cbz Holdings

AUDITED CONSOLIDATED FINANCIAL RESULTS

For the year ended 31 December 2024

KEY FINANCIAL HIGHLIGHTS (ZWG)

Profit after taxation 168,048,727	**Total comprehensive income** 4,109,189,849
Total deposits 21,588,204,792	**Total assets** 34,419,503,657
Total equity 7,913,352,072	**Total advances** 8,300,282,315

GROUP CHAIRMAN'S STATEMENT

Mr L. Zembe

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

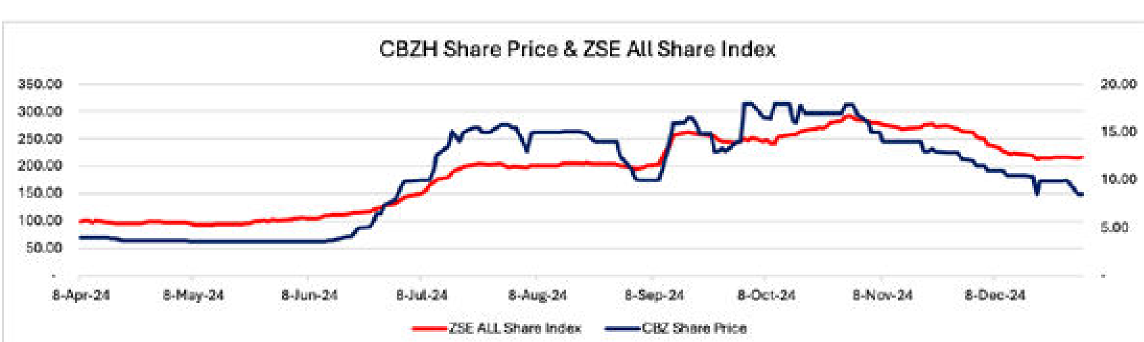
Operating Environment
In 2024, the global economy demonstrated resilience amidst various challenges, maintaining a growth rate of approximately 3.2%. Inflation rates, which had surged in previous years began to decline, with projections indicating a decrease from 9.4% in 2022 to 3.5% by the end of 2025.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

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

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

In the local monetary sector, the economy experienced intermittent currency weaknesses and price instabilities during the first quarter of the year. However, significant exchange rate and price stability was achieved during the second half of the year, following the introduction of the new policy intervention measures by the monetary and fiscal authorities. Some of the key policy measures included the introduction of the new currency Zimbabwe Gold "ZWG", in April 2025 to replace the ZWL$ that was in circulation since February 2019, the recalibration of the RBZ policy rate from 130% to 35%, the increase and standardization of the Statutory Reserve Requirements (SRR) for both local and foreign currency to 30% and 15% for demand deposits and savings/fixed deposits, respectively. The Group continued to play a significant role in supporting the economy, providing different innovative solutions in all the sectors that it operates in. In the digital space, the Group upgraded its digital platforms to include various value-added services, such as the launch of the CBZ Digital Mall, the Zikimall, a Banking transactional platform that integrates bill payments and shopping options for the convenience of customers. In the property development space, the Group commissioned the Datvest Northgate Property Investment Project, a US$150 million mixed use housing project encompassing 8 000 stands comprising residential, shopping centres, schools, and civil services that features smart living spaces, green infrastructure, and luxurious amenities.

Capital Markets
On the capital markets, the Zimbabwe Stock Exchange ("ZSE") remained firm despite facing liquidity constraints during the second half of the year following the introduction of ZWG in April 2024. The rebased All Share Index experienced a growth of 117.6% to close the year at 217.58 points. The ZSE market capitalisation rose by 125% to close the year at ZWG66.24 billion, supported by the Medium Cap and Top 10 counters which added 117.6% and 115.2%, respectively. In a demonstration of positive market sentiment, CBZ Holdings share price surged by 115.3%, ending the year at ZiG8.54, up from the April 2024 rebased price of ZiG3.96. The company thus ended the year with a market capitalisation of ZWG4.46 billion, being the 4th highest-ranked counter by market capitalisation on the ZSE. The graph below shows the movement of the CBZ Holdings share price and ZSE all index from April to December 2024.



Environmental, Social & Governance "ESG"
During the year 2024, the Group successfully developed and launched its long-term sustainability strategy which will drive our sustainability initiatives under 5 pillars namely, climate action, strong governance, thriving people, responsible operations and stakeholder value creation. Subsequently, the Group accelerated integration of sustainability considerations into its strategic, lending, investment, and operational processes, both as a strategic differentiator and as a way of complying with regulatory requirements. More notably, the Group began strengthening its Environmental & Social Management System "ESMS" framework. A comprehensive and overarching ESG Policy was developed and launched in January 2024 to cement the Group's commitment to sustainability and govern the integration of sustainability into its operations. Other broader and related policies and procedures, among them credit policies, investment policies and selection criteria, were also updated as part of strategy alignment. The Group will continue to strengthen its ESMS during the year 2025.

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

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

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

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

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

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

Financial Performance
The Group continued to trade positively, delivering a strong financial performance for the year ended 31 December 2024. Profit after tax for the year stood at ZWG168.05 million, reflecting consistent value creation. This success was driven by our customer-centric approach, leveraging accessible digital platforms, enhanced disbursements, and a diverse product portfolio to meet the evolving financial needs of our clientele.

The Group remains financially resilient, maintaining a strong capital position of ZWG7.91 billion, with a customer deposit base of ZWG21.59 billion and loans and advances totalling ZWG8.30 billion. The Group's subsidiaries' diversity plays an important role in ensuring that our clients are well catered for in their financial services needs. This also allows us to play a key financial intermediation role in the economy while delivering value to our shareholders. As the Group closed the year, all subsidiaries traded above the regulated capital levels, with regular reviews meant to bolster business capacity being in place.

Restructuring Exercise
During the year, the Group undertook a strategic review in response to an increasingly dynamic and competitive operating environment. This review underscored the need to realign the Group's corporate and Human Resources structures to drive operational efficiency, embrace technological advancement, and position the business for future growth. Consequently, a comprehensive restructuring exercise was launched in August 2024, aligned with the Group's five-year strategy. The exercise was successfully concluded on 31 January 2025, leaving the Group well-placed to harness the benefits and sustain its growth trajectory.

Corporate Actions
In 2023, the Group made strategic investments in First Mutual Holdings Limited "FMHL" to enhance its market position and drive long-term value. During the year the Group made an application to the Competition and Tariff Commission "CTC" for the approval of the acquisition of an additional shareholding in "FMHL" through a mandatory offer to the minority shareholders. The CTC resolved that the Group should maintain the shareholding in FMHL, which was initially approved by the Commission. Considering the decision made by the CTC, the Group maintained the current level of investment in FMHL.

The Group also embarked on the acquisition of a significant interest in ZB Financial Holdings Limited "ZBFH". Whilst the CTC approved the acquisition, the approval carried onerous conditions precedent which resulted in the Board deciding not to pursue the transaction.

As such, the Group will maintain its existing investment in FMHL & ZBFH and continue to focus on maximizing returns from this position, ensuring alignment with its long-term strategic objectives and broader growth strategy.

Dividend
The Board has proposed the declaration of a final dividend of US$10,000,000 or US$1.61 cents per share representing a growth of 25% from the US$8,000,000 paid for the year ended 31 December 2023. A separate dividend announcement with record and settlement dates will be published separately in due course

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

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

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

Thank you.

Mr L. Zembe
GROUP CHAIRMAN

31 March 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

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

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

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

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

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

By order of the Board.

J. MAKOMBE
GROUP CFO

31 March 2025

L. NYAZEMA
GROUP CEO

31 March 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

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

*FVOCI - Fair value through Other Comprehensive Income

AUDITORS STATEMENT

CBZ Holdings Limited

The consolidated financial results should be read in conjunction with the complete set consolidated financial statements as at and for the year ended 31 December 2024, which have been audited by KPMG Chartered Accountants (Zimbabwe). A qualified audit opinion has been issued thereon as we were unable to obtain sufficient appropriate audit evidence about the carrying amount of CBZ Holdings Limited's investment in First Mutual Holdings Limited (FMHL) as at 31 December 2024 and the share of FMHL's profit and other comprehensive income for the year then ended. The opinion includes key audit matters in respect of; Valuation of land and buildings and investment property; and Expected credit loss allowance on loans and advances to customers.

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

CBZ Bank Limited

The financial results should be read in conjunction with the complete set of financial statements as at and for the year ended 31 December 2024, which have been audited by KPMG Chartered Accountants (Zimbabwe) and an unmodified opinion has been issued thereon. The opinion includes key audit matters in respect of valuation of owner-occupied property and investment property, expected credit loss allowance on loans and advances to customers and valuation of unlisted investments.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

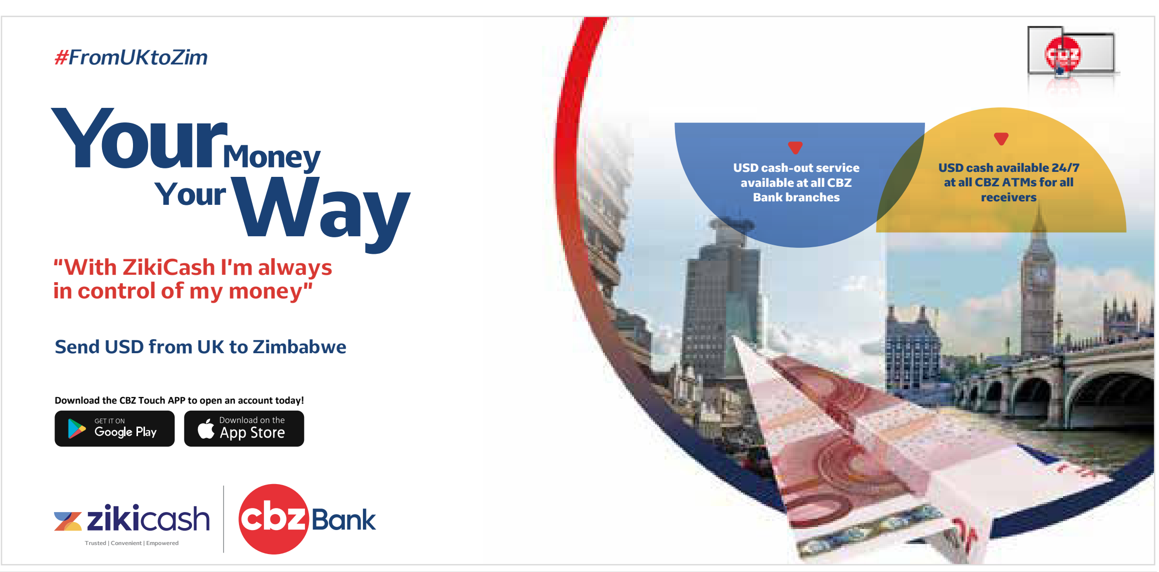
For the year ended 31 December 2024

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

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



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

AUDITED

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

* Foreign currency translation reserve

** Shares awaiting allotment reserve

GROUP ACCOUNTING POLICIES

For the year ended 31 December 2024

Group Accounting Policies
The following paragraphs describe the main accounting policies of the Group. For a detailed analysis of the Group's accounting policies, refer to the Group's 2024 annual report which is available for inspection at the Company's registered offices.

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

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

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

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

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

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

(a) assets and liabilities for each statement of financial position were translated at the closing rate as at 31 December 2024;
(b) income and expenses for each statement presenting profit or loss and other comprehensive income were translated using the monthly average exchange rates; and
(c) all resulting exchange differences were recognised in other comprehensive income.

Upon changing the presentation currency to Zimbabwean Gold (ZWG), the Group applied the initial ZWG/USD rate of USD1: ZWG 13.56 to all comparatives in order to obtain ZWG values.

c) Basis of consolidation.

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

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

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

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

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

iv. Loss of control
When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related Non-Controlling Interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

v. Interests in equity- accounted investees
The Group's interests in equity accounted investees comprises interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control over the financial and operating policies. Interests in associates are accounted under the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent, to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity- accounted investees, until the date on which significant influence ceases.

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

d) Use of judgements and estimates
In preparing this set of consolidated annual financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements except for the change in functional and presentation currency described above.

Management has disclosed relevant sensitivities or ranges of possible outcomes for judgements involving significant estimation uncertainty to assist primary users of accounts to understand the assumptions made and the extent of the changes that might be reasonably possible in the next twelve months.

e) Changes in material accounting policies and disclosures
Except as described below, the accounting policies applied in these consolidated annual financial statements are the same as those applied in the consolidated financial statements as at and for the year ended 31 December 2023. The changes in accounting policies are reflected in the Group's annual report for the year ended 31 December 2024.

f) New Standards, Interpretations and Amendments adopted by the Group

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

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

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

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

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

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

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

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

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL RESULTS

For the year ended 31 December 2024

1.2 INCORPORATION AND ACTIVITIES

The consolidated financial results of the Group for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 31 March 2025. The Group offers commercial banking, property management, asset management, short term insurance, life assurance, agro business and other financial services and is incorporated in Zimbabwe.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
2.	**INTEREST**		
	Interest income		
	Overdrafts	164 798	224 607
	Loans	1 007 685	666 281
	Mortgage loans	49 088	28 452
	Staff loans	12 037	26 608
	Securities investments	430 462	434 690
	Other investments	20 822	99 826
		1 684 892	**1 480 464**
	Interest expense		
	Savings deposits	7 407	17 861
	Money Market deposits	70 733	166 252
	Other offshore deposits	132 016	41 756
	Lease liabilities	1 568	700
	Other	88 461	37 294
		300 185	**263 863**
	NET INTEREST INCOME	**1 384 707**	**1 216 601**

Interest income and Interest expense is calculated using the Effective Interest Rate method.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
3	**NON-INTEREST INCOME**		
	Fair value adjustments on financial instruments	(73 268)	54 884
	Fair value adjustments on investment properties	(330 318)	554 358
	Net income from trading securities	12	1 736
	Net income from treasury and dealing	591 275	572 530
	Unrealised gains on foreign currency exchange	840 915	1 935 512
	Agro business income	36 166	48 686
	Commission and fee income	1 409 209	900 802
	Profit on disposal of property and equipment	201	2 224
	Profit on disposal of investment property	-	3 255
	Bad debts recovered	229 159	175 650
	Property sales	24 206	49 229
	Lease income	24 758	12 531
	Other operating income	18 630	(184 625)
	Total non interest income	**2 770 945**	**4 126 772**

Included in unrealised gains are exchange gains on foreign currency monetary balances held largely by the Banking operations and Agro business segments. Commission and fee income largely comprises income earned from Banking operations.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
4.	**INSURANCE INCOME**		
4.1	**Insurance service result**		
	Insurance revenue (i)	266 344	170 000
	Insurance service expenses (ii)	(268 197)	(225 340)
	Net income/ (expenses) from reinsurance contracts held (iii)	(39 518)	(11 214)
	Insurance service result	**(41 371)**	**(66 554)**
(i)	**Insurance revenue**		
	Changes in Liability for remaining coverage	57 230	31 956
	Revenue from contracts measured under Premium Allocation Approach (PAA)	209 114	138 044
	Total	**266 344**	**170 000**
(ii)	**Insurance service expenses**		
	Incurred claims	127 776	72 053
	Changes to liabilities for incurred claims	(8 309)	9 317
	Onerous contracts	(15 458)	1 343
	Insurance acquisition cashflow amortisation	54 794	26 228
	Other directly attributable expenses	109 394	116 399
	Total	**268 197**	**225 340**
(iii)	**Net income/ expenses from reinsurance contracts held**		
	Changes in asset for remaining coverage	(5 394)	(5 899)
	Reinsurance expenses for contracts measured under PAA	(67 671)	(48 727)
	Claims recovered from reinsurance contracts under PAA	33 547	42 171
	Other	-	1 241
	Total	**(39 518)**	**(11 214)**
4.2	**Net insurance finance cost**		
	Expenses from insurance contracts issued	4 293	5 352
	Income from reinsurance contracts held	(1 421)	-
		2 872	**5 352**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
5.	**OPERATING EXPENDITURE**		
	Staff costs	2 143 571	1 541 723
	Administration expenses	754 812	675 403
	Audit fees	20 408	17 928
	Depreciation	134 004	74 873
	Amortisation of intangible assets	7 371	6 320
	Property cost of sales	7 380	20 207
	Write off & Impairment of property and equipment	45 251	17 315
	Write off intangible assets	-	54
	Write offs of right of use asset and lease liabilities	-	(4)
	Total operating expenditure	**3 112 797**	**2 353 819**
	Expenditure relating to insurance service	(109 394)	(116 399)
	Operating expenditure as reported	**3 003 403**	**2 237 420**
	Remuneration of directors and key management personnel (included in staff costs)		
	Fees for services as directors	20 898	25 213
	Pension and retirement benefits for past and present directors	8 476	11 875
	Salaries and other benefits	164 422	362 933
		193 796	**400 021**
	Short term employment benefits	185 320	388 146
	Post employment benefits	8 476	11 875
		193 796	**400 021**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
6.	**INCOME TAX EXPENSE**		
6.1	**The following constitutes the major components of income tax expense recognised in the Statement of Profit or Loss.**		
	Analysis of tax charge in respect of the profit for the year		
	Current income tax charge	233 500	224 455
	Deferred income tax	(334 932)	192 412
	Income tax (expense)/ release	**(101 432)**	**416 867**
6.2	**The following constitutes the major components of deferred income tax expense recognised in the Statement of Other Comprehensive Income.**		
	Revaluation of property	(108 336)	139 839
	Unlisted equities	7 180	9 846
	Total taxation relating to components of other comprehensive income	**(101 156)**	**149 685**

7. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding at the end of the year.

