tax liability				
At 1 March 2022	23,998	2,032,323	169,962	2,226,283
Acquisition of subsidiaries	-	-	26,100	26,100
Charge to profit for the period	(23,998)	974,147	(3,112,412)	(2,162,263)
Charge to other comprehensive income	-	863,209	8,572,437	9,435,646
Re-allocation to deferred tax asset	(49,697)	-	-	(49,697)
At 28 February 2023	(49,697)	3,869,679	5,656,087	9,476,069
Charge to profit for the period	(2,451,436)	(3,733,082)	(10,057,678)	(16,242,197)
Charge to other comprehensive income	-	73,244,442	106,386,230	179,630,672
Re-allocation to deferred tax asset	-	-	(29,675)	(29,675)
Disposal	-	-	(48,944)	(48,944)
Transfers to disposal group held for sale (note 16)	-	(109,371,839)	-	(109,371,839)
At 29 February 2024	(2,501,133)	(35,990,800)	101,906,019	63,414,086

	HISTORICAL COST			Total ZW\$ '000
	Assessed losses ZW\$ '000	Accelerated Wear & Tear ZW\$ '000	Provisions and Other ZW\$ '000	
13.6 Net deferred tax asset / (liability)				
At 1 March 2022	351,158	(1,847,795)	(1,561)	(1,498,198)
Acquisition of subsidiaries	-	-	(25,839)	(25,839)
Charge to profit for the period	59,329	145,550	3,242,434	3,447,313
Charge to other comprehensive income	(21,289)	(901,627)	(8,572,437)	(9,495,353)
At 28 February 2023	389,198	(2,603,872)	(5,357,403)	(7,572,077)
Charge to profit for the period	4,544,543	4,843,287	11,300,075	20,687,906
Charge to other comprehensive income	-	(73,244,442)	(107,076,851)	(180,321,293)
Reclassification	735,325	(1,034,743)	248,791	(50,627)
Disposal	-	-	48,944	48,944
Transfers to disposal group held for sale (note 16)	(3,167,933)	108,030,570	(1,069,576)	103,793,061
At 29 February 2024	2,501,133	35,990,800	(101,906,019)	(63,414,086)

**Other deferred tax implications of unrealised foreign currency gains and losses, deferred revenue, accruals, financial assets at fair value through profit and loss, right of use assets and lease liability.

14. FINANCIAL INSTRUMENTS

Notes	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Financial Assets				
Financial assets at amortised cost				
Trade receivables	18	538,231,061	351,086,041	261,602,611
Treasury bills & government bonds	14.1	158,276,467	228,634,678	158,276,467
Loans and advances to bank customers	19	426,803,977	522,575,302	426,803,977
Amounts owed by related party companies	27	1,562,465	2,838,371	1,562,465
Cash and cash equivalents	26.4	351,760,377	753,264,724	351,760,377
Financial Assets at fair value through profit or loss				
Listed equity securities	15	165,752,221	199,323,891	165,752,221
Total financial assets		1,642,386,568	2,057,723,007	1,365,758,118
Financial Liabilities				
Liabilities at amortised cost				
Trade and other payables	23	165,491,087	269,821,126	167,551,376
Amounts owed to related party companies	27	80,779,868	598,327,735	80,779,868
Mobile money trust liabilities		-	345,417,787	-
Deposits due to banks and customers	25	727,520,120	862,114,188	727,520,120
Financial liabilities at fair value through profit or loss				
Loans and borrowings	24	1,214,402	121,099,676	1,214,402
Total financial liabilities		975,005,477	2,196,780,512	977,065,766

The listed equity securities were measured at fair value through profit or loss, whereas the loan was irrevocably designated as measured at fair value through profit or loss in order to significantly reduce a measurement inconsistency that would otherwise arise from measuring the liability or recognising the gains and losses on it on different bases as the contract relates to settlement based on a non-cash item.

14.1 Treasury Bills and Government Bonds

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Opening Balance	228,634,678	353,249,363	12,227,859	5,843,761
Additions	165,355,869	1,093,142,768	165,355,869	43,920,247
Disposals	(224,125,398)	(182,084,491)	(7,718,579)	-
Repayments on maturity	-	(1,029,985,711)	-	(37,228,452)
Interest	698,570	619,254	698,570	29,588
Less expected credit loss allowance	(170,563,719)	(234,941,183)	(170,563,719)	(12,565,144)
Transfers to disposal group held for sale (note 16)	(11,189,197)	(6,306,505)	(11,189,197)	(337,285)
Closing Balance	158,276,467	228,634,678	158,276,467	12,227,859
Provision for expected credit losses	337,285	-	337,285	-
Balance at the beginning of the year	(6,306,505)	(15,465,946)	(337,285)	(255,851)
Provision for expected credit losses	(1,098,055)	(5,780,310)	(1,098,055)	(309,143)
Reversal of expected credit losses	5,969,220	14,939,751	-	227,709
	(1,435,340)	(6,306,505)	(1,435,340)	(337,285)

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

14. FINANCIAL INSTRUMENTS (CONTINUED)

14.1 Treasury Bills and Government Bonds (continued)

The average tenor of the Treasury Bills is one year, with an average rate of 90%. The Treasury Bills are held at amortized cost. There were no Treasury Bills that were pledged as collateral as at 29 February 2024.

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Opening balance	199,323,891	369,276,618	10,660,257	6,108,898
Additions	48,182,601	111,051,545	40,134,420	4,113,743
Gain on fair value of financial assets	156,192,230	(31,492,472)	230,111,098	3,809,177
Disposals	(147,333,344)	(249,511,800)	(24,540,397)	(3,371,561)
Transfers to disposal group held for sale (note 16)	(90,613,157)	-	(90,613,157)	-
Closing balance	165,752,221	199,323,891	165,752,221	10,660,257

The financial assets measured at fair value through profit or loss comprise equity investments listed on the Zimbabwe Stock Exchange. The fair value of the equity investments is based on the Zimbabwe Stock Exchange published share prices.

15.1. Fair value of financial assets

Financial instruments are disclosed in the consolidated statement of financial position at their carrying amount which approximates their respective fair value.

Fair value hierarchy

The Group is guided by the following hierarchy as fair value measurement criteria for assets measured using the fair value model. The hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	INFLATION ADJUSTED			
	Total ZW\$ '000	Level 1 ZW\$ '000	Level 2 ZW\$ '000	Level 3 ZW\$ '000
At 29 February 2024				
Investment in financial assets	256,365,378	235,898,679	-	20,466,699
Transfers to disposal group held for sale (note 16)	(90,613,157)	(82,618,857)	-	(7,994,300)
	165,752,221	153,279,822	-	12,472,399
At 28 February 2023				
Investment in financial assets	199,323,891	183,411,048	-	15,912,843
	199,323,891	183,411,048	-	15,912,843

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

15.1. Fair value of financial assets (continued)

	Total ZW\$ '000	HISTORICAL COST		
		Level 1 ZW\$ '000	Level 2 ZW\$ '000	Level 3 ZW\$ '000
At 29 February 2024				
Investment in financial assets	256,365,378	235,898,679	-	20,466,699
Transfers to disposal group held for sale (note 16)	(90,613,157)	(82,618,857)	-	(7,994,300)
	165,752,221	153,279,822	-	12,472,399
At 28 February 2023				
Investment in financial assets	10,660,257	9,809,205	-	851,052
	10,660,257	9,809,205	-	851,052

During the reporting periods presented, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

16. DISPOSAL GROUP HELD FOR SALE

On 16 January 2024, the group publicly announced the decision of its Board of Directors to sell Ecocash (mobile money business), VAYA Technologies, Econet Insurance, Econet Life, MARS Zimbabwe and Maisha Health being transferred to Econet Wireless Zimbabwe. On 17 April 2024, the shareholders of the Company approved the plan to sell these subsidiaries. The sale is expected to be completed within 12 months from the reporting date. At 29 February 2024, these subsidiaries were classified as disposal groups held for sale and as a discontinued operations. These discontinued operations will no longer be presented in the segment note. The results of the discontinued operations are presented below:

16.1 Statement of comprehensive income for the disposal group held for sale for the year ended 29 February 2024

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Insurance Revenue	442,167,833	279,669,287	86,911,872	11,159,282
Insurance service expenses	(529,323,250)	(415,659,310)	(120,525,800)	(14,054,747)
Net reinsurance expense	11,547,102	21,911,961	10,519,903	4,760
Insurance service results	(75,608,315)	(114,078,062)	(23,094,025)	(2,890,705)
Investment income	92,751,042	10,590,477	87,732,358	4,654,620
Insurance finance charges	(64,294)	(1,249,141)	(51,922)	(51,993)
Net Insurance and investment results	17,078,433	(104,736,726)	64,586,411	1,711,922
Revenue from contracts with customers	1,695,966,132	1,043,712,865	390,643,791	42,174,542
Expenses	(1,763,818,650)	(961,039,057)	(455,230,203)	(42,640,933)
Operating income	39,961,618	(110,038,439)	(26,535,283)	219,416
Finance costs	(19,269,577)	(3,184,783)	(2,830,438)	(296,982)
Profit/ (loss) before tax	(30,082,044)	(135,286,140)	(29,365,721)	1,167,965
Tax expense	(12,010,284)	(16,310,919)	(9,860,069)	232,727
(LOSS) / PROFIT FOR THE YEAR	(42,092,328)	(151,597,059)	(39,225,790)	1,400,692
Other comprehensive income for the year				
Items that may not to be reclassified to profit or loss	74,505,590	227,041,846	339,338,942	17,853,709
Gain arising on revaluation of property and equipment	101,214,045	301,186,419	451,870,459	23,605,137
Tax thereon	(26,708,455)	(74,144,573)	(112,531,517)	(5,751,428)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	32,413,262	75,444,787	300,113,152	19,254,401
Basic and diluted (loss) / earnings per share (ZW\$)	9.95	29.12	92.09	7.43

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

16. ASSETS HELD FOR SALE (CONTINUED)

16.2 The major classes of assets and liabilities of the disposal group held for sale as at 29 February 2024 are as follows:

	INFLATION ADJUSTED	HISTORICAL COST
	2024 ZW\$ '000	2024 ZW\$ '000
Assets		
Intangible assets	27,840,736	4,025,458
Property and equipment	484,580,590	468,114,229
Right of use assets	9,574,912	1,394,410
Deferred tax asset	25,954,199	5,578,778
Investment property	8,100,000	8,100,000
Inventories	11,079,988	1,499,589
Current tax assets	22,279	22,279
Amounts owed by related party companies	62,942	62,942
Trade and other receivables	432,642,938	156,968,930
Treasury bills and government bonds	11,189,197	11,189,197
Financial assets at fair value through profit or loss	90,613,157	90,613,157
Mobile money trust bank balances - restricted balances	341,221,031	341,221,031
Cash and cash equivalents	63,807,802	63,807,802
Insurance contract assets	847,850	847,850
Reinsurance contract assets	32,207,687	32,207,687
Total assets held for sale	1,539,745,308	1,185,653,338
Liabilities		
Deferred tax liabilities	150,805,707	109,371,839
Lease liabilities	1,839,163	1,839,163
Provisions	24,185,279	22,832,787
Current tax liability	17,106,843	17,106,843
Loans and borrowings	3,150,278	3,150,278
Trade and other payables	206,694,339	179,403,916
Mobile money trust liabilities	468,233,350	468,233,350
Deferred revenue	187,089,684	28,226,533
Insurance contract liabilities	60,254,918	60,254,918
Reinsurance contract liabilities	-	-
Total liabilities directly associated with assets held for sale	1,119,359,561	890,419,627

16.3 The net cash flows incurred by the disposal group held for sale are, as follows:

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Operating Activities	575,474,751	165,928,333	386,621,198	7,980,582
Financing activities	8,863,998	23,243,279	3,706,919	733,601
Investing activities	(467,010,802)	(54,201,011)	4,213,692	(1,832,494)
Net cash inflow	117,327,947	134,970,601	394,541,809	6,881,689

16.4 Operating segments of disposal group held for sale

The principal activities set out below are the basis on which the Group reports primary segment information of the disposal group held for sale

- Mobile Money Services

Ecocash (Private) Limited provides mobile money transfer and payment services.

16. ASSETS HELD FOR SALE (CONTINUED)

16.4 Operating segments of disposal group held for sale (continued)

- InsurTech Services

Included in this segment is EcoSure (Private) Limited which is engaged in the business of providing funeral assurance cover, group life cover and credit and medical insurance cover, Econet Insurance (Private) Limited which provides short-term insurance cover and Maisha Health Fund (Private) Limited which provides medical aid cover to corporates and individuals as well as administration services for closed medical schemes.

- Other

Included in this segment is Vaya Technologies Zimbabwe (Private) Limited (formerly Econet Services (Private) Limited) which is a special purpose vehicle for nascent projects.

Segment information for the year ended 29 February 2024

	INFLATION ADJUSTED			Adjustment Journal and Eliminations ~ ZW\$ '000	Total ZW\$ '000
	Mobile money ZW\$ '000	InsurTech ZW\$ '000	Other ZW\$ '000		
For the year ended 29 February 2024					
Revenue	1,397,863,652	511,612,440	229,591,737	-	2,139,067,829
Finance costs	(8,338,875)	(7,415,273)	(19,673,277)	16,157,848	(19,269,577)
Fair value adjustments on financial assets	13,944,574	26,764,882	1,373	16,057,002	56,767,831
Depreciation, amortisation and impairment	(148,495,244)	(5,483,568)	(22,144,060)	-	(176,122,872)
Segment profit / (loss)	(72,396,935)	(92,213,076)	44,012,724	77,818,198	(42,779,089)
Segment assets	1,278,709,520	310,870,902	130,500,301	(180,335,415)	1,539,745,308
Segment liabilities	(800,211,207)	(249,739,506)	(82,274,834)	12,865,986	(1,119,359,561)
Analysis of additions during the year					
Additions to property and equipment	50,560,243	105,725,686	30,264,906	-	186,550,835
Additions to intangible assets	15,927,163	-	-	-	15,927,163
For the year ended 28 February 2023					
Revenue	937,608,757	324,903,329	96,536,272	(56,736,477)	1,302,311,881
Finance costs	(1,822,629)	(7,974,970)	(23,711,249)	20,323,423	(13,185,425)
Fair value adjustments on financial assets	8,869,755	(9,369,437)	897,205	14,735,328	15,132,851
Depreciation, amortisation and impairment	(125,169,861)	(5,922,712)	(27,186,563)	-	(158,279,136)
Segment profit / (loss)	(92,277,837)	(98,226,652)	(42,043,649)	80,951,079	(151,597,059)
Segment assets	1,066,733,233	296,000,509	170,657,113	(878,528,090)	654,862,765
Segment liabilities	(606,738,010)	(120,787,291)	(167,842,295)	(31,830,119)	(927,197,715)
Analysis of additions during the year					
Additions to property and equipment	11,123,127	4,750,507	316,012	-	16,189,646
Additions to intangible assets	-	9,438,320	2,071,291	-	11,509,611

~ The elimination amounts relates to intercompany transactions between continuing and discontinued units.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

16. ASSETS HELD FOR SALE (CONTINUED)

16.4 Operating segments of disposal group held for sale (continued)

Segment information for the year ended 29 February 2024

	HISTORICAL COST				Total ZW\$ '000
	Mobile money ZW\$ '000	InsurTech ZW\$ '000	Other ZW\$ '000	Adjustment Journal and Eliminations ~ ZW\$ '000	
For the year ended 29 February 2024					
Revenue	305,831,387	105,337,016	45,176,597	(1,114,798)	455,230,202
Finance costs	(1,213,031)	(1,169,083)	(3,193,568)	2,745,244	(2,830,438)
Fair value adjustments on financial assets	16,871,599	7,620,756	1,373	(18,528,049)	5,965,679
Depreciation, amortisation and impairment	(15,761,054)	(706,619)	(1,477,891)	(23)	(17,945,587)
Segment profit / (loss)	24,768,107	74,672,480	(15,648,631)	(123,017,746)	(39,225,790)
Segment assets	1,080,714,124	188,910,725	77,134,581	(161,106,092)	1,185,653,338
Segment liabilities	(735,052,138)	(96,069,181)	(65,889,530)	6,591,222	(890,419,627)
Analysis of additions during the year					
Additions to property and equipment	7,979,405	1,114,548	381,158	-	9,475,111
Additions to intangible assets	3,903,481	-	-	-	3,903,481
Additions to investment properties	-	-	-	-	-
For the year ended 28 February 2023					
Revenue	37,755,155	13,579,744	3,750,486	-	55,085,385
Finance costs	(83,838)	(348,582)	(1,025,330)	-	(1,457,750)
Fair value adjustments on financial assets	451,359	2,744,128	47,627	(1,024,176)	2,218,938
Depreciation, amortisation and impairment	(2,578,835)	(123,002)	(369,523)	-	(3,071,360)
Segment profit / (loss)	3,013,092	1,486,500	(4,303,156)	1,204,256	1,400,692
Segment assets	53,340,260	14,822,178	6,906,637	(8,935,364)	66,133,711
Segment liabilities	(31,803,433)	(6,692,561)	(8,992,269)	2,770,118	(44,718,145)
Analysis of additions during the year					
Additions to property and equipment	444,592	185,995	16,901	-	647,488
Additions to intangible assets	-	383,896	16,771	-	400,667

~ The elimination amounts relates to intercompany transactions between continuing and discontinued units.

17. INVENTORY

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Inventory	36,664,919	33,771,833	3,234,565	730,666
Transfers to disposal group held for sale (note 16)	(11,079,988)	-	(1,499,589)	-
	25,584,931	33,771,833	1,734,976	730,666

The directors are of the opinion that the inventory amounts are recorded at values that are not in excess of their recoverable amounts. All inventories are expected to be recovered within twelve (12) months. No inventories were pledged as security for both 2024 and 2023.

18. TRADE AND OTHER RECEIVABLES

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Trade receivables	39,576,000	86,010,579	38,274,954	4,600,025
Other receivables	540,001,928	345,223,592	264,674,524	18,302,473
Expected credit losses	(41,346,867)	(79,322,639)	(41,346,867)	(4,242,340)
	538,231,061	351,911,532	261,602,611	18,660,158
Prepayments to suppliers for services provided	60,083,849	163,829,537	9,812,197	4,133,180
Transfers to disposal group held for sale (note 16)	(432,642,938)	-	(156,968,930)	-
	165,671,972	515,741,069	114,445,878	22,793,338
Provision for expected credit losses				
Balance at the beginning of the year	(79,322,638)	(28,478,771)	(4,242,340)	(471,121)
Provision for expected credit losses	(53,708,764)	(57,382,132)	(42,251,459)	(3,923,956)
Reversal of expected credit losses	-	1,108,820	1,348,751	59,302
Additional provisions raised during the year	-	316,424	-	93,435
Monetary gain	87,886,354	5,113,021	-	-
Transfers to disposal group held for sale (note 16)	3,689,413	-	3,689,413	-
	(41,455,635)	(79,322,638)	(41,455,635)	(4,242,340)
Financial assets	105,588,123	351,911,532	104,633,681	18,660,158
Non-financial assets	60,083,849	163,829,537	9,812,197	4,133,180
Total	165,671,972	515,741,069	114,445,878	22,793,338
Monetary assets	105,588,123	351,911,532	104,633,681	18,616,009
Non-monetary assets	60,083,849	163,829,537	9,812,197	4,133,180
Total	165,671,972	515,741,069	114,445,878	22,793,338

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. Below is an analysis of trade and other receivables as at 29 February 2024:

	INFLATION ADJUSTED					Total ZW\$ '000
	Current ZW\$ '000	31-60 ZW\$ '000	61-90 ZW\$ '000	91-120 ZW\$ '000	>120 ZW\$ '000	
Trade and Other Receivables Aging Analysis						
Trade receivables	26,777,364	6,923,015	4,713,395	1,159,884	2,342	39,576,000
Other receivables	356,219,917	125,846,995	42,480,457	42,832,168	32,706,241	600,085,777
ECL allowance	(38,444,349)	(475,633)	(849,037)	(461,276)	(1,116,572)	(41,346,867)
Transfers to disposal group held for sale (note 16)	(349,722,454)	(42,975,075)	(17,063,038)	(15,385,099)	(7,497,271)	(432,642,938)
Closing Balance	(5,169,523)	89,319,302	29,281,776	28,145,677	24,094,739	165,671,972

	HISTORICAL COST					Total ZW\$ '000
	Current ZW\$ '000	31-60 ZW\$ '000	61-90 ZW\$ '000	91-120 ZW\$ '000	>120 ZW\$ '000	
Trade and Other Receivables Aging Analysis						
Trade receivables	27,042,208	5,550,283	4,558,444	1,121,753	2,265	38,274,954
Other receivables	208,764,166	39,089,473	12,748,793	9,550,218	4,334,071	274,486,721
ECL allowance	(38,444,349)	(475,633)	(849,037)	(461,276)	(1,116,572)	(41,346,867)
Transfers to disposal group held for sale (note 16)	(112,354,729)	(24,893,753)	(9,990,049)	(7,953,291)	(1,777,107)	(156,968,929)
Closing Balance	85,007,295	19,270,371	6,468,150	2,257,405	1,442,657	114,445,878

19. LOANS AND ADVANCES TO BANK CUSTOMERS

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
19.1 Total loans and advances to bank customers				
Consumer lending	129,986,928	163,601,367	129,986,928	8,749,742
Corporate loans	331,511,215	385,162,836	331,511,215	20,599,311
	461,498,143	548,764,203	461,498,143	29,349,053
Less: Allowance for impairment losses	(34,694,166)	(26,188,901)	(34,694,166)	(1,400,637)
	426,803,977	522,575,302	426,803,977	27,948,416

19. LOANS AND ADVANCES TO BANK CUSTOMERS (CONTINUED)

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
19.2 Maturity analysis				
Less than one month	50,996,491	55,829,986	50,996,491	2,985,904
1 to 3 months	1,974,911	143,558,805	1,974,911	7,677,824
3 to 6 months	93,540,390	94,794,867	93,540,390	5,069,827
6 months to 1 year	128,671,267	130,553,029	128,671,267	6,982,248
1 to 5 years	165,733,463	83,231,387	165,733,463	4,451,388
Over 5 years	20,581,621	40,796,129	20,581,621	2,181,862
Gross loans and advances	461,498,143	548,764,203	461,498,143	29,349,053
Allowance for impairment losses	(34,694,166)	(26,188,901)	(34,694,166)	(1,400,637)
Net loans and advances	426,803,977	522,575,302	426,803,977	27,948,416
Total gross loans	461,498,143	548,764,203	461,498,143	29,349,053
Total loans net of impairment losses	426,803,977	522,575,302	426,803,977	27,948,416

	INFLATION ADJUSTED			
	2024		2023	
	ZW\$ '000	%	ZW\$ '000	%
19.3 Sectorial analysis of utilisations				
Mining	12,753,202	3%	955,498	0%
Manufacturing	300,682,430	65%	116,613,482	21%
Agriculture	43,524,562	9%	123,199,145	22%
Distribution	12,121,962	3%	25,815,561	5%
Services	32,931,190	7%	161,689,774	30%
Individuals	59,484,797	13%	120,490,743	22%
	461,498,143	100%	548,764,203	100%

19.4 ECL Allowance for impairment of loans and advances

The Bank ranks its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1: When loans are first recognised, the Bank recognises an allowance based on 12 months expected credit losses (ECLs). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the lifetime expected credit losses (LTECLs). Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit impaired. The bank records an allowance for the LTECLs.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

19. LOANS AND ADVANCES TO BANK CUSTOMERS (CONTINUED)

19.4 ECL Allowance for impairment of loans and advances (continued)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans and advances is, as follows:

	INFLATION ADJUSTED			Total ZW\$ '000
	Stage 1 ZW\$ '000	Stage 2 ZW\$ '000	Stage 3 ZW\$ '000	
Gross carrying amounts				
Gross carrying amount as at 1 March 2023	532,444,858	12,752,086	3,491,524	548,688,469
New loans and advances originated	8,828,556,730	-	-	8,828,556,730
Loans and advances derecognised or repaid (excluding write offs)	(582,889,447)	(20,348,157)	(9,812,531)	(613,050,135)
Transfers to Stage 1	2,181,495	(826,892)	(1,354,603)	-
Transfers to Stage 2	(49,615,397)	26,626,421	22,988,976	-
Transfers to Stage 3	(52,908,046)	495,350	52,412,696	-
Monetary loss	(8,220,894,870)	(17,699,075)	(64,102,976)	(8,302,696,921)
Gross carrying amount as at 29 February 2024	456,875,323	999,733	3,623,086	461,498,143
Gross carrying amount				
Gross carrying amount as at 1 March 2022	373,903,019	33,683,617	5,861,196	413,447,832
New loans and advances originated	732,736,902	-	-	732,736,902
Loans and advances derecognised or repaid (excluding write offs)	(78,602,601)	(6,502,626)	(834,653)	(85,939,881)
Transfers (from)/ to Stage 1	5,719,986	(5,533,629)	(569,331)	(382,974)
Transfers (from)/ to Stage 2	(6,642,991)	2,929,392	4,158,346	444,747
Transfers (from)/ to Stage 3	(12,127,099)	12,939,025	-	811,926
Monetary loss	(482,542,358)	(24,763,692)	(5,124,034)	(512,430,084)
Gross carrying amount as at 28 February 2023	532,444,858	12,752,086	3,491,524	548,688,469
ECL allowance				
ECL allowance as at 1 March 2023	24,213,698	663,792	1,311,411	26,188,901
New loans and advances originated	31,587,351	-	-	31,587,351
Loans and advances derecognised or repaid (excluding write offs)	1,201,242	62,160	442,776	1,706,178
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(118,672)	81,329	37,343	-
Transfers to Stage 3	(172,249)	19,387	152,862	-
Monetary loss	(22,852,182)	(637,449)	(1,298,633)	(24,788,264)
ECL allowance as at 29 February 2024	33,859,188	189,219	645,759	34,694,166
ECL allowance				
ECL allowance as at 1 March 2022	3,372,251	2,164,856	4,072,336	9,609,442
New loans and advances originated	22,097,101	-	-	22,097,101
Loans and advances derecognised or repaid (excluding write offs)	660,333	305,635	153,472	1,119,440
Transfers (from) / to Stage 1	(13,257)	(85,300)	98,556	-
Transfers (from) / to Stage 2	(128,548)	18,548	109,999	-
Transfers (from) / to Stage 3	(1,774,183)	(1,739,947)	(3,122,952)	(6,637,082)
ECL allowance as at 28 February 2023	24,213,698	663,792	1,311,411	26,188,901

19. LOANS AND ADVANCES TO BANK CUSTOMERS (CONTINUED)

19.4 ECL Allowance for impairment of loans and advances (continued)

	HISTORICAL COST			Total ZW\$ '000
	Stage 1 ZW\$ '000	Stage 2 ZW\$ '000	Stage 3 ZW\$ '000	
Gross carrying amount				
ECL allowance as at 1 March 2023	19,999,872	1,801,470	313,469	22,114,811
New loans and advances originated	464,940,813	-	-	464,940,813
Loans and advances derecognised or repaid (excluding write offs)	(31,178,444)	(1,088,412)	(524,867)	(32,791,723)
Transfers to Stage 1	116,687	(44,230)	(72,457)	-
Transfers to Stage 2	4,580,341	1,424,233	1,229,668	7,234,242
Transfers to Stage 3	(2,830,023)	26,496	2,803,527	-
Monetary loss	-	-	-	-
Gross carrying amount as at 29 February 2024	455,629,246	2,119,557	3,749,340	461,498,143
Gross carrying amount				
Gross carrying amount as at 1 March 2022	7,052,031	522,801	1,563,801	9,138,633
New loans and advances originated	22,961,582	-	70,420	23,032,002
Loans and advances derecognised or repaid (excluding write offs)	(4,238,975)	(423,421)	(1,231,856)	(5,894,252)
Transfers (from)/ to Stage 1	-	-	-	-
Transfers (from)/ to Stage 2	(2,596,110)	2,596,110	-	-
Transfers (from)/ to Stage 3	(367,323)	-	367,323	-
Monetary loss	(2,811,333)	(894,020)	(456,219)	(4,161,572)
Gross carrying amount as at 28 February 2023	19,999,872	1,801,470	313,469	22,114,811
Gross carrying amounts				
ECL allowance as at 1 March 2023	1,294,999	35,501	70,137	1,400,637
New loans and advances originated	31,587,351	-	-	31,587,351
Loans and advances derecognised or repaid (excluding write offs)	1,201,242	62,160	442,776	1,706,178
Transfers to Stage 1	63,176	(5,637)	(57,539)	-
Transfers to Stage 2	(118,672)	81,329	37,343	-
Transfers to Stage 3	(172,249)	19,387	152,862	-
ECL allowance as at 29 February 2024	33,855,847	192,740	645,579	34,694,166
ECL allowance				
ECL allowance as at 1 March 2022	55,789	35,812	67,367	158,968
New loans and advances originated	1,181,799	-	-	1,181,799
Loans and advances derecognised or repaid (excluding write offs)	35,316	16,346	8,208	59,870
Transfers (from)/ to Stage 1	29,679	(13,087)	(16,592)	-
Transfers (from)/ to Stage 2	(709)	(4,562)	5,271	-
Transfers (from)/ to Stage 3	(6,875)	992	5,883	-
ECL allowance as at 28 February 2023	1,294,999	35,501	70,137	1,400,637

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

20. SHARE CAPITAL AND RESERVES

20.1 Group and Company

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
(a) Authorised share capital				
4,200,000,000 shares consisting of: 4,200,000,000 ordinary shares of ZW\$ 0.001 par value each	11,381,942	11,381,942	4,200	4,200
	11,381,942	11,381,942	4,200	4,200
(b) Issued and fully paid share capital				
4,194,797,929 Shares consisting of: 4,194,797,929 ordinary shares of ZW\$ 0.001 par value each	164,755,039	8,619,185	156,138,477	2,591
Balance at end of period	164,755,039	8,619,185	156,138,477	2,591

Unissued shares are under the control of Directors, subject to the Companies and Other Business Entities Act (Chapter 24:31) and the Memorandum and Articles of Association.

(c) Revaluation reserve

Revaluation reserve is an accumulation of gains arising on the revaluation of property and equipment.

(d) Retained earnings

Retained earnings are an accumulation of profits and losses realised by the company from operating and investing activities.

20.2 Movement in share capital

	Number of shares	INFLATION ADJUSTED		HISTORICAL COST	
		Share Capital ZW\$ '000	Total ZW\$ '000	Share Capital ZW\$ '000	Total ZW\$ '000
Balance at 28 February 2023	2,590,577,241	8,619,185	8,619,185	2,591	2,591
Rights issue on 8 October 2023**	1,604,220,688	156,135,854	156,135,854	156,135,886	156,135,886
Balance at 29 February 2024	4,194,797,929	164,755,039	164,755,039	156,138,477	156,138,477

**The net proceeds from the rights issue were used to redeem the group's portion of the amount that was due to debenture holders in terms of the Debenture Trust Deed that was executed by the Company and the Debenture Trustees on 18 January 2017 and registered with the Registrar of Deeds on 25 January 2017 as Number MA0000089/2017 and amended on 12 June 2019 as Number MA0001295/2019.

21. DIRECTORS' SHAREHOLDING

	Number of shares 2024	Number of shares 2023
S. G. Shereni	19,878	12,894
D. T. Mandivenga	1,404,417	-
E. Chibi	4,358	4,358
T. Nyemba	2,745	1,695
Total	1,431,398	18,947

With the exception of the Directors listed above, other Directors had no direct or indirect shareholding in the Company.

22. OTHER RESERVES

	INFLATION ADJUSTED		
	Revaluation ZW\$ '000	Unbundling reserve ZW\$ '000	Total ZW\$ '000
Balance at 1 March 2022	219,587,611	661,035,109	880,622,720
Revaluation gain on property and equipment and intangible assets	495,490,867	-	495,490,867
Deferred tax arising out of reserves	(122,955,625)	-	(122,955,625)
Transfer to retained earnings	(208,967)	-	(208,967)
Balance at 28 February 2023	591,913,886	661,035,109	1,252,948,995
Revaluation of property and equipment net of tax	59,810,982	-	59,810,982
Purchase of treasury shares	-	(2,551,774)	(2,551,774)
Balance at 29 February 2024	651,724,868	658,483,335	1,310,208,203

	HISTORICAL COST		
	Revaluation ZW\$ '000	Unbundling reserve ZW\$ '000	Total ZW\$ '000
Balance at 1 March 2022	5,807,030	95,725	5,902,755
Revaluation gain on property and equipment and intangible assets	38,468,557	-	38,468,557
Deferred tax arising out of reserves	(9,495,353)	-	(9,495,353)
Transfer to retained earnings	(35,809)	-	(35,809)
Balance at 28 February 2023	34,744,425	95,725	34,840,150
Revaluation of property and equipment net of tax	529,656,895	-	529,656,895
Purchase of treasury shares	-	(1,987,200)	(1,987,200)
Balance at 29 February 2024	564,401,320	(1,891,475)	562,509,845

Property revaluation reserve

The property revaluation reserve arose on the revaluation of property and equipment. When revalued properties are sold, the portion of the property revaluation reserve that relates to that asset is transferred directly to retained earnings. Items of other comprehensive income included in the property revaluation reserve will not be reclassified subsequently to profit or loss.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

22. OTHER RESERVES (CONTINUED)

Unbundling reserve

The unbundling reserve arises from the acquisition of net assets of certain EWZL subsidiaries on the effective demerger date.

The transaction was accounted for as a common control transaction by recognizing the assets, liabilities and reserves with corresponding adjustment recognised in the unbundling reserve.

The purchase of treasury shares relates to own equity instruments that are reacquired and is recognised at cost.

23. TRADE AND OTHER PAYABLES

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Local trade accounts payable	91,011,655	82,449,162	91,011,655	4,409,553
Foreign trade accounts payable	111,404,757	64,068,203	111,404,757	3,426,501
Other payables	143,288,239	240,576,079	132,756,264	12,530,947
Accruals	110,020,402	123,303,761	110,020,402	6,594,544
IFRS 17 reclassification: Short term insurance contracts (note 32)	(48,584,168)	(77,280,154)	(48,584,168)	(3,871,911)
IFRS 17 reclassification: Short term reinsurance contracts (note 32)	31,825,720	42,054,558	31,825,720	1,923,716
Transfers to disposal group held for sale (note 16)	(206,694,339)	-	(196,162,364)	-
Closing Balance	232,272,266	475,171,609	232,272,266	25,013,350
Financial liabilities	165,491,087	269,821,126	167,551,376	14,430,598
Non-financial liabilities	66,781,179	205,350,483	64,720,890	10,582,752
Total	232,272,266	475,171,609	232,272,266	25,013,350
Analysed As:				
Monetary liabilities	165,491,087	269,821,126	167,551,376	14,430,598
Non-monetary liabilities	66,781,179	205,350,483	64,720,890	10,582,752
Closing Balance	232,272,266	475,171,609	232,272,266	25,013,350

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs together with credit granted on equipment purchases. The average credit period on purchases is between 7 and 30 days. The Group has financial risk management policies in place to ensure that all payables are settled within the agreed credit timeframe. Other payables mainly comprise staff related statutory obligations and the bank subsidiary's suspense account.

23. TRADE AND OTHER PAYABLES (CONTINUED)

23.1 Provisions

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Provision for claims	24,129,299	28,037,772	14,606,553	1,615,450
Other provisions	10,496,913	27,703,464	18,667,167	1,481,639
IFRS 17 reclassification: Life insurance contracts (note 32)	(10,822,900)	(29,443,459)	(10,822,900)	(1,381,019)
IFRS 17 reclassification: Life reinsurance contracts (note 32)	381,967	2,077,561	381,967	40,143
Transfers to disposal group held for sale (note 16)	(24,185,279)	-	(22,832,787)	-
	-	28,375,338	-	1,756,213
Current	-	28,375,338	-	1,756,213
Non-current	-	-	-	-

The provision for claims represents management's best estimate for the insurance claims incurred but not yet reported whose settlement is expected to take place within 12 months.

Other provisions relate mainly to network costs, bonus and call centre costs whose settlement is expected to take place within 6 months.

Reconciliation for the year ended 29 February 2024

	INFLATION ADJUSTED		HISTORICAL COST	
	Provision for claims ZW\$ '000	Other provisions ZW\$ '000	Provision for claims ZW\$ '000	Other provisions ZW\$ '000
Balance as at 1 March 2022	7,985,254	81,658,524	119,482	1,205,295
Additional	12,531,505	22,322,840	668,061	561,177
Utilised	(5,540,547)	(28,295,064)	(143,242)	(284,833)
Monetary Adjustment	(2,929,168)	(47,982,835)	-	-
Opening balance as at 28 February 2023	12,047,044	27,703,465	644,301	1,481,639
Additional	24,224,303	14,589,723	14,014,797	16,392,951
Utilised	-	-	-	208,172
Monetary Adjustment	(11,455,287)	(31,796,278)	-	-
Transfer to/from accruals	(10,874,076)	-	(10,874,076)	-
Transfers to disposal group held for sale (note 16)	(13,941,984)	(10,496,910)	(3,785,022)	(18,082,762)
Closing balance 29 February 2024	-	-	-	-

23.2 Current taxation

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
23.2.1 Tax Liability Reconciliation				
Opening Balance	61,826,368	12,474,981	3,306,605	199,362
Acquisition of subsidiaries	-	238,996	-	12,782
Current tax charge	59,401,476	131,879,043	59,521,962	6,062,213
Tax paid / reversed	(63,042,059)	(76,396,126)	(61,915,481)	(2,967,752)
Reclassification from tax asset	17,440,805	-	16,193,726	-
Monetary adjustment	(58,519,747)	(6,370,526)	31	-
Transfers to disposal group held for sale (note 16)	(17,106,843)	-	(17,106,843)	-
Closing balance	-	61,826,368	-	3,306,605

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

23. TRADE AND OTHER PAYABLES (CONTINUED)

23.2 Current taxation (continued)

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
23.2.2 Tax Asset Reconciliation				
Opening Balance	518,285	6,210,360	27,721	102,737
Current tax charge	-	(4,781,601)	-	(79,101)
Tax paid / reversed	(133)	64,152	-	4,085
Reclassification to tax liability	16,244,353	-	16,244,236	-
Monetary adjustment	(490,548)	(974,626)	-	-
Transfers to disposal group held for sale (note 16)	(22,279)	-	(22,279)	-
Closing balance	16,249,678	518,285	16,249,678	27,721
Current Tax (Liabilities) / Assets	16,249,678	(61,308,083)	16,249,678	(3,278,884)
Current Tax (Liabilities) / Assets as at 1 March 2022	-	(6,264,621)	-	(96,625)

24. LOANS AND BORROWINGS

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Opening Balance	121,099,676	245,770,361	6,476,663	4,065,749
Additions	3,272,737	38,335,530	3,272,737	2,050,264
Interest	590,070	26,846,579	590,070	1,242,549
Repayments	(877,370)	(35,275,682)	(877,370)	(1,913,570)
Reclassification	(5,097,420)	89,484,210	(5,097,420)	1,031,671
Monetary adjustment	(114,623,013)	(244,061,322)	-	-
Transfers to disposal group held for sale (note 16)	(3,150,278)	-	(3,150,278)	-
Closing Balance	1,214,402	121,099,676	1,214,402	6,476,663

The remaining balance relates to a bank loan that was acquired to finance operations. The bank loan is accounted for at amortised cost.

25. DEPOSITS DUE TO BANKS AND CUSTOMERS

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Current accounts	726,718,627	858,045,760	726,718,627	45,890,075
Term deposits	801,493	4,068,428	801,493	217,588
	727,520,120	862,114,188	727,520,120	46,107,663

A concentration of risk therefore exists in the event that the business of the counterparty is adversely affected by changes in economic or other conditions. However, at 29 February 2024, despite the complex and challenging macro-economic environment currently faced by majority of businesses in Zimbabwe, the Group's management was not aware of any conditions, economic or otherwise, that were adversely affecting the business of the counterparties.

25. DEPOSITS DUE TO BANKS AND CUSTOMERS (CONTINUED)

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
25.1 Maturity analysis of deposits				
Less than 1 month	710,568,901	846,497,759	710,568,901	45,272,464
1 to 3 months	16,951,219	15,616,429	16,951,219	835,199
	727,520,120	862,114,188	727,520,120	46,107,663

25.2 Sectorial analysis of deposits

	INFLATION ADJUSTED			
	2024 ZW\$ '000	2024 %	2023 ZW\$ '000	2023 %
Financial	70,100,691	9.6%	63,157,637	7.3%
Transport and telecommunications	314,288,325	43.2%	633,827,306	73.5%
Mining	2,060,973	0.3%	5,318,585	0.6%
Manufacturing	11,765,379	1.6%	27,556,593	3.2%
Agriculture	12,252,865	1.7%	14,450,952	1.7%
Distribution	11,415,877	1.6%	24,401,312	2.8%
Services	100,553,873	13.8%	83,020,943	9.6%
Government and parastatals	4,884,118	0.7%	1,731,215	0.2%
Individuals	199,928,605	27.5%	3,774,421	0.4%
Other	269,414	0.0%	4,875,224	0.6%
	727,520,120	100%	862,114,188	100%

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

26. CASH FLOW INFORMATION

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
26.1 Cash generated from operations				
Profit / (Loss) before tax and net finance charges	436,496,858	148,050,657	471,470,849	3,759,211
Adjustments for:				
Depreciation and impairment of property and equipment	86,068,075	208,733,677	14,100,239	4,483,818
Amortisation and impairment of intangible assets	1,151,718	18,542,995	-	98,689
Right of use depreciation	6,514,463	6,306,953	127,730	98,314
Impairment of trade and other receivables	73,208,028	50,843,849	73,175,064	4,713,461
Movement in expected credit loss allowance - loans and advances to bank customers	-	16,579,440	-	1,241,669
Movement in expected credit loss allowance - treasury bill and government bonds	-	6,306,504	-	337,285
(Profit) / loss on disposal of property and equipment	-	(87,282)	-	(16,787)
Fair value (gains) / losses on financial assets	(172,249,232)	31,492,472	(120,436,864)	(3,809,177)
Gain on fair value of investment property	45,213,897	(164,140,613)	(367,060,844)	(18,753,821)
Increase in provisions	-	(49,893,269)	-	801,163
Fair value adjustment on loan	398,580,254	89,484,210	50,568,727	1,031,671
Unrealised foreign exchange differences	1,508,899,888	572,553,160	130,064,378	21,387,505
Inventory write-offs	-	3,740	-	(2,875)
Interest to related party balances	(15,138,724)	-	(1,884,713)	-
Monetary adjustment	(1,671,053,344)	(506,929,298)	-	-
Other non-cash items	(392,806,324)	203,569,673	(140,814,853)	(18,097,135)
Cash generated from operations before working capital changes	304,885,557	631,416,868	109,309,713	(2,727,009)
26.2 Adjustments for working capital changes				
Decrease / (increase) in inventory	(7,821,995)	(10,917,282)	(1,498,201)	(650,930)
(Increase) / decrease in trade and other receivables	(983,669,087)	(149,157,427)	(158,473,337)	(21,508,689)
(Increase) / decrease in amounts owed by related party companies	-	4,432,681	-	(15,546)
(Decrease) / increase in trade and other payables	69,420,054	160,096,343	69,461,503	21,576,286
(Decrease) / increase in amounts owed to related party companies	-	(247,766,936)	-	5,665,860
(Decrease) / increase in other liabilities	714,634,510	-	69,306,868	(44,873)
(Decrease) / Increase in mobile money trust liabilities	-	18,159,969	-	13,059,877
(Increase) / decrease in loans and advances to customers	(807,686,015)	(135,264,737)	(459,674,487)	(22,508,582)
Increase / (decrease) in deposits due from banks and customers	808,903,387	90,190,353	808,903,387	33,337,822
Cash (used in) / generated from operations	98,666,411	361,189,832	437,335,446	26,184,216
26.3 Income tax paid				
Opening balance of liability	(61,308,083)	(6,264,621)	(3,278,884)	(96,625)
Add: current taxation charge for the period	(59,401,476)	(136,660,663)	(59,401,476)	(6,141,314)
Acquisition of subsidiaries	-	(238,996)	-	(12,782)
Reclassification	(102,075,609)	184,739,938	(49,309,262)	8,820,865
Monetary adjustment	58,029,199	5,395,919	-	-
Transfer to held for sale (Note 16)	17,106,843	-	17,106,843	-
Less: closing balance of liability / (asset)	16,249,678	(61,308,083)	16,249,678	(3,278,884)
Tax paid	(131,399,448)	(14,336,506)	(78,633,101)	(708,740)

27. RELATED PARTY TRANSACTIONS

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Transactions				
Interest to related parties				
Econet Wireless (Private) Limited	(5,893,998)	(9,307,511)	(1,211,299)	(458,056)
Econet Wireless Zimbabwe Limited - Company	(11,020,165)	(17,374,097)	(248,836)	(743,795)
	(16,914,163)	(26,681,608)	(1,460,135)	(1,201,851)
Balances				
Amounts owed to fellow EGL subsidiaries				
Transaction Payment Solutions International Limited - Company	(4,290,065)	(336,075)	(4,290,065)	(17,974)
Cumii International Limited - Company	-	(49,138)	-	(2,628)
Econet Wireless (Private) Limited	(75,185,228)	(122,141,539)	(75,185,228)	(6,532,384)
Econet Wireless Zimbabwe Limited - Company	(54,211)	(466,970,512)	(54,211)	(24,974,556)
Mutare Bottling Company (Private) Limited	(328)	(6,133)	(328)	(328)
Transaction Payment Solutions (Private) Limited	(3,828)	(71,575)	(3,828)	(3,828)
Data Control & Systems (1996) (Private) Limited (trading as LTZ Company)	(1,246,208)	(8,752,763)	(1,246,208)	(468,116)
	(80,779,868)	(598,327,735)	(80,779,868)	(31,999,814)
Amounts owed by fellow EGL subsidiaries				
Econet Global Limited - Company	200	3,740	200	200
Transaction Payment Solutions International Limited - Company	1,561,033	803,802	1,561,033	42,989
Transaction Payment Solutions (Private) Limited	1,232	6,582	1,232	352
Econet Leo S.A.	-	18,062	-	966
Econet Media Zimbabwe (Private) Limited	-	280	-	15
Econet Wireless (Private) Limited	-	1,537,244	-	82,215
Transaction Payment Solutions (Private) Limited	-	23,036	-	1,232
Cumii Zimbabwe (Private) Limited	-	692	-	37
Econet Wireless Zimbabwe Limited - Company	-	444,933	-	23,796
	1,562,465	2,838,371	1,562,465	151,802
Bank balances due to fellow EGL subsidiaries				
Distributed Power Africa (Private) Limited - Company	(1,643,472)	(2,389,492)	(1,643,472)	(127,795)
Econet Media Zimbabwe (Private) Limited	(8,218)	(166,841)	(8,218)	(8,923)
Econet Global Limited - Company	(601,006)	(1,659,528)	(601,006)	(88,755)
Econet Wireless (Private) Limited	(45,435,278)	(37,963,162)	(45,435,278)	(2,030,349)
Econet Wireless Zimbabwe Limited - Company	(4,826,402)	(4,256,715)	(4,826,402)	(227,658)
Data Control & Systems (1996) (Private) Limited (trading as LTZ Company)	(6,202,221)	(103,608,996)	(6,202,221)	(5,541,225)
Mutare Bottling Company (Private) Limited	(118,181)	(2,224,670)	(118,181)	(118,980)
Transaction Payment Solutions (Private) Limited	-	(10,415)	-	(557)
	(58,834,778)	(152,279,819)	(58,834,778)	(8,144,242)

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

27. RELATED PARTY TRANSACTIONS (CONTINUED)

27.3 Compensation of Directors and key management

The remuneration of Directors and other members of key management during the year was as follows:

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Compensation of Directors and key management personnel				
For services as directors	13,435,640	6,757,497	2,782,260	284,024
Short-term benefits for management services	36,597,921	20,067,631	2,743,329	321,760
Short-term post-employment benefits	627,787	789,318	99,563	26,599
	50,661,348	27,614,446	5,625,152	632,383

Terms of balances with fellow subsidiaries

Included in amounts receivable from and amounts payable to the members of the Econet Global Limited Group are balances accruing interest at rate ranging from 25% to 200%.