Diluted earnings per share is calculated by dividing the profit attributable to ordinary equity holders of the parent by sum of the weighted average number of ordinary shares outstanding at the end of the year and the weighted average number of potentially dilutive ordinary shares.

The following reflects the income and shareholding data used in the basic and diluted earnings per share computations:

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
7.1	**Annualised earnings per share (ZWG cents)**		
	Basic	27.06	278.41
	Diluted basic	27.06	278.41
	Headline	71.87	204.61
7.2	**Earnings attributable to holders of parent**		
	Basic	168 361	1 540 569
	Diluted basic	168 361	1 540 569
	Headline	447 072	1 132 213
	Number of shares used in calculations (weighted)		
	Basic	622 068 783	553 348 787
	Diluted basic	622 068 783	553 348 787
	Headline	622 068 783	553 348 787
7.3	**Reconciliation of denominators used for calculating basic and diluted earnings per share:**		
	Weighted average number of shares used for basic EPS	**622 068 783**	**553 349**
	Potentially dilutive shares	-	-
	Weighted average number of shares used for diluted EPS	**622 068 783**	**553 349**
7.4	**Headline Earnings**		
	Profit attributable to ordinary shareholders	168 361	1 540 570
	Adjusted to exclude re-measurements		
	Write off & impairment of property and equipment	45 251	17 315
	Write off of intangible assets	-	68
	Disposal gain on property and equipment	(201)	(2 224)
	Profit on disposal of investment property	-	(3 255)
	Loss/ (Gain) on investment properties valuation	330 318	(554 358)
	Tax relating to remeasurements	(96 657)	134 101
	Headline earnings	**447 072**	**1 132 213**

8. DIVIDENDS

Dividends are paid on shares held at the record date net of treasury shares held on the same date.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Dividend paid on ordinary shares:		
Interim dividend	-	50 696
Final dividend	68 724	51 312
Interim paid per share (ZWG cents)	-	9.16
Final dividend paid per share (ZWG cents)	11.05	9.27

Dividends are paid on shares held at the record date net of treasury shares held on the same date.

9. CASH AND CASH EQUIVALENTS

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Interbank placements	112 095	155 728
Cash and current accounts	1 254 620	1 193 990
Balances with foreign banks	1 041 530	342 241
Balances with the Reserve Bank of Zimbabwe	1 341 151	1 486 812
RBZ Statutory reserve	3 244 770	958 532
	6 994 166	**4 137 303**

The cash and cash equivalents balance represent the Group's cash and cash equivalent balance. RBZ Statutory reserve balances relates to restricted liquid reserve determined in line with the RBZ Statutory reserve guidelines currently 30% for demand deposits and 15% for term deposits denominated in both Zimbabwean local and foreign currency.

10. MONEY MARKET ASSETS

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
	Interbank Placements	1 071 837	459 725
	RBZ Savings bonds	26 538	6 794
	Bankers acceptances	7 741	4 123
	Accrued interest	15 495	5 398
	Total gross money market assets	**1 121 611**	**476 040**
	Allowance for expected credit loss	(36 961)	(24 257)
	Total net money market assets	**1 084 650**	**451 783**
10.1	**Maturity analysis**		
	The maturity analysis of money market assets is shown below:		
	Between 0 and 3 months	567 879	328 543
	Between 3 and 6 months	551 367	6 714
	Between 6 and 12 months	2 365	140 783
		1 121 611	**476 040**

Maturity analysis is based on the remaining period from 31 December 2024 to contractual maturity.

11. FINANCIAL SECURITIES

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
	Treasury bills	5 160 230	2 106 290
	Savings bonds	671	705
	Promissory notes	228 806	556 462
	Accrued interest	565 418	187 693
	Total gross financial securities	**5 955 125**	**2 851 150**
	Allowance for expected credit loss	(101 144)	(60 987)
	Total net financial securities	**5 853 981**	**2 790 163**
11.1	**Maturity analysis**		
	The maturity analysis of financial securities is shown below:		
	Between 0 and 3 months	831 205	601 348
	Between 3 and 6 months	2 222 887	811 499
	Between 6 and 12 months	1 467 713	655 405
	Between 1 and 5 years	1 432 982	777 283
	Above 5 years	338	5 615
		5 955 125	**2 851 150**

Maturity analysis is based on the remaining period from 31 December 2024 to contractual maturity.

12. LOANS AND ADVANCES TO CUSTOMERS

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Overdrafts	1 591 771	610 218
Commercial loans	6 033 018	3 646 589
Staff loans	82 865	132 065
Mortgage advances	493 998	187 728
Agro business loans	653 260	573 761
Interest accrued	276 856	75 357
Total gross loans and advances to customers	**9 131 768**	**5 225 718**
Allowance for Expected Credit Loss (ECL)	(831 486)	(622 060)
Total net advances	**8 300 282**	**4 603 658**

		AUDITED 31 DEC 2024 ZWG 000	%	AUDITED 31 DEC 2023 ZWG 000	%
12.1	**Sectoral analysis:**				
	Private	3 119 820	34	1 288 790	25
	Agriculture	2 110 016	24	1 165 513	22
	Mining	1 638 764	18	857 043	16
	Manufacturing	647 133	7	737 157	14
	Distribution	981 358	11	722 702	14
	Construction	164 788	2	53 717	1
	Transport	33 041	-	15 863	-
	Communication	199 403	2	190 659	4
	Services	199 586	2	182 954	4
	Financial organisations	37 859	-	11 320	-
		9 131 768	**100**	**5 225 718**	**100**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
12.2	**Maturity analysis**		
	Less than 1 month	1 592 361	1 258 818
	Between 1 and 3 months	687 761	555 848
	Between 3 and 6 months	1 459 822	551 006
	Between 6 months and 1 year	3 116 731	1 176 133
	Between 1 and 5 years	2 202 720	1 646 725
	More than 5 years	72 373	37 188
		9 131 768	**5 225 718**

Maturity analysis is based on the remaining period from 31 December 2024 to contractual maturity.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
12.3	**Loans to directors and key management**		
	Included in advances are loans to executive directors and key management:		
	Opening balance	39 903	23 774
	Effects of translation to presentation currency	13 513	-
	Advances made during the year	9 236	94 440
	Foreign exchange losses	(46 529)	-
	Monetary adjustment	-	(75 558)
	Repayment during the year	(4 713)	(2 753)
	Closing balance	**11 410**	**39 903**
	Loans to employees		
	Included in advances are loans to employees:		
	Opening balance	92 163	54 587
	Advances made during the year	60 607	241 865
	Foreign exchange losses	(114 483)	-
	Effects of translation to presentation currency	46 940	-
	Monetary adjustment	-	(174 368)
	Repayments during the year	(13 771)	(29 921)
	Closing balance	**71 456**	**92 163**
12.4	**Allowance for Expected Credit Loss (ECL)**		
	Opening balance	622 060	765 080
	Effects of translation to presentation currency	335 021	-
	Credit loss expense on loans and advances	791 782	509 529
	Foreign exchange losses	(69 778)	522 552
	Monetary adjustment	-	(605 866)
	Amounts written off during the year	(847 599)	(569 235)
	Closing balance	**831 486**	**622 060**
12.5	**Collateral**		
	Government Guarantee	873 419	469 438
	Cash cover	8 287	77 457
	Registered marketable commodities	29 411	172 136
	Mortgage bonds	3 599 503	1 097 829
	Notarial general covering bonds	2 056 053	1 057 936
		6 566 673	**2 874 796**

13. EXPECTED CREDIT LOSSES (ECL) ON FINANCIAL ASSETS

The table below shows the ECL charges on financial assets for the year recorded in the Statement of Profit or Loss:

AUDITED	Stage 1 ZWG 000	Stage 2 ZWG 000	Stage 3 ZWG 000	Total ZWG 000
	31 DEC 2024	31 DEC 2024	31 DEC 2024	31 DEC 2024
Money market assets	(7 748)	-	-	(7 748)
Financial securities	(22 093)	-	-	(22 093)
Loans and advances to customers	42 049	280 648	469 085	791 782
Financial guarantees	362	-	-	362
Other commitments	28 120	73	2 163	30 356
Lease receivables	-	516	7 476	7 992
Expected credit loss expense	**40 690**	**281 237**	**478 724**	**800 651**

AUDITED	Stage 1 ZWG 000	Stage 2 ZWG 000	Stage 3 ZWG 000	Total ZWG 000
	31 DEC 2023	31 DEC 2023	31 DEC 2023	31 DEC 2023
Money market assets	7 385	-	-	7 385
Financial securities	60 507	-	-	60 507
Loans and advances to customers	(34 936)	3 852	540 613	509 529
Financial guarantees	(520)	-	-	(520)
Other commitments	5 583	(323)	1 030	6 290
Lease receivables	3	(4)	634	633
Expected credit loss expense	**38 022**	**3 525**	**542 277**	**583 824**

14. OTHER ASSETS

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Prepayments and deposits	351 410	256 708
Other receivables	6 222 167	2 473 474
	6 573 577	**2 730 182**

Included in other receivables is an amount of ZWG3,179,611,536 (2023: ZWG 1,898,882,581) which relates to the RBZ financial asset in lieu of legacy debt registration. RBZ committed to provide USD to the Bank for all registered legacy liabilities and nostro gap accounts at an exchange rate of US$1:ZWL$1

The RBZ financial asset is denominated in US Dollars and has been translated to ZWG using the closing exchange rate in line with the translation procedures for assets to presentation currency as prescribed in IAS 21.

15. LAND INVENTORY

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Opening balance	222 280	222 017
Additions	48 924	20 478
Effects of translation to presentation currency	236 192	-
Transfer to investment property	(1 028)	-
Disposals	(7 371)	(20 215)
Closing balance	**498 997**	**222 280**

16 EQUITY INVESTMENTS

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Opening balance	270 798	185 016
Effects of translation to presentation currency	326 234	-
Additions	44 584	74 182
Disposals	(8 194)	(75 796)
Write offs	-	(78 291)
Fair value adjustments through profit or loss	(73 268)	54 884
Fair value adjustments through other comprehensive income	21 545	110 803
	581 699	**270 798**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
16.1	**Investments in Equities**		
	Listed investments	140 757	47 321
	Unlisted investments	440 942	223 477
		581 699	**270 798**
	Equity investments designated at fair value through profit or loss	140 757	47 316
	Equity investments designated at fair value through other comprehensive income	440 942	223 482
		581 699	**270 798**

		AUDITED 31 DEC 2024 ZWG 000	%	AUDITED 31 DEC 2023 ZWG 000	%
16.2	**Investment in subsidiaries**				
	CBZ Bank Limited	68 270	100	35 884	100
	CBZ Asset Management (Private) Limited	10 752	100	5 655	100
	CBZ Insurance (Private) Limited	37 065	98.4	19 488	98.4
	CBZ Properties (Private) Limited	46 619	100	24 506	100
	CBZ Life Assurance (Private) Limited	35 553	100	18 688	100
	CBZ Asset Management Mauritius	46 090	100	24 031	100
	CBZ Risk Advisory Services (Private) Limited	17 086	100	8 978	100
	Red Sphere Finance (Private) Limited	37 438	100	19 678	100
	CBZ Agro Yield (Private) Limited	689	100	366	100
	CBZ South Africa Private Limited	21 710	100	11 419	100
		321 272		**168 693**	

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
17.	**EQUITY-ACCOUNTED INVESTEES**		
	Opening balance	754 085	-
	Investments during the year	-	511 004
	Share of profit in associate	(231 371)	295 583
	Share of OCI in associate	37 343	(52 502)
	Dividends distributed	(12 981)	-
	Effects of translation to presentation currency	569 825	-
	Closing balance	**1 116 901**	**754 085**

18. CATEGORIES OF FINANCIAL ASSETS

AUDITED	At fair value through profit or loss ZWG 000	At fair value through OCI ZWG 000	At amortised cost ZWG 000	Total carrying amount ZWG 000
31 December 2024				
Balances with banks and cash	-	-	6 994 166	6 994 166
Money market assets	-	-	1 084 650	1 084 650
Financial securities	-	-	5 853 981	5 853 981
Loans and advances to customers	-	-	8 300 282	8 300 282
Equity investments	140 757	440 942	-	581 699
Other assets	-	-	6 222 167	6 222 167
TOTAL ASSETS	**140 757**	**440 942**	**28 455 246**	**29 036 945**

AUDITED	At fair value through profit or loss ZWG 000	At fair value through OCI ZWG 000	At amortised cost ZWG 000	Total carrying amount ZWG 000
31 December 2023				
Balances with banks and cash	-	-	4 137 303	4 137 303
Money market assets	-	-	451 783	451 783
Financial securities	-	-	2 790 163	2 790 163
Loans and advances to customers	-	-	4 603 658	4 603 658
Equity investments	47 321	223 477	-	270 798
Other assets	-	-	2 473 480	2 473 480
TOTAL ASSETS	**47 321**	**223 477**	**14 456 387**	**14 727 185**

Fair value of assets measured at amortised cost was not measured as the financial instruments' carrying amount is a reasonable approximate of the fair value on transaction date.

19. FAIR VALUE MEASUREMENT

19.1 The following table presents items of the Statement of Financial Position which are recognised at fair value:

AUDITED	Level 1		Level 2		Level 3		Total carrying amount	
	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Equity investments	140 757	47 321	-	-	440 942	223 477	581 699	270 798
Land and buildings	-	-	1 038 519	878 030	-	-	1 038 519	878 030
Investment properties	-	-	1 051 139	879 322	-	-	1 051 139	879 322
Total assets at fair value	**140 757**	**47 321**	**2 089 658**	**1 757 352**	**440 942**	**223 477**	**2 671 357**	**2 028 150**

Level 2 valuation techniques are highlighted on note 20 for Property and equipment and note 21 for Investment properties.

There were no transfers between Level 1 and Level 2 during 2024.

The fair values of the non-listed equities have been classified as level three investments.

The fair values were derived using a combination of income and market approaches depending on the appropriateness of the methodologies to the type of equity instruments held. The valuation took into account certain assumptions about the model inputs, including but not limited to liquidity discounts, country or jurisdiction factors, inflation, credit risk and volatility. A range of probabilities was also applied to these inputs and the fair values derived were deemed to be within acceptable fair values ranges of the equities.

The following table shows the valuation techniques used in measuring the fair value of unquoted equities as well as the significant unobservable inputs used.

Valuation Technique	Significant unobservable inputs	Interrelationship between key unobservable inputs and fair value measurement
Earnings Multiple	• Jurisdiction/country and size discount (40-50%)	The fair values would increase/ decrease if : • The jurisdiction/country and size discount was higher or lower
Discounted Cash Flow Technique	• Inflation shock adjusted return (1.5%) • Discount rate (10-15%)	The fair values would increase/ decrease if : • The Inflation shock adjusted return was higher/lower • The discount rate was lower / higher

If the average jurisdiction or country discount had been at 5% more or less, the impact on other comprehensive income would be ZWG 20,677,744 and impact on statement of financial position would be ZWG 23,631,708.