Terms and conditions of transactions with related parties

For the period ended 29 February 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial period through examining the financial position of the related parties and the market in which the related parties operate.

The amounts owed by related parties have a low risk of default with the probability of default close to zero percent as the expected recovery period is short and there are indications that the related parties are able to pay the outstanding amounts in full. The effect of discounting is therefore expected to be immaterial thus resulting in no ECL allowance being recognised on these balances.

28. GROUP EMPLOYEE BENEFITS

Econet Wireless Group Pension Fund

Contributions are made to the defined contribution scheme through monthly deduction by the Group on members' salaries and remitted to the Fund.

National Social Security Authority Scheme

This is a defined contribution scheme promulgated under the National Social Security Act of 1989 (Chapter 17:04). The Group's obligation under the scheme are limited to specific contributions legislated from time to time.

The total contributions for the year were as follows;

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Total contributions for the year	(6,467,394)	(8,131,464)	(1,221,750)	(326,400)

29. FINANCIAL RISK MANAGEMENT

29.1 Capital risk management

The objective of the Group's capital management is to ensure that it complies with the Reserve Bank of Zimbabwe (RBZ) requirements. In implementing the current capital requirements, the RBZ and IPEC require the Group companies to maintain a prescribed ratio of total capital to total risk weighted assets. Risk weighted assets are arrived at by applying the appropriate risk factor as determined by the RBZ to the monetary value of the various assets as they appear on the Bank's statement of financial position.

Regulatory capital for Steward Bank Limited consists of:

- Tier 1 Capital ("the core capital"), which comprises share capital, share premium, retained earnings (including the current period profit or loss), the statutory reserve and other equity reserves.
- Tier 2 Capital ("supplementary capital"), which includes subordinated term debt, revaluation reserves and portfolio provisions.

The core capital shall comprise not less than 50% of the capital base and portfolio provisions are limited to 1.25% of total risk weighted assets.

- Tier 3 Capital ("tertiary capital") relates to an allocation of capital to meet market and operational risks.

	2024 ZW\$ '000	2023 ZW\$ '000
Steward Bank Limited Regulatory Capital		
Share capital	4	4
Share premium	2,077,585	2,077,585
Retained earnings	580,301,743	28,031,246
	582,379,332	30,108,835
Less: Capital allocated for market and operational risk	(75,648,031)	(1,866,923)
Advances to insiders	(31,671,838)	(948,203)
Guarantees to insiders	-	-
Tier 1 capital	475,059,463	27,293,709
Tier 2 capital	209,228,136	13,756,645
Other reserves	209,228,136	13,756,645
General provisions	-	-
Total Tier 1 and 2 capital	684,287,599	41,050,354
Tier 3 capital (sum of market and operational risk capital)	75,648,031	2,866,923
Total Capital Base	759,935,630	43,917,277
Total risk weighted assets	759,264,481	64,427,824
Tier 1 ratio	63%	42%
Tier 2 ratio	28%	21%
Tier 3 ratio	10%	4%
Total capital adequacy ratio	100%	68%
RBZ minimum requirement	12%	12%

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

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

29.1 Capital risk management (continued)

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

Company	Regulatory authority	Minimum capital required	Computed Regulatory capital	Total equity
Steward Bank Limited	RBZ	ZW\$ 447 billion	ZW\$ 475.01 billion	ZW\$ 795.94 billion
Econet Life (Pvt) Ltd	IPEC	ZW\$ 75 million	ZW\$ 52.9 billion	ZW\$ 80.8 billion
Econet Insurance (Pvt) Ltd	IPEC	ZW\$ 37.5 million	ZW\$ 524.85 million	ZW\$ 12.01 billion

29.2 Financial risk management objectives

The Group's Corporate Treasury function (embedded in the Group Finance function) provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

The Group's Audit Committee, consisting of executive and non-executive directors, meet on a regular basis to analyse, amongst other matters, currency and interest rate exposures and re-evaluate treasury management strategies against revised economic forecasts. Compliance with Group policies and exposure limits is reviewed at quarterly Board meetings.

The Group has a dedicated committee of the Board which reviews the loan exposures on a regular basis and monitors repayment plans. The Group has been able to meet its obligations in the current financial period and the Directors believe that appropriate measures have been implemented to ensure that the Group has the ongoing capacity to meet its obligations arising from these exposures.

29.3 Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's policy is to adopt a non-speculative approach to managing interest rate risk. Approved funding instruments include; bankers acceptances, call loans, overdrafts, foreign loans and where appropriate, long-term loans.

The Board of Directors has a committee that is dedicated to reviewing the loan exposures and repayment plans for the Group's external borrowings. The Committee that reviews the loan exposures meets on a regular basis and uses various models to project the Group's risk exposures and proposes methods to deal with the risk arising in an appropriate manner. This committee also approves the term sheets for such borrowings and ensures that the interest rate exposure of the Group is appropriately managed.

The Directors, at the reporting date, were not aware of any information or events that may have a significant impact on the reported profit and loss of the Group or that would result in material changes in the structure of the Group's statement of comprehensive income.

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

29.3.1 Interest rate sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's statement of comprehensive income.

The sensitivity of the statement of comprehensive income is the effect of the assumed changes in interest rates on the profit or loss for a period, based on the variable and fixed rate financial assets and financial liabilities held.

Change in interest rates %	INFLATION ADJUSTED	HISTORICAL COST
	2024 ZWL '000	2024 ZWL '000
	Sensitivity of profit and loss	
100%	200,077,614	41,629,273
66%	132,051,225	27,475,320
33%	66,025,613	13,737,660
-100%	(200,077,614)	(41,629,273)
-66%	(132,051,225)	(27,475,320)
-33%	(66,025,613)	(13,737,660)

29.4 Other price risks

The Group primarily invests in equities issued by Companies listed on the Zimbabwe Stock Exchange (ZSE). The Group also invests in shares listed on the Victoria Falls Stock Exchange (VFSE) which is an exchange on which equities are traded in United States of America Dollars. The Group's investments committee reviews the Group's equities portfolio on a quarterly basis and gives and takes advice to and from the Group's asset managers on equities to invest in or exit from. This oversight ensures that the Group's exposure to market price risk from this activity is acceptable.

29.5 Credit risk management

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. This risk arises principally from the Bank's loans and advances to customers and placements with Government and other banks. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Financial assets, which potentially subject the Group to concentrations of credit risk, consist principally of bank balances, loans and advances and trade receivables. The Group's cash equivalents are placed with high quality financial institutions. Loans and advances are presented net of the allowance for impairment losses. Credit risk with respect to debtors is limited due to the widespread customer base and ongoing credit evaluations to maintain credit worthiness of the customers.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

29.5 Credit risk management (continued)

The Board of Directors have delegated responsibility for the oversight of credit risk to the Bank Credit Committee. A separate Credit department, reporting to the Bank Credit Committee, is responsible for managing the Bank's credit risk including the following:

- Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.
- Establishing the authorisation structure for the approval and renewal of credit facilities. Authorisation limits are allocated to business Credit Officers. Larger facilities require approval by the Head of Credit, the Bank Credit Committee or the Board of Directors as appropriate.
- Reviewing and assessing credit risk: The Credit department assesses all credit exposures in excess of designated limits, before facilities are committed to customers by the business unit concerned. Renewals and reviews of facilities are subject to the same review process.
- Limiting concentrations of exposures to counterparties, geographies and industries (for loans and advances, financial guarantees and similar exposures), and by issuer, credit rating band, market and liquidity.
- Developing and maintaining the Bank's risk grading to categorise exposures according to the degree of risk of financial loss faced and to focus management on the attendant risks. The risk grading system is used in determining where impairment provisions may be required against specific credit exposures. The current risk grading framework consists of ten grades reflecting various degrees of risk default and the availability of collateral or other credit risk mitigation. The responsibility for setting risk grades lies with the final approving executive committee, as appropriate. Risk grades are subject to regular reviews by the Risk and Capital Management Committee.
- Reviewing compliance of business units with agreed exposure limits, including those for selected industries, country risk and product types. Regular reports on the credit quality of local portfolios are provided to the Credit department, which may require appropriate corrective action to be taken.
- Providing advice, guidance and specialist skills to business units to promote best practise throughout the Bank in the management of credit risk.

Regular audits of business units and the Credit department processes are undertaken by Internal Audit.

29.5.1 Impairment assessments

Definition of default and cure

The Bank considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments. The Bank considers treasury and interbank balances defaulted and takes immediate action when the required intraday payments are not settled by the close of business as outlined in the individual agreements.

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

29.5 Credit risk management (continued)

29.5.1 Impairment assessments (continued)

As a part of a qualitative assessment of whether a customer is in default, the Bank also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Bank carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- Internal rating of the borrower indicating default or near-default (stage 3 and 2 respectively)
- The borrower requesting emergency funding from the Bank (stage 2)
- The borrower having past due liabilities to public creditors or employees (stage 2)
- The borrower is deceased (stage 3)
- A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral (stage 3)
- A material decrease in the borrower's turnover or the loss of a major customer (stage 2)
- A covenant breach not waived by the Bank (stage 2)
- The debtor (or any legal entity within the debtor's group) filing for bankruptcy application/protection (stage 3)
- Debtor's listed debt or equity suspended at the primary exchange because of rumours or facts about financial difficulties (stage 2)

It is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria have been present for at least six consecutive months. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition. The Bank's criterion for 'cure' for ECL purposes is less stringent than the 24 months requirement for forbearance.

29.5.2 The Bank's internal rating and PD estimation process

The Bank's Credit Risk function operates its internal rating models. The Bank runs separate models for its key portfolios in which its customers are rated from 1 to 10 using internal grades. The models incorporate both qualitative and quantitative information and, in addition to information specific to the borrower, utilise supplemental external information that could affect the borrower's behaviour. Where practical, they also build on information from Global Credit Ratings (GCR) Agency. These information sources are first used to determine the PDs within the Bank's Basel framework.

The internal credit grades are assigned based on these Based grades. PDs are then adjusted for IFRS 9 ECL calculations to incorporate forward looking information and the IFRS 9 Stage classification of the exposure. This is repeated for each economic scenario as appropriate.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

29.5 Credit risk management (continued)

29.5.2 The Bank's internal rating and PD estimation process (continued)

The internal credit rating relate to IFRS 9 Stages as follows;

Internal Grade	Stage
1 to 5	1
6 to 7	2
8 to 10	3

29.5.3 Treasury, trading and interbank relationships

The Group's treasury, trading and interbank relationships and counterparties comprise financial services institutions, banks, broker-dealers, exchanges and clearing-houses. For these relationships, the Bank's Credit Risk section analyses publicly available information such as financial information and other external data, e.g., the rating of Global Credit Ratings (GCR) Agency and assigns the internal rating.

29.5.4 Corporate and small business lending

For corporate and investment banking loans, the borrowers are assessed by specialised credit risk employees of the Group. The credit risk assessment is based on a credit scoring model that takes into account various historical cost, current and forward-looking information such as:

- Historical cost financial information together with forecasts and budgets prepared by the client. This financial information includes realised and expected results, solvency ratios, liquidity ratios and any other relevant ratios to measure the client's financial performance. Some of these indicators are captured in covenants with the clients and are, therefore, measured with greater attention.
- Any publicly available information on the clients from external parties. This includes external rating grades issued by rating agencies, independent analyst reports, or press releases and articles.
- Any macro-economic or geopolitical information, e.g., GDP growth relevant for the specific industry and geographical segments where the client operates.
- Any other objectively supportable information on the quality and abilities of the client's management relevant for the company's performance.

The complexity and granularity of the rating techniques varies based on the exposure of the Bank and the complexity and size of the customer. Some of the less complex small business loans are rated within the Group's models for retail products.

29.5.5 Consumer lending and retail mortgages

Consumer lending comprises unsecured personal loans, credit cards and overdrafts. These products along with retail mortgages and some of the less complex small business lending are rated by an automated scorecard tool primarily driven by days past due. Other key inputs into the models are:

- Consumer lending products: use of limits and volatility thereof, GDP growth, unemployment rates, changes in personal income/salary levels based on records of current accounts, personal indebtedness and expected interest repricing
- Retail mortgages: GDP growth, unemployment rates, changes in personal income/salary levels based on records of current accounts, personal indebtedness and expected interest repricing.

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

29.5 Credit risk management (continued)

29.5.6 Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too. To calculate the EAD for a Stage 1 loan, the Bank assesses the possible default events within 12 months for the calculation of the 12mECL. However, if a Stage 1 loan that is expected to default in the 12 months from the balance sheet date and is also expected to cure and subsequently default again, then all linked default events are taken into account. For Stage 2, Stage 3 and POCI financial assets, the exposure at default is considered for events over the lifetime of the instruments.

The Group determines EADs by modelling the range of possible exposure outcomes at various points in time, corresponding the multiple scenarios. The IFRS 9 PDs are then assigned to each economic scenario based on the outcome of Bank's models.

29.5.7 Loss given default

For corporate and investment banking financial instruments, LGD values are assessed at least every three months by account managers and reviewed and approved by the Bank's specialised credit risk department.

The credit risk assessment is based on a standardised LGD assessment framework that results in a certain LGD rate. These LGD rates take into account the expected EAD in comparison to the amount expected to be recovered or realised from any collateral held.

The Group segments its retail lending products into smaller homogeneous portfolios, based on key characteristics that are relevant to the estimation of future cash flows. The applied data is based on historical costly collected loss data and involves a wider set of transaction characteristics (e.g., product type, wider range of collateral types) as well as borrower characteristics.

Further recent data and forward-looking economic scenarios are used in order to determine the IFRS 9 LGD rate for each group of financial instruments. When assessing forward-looking information, the expectation is based on multiple scenarios. Examples of key inputs involve changes in, collateral values including property prices for mortgages, commodity prices, payment status or other factors that are indicative of losses in the group. The Bank estimates regulatory and IFRS 9 LGDs on a different basis. Under IFRS 9, LGD rates are estimated for the Stage 1, Stage 2, Stage 3 and POCI IFRS 9 segment of each asset class. The inputs for these LGD rates are estimated and, where possible, calibrated through back testing against recent recoveries. These are repeated for each economic scenario as appropriate.

29.5.8 Significant increase in credit risk

The Group continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12months ECL or LTECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition.

The Group applies a qualitative method for triggering a significant increase in credit risk for an asset, such as moving a customer/facility to the watch list, or the account becoming forborne. Regardless of the change in credit grades, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

When estimating ECLs on a collective basis for a group of similar assets, the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

29.5 Credit risk management (continued)

29.5.9 Grouping of financial assets measured on a collective basis

Dependent on the factors below, the Group calculates ECLs either on a collective or an individual basis.

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

- All Stage 3 assets, regardless of the class of financial assets The Corporate lending portfolio
- The large and unique exposures of the Small business lending portfolio
- The treasury, trading and interbank relationships (such as Due from Banks, Cash collateral on securities borrowed and reverse repurchase agreements and debt instruments at amortised cost/ FVOCI
- Exposures that have been classified as POCI when the original loan was de-recognised and a new loan was recognised as a result of a credit driven debt restructuring
- The smaller and more generic balances of the Bank's Small business lending
- Stage 1 and 2 Retail mortgages and Consumer lending
- Purchased POCI exposures managed on a collective basis

29.5.11 Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

29.5.12 The main types of collateral obtained are, as follows:

- For securities lending and reverse repurchase transactions, cash or securities
- For corporate and small business lending, charges over real estate properties, inventory and trade receivables and, in special circumstances, government guarantees for retail lending, mortgages over residential properties.

The Group also obtains guarantees from parent companies for loans to their subsidiaries. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

In its normal course of business, the Group does not physically repossess properties or other assets in its retail portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession processes are not recorded on the balance sheet and not treated as non-current assets held for sale. Disclosure of credit quality and the maximum exposure for credit risk per categories based on the Bank's internal credit rating system and period-end stage classification are further disclosed in Note 29.5.14.

The tables on the following pages show the maximum exposure to credit risk by class of financial asset. They also show the total fair value of collateral, any surplus collateral (the extent to which the fair value of collateral held is greater than the exposure to which it relates), and the net exposure to credit risk.

29.5.13 Credit related commitment risks:

The Bank makes available to its customers guarantees that may require that the Bank makes payments on their behalf and enters into commitments to extend credit lines to secure their liquidity needs. Letters of credit and guarantees (including standby letters of credit) commit the Bank to make payments on behalf of customers in the event of a specific act. Such commitments expose the Bank to similar risks to loans and are mitigated by the same control processes and policies.

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

29.5 Credit risk management (continued)

29.5.14 Analysis of maximum exposure to credit risk and collateral or other credit enhancements held

	Fair Value of Collateral and Credit Enhancements Held				Net exposure to credit Risk ZW\$'000
	Maximum exposure to credit risk ZW\$'000	Listed securities ZW\$'000	Property ZW\$'000	Other ZW\$'000	
At 29 February 2024:					
Financial assets:					
Cash and cash equivalents	352,304,014	-	-	-	352,304,014
Loans and advances	461,498,143	-	(10,965,007)	(136,004,000)	314,529,136
Amounts owed by related party companies	1,562,465	-	-	-	1,562,465
Trade and other receivables	302,949,477	-	-	-	302,949,477
Treasury bills and government bonds	170,563,719	-	-	-	170,563,719
Total credit risk exposure	1,288,877,818	-	(10,965,007)	(136,004,000)	1,141,908,811
At 28 February 2023:					
Financial assets:					
Cash and cash equivalents	755,979,857	-	-	-	755,979,857
Loans and advances	548,764,203	-	(67,090,824)	(134,823,225)	346,850,154
Amounts owed by related party companies	1,562,465	-	-	-	1,562,465
Trade and other receivables	431,234,171	-	-	-	431,234,171
Treasury bills and government bonds	234,941,183	-	-	-	234,941,183
Total credit risk exposure	1,972,481,879	-	(67,090,824)	(134,823,225)	1,770,567,830

29.5.15 Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral. The Bank also obtains guarantees from parent companies for loans to their subsidiaries.

Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

29.5.16 Credit quality analysis

The table on Note 29.5.14 shows the credit quality of the Group's financial instruments and the maximum exposure to credit risk, based on the Group's internal credit rating system and period end stage classification.

29.6 Liquidity risk management

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Bank might be unable to meet its payment obligations when they fall due under both normal and stress circumstances. To limit this risk, management has arranged diversified funding sources in addition to its core deposit base and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Bank has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of high-grade collateral which could be used to secure additional funding if required.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

29.6 Liquidity risk management (continued)

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Bank maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption of cash flow. The Bank places emphasis on lines of credit that it can access to meet liquidity needs. In accordance with the Bank's policy, the liquidity position is assessed and managed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Bank. The most important of these is to maintain limits on the ratio of net liquid assets to customer liabilities, to reflect market conditions.

The key ratios during the period were, as follows:

	At year end	Maximum during period	Minimum during period
29 February 2024			
Loans to deposits ratio	54%	48%	20%
Net liquid assets to customer liabilities ratio	108%	110%	67%
28 February 2023			
Loans to deposits ratio	51%	12%	5%
Net liquid assets to customer liabilities ratio	80%	85%	48%

The Bank stresses the importance of current accounts and savings accounts as sources of funds to finance lending to customers. They are monitored using the advances to deposit ratio, which compares loans and advances to customers as a percentage of core customer current and savings accounts, together with term funding with a remaining term to maturity in excess of one period. Loans to customers that are part of reverse repurchase arrangements, and where the Bank receives securities which are deemed to be liquid, are excluded from the advances to deposits ratio.

The Bank defines liquid assets for the purposes of the liquidity ratio as cash balances, short-term interbank deposits and highly-rated debt securities available for immediate sale and for which a liquid market exists.

Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities. Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Bank expects that many customers will not request repayment on the earliest date the Bank could be required to pay and the table does not reflect the expected cash flows indicated by the Bank's deposit retention history"

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

29.6 Liquidity risk management (continued)

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	On demand ZW\$'000	Less than 3 months ZW\$'000	3 months to 1 period ZW\$'000	1 to 5 periods ZW\$'000	Over 5 periods ZW\$'000	Total ZW\$'000
At 29 February 2024						
Financial assets:						
Cash and cash equivalents	351,760,377	-	-	-	-	351,760,377
Loans and advances to customers	50,996,491	1,974,911	187,517,491	173,027,416	20,581,621	434,097,930
Treasury bills and government bonds	72,513,587	17,834,769	43,778,116	24,148,907	1,088	158,276,467
Financial assets at fair value through profit or loss	166,578,464	-	-	-	-	166,578,464
Amounts owed by related party companies	1,562,465	-	-	-	-	1,562,465
Trade and other receivables	105,588,123	-	-	-	-	105,588,123
Total undiscounted financial assets	748,999,507	19,809,680	231,295,607	197,176,323	20,582,709	1,217,863,826
Financial liabilities:						
Trade and other payables	165,491,087	-	-	-	-	165,491,087
Amounts owed to related party companies	138,032,228	57,780	62,959,792	-	-	201,049,800
Deposits due to banks and customers	710,568,901	16,951,219	-	-	-	727,520,120
Lease liabilities	-	-	1,452,943	5,345,588	-	6,798,531
Loans and borrowings	-	-	-	1,214,402	-	1,214,402
Total undiscounted financial liabilities	1,014,092,216	17,008,999	64,412,735	6,559,990	-	1,102,073,940
Net undiscounted financial (liabilities) / assets	(265,092,709)	2,800,681	166,882,872	190,616,333	20,582,709	115,789,886
At 28 February 2023						
Financial assets:						
Cash and cash equivalents	753,264,743	-	-	-	-	753,264,743
Loans and advances to customers	55,829,986	143,558,805	225,347,895	83,231,387	14,607,229	522,575,302
Treasury bills and government bonds	24,452,637	48,127,912	156,054,129	-	-	228,634,678
Financial assets at fair value through profit or loss	199,323,891	-	-	-	-	199,323,891
Amounts owed by related party companies	1,540,983	826,838	25,616	444,934	-	2,838,371
Trade and other receivables	351,911,532	-	-	-	-	351,911,532
Total undiscounted financial assets	1,386,323,772	192,513,555	381,427,640	83,676,321	14,607,229	2,058,548,517
Financial liabilities:						
Trade and other payables	269,821,127	-	-	-	-	269,821,127
Amounts owed to related party companies	122,149,242	3,605,095	6,747,418	465,825,980	-	598,327,735
Deposits due to banks and customers	858,045,760	4,068,426	-	-	-	862,114,186
Lease liabilities	-	-	7,252,908	5,931,229	-	13,184,137
Mobile money trust liabilities	345,417,787	-	-	-	-	345,417,787
Total undiscounted financial liabilities	1,595,433,916	7,673,521	14,000,326	471,757,209	-	2,088,864,972
Net undiscounted financial (liabilities) / assets	(209,110,144)	184,840,034	367,427,314	(388,080,888)	14,607,229	(30,316,455)

The disclosed financial instruments in the above table are the gross undiscounted cash flows.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

29.7 Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

30. RISK MANAGEMENT

30.1 Operational Risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

30.2 Compliance Risk

Compliance risk is the current and prospective risk to earnings or capital arising from violations of, or non-conformance with, law, rules, regulations, prescribed practices, internal policies, and procedures, or ethical standards. This risk exposes the institution to fines and payment of damages. Compliance risk can lead to diminished reputation, limited business opportunities, reduced expansion potential, and an inability to enforce contracts. The Internal Audit and the Risk Department ensure that the Group fully complies with all relevant laws and regulations.

Reputational risk is the current and prospective impact on earnings and capital arising from negative public opinion. This affects the institution's ability to establish new relationships or services or continue servicing existing relationships. This risk may expose the institution to litigation, financial loss, or a decline in its customer base. The Group has a Business Development department whose mandate is to manage this risk.

31. LEASE LIABILITIES

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
31.1 Reconciliation of lease liability				
Opening balance	15,433,804	3,694,639	825,432	61,120
Additions	17,708,160	10,106,113	2,497,998	463,039
Modification - remeasurement of lease liability	(5,318,215)	-	(371,771)	-
Exchange loss	-	753,019	-	13,244
Interest expense (Note 4)	7,676,738	8,085,511	7,074,512	432,430
Interest paid	1,940,361	2,418,960	381,951	93,680
Repayment of lease liabilities	(68,862)	(2,418,960)	(33,423)	(93,680)
Monetary Adjustment	(20,371,585)	(4,483,931)	-	-
Transfers to disposal group held for sale (note 16)	(1,839,163)	-	(1,839,163)	-
Closing balance	6,918,848	15,433,804	6,918,848	825,432
31.2 Maturity analysis				
Not later than one year	1,452,943	7,252,908	1,452,943	387,901
Later than one year and not later than five years	5,465,905	8,180,896	5,465,905	437,531
	6,918,848	15,433,804	6,918,848	825,432
Analysed as:				
Non-current	5,465,905	8,180,896	5,465,905	501,307
Current	1,452,943	7,252,908	1,452,943	324,125
	6,918,848	15,433,804	6,918,848	825,432

The Group does not face a significant liquidity risk regarding its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

32. INSURANCE AND REINSURANCE CONTRACTS

32.1 Summary of balances per product

	2024**		
	Assets ZW\$ '000	Liabilities ZW\$ '000	Net assets / (liability)
INFLATION ADJUSTED			
Insurance contracts	847,850	(60,254,918)	(59,407,068)
Life	423,925	(11,246,825)	(10,822,900)
Short term - motor	-	(36,870,841)	(36,870,841)
Short term - medical aid	423,925	(12,137,252)	(11,713,327)
Reinsurance contracts	32,207,687	-	32,207,687
Life	381,967	-	381,967
Short term - motor	25,627,121	-	25,627,121
Short term - medical aid	6,198,599	-	6,198,599
HISTORICAL COST			
Insurance contracts	847,850	(60,254,918)	(59,407,068)
Life	423,925	(11,246,825)	(10,822,900)
Short term - motor	-	(36,870,841)	(36,870,841)
Short term - medical aid	423,925	(12,137,252)	(11,713,327)
Reinsurance contracts	32,207,687	-	32,207,687
Life	381,967	-	381,967
Short term - motor	25,627,121	-	25,627,121
Short term - medical aid	6,198,599	-	6,198,599

** The assets and liabilities as at 29 February 2024 for all the insurance and reinsurance contracts have been transferred to disposal group classified as held for sale (see note 16). IFRS 17 disclosure notes is within the scope of IFRS 5.

32.2 Movements in the carrying amounts of Insurance and reinsurance contracts

The following reconciliations show how the net carrying amounts of insurance and reinsurance in each line of business changed during the year as a result of cash flows and amounts recognised in the income statement. For each line of business, the Group presents a table that separately analyses movements in the liability for remaining coverage and movement in the liability for incurred claims and reconciles these movements to the line items in the income statement.

	2023			2022	
	Assets ZW\$ '000	Liabilities ZW\$ '000	Net assets / (liability)	Assets ZW\$ '000	Liabilities ZW\$ '000
	-	(106,723,613)	(106,723,613)	55,286	(190,895,968)
	-	(29,443,459)	(29,443,459)	55,286	(50,211,975)
	-	(69,886,827)	(69,886,827)	-	(90,559,574)
	-	(7,393,327)	(7,393,327)	-	(50,124,419)
	44,132,119	-	44,132,119	57,996,608	(32,270)
	2,077,561	-	2,077,561	6,308,996	(32,270)
	42,054,558	-	42,054,558	51,687,612	-
	-	-	-	-	-
	-	(5,252,928)	(5,252,928)	915	(2,146,129)
	-	(1,381,019)	(1,381,019)	915	(601,596)
	-	(3,569,575)	(3,569,575)	-	(1,474,741)
	-	(302,334)	(302,334)	-	(69,792)
	1,963,859	-	1,963,859	949,520	(1,726)
	40,143	-	40,143	24,967	(1,726)
	1,923,716	-	1,923,716	924,553	-
	-	-	-	-	-

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life

32.2.1.1 Insurance contracts

Reconciliation of the liability for remaining coverage and the liability for incurred claim

	INFLATION ADJUSTED 2024			
	Liability for remaining coverage:			Total ZWL
	Excluding loss component ZWL	Loss component ZWL	Liability for incurred claims ZWL	
Insurance contract liabilities as at 1 March	20,229,210	5,058,741	4,155,508	29,443,459
Insurance revenue	(210,592,021)	-	-	(210,592,021)
Insurance service expenses	19,009,180	11,827	189,957,912	208,978,919
Incurring claims and other directly attributable expenses	-	(108,045)	188,995,181	188,887,136
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	962,731	962,731
Losses on onerous contracts and reversals of those losses	-	119,872	-	119,872
Insurance acquisition cash flows amortisation	19,009,180	-	-	19,009,180
Insurance service result	(191,582,841)	11,827	189,957,912	(1,613,102)
Finance cost from insurance contracts issued	128,066	26,994	-	155,060
Total amounts recognised in comprehensive income	(191,454,775)	38,821	189,957,912	(1,458,042)
Cash flows				
Premiums received	218,802,024	-	-	218,802,024
Foreign exchange loss	1,444,356	-	-	1,444,356
Claims and other expenses paid	-	-	(188,903,041)	(188,903,041)
Insurance acquisition cash flows	(19,009,180)	-	-	(19,009,180)
Total cash flows	201,237,200	-	(188,903,041)	12,334,159
Other movements	560,986	-	(560,986)	-
Monetary adjustment	(20,895,445)	(4,608,014)	(3,993,218)	(29,496,677)
Insurance contract liabilities as at 29 February	9,677,176	489,548	656,175	10,822,899
Analysed as follows:				
Insurance contract liabilities	9,604,443	489,548	1,152,833	11,246,824
Insurance contract assets	72,733	-	(496,658)	(423,925)
Insurance contract liabilities as at 29 February	9,677,176	489,548	656,175	10,822,899

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.1 Insurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claim (continued)

	INFLATION ADJUSTED 2023			
	Liability for remaining coverage:			Total ZWL
	Excluding loss component ZWL	Loss component ZWL	Liability for incurred claims ZWL	
Insurance contract liabilities as at 1 March	27,422,284	18,709,994	3,992,141	50,124,419
Insurance revenue	(145,552,651)	-	-	(145,552,651)
Insurance service expenses	13,801,430	(1,331,356)	116,733,563	129,203,637
Incurring claims and other directly attributable expenses	-	(2,432,353)	113,903,809	111,471,456
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	2,829,754	2,829,754
Losses on onerous contracts and reversals of those losses	-	1,100,997	-	1,100,997
Insurance acquisition cash flows amortisation	13,801,430	-	-	13,801,430
Insurance service result	(131,751,221)	(1,331,356)	116,733,563	(16,349,014)
Finance expenses from insurance contracts issued	921,328	602,791	-	1,524,119
Total amounts recognised in comprehensive income	(130,829,893)	(728,565)	116,733,563	(14,824,895)
Cash flows				
Premiums received	156,380,246	-	-	156,380,246
Claims and other expenses paid	-	-	(113,812,890)	(113,812,890)
Insurance acquisition cash flows	(13,801,430)	-	-	(13,801,430)
Total cash flows	142,578,816	-	(113,812,890)	28,765,926
Other movements				
Inflation adjustment	(18,941,997)	(12,922,688)	(2,757,306)	(34,621,991)
Insurance contract liabilities as at 28 February	20,229,210	5,058,741	4,155,508	29,443,459
Analysed as follows:				
Insurance contract liabilities	20,229,210	5,058,741	4,155,508	29,443,459
Insurance contract assets	-	-	-	(423,925)
Insurance contract liabilities as at 28 February	20,229,210	5,058,741	4,155,508	29,443,459

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.1 Insurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claim (continued)

	HISTORICAL COST 2024			
	Liability for remaining coverage:			Total ZWL
	Excluding loss component ZWL	Loss component ZWL	Liability for incurred claims ZWL	
Insurance contract liabilities as at 1 March	855,784	302,989	222,246	1,381,019
Insurance revenue	(39,467,443)	-	-	(39,467,443)
Insurance service expenses	3,671,252	156,394	40,375,842	44,203,488
Incurring claims and other directly attributable expenses	-	(156,628)	39,411,858	39,255,231
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	963,984	963,984
Losses on onerous contracts and reversals of those losses	-	313,022	-	313,022
Insurance acquisition cash flows amortisation	3,671,252	-	-	3,671,252
Insurance service result	(35,796,191)	156,394	40,375,842	4,736,045
Finance cost from insurance contracts issued	105,425	30,166	-	135,591
Total amounts recognised in comprehensive income	(35,690,766)	186,560	40,375,842	4,871,636
Cash flows				
Premiums received	46,178,067	-	-	46,178,067
Foreign exchange loss	1,444,356	-	-	1,444,356
Claims and other expenses paid	-	-	(39,380,926)	(39,380,926)
Insurance acquisition cash flows	(3,671,252)	-	-	(3,671,252)
Total cash flows	43,951,171	-	(39,380,926)	4,570,245
Other movements	560,986	-	(560,986)	-
Insurance contract liabilities as at 29 February	9,677,175	489,549	656,176	10,822,900
Analysed as follows:				
Insurance contract liabilities	9,604,442	489,549	1,152,834	11,246,825
Insurance contract assets	72,733	-	(496,658)	(423,925)
Insurance contract liabilities as at 29 February	9,677,175	489,549	656,176	10,822,900

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.1 Insurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claim (continued)

	HISTORICAL COST 2023			
	Liability for remaining coverage:			Total ZWL
	Excluding loss component ZWL	Loss component ZWL	Liability for incurred claims ZWL	
Insurance contract liabilities as at 1 March	189,053	345,586	66,042	600,681
Insurance revenue	(5,739,965)	-	-	(5,739,965)
Insurance service expenses	566,833	(78,614)	4,827,292	5,315,511
Incurring claims and other directly attributable expenses	-	(146,127)	4,675,951	4,529,824
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	151,341	151,341
Losses on onerous contracts and reversals of those losses	-	67,513	-	67,513
Insurance acquisition cash flows amortisation	566,833	-	-	566,833
Insurance service result	(5,173,132)	(78,614)	4,827,292	(424,454)
Finance cost from insurance contracts issued	22,623	36,017	-	58,640
Total amounts recognised in comprehensive income	(5,150,509)	(42,597)	4,827,292	(365,814)
Cash flows				
Premiums received	6,384,073	-	-	6,384,073
Claims and other expenses paid	-	-	(4,671,088)	(4,671,088)
Insurance acquisition cash flows	(566,833)	-	-	(566,833)
Total cash flows	5,817,240	-	(4,671,088)	1,146,152
Other movements	-	-	-	-
Insurance contract liabilities as at 28 February	855,784	302,989	222,246	1,381,019
Analysed as follows:				
Insurance contract liabilities	855,784	302,989	222,246	1,381,019
Insurance contract assets	-	-	-	-
Insurance contract liabilities as at 28 February	855,784	302,989	222,246	1,381,019

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.2 Reinsurance contracts

Reconciliation of the liability for remaining coverage and the liability for incurred claim

	INFLATION ADJUSTED 2024			
	Asset for remaining coverage			Total ZWL
	Excluding loss-recovery component ZWL	Loss-recovery component ZWL	Incurred claims ZWL	
Net reinsurance contract assets as at 1 March	1,772,513	305,048	-	2,077,561
Net (expenses) / income from reinsurance contracts held				
Allocation of reinsurance premiums	(13,109,168)	-	-	(13,109,168)
Incurred claims recovery from reinsurers	-	-	(9,364)	(9,364)
Loss-recovery on onerous underlying contracts and adjustments	-	86,199	-	86,199
Net (expenses) / income from income reinsurance contracts held	(13,109,168)	86,199	(9,364)	(13,032,333)
Finance income from reinsurance contracts held	89,134	1,631	-	90,765
Total amounts recognised in comprehensive income	(13,020,034)	87,830	(9,364)	(12,941,568)
Cash flows				
Premiums paid net of ceding commissions	15,007,893	-	-	15,007,893
Claims and other expenses paid	-	-	-	-
Claim recoveries received from reinsurance	(924,889)	-	9,364	(915,525)
Total cash flows	14,083,004	-	9,364	14,092,368
Monetary adjustment	(2,662,271)	(184,122)	-	(2,846,393)
Net reinsurance contract assets as at 29 February	173,212	208,756	-	381,968
Analysed as follows:				
Reinsurance contract liabilities	-	-	-	-
Reinsurance contract assets	173,212	208,756	-	381,968
Net reinsurance contract assets as at 29 February	173,212	208,756	-	381,968

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.2 Reinsurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claim (continued)

	INFLATION ADJUSTED 2023			
	Asset for remaining coverage			Total ZWL
	Excluding loss-recovery component ZWL	Loss-recovery component ZWL	Incurred claims ZWL	
Net reinsurance contract assets as at 1 March	5,357,166	919,561	-	6,276,727
Net (expenses) / income from reinsurance contracts held				
Allocation of reinsurance premiums	(6,263,741)	-	-	(6,263,741)
Incurred claims recovery from reinsurers	-	-	(21,764)	(21,764)
Loss-recovery on onerous underlying contracts and adjustments	-	(7,831)	-	(7,831)
Net (expenses) / income from income reinsurance contracts held	(6,263,741)	(7,831)	(21,764)	(6,293,336)
Finance income from reinsurance contracts held	246,535	28,444	-	274,979
Total amounts recognised in comprehensive income	(6,017,206)	20,613	(21,764)	(6,018,357)
Cash flows				
Premiums paid net of ceding commissions	6,418,279	-	-	6,418,279
Claim recoveries received from reinsurance	(285,630)	-	21,764	(263,866)
Total cash flows	6,132,649	-	21,764	6,154,413
Inflation adjustment	(3,700,096)	(635,126)	-	(4,335,222)
Net reinsurance contract assets as at 28 February	1,772,513	305,048	-	2,077,561
Analysed as follows:				
Reinsurance contract liabilities	-	-	-	-
Reinsurance contract assets	1,772,513	305,048	-	2,077,561
Net reinsurance contract assets as at 28 February	1,772,513	305,048	-	2,077,561

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.2 Reinsurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claim (continued)

	HISTORICAL COST 2024			
	Asset for remaining coverage			Total ZWL
	Excluding loss-recovery component ZWL	Loss-recovery component ZWL	Incurred claims ZWL	
Net reinsurance contract assets as at 1 March	21,788	18,355	-	40,143
Net (expenses) / income / from reinsurance contracts held				
Allocation of reinsurance premiums	(4,863,509)	-	-	(4,863,509)
Incurred claims recovery from reinsurers	-	-	(2,512)	(2,512)
Loss-recovery on onerous underlying contracts and adjustments	-	188,566	-	188,566
Net (expenses) / income from reinsurance contracts held	(4,863,509)	188,566	(2,512)	(4,677,455)
Finance income from reinsurance contracts held	81,833	1,835	-	83,668
Total amounts recognised in comprehensive income	(4,781,676)	190,401	(2,512)	(4,593,787)
Cash flows				
Premiums paid net of ceding commissions	5,192,697	-	-	5,192,697
Claim recoveries received from reinsurance	(259,597)	-	2,512	(257,085)
Total cash flows	4,933,100	-	2,512	4,935,612
Net reinsurance contract assets as at 29 February	173,212	208,756	-	381,968
Analysed as follows:				
Reinsurance contract liabilities	-	-	-	-
Reinsurance contract assets	173,212	208,756	-	381,968
Net reinsurance contract assets as at 29 February	173,212	208,756	-	381,968

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.2 Reinsurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claim (continued)

	HISTORICAL COST 2023			
	Asset for remaining coverage			Total ZWL
	Excluding loss-recovery component ZWL	Loss-recovery component ZWL	Incurred claims ZWL	
Net reinsurance contract assets as at 1 March	6,392	16,849	-	23,241
Net (expenses) / from reinsurance contracts held				
Allocation of reinsurance premiums	(208,534)	-	-	(208,534)
Incurred claims recovery from reinsurers	-	-	(1,331)	(1,331)
Loss-recovery on onerous underlying contracts and adjustments	-	(179)	-	(179)
Net expenses from reinsurance contracts held	(208,534)	(179)	(1,331)	(210,044)
Finance income from reinsurance contracts held	4,962	1,685	-	6,647
Total amounts recognised in comprehensive income	(203,572)	1,506	(1,331)	(203,397)
Cash flows				
Premiums paid net of ceding commissions	231,414	-	-	231,414
Claim recoveries received from reinsurance	(12,446)	-	1,331	(11,115)
Total cash flows	218,968	-	1,331	220,299
Net reinsurance contract assets as at 29 February	21,788	18,355	-	40,143
Analysed as follows:				
Reinsurance contract liabilities	(1,254)	-	-	(1,254)
Reinsurance contract assets	23,042	18,355	-	41,396
Net reinsurance contract assets as at 29 February	21,788	18,355	-	40,143

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.3 Insurance contracts

Reconciliation of the measurement components of insurance contract balances

	INFLATION ADJUSTED 2024			Total ZWL
	Present value of future cash flows ZWL	Risk adj. for non- financial risk ZWL	Contractual Service Margin ZWL	
Insurance contract liabilities as at 1 March	5,831,824	2,454,727	6,610,366	14,896,917
Changes that relate to current service	(276,071)	(65,773)	(651,152)	(992,996)
CSM recognised for services provided	-	-	(651,152)	(651,152)
Risk adjustment recognized for the risk expired	-	(65,773)	-	(65,773)
Experience adjustments	(276,071)	-	-	(276,071)
Changes that relate to future service	(2,790,416)	235,441	2,674,847	119,872
Contracts initially recognised in the period	(536,478)	64,303	638,690	166,515
Changes in estimates that adjust the CSM	(2,173,942)	137,785	2,036,157	-
Changes in estimates that do not adjust the CSM	(79,996)	33,353	-	(46,643)
Changes that relate to past service	-	-	-	-
Adjustments to liabilities for incurred claims	-	-	-	-
Insurance service result	(3,066,487)	169,668	2,023,695	(873,124)
finance costs / (income) from insurance contracts issued	32,369	23,468	99,223	155,060
Total amounts recognised in comprehensive income	(3,034,118)	193,136	2,122,918	(718,064)
Cash flows	2,540,460	-	-	2,540,460
Premiums received	2,540,460	-	-	2,540,460
Claims and other expenses paid	-	-	-	-
Insurance acquisition cash flows	-	-	-	-
Monetary adjustment	(5,519,669)	(2,323,340)	(7,825,418)	(15,668,427)
Insurance contract (assets) / liabilities as at 29 February	(181,503)	324,523	907,866	1,050,886

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.3 Insurance contracts (continued)

Reconciliation of the measurement components of insurance contract balances (continued)

	INFLATION ADJUSTED 2023			Total ZWL
	Present value of future cash flows ZWL	Risk adj. for non- financial risk ZWL	Contractual Service Margin ZWL	
Insurance contract liabilities as at 1 March	17,337,215	6,390,483	18,325,340	42,053,038
Changes that relate to current service	(1,496,511)	(751,019)	(3,598,082)	(5,845,612)
CSM recognised for services provided	-	-	(3,598,082)	(3,598,082)
Risk adjustment recognized for the risk expired	-	(751,019)	-	(751,019)
Experience adjustments	(1,496,511)	-	-	(1,496,511)
Changes that relate to future service	(3,655,076)	938,519	3,817,554	1,100,997
Contracts initially recognised in the period	(1,573,878)	444,865	1,557,357	428,344
Changes in estimates that adjust the CSM	(2,446,861)	188,140	2,260,197	1,476
Changes in estimates that do not adjust the CSM	365,663	305,514	-	671,177
Changes that relate to past service	-	-	-	-
Adjustments to liabilities for incurred claims	-	-	-	-
Insurance service result	(5,151,587)	187,500	219,472	(4,744,615)
finance costs / (income) from insurance contracts issued	511,005	290,546	722,568	1,524,119
Total amounts recognised in comprehensive income	(4,640,582)	478,046	942,040	(3,220,496)
Cash flows	5,109,723	-	-	5,109,723
Premiums received	5,109,723	-	-	5,109,723
Claims and other expenses paid	-	-	-	-
Insurance acquisition cash flows	-	-	-	-
Inflation adjustment	(11,974,532)	(4,413,802)	(12,657,014)	(29,045,348)
Insurance contract (assets) / liabilities as at 29 February	5,831,824	2,454,727	6,610,366	14,896,917

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.3 Insurance contracts (continued)

Reconciliation of the measurement components of insurance contract balances(continued)

	HISTORICAL COST 2024			Total ZWL
	Present value of future cash flows ZWL	Risk adj. for non- financial risk ZWL	Contractual Service Margin ZWL	
Insurance contract liabilities as at 1 March	312,167	131,395	158,436	601,998
Changes that relate to current service	(276,142)	(65,804)	(166,311)	(508,257)
CSM recognised for services provided	-	-	(166,311)	(166,311)
Risk adjustment recognized for the risk expired	-	(65,804)	-	(65,804)
Experience adjustments	(276,142)	-	-	(276,142)
Changes that relate to future service	(758,458)	235,450	836,028	313,020
Contracts initially recognised in the period	(536,478)	64,303	638,690	166,515
Changes in estimates that adjust the CSM	(334,990)	137,651	197,338	(1)
Changes in estimates that do not adjust the CSM	113,010	33,496	-	146,506
Changes that relate to past service	-	-	-	-
Adjustments to liabilities for incurred claims	-	-	-	-
Insurance service result	(1,034,600)	169,646	669,717	(195,237)
Finance expenses from insurance contracts issued	32,397	23,482	79,713	135,592
Total amounts recognised in comprehensive income	(1,002,203)	193,128	749,430	(59,645)
Cash flows	508,533	-	-	508,533
Premiums received	508,533	-	-	508,533
Claims and other expenses paid	-	-	-	-
Insurance acquisition cash flows	-	-	-	-
Insurance contract (assets) / liabilities as at 29 February	(181,503)	324,523	907,866	1,050,886

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.3 Insurance contracts (continued)

Reconciliation of the measurement components of insurance contract balances (continued)

	HISTORICAL COST 2023			Total ZWL
	Present value of future cash flows ZWL	Risk adj. for non- financial risk ZWL	Contractual Service Margin ZWL	
Insurance contract liabilities as at 1 March	286,807	105,717	74,633	467,157
Changes that relate to current service	(80,037)	(40,166)	(50,002)	(170,205)
CSM recognised for services provided	-	-	(50,002)	(50,002)
Risk adjustment recognized for the risk expired	-	(40,166)	-	(40,166)
Experience adjustments	(80,037)	-	-	(80,037)
Changes that relate to future service	(100,805)	50,304	118,014	67,513
Contracts initially recognised in the period	(84,174)	23,792	83,291	22,909
Changes in estimates that adjust the CSM	(44,747)	10,103	34,723	79
Changes in estimates that do not adjust the CSM	28,116	16,409	-	44,525
Changes that relate to past service	-	-	-	-
Adjustments to liabilities for incurred claims	-	-	-	-
Insurance service result	(180,842)	10,138	68,012	(102,692)
Finance expenses from insurance contracts issued	27,309	15,539	15,792	58,640
Total amounts recognised in comprehensive income	(153,533)	25,677	83,804	(44,052)
Cash flows	178,892	-	-	178,892
Premiums received	178,892	-	-	178,892
Claims and other expenses paid	-	-	-	-
Insurance acquisition cash flows	-	-	-	-
Insurance contract liabilities as at 28 February	312,166	131,394	158,437	601,997