20. PROPERTY AND EQUIPMENT

AUDITED	Land ZWG 000	Buildings ZWG 000	Leasehold improvements ZWG 000	Motor vehicles ZWG 000	Computer ZWG 000	Equipment ZWG 000	Furniture & Fittings ZWG 000	Work in progress ZWG 000	Total ZWG 000
31 December 2024									
Cost									
Opening balance	123 779	773 327	4 444	40 307	123 464	49 197	32 465	89 405	1 236 388
Effects of translation to presentation currency	111 688	699 972	3 623	47 833	117 634	52 546	31 986	70 667	1 135 949
Additions	-	16 213	-	14 342	75 078	22 616	5 173	212 486	345 908
Revaluation loss	(108 150)	(506 859)	-	-	-	-	-	-	(615 009)
Disposals	-	-	-	-	(1 328)	(421)	(311)	-	(2 060)
Write offs	-	(3 508)	-	(44)	(210)	(102)	(42)	(45 093)	(48 999)
Intercategory transfers	-	-	-	6 608	4 121	5 379	1 333	(17 441)	-
Closing balance	**127 317**	**979 145**	**8 067**	**109 046**	**318 759**	**129 215**	**70 604**	**310 024**	**2 052 177**
Accumulated depreciation									
Opening balance	-	9 634	2 334	13 109	54 396	21 577	11 405	-	112 455
Effects of translation to presentation currency	-	23 748	2 285	16 497	58 911	20 551	10 928	-	132 920
Charge for the year	-	81 319	719	11 008	28 246	8 857	3 855	-	134 004
Disposals	-	-	-	-	(895)	(347)	(151)	-	(1 393)
Write offs	-	(3 508)	-	(39)	(75)	(92)	(34)	-	(3 748)
Revaluation	-	(72 637)	-	-	-	-	-	-	(72 637)
Closing balance	-	**38 556**	**5 338**	**40 575**	**140 583**	**50 546**	**26 003**	-	**301 601**
Net Book Value	**127 317**	**940 589**	**2 729**	**68 471**	**178 176**	**78 669**	**44 601**	**310 024**	**1 750 576**

AUDITED	Land ZWG 000	Buildings ZWG 000	Leasehold improvements ZWG 000	Motor vehicles ZWG 000	Computer ZWG 000	Equipment ZWG 000	Furniture & Fittings ZWG 000	Work in progress ZWG 000	Total ZWG 000
31 December 2023									
Cost									
Opening balance	43 025	291 653	3 400	17 060	109 207	32 100	21 907	60 118	578 470
Additions	-	10 471	1 044	23 168	12 524	15 779	10 511	50 538	124 035
Revaluation gain	80 754	463 367	-	-	-	-	-	-	544 121
Disposals	-	-	-	(418)	(178)	(19)	(97)	-	(712)
Transfers from investment properties	-	8 066	-	-	-	-	-	-	8 066
Write offs	-	(230)	-	-	(28)	(28)	(7)	(17 299)	(17 592)
Intercategory transfers	-	-	-	497	1 939	1 365	151	(3 952)	-
Closing balance	**123 779**	**773 327**	**4 444**	**40 307**	**123 464**	**49 197**	**32 465**	**89 405**	**1 236 388**
Accumulated depreciation									
Opening balance	-	7 826	1 872	11 946	41 940	19 524	9 394	-	92 502
Charge for the year	-	56 165	462	1 478	12 574	2 093	2 101	-	74 873
Disposals	-	-	-	(315)	(100)	(16)	(84)	-	(515)
Write offs	-	(112)	-	-	(18)	(24)	(6)	-	(160)
Revaluation	-	(54 245)	-	-	-	-	-	-	(54 245)
Closing balance	-	**9 634**	**2 334**	**13 109**	**54 396**	**21 577**	**11 405**	-	**112 455**
Net Book Value	**123 779**	**763 693**	**2 110**	**27 198**	**69 068**	**27 620**	**21 060**	**89 405**	**1 123 933**

The carrying amount of the land and buildings is the fair value of the property as determined by a registered internal appraiser, having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The valuation was in accordance with the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual and the Real Estate Institute of Zimbabwe standards.

In determining the market values of the subject properties, the following was considered:

- Comparable market evidence which comprised complete transactions as well as transactions where offers had been made but the transactions had not been finalised.
- Professional judgement was exercised to take cognisance of the fact that properties in the transaction were not exactly comparable in terms of size, quality and location of the properties owned by the group.
- The reasonableness of the market values of commercial properties so determined, per above bullet, was assessed by reference to the properties in the transaction.
- The values per square metre of lettable spaces for both the subject properties and comparable were analysed.
- With regards to market values for residential properties, the comparison method was used. This method entails carrying out a valuation by directly comparing the subject property, which have been sold or rented out. The procedure was performed as follows:

  i Surveys and data collection on similar past transactions.
  ii. Analysis of collected data.

- Comparison of the analysis with the subject properties and then carrying out the valuation of the subject properties. Adjustments were made to the following aspects:

  a) Age of property – state of repair and maintenance,
  b) Aesthetic quality – quality of fixtures and fittings,
  c) Structural condition – location,
  d) Accommodation offered – size of land.

The maximum useful lives are as follows:

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

The carrying amount of buildings would have been ZWG 343,254,879 (31 December 2023: ZWG 182,532,330) had they been carried at cost. Property and equipment was tested for impairment through comparison with open market values.

If the fair value adjustment had been 5% up or down, the Group's other Comprehensive Income would have been ZWG20,135,561 (31 December 2023: ZWG 22,214,338) higher or lower than the reported position, impact on the Financial Position would be ZWG 27,118,600 (31 December 2023:ZWG 29,918,300) higher or lower than the reported position.

Included in property and equipment are amounts relating to right of use assets for buildings that are leased by the Group for periods more than one year. The buildings are used by the Group for its various branches and operations.

The information about the leases for which the Group is a lessee is presented below;

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
20.1a	**Right of use assets**		
	Opening balance	9 442	576
	Additions	15 420	10 903
	Write offs	-	(117)
	Effects of translation to presentation currency	13 207	-
	Depreciation charge for the year	(8 682)	(1 920)
	Closing balance	**29 387**	**9 442**

The Group leases a number of branches and IT equipment under operating leases. The buildings and equipment are mainly used by the Bank for its various branches and operations. The leases run for a period of five years with an option to renew the lease for a further five years after the expiry date.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
20.1b	**Lease liabilities**		
	Opening balance	9 338	2 794
	Additions	15 420	10 903
	Write-offs	-	(121)
	Interest	1 568	700
	Effects of translation to presentation currency	5 704	-
	Repayment	(10 590)	(7 987)
	Exchange (loss)/gains on lease liabilities	(193)	7 091
	Monetary adjustment	-	(4 042)
		21 247	**9 338**

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
20.1c Lease liabilities maturity analysis		
Less than one month	1 107	587
One to three months	2 522	1 222
Three to six months	3 220	1 420
Six to twelve months	5 477	2 629
One to five years	10 618	4 639
	22 944	**10 497**
20.1d Amounts recognised in statement of profit or loss		
Interest on lease liabilities	1 568	700
Depreciation	8 682	1 920
Expenses relating to short term leases	1 346	4 660
	11 596	**7 280**
20.1e Amounts recognised in statement of cash flow	**10 590**	**7 987**

21. INVESTMENT PROPERTIES

	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Opening balance	879 322	305 160
Additions	30 853	35 721
Disposals	-	(7 851)
Transfer from inventory	1 028	-
Transfer to property and equipment	-	(8 066)
Effects of translation to presentation currency	470 254	-
Fair valuation adjustments	(330 318)	554 358
Closing balance	**1 051 139**	**879 322**

The carrying amount of the investment property is the fair value of the property as determined by a registered internal appraiser, having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The valuation was in accordance with the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual and the Real Estate Institute of Zimbabwe Standards. Fair values were determined having regard to recent market transactions for similar properties in the same location as the Group's investment properties and in reference to the rental yields applicable to similar properties. The properties were valued as at 31 December 2024.

	Valuation technique	Significant observable inputs	Range (weighted average)
Office and Retail properties	Implicit investment approach	Comparable rentals per month per square meter	ZWG 45.15 – ZWG 1 160.93
		Capitalisation rate	8.5% - 13. 5%
Land and Residential property	Market value of similar properties	Comparable rate per square meter	ZWG 257.99 - ZWG 1 934.89

In arriving at the market value of the property, the implicit investment approach was applied based on the capitalisation of income. This method is based on the principle that rentals and capital values are inter-related. Hence given the income produced by a property, its capital value can therefore be estimated. Comparable rentals inferred from properties within the locality of the property based on use, location, size and quality of finishes were used. The rentals were then adjusted per square meter to the lettable areas, being rentals achieved for comparable properties as at 31 December 2024. The rentals are then annualised and a capitalisation factor was applied to arrive at a market value of the property, also inferring on comparable premises which are in the same category as regards the building elements.

In assessing the market value of the residential stands, values of various properties that had been recently sold or which are currently on sale and situated in comparable residential areas were used. Market evidence from other estate agents and local press was also taken into consideration.

If the fair value adjustment had been 5% up or down, the Group's profit would have been ZWG 15,690,175 (31 December 2023: ZWG 26,332,046) higher than the reported position and the Statement of Financial Position would be ZWG 16,515,900 (31 December 2023: ZWG 27,717,944) higher than the reported position.

22. INTANGIBLE ASSETS

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
At cost	84 657	34 080
Accumulated amortisation	(56 302)	(24 111)
	28 355	**9 969**
Movement in intangible assets		
Opening balance	9 969	9 874
Additions	19 831	6 469
Write offs	-	(54)
Amortisation charge	(7 371)	(6 320)
Effects of translation to presentation currency	5 926	-
Closing balance	**28 355**	**9 969**

Intangible assets are carried at cost less accumulated amortisation charge. The intangible assets which comprise computer software are amortised over a period of 3 years.

23. DEFERRED TAXATION

23.1 Deferred tax asset

Deferred tax asset represents the amount of income taxes recoverable in future years in respect of deductible temporary differences, unused tax losses and unused tax credits.

The deferred tax included in the Statement of Financial Position are comprised of:

	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Assessed losses	48 276	27 923
Expected credit loss provisions	422 502	197 389
Other	46 264	25 276
Closing deferred tax balance	**517 042**	**250 588**

23.2 Deferred tax liability

Deferred tax liability represents the amount of income taxes payable in future years in respect of taxable temporary differences.

The deferred tax liability balances included in the Statement of Financial Position are comprised of:

	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Intangible assets	4 522	1 731
Equity investments	30 595	12 136
Property and equipment	232 375	172 014
Investment properties	129 316	94 511
Other	290 675	434 533
Closing balance	**687 483**	**714 925**

Included in other are deferred tax balances relating to unrealised foreign currency exchange gains/ losses, deferred facilitation fees, deferred establishment fees and other commissions.

24. DEPOSITS

	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Demand	16 948 800	11 073 141
Savings	354 822	170 225
Time	543 120	407 560
Treasury	593 443	102 105
Credit lines	3 059 467	520 250
Accrued interest	88 553	114 582
	21 588 205	**12 387 863**

24.1 Settlement of legacy liabilities and nostro gap accounts

Included in the deposits balance above are amounts that are denominated in USD amounting to US$ 80,634,302 (December 2023: US$133,369, 793), being legacy liabilities of US$46,177,401 (December 2023: US$46,221,338) and nostro gap accounts of US$34,456,901 (December 2023: US$64,247,506) which are shown at ZWG 2,080,244 040 (December 2023: ZWG 89,951,669). These liabilities which are payable on demand are subject to a special settlement arrangement with the RBZ as detailed in Note 26.7 to the financial statements wherein the Reserve Bank of Zimbabwe (RBZ) will provide funding to the Group for all registered legacy liabilities and nostro gap accounts at an exchange rate of 1:1. We note that to date US$70,259,297(December 2023: US$54,083,770) has been made available under this arrangement demonstrating the willingness and capability of the RBZ to honour the settlement arrangement.

The Group has however identified key risks attendant to the legacy liabilities and nostro gap accounts. A report on the risks and respective mitigating strategies are available for inspection at the Company's Registered Offices.

24.2 Sectoral Analysis

	AUDITED 31 DEC 2024 ZWG 000	%	AUDITED 31 DEC 2023 ZWG 000	%
Private	1 542 590	7	588 858	5
Agriculture	281 439	1	147 462	1
Mining	416 862	2	276 385	2
Manufacturing	523 844	2	343 759	3
Distribution	1 778 093	8	620 850	5
Construction	106 709	1	85 628	1
Transport	66 349	1	75 457	1
Communication	197 864	1	208 035	2
Services	12 895 619	60	8 810 144	71
Financial organisations	2 868 675	13	982 158	7
Financial and investments	910 161	4	249 127	2
	21 588 205	**100**	**12 387 863**	**100**

24.3 Maturity analysis

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Less than 1 month	18 411 189	11 595 399
Between 1 and 3 months	61 269	5 194
Between 3 and 6 months	910 622	258 579
Between 6 months and 1 year	959 396	-
Between 1 and 5 years	1 245 729	12 728
More than 5 years	-	515 963
	21 588 205	**12 387 863**

Maturity analysis is based on the remaining period from 31 December 2024 to contractual maturity.

25. INSURANCE CONTRACTS

25.1 Balance sheet composition of insurance assets and liabilities

	AUDITED					
	Life Risk ZWG 000	Property Risk ZWG 000	Total ZWG 000	Current ZWG 000	Non current ZWG 000	Total ZWG 000
31 December 2024						
Insurance contract assets	21 357	-	21 357	-	21 357	21 357
Reinsurance assets	543	46 091	46 634	46 091	543	46 634
Insurance liabilities	(113 716)	(75 570)	(189 286)	(75 570)	(113 716)	(189 286)
Reinsurance liabilities	(597)	(9 590)	(10 187)	(9 590)	(597)	(10 187)
Total	**(92 413)**	**(39 069)**	**(131 482)**	**(39 069)**	**(92 413)**	**(131 482)**

	AUDITED					
	Life Risk ZWG 000	Property Risk ZWG 000	Total ZWG 000	Current ZWG 000	Non current ZWG 000	Total ZWG 000
31 December 2023						
Insurance contract assets	25 789	49	25 838	49	25 789	25 838
Reinsurance assets	926	26 694	27 620	26 694	926	27 620
Insurance liabilities	(63 077)	(43 013)	(106 090)	(43 013)	(63 077)	(106 090)
Reinsurance liabilities	(203)	(2 754)	(2 957)	(2 755)	(203)	(2 957)
Total	**(36 565)**	**(19 024)**	**(55 589)**	**(19 025)**	**(36 565)**	**(55 589)**