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.4 Reinsurance contracts

Reconciliation of the measurement components of insurance contract balances

	INFLATION ADJUSTED 2024			Total ZWL
	Present value of future cash flows ZWL	Risk adj. for non- financial risk ZWL	Contractual Service Margin ZWL	
Net reinsurance contract (liabilities) / assets as at 1 March	(882,012)	(476,125)	3,435,698	2,077,561
Changes that relate to current service	(190,158)	25,469	(350,296)	(514,985)
CSM recognised for services provided	-	-	(350,296)	(350,296)
Risk adjustment recognized for the risk expired	-	25,469	-	25,469
Experience adjustments	(190,158)	-	-	(190,158)
Changes that relate to future service	(2,429,540)	(197,834)	2,713,573	86,199
Contracts initially recognised in the period	(769,867)	(53,761)	823,628	-
Changes in estimates that adjust the CSM	(1,659,673)	(144,073)	1,803,746	-
Changes in estimates that do not adjust the CSM	-	-	86,199	86,199
Changes that relate to past service	-	-	-	-
Changes in amounts recoverable arising from changes in liability for incurred claims	-	-	-	-
Net income / (expense) from reinsurance contracts held	(2,619,698)	(172,365)	2,363,277	(428,786)
finance (income) / costs from reinsurance contracts held	(465)	(9,507)	100,738	90,766
Total amounts recognised in comprehensive income	(2,620,163)	(181,872)	2,464,015	(338,020)
Cash flows	1,488,821	-	-	1,488,821
Premiums paid net of ceding commissions	1,488,821	-	-	1,488,821
Claim recoveries received from reinsurance	-	-	-	-
Monetary adjustment	834,838	450,653	(4,131,885)	(2,846,394)
Insurance contract (assets) / liabilities as at 29 February	(1,178,516)	(207,344)	1,767,828	381,968

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.4 Reinsurance contracts (continued)

Reconciliation of the measurement components of insurance contract balances (continued)

	INFLATION ADJUSTED 2023			Total ZWL
	Present value of future cash flows ZWL	Risk adj. for non- financial risk ZWL	Contractual Service Margin ZWL	
Net reinsurance contract (liabilities) / assets as at 1 March	(109,611)	(780,735)	7,167,073	6,276,727
Changes that relate to current service	(203,142)	100,003	(1,110,971)	(1,214,110)
CSM recognised for services provided	-	-	(1,110,971)	(1,110,971)
Risk adjustment recognized for the risk expired	-	100,003	-	100,003
Experience adjustments	(203,142)	-	-	(203,142)
Changes that relate to future service	(1,752,288)	(293,782)	2,038,239	(7,831)
Contracts initially recognised in the period	(599,477)	(99,004)	698,481	-
Changes in estimates that adjust the CSM	(1,152,811)	(194,778)	1,347,589	-
Changes in estimates that do not adjust the CSM	-	-	(7,831)	(7,831)
Changes that relate to past service	-	-	-	-
Changes in amounts recoverable arising from changes in liability for incurred claims	-	-	-	-
Net income / (expense) from reinsurance contracts held	(1,955,430)	(193,779)	927,268	(1,221,941)
finance (income) / costs from reinsurance contracts held	24,300	(40,859)	291,537	274,978
Total amounts recognised in comprehensive income	(1,931,130)	(234,638)	1,218,805	(946,963)
Cash flows	1,083,019	-	-	1,083,019
Premiums paid net of ceding commissions	1,083,019	-	-	1,083,019
Claim recoveries received from reinsurance	-	-	-	-
Inflation adjustment	75,710	539,249	(4,950,181)	(4,335,222)
Insurance contract (assets) / liabilities as at 28 February	(882,012)	(476,124)	3,435,697	2,077,561

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.4 Reinsurance contracts (continued)

Reconciliation of the measurement components of insurance contract balances (continued)

	HISTORICAL COST 2024			Total ZWL
	Present value of future cash flows ZWL	Risk adj. for non- financial risk ZWL	Contractual Service Margin ZWL	
Net reinsurance contract (liabilities) / assets as at 1 March	(47,176)	(25,472)	112,790	40,142
Changes that relate to current service	(190,161)	25,471	(152,303)	(316,993)
CSM recognised for services provided	-	-	(152,303)	(152,303)
Risk adjustment recognized for the risk expired	-	25,471	-	25,471
Experience adjustments	(190,161)	-	-	(190,161)
Changes that relate to future service	(1,327,298)	(197,835)	1,713,699	188,566
Contracts initially recognised in the period	(769,867)	(53,761)	823,628	-
Changes in estimates that adjust the CSM	(557,431)	(144,074)	701,505	-
Changes in estimates that do not adjust the CSM	-	-	188,566	188,566
Changes that relate to past service	-	-	-	-
Changes in amounts recoverable arising from changes in liability for incurred claims	-	-	-	-
Net income / (expense) from reinsurance contracts held	(1,517,459)	(172,364)	1,561,396	(128,427)
Finance expenses / (income) from reinsurance contracts held	(465)	(9,507)	93,642	83,670
Total amounts recognised in comprehensive income	(1,517,924)	(181,871)	1,655,038	(44,757)
Cash flows	386,583	-	-	386,583
Premiums paid net of ceding commissions	386,583	-	-	386,583
Claim recoveries received from reinsurance	-	-	-	-
Insurance contract (assets) / liabilities as at 29 February	(1,178,517)	(207,343)	1,767,828	381,968

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Life (continued)

32.2.1.4 Reinsurance contracts (continued)

Reconciliation of the measurement components of insurance contract balances (continued)

	HISTORICAL COST 2023			Total ZWL
	Present value of future cash flows ZWL	Risk adj. for non- financial risk ZWL	Contractual Service Margin ZWL	
Net reinsurance contract assets / (liabilities) as at 1 March	(1,813)	(12,916)	37,970	23,241
Changes that relate to current service	(10,864)	5,348	(15,614)	(21,130)
CSM recognised for services provided	-	-	(15,614)	(15,614)
Risk adjustment recognized for the risk expired	-	5,348	-	5,348
Experience adjustments	(10,864)	-	-	(10,864)
Changes that relate to future service	(67,362)	(15,720)	82,903	(179)
Contracts initially recognised in the period	(32,061)	(5,295)	37,356	-
Changes in estimates that adjust the CSM	(35,301)	(10,425)	45,726	-
Changes in estimates that do not adjust the CSM	-	-	(179)	(179)
Changes that relate to past service	-	-	-	-
Changes in amounts recoverable arising from changes in liability for incurred claims	-	-	-	-
Net (expense) / income from reinsurance contracts held	(78,226)	(10,372)	67,289	(21,309)
finance costs / (income) from reinsurance contracts held	1,300	(2,185)	7,533	6,648
Total amounts recognised in comprehensive income	(76,926)	(12,557)	74,822	(14,661)
Cash flows	31,565	-	-	31,565
Premiums paid net of ceding commissions	31,565	-	-	31,565
Claim recoveries received from reinsurance	-	-	-	-
Insurance contract (assets) / liabilities as at 28 February	(47,174)	(25,473)	112,792	40,145

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Short Term – Motor

32.2.2.1 Insurance contracts

Reconciliation of the liability for remaining coverage and the liability for incurred claim

	INFLATION ADJUSTED				Insurance Contract Liability
	Liability for Remaining Cover		Liability for Incurred Claims		
	Non-onerous	Loss Component	Risk Adjustment	PVFCF	
Balance at 1 March 2022	32,677,498	17,568,907	2,749,000	37,564,169	90,559,574
Cash Inflows - Premiums Received	157,898,832	-	-	-	157,898,832
Insurance Revenue	(121,006,396)	-	-	-	(121,006,396)
Insurance Service Expenses	26,733,875	(3,895,818)	1,705,548	64,117,032	88,660,637
Paid Claims net of recoveries	-	-	-	2,344	2,344
Maintenance Expenses Allocated	-	-	-	49,603,724	49,603,724
Change in outstanding claims + IBNR	-	-	-	14,510,964	14,510,964
Change in Loss Component - New loss arising in period	-	13,673,089	-	-	13,673,089
Change in Loss Component - Reversal	-	(17,568,907)	-	-	(17,568,907)
Change in Risk Adjustment	-	-	1,705,548	-	1,705,548
Amortised Deferred Acquisition Costs	17,456,656	-	-	-	17,456,656
Other Immediate Acquisition Costs	9,277,219	-	-	-	9,277,219
Monetary Adjustment	(39,679,797)	(5,486,552)	(2,583,069)	(31,767,723)	(79,517,141)
Investment Component Insurance finance costs	-	-	-	-	-
Cash Outflows - Claims, commissions and expenses paid	(17,102,613)	-	-	(49,606,069)	(66,708,681)
Balance at 28 February 2023	39,521,399	8,186,537	1,871,479	20,307,409	69,886,824
Cash Inflows - Premiums Received	364,324,887	-	-	-	364,324,887
Insurance Revenue	(185,257,290)	-	-	-	(185,257,290)
Insurance Service Expenses	68,659,002	(1,207,625)	1,574,639	203,730,637	272,756,653
Paid Claims net of recoveries	-	-	-	91,708,985	91,708,985
Maintenance Expenses Allocated	-	-	-	95,555,701	95,555,701
Change in outstanding claims + IBNR	-	-	-	16,465,951	16,465,951
Change in Loss Component - New loss arising in period	-	6,978,912	-	-	6,978,912
Change in Loss Component - Reversal	-	(8,186,537)	-	-	(8,186,537)
Change in Risk Adjustment	-	-	1,574,639	-	1,574,639
Amortised Deferred Acquisition Costs	60,597,035	-	-	-	60,597,035
Other Immediate Acquisition Costs	8,061,967	-	-	-	8,061,967
Investment Component Insurance finance costs	-	-	-	-	-
Cash Outflows - Claims, commissions and expenses paid	(86,061,608)	-	-	(187,264,686)	(273,326,294)
Outstanding balances transferred to LIC at expiry of cover	-	-	-	-	-
Monetary adjustment	(190,521,224)	-	(1,771,389)	(19,221,328)	(211,513,941)
Balance at 29 February 2024	10,665,166	6,978,912	1,674,729	17,552,032	36,870,839

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Short Term – Motor (continued)

32.2.2.1 Insurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claim (continued)

	HISTORICAL COST				Insurance Contract Liability
	Liability for Remaining Cover		Liability for Incurred Claims		
	Non-onerous	Loss Component	Risk Adjustment	PVFCF	
Balance at 1 March 2022	430,341	377,504	45,476	621,419	1,474,740
Cash Inflows - Premiums Received	5056160	-	-	-	5056160
Insurance Revenue	(3,849,340)	-	-	-	(3,849,340)
Insurance Service Expenses	856,060	60,329	54,614	2,053,125	3,024,128
Paid Claims net of recoveries	-	-	-	75	75
Maintenance Expenses Allocated	-	-	-	1,588,387	1,588,387
Change in outstanding claims + IBNR	-	-	-	464,663	464,663
Change in Loss Component - New loss arising in period	-	437,833	-	-	437,833
Change in Loss Component - Reversal	-	(377,504)	-	-	(377,504)
Change in Risk Adjustment	-	-	54,614	-	54,614
Amortised Deferred Acquisition Costs	558,989	-	-	-	558,989
Other Immediate Acquisition Costs	297,071	-	-	-	297,071
Investment Component Insurance Finance Expenses	-	-	-	-	-
Cash Outflows - Claims, commissions and expenses paid	(547,652)	-	-	(1,588,462)	(2,136,114)
Outstanding balances transferred to LIC at expiry of cover	-	-	-	-	-
Balance at 28 February 2023	1,945,569	437,833	100,090	1,086,082	3,569,574
Cash Inflows - Premiums Received	47,192,343	-	-	-	47,192,343
Insurance Revenue	(36,218,522)	-	-	-	(36,218,522)
Insurance Service Expenses	8,893,653	6,541,079	1,574,639	40,723,034	57,732,405
Paid Claims net of recoveries	-	-	-	11,879,402	11,879,402
Maintenance Expenses Allocated	-	-	-	12,377,681	12,377,681
Change in outstanding claims + IBNR	-	-	-	16,465,951	16,465,951
Change in Loss Component - New loss arising in period	-	6,978,912	-	-	6,978,912
Change in Loss Component - Reversal	-	(437,833)	-	-	(437,833)
Change in Risk Adjustment	-	-	1,574,639	-	1,574,639
Amortised Deferred Acquisition Costs	7,849,357	-	-	-	7,849,357
Other Immediate Acquisition Costs	1,044,296	-	-	-	1,044,296
Investment Component Insurance Finance Expenses	-	-	-	-	-
Cash Outflows - Claims, commissions and expenses paid	(11,147,877)	-	-	(24,257,084)	(35,404,960)
Outstanding balances transferred to LIC at expiry of cover	-	-	-	-	-
Balance at 29 February 2024	10,665,166	6,978,912	1,674,729	17,552,032	36,870,839

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Short Term – Motor (continued)

32.2.2.2 Reinsurance contracts

Reconciliation of the liability for remaining coverage and the liability for incurred claim

	INFLATION ADJUSTED				Reinsurance Contract Asset
	Liability for Remaining Cover	Liability for Incurred Claims		PVFCF	
	Non- onerous	Loss Recovery Component	Risk Adjustment		
Balance 1 March 2022	(7,166,251)	(14,055,126)	(2,077,527)	(28,388,708)	(51,687,612)
Cash Inflows	8,889,637	-	-	49,515,089	58,404,726
Insurance Revenue	57,763,338	-	-	-	57,763,338
Insurance Service Expenses:	(10,154,325)	(1,507,202)	(373,141)	(50,544,158)	(62,578,826)
Amounts recovered from reinsurers	-	-	-	(49,515,089)	(49,515,089)
Change in outstanding amounts due from reinsurers	-	-	-	(1,029,069)	(1,029,069)
Change in Loss Recovery Component - New loss arising in period	-	(10,938,471)	-	-	(10,938,471)
Change in Loss Recovery Component - Reversal	-	9,431,269	-	-	9,431,269
Change in Risk Adjustment	-	-	(373,141)	-	(373,141)
Reinsurer Commission amortised	(10,154,325)	-	-	-	(10,154,325)
Monetary Adjustment	10,054,089	9,013,098	1,584,643	20,184,072	40,835,902
Insurance finance costs					
Cash Outflows	(84,792,086)	-	-	-	(84,792,086)
Outstanding balances transferred to LIC at expiry of cover	-	-	-	-	-
Balance at 28 February 2023	(25,405,598)	(6,549,230)	(866,025)	(9,233,705)	(42,054,558)
Cash Inflows	47,150,664	-	-	53,892,731	101,043,396
Insurance Revenue	131,742,957	-	-	-	131,742,957
Insurance Service Expenses:	(31,237,793)	966,101	(921,707)	(128,335,224)	(159,528,623)
Amounts recovered from reinsurers	-	-	-	(53,892,731)	(53,892,731)
Change in outstanding amounts due from reinsurers	-	-	-	(74,442,493)	(74,442,493)
Change in Loss Recovery Component - New loss arising in period	-	(5,583,129)	-	-	(5,583,129)
Change in Loss Recovery Component - Reversal	-	6,549,230	-	-	6,549,230
Change in Risk Adjustment	-	-	(921,707)	-	(921,707)
Reinsurer Commission amortised	(31,237,793)	-	-	-	(31,237,793)
Insurance finance costs					
Cash Outflows	(208,690,344)	-	-	-	(208,690,344)
Outstanding balances transferred to LIC at expiry of cover	-	-	-	-	-
Monetary adjustment	77,509,541	-	819,708	73,530,805	151,860,054
Balance at 29 February 2024	(8,930,573)	(5,583,129)	(968,024)	(10,145,393)	(25,627,119)

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.1 Short Term – Motor (continued)

32.2.2.2 Reinsurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claim (continued)

	HISTORICAL COST				Reinsurance Contract Asset
	Liability for Remaining Cover	Liability for Incurred Claims		PVFCF	
	Non- onerous	Loss Recovery Component	Risk Adjustment		
Balance 1 March 2022	(118,550)	(302,004)	(34,368)	(469,631)	(924,553)
Cash Inflows	284,660	-	-	1,585,548	1,870,208
Insurance Revenue	1,849,670	-	-	-	1,849,670
Insurance Service Expenses:	(325,157)	(48,262)	(11,949)	(1,618,500)	(2,003,868)
Amounts recovered from reinsurers	-	-	-	(1,585,548)	(1,585,548)
Change in outstanding amounts due from reinsurers	-	-	-	(32,952)	(32,952)
Change in Loss Recovery Component - New loss arising in period	-	(350,266)	-	-	(350,266)
Change in Loss Recovery Component - Reversal	-	302,004	-	-	302,004
Change in Risk Adjustment	-	-	(11,949)	-	(11,949)
Reinsurer Commission amortised	(325,157)	-	-	-	(325,157)
Insurance Finance Expenses					
Cash Outflows	(2,715,171)	-	-	-	(2,715,171)
Outstanding balances transferred to LIC at expiry of cover	-	-	-	-	-
Balance at 28 February 2023	(1,024,548)	(350,266)	(46,317)	(502,583)	(1,923,714)
Cash Inflows	6,107,599	-	-	6,980,924	13,088,523
Insurance Revenue	17,065,150	-	-	-	17,065,150
Insurance Service Expenses:	(4,046,346)	(5,232,863)	(921,707)	(16,623,734)	(26,824,650)
Amounts recovered from reinsurers	-	-	-	(6,980,924)	(6,980,924)
Change in outstanding amounts due from reinsurers	-	-	-	(9,642,810)	(9,642,810)
Change in Loss Recovery Component - New loss arising in period	-	(5,583,129)	-	-	(5,583,129)
Change in Loss Recovery Component - Reversal	-	350,266	-	-	350,266
Change in Risk Adjustment	-	-	(921,707)	-	(921,707)
Reinsurer Commission amortised	(4,046,346)	-	-	-	(4,046,346)
Other Related Income (Reinsurance Profit Commission)					
Insurance Finance Expenses					
Cash Outflows	(27,032,428)	-	-	-	(27,032,428)
Balance at 29 February 2024	(8,930,573)	(5,583,129)	(968,024)	(10,145,393)	(25,627,119)

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.3 Short Term – Medical Aid

32.2.3.1 Insurance contracts

Reconciliation of the liability for remaining coverage and the liability for incurred claim

	INFLATION ADJUSTED 2024			
	Liability for remaining coverage:			
	Excluding loss-recovery component ZWL	Loss component ZWL	Liability for incurred claims ZWL	Total ZWL
Insurance contract liabilities as at 1 March	1,894,027	-	5,499,300	7,393,327
Insurance revenue	(73,464,135)	-	-	(73,464,135)
Insurance service expenses	4,264,590	-	76,492,389	80,756,979
Incurring claims and other directly attributable expenses	-	-	76,758,937	76,758,937
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	(266,548)	(266,548)
Losses on onerous contracts and reversals of those losses	-	-	-	-
Insurance acquisition cash flows amortisation	4,264,590	-	-	4,264,590
Insurance service result	(69,199,545)	-	76,492,389	7,292,844
finance (income) / costs from insurance contracts issued	-	-	-	-
Total amounts recognised in comprehensive income	(69,199,545)	-	76,492,389	7,292,844
Cash flows	-	-	-	-
Premiums received	74,280,235	-	-	74,280,235
Foreign exchange loss	-	-	-	-
Claims and other expenses paid	-	-	(65,897,495)	(65,897,495)
Insurance acquisition cash flows	(4,264,590)	-	-	(4,264,590)
Total cash flows	70,015,645	-	(65,897,495)	4,118,150
Other movements	-	-	-	-
Inflation adjustment	(1,870,876)	-	(5,220,118)	(7,090,994)
Insurance contract liability as at 29 February	839,251	-	10,874,076	11,713,327
Analysed as follows:				
Insurance contract liabilities	766,518	-	11,370,734	12,137,252
Insurance contract assets	72,733	-	(496,658)	(423,925)
Insurance contract liabilities as at 29 February	839,251	-	10,874,076	11,713,327

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.3 Short Term – Medical Aid (continued)

32.2.3.1 Insurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claim (continued)

	INFLATION ADJUSTED 2023			
	Liability for remaining coverage:			
	Excluding loss-recovery component ZWL	Loss component ZWL	Liability for incurred claims ZWL	Total ZWL
Insurance contract liabilities as at 1 March	3,419	-	66,373	69,792
Insurance revenue	(1,999,697)	-	-	(1,999,697)
Insurance service expenses	96,639	-	2,238,273	2,334,912
Incurring claims and other directly attributable expenses	-	-	2,301,642	2,301,642
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	(63,369)	(63,369)
Losses on onerous contracts and reversals of those losses	-	-	-	-
Insurance acquisition cash flows amortisation	96,639	-	-	96,639
Insurance service result	(1,903,058)	-	2,238,273	335,215
Finance (income) / cost from insurance contracts issued	-	-	-	-
Total amounts recognised in comprehensive income	(1,903,058)	-	2,238,273	335,215
Cash flows	-	-	-	-
Premiums received	2,019,430	-	-	2,019,430
Claims and other expenses paid	-	-	(2,025,463)	(2,025,463)
Insurance acquisition cash flows	(96,639)	-	-	(96,639)
Total cash flows	1,922,791	-	(2,025,463)	(102,672)
Other movements	-	-	-	-
Inflation adjustment	1,870,875	-	5,220,117	7,090,992
Insurance contract liabilities as at 28 February	1,894,027	-	5,499,300	7,393,327
Analysed as follows:				
Insurance contract liabilities	1,894,027	-	5,499,300	7,393,327
Insurance contract assets	-	-	-	-
Insurance contract liabilities as at 28 February	1,894,027	-	5,499,300	7,393,327

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.3 Short Term – Medical Aid (continued)

32.2.3.1 Insurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claim (continued)

	HISTORICAL COST 2024			
	Liability for remaining coverage:			Total ZWL
	Excluding loss-recovery component ZWL	Loss component ZWL	Liability for incurred claims ZWL	
Insurance contract liabilities as at 1 March	23,151	-	279,183	302,334
Insurance revenue	(11,308,717)	-	-	(11,308,717)
Insurance service expenses	596,373	-	18,754,276	19,350,649
Incurring claims and other directly attributable expenses	-	-	19,020,824	19,020,824
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	(266,548)	(266,548)
Losses on onerous contracts and reversals of those losses	-	-	-	-
Insurance acquisition cash flows amortisation	596,373	-	-	596,373
Insurance service result	(10,712,344)	-	18,754,276	8,041,932
Finance (income) / cost from insurance contracts issued	-	-	-	-
Total amounts recognised in comprehensive income	(10,712,344)	-	18,754,276	8,041,932
Cash flows				
Premiums received	12,124,817	-	-	12,124,817
Foreign exchange loss	-	-	-	-
Claims and other expenses paid	-	-	(8,159,383)	(8,159,383)
Insurance acquisition cash flows	(596,373)	-	-	(596,373)
Total cash flows	11,528,444	-	(8,159,383)	3,369,061
Other movements	-	-	-	-
Insurance contract liabilities as at 29 February	839,251	-	10,874,076	11,713,327
Analysed as follows:				
Insurance contract liabilities	766,518	-	11,370,734	12,137,252
Insurance contract assets	72,733	-	(496,658)	(423,925)
Insurance contract liabilities as at 29 February	839,251	-	10,874,076	11,713,327

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.3 Short Term – Medical Aid (continued)

32.2.3.1 Insurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claim (continued)

	HISTORICAL COST 2023			
	Liability for remaining coverage:			Total ZWL
	Excluding loss-recovery component ZWL	Loss component ZWL	Liability for incurred claims ZWL	
Insurance contract liabilities as at 1 March	3,419	-	66,373	69,792
Insurance revenue	(1,569,976)	-	-	(1,569,976)
Insurance service expenses	66,686	-	1,752,681	1,819,367
Incurring claims and other directly attributable expenses	-	-	1,816,050	1,816,050
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	(63,369)	(63,369)
Losses on onerous contracts and reversals of those losses	-	-	-	-
Insurance acquisition cash flows amortisation	66,686	-	-	66,686
Insurance service result	(1,503,290)	-	1,752,681	249,391
Finance (income) / cost from insurance contracts issued	-	-	-	-
Total amounts recognised in comprehensive income	(1,503,290)	-	1,752,681	249,391
Cash flows				
Premiums received	1,589,708	-	-	1,589,708
Claims and other expenses paid	-	-	(1,539,871)	(1,539,871)
Insurance acquisition cash flows	(66,686)	-	-	(66,686)
Total cash flows	1,523,022	-	(1,539,871)	(16,849)
Other movements	-	-	-	-
Insurance contract liabilities as at 28 February	23,151	-	279,183	302,334
Analysed as follows:				
Insurance contract liabilities	23,151	-	279,183	302,334
Insurance contract assets	-	-	-	-
Insurance contract liabilities as at 28 February	23,151	-	279,183	302,334

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.3 Short Term – Medical Aid (continued)

32.2.3.2 Reinsurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claim

	INFLATION ADJUSTED 2024			
	Asset for remaining coverage:			Total ZWL
	Excluding loss-recovery component ZWL	Loss-recovery component ZWL	Incurred claims ZWL	
Net reinsurance contract assets / (liabilities) as at 1 March	-	-	-	-
Net (expenses) / income from reinsurance contracts held	-	-	-	-
Allocation of reinsurance premiums	(2,473,610)	-	-	(2,473,610)
Incurred claims recovery from reinsurers	-	-	6,198,599	6,198,599
Other incurred directly attributable expenses	-	-	-	-
Changes in the FCF relating to incurred claims recovery	-	-	-	-
Loss-recovery on onerous underlying contracts and adjustments	-	-	-	-
Net (expenses) / income from reinsurance contracts held	(2,473,610)	-	6,198,599	3,724,989
Finance (income) / cost from reinsurance contracts held	-	-	-	-
Total amounts recognised in comprehensive income	(2,473,610)	-	6,198,599	3,724,989
Cash flows	-	-	-	-
Premiums paid net of ceding commissions	2,473,610	-	-	2,473,610
Claims and other expenses paid	-	-	-	-
Claim recoveries received from reinsurance	-	-	-	-
Total cash flows	2,473,610	-	-	2,473,610
Inflation adjustment	-	-	-	-
Net reinsurance contract assets as at 29 February	-	-	6,198,599	6,198,599
Analysed as follows:				
Reinsurance contract liabilities	-	-	-	-
Reinsurance contract assets	-	-	6,198,599	6,198,599

32. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

32.2.3 Short Term – Medical Aid (continued)

32.2.3.2 Reinsurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claim (continued)

	HISTORICAL COST 2024			
	Asset for remaining coverage:			Total ZWL
	Excluding loss-recovery component ZWL	Loss-recovery component ZWL	Incurred claims ZWL	
Net reinsurance contract assets / (liabilities) as at 1 March	-	-	-	-
Net income / (expenses) from reinsurance contracts held	-	-	-	-
Allocation of reinsurance premiums	(760,740)	-	-	(760,740)
Incurred claims recovery from reinsurers	-	-	6,198,599	6,198,599
Loss-recovery on onerous underlying contracts and adjustments	-	-	-	-
Net income / (expenses) from reinsurance contracts held	(760,740)	-	6,198,599	5,437,859
Finance income from reinsurance contracts held	-	-	-	-
Total amounts recognised in comprehensive income	(760,740)	-	6,198,599	5,437,859
Cash flows	-	-	-	-
Premiums paid net of ceding commissions	760,740	-	-	760,740
Claim recoveries received from reinsurance	-	-	-	-
Total cash flows	760,740	-	-	760,740
Net reinsurance contract assets as at 29 February	-	-	6,198,599	6,198,599
Analysed as follows:				
Reinsurance contract liabilities	-	-	-	-
Reinsurance contract assets	-	-	6,198,599	6,198,599
Net reinsurance contract assets as at 29 February	-	-	6,198,599	6,198,599

Notes to the consolidated financial statements (continued)

For the year ended 29 February 2024

33. GOING CONCERN

The Board regularly considers and records the facts and assumptions on which it relies to conclude that Ecocash Holdings will continue in operational existence into the foreseeable future at each reporting date.

The group's operations will continue in FY25 despite the transfer of non-banking assets to Econet Wireless Zimbabwe supported by profitable digital banking operations and the successful settlement of debenture obligation through rights issue. The introduction of the Zimbabwean Gold, ZiG also brought stability to local currency transactions which strengthened the capital position of digital banking operations. The group will continue implementing additional measures of increasing shareholder value in the upcoming financial year.

The Directors have assessed the ability of the Group to continue operating as a going concern for the 12 months period subsequent to the date of authorisation of the financial statements. The Directors believe that the preparation of these financial statements on a going concern basis remains appropriate.

34. BORROWING POWERS

In terms of the Company's Articles of Association, the Directors may exercise the powers of the Company to borrow up to 200% of the aggregate of:

- the issued share capital and share premium or stated capital of the Company; and
- the distributable and non-distributable reserves, including unappropriated profits of the Company reduced by any adverse amount reflected in the statement of comprehensive income, excluding goodwill, revaluation reserves arising prior to 28 February of each year, and provision for taxation, deferred tax, and any balance standing to the credit of the tax equalisation account.

The current borrowings are within the limit.

35. CAPITAL COMMITMENTS

The capital expenditure is to be financed from internal cash generation, extended supplier credits and bank credit.

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZWL\$ '000	2023 ZWL\$ '000	2024 ZWL\$ '000	2023 ZWL\$ '000
Authorised and contracted for	179,083,140	58,575,111	37,441,134	2,416,226
Authorised and not contracted for	19,898,127	147,536,922	4,160,126	5,824,838
	198,981,267	206,112,033	41,601,260	8,241,064

36. EVENTS AFTER THE REPORTING DATE

36.1 Proposed scheme to dispose non-banking assets to Econet Wireless Zimbabwe Limited

The EGM to consider and approve the proposed scheme of reconstruction was held on the 17th of April 2024. The shareholders approved the scheme of reconstruction where all non-banking assets namely EcoCash (Private) Limited, Econet Insurance (Private) Limited, Econet Life (Private) Limited, VAYA Technologies (Private) Limited, MARS Zimbabwe (Private) Limited and Maisha Health Fund (Private) Limited will be transferred from EcoCash Holdings Zimbabwe Limited to Econet Wireless Zimbabwe Limited in exchange for the total consideration of ZWL\$ 509 billion (equivalent to 521,861,057 Econet Shares) payable partly in Econet Treasury Shares and partly in cash and cash equivalents. The Scheme of Reconstruction will not result in the delisting of EcoCash Holdings Zimbabwe Limited from the Zimbabwe Stock Exchange.

Subject to regulatory approval, only the banking unit, Steward Bank, will remain under EcoCash Holdings. As such the businesses transferring to Econet have been classified as discontinued operations in line with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" at the reporting date.

36.2 Introduction of a new national currency

On the 5th of April 2024, the Reserve Bank of Zimbabwe (RBZ) introduced the Zimbabwean Gold (ZiG), a new currency that replaced the Zimbabwean Dollar (ZWL). This saw all ZWL balances converted to ZiG at a conversion rate of 2,498.7242. The new currency did not affect the business position as at 29 February 2024, thereby making it a non-adjusting event.

36.3 Approval of consolidated financial statements

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 24 June 2024.

Company Directors' responsibility for financial reporting

The Directors of Ecocash Holdings Zimbabwe Limited ("the Company") are responsible for the maintenance of adequate accounting records, and the preparation, integrity and fair presentation of financial statements and related information. The Company's independent external auditors, BDO Zimbabwe Chartered Accountants have audited the company financial statements and their report appears on pages 244 to 245.

The financial statements for the year ended 29 February 2024 presented from pages 246 to 259 have been prepared with the aim to comply with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The consolidated financial statements have also been prepared in accordance with the disclosure requirements of the Securities and Exchange (Zimbabwe Stock Exchange Listings Requirements) Rules 2019, the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Insurance Act (Chapter 24:07), the Medical Services Act (Chapter 15:13), and related regulations. They are based on accounting policies which have been consistently applied and modified where necessary by the impact of new and revised IFRSs, unless otherwise stated. The application of these accounting policies is supported by reasonable and prudent judgments and estimates. Compliance with IFRS and laws and regulations is intended to achieve consistency and comparability of financial statements.

In compliance with The Public Accountants and Auditors Board ("PAAB") pronouncement in October 2019 prescribing application of inflation accounting for reporting periods ended on or after 1 July 2019, the Company has since then adopted International Accounting Standard (IAS) 29, 'Financial Reporting in Hyperinflationary Economies', in preparing the financial statements. Accordingly, the inflation adjusted financial statements of the Company are prepared based on the historical cost information which has been restated for changes in the general purchasing power of the Zimbabwe dollar and appropriate adjustments and reclassifications have been made.

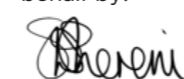
On the 3rd of March 2023, the Government of Zimbabwe through the Ministry of Finance and Economic Development ("MoFED") promulgated Statutory Instrument ("S.I.") 27 of 2023. Through S.I. 27, the old benchmark headline Consumer Price Index ("CPI") that was being published month on month since 2019, tracking ZW dollar inflation was discontinued effective February 2023. A blended CPI was introduced which is a weighted average based on the use of Zimbabwean dollars and United States dollars. The Company concluded that the blended CPI did not meet the criteria for the application of IAS 29. In order to comply with International Financial Reporting Standard 29 - "Financial Reporting in Hyperinflationary Economies" in the preparation of its company financial statements, the Company estimated and applied Inflation Rates for February 2024 based on the Total Consumption Poverty Line published by ZIMSTAT.

An unmodified opinion has been issued by the auditors on the financial statements of the Company for the year ended 29 February 2024.

The Directors are also responsible for the maintenance of adequate accounting records and are responsible for the content and integrity of related financial information included in this report, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The systems of internal control are designed to provide reasonable, but not absolute, assurance as to the reliability of the consolidated financial statements, and to safeguard, verify and maintain accountability of assets, and to prevent and detect material misstatements and losses. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The Directors have a reasonable expectation that Company will have adequate resources to continue in operational existence and as a going concern in the financial year ahead. Refer to Note 13 for detailed information on going concern.

The company financial statements were approved by the Board of Directors on 24 June 2024 and are signed on its behalf by:



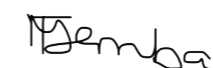
Mrs. S. G. Shereni
CHAIRPERSON OF THE BOARD



Mr. E. Chibi
CHIEF EXECUTIVE OFFICER

Preparer of the consolidated financial statements

These consolidated financial statements have been prepared under the supervision of Theresa Nyemba.



Mrs. T. Nyemba
FINANCE DIRECTOR
Registered Public Accountant
PAAB Practice Certificate No: 03452



BDO Zimbabwe Chartered Accountants

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Kudenga House
3 Baines Avenue,
P.O. Box 334, Harare,
Zimbabwe

Independent Auditor's report on the company's financial statements

TO THE SHAREHOLDERS OF ECOCASH HOLDINGS ZIMBABWE LIMITED

Qualified Opinion

We have audited the financial statements of ECOCASH HOLDINGS ZIMBABWE LIMITED set out on pages 246 to 259, which comprise the statement of financial position as at 29 February 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cashflows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and explanatory notes.

In our opinion, the accompanying financial statements present fairly, the financial position of ECOCASH HOLDINGS ZIMBABWE LIMITED as at 29 February 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA) (Parts A and B), together with other ethical requirements that are relevant to our audit of the financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Opinion.

Responsibilities of the Directors for the financial statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard (IFRSs) and supporting regulations. The responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless they intend to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of those financial statements.

BDO Zimbabwe, a Zimbabwean partnership, is a member of BDO International Limited, a UK company limited by guarantee and forms part of the International BDO network of independent member firms.

A list of partner names is available for inspection at our registered office, No. 3 Baines Avenue, Harare.

Auditors' responsibilities for the audit of the financial statements (continued)

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

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 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 auditors' report to the related disclosures in the 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 auditors' report. However future events or conditions may cause the Company to cease to continue as a going concern.

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 the 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, related safeguards.

Report on Other Legal and Regulatory Requirements

Non-compliance with the Companies and Other Business Entities Act (Chapter 24:31)

In fulfilment of the requirements of Section 193 of the Companies and Other Business Entities Act (Chapter 24:31) ("the Act"), we report to the shareholders as follows:

Section 193(1) (a)

We have no matters to report in respect of the Section 193(1) (a) requirements of the Act.

BDO Zimbabwe Chartered Accountants

Kudenga House,
3 Baines Avenue,
Harare

Gilbert Gwatiringa CA(Z)

Partner
PAAB Practicing Certificate No. 0475
Registered Public Auditor

27 June 2024

Company statement of profit or loss and other comprehensive income

For the year ended 29 February 2024

	Notes	INFLATION ADJUSTED		HISTORICAL COST	
		2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Other income	1	138,769,329	129,988,709	20,741,148	5,734,194
Other expenses	1	(398,580,254)	(100,078,468)	(50,568,727)	(1,568,092)
General administrative expenses:		(386,928,138)	(34,598,074)	(83,126,274)	(1,682,232)
- Administration expenses		(40,445,135)	(11,186,924)	(5,349,670)	(465,017)
- Foreign exchange gains / (losses) arising from items other than debenture related liabilities		(346,483,003)	(23,411,150)	(77,776,604)	(1,217,215)
Marketing and sales expenses		-	(1,828,089)	-	(84,370)
Foreign exchange losses arising from debenture related liabilities		(1,508,899,888)	(562,641,542)	(129,414,378)	(20,884,364)
Gain on net monetary position		2,503,147,496	583,320,280	-	-
Profit / (Loss) before net finance		347,508,545	14,162,816	(242,368,231)	(18,484,864)
Finance income	2	7,496,828	8,270,377	1,115,037	378,772
Finance costs	2	(28,507,093)	(41,173,246)	(3,251,731)	(1,831,123)
Profit / (Loss) before taxation		326,498,280	(18,740,053)	(244,504,925)	(19,937,215)
Income tax expense	3	-	(3,852)	-	(206)
PROFIT / (LOSS) FOR THE YEAR		326,498,280	(18,743,905)	(244,504,925)	(19,937,421)

The financial statements were approved by the Board on 24 June 2024 and signed on its behalf by:

Mr. E. Chibi
CHIEF EXECUTIVE OFFICER

24 June 2024

Mrs. T. Nyemba
FINANCE DIRECTOR

Company statement of financial position

As at 29 February 2024

	Notes	INFLATION ADJUSTED		HISTORICAL COST	
		2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
ASSETS					
Investment in subsidiaries	4	635,111,273	1,151,831,051	2,109,109	6,442,856
Amounts owed by related party companies	5	6,710,751	58,690,570	6,710,751	3,138,894
Trade and other receivables	11	16,159,842	19,760,636	4,666,074	622,926
Financial assets at fair value through profit or loss	6	20,021,107	27,424,810	20,021,107	1,466,736
Cash and cash equivalents	8	4,695,841	911,707	4,695,841	48,760
		682,698,814	1,258,618,774	38,202,882	11,720,172
Non current assets held for sale	9	516,719,778	-	4,333,747	-
Total Assets		1,199,418,592	1,258,618,774	42,536,629	11,720,172
EQUITY AND LIABILITIES					
EQUITY					
Share capital and share premium	10	164,755,039	8,619,185	156,138,477	2,591
Retained earnings/(Accumulated losses)		245,818,587	(80,679,693)	(270,311,674)	(25,806,749)
Other reserves		632,309,179	632,309,147	174,039	174,039
Equity attributable to equity holders of EcoCash Holdings Zimbabwe Limited		1,042,882,805	560,248,639	(113,999,158)	(25,630,119)
LIABILITIES					
Amounts owed to related party companies	5	74,639,328	554,996,308	74,639,328	29,682,359
Trade and other payables	12	23,729,080	33,940,918	23,729,080	1,815,232
Loans and borrowings	7	58,167,379	109,432,909	58,167,379	5,852,700
Total Liabilities		156,535,787	698,370,135	156,535,787	37,350,291
Total equity and liabilities		1,199,418,592	1,258,618,774	42,536,629	11,720,172

The financial statements were approved by the Board on 24 June 2024 and signed on its behalf by:

Mr. E. Chibi
CHIEF EXECUTIVE OFFICER

24 June 2024

Mrs. T. Nyemba
FINANCE DIRECTOR

Company statement of changes in equity

For the year ended 29 February 2024

	INFLATION ADJUSTED			Total ZWL '000
	Share capital and share premium ZWL '000	Accumulated losses ZWL '000	Other reserves** ZWL '000	
Balance at 1 March 2022	8,619,153	(61,935,788)	632,309,179	578,992,544
Loss for the year	-	(18,743,905)	-	(18,743,905)
Balance at 28 February 2023	8,619,153	(80,679,693)	632,309,179	560,248,639
Profit for the year	-	326,498,280	-	326,498,280
Issue of share capital and share premium	156,135,886	-	-	156,135,886
Balance at 29 February 2024	164,755,039	245,818,587	632,309,179	1,042,882,805
	HISTORICAL COST			Total ZWL '000
	Share capital and share premium ZWL '000	Accumulated losses ZWL '000	Other reserves** ZWL '000	
Balance at 1 March 2022	2,591	(5,869,328)	174,039	(5,692,698)
Loss for the year	-	(19,937,421)	-	(19,937,421)
Balance at 28 February 2023	2,591	(25,806,749)	174,039	(25,630,119)
Profit for the year	-	(244,504,925)	-	(244,504,925)
Issue of share capital and share premium	156,135,886	-	-	156,135,886
Balance at 29 February 2024	156,138,477	(270,311,674)	174,039	(113,999,158)

**Other reserves consist of the unbundling reserve arising from the acquisition of net assets of certain EWZL subsidiaries on the 1st of November 2018 when EcoCash Holdings demerged from EWZL. The transaction was accounted for as a common control transaction by recognizing the assets, liabilities and reserves with corresponding adjustment recognised in the unbundling reserve.

Company statement of cash flows

For the year ended 29 February 2024

	Notes	INFLATION ADJUSTED		HISTORICAL COST	
		2024 ZWL\$ '000	2023 ZWL\$ '000	2024 ZWL\$ '000	2023 ZWL\$ '000
Operating activities					
Cash (used) in / generated from operations	8.1	17,914,975	102,999,317	6,481,711	3,710,596
Corporate tax paid	3	-	-	-	-
Net cash flows generated from / (utilised in) operating activities		17,914,975	102,999,317	6,481,711	3,710,596
Investing activities					
Dividends received		7,716,196	117,929,942	1,138,837	5,114,085
Finance income received	2	7,496,828	8,270,377	1,115,037	378,772
Net acquisition of financial assets at fair value through profit or loss		(836,772)	(1,539,020)	(836,773)	(705,807)
Net cash (utilised in) / generated from investing activities		14,376,252	124,661,299	1,417,101	4,787,050
Financing activities					
Finance costs paid	2	(28,507,093)	(41,173,246)	(3,251,731)	(1,831,123)
Proceeds from rights issue		1,010,314,472	-	165,750,504	-
Repayment of debenture liability		(942,457,533)	-	(154,618,008)	-
Rights offer expenses		(67,856,939)	-	(11,132,496)	-
Proceeds from loans and borrowings		-	32,140,539	-	1,718,943
Repayment of loans and borrowings		-	(14,628,131)	-	(963,663)
Net cash flows utilised in financing activities		(28,507,093)	(23,660,838)	(3,251,731)	(1,075,843)
Net increase / (decrease) in cash and cash equivalents		3,784,134	(1,998,856)	4,647,081	611
Cash and cash equivalents at the beginning of the year		911,707	2,910,563	48,760	48,149
Cash and cash equivalents at the end of the year	8	4,695,841	911,707	4,695,841	48,760

Notes to the company financial statements

For the year ended 29 February 2024

A. GENERAL INFORMATION

A.1 Corporate information

EcoCash Holdings Zimbabwe Limited (“the Company”) was incorporated in Zimbabwe on 1 November 2018 as a result of the demerger from Econet Wireless Zimbabwe Limited (“EWZL”).

The Company’s registered office is at 1906 Liberation Legacy Way (formerly Borrowdale Road), Harare. The ultimate parent of the Company is Econet Global Limited, which is registered in Mauritius.

B. ACCOUNTING POLICIES

The company accounting policies are consistent with those applied in the consolidated financial statements.

1. OTHER INCOME / (EXPENSES)

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Other income				
Dividend and sundry income	22,854,921	120,258,684	3,023,550	5,240,528
Fair value adjustment on investments	10,286,630	897,216	2,034,953	47,628
Fair value adjustment on financial assets	105,627,778	8,832,809	15,682,645	446,038
	138,769,329	129,988,709	20,741,148	5,734,194
Other expenses				
Loss on disposal of financial assets	-	(35,975)	-	(1,924)
Fair value adjustment on loan (Note 8)	(398,580,254)	(89,484,210)	(50,568,727)	(1,031,671)
Other operating losses	-	(10,558,283)	-	(534,497)
	(398,580,254)	(100,078,468)	(50,568,727)	(1,568,092)

2. FINANCE INCOME / (FINANCE COSTS)

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Interest earned from financial instruments measured at amortised cost				
Interest earned from other receivables	7,496,828	8,270,377	1,115,037	378,772
Total Finance Income	7,496,828	8,270,377	1,115,037	378,772
Interest on financial instruments measured at amortised cost				
Interest to related parties	(16,914,162)	(18,699,589)	(1,460,135)	(810,505)
Interest to external parties	(11,592,931)	(22,473,657)	(1,791,596)	(1,020,618)
Total Finance Costs	(28,507,093)	(41,173,246)	(3,251,731)	(1,831,123)

3. INCOME TAX AND DEFERRED TAX

The Company does not render any income generating services hence the significant operating losses incurred. Recognition of income tax credit, thereof, should thus be done if, and only if, it is considered probable that there will be sufficient future taxable profit against which the loss or credit carry forward can be utilised. There is, currently, no expectation to recover the current and prior period assessed losses.

4. INVESTMENTS AND LOANS IN SUBSIDIARIES

	Percentage	INFLATION ADJUSTED		HISTORICAL COST	
		2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Ecocash (Private) Limited (Mobile money service provider in Zimbabwe)	100%	-	198,303,356	-	54,582
Steward Bank Limited (Banking Operations in Zimbabwe)	100%	635,111,273	635,111,273	2,109,109	2,109,109
Econet Life (Private) Limited (Funeral Assurance company in Zimbabwe)	85%	-	86,809,446	-	23,894
Econet Insurance (Private) Limited (Short term insurance company in Zimbabwe)	90%	-	213,531,279	-	4,248,531
Mars (Private) Limited (Medical Air rescue services)	70%	-	16,011,263	-	6,167
Maisha Health Fund (Private) Limited (Medical aid company in Zimbabwe)	100%	-	-	-	-
Econet Services (Private) Limited (On-Demand Services, e-commerce, farming technology and digital education services provider in Zimbabwe)	100%	-	2,064,434	-	573
Total Investments in subsidiaries		635,111,273	1,151,831,051	2,109,109	6,442,856

The holding company has re-classified subsidiaries that are set to be transferred to Econet wireless Zimbabwe under disposal group held for sale per IFRS 5.

Notes to the company financial statements (continued)

For the year ended 29 February 2024

5. RELATED PARTY BALANCES AND PARTIES RELATED THE COMPANY

5.1 Transactions and Balances

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Related party payables:	74,639,328	554,996,308	74,639,328	29,682,359
Econet Wireless (Private) Limited	68,942,786	68,372,449	68,942,786	3,656,701
Econet Wireless Zimbabwe Holdings Limited	54,211	466,839,608	54,211	24,967,555
EcoCash (Private) Limited	5,284,743	18,356,895	5,284,743	981,765
Steward Bank Limited	67,536	1,262,778	67,536	67,536
Econet Life (Private) Limited	290,050	164,541	290,050	8,800
Econet Insurance (Private) Limited	-	-	-	-
Vaya Technologies Zimbabwe (Private) Limited	2	37	2	2
Related party receivables:	6,710,751	58,690,570	6,710,751	3,138,894
Steward Bank Limited	2,500	46,745	2,500	2,500
Econet Insurance (Private) Limited	199,799	188,100	199,799	10,060
Vaya Technologies Zimbabwe (Private) Limited	5,275,258	42,517,771	5,275,258	2,273,939
Maisha Health Fund (Private) Limited	-	907,220	-	48,520
MARS (Private) Limited	1,233,194	15,030,734	1,233,194	803,875

The significant reduction in related party payable is due to the successful settlement of debenture obligation to Econet Wireless Zimbabwe funded by the rights issue done during the year.

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Compensation of Directors and key management personnel				
For services as directors	9,030,893	5,052,514	1,756,191	217,339

5.2 Parties Related to The Company

The parent company of EcoCash Holdings Zimbabwe Limited is Econet Global Limited which is domiciled in Mauritius.