At 31 December 2024, the maximum exposure to credit risk from insurance contracts is ZWG NIL (2023: ZWG 93,835) which primarily relates to premiums receivable for services that the Group has already provided, and the maximum exposure to credit risk from reinsurance contracts is ZWG 7,633,771.15 (2023: ZWG 5,756,166). Expected credit losses on receivables, have been accounted for in line with accounting policies for other trade receivables held by the Group.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
25.2 Investment contract liabilities		
Opening balance	12 239	4 929
Amounts recognised in profit or loss		
Investment return on underlying items	2 623	27 371
Cash flows		
Contributions received	1 433	1 740
Benefits paid	(138)	-
Other		
Effects of translation to presentation currency	310	-
Monetary adjustment	-	(21 801)
Closing balance	**16 467**	**12 239**
25.3 Investment contract liabilities are supported by the following net assets		
Money market assets	660	346
Cash	439	434
Prescribed assets	9 303	8 987
Listed equity investments	13 628	5 935
Investment property	3 708	-
	27 738	**15 702**
26. OTHER LIABILITIES		
Deferred revenue	64 942	7 676
Sundry creditors	2 570 330	425 522
Accruals	317 757	338 904
Suspense	42 288	207 221
Provisions	953 514	245 013
	3 948 831	**1 224 336**
27. CATEGORIES OF FINANCIAL LIABILITIES		
Deposits	21 588 205	12 387 863
Other liabilities	3 883 889	425 523
Lease liabilities	21 247	9 338
	25 493 341	**12 822 724**
28 EQUITY AND RESERVES		
28.1 Share Capital		
Authorised		
1 000 000 000 ordinary shares of ZWG 0.01 each	10 000 000	10 000 000
	Shares	**Shares**
Opening balance	622 069	522 016
Issue of shares	-	100 053
Issued and fully paid	**622 069**	**622 069**
Opening balance	9 879	9 872
Issue of shares	-	7
Closing balance	**9 879**	**9 879**
28.2 SHARE PREMIUM		
Opening balance	232 384	60 328
Issue of shares	-	172 056
Closing balance	**232 384**	**232 384**
28.3 REVALUATION RESERVE		
Opening balance	703 494	245 151
Net revaluation (loss)/ gain	(433 918)	458 343
Closing balance	**269 576**	**703 494**
28.4 RETAINED EARNINGS		
Retained earnings comprises:		
Opening balance	2 745 194	1 306 632
Profit for the year	168 361	1 540 570
Dividend paid	(68 724)	(102 008)
Closing balance	**2 844 831**	**2 745 194**

28.4 RETAINED EARNINGS (continued...)

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Retained earnings comprises:		
Holding company	(41 449)	130 563
Subsidiary companies	2 972 106	2 564 656
Effect of consolidation journals	(85 826)	49 975
Closing balance	**2 844 831**	**2 745 194**
28.5 NON CONTROLLING INTERESTS (NCI)		
Opening balance	134	69
Profit for the year	(311)	(137)
Other comprehensive income	66	202
Closing balance	**(111)**	**134**
28.6 FAIR VALUE RESERVE		
Opening balance	203 979	103 040
Other comprehensive income	14 365	100 939
Closing balance	**218 344**	**203 979**
28.7 FOREIGN CURRENCY TRANSLATION RESERVE		
Opening balance	9 413	10 418
Exchange gain on translation to presentation currency	4 323 488	-
Exchange loss on translation of a foreign subsidiary	(204)	(1 005)
Closing balance	**4 332 697**	**9 413**
28.8 SHARE BASED PAYMENT RESERVE		
Opening balance	20 911	20 911
Closing balance	**20 911**	**20 911**
28.9 SHARES AWAITING ALLOTMENT RESERVE		
Opening balance	-	39 726
Shares issues during the year	-	(39 726)
Closing balance	**-**	**-**

During the year ended 31 December 2022 the Group received funds for a share issue transaction. The shares were allotted during the year 2023.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
28.10 GENERAL RESERVE		
Opening balance	(52 502)	-
Share of OCI of equity-accounted investees	37 343	(52 502)
Closing balance	**(15 159)**	**(52 502)**

29. CAPITAL MANAGEMENT

The Group adopted the Internal Capital Adequacy Assessment Policy (ICAAP) which enunciates CBZ Holding's approach, assessment and management of risk and capital from an internal perspective that is over and above the minimum regulatory rules and capital requirements of Basel II. The primary objective of the Group's capital management is to ensure that the Group complies with externally imposed capital requirements and economic capital requirements which is risk based capital requirements. The Group maintains strong credit ratings and healthy capital ratios in order to support its business and maximise shareholder value. ICAAP incorporates a capital management framework designed to satisfy the needs of key stakeholders i.e. depositors, regulators, rating agencies who have specific interest in its capital adequacy and optimal risk taking to ensure its going concern status (solvency). The focus is also targeted at meeting the expectations of those stakeholders i.e. shareholders, analysts, investors, clients and the general public who are interested in looking at the profitability of the Group vis-à-vis assumed levels of risk (risk versus return).

30. CONTINGENCIES AND COMMITMENT

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Guarantees	35 595	27 069
Closing balance	**35 595**	**27 069**
Capital Commitments		
Authorised and contracted for	2 892	-
Closing balance	**2 892**	**-**

The capital commitments are funded from the Group's own resources.

31. FUNDS UNDER MANAGEMENT

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Pension Funds	3 841 362	2 116 653
Institutional & individual clients - Equities	3 460 456	1 234 209
Institutional & individual clients - Fixed Income	417 563	199 931
Exchange traded funds	6 096	3 341
Real Estate Investment Trusts	554 508	231 940
Unit Trust Funds	6 705	3 531
Closing balance	**8 286 690**	**3 789 605**

32. OPERATING SEGMENTS

The Group is comprised of the following operating segments:

Banking Operations
Provides commercial banking products through retail banking corporate and merchant banking and investing portfolios through the treasury function.

Asset Management
Provides fund management services to a wide spectrum of investors through placement of either pooled portfolios or individual portfolios.

Insurance Operations
Provides short term insurance and Life assurance. Also provides Risk Advisory Services to its clients as part of its insurance operations function.

Property Investments
Property investment arm of the Group.

Agro Business
Provides contract farming loans to farmers both individual and commercial.

Micro Finance
Provides financial services to the informal sector, SMEs, Civil Servants, small holder farmers and all those who are gainfully employed.

Other Operations
Other operations provided by the Group include equity investments by the Holding Company.

The table below shows the segment operational results for the year ended 31 December 2024:

32.1 Segment operational results

AUDITED	Banking operations ZWG 000	Asset management ZWG 000	Insurance operations ZWG 000	Property investment ZWG 000	Agro business ZWG 000	Micro Finance ZWG 000	Other operations ZWG 000	Elimination of intersegment amounts ZWG 000	Consolidated ZWG 000
INCOME									
Net interest income for the year ended 31 Dec 2024	**1 215 529**	**37**	**4 305**	**(4 639)**	**99 377**	**124 651**	**(54 946)**	**393**	**1 384 707**
Net interest income for the year ended 31 Dec 2023	1 371 881	42	(1 228)	(1 084)	(137 613)	52 638	(68 364)	329	1 216 601
Non-interest income for the year ended 31 Dec 2024	**2 880 184**	**41 442**	**20 612**	**(112 232)**	**(23 638)**	**21 595**	**451 734**	**(508 752)**	**2 770 945**
Non-interest income for the year ended 31 Dec 2023	3 168 757	53 766	113 648	210 699	627 522	16 979	601 894	(666 493)	4 126 772
Insurance service result for the year ended 31 Dec 2024	**-**	**-**	**(24 379)**	**-**	**-**	**-**	**-**	**(16 992)**	**(41 371)**
Insurance service result for the year ended 31 Dec 2023	-	-	(58 355)	-	-	-	-	(8 199)	(66 554)
Total income for the year ended 31 Dec 2024	**4 095 713**	**41 479**	**(2 334)**	**(116 871)**	**75 738**	**146 246**	**396 788**	**(525 350)**	**4 111 409**
Total income for the year ended 31 Dec 2023	4 540 638	53 808	48 713	209 615	489 909	69 618	533 530	(674 364)	5 271 467
Staff costs for the year ended 31 Dec 2024	**1 446 391**	**29 911**	**87 783**	**45 748**	**87 194**	**32 572**	**413 972**	**-**	**2 143 571**
Staff costs for the year ended 31 Dec 2023	880 337	23 740	66 152	23 441	79 440	22 668	445 945	-	1 541 723
Administrative expenses for the year ended 31 Dec 2024	**708 423**	**13 060**	**56 035**	**13 796**	**49 663**	**28 473**	**78 897**	**(193 535)**	**754 812**
Administrative expenses for the year ended 31 Dec 2023	692 103	22 362	102 884	14 847	71 729	30 456	95 346	(354 324)	675 403
Depreciation & amortisation for the year ended 31 Dec 2024	**120 779**	**408**	**4 967**	**643**	**5 480**	**2 093**	**8 175**	**(1 170)**	**141 375**
Depreciation & amortisation for the year ended 31 Dec 2023	71 189	214	1 764	309	4 382	1 205	4 555	(2 425)	81 193
Expected credit losses for the year ended 31 Dec 2024	**835 749**	**132**	**1 154**	**468**	**(60 379)**	**16 365**	**6 980**	**182**	**800 651**
Expected credit losses for the year ended 31 Dec 2023	409 016	1 691	249	(290)	155 500	2 639	60	14 959	583 824
RESULTS									
Profit before taxation for the year ended 31 Dec 2024	**928 626**	**(5 391)**	**(58 853)**	**(180 314)**	**(8 310)**	**66 090**	**(114 059)**	**(561 171)**	**66 618**
Profit before taxation for the year ended 31 Dec 2023	1 505 077	5 752	44 706	181 031	212 995	4 455	122 202	(118 918)	1 957 300
Cash flows:									
Used in operating activities for the year ended 31 Dec 2024	**1 389 163**	**(1 471)**	**49 543**	**(577)**	**89 956**	**(5 268)**	**37 575**	**(344 442)**	**1 214 479**
Used in operating activities for the year ended 31 Dec 2023	5 362 899	(8 797)	(20 278)	(15 324)	56 046	(166 904)	269 658	(242 619)	5 234 681
Used in investing activities for the year ended 31 Dec 2024	**(337 693)**	**(393)**	**(44 815)**	**(264)**	**(31 361)**	**(691)**	**(1 338)**	**17 825**	**(398 730)**
Used in investing activities for the year ended 31 Dec 2023	(169 826)	5 194	(7 593)	(437)	(2 784)	(718)	(31 066)	(52 435)	(259 665)
Used in financing activities for the year ended 31 Dec 2024	**(290 540)**	**(197)**	**(189)**	**(786)**	**(65 881)**	**(3 307)**	**(72 984)**	**354 570**	**(79 314)**
Used in financing activities for the year ended 31 Dec 2023	(294 365)	2 244	35 646	13 637	(22 488)	2 622	(65 181)	254 113	(73 772)
TOTAL ASSETS AND LIABILITIES									
Reportable segment liabilities for the year ended 31 Dec 2024	**24 282 922**	**46 616**	**279 729**	**102 054**	**626 231**	**220 344**	**1 180 413**	**(232 157)**	**26 506 152**
Reportable segment liabilities for the year ended 31 Dec 2023	13 287 163	15 232	160 347	44 363	365 125	117 115	584 786	(105 060)	14 469 071
Total segment assets for the year ended 31 Dec 2024	**30 421 244**	**74 901**	**470 859**	**334 738**	**1 443 455**	**314 739**	**1 787 557**	**(427 989)**	**34 419 504**
Total segment assets for the year ended 31 Dec 2023	15 818 712	38 541	313 181	315 491	770 098	128 196	999 906	(42 168)	18 341 957

33. RELATED PARTIES

The Group does not have an ultimate parent as it is owned by several shareholders none of which has a controlling interest. The Group has related party relationships with its Directors and key management employees, their companies and close family members. The Group carries out banking and investment related transactions with various companies related to its shareholders, all of which were undertaken at arm's length and in compliance with the relevant Banking Regulations.

Loans and advances to Directors' companies

AUDITED	Gross limits ZWG 000		Utilised limits ZWG 000		Value of security ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Loans to directors' companies	36 141	15 492	18 102	5 957	-	424

The loans to directors' companies above include companies directly owned or significantly influenced by executive and non-executive directors and/or their close family members. The loans above are provided at commercial terms with interest rates ranging from 12% to 24% per annum and a tenure ranging from 1 month to 12 months. The loans to directors and key management personnel are shown in note 12.3.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Transactions with Directors' companies		
Interest income	1 110	424
Commission and fee income	128	81
	1 238	**505**

34. RISK MANAGEMENT

34.1 Risk overview

CBZ Group Enterprise Wide Risk Management Framework is anchored on the desire to uphold a High Risk Management and Compliance Culture as one of the major strategic thrusts and is supported by a clearly defined risk appetite in terms of various key exposures. This approach has given direction to the Group's overall Going Concern underpinned by robust strategic planning and policies .Through the CBZ Group risk management function, the Group regularly carries risk analysis through value at risk (VaR) assessments, stress testing as well as simulations to ensure that there is congruency or proper alignment between its strategic focus and its desired risk appetite.

34.2 Group risk management framework

The Group's risk management framework looks at enterprise wide risks and recognises that for effective risk management to take root, it has to be structured in terms of acceptable appetite, defined responsibility, accountability and independent validation of set processes. The Group Board is responsible for setting and reviewing the risk appetite as well as Group Policies. Management and staff are responsible for the implementation of strategies aimed at the management and control of the risks that fall within their strategic organisational responsibilities. The CBZ Group Enterprise Wide Risk Management function is responsible for ensuring that the Group's risk taking remains within the set risk benchmarks. The Group Internal Audit function on the other hand provides independent assurance on the adequacy and effectiveness of the deployed risk management processes.

The CBZ Group Enterprise Wide Governance and Compliance Unit evaluates quality of compliance with policies, processes and governance structures. In terms of risk governance, the Group Board has delegated authority to the following Group Board Committees whose membership consists of Non–Executive Directors of the Group:

Risk Management & Compliance Committee – has the responsibility for oversight and review of prudential risks comprising of but not limited to credit, liquidity, interest rate, exchange, investment, operational, equities, insurance, security, technological, reputational and compliance. Its other responsibilities include reviewing the adequacy and effectiveness of the Group's risk management policies, systems and controls as well as the implications of proposed regulatory changes to the Group. It receives consolidated quarterly risk and compliance related reports from the Group Executive Management Committee (Group EXCO) and Group Risk Management Sub-Committee. The committee governance structures ensure that approval authority and risk management responsibilities are cascaded down from the Board through to the appropriate business units and functional committees. Its recommendations are submitted to the Group Board.

Audit & Finance Committee – manages financial risk related to ensuring that the Group's financial results are prepared in line with the International Financial Reporting Standards. This committee is responsible for capital management policy as well as the adequacy of the Group's prudential capital requirements taking into account the Group's risk appetite. The committee is also tasked with the responsibility of ensuring that efficient tax management systems are in place and that the Group is in full compliance with tax regulations.

Human Resources & Remunerations Committee – is accountable for people related risks and ensures that the Group has the optimal numbers as well as the right mix in terms of skills and experience for the implementation of the Group's strategy. The committee also looks at succession planning, the welfare of Group staff as well as the positive application of the Group's Code of Ethics.

34.3 Credit risk

This is the risk of potential loss arising from the probability of borrowers and or counterparties failing to meet their repayment commitments to the Group as and when they fall due in accordance with agreed terms and conditions.

Credit risk management framework

Credit risk is managed through a framework of credit policies and standards covering the identification, management, measurement and control of credit risk. These policies are approved by the Board, which also delegates credit approvals as well as loans reviews to designated sub committees within the Group. Credit origination and approval roles are segregated.

The Group uses an internal rating system based on internal estimates of probability of default over a one year horizon and customers are assessed against a range of both quantitative and qualitative factors. Credit concentration risk is managed within set benchmarks by counterparty or a group of connected counterparties, by sector, maturity profile and by credit rating. Concentration is monitored and audited through the responsible risk committees set up by the Board.

The Group through credit originating units as well as approving committees regularly monitors credit exposures, portfolio performance and external environmental factors that are likely to impact on the credit book. Through this process, clients or portfolios that exhibit material credit weaknesses are put on watch for close monitoring or exiting of such relationships where restructuring is not possible. Those exposures which are beyond restructuring are downgraded to Recoveries and Collections Unit.

Credit mitigation

Credit mitigation is employed in the Group through taking collateral, credit insurance and other guarantees. The Group is guided by considerations related to legal certainty, enforceability, market valuation and the risk related to guarantors in deciding which securities to accept from clients. Types of collateral that are eligible for risk mitigation include cash, mortgages over residential, commercial and industrial property, plant and machinery, marketable securities, guarantees, assignment of crop or export proceeds, leasebacks and stop-orders.

34.3 (a) Credit risk exposure

The table below shows the maximum exposure to credit risk for the components of the statement of financial position.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Balances with banks	5 739 546	2 943 310
Money market assets	1 084 650	451 783
Financial securities	5 853 981	2 790 163
Loans and advances to customers	8 300 282	4 603 658
Other assets	6 222 167	2 473 480
Total	**27 200 626**	**13 262 394**
Financial guarantees	35 594	27 069
Total	**35 594**	**27 069**

Where financial instruments are recorded at fair value the amounts shown above represent the current credit risk exposure but not maximum risk exposure that could arise in the future as a result of changes in value.