Fellow Members of Econet Global Limited and EcoCash Holdings Zimbabwe Limited Groups:

- Data Control & Systems (1996) (Private) Limited (trading as LTZ Company)
- Econet Global Limited - Company
- Econet Leo
- Econet Media Zimbabwe (Private) Limited
- Econet Projects Company
- Econet Wireless (Private) Limited
- Econet Wireless Zimbabwe Holding
- Transaction Payment Solutions (Private) Limited
- Transaction Payment Solutions International Limited - Company
- Zimbabwe On-Line Private Limited – Company
- Cumii Zimbabwe (Private) Limited
- EcoCash (Private) Limited
- Steward Bank Limited
- Econet Life (Private) Limited
- Econet Insurance (Private) Limited
- Vaya Technologies Zimbabwe (Private) Limited
- Maisha Health Fund (Private) Limited
- MARS (Private) Limited

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Opening balance	27,424,810	16,155,784	1,466,736	267,263
Additions	836,772	66,671,505	836,770	2,166,290
Disposals	-	(29,804,355)	-	(1,460,483)
Gain on fair value of financial assets	115,914,408	9,730,025	17,717,601	493,666
Monetary Adjustment	(124,154,883)	(35,328,149)	-	-
Closing balance	20,021,107	27,424,810	20,021,107	1,466,736

The financial assets measured at fair value through profit or loss comprise equity investments listed on the Zimbabwe Stock Exchange. The fair value of the equity investments is based on the Zimbabwe Stock Exchange published share prices.

6.1 Fair values of financial instruments

Financial instruments are disclosed in the consolidated statement of financial position at their carrying amount which approximates their respective fair value.

Fair value hierarchy

The Company is guided by the following hierarchy as fair value measurement criteria for assets measured using the fair value model. The hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on.

	INFLATION ADJUSTED			
	Total ZWL '000	Level 1 ZWL '000	Level 2 ZWL '000	Level 3 ZWL '000
At 29 February 2024				
Investment in financial assets	20,021,107	20,021,107	-	-
	20,021,107	20,021,107	-	-
At 28 February 2023				
Investment in financial assets	27,424,810.00	27,424,810	-	-
	27,424,810.00	27,424,810	-	-
	HISTORICAL*			
	Total ZWL '000	Level 1 ZWL '000	Level 2 ZWL '000	Level 3 ZWL '000
At 29 February 2024				
Investment in financial assets	20,021,107	20,021,107	-	-
	20,021,107	20,021,107	-	-
At 28 February 2023				
Investment in financial assets	1,466,736	1,466,736	-	-
	1,466,736	1,466,736	-	-

During the reporting periods presented, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

Notes to the company financial statements (continued)

For the year ended 29 February 2024

7. LOANS AND BORROWINGS

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Balance at 1 March 2023	109,432,909	245,770,361	5,852,700	4,065,749
Additions	-	32,140,539	-	1,718,943
Interest	11,592,931	22,473,657	1,791,596	1,020,618
Repayments	(357,858,506)	(37,101,789)	(45,644)	(1,984,281)
Fair value adjustment on scrip loan	398,580,254	89,484,210	50,568,727	1,031,671
Foreign Exchange Losses	-	-	-	-
Monetary adjustment	(103,580,209)	(243,334,069)	-	-
Balance at 28 February 2024	58,167,379	109,432,909	58,167,379	5,852,700

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Amounts owed to fellow EGL subsidiaries	(58,167,379)	(554,996,308)	(58,167,379)	(29,682,359)
Amounts owed by fellow EGL subsidiaries	27,176	406,809	27,176	21,757
Net amount payable	(58,140,203)	(554,589,499)	(58,140,203)	(29,660,602)

8. CASH AND CASH EQUIVALENTS

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Cash at bank	4,695,841	911,707	4,695,841	48,760

8. CASH AND CASH EQUIVALENTS (CONTINUED)

8.1 CASH FLOW INFORMATION

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Profit / (loss) from operations	347,508,603	14,162,818	(242,368,231)	(18,484,864)
Adjustments for:	(217,185,249)	(161,748,411)	393,834,476	13,215,793
Net forex losses	1,855,382,833	586,052,690	207,190,982	22,101,579
Fair value gains on equities at fair value through profit or loss	(115,914,408)	(9,730,025)	(17,717,598)	(493,666)
Fair value adjustment on loan	398,580,254	89,484,210	50,568,727	1,031,671
Fair value adjustments on trade and other receivables	(15,138,724)	(3,418,042)	(50,568,727)	(184,700)
Impairment of trade and other receivables	(29,478,056)	551,250	1,552	29,482
Dividend income	(7,716,196)	(116,731,671)	(1,138,837)	(5,050,000)
Monetary Adjustment	(2,503,147,496)	(583,320,280)	-	-
Other non-cash items	200,246,544	(124,636,543)	205,498,377	(4,218,573)
Cash generated from operations before working capital changes	130,323,354	(147,585,593)	151,466,245	(5,269,071)
Adjustments for working capital changes:	(112,408,379)	44,586,277	(144,984,534)	1,558,475
Increase / decrease in trade and other receivables	(393,636,336)	(147,349,906)	(56,271,090)	(4,346,792)
Increase / (decrease) in trade and other payables	281,227,957	191,936,182	(88,713,444)	5,905,267
Cash generated / (utilised) from operations	17,914,975	(102,999,317)	6,481,711	(3,710,596)

Notes to the company financial statements (continued)

For the year ended 29 February 2024

9. NON-CURRENT ASSETS HELD FOR SALE

On 16 January 2024, the company publicly announced the decision of its Board of Directors to sell Ecocash (mobile money business), VAYA Technologies, Econet Insurance, Econet Life, MARS Zimbabwe and Maisha Health being transferred to Econet Wireless Zimbabwe. On 17 April 2024, the shareholders of the Company approved the plan to sell these subsidiaries. The sale is expected to be completed within 12 months from the reporting date. At 29 February 2024, these subsidiaries were classified as non current assets held for sale.

	Percentage	INFLATION ADJUSTED		HISTORICAL COST	
		2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Ecocash (Private) Limited (Mobile money service provider in Zimbabwe)	100%	198,303,356	-	54,582	-
Econet Life (Private) Limited (Funeral Assurance company in Zimbabwe)	85%	86,809,446	-	23,894	-
Econet Insurance (Private) Limited (Short term insurance company in Zimbabwe)	90%	213,531,279	-	4,248,531	-
Mars (Private) Limited (Medical Air rescue services)	70%	16,011,263	-	6,167	-
Maisha Health Fund (Private) Limited (Medical aid company in Zimbabwe)	100%	-	-	-	-
Econet Services (Private) Limited (On-Demand Services, e-commerce, farming technology and digital education services provider in Zimbabwe)	100%	2,064,434	-	573	-
Total Investments in subsidiaries		516,719,778	-	4,333,747	-

10. SHARE CAPITAL AND RESERVES

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
(a) Authorised share capital 4,200,000,000 shares consisting of: 44,200,000,000 ordinary shares of ZW\$ 0.001 par value each	8,619,185	8,619,185	4,200	4,200
	8,619,185	8,619,185	4,200	4,200
(b) Issued and fully paid share capital 24,194,797,690 Shares consisting of: 4,194,797,690 ordinary shares of ZW\$ 0.001 par value each	164,755,039	8,619,185	156,138,477	2,591
Balance at end of period	164,755,039	8,619,185	156,138,477	2,591

Unissued shares are under the control of Directors, subject to the Companies and Other Business Entities Act (24:31) and the Memorandum & Articles of Association.

No share capital movements occurred in both the current and prior period.

(c) Other reserves

Other reserves consist of change in the ownership interest/reserve created when the business acquired the net assets of all the subsidiaries via the 2018 demerger of the Group from EWZL.

(d) Retained earnings

Retained earnings are an accumulation of profits and losses realised by the company from operating and investing activities.

11. TRADE AND OTHER RECEIVABLES

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Other receivables	11,505,768	11,380,147	4,654,074	608,630
Expected credit losses	-	(551,250)	-	(29,482)
	11,505,768	10,828,897	4,654,074	579,148
Prepayments to suppliers for services provided	4,654,074	8,931,739	12,000	43,778
	16,159,842	19,760,636	4,666,074	622,926
Financial assets	11,505,768	10,828,897	4,654,074	(3,510,254)
Non-financial assets	4,654,074	8,931,739	12,000	4,133,180
Total	16,159,842	19,760,636	4,666,074	622,926
Monetary assets	11,505,768	10,828,897	4,654,074	341,366
Non-monetary assets	4,654,074	8,931,739	12,000	281,560
Total	16,159,842	19,760,636	4,666,074	622,926

Notes to the company financial statements (continued)

For the year ended 29 February 2024

12. TRADE AND OTHER PAYABLES

	INFLATION ADJUSTED		HISTORICAL COST	
	2024 ZW\$ '000	2023 ZW\$ '000	2024 ZW\$ '000	2023 ZW\$ '000
Other payables	22,721,244	31,027,549	22,721,244	1,659,419
Accruals	1,007,836	2,913,369	1,007,836	155,813
Closing Balance	23,729,080	33,940,918	23,729,080	1,815,232
Financial liabilities	23,728,753	33,934,804	23,728,753	1,724,160
Non-financial liabilities	327	6,114	327	91,072
Total	23,729,080	33,940,918	23,729,080	1,815,232
Monetary liabilities	23,728,753	33,934,804	23,728,753	1,724,160
Non-monetary liabilities	327	6,114	327	91,072
Closing Balance	23,729,080	33,940,918	23,729,080	1,815,232

13. GOING CONCERN

The Board regularly considers and records the facts and assumptions on which it relies to conclude that EcoCash Holdings will continue in operational existence into the foreseeable future at each reporting date.

The company's operations will continue in FY25 despite the transfer of non-banking assets to Econet Wireless Zimbabwe supported by profitable digital banking operations and the successful settlement of debenture obligation through rights issue. The introduction of the Zimbabwean Gold, ZiG also brought stability to local currency transactions which strengthened the capital position of digital banking operations. The group will continue implementing additional measures of increasing shareholder value in the upcoming financial year.

The Directors have assessed the ability of the company to continue operating as a going concern for the 12 months period subsequent to the date of authorisation of the financial statements. The Directors believe that the preparation of these financial statements on a going concern basis remains appropriate.

14. EVENTS AFTER THE REPORTING DATE

14.1 Proposed scheme to dispose non-banking assets to Econet Wireless Zimbabwe Limited

The EGM to consider and approve the proposed scheme of reconstruction was held on the 17th of April 2024. The shareholders approved the scheme of reconstruction where all non-banking assets namely EcoCash (Private) Limited, Econet Insurance (Private) Limited, Econet Life (Private) Limited, VAYA Technologies (Private) Limited, MARS Zimbabwe (Private) Limited and Maisha Health Fund (Private) Limited will be transferred from EcoCash Holdings Zimbabwe Limited to Econet Wireless Zimbabwe Limited in exchange for the total consideration of ZW\$ 509 billion (equivalent to 521,861,057 Econet Shares) payable partly in Econet Treasury Shares and partly in cash and cash equivalents. The Scheme of Reconstruction will not result in the delisting of EcoCash Holdings Zimbabwe Limited from the Zimbabwe Stock Exchange.

Subject to regulatory approval, only the banking unit, Steward Bank, will remain under EcoCash Holdings. As such the businesses transferring to Econet have been classified as discontinued operations in line with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" at the reporting date.

14.2 Introduction of a new national currency

On the 5th of April 2024, the Reserve Bank of Zimbabwe (RBZ) introduced the Zimbabwean Gold (ZiG), a new currency that replaced the Zimbabwean Dollar (ZWL). This saw all ZWL balances converted to ZiG at a conversion rate of 2,498.7242. The new currency did not affect the business position as at 29 February 2024, thereby making it a non-adjusting event.

14.3 Approval of financial statements

The financial statements were approved by the Board of Directors and authorised for issue on 24 June 2024.

Shareholder analysis

For the year ended 29 February 2024

Consolidated Top 10

For the year ended 29 February 2024

Rank	Shareholder Name	Total Shares	Percentage
1	ECONET GLOBAL LIMITED	722,071,155	27.87
2	ECONET WIRELESS ZIMBABWE LIMITED	518,115,366	20.00
3	STANBIC NOMINEES (PRIVATE) LIMITED	285,752,426	11.03
4	STANBIC NOMINEES (PRIVATE) LIMITED (NNR)	276,032,441	10.66
5	OLD MUTUAL LIFE ASSURANCE COMPANY OF ZIMBABWE LIMITED	132,089,082	5.10
6	ECONET WIRELESS ZIMBABWE SPV LIMITED	103,623,090	4.00
7	TN ASSET MANAGEMENT NOMINEES	100,268,942	3.87
8	NEW ARX TRUST (NNR)	71,455,342	2.76
9	AUSTIN ECO HOLDINGS LIMITED - NNR	41,521,077	1.60
10	STANDARD CHARTERED NOMINEES (PVT)LTD	20,593,705	0.79
11	NATIONAL SOCIAL SECURITY AUTHORITY	20,468,995	0.79
12	NORTHUNDERLAND INVESTMENTS (PVT) LTD	18,725,000	0.72
13	QUANTAFRICA WEALTH MANAGEMENT	18,709,913	0.72
14	PUBLIC SERVICE COMMISS PF	13,322,597	0.51
15	COVERSITE (PRIVATE) LIMITED	9,831,457	0.38
16	DELTA BEVERAGES PENSION FUND	9,105,705	0.35
17	CAPERNAUM TRUST ENDOWMENT FUND	8,715,524	0.34
18	MINING INDUSTRY PENSION FUND	8,679,601	0.34
19	OLD MUTUAL ZIMBABWE LIMITED	8,093,171	0.31
20	ECONET EMPLOYEES BENEFICIARY TRUST	7,650,951	0.30
	TOTAL	2,387,174,589	92.15
	OTHER SHAREHOLDERS	203,402,652	7.85
	TOTAL NUMBER OF SHARES IN CONSOLIDATED REGISTER	2,590,577,241	100.00

Consolidated Top 10

For the year ended 29 February 2024

Range	Holders	% of Holders	Shares	% of Shares
- 100	2833	28.69	97,748	0.00
101 - 200	825	8.36	123,127	0.00
201 - 500	1,392	14.09	468,678	0.02
501 - 1,000	1,337	13.54	1,005,791	0.04
1,001 - 5,000	1,948	19.72	4,466,051	0.17
5,001 - 10,000	467	4.73	3,347,575	0.13
10,001 - 50,000	554	5.61	12,509,161	0.48
50,001 - 100,000	146	1.48	10,535,675	0.41
100,001 - 500,000	195	1.97	47,024,590	1.82
500,001 - 1,000,000	70	0.71	49,976,576	1.93
1,000,001 - 10,000,000	92	0.93	262,343,427	10.13
10,000,001 -	17	0.17	2,198,678,842	84.87
Total	9,876	100.00	2,590,577,241	100.00

Corporate and advisory information

REGISTERED OFFICE

Incorporated in the Republic of Zimbabwe
Company registration number 2487/2012
EcoCash Holdings Zimbabwe Limited,
1906 Liberation Legacy Way, Borrowdale,
Harare, Zimbabwe

Telephone: +263 242 486121/6, +263 772 023 000,
Fax: +263 4 486120/486867
E-mail: investor@ecocashholdings.co.zw,
Website: www.ecocashholdings.co.zw

GROUP COMPANY SECRETARY

Charmaine Daniels
EcoCash Holdings Zimbabwe Limited,
1906 Liberation Legacy Way, Borrowdale,
Harare, Zimbabwe

INDEPENDENT AUDITORS

BDO Zimbabwe Chartered Accountants
Registered Public Auditors
Kudenga House, 3 Baines Avenue,
P.O. Box 334, Harare,
Zimbabwe

PRINCIPAL BANKERS

Stanbic Bank Zimbabwe Limited
Stanbic Centre, 59 Samora Machel Avenue,
Harare, Zimbabwe

Steward Bank Limited
2nd Floor, 79 Livingstone Avenue/ Corner 7th Street,
Harare, Zimbabwe

CBZ Bank Limited
Union House, 60 Kwame Nkrumah Avenue,
Harare, Zimbabwe

Ecobank Zimbabwe Limited
Block A, Sam Levy's Office Park, Borrowdale,
Harare, Zimbabwe

PRINCIPAL LEGAL ADVISORS

Mtetwa and Nyambirai
Legal Practitioners
2 Meredith Drive, Eastlea, Harare, Zimbabwe

REGISTRARS AND TRANSFER SECRETARIES

First Transfer Secretaries (Private) Limited
1 Armagh Avenue, Eastlea, Harare, Zimbabwe

Financial diary

September 2024	Integrated Annual Report 2024 publication
September 2024	Sixth Annual General Meeting of Shareholders
November 2024	Interim abridged consolidated financial results publication
28 February 2025	Financial year end
May 2025	Publication of audited abridged consolidated financial results for the year ended 28 February 2025
August 2025	2026 Half year end

Notice to members

Notice is hereby given that the Sixth Annual General Meeting of the members of EcoCash Holdings Zimbabwe Limited will be held at the Registered Office of the Company at 1906 Liberation Legacy Way (formerly Borrowdale Road), Harare on **Monday 30 September 2024 at 1000hrs**. Shareholders can attend virtually by logging onto <https://ecocash.escrowagm.com/> for the following purposes:

ORDINARY BUSINESS

To consider and pass, with or without amendment, the following resolutions:

1. Adoption of Financial Statements for the year ended 29 February 2024

To receive and pass the financial statements for the year ended 29 February 2024 together with the reports of the Directors and auditors thereon.

2. Election of Directors

To appoint/ reappoint Directors. In accordance with Article 81 of the Company's Articles of Association Mrs. Sherree Gladys Shereni, Mr. Darlington Tafara Mandivenga and Mr. Hardy Pemhiwa retire by rotation at the Company's Annual General Meeting and, being eligible, offer themselves for re-election. Each Director listed below shall be separately elected:

2.1 Mrs. Sherree Gladys Shereni,

2.2 Mr. Darlington Tafara Mandivenga and

2.3 Mr. Hardy Pemhiwa.

3. Directors' Remuneration

To approve the remuneration of Directors for the year ended 29 February 2024 in accordance with section 207 (2) of the Companies and Other Business Entities Act [Chapter 24:31] (*The aggregate directors' emoluments are included in the Annual Report*).

4. Approval of Auditors' Fees and Appointment of Auditors

4.1 To approve the auditors' fees for the previous year in accordance with section 191 of the Companies and Other Business Entities Act [Chapter 24:31].

4.2 To appoint BDO Zimbabwe Chartered Accountants as auditors of the Company until the next Annual General Meeting.

(Note: The Group has adopted the requirements of the Companies and Other Business Entities Act (Chapter 24:31):Section 191(11) and the ZSE Listing Requirements (SI134/2019):Section 69(6) from the date of enactment. BDO Zimbabwe Chartered Accountants have been auditors to the Group for a period of 2 years. The Group is in compliance with the relevant laws and regulations).

SPECIAL BUSINESS

Special Resolution

5. Renewal of Share Buy-back Authority

To consider, and if thought fit, to pass with or without amendment, the following resolution:

As a Special Resolution: "That the Company, as duly authorized by Article 10 of its Articles of Association, may undertake the purchase of its own ordinary shares in such manner or on such terms as the Directors may from time to time determine, provided that the repurchases are not made at a price greater than 5% above the weighted average of the market value for the securities for the five business days immediately preceding the date of the repurchase and also provided that the maximum number of shares authorized to be acquired shall not exceed 10% (ten percent) of the Company's issued ordinary share capital.

"That this authority shall expire at the next Annual General Meeting and shall not exceed 15 months from the date of the resolution."

After considering the effect of the maximum repurchase of the shares, the Directors are confident that:

- a) The Company will be able to pay its debts for a period of 12 months after the date of the Annual General Meeting.
- b) The assets of the Company will be in excess of liabilities.
- c) The share capital and reserves of the Company are adequate for a period of 12 months after the date of the notice of the Annual General Meeting.
- d) The Company will have adequate working capital for a period of 12 months after the date of the notice of the Annual General Meeting.

NOTES:

- i. The FY2024 Annual Report can be accessed on the Company's website: www.ecocashholdings.co.zw. Electronic copies of the FY2024 Annual Report (which includes the financial statements, Directors' and Auditors' Report) shall be emailed to those shareholders whose email addresses are on record.
- ii. In terms of the Companies and Other Business Entities Act [Chapter 24:31], a member of the Company is entitled to appoint a proxy to attend, vote and speak in his/her stead at this meeting. A proxy need not be a member of the Company. Proxy forms should be forwarded to reach the office of the Transfer Secretaries at info@fts-net.com, or the Group Company Secretary at companysecretary@ecocashholdings.co.zw not less than 48 hours before the scheduled meeting time.
- iii. Members are requested to advise the Transfer Secretaries of their e-mail addresses and any changes to their contact numbers and/ or postal addresses.
- iv. Members are hereby advised to use the following dedicated helplines for assistance with the AGM process:
Telephone: +263772289768;
Econet toll free: 08080277;
WhatsApp: +263737594405

By Order of the Board



Mrs. C.R. Daniels
Group Company Secretary

9 September 2024

Registered Office:

1906 Liberation Legacy Way, Borrowdale, Harare, Zimbabwe
Email: investor@ecocashholdings.co.zw
website: www.ecocashholdings.co.zw

Registrars and Transfer Secretaries:

First Transfer Secretaries (Private) Limited
1 Armagh Avenue, Eastlea, Harare, Zimbabwe
Email: info@fts-net.com

Global Reporting Initiative (GRI) content index

Statement of use	EcoCash Holdings Zimbabwe Limited has reported in accordance with the GRI Standards for the period 1 March 2023 to 29 February 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	

GRI Standard/ Other Source	DISCLOSURE	EHZL Disclosure	Location	Omission		
				Requirement(s) Omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-1 Organizational details	Overview	6	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.		
	2-2 Entities included in the organization's sustainability reporting.	Corporate Structure	17			
	2-3 Reporting period, frequency and contact point.	Reporting Boundaries	1			
	2-4 Restatements of information	Restatements of information	1			
	2-5 External assurance	Reporting Standards and Responsibilities	1			
	2-6 Activities, value chain and other business relationships	Company Overview	278-281 28-29			
	2-7 Employees	Company Details	9			
	2-8 Workers who are not employees	Human Capital	57			
	2-9 Governance structure and composition	Board Composition	86			
	2-10 Nomination and selection of the highest governance body	Board of Directors	86			
	2-11 Chair of the highest governance body	Chairperson's Statement	18			
	2-12 Role of the highest governance body in overseeing the management of impacts	Board Environmental, Social and Governance Committee	95			
	2-13 Delegation of responsibility for managing impacts	Sustainable Business Practices	87			
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance Statement	86			
	2-15 Conflicts of interest	Directors and their Interests	99			
	2-16 Communication of critical concerns	Top 10 Risk Scorecard for EcoCash Holdings	80			
	2-17 Collective knowledge of the highest governance body	Board Diversity	86			
	2-18 Evaluation of the performance of the highest governance body	Board Capacity Development	87			
	2-19 Remuneration policies	Director's Remuneration	87			
	2-20 Process to determine remuneration	Directors Remuneration	87 262			
	2-21 Annual total compensation ratio	Employee Benefits	132			
	2-22 Statement on sustainable development strategy	EcoCash Holding's Commitment to Sustainable Development	16			
	2-23 Policy commitments	Corporate Governance Statement	86			
	2-24 Embedding policy commitments	Strategy, Policies and Practices	86			
	2-25 Processes to remediate negative impacts	Risk Management	79			
	2-26 Mechanisms for seeking advice and raising concerns and raising concerns	Stakeholder Management	40			
	2-27 Compliance with laws and regulations	Management of the Legal and Regulatory Environment	84			
	2-28 Membership associations	Corporate Membership to National and International Associations	32			
	2-29 Approach to stakeholder engagement	Stakeholder Management	40			
	2-30 Collective bargaining agreements	ESG Performance	43			

Global Reporting Initiative (GRI) content index (continued)

GRI Standard/ Other Source	DISCLOSURE	EHZL Disclosure	Location	Omission		
				Requirement(s) Omitted	Reason	Explanation
Material Topics						
GRI 3 Material Topics 2021	3-1 Process to determine material topics	ESG Materiality Matrix	44			
	3-2 List of material topics	ESG Materiality Matrix	44			
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG Materiality Matrix	44			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Notes to the Consolidated Financial Statements	115			
	201-2 Financial implications and other risks and opportunities due to climate change	Our Impact on the UN Sustainable Development and Targets – SDG 13	46-47			
	201-3 Defined benefit plan obligations and other retirement plans	Post Employment Benefits	132			
	201-4 Financial assistance received from government	Not Applicable			Not Applicable	No assistance received
Market Presence						
GRI 3 Material Topics 2021	3-3 Management of material topics	Diversity, Equity and Inclusion	57			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Employee Benefits	132			
	202-2 Proportion of senior management hired from the local community	Not Applicable			Not Applicable	No assistance received
Indirect Economic Impacts						
GRI 3 Material Topics 2021	3-3 Management of material topics	Notes to the consolidated financial statements	132			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Property and equipment	152			
	203-2 Significant indirect economic impacts	Consolidated statement of profit or loss and other comprehensive income	108			
Procurement Practices						
GRI 3 Material Topics 2021	3-3 Management of material topics	Supply Chain Management	77			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainable Procurement	77			
Anti-Corruption						
GRI 3 Material Topics 2021	3-3 Management of material topics	Anti-corruption and Fraud Management	84			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Risk Management	79			
	205-2 Communication and training about anti-corruption policies and procedures	Anti-corruption and Fraud Management	84			
	205-3 Confirmed incidents of corruption and actions taken	Ethics and Fraud- related Performance	84			
Anti- Competitive Behaviour						
GRI 3 Material Topics 2021	3-3 Management of material topics				Anti-competitive Behaviour	The business plans to start monitoring
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Information not yet Available			Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Information not yet Available These statistics in the next financial year

Global Reporting Initiative (GRI) content index (continued)

GRI Standard/ Other Source	DISCLOSURE	EHZL Disclosure	Location	Omission		
				Requirement(s) Omitted	Reason	Explanation
Tax						
GRI 3 Material Topics 2021	3-3 Management of material topics	Approach to Tax	84			
GRI 207: Tax 2019	207-1 Approach to tax	Approach to Tax	84			
	207-2 Tax governance, control, and risk management	Tax Governance	84			
	207-3 Stakeholder engagement and management of concerns related to tax	Approach to Tax	84			
	207-4 Country-by-country reporting	Not Applicable		Country by country reporting	Not Applicable	Operating in Zimbabwe
Material						
GRI 3 Material Topics 2021	3-3 Management of material topics			Management of material topics		Due to digital services provision the materials use is low, however the business plans to develop processes for tracking this metric in the next financial year
GRI 301: Materials	301-1 Materials used by weight or volume	Not Applicable		Materials used by weight or volume	Not Applicable	
	301-2 Recycled input materials used			Recycled input materials used		
	301-3 Reclaimed products and their packaging materials			Reclaimed products and their packaging materials		
Energy						
GRI 3 Material Topics 2021	3-3 Management of material topics	Management Approach	53			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management	53			
	302-2 Energy consumption outside of the organization	Information not Available		Energy consumption outside of the organization	KPI's not yet being tracked and processes to be defined for monitoring and measuring	The business plans to start monitoring these statistics in the next two years
	302-3 Energy intensity	Information not Available		Energy intensity		
	302-4 Reduction of energy consumption			Reduction of energy consumption		
	302-5 Reductions in energy requirements of products and services			Reductions in energy requirements of products and services		
Water and Effluents						
GRI 3 Material Topics 2021	3-3 Management of material topics	Environmental Impact Management Approach	52			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Information not Available		Water as a shared resource / discharge -related impacts/ withdrawal	Information not Available	Water consumption is very low, however the business plans to start monitoring this metric in the next financial year
	303-2 Management of water discharge-related impacts	Not Applicable			Not applicable	
	303-3 Water withdrawal	Information not Available			Information not Available	
	303-4 Water discharge					
	303-5 Water consumption					
Biodiversity						
GRI 3 Material Topics 2021	3-3 Management of material topics	Environmental Impact	52			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Not Applicable		Protected areas and areas of high biodiversity	Not Applicable	Business focus is on Digital services provision
	304-2 Significant impacts of activities, products and services on biodiversity					
	304-3 Habitats protected or restored					
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations					

Global Reporting Initiative (GRI) content index (continued)

GRI Standard/ Other Source	DISCLOSURE	EHZL Disclosure	Location	Omission			
				Requirement(s) Omitted	Reason	Explanation	
Emissions							
GRI 3 Material Topics 2021	3-3 Management of material topics	Environmental Impact Management Approach Greenhouse Gas Emissions	52 51-53				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Greenhouse Gas Emissions	51-53				
	305-2 Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions	51-53				
	305-3 Other indirect (Scope 3) GHG emissions	Information not Available			Other indirect (Scope 3) GHG emissions	Data for Scope 3 emissions not yet Available	The business plans to start monitoring these statistics in the next two years
	305-4 GHG emissions intensity				GHG emissions intensity	Data for Scope 1 and 2 not yet sufficient to quantify intensities	
	305-5 Reduction of GHG emissions				Reduction of GHG emissions	Information not Available	
	305-6 Emissions of ozone-depleting substances (ODS)				Emissions of ozone-depleting substances (ODS)	Information not Available	
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions				KPIs not yet being tracked		
Waste							
GRI 3 Material Topics 2021	3-3 Management of material topics						
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Information not Available			Waste-related impacts	Information not Available	
	306-2 Management of significant waste-related impacts						
	306-3 Waste generated						
	306-4 Waste diverted from disposal						
	306-5 Waste directed to disposal						
Supplier Environmental Assessment							
GRI 3 Material Topics 2021	3-3 Management of material topics	Supply Chain Management	77				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supplier Sustainability Assessment	78				
	308-2 Negative environmental impacts in the supply chain and actions taken	Supplier Sustainability Assessment	78				
Employment							
GRI 3 Material Topics 2021	3-3 Management of material topics	Social Impact Management Approach	56				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Emphasising the Role of Teams Amongst Employees	56				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Remuneration Initiatives	56				
	401-3 Parental leave	Short Term Employee Benefits	132				
Labor/Management Relations							
GRI 3 Material Topics 2021	3-3 Management of material topics	Social Impact Management Approach	56				
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Human Capital	54-57				

Global Reporting Initiative (GRI) content index (continued)

GRI Standard/ Other Source	DISCLOSURE	EHZL Disclosure	Location	Omission		
				Requirement(s) Omitted	Reason	Explanation
Occupational Health and Safety						
GRI 3 Material Topics 2021	3-3 Management of material topics	Employee, Health and Safety	57			
GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	Employee, Health and Safety	57			
	403-5 Worker training on occupational health and safety	Employee, Health and Safety	57			
	403-6 Promotion of worker health	Employee, Health and Safety	57			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee, Health and Safety	57			
	403-8 Workers covered by an occupational health and safety management system	Employee, Health and Safety	57			
	403-9 Work-related injuries	Employee, Health and Safety	57			
	403-10 Work-related ill health	Employee, Health and Safety	57			
Training and Education						
GRI 3 Material Topics 2021	3-3 Management of material topics	Social Impact	52			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and Education	56			
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and Education	56			
	404-3 Percentage of employees receiving regular performance and career development reviews	Using Data to Enhance Employee Experiences	56			
Diversity and Equal Opportunity						
GRI 3 Material Topics 2021	3-3 Management of material topics	Social Impact Management Approach Human Capital	56			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Human Capital	56			
	405-2 Ratio of basic salary and remuneration of women to men	Human Capital	56			
Non-discrimination						
GRI 3 Material Topics 2021	3-3 Management of material topics	Social Management Approach Human Capital	56			
GRI 406: Non-discrimination 2016	406 -1 Incidents of discrimination and corrective actions taken	Human Capital	56-57			
Freedom of Association and Collective Bargaining						
GRI 3 Material Topics 2021	3-3 Management of material topics	Social Management Approach Human Capital	56			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Capital	56-57			

Global Reporting Initiative (GRI) content index (continued)

GRI Standard/ Other Source	DISCLOSURE	EHZL Disclosure	Location	Omission		
				Requirement(s) Omitted	Reason	Explanation
Child Labour						
GRI 3 Material Topics 2021	3-3 Management of material topics	Social Impact	56			
		Management Approach Human Capital	57			
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	Supplier Sustainability Assessment	78			
Forced or Compulsory Labour						
GRI 3 Material Topics 2021	3-3 Management of material topics	Social	56			
		Management Approach Human Capital	57			
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Supplier Sustainability Assessment	78			
Security Practices						
GRI 3 Material Topics 2021	3-3 Management of material topics				Security Practices	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Not Available			Security personnel trained in human rights policies or procedures.	KPIs not yet being tracked The business plans to develop processes for tracking this metric in the next financial year
Rights of Indigenous People						
GRI 3 Material Topics 2021	3-3 Management of material topics				Rights of Indigenous People	
GRI 411: Rights of Indigenous People 2016	411-1 Incidents of violations involving rights of indigenous peoples	Not Available			Incidents of violations involving rights of indigenous peoples	Not Applicable Business operations are socially inclusive.
Local Communities						
GRI 3 Material Topics 2021	3-3 Management of material topics	Social Capital Higherlife Foundation	60			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Higherlife Foundation Activities	60 -62			
	413-2 Operations with significant actual and potential negative impacts on local communities	Higherlife Foundation Activities	60-72			
Supplier Social Assessment						
GRI 3 Material Topics 2021	3-3 Management of material topics	Supply Chain Management	77			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supplier Sustainability Assessment	78			
	414-2 Negative social impacts in the supply chain and actions taken	Supplier Sustainability Assessment	78			
Public Policy						
GRI 3 Material Topics 2021	3-3 Management of material topics	Not Applicable			Public Policy	
GRI 415: Public Policy 2016	415-1 Political contributions				Political contributions	Not Applicable The business does not contribute to political parties or partisan organisations
Customer Health and Safety						
GRI 3 Material Topics 2021	3-3 Management of material topics	Employee Health and Safety	57			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Employee Health and Safety	57			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Employee Health and Safety	57			

Global Reporting Initiative (GRI) content index (continued)

GRI Standard/ Other Source	DISCLOSURE	EHZL Disclosure	Location	Omission		
				Requirement(s) Omitted	Reason	Explanation
Marketing and Labelling						
GRI 3 Material Topics 2021	3-3 Management of material topics	Company Overview	30			
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	Terms and Conditions	Product and service Terms and conditions	Requirements for product and service information and labelling	Not available	Provided on the product & service terms and conditions as EHZL is a platform based business
	417-2 Incidents of non-compliance concerning product and service information and labelling	Not Available		Incidents of non-compliance concerning product and service information and labelling		The business plans to start monitoring these statistics in the next financial year once an approach has been clearly defined
	417-3 Incidents of non-compliance concerning marketing communications			Incidents of non-compliance concerning marketing communications		
Customer Privacy						
GRI 3 Material Topics 2021	3-3 Management of material topics	Data Security Management Approach	63			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Security	63			
Data Privacy						
GRI 3 Material Topics 2021	3-3 Management of material topics	Management Approach Personal Data Protection and Privacy	63			
SASB Data Privacy	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	Cybersecurity Practices	63			
SASB Data Privacy	Description of policies and practices relating to behavioural advertising and customer privacy	Cybersecurity Awareness	63			
	Number of customers whose information is used for secondary purposes.	Not Available		Not Available	Not Available	The business plans to start monitoring these statistics in the next financial year once an approach has been clearly defined
	Total amount of monetary losses as a result of legal proceedings associated with customer privacy					
	(1) Number of law enforcement requests for customer information, (2) number of customers whose information was requested, (3) percentage resulting in disclosure.					
TC-TL-220a.1 TC-TL-220a.2 TC-TL-220a.3 TC-TL-220a.4						

**INDEPENDENT ASSURANCE STATEMENT FOR SUSTAINABILITY INFORMATION CONTAINED
IN THE ECOCASH HOLDINGS ZIMBABWE LIMITED (EHZL) 2024 INTEGRATED ANNUAL
REPORT**

INTRODUCTION

Ecocash Holdings Zimbabwe Limited (EHZL) contracted Toxiconsol Consultancy t/a African Sustainability Consultants to carry out an Independent Assurance Engagement for sustainability information contained in its 2024 Integrated Annual Report based on AA1000AS v3. The objective of the assurance engagement was to provide assurance to EHZL stakeholders with respect to the reported information. Toxiconsol Consultancy t/a African Sustainability Consultants is a Licenced Assurance Provider registered with AccountAbility AA 1000 CIC. The assurance engagement was led by a trained Certified Sustainability Assurance Practitioner (CSAP), in order to ensure quality assurance of the assurance engagement.

SCOPE AND OBJECTIVES

The aim of the assurance engagement was to assess the level of adherence to Accountability Principles (*Materiality, Responsiveness, Inclusivity and Impact*). The scope of the assurance engagement covered the Ecocash Holdings Zimbabwe Limited operations in Zimbabwe only. We undertook the assurance based on AA 1000AS v3 and the level of assurance was Type 1 and Moderate level of Assurance. The scope of our work was limited to the sustainability information covering the period 1 March 2023 to 29 February 2024.

RESPONSIBILITIES OF ECOCASH HOLDINGS ZIMBABWE LIMITED AND THE ASSURANCE PROVIDER

Ecocash Holdings Zimbabwe Limited management has the responsibility to prepare, develop and compile their sustainability information in the Integrated Annual Report and the assurance provider was not involved in any way in the development of the report. The assurance provider did not participate in writing and authorship of the Integrated Annual Report, as it was a responsibility of the organisation seeking assurance.

Our role as Toxiconsol Consultancy t/a African Sustainability Consultants is to provide our independent opinion on the sustainability information contained in the Annual Report for Ecocash Holdings Zimbabwe Limited.

The assurance provider declares no conflict of interest which could affect objectivity during the assurance engagement. During the assurance engagement process, our comments on the draft report were responded to and are incorporated in the final report to stakeholders.

ASSURANCE METHODOLOGY

In order to determine the level of fulfilment of Accountability Principles (Materiality, Responsiveness, Inclusivity and Impact), we implemented the following methodology

- Interviews with members of the EHZL Management Team with respect to stakeholder engagement approaches and processes for sustainability management.
- Review of documents and information related to the preparation of the sustainability information contained in the EHZL Annual Report in order to ascertain the implementation of Responsiveness, Inclusivity, Materiality and Impact principles as specified in the AA1000 APS
- Review of evidence provided by the company to support report claims.
- Review of processes associated with the preparation of the sustainability information
- We had no direct interphase with stakeholders apart from management and employees of EHZL.

USE OF OUR ASSURANCE STATEMENT

This Assurance Statement is mainly targeted at EHZL and its stakeholders, to enable them to ascertain the reliability of the sustainability data disclosed in the EHZL Integrated Annual Report and adherence with AccountAbility AA 1000 principles. We understand that this Assurance Statement will be included in EHZL Integrated Annual Report 2024. We agree that a copy of the Assurance Statement can be provided to the organisation's stakeholders. The Assurance Statement is only for EHZL and cannot be transferrable to any other organisation not covered under the scope of the Assurance. The assurance statement is only applicable to the year under review and cannot be used to assure any other information produced before or after the period of 1 March 2023 to 29 February 2024. Future periods are not covered under this assurance statement.

ENGAGEMENT LIMITATIONS

The assurance engagement is based on "Type 1" level of assurance and also is "Moderate" in nature hence there is a limit in terms of level and depth of assurance. As a result, the level of assurance obtained for a moderate assurance engagement is lower than that obtained from a high assurance engagement. In addition, the level of assurance with a Type 1 engagement does not verify the reliability of reported information, but how a company manages sustainability information and communicates it. There are possible limitations of the opinion, due to the fact that the assurance engagement is based on sampling and selective testing of information. The findings from the assurance engagement are not a guarantee that there are completely no areas of improvement, but provide a basis for reasonable opinion to assure the claims by EHZL. Whilst the assurance assessed adherence

to principles of Materiality, Responsiveness, Inclusivity and Impact, it does not cover the extensive scope of all indicators of sustainability.

OBSERVATIONS AND FINDINGS

PRINCIPLE	OBSERVATIONS AND FINDINGS
<p>Inclusivity:</p> <p><i>People should have a say in decisions that affect them.</i></p>	<p>Ecocash Holdings Zimbabwe Limited (EHZL) has systematically included stakeholders in its sustainability disclosures, processes and programmes. A detailed stakeholder engagement matrix is presented, which includes stakeholder issues, engagement focus and outcomes. Disclosures are drawn from the various facets of the organisation and people have a say in decisions that affect them.</p>
<p>Materiality:</p> <p><i>Decision makers should identify and be clear about sustainability topics that matter.</i></p>	<p>Material issues are effectively identified, focusing on the most relevant issues of the organisation. Furthermore, there is clear criteria for ranking and assessing material issues in order to ensure that the organisation includes all relevant sustainability issues that have an effect on the organisation and its stakeholders. Materiality is two-pronged, including the perspective of the organisation and its stakeholders.</p>
<p>Responsiveness:</p> <p><i>Organisations should act transparently on material sustainability topics and their related impacts</i></p>	<p>EHZL shows responsiveness to stakeholder needs, including the stakeholders within and outside the organisation. The organisation has demonstrated ability to respond to customers with customer feedback. Tracking metrics around Customer Satisfaction Score shows the deliberate efforts to get the organisation to build mutually-beneficial relationships with customers.</p>
<p>Impact:</p> <p><i>Organisation should monitor, measure and be accountable for how their actions affect their broader ecosystems</i></p>	<p>The organisation has adopted a factual approach to decision making, as illustrated by different environmental and social disclosures.</p> <ul style="list-style-type: none"> • Tracking Sustainable Development Goals (SDGs) and their respective targets. • Carbon Foot-printing and Accounting for the organisation's emissions • Tracking and measuring energy consumption • Tracking corporate social responsibility activities

RECOMMENDATIONS

EHZL should continue to strengthen its sustainability reporting processes within its Integrated Annual Report by considering the following:

- Strengthen reporting of legal and regulatory environment to cover topics beyond tax compliance.
- Enhance reporting of Occupational Safety and Health (OSH) indicators.
- Administer ongoing training and capacity building on sustainability disclosures, including but not limited to - Energy (GRI 302)

A detailed management report has been submitted to the management of EHZL for continued sustainability reporting enhancement.

OUR PROFESSIONAL OPINION

In our opinion, based on the level of application of AA 1000AS v3 requirements, we conclude that the sustainability information contained in the EHZL Integrated Annual Report 2024 has been finalised and prepared with consideration of AA 1000 Principles (*Inclusivity, Responsiveness, Materiality and Impact*). Nothing has come to our attention to suggest violation of the principles of AccountAbility. Furthermore, there is nothing, which causes us not to believe that the claims related to the Materiality, Responsiveness, Inclusivity and Impact are reliable. The assurance engagement opines that there is no evidence to suggest that EHZL has manipulated any data in the Integrated Annual Report 2024. We confirm that we have undertaken the assurance engagement according to the requirements of AA 1000 v3.

Through the assurance process, we have not detected any failure to adhere to AA 1000 v3. Nothing suggests that data has been fabricated, manipulated or misrepresented. All disclosures sampled are based on data, processes and projects that can be verified by the independent licensed assurance provider.



Muzamwe

Tawanda Collins Muzamwe
Director, Toxiconsol Consultancy t/a African Sustainability Consultants
17 August 2024, Harare, Zimbabwe



AA1000AS Licenced Assurance Provider

Assurance Statement Reference:



EcoCash

HOLDINGS ZIMBABWE LIMITED

(Incorporated in Zimbabwe on 29 March 2012 under Company Registration Number 2487/2012)
ZSE Alpha Code: EHZL.zw ISIN ZW0009012437

PROXY FORM – ANNUAL GENERAL MEETING

PROXY FORM for the Sixth Annual General Meeting (AGM) of the members of EcoCash Holdings Zimbabwe Limited (“the Company”) which will be held at the Registered Office of the Company at 1906 Liberation Legacy Way, Borrowdale, Harare on **Monday 30 September 2024 at 1000 hrs.** Shareholders can attend virtually by logging onto <https://ecocash.escrowagm.com/>

I/We being the registered holders of

..... **Ordinary shares** in EcoCash Holdings Zimbabwe Limited hereby appoint:

1. or failing him/her,

2., as my proxy to act for me/us at the Annual General Meeting of the Company to be held at 1906 Liberation Legacy Way, Borrowdale, Harare on **Monday 30 September 2024 at 1000 hrs** and at any adjournment thereof, and vote for me/us on my/our behalf or to abstain from voting.

Do hereby record my votes for the resolutions to be submitted as follows:		Tick “√” or place an “X” inside the BOX. Please note that alterations made to your initial response should be signed for.		
		IN FAVOUR	AGAINST	ABSTAIN
ORDINARY BUSINESS				
To consider and pass, with or without amendment, the following resolutions:				
1	Adoption of Financial Statements for the year ended 29 February 2024 To receive and pass the financial statements for the year ended 29 February 2024 together with the reports of the Directors and auditors thereon.			
2	Election of Directors To re-elect Mrs. Sherree Gladys Shereni, Mr. Hardy Pemhiwa, Mr. Darlington Tafara Mandivenga as Directors of the Company. In accordance with Article 81 of the Company’s Articles of Association they retire by rotation at the Company’s Annual General Meeting and, being eligible, offer themselves for re-election. Each Director shall be re-elected through a separate resolution.			
2.1	Mrs. Sherree Gladys Shereni			
2.2	Mr. Darlington Tafara Mandivenga			
2.3	Mr. Hardy Pemhiwa			
3	Directors’ Remuneration To approve the remuneration of the Directors for the year ended 29 February 2024.			
4	Auditors			
4.1	To approve the auditors’ fees for the previous year.			
4.2	To appoint BDO Zimbabwe Chartered Accountants as auditors of the Company for the ensuing year.			
SPECIAL BUSINESS				
Special Resolution				
5	Renewal of Share Buy-back Authority To consider, and if thought fit, to pass with or without amendment, the following resolution: As a Special Resolution: “That the Company, as duly authorised by Article 10 of its Articles of Association, may undertake the purchase of its own ordinary shares in such manner and on such terms as the Directors may from time to time determine, provided that the repurchases are not made at a price greater than 5% above the weighted average of the market value for the securities for the five business days immediately preceding the date of the repurchase and also provided that the maximum number of shares authorised to be acquired shall not exceed 10% (ten percent) of the Company’s issued ordinary share capital.			

PROXY FORM – ANNUAL GENERAL MEETING (CONTINUED)

Signed at this day of 2024

Signature(s) of Shareholder or Common Seal

PLEASE NOTE

Please fill in the correct details below and return to the Group Company Secretary and Transfer Secretaries in copy.

Name

Postal Address

Email Address

Contact telephone number.....

Please read the notes below:

NOTE:

- 1) A Special Resolution is required to be passed by a majority of seventy –five percent of those present and voting (including proxy votes), representing not less than twenty- five percent of the total number of votes in the Company.
- 2) Shareholders may insert the name of a proxy or the name of two alternative proxies of the shareholder’s choice in the space provided. The person whose name appears first on the form of proxy and whose name has not been deleted shall be entitled to act as proxy to the exclusion of those whose names follow.
- 3) The authority of the person signing a proxy or representing an institutional shareholder should be attached to the proxy form in the form of a Board resolution confirming that the proxy has been appointed to represent the shareholder at the Company’s Annual General Meeting.
- 4) The completion and lodging of this form of proxy shall not preclude the relevant shareholder from attending the Annual General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms thereof should the shareholder wish to do so.
- 5) The Chairperson of the Annual General Meeting may accept a proxy form which is completed and /or received other than in accordance with these instructions, provided that he is satisfied as to the manner in which a shareholder wishes to vote.
- 6) Any alteration or correction to this form must be initialled by the signatory/signatories.
- 7) Forms of proxy must be submitted electronically, or lodged at or posted to be received at the registered office of the Company Secretary not less than 48 hours before the time of the meeting.

The Group Company Secretary

Registered Office:

1906 Liberation Legacy Way, Borrowdale, Harare, Zimbabwe.

Email: companysecretary@ecocashholdings.co.zw

Website: www.ecocashholdings.co.zw

Registrars and Transfer Secretaries:

First Transfer Secretaries (Private) Limited

1 Armagh Avenue, Eastlea, Harare, Zimbabwe.

Email: info@fts-net.com

EcoCash

HOLDINGS ZIMBABWE LIMITED

www.ecocashholdings.co.zw