The Group held cash and cash equivalents of ZWG 5,763,513,051 (2023: ZWG 2,946,305,545) (excluding notes and coins) as at 31 December 2024 which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with the Central Bank, local banks and foreign banks.

34.3(b) An industry sector analysis of the Group's loans and advances before and after taking into account collateral held is as follows:

	AUDITED 31 DEC 2024 ZWG 000 Gross maximum exposure	AUDITED 31 DEC 2024 ZWG 000 Net maximum exposure (not covered by mortgage security)	AUDITED 31 DEC 2023 ZWG 000 Gross maximum exposure	AUDITED 31 DEC 2023 ZWG 000 Net maximum exposure (not covered by mortgage security)
Private	3 119 820	2 731 125	1 288 790	1 096 842
Agriculture	2 110 016	789 012	1 165 513	349 800
Mining	1 638 764	1 414 858	857 043	714 687
Manufacturing	647 133	-	737 157	486 807
Distribution	981 358	410 432	722 702	513 200
Construction	164 788	-	53 717	-
Transport	33 041	15 849	15 863	-
Communication	199 403	198 841	190 659	190 659
Services	199 586	42 395	182 954	29 394
Financial organisations	37 859	-	11 320	43 675
Gross value	**9 131 768**	**5 602 512**	**5 225 718**	**3 425 064**

Collateral split by class	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Government Guarantee	873 419	469 438
Cash cover	8 287	77 457
Registered Marketable Commodities	29 411	172 136
Mortgage bonds	3 599 503	1 097 829
Notarial general covering bonds	2 056 053	1 057 936
	6 566 673	**2 874 796**

The Group holds collateral against loans and advances to customers in the form of mortgage bonds over property, other registered securities over assets, guarantees, cash cover, assignment of crop or export proceeds, leasebacks and stop-orders. Estimates of fair values are based on the value of collateral assessed at the time of borrowing, and are regularly aligned to trends in the market.

34.3 (c) Credit quality per class of financial assets

a. Loans and advances to customers

(i) The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in Note 34.3.1.

AUDITED

	SRS Rating	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
		31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Internal rating grade									
Performing	"1 - 3c"	3 593 168	1 933 806	30 744	195 694	-	-	3 623 912	2 129 500
Special mention	"4a - 7c"	3 620 672	1 633 939	1 127 100	984 992	-	-	4 747 772	2 618 931
Non-performing	"8 - 10"	-	-	-	-	760 084	477 287	760 084	477 287
Total		**7 213 840**	**3 567 745**	**1 157 844**	**1 180 686**	**760 084**	**477 287**	**9 131 768**	**5 225 718**

(ii) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans and advances is as follows:

GROSS CARRYING AMOUNT — AUDITED

	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Opening balance	3 567 745	1 581 167	1 180 686	162 513	477 287	902 161	5 225 718	2 645 841
New assets originated or purchased	8 049 046	12 342 866	2 370 142	1 855 424	115 576	262 825	10 534 764	14 461 115
Transfers from Stage 1	(617 932)	(4 142 070)	437 775	3 858 469	180 157	283 601	-	-
Transfers from Stage 2	561 691	658 582	(2 470 216)	(3 011 052)	1 908 525	2 352 470	-	-
Transfers from Stage 3	28 228	144 431	15 457	1 474	(43 685)	(145 905)	-	-
Effects of translation to presentation currency	3 196 173	-	1 074 832	-	109 870	-	4 380 875	-
Foreign exchange (loss)/ gains	(4 451 115)	1 792 537	(1 054 793)	956 558	(855 865)	431 535	(6 361 773)	3 180 630
Repayments during the year	(3 119 996)	(3 338 729)	(396 039)	(1 958 812)	(231 796)	(1 079 335)	(3 747 831)	(6 376 876)
Amounts written off	-	-	-	-	(899 985)	(2 229 869)	(899 985)	(2 229 869)
Monetary adjustment	-	(5 471 039)	-	(683 888)	-	(300 196)	-	(6 455 123)
Gross loans and advances to customers	**7 213 840**	**3 567 745**	**1 157 844**	**1 180 686**	**760 084**	**477 287**	**9 131 768**	**5 225 718**
ECL allowance	(217 792)	(103 310)	(127 257)	(154 097)	(486 437)	(364 653)	(831 486)	(622 060)
Net loans and advances to customers	**6 996 048**	**3 464 435**	**1 030 587**	**1 026 589**	**273 647**	**112 634**	**8 300 282**	**4 603 658**

ECL RECONCILIATION — AUDITED

	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Opening balance	103 310	98 402	154 097	43 361	364 653	623 316	622 060	765 079
New assets originated or purchased	182 857	105 498	1 003 760	397 567	91 582	101 971	1 278 199	605 036
Effects of translation to presentation currency	96 678	-	143 356	-	153 476	-	393 510	-
Transfers from Stage 1	(62 378)	(104 720)	15 096	63 322	47 282	41 398	-	-
Transfers from Stage 2	35 650	1 342	(1 150 817)	(543 852)	1 115 167	542 510	-	-
Transfers from Stage 3	716	393	3 466	44	(4 182)	(437)	-	-
Foreign Exchange (loss)/ gain	(28 101)	85 048	(20 547)	252 570	(74 299)	184 935	(122 947)	522 553
Amounts written off	-	-	-	-	(1 076 582)	(569 235)	(1 076 582)	(569 235)
Amounts paid off	(110 940)	(77 925)	(21 154)	(34 338)	(130 660)	(493 604)	(262 754)	(605 867)
Monetary adjustment	-	(4 728)	-	(24 577)	-	(66 201)	-	(95 506)
Closing balance	**217 792**	**103 310**	**127 257**	**154 097**	**486 437**	**364 653**	**831 486**	**622 060**

b. Financial Securities

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in Note 34.3.1.

AUDITED

	SRS Rating	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
		31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Internal rating grade									
Performing	"1 - 3c"	5 955 125	2 851 150	-	-	-	-	5 955 125	2 851 150
Total		**5 955 125**	**2 851 150**	**-**	**-**	**-**	**-**	**5 955 125**	**2 851 150**

(ii). An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to financial securities as follows:

AUDITED

	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Opening balance	2 851 150	530 561	-	-	-	-	2 851 150	530 561
New assets originated or purchased	2 703 996	10 586 826	-	-	-	-	2 703 996	10 586 826
Effects of translation to presentation currency	2 636 045	-	-	-	-	-	2 636 045	-
Monetary adjustment	-	(8 264 814)	-	-	-	-	-	(8 264 814)
Maturities during the year	(2 236 066)	(1 423)	-	-	-	-	(2 236 066)	(1 423)
Gross financial securities	**5 955 125**	**2 851 150**	**-**	**-**	**-**	**-**	**5 955 125**	**2 851 150**
ECL allowance	(101 144)	(60 984)	-	-	-	-	(101 144)	(60 984)
Closing balance	**5 853 981**	**2 790 166**	**-**	**-**	**-**	**-**	**5 853 981**	**2 790 166**

c. Money market asset

(i) The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in Note 34.3.1

AUDITED

	SRS Rating	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
		31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Internal rating grade									
Performing	"1 - 3c"	1 121 611	476 040	-	-	-	-	1 121 611	476 040
Total		**1 121 611**	**476 040**	**-**	**-**	**-**	**-**	**1 121 611**	**476 040**

(ii) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to money market assets is as follows:

GROSS CARRYING AMOUNT — AUDITED

	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Opening balance	476 040	384 773	-	-	-	-	476 040	384 773
New assets originated or purchased	2 931 133	1 165 657	-	-	-	-	2 931 133	1 165 657
Maturities during the year	(2 694 873)	(762 894)	-	-	-	-	(2 694 873)	(762 894)
Monetary adjustment	-	(311 496)	-	-	-	-	-	(311 496)
Effects of translation to presentation currency	409 311	-	-	-	-	-	409 311	-
Gross money market assets	**1 121 611**	**476 040**	**-**	**-**	**-**	**-**	**1 121 611**	**476 040**
ECL allowance	(36 961)	(24 257)	-	-	-	-	(36 961)	(24 257)
Closing balance	**1 084 650**	**451 783**	**-**	**-**	**-**	**-**	**1 084 650**	**451 783**

d. Financial guarantees

(i) The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in Note 34.3.1.

AUDITED

	SRS Rating	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
		31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Internal rating grade									
Performing	"1 - 3c"	35 594	27 069	-	-	-	-	35 594	27 069
Total		**35 594**	**27 069**	**-**	**-**	**-**	**-**	**35 594**	**27 069**

(ii) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to financial guarantees is as follows:

AUDITED

	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Opening balance	27 069	6 654	-	-	-	-	27 069	6 654
New assets originated or purchased	35 594	69 609	-	-	-	-	35 594	69 609
Effects of translation to presentation currency	24 424	-	-	-	-	-	24 424	-
Monetary adjustment	-	(43 770)	-	-	-	-	-	(43 770)
Guarantees Expired during the year	(51 493)	(5 424)	-	-	-	-	(51 493)	(5 424)
Gross Guarantees	**35 594**	**27 069**	**-**	**-**	**-**	**-**	**35 594**	**27 069**
ECL allowance	(896)	(145)	-	-	-	-	(896)	(145)
Closing balance	**34 698**	**26 924**	**-**	**-**	**-**	**-**	**34 698**	**26 924**

The Financial Assets that were impaired under IFRS 9 were Loans, Overdrafts, Leases, Bank Guarantees, and Letters of Credit, Credit Cards Facilities, Money Market Placements and Treasury Bills and other receivables. Expected Credit Losses of these assets were calculated as at 31 December 2024.

Expected Credit Losses (ECL) are computed as the expected present value of credit losses incorporating forward looking macro-economic variables. The general framework of this computation has three components, namely Probability of Default (PD); Exposure at Default (EAD); and Loss Given Default (LGD), with the ECL expressed as a product of the components. During the year, two adjustments to the LGD estimates have been considered by management to ensure non-zero valued ECL when a borrower is over-collateralised. An LGD Floor is defined at the lowest value for the LGD, greater than zero, that can be applied for ECL purposes. The LGD Floor is set equal to 10% and 5% for foreign and local currency denominated exposures respectively. A Haircut is also applied to pledged collateral and depends on the collateral type. Management has increased the haircuts on selected collateral types for ECL purposes. These adjustments are designed to keep the ECL model dynamic and responsive to emerging risks, ensuring that it remains reliable and accurately reflects the credit risk associated with the Group's financial assets.

The Group writes off financial assets when there is no longer any reasonable expectation of recovery. The Group still continues with recovery efforts for amounts it is legally owed but which have been written off.

34.3.1 Definition of Parameters used for Calculation of Expected Credit Losses (ECL)

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

The Probability of Default (PD)
This is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period if the facility has not been previously derecognised and is still in the portfolio.

The Exposure at Default (EAD)
This is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

The Loss Given Default (LGD)
This is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. LGD measurement takes into a account time value of money, from the time of the default to when collateral cash will be received and it is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Bank considers three scenarios (a base case, an upside and a downside). Each of these is associated with different PDs, EADs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

With the exception of credit cards and other revolving facilities, the maximum period for which the credit losses are determined is the contractual life of a financial instrument, unless the Bank has the legal right to call it earlier. Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

Significant increase in credit risk and Stage Recognition
The CBZ Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.
A significant increase in credit risk is defined as a significant increase in the probability of a default occurring since initial recognition. Credit risk has increased significantly when contractual payments are more than 30 days past due.

Key consideration for a significant change in credit risk under a financial asset include the following;

i. The counterparty rating deteriorates. The downward credit migration of a credit rating by at least three (3) notches is categorised as Significant Increase in Credit Risk.
ii. Breaches in conditionality or covenants.
iii. Deterioration in account conduct. This can be through account performance deterioration.
iv. Any corporate action relating to changes in corporate structure, control, acquisitions or disposals.
v. Significant changes in executive leadership.
vi. Any other factor that is reasonably expected to have a negative impact on prospects for repayment, including but not limited to legislative changes, perceived sectoral risks, and negative media coverage.
vii. Actual or expected significant change in the financial instrument's external credit rating (Credit Reference Bureau rating).
viii. Declining Asset Quality.

ix. Reduction in financial support from the parent company.
x. Expected changes in the loan agreement terms and conditions.
xi. Changes in group parent's payment pattern.
xii. Decision to change collateral.
xiii. Deterioration of macro-economic factors affecting the borrower. Observance of environmental factors that would negatively influence performance of the client is also factored to determine Significant Increase in Credit Risk depending on the severity of change.

Forward looking information
In its ECL model, the Group considers three scenarios, namely Best Case, Base Case and Worst Case from a spectrum of macro-economic fortunes and the scenarios are probability weighted. The ECL model focuses on perturbing PDs by treating this ECL component as a random variable. It is assumed that macro-economic fortunes are related to credit default.

Gross Domestic Product (GDP) growth rates is the variable in use for forward looking PDs. GDP growth rate is a consistent macro-economic variable that may have the requisite intuitive correlation to credit default risk measurement and can be easily corroborated over time. It is assumed that low GDP growth rate environments will result in higher credit default probabilities and the opposite is also assumed to be true. In addition to being intuitive, the approach relies on observations at both external and internal environments. The model is applicable in the case when there is insufficient data to calibrate standard models with the added feature that implicitly improves credit risk measurement with continued use.

Credit default risk is modelled as a Bernoulli trial in which either default or no default occurs over a specified time interval. The probability of default itself is also treated as a random variable that follows a beta distribution. The model is based on the notion of a mixed Bernoulli-Beta distribution and this mixture has a conjugate prior distribution which will allow a simple way in which the models are re-calibrated in the future as lending portfolios grow and evolve, hence the implicit improvement to credit default measurement.

The GDP growth rates are assumed to be random variables and follow a Gaussian distribution. The parameters of the Gaussian distribution are also treated as random variables. IMF historical GDP growth rates for similar economies are used to calibrate parameters for the Gaussian distribution. In addition to historical GDP for the nation and similar economies, Group Economics team provides estimates of future Best Case GDP growth rate for Zimbabwe. Using the statistical concepts of Bayesian Inference, parameter estimates are incorporated to derive predictive distribution of GDP growth rates.

The centre of the distribution (Base Case) for the predictive model is assumed to be the expected growth rate as per Ministry of Finance and Economic Development. In order to postulate credit default probabilities in alternative macro-economic conditions, there is a function that maps the GDP growth rates distribution to the default probabilities distribution. The method employed here relies on establishing Best Case GDP growth rate to be compared to the Base Case GDP growth rate and a measure of likelihood obtained using the assumed Gaussian distribution for GDP growth rates. Using this measure of likelihood, an applicable quantile on the distribution for probability of default is obtained and defined as the upper bound for the Best Case probability of default for the respective credit rating. The Base Case probability of default is determined as the mode of the probability of default distribution. The Worst Case probability of default is determined as function of the mean of the default distribution under the low GDP growth scenarios.

The combination of the Bernoulli-Beta and Gaussian distribution for forward looking PDs resulted in the weightings of 20%, 52% and 28% being applied for Best Case, Base Case and Worst Case scenarios respectively. The scenarios and their attributes are reassessed at least annually.

Based on financial asset's stage, 12 Months or Life-Time Expected Credit Losses were calculated.

a) 12 Months Expected Credit Losses is a portion of Lifetime expected credit losses that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.
b) Lifetime Expected Credit Losses are the expected present value of losses that arise if borrowers default on their obligations at some time during the life of the financial asset. These are weighted average credit losses that result from all possible default events over the expected life of the financial asset or instrument.

Stage 1: Performing
The financial assets in this stage are neither past due nor specifically impaired, and are current and fully compliant with all contractual terms and conditions. When loans are first recognised, the Group recognises an allowance based on 12 months ECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2. The Group calculates the 12m ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast exposure at default (EAD) and multiplied by the expected loss given default (LGD) and discounted by an approximation to the original EIR.

Stage 2: Underperforming
The assets have early arrears but not specifically impaired loans. It covers all loans where the counterparties have failed to make contractual payments and are less than 90 days past due, but are expected that the full carrying values will be recovered when considering future cash flows including collateral. When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3: Credit Impaired
For loans considered credit-impaired, the Group recognises the lifetime expected credit losses (LTECLs) for these loans. LTECLs were calculated for all the assets which were classified under this stage. Loans satisfying the followings were classified under Stage 3;
a) Instalments (Principal and Interest) were due and unpaid for 90 days or more.
b) The Group had identified objective evidence of default, such as a breach of a material loan covenant or condition (there is marked significant increase in credit risk i.e. deterioration in asset quality).
c) The Group had sufficient evidence about significant financial difficulties of the borrower contrary to cash flow projections.
d) High probability of bankruptcy or other financial reorganization of the borrower has been identified.
Under this stage interest revenue recognised was based on Amortised Cost i.e. Gross exposure amount less allowance.

Purchased or originated credit impaired (POCI)
Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.

For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

Debt instruments measured at fair value through OCI
The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

Cure, Modification and Forbearance of Financial Assets
During the period under Review, some of the financial assets were cured, modified and forborne.

Cure
Cure is the reclassification of a non-performing or underperforming asset into performing status. The specific requirements for reclassifying non-performing forborne exposures comprise the completion of a "cure period" of six(6) months and that the debtor's behaviour demonstrates that financial difficulties no longer exist. To dispel concerns regarding financial difficulties, all of the following criteria should be satisfied:

i) The borrower should have settled, by means of regular payments, an amount equivalent to all the amounts past due on the date the forbearance measures were granted (if there were past-due amounts at this date), or to the amount written-off as part of these forbearance measures (if there was no past-due amount at the date of the forbearance measures).
ii) It has been established that the obligor is able to meet the requirements of the revised terms and conditions.
iii) For retail exposures, the borrower should have settled 6 full consecutive monthly payments under the revised terms.
iv) For other Corporate, Agriculture and some wholesale clients with quarterly or longer dated repayment terms, further evaluation should be done by the Management Credit Committee which may include qualitative factors in additions to compliance with revised payment terms.
v) The borrower does not have any other transactions with amounts more than 90 days past due at the date when the exposure is reclassified to the performing category.

Modification and Forbearance
These are formal, contractual agreements between the customer and the Group to change cash flows from what was originally agreed or previously amended as well as contractual terms and conditions. Where a contract was subjected to some or all of the above forbearance measures, it was referred to as modification. It was also referred to as Restructuring by the Group. Modification in some instances resulted in change in PD, instalment and interest rate among other factors.

The Group sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties, rather than taking possession of, or otherwise enforce collection of collateral. The Group considers a loan forborne when such concessions or modifications are provided as a result of the borrower's present or expected financial difficulties and the Group would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms. It is the Group's policy to monitor forborne loans to help ensure that future payments continue to be likely to occur. If these procedures identify a loss in relation to a loan, it is disclosed and managed as an impaired Stage 3 forborne asset until it is collected or written off.

Any loan that has been renegotiated or modified but not derecognised, the Group also reassesses whether there has been a significant increase in credit risk. The Group also considers whether the assets should be classified as Stage 3. Once an asset has been classified as forborne, it will remain forborne for a minimum six months' probation period. In order for the loan to be reclassified out of the forborne category, the customer has to meet all of the following criteria:

- All of its facilities have to be considered performing.
- The probation period of six months has passed from the date the forborne contract was considered performing.
- Regular payments of more than an insignificant amount of principal or interest have been made during at least half of the probation period.
- The customer does not have any contract that is more than 30 days past due.

The Group also recalculate for recognition, the gross carrying amount of the financial asset and recognise a modification gain or loss in profit or loss if the contractual cash flows of a financial asset are renegotiated or modified and the renegotiation or modification does not result in the derecognition of that financial asset. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest or the revised effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

Derecognition
Derecognition decisions and classification between Stage 2 and Stage 3 are determined on a case-by-case basis. The Group de-recognizes a financial asset when, and only when:
a) The contractual rights to the cash flows from the financial asset expire, or
b) It transfers the financial asset and the transfer qualifies for de-recognition.

Write-offs
Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance. Any subsequent recoveries are treated as Other income.

- A loan or asset graded "loss" shall be written off after at least a year (360 days) from date of such classification whether or not the Group intends or is in the process of attempting to recover the loan or asset. These write-offs will require the recommendation of Recoveries and Collections department and approved as per the Group credit policy in place. When central bank regulations allow it, the board may authorize write-offs in certain circumstances.
- Write–off of debt arising from Bank charges, service fees, commissions and resultant interest accruals with supporting schedules must beapproved as per current the Group expenditure policy.

34.3.2 Market risk
This is the risk of loss under both the banking book and or trading book arising from unfavourable changes in market price such as interest rates, foreign exchanges rates, equity prices, credit spreads and commodity prices, which can cause substantial variations in earnings and or economic value of the Group and its strategic business units (SBUs) if not properly managed. The Group's exposure to market risk arises mainly from customer driven transactions.

34.3.3 Group market risks management framework
To manage these risks, there is oversight at Group Board level through the Group Board Risk Management Committee, which covers Asset and Liability Management processes through yearly review of the Group's Asset and Liability as well as investment policies and benchmarks meant to assist in attaining the Group's liquidity strategic plan. The Group's (SBU) Boards are responsible for setting specific market risks strategies for their respective SBU and Executive Management implements policy and track performance regularly against set benchmarks through use of daily liquidity position reports, investment portfolio mix, cash flow analysis, liquidity matrix analysis, liquidity gap analysis and liquidity simulations to evaluate ability of the SBU to withstand stressed liquidity situations.

34.4 Liquidity risk
Liquidity relates to the Group's ability to fund its growth in assets and to meet obligations as they fall due without incurring unacceptable losses. The Group recognises two types of liquidity risks i.e. Market liquidity risk and Funding liquidity risk.

Market liquidity risk is the risk that the Group cannot cover or settle a position without significantly affecting the market price because of limited market depth.

Funding risk on the other hand is the risk that the Group will not be able to efficiently meet both its expected as well as the unexpected current and future cash flow needs without affecting the financial condition of the Group.

The Group's liquidity risk management framework ensures that limits are set under respective Group Strategic Business Units relating to limits such as levels of wholesale funding, retail funding, loans to deposit ratio, counter-party exposures, liquidity coverage ratio, net stable funding ratio as well as prudential liquidity ratio.

The primary funding sources under the Group are customer deposits made up of current, savings and term deposits and these are diversified by customer type and maturity profile. The Group, through the ALCO processes and statement of financial position management ensures that asset growth and maturity are funded by appropriate growth in deposits and stable funding, respectively.

34.4.1 CONTRACTUAL GAP ANALYSIS

CONTRACTUAL LIQUIDITY PROFILE AS AT 31 DECEMBER 2024

AUDITED							
	Less than 1 month ZWG 000	1 to 3 months ZWG 000	3 to 6 months ZWG 000	6 to 12 months ZWG 000	1 to 5 years ZWG 000	5 years and above ZWG 000	Total ZWG 000
Assets							
Balances with banks and cash	7 039 548	-	-	-	-	-	7 039 548
Money market assets	402 366	181 265	593 917	-	-	-	1 177 548
Financial securities	216 630	622 799	2 350 382	1 541 212	1 516 553	2 142	6 249 718
Loans and advances to customers	1 675 110	816 646	1 678 548	3 451 670	2 655 686	95 819	10 373 479
Insurance contract assets	-	-	21 357	-	-	-	21 357
Reinsurance contract assets	27 654	9 218	9 761	-	-	-	46 633
Financial guarantees	5 756	6 328	14 083	9 427	-	-	35 594
Other liquid assets	2 267 636	3 187 750	223 228	86 786	174 463	272 277	6 212 140
Total assets	**11 634 700**	**4 824 006**	**4 891 276**	**5 089 095**	**4 346 702**	**370 238**	**31 156 017**
Liabilities							
Deposits	18 484 874	72 167	993 308	1 040 917	1 635 800	-	22 227 066
Insurance contract liabilities	45 342	128 830	15 114	-	-	-	189 286
Reinsurance contract Liabilities	5 754	1 918	1 918	-	-	-	9 590
Other liabilities	1 081 878	2 026 746	791 714	107 316	44 614	-	4 052 268
Lease liabilities	1 612	3 095	4 299	8 201	25 303	-	42 510
Investment contract liabilities	-	-	-	16 467	-	-	16 467
Financial guarantees	5 756	6 328	14 083	9 427	-	-	35 594
Capital commitments	2 892	-	-	-	-	-	2 892
Total liabilities	**19 628 108**	**2 239 084**	**1 820 436**	**1 182 328**	**1 705 717**	**-**	**26 575 673**
Liquidity gap	**(7 993 408)**	**2 584 922**	**3 070 840**	**3 906 767**	**2 640 985**	**370 238**	**4 580 344**
Cumulative liquidity gap	**(7 993 408)**	**(5 408 486)**	**(2 337 646)**	**1 569 121**	**4 210 106**	**4 580 344**	**4 580 344**

CONTRACTUAL LIQUIDITY PROFILE AS AT 31 DECEMBER 2023

AUDITED							
	Less than 1 month ZWG 000	1 to 3 months ZWG 000	3 to 6 months ZWG 000	6 to 12 months ZWG 000	1 to 5 years ZWG 000	5 years and above ZWG 000	Total ZWG 000
Assets							
Balances with banks and cash	4 137 303	-	-	-	-	-	4 137 303
Money market assets	350 184	9 127	147 134	-	-	-	506 445
Financial securities	125 526	485 121	706 799	768 452	836 298	2 666	2 924 862
Loans and advances to customers	1 294 589	620 022	634 724	1 324 236	1 722 807	52 253	5 648 631
Insurance assets	30	10	25 799	-	-	-	25 839
Reinsurance assets	20 855	5 964	9 410	18 459	-	-	54 688
Other liquid assets	292 044	2 029 243	125 668	2 067	98 703	-	2 547 725
Total assets	**6 220 531**	**3 149 487**	**1 649 534**	**2 113 214**	**2 657 808**	**54 919**	**15 845 493**
Liabilities							
Deposits	11 595 655	5 385	269 659	10 091	586 729	-	12 467 519
Insurance liabilities	25 808	8 603	71 680	-	-	-	106 091
Reinsurance liabilities	1 653	551	551	-	-	-	2 755
Other liabilities	464 691	420 232	270 096	45 549	-	21 708	1 222 276
Lease liabilities	718	1 087	1 405	2 856	5 221	-	11 287
Financial guarantees	4 839	625	3 145	18 459	-	-	27 068
Total liabilities	**12 093 364**	**436 483**	**616 536**	**76 955**	**591 950**	**21 708**	**13 836 996**
Liquidity gap	**(5 872 833)**	**2 713 004**	**1 032 998**	**2 036 259**	**2 065 858**	**33 211**	**2 008 497**
Cumulative liquidity gap	**(5 872 833)**	**(3 159 829)**	**(2 126 831)**	**(90 572)**	**1 975 286**	**2 008 497**	**2 008 497**

The table above shows the undiscounted cash flows of the Group's non-derivative on and off balance sheet financial assets and liabilities on the basis of their earliest possible contractual maturity and the related year gaps. For issued financial guarantee contracts the maximum amount of the guarantee is allocated to the earliest year in which the guarantee could be called.

The Group's SBUs carry out static statement of financial position analysis to track statement of financial position growth drivers, the pattern of core banking deposits, statement of financial position structure levels and direction of the SBU's maturity mismatch and related funding or liquidity gap. The Group also relies on stress testing under various scenarios i.e moderate extreme and severe in line with RBZ Recovery Planning Guideline to assess and manage liquidity risk. The Asset and Liability Management Committee (ALCO) of the respective SBU comes up with strategies to manage these liquidity gaps through funding gap limits. Additionally the Group models asset and liability behaviours to measure liquidity risk from a behavioural perspective.

Details of the liquidity ratios for the relevant Group SBUs as at the reporting date and during the year were as follows:

	CBZ Bank Limited %
At 31 December 2023	53.45
At 31 December 2024	43.76
Average for the year	54.05
Maximum for the year	59.14
Minimum for the year	43.76

34.5 INTEREST RATE RISK

This is the possibility of Group's interest income being negatively influenced by unforeseen changes in the interest rate levels arising from weaknesses related to a Group's trading funding and investment strategies.

This is managed at both Board and Management level through the regular policy and benchmarks which relate to interest rate risk management. The major areas of intervention involves daily monitoring of costs of funds, asset yield, monthly analysis of interest re-pricing gaps and monthly interest rate simulations to establish the Group and its SBUs' ability to sustain a stressed interest rate environment, value at risk (VaR), interest rate risk set limits and various interest rate risk hedging strategies. The use of stress testing is an integral part of the interest rate risk management framework and considers both the historical market events as well as anticipated future scenarios. The Group and its SBUs denominate their credit facilities in the base currency, the ZWG in order to minimise cross currency interest rate risk. The Group's interest rate risk profiling is illustrated on the next table.

At 31 December 2024 if interest rates (both earning and paying rates) at that date had been 15 basis points higher or lower with all other variables held constant post tax profit would have been ZWG15,430,612 lower or higher respectively than the reported position. This arises as a result of the sensitivity of the net interest assets in the movement in the interest rates.

34.5.1 INTEREST RATE REPRICING

AUDITED

	Less than 1 month ZWG 000	1 to 3 months ZWG 000	3 to 6 months ZWG 000	6 to 12 months ZWG 000	1 to 5 years ZWG 000	5 years and above ZWG 000	Non-interest bearing ZWG 000	Total ZWG 000
31 December 2023								
Assets								
Balances with banks and cash	2 072 636	-	-	-	-	-	4 921 530	6 994 166
Money market assets	400 955	173 717	504 423	3 191	2 364	-	-	1 084 650
Financial securities	280 934	615 481	2 121 890	1 468 345	1 366 993	338	-	5 853 981
Loans and advances to customers	1 124 403	656 477	1 396 119	2 988 586	2 065 771	68 926	-	8 300 282
Insurance assets	-	-	-	-	-	-	21 357	21 357
Reinsurance assets	-	-	-	-	-	-	46 634	46 634
Equity investments	-	-	-	-	-	-	581 699	581 699
Investments in equity accounted investees	-	-	-	-	-	-	1 116 901	1 116 901
Land inventory	-	-	-	-	-	-	498 997	498 997
Other assets	89	-	205 201	77 396	173 234	269 984	5 847 673	6 573 577
Current tax receivable	-	-	-	-	-	-	148	148
Intangible assets	-	-	-	-	-	-	28 355	28 355
Investment properties	-	-	-	-	-	-	1 051 139	1 051 139
Property and equipment	-	-	-	-	7 280	-	1 743 296	1 750 576
Deferred taxation	-	-	-	-	-	-	517 042	517 042
Total assets	**3 879 017**	**1 445 675**	**4 227 633**	**4 537 518**	**3 615 642**	**339 248**	**16 374 771**	**34 419 504**
Equity & Liabilities								
Deposits	18 411 189	61 269	910 622	959 396	1 245 729	-	-	21 588 205
Insurance liabilities	-	-	-	-	-	-	189 286	189 286
Reinsurance liabilities	-	-	-	-	-	-	10 187	10 187
Other liabilities	220 117	20 509	787 140	91 522	40 461	-	2 789 082	3 948 831
Current tax payable	-	-	-	-	-	-	44 446	44 446
Investment contract liabilities	-	-	-	-	-	-	16 467	16 467
Deferred taxation	-	-	-	-	-	-	687 483	687 483
Lease liabilities	1 308	2 492	3 409	6 598	7 440	-	-	21 247
Equity	-	-	-	-	-	-	7 913 352	7 913 352
Total liabilities and equity	**18 632 614**	**84 270**	**1 701 171**	**1 057 516**	**1 293 630**	**-**	**11 650 303**	**34 419 504**
Interest rate repricing gap	**(14 753 597)**	**1 361 405**	**2 526 462**	**3 480 002**	**2 322 012**	**339 248**	**4 724 468**	**-**
Cumulative gap	**(14 753 597)**	**(13 392 192)**	**(10 865 730)**	**(7 385 728)**	**(5 063 716)**	**(4 724 468)**	**-**	**-**

AUDITED

	Less than 1 month ZWG 000	1 to 3 months ZWG 000	3 to 6 months ZWG 000	6 to 12 months ZWG 000	1 to 5 years ZWG 000	5 years and above ZWG 000	Non- interest bearing ZWG 000	Total ZWG 000
31 December 2023								
Assets								
Balances with banks and cash	1 731 080	-	-	-	-	-	2 406 223	4 137 303
Money market assets	325 252	2 391	124 140	-	-	-	-	451 783
Financial securities	124 224	485 121	695 143	769 753	714 379	1 543	-	2 790 163
Loans and advances to customers	931 334	522 091	551 006	1 152 102	1 409 937	37 188	-	4 603 658
Insurance assets	-	-	-	-	-	-	25 838	25 838
Reinsurance assets	-	-	-	-	-	-	27 620	27 620
Equity investments	-	-	-	-	-	-	270 798	270 798
Equity-accounted investees	-	-	-	-	-	-	754 085	754 085
Land Inventory	-	-	-	-	-	-	222 280	222 280
Other assets	-	-	-	136 435	98 703	-	2 495 044	2 730 182
Current tax receivable	-	-	-	-	-	-	64 435	64 435
Intangible assets	-	-	-	-	-	-	9 969	9 969
Investment properties	-	-	-	-	-	-	879 322	879 322
Property and equipment	-	-	-	-	-	-	1 123 933	1 123 933
Deferred taxation	-	-	-	-	-	-	250 588	250 588
Total assets	**3 111 890**	**1 009 603**	**1 370 289**	**2 058 290**	**2 223 019**	**38 731**	**8 530 135**	**18 341 957**
Equity & Liabilities								
Deposits	522 266	5 191	258 573	-	12 735	515 960	11 073 138	12 387 863
Insurance liabilities	-	-	-	-	-	-	106 090	106 090
Reinsurance liabilities	-	-	-	-	-	-	2 957	2 957
Other liabilities	23 905	46 888	32 901	12 540	-	21 708	1 086 394	1 224 336
Current tax payable	-	-	-	-	-	-	11 323	11 323
Investment contract liabilities	-	-	-	-	-	-	12 239	12 239
Deferred taxation	-	-	-	-	-	-	714 925	714 925
Lease liabilities	333	828	945	1 613	3 373	2 246	-	9 338
Equity	-	-	-	-	-	-	3 872 886	3 872 886
Total liabilities and equity	**546 504**	**52 907**	**292 419**	**14 153**	**16 108**	**539 914**	**16 879 952**	**18 341 957**
Interest rate repricing gap	**2 565 386**	**956 696**	**1 077 870**	**2 044 137**	**2 206 911**	**(501 183)**	**(8 349 817)**	**-**
Cumulative gap	**2 565 386**	**3 522 082**	**4 599 952**	**6 644 089**	**8 851 000**	**8 349 817**	**-**	**-**

34.6 EXCHANGE RATE RISK

This risk arises from the changes in exchange rates and originates from mismatches between the values of assets and liabilities denominated in different currencies and can lead to losses if there is an adverse movement in exchange rate where open positions either spot or forward, are taken for both on and off statement of financial position transactions.

Supervision is at Board level through the Board Risk Management Committee which covers ALCO processes by way of strategic policy and benchmarking reviews and approval. The management Assets and Liabilities Committee (ALCO) which meets on a monthly basis reviews performance against set benchmarks embedded under acceptable currencies, currency positions as well as stop loss limits.

At 31 December 2024, if foreign exchange rates at that date had weakened or strengthened by 5 percentage points with all other variables held constant, post tax profit for the year would have been ZWG 30,465,271 higher or lower respectively than the reported position. This arises as a result of the increase or decrease in the fair value of the underlying assets and liabilities denominated in foreign currencies.

The foreign currency position for the Group as at 31 December 2024 is as below:

FOREIGN CURRENCY POSITION

AUDITED

Position expressed in ZWG 000	Total	USD	ZWG	ZAR	GBP	EUR	Other foreign currencies
31 December 2024							
Assets							
Balances with banks and cash	6 994 166	5 370 375	1 182 363	301 895	24 739	61 485	53 309
Money market assets	1 084 650	1 084 650	-	-	-	-	-
Financial securities	5 853 981	5 385 470	468 511	-	-	-	-
Loans and advances to customers	8 300 282	7 272 950	986 107	41 225	-	-	-
Insurance assets	21 357	16 222	5 135	-	-	-	-
Reinsurance assets	46 634	37 416	9 218	-	-	-	-
Equity investments	581 699	536 505	45 194	-	-	-	-
Equity-accounted investees	1 116 901	1 116 901	-	-	-	-	-
Land inventory	498 997	498 997	-	-	-	-	-
Other assets	6 573 577	6 287 448	286 021	52	51	5	-
Current tax receivable	148	148	-	-	-	-	-
Intangible assets	28 355	28 355	-	-	-	-	-
Investment properties	1 051 139	1 051 139	-	-	-	-	-
Property and equipment	1 750 576	1 750 576	-	-	-	-	-
Deferred taxation	517 042	515 629	1 413	-	-	-	-
	34 419 504	**30 952 781**	**2 983 962**	**343 172**	**24 790**	**61 490**	**53 309**
Equity & Liabilities							
Deposits	21 588 205	18 600 354	2 693 291	195 035	3 800	45 556	50 169
Insurance liabilities	189 286	105 507	83 779	-	-	-	-
Reinsurance liabilities	10 187	8 269	1 918	-	-	-	-
Other liabilities	3 948 831	3 602 611	327 971	2 329	588	1 512	13 820
Current tax payable	44 446	27 029	17 417	-	-	-	-
Investment contract liabilities	16 467	16 467	-	-	-	-	-
Deferred taxation	687 483	686 828	655	-	-	-	-
Lease liabilities	21 247	10 734	10 513	-	-	-	-
Equity	7 913 352	7 913 352	-	-	-	-	-
Total equity and liabilities	**34 419 504**	**30 971 151**	**3 135 544**	**197 364**	**4 388**	**47 068**	**63 989**

AUDITED

Position expressed in ZWG 000	Total	USD	ZWG	ZAR	GBP	EUR	Other foreign currencies
31 December 2023							
Assets							
Balances with banks and cash	4 137 303	3 263 509	542 230	232 530	2 745	45 548	50 741
Money market assets	451 783	439 641	12 142	-	-	-	-
Financial securities	2 790 163	2 571 592	218 571	-	-	-	-
Loans and advances to customers	4 603 658	3 976 001	626 178	1 479	-	-	-
Insurance assets	25 838	25 838	-	-	-	-	-
Reinsurance assets	27 620	18 660	8 960	-	-	-	-
Equity investments	270 798	514	270 284	-	-	-	-
Equity-accounted investees	754 085	-	754 085	-	-	-	-
Land Inventory	222 280	-	222 280	-	-	-	-
Other assets	2 730 182	2 401 433	315 536	3	1 053	368	11 789
Current tax receivable	64 435	-	64 435	-	-	-	-
Intangible assets	9 969	-	9 969	-	-	-	-
Investment properties	879 322	-	879 322	-	-	-	-
Property and equipment	1 123 933	-	1 123 933	-	-	-	-
Deferred taxation	250 588	-	250 588	-	-	-	-
Total assets	**18 341 957**	**12 697 188**	**5 298 513**	**234 012**	**3 798**	**45 916**	**62 530**
Equity & Liabilities							
Deposits	12 387 863	9 898 335	1 962 998	456 294	2 514	20 153	47 569
Insurance liabilities	106 090	33 850	72 240	-	-	-	-
Reinsurance liabilities	2 957	2 156	801	-	-	-	-
Other liabilities	1 224 336	517 701	697 226	2 036	325	1 467	5 581
Current tax payable	11 323	3 735	7 588	-	-	-	-
Investment contract liabilities	12 239	-	12 239	-	-	-	-
Deferred taxation	714 925	-	714 925	-	-	-	-
Lease liabilities	9 338	2 709	6 629	-	-	-	-
Equity	3 872 886	-	3 872 886	-	-	-	-
Total equity and liabilities	**18 341 957**	**10 458 486**	**7 347 532**	**458 330**	**2 839**	**21 620**	**53 150**

FOREIGN CURRENCY POSITION AS AT 31 DECEMBER 2024

UNDERLYING CURRENCY

	ZWG 000	ZAR 000	GBP 000	EUR 000	Other foreign currencies [ZWG] 000
Assets					
Balances with banks and cash	1 182 363	301 895	24 739	61 485	53 309
Financial securities	468 511	-	-	-	-
Loans and advances to customers	986 107	41 225	-	-	-
Insurance assets	5 135	-	-	-	-
Reinsurance assets	9 218	-	-	-	-
Equity investments	45 194	-	-	-	-
Other assets	286 021	52	51	5	-
Investment properties	-	-	-	-	-
Deferred taxation	1 413	-	-	-	-
Total assets	**2 983 962**	**343 172**	**24 790**	**61 490**	**53 309**
Liabilities					
Deposits	2 693 291	195 035	3 800	45 556	50 169
Insurance liabilities	83 779	-	-	-	-
Reinsurance liabilities	1 918	-	-	-	-
Other liabilities	327 971	2 329	588	1 512	13 820
Current tax payable	17 417	-	-	-	-
Deferred taxation	655	-	-	-	-
Lease liabilities	10 513	-	-	-	-
	3 135 544	**197 364**	**4 388**	**47 068**	**63 989**
Net position	**(151 582)**	**145 808**	**20 402**	**14 422**	**(10 680)**

FOREIGN CURRENCY POSITION AS AT 31 DECEMBER 2023

UNDERLYING CURRENCY

	USD 000	ZAR 000	GBP 000	EUR 000	Other foreign currencies [USD] 000
Assets					
Balances with banks and cash	224 116	422 067	145	5 042	196
Money market assets	34 943	-	-	-	-
Financial securities	44 990	-	-	-	-
Loans and advances to customers	201 510	886	-	-	-
Insurance assets	1 711	-	-	-	-
Reinsurance assets	71	-	-	-	-
Equity investments	63	-	-	431	-
Other assets	373 021	5 831	24	108	-
Total assets	**880 425**	**428 784**	**169**	**5 581**	**196**
Liabilities					
Deposits	684 993	636 484	104	3 441	2 893
Insurance liabilities	1 734	-	-	-	-
Reinsurance liabilities	50	-	-	-	-
Other liabilities	30 751	1 718	27	69	-
Lease liabilities	238	-	-	-	-
Total liabilities	**717 766**	**638 202**	**131**	**3 510**	**2 893**
Net position	**162 659**	**(209 418)**	**38**	**2 071**	**(2 697)**

34.6.1 CLOSING EXCHANGE RATES

	AUDITED 31 DEC 2024 ZWG	AUDITED 31 DEC 2023 ZWG
USD	25.7985	13.5616
ZAR	1.3725	0.7403
GBP	32.3745	17.3168
EUR	26.8408	15.0154

34.7 Operational risk

This is the potential for loss arising from human error and fraud, inadequate or failed internal processes, systems failure, non-adherence to procedure or other external sources that result in the compromising of the Group and its SBUs revenue or erosion of the Group and its SBUs' statement of financial position value.

34.7.1 Operational risk management framework

The Group Risk Management Committee exercises adequate oversight over operational risks across the Group with the support of SBU Boards as well as business and functional level committees. Group Risk Management is responsible for setting and approving of Group Operational Policies and maintaining standards for operational risk.

The Group Board Audit Committee through the Internal Audit function as well as Group Enterprise Wide Governance and Compliance, performs their independent review and assurances under processes and procedures as set under Business Units policies and procedure manuals. On the other hand, the Group Risk Management and Group IT Department with assistance from the Organisation and Methods Department within Group Human Resources ensure that processes, procedures and control systems are in line with variables in the operating environment.

34.8 Strategic risk

This is the risk that arises where the Group's strategy may be inappropriate to support its long term corporate goals due to underlying inadequate strategic planning processes, weak decision making processes as well as weak strategic implementation programs.

To mitigate this risk, the Group's Board, SBU Boards and Management teams craft the strategy which is underpinned by the Group's corporate goals. Approval of the strategy is the responsibility of the appropriate Board whilst implementation is carried out by Management. On the other hand, strategy and goal congruency is audited monthly by management and quarterly by the appropriate Board.

34.9 Regulatory risk

Regulatory risk is defined as the failure to comply with applicable laws and regulations or supervisory requirements, or the exclusion of provisions of relevant regulatory requirements out of operational procedures. This risk is managed and mitigated through the Group Board Risk Management Committee and the Group Enterprise Wide Governance and Compliance unit which ensures that:

a. Comprehensive and consistent compliance policies and procedures exist covering the Group and its SBUs;
b. A proactive and complete summary statement of the Group and its SBUs position on ethics and compliance exists;
c. A reporting structure of the Group Enterprise Wide Compliance Function exists that ensures independence and effectiveness; and
d. Yearly compliance and awareness training targeting employees in compliance sensitive areas is carried out.

34.10 Reputation risk

This is the risk of potential damage to the Group's image that arises from the market perception of the manner in which the Group and its SBUs package and deliver their products and services as well as how staff and management conduct themselves. It also relates to the Group's general business ethics. This can result in loss of earnings or adverse impact on market capitalisation as a result of stakeholders adopting a negative view to the Group and its actions. The risk can further arise from the Group's inability to address any of its other key risks. This risk is managed and mitigated through:

a. continuous improvements to the Group's operating facilities to ensure they remain within the taste of the Group's various stakeholders;
b. ensuring that staff subscribe to the Group's code of conduct, code of ethics and general business ethics; and
c. stakeholders' feedback systems that ensures proactive attention to the Group's reputation management.

34.11 Money-laundering risk

This is the risk of financial or reputational loss suffered as a result of transactions in which criminal financiers disguise the origin of funds they deposit in the subsidiaries of the Group and then use the funds to support illegal activities. The Group manages this risk through:

a. adherence to Know Your Customer Procedures;
b. effective use of compliance enabling technology to enhance anti–money laundering program management, communication, monitoring and reporting;
c. development of early warning systems; and
d. integration of compliance into individual performance measurement and reward structures.

34.12 Insurance risk

The principal risk that the insurance segment faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the insurance subsidiary is to ensure that sufficient reserves are available to cover these liabilities.

The above risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The subsidiaries also purchase reinsurance as part of their risk mitigation programme. Reinsurance ceded is placed on both a proportional and non-proportional basis. The majority of proportional reinsurance is quota-share reinsurance which is taken out to reduce the overall exposure of the company to certain classes of business. Non-proportional reinsurance is primarily excess-of-loss reinsurance designed to mitigate the company's net exposure to catastrophe losses. Retention limits for the excess-of-loss reinsurance vary by product line and territory.

The insurance company's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the company substantially dependent upon any single reinsurance contract.

34.13 Risk and Credit Ratings

CBZ Bank Limited

Rating agent	2024	2023	2022	2021	2020	2019	2018	2017
Global Credit Rating (Long term)	AA-	AA-	AA-	A+	A+	A+	A	A

CBZ Life Private Limited

Rating agent	2024	2023	2022	2021	2020	2019	2018	2017
Global Credit Rating (Financial strength)	A(zw)-	A(zw)-	A(zw)-	A(zw)-	A(zw)-	A-	A-	BBB+

CBZ Insurance Private Limited

Rating agent	2024	2023	2022	2021	2020	2019	2018	2017
Global Credit Rating(Claims paying ability)	BBB-	BBB-	BBB-	BBB-	BBB-	BBB+	BBB+	BBB+

CBZ Asset Management Private Limited

Rating agent	2024	2023	2022	2021	2020	2019	2018	2017
Global Credit Rating (Manager quality)	MQ2(ZW)	MQ2(ZW)	MQ2(ZW)	MQ2(ZW)	MQ2(ZW)	A	A	A

34.13.2 Reserve Bank Ratings

CAMELS RATING MATRIX - 31 DECEMBER 2017 RBZ ONSITE EXAMINATION							
	Composite	Capital Adequacy	Asset Quality	Management	Earnings	Liquidity	Sensitivity to market risk
CBZ Bank (current)	2	1	3	2	2	2	2
CBZ Bank (previous)	1	1	2	1	1	2	2

Key

1. Strong 2. Satisfactory 3. Fair 4. Substandard 5. Weak

CBZ Bank Limited
Risk Matrix Summary

Type of risk	Level of Inherent Risk	Adequacy of Risk Management Systems	Overall Composite Risk	Direction of Overall Composite Risk
Credit Risk	Moderate	Acceptable	Moderate	Stable
Liquidity Risk	Moderate	Acceptable	Moderate	Stable
Interest Rate Risk	Moderate	Acceptable	Moderate	Stable
Foreign Exchange Risk	Low	Acceptable	Low	Stable
Strategic Risk	Moderate	Acceptable	Moderate	Stable
Operational Risk	Moderate	Acceptable	Moderate	Stable
Legal & Compliance Risk	Moderate	Acceptable	Moderate	Stable
Reputation Risk	Moderate	Acceptable	Moderate	Stable
Overall	Moderate	Acceptable	Moderate	Stable

KEY

Level of Inherent Risk

Low - reflects a lower than average probability of an adverse impact on an institution's capital and earnings. Losses in a functional area with low inherent risk would have little negative impact on the institution's overall financial condition.

Moderate - could reasonably be expected to result in a loss which could be absorbed by an institution in the normal course of business.

High - reflects a higher than average probability of potential loss. High inherent risk could reasonably be expected to result in a significant and harmful loss to the institution.

Adequacy of Risk Management Systems

Weak - risk management systems are inadequate or inappropriate given the size complexity and risk profile of the banking institution. Institution's risk management systems are lacking in important ways and therefore a cause of more than normal supervisory attention. The internal control systems will be lacking in important aspects particularly as indicated by continued control exceptions or by the failure to adhere to written down policies and procedures.

Acceptable - management of risk is largely effective but lacking to some modest degree. While the institution might be having some minor risk management weaknesses these have been recognised and are being addressed. Management information systems are generally adequate.

Strong - management effectively identifies and controls all types of risk posed by the relevant functional areas or per inherent risk. The board and senior management are active participants in managing risk and ensure appropriate policies and limits are put in place. The policies comprehensively define the financial institution's risk tolerance responsibilities are effectively communicated.

Overall Composite Risk

Low Risk - would be assigned to low inherent risk areas. Moderate risk areas may be assigned a low composite risk where internal controls and risk management systems are strong and effectively mitigate much of the risk.

Moderate Risk - risk management effectively identifies and controls all types of risk posed by the relevant functional area significant weaknesses in the risk management systems may result in a moderate composite risk assessment. On the other hand a strong risk management system may reduce the risk so that any potential financial loss from the activity would have only a moderate negative impact on the financial condition of the organization.

High - Risk management systems do not significantly mitigate the high inherent risk. Thus, the activity could potentially result in a financial loss that would have a significant impact on the Bank's overall condition.

Direction of Overall Composite Risk Rating

Increasing - based on the current information composite risk is expected to increase in the next twelve months.
Decreasing - based on current information composite risk is expected to decrease in the next twelve months.
Stable - based on the current information composite risk is expected to be stable in the next twelve months.

34.14 Compliance and Regulatory risk

During the year CBZ Holdings was fined US$ 19,600 by the Reserve Bank of Zimbabwe (RBZ) for late publication of 31 December 2023 financial results.

35. GOING CONCERN

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

36. SUBSEQUENT EVENTS

(i) Restructuring Exercise

In August 2024, the Group initiated a strategic restructuring exercise aligned with the Group's five-year strategy (2024–2028). The restructuring exercise aimed at positioning the Group competitively and sustainably in a rapidly changing environment. It focused on realigning the Group's structure to drive operational efficiencies, adapt to technological advancements, and support future growth. Subsequent to the reporting date, this exercise culminated in a reduction and retrenchment of 347 staff members as part of the Group's strategy realignment process.

In light of the foregoing, management in line with IAS 37 "Provisions, Contingent Liabilities, and Contingent Assets", IAS 10 "Events after the reporting date" and IAS 19 "Employee Benefits" assessed whether restructuring costs paid in February 2025 qualified as a restructuring provision as at 31 December 2024.

Management concluded that a present obligation resulting from past events existed as of 31 December 2024. In addition, the Group determined that it was probable that an outflow of resources embodying economic benefits existed as of 31 December 2024 and that a reliable estimate of the obligation could be made. Moreover, the Group concluded that specific milestones required to recognise a restructuring provision were met as of 31 December 2024. As a result, management recognised the related restructuring provision in the financial statements for the year ended 31 December 2024.

(ii) Monetary Policy Developments

Subsequent to the reporting date, on February 6, 2025, the Governor of the Central Bank announced the latest monetary policy statement, which among other things, requires that all entities with immediate effect adopt a common presentation currency, the Zimbabwe Gold (ZWG), for reporting purposes.

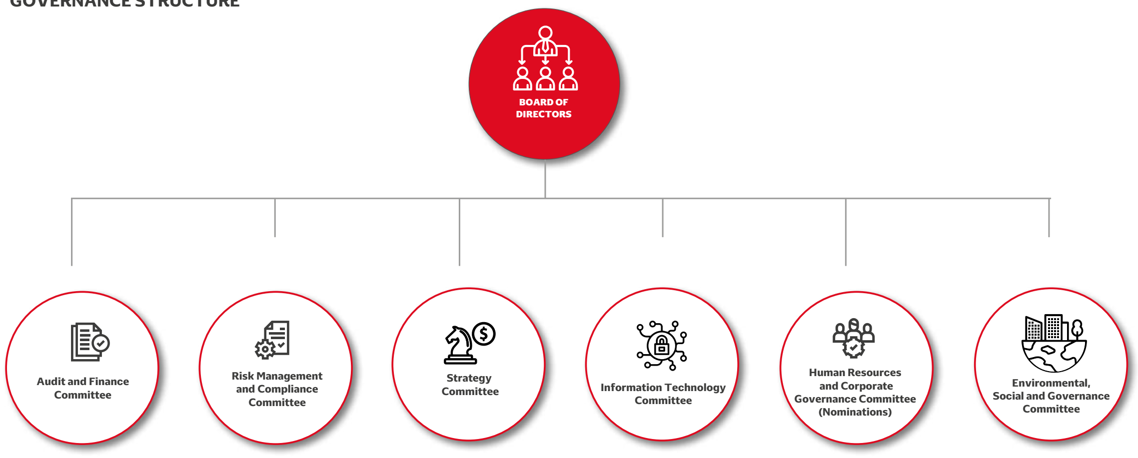
Additionally, to enforce compliance, the Securities and Exchange Commission of Zimbabwe (SECZim) and the Zimbabwe Stock Exchange (ZSE), in accordance with paragraph 195 of the same monetary policy statement, issued a directive requiring all licensed and listed entities to align their financial reporting for periods ending 31 December 2024 with this new presentation currency requirement.

This development does not impact the Group's financial reporting, as the Group had already transitioned to ZWG as its presentation currency in April 2024, following the discontinuation of the Zimbabwean Dollar (ZWL). For further details, refer to Note 1.1b in the Group's annual audited financial statements.

CORPORATE GOVERNANCE

The CBZ Holdings Limited governance framework supports the principles of integrity, strong ethical values and professionalism integral to the Company's business. The Board recognizes that it is accountable to Shareholders for good corporate governance and is committed to high standards of governance that are recognised and understood throughout the Group. The Board is primarily accountable to Shareholders, whilst also considering the interests of other stakeholders such as customers, employees, suppliers, regulators and the community. In an environment of increasing change and complexity of regulation, management aims to achieve a balance between the governance expectations of Shareholders and other stakeholders, and the need to generate competitive financial returns.

GOVERNANCE STRUCTURE



We aim to stay abreast of developments in good governance and practice, and have a well-developed structure that ensures compliance with the Companies and other Business Entities Act [Chapter 24:31], Zimbabwe Corporate Governance Code (ZIMCODE 2014), Zimbabwe Stock Exchange Listing Requirements SI134/2019, the Reserve Bank of Zimbabwe Corporate Governance Guidelines No. 01-2004/BSD, Banking Act (Chapter 24:20), Banking Amendment Act of 2015, IPEC Directive on Governance and Risk Management for Insurance Companies, March 2016; Amendments to the Risk Management and Corporate Governance Guideline for Pension Funds, 14 November 2024,circular 19/2024 2, Amendments to the directive on System of Governance and Risk Management for Insurance Companies, Circular 5 of 2025. Securities Act (Chapter 24:25); Securities Amendment Act No. 2 of 2013, Asset Management Act (Chapter 24:26) and the South African King Reports on Corporate Governance.

THE BOARD OF DIRECTORS

This is the main decision-making body, setting the strategic direction of the Group and ensuring that the Group manages risk effectively. The Board is involved in setting measurable objectives to promote a healthy corporate culture that is aligned with strategy and our strong commitment to our stakeholders. In addition, the Board is responsible for the overall stewardship of the Group and in particular, for its long term growth and profitability through implementation of agreed financial objectives.

BOARD COMPOSITION AND CHANGES

The Board comprises of 6 Directors being 4 Non-Executive Directors and 2 Executive Directors.

On 17 January 2025, Louis Gerken stepped down as an independent non-executive director from the Board. Mr Tawanda Gumbo retired from the Board as Executive Director and Group Chief Finance Officer on 28 February 2025. We want to express our gratitude for valuable contributions during their tenure with the Company and welcome Mr Joel Makombe who was appointed Group Chief Finance Officer on 1 March 2025 and joined the Board as an Executive Director.

We believe that these changes will further strengthen our Board and position us for continued growth and success. We remain committed to upholding the highest standards of corporate governance and delivering value to our shareholders and other stakeholders.

The recruitment of additional Directors is currently ongoing, and the appointment thereof is based on pre-established criteria having regard to the existing skills mix on the Board as a whole and having assessed areas where additional skill, expertise or experience is required. These appointments to the Board are made with due cognizance of the need to ensure that the Board comprises of a diverse range of skills, knowledge and expertise and has the requisite independence including, the professional and industry knowledge necessary to meet the Group's strategic objectives.

All appointments follow a transparent procedure and are subject to confirmation by Shareholders at the Annual General Meeting. Before appointment, potential Board appointees must undergo a Fitness and Probity Assessment in line with the Banking Act [Chapter 24:20], the Reserve Bank of Zimbabwe (RBZ) Prudential Guidelines, or the IPEC Directive on Governance and Risk Management for Insurance Companies, March 2016, where applicable.

BOARD COMMITTEES

The Board has established and delegated specific roles and responsibilities to six standing committees, to assist it in discharging its duties namely, the Audit and Finance Committee, the Risk Management & Compliance Committee,the Human Resources & Corporate Governance Committee (which also sits as the Nominations Committee), the Information Technology Committee, the Strategy Committee and Environmental Social and Governance Committee During the period under review the Board set up three additional Committees as follows:

i. **Information Technology Committee (IT Committee)**

The Committee was set up to enhance the Company's technology infrastructure, cybersecurity measures, and digital transformation initiatives. The IT committee will focus on optimizing IT investments, ensuring data privacy, and driving innovation to support the Group's business operations and growth.

The IT Committee will also play a crucial role in overseeing IT governance, risk management, and compliance to mitigate cyber threats and enhance operational efficiency. By establishing this committee, the Board aim's to strengthen the Group's IT capabilities and leverage technology to create value for our shareholders.

ii. **Strategy Committee**

The Strategy Committee was set up to enhance the Group's strategic planning process, improve decision-making, and drive long-term growth and profitability. This committee will focus on analysing market trends, competitive landscape, and opportunities for innovation to ensure the company remains competitive and resilient in a rapidly changing business environment.

The Strategy Committee will play a key role in guiding the development and execution of the Company's business strategies, identifying potential risks and opportunities and ensuring alignment with the Company's overall corporate goals.

iii. **The Environmental, Social and Governance Committee (ESG Committee)**

The committee has been formed to enhance the Bank's focus on sustainability, social responsibility, and ethical business practices.

The ESG Committee will oversee the Boards efforts to integrate ESG considerations into the Company's business strategy, operations, and decision-making processes. By proactively addressing ESG issues, the Board aims to create long-term value for its shareholders, stakeholders, and the environment.

The Board believes that the establishment of the ESG Committee reflects its commitment to responsible corporate citizenship and sustainable business practices.

The Board committees continued to play a crucial role in the Company's governance framework, undertaking their work comprehensively and effectively supporting the work of the Board.

The committees meet quarterly, with the exception of the Strategy Committee which meets half yearly, in accordance with their terms of reference and members of the Executive Committee and management attend meetings of the various committees by invitation.

The Boards of Directors of the Holding Company and its subsidiaries as at 31 December 2024 were constituted as tabulated below:

CBZ Holdings Limited	CBZ Bank Limited	CBZ Asset Management	CBZ Life Limited	CBZ Insurance	CBZ Risk Advisory	CBZ Properties	Red Sphere Finance	CBZ Agro Yield
L. Zembe *	Dr M.P.A. Marufu*	N Mhlanga*	H. Tshuma*	A.K.T. Matika*	L. Magorimbo*	M. Sinyoro*	J. Jinnah*	W.D. Parham*
E.U Mashingaidze	E.T Shangwa	M.T.V. Moyo	M.B. Narotam	W. Chitiga	N. Ndlovu	L. Nyazema	W.J. Ntini	P.S. Mazike
E. E Galante	Dr C.H Beddies	C.F Mukanganga	L. Nyazema	L. Nyazema	N. Marandu	T. L Gumbo	T. Mariwo	L. Nyazema
R. Gain	J.G Shah	H. J. Joshi	T.L. Gumbo	T.L Gumbo	L. Nyazema	J.F. Smith	V. Masunda	T.L. Gumbo
L.C. Gerken	L. Nyazema	L. Nyazema	J.F. Smith	J.F. Smith	T. L. Gumbo	H. Bvumburai**	L. Nyazema	W. Mutizwa**
T. Gumbo**	T.L. Gumbo	T. L. Gumbo	J. Mutizwa**	J. Mharadze**	J.F. Smith		T.L. Gumbo	S. Mhungu**
L. Nyazema**	S. Mandidi**	J.F Smith			T. Chinyani**		D. Ali**	
	G. Simwaka**	T. Muzadzi**						
	N.T. Mhondiwa**							

Key
* Chairman ** Executive Director *** Ex-Officio member
Retirement: L. Magorimbo 15 May 2024
G Simwaka appointed: 1 September 2024
N T Mhondiwa appointed: 1 October 2024
Deceased : Mr K.M. Khalfan CBZ Life – 23 May 2024

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

	Audit & Finance	Risk Mgt	ESG Committee	IT Committee	Strategy Committee	HR & Corp. Govern	Board Merger and Integration Strategy Committee	Strategy	Special Main Board	Main Board	Total Committees	Total Boards
Meetings held	**8**	**4**	**1**	**3**	**2**	**18**	**6**	**3**	**8**	**7**	**42**	**18**
L. Zembe	1*	*	*	3	2	9	5	3	8	7	20	18
E.U. Mashingaidze	8	*	*	*	2	18	6	3	8	7	34	18
E.E. Galante	8	*	1	*	2	*	1	3	7	7	12	17
R .Gain	*1	4	1	3	2	9	***	3	6	7	20	16
L.C. Gerken	8	4	1	3	2	*1	***	3	7	7	19	17
L. Nyazema**	7	4*	1	3	2	9	1	3	7	7	27	17
T. Gumbo**	7	1*	***	***	1	***	*	2	7	6	9	15

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

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

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

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

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

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

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

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

Name	Investments & Risk	HR & Remuneration	Audit & Finance	Special Board	External Audit Engagement	Main Board	CBZH Strategy	Total Committees	Total Boards
Meetings Held	4	4	4	1	1	4	2	13	8
H.Tshuma	4	4	4	1	1	4	2	13	7
K.M. Khalfan	1	1	1	***	***	1	***	3	1
M.B. Narotam	4	4	4	1	1	4	1	13	6
L. Nyazema	4	4	4	1	*	4	***	12	5
T.L. Gumbo	4	3	3	1	*	3	***	9	4
J. F. Smith**	3	3	3	1	*	3	***	9	4

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

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

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

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

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

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

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

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

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

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

CBZ Properties Board Attendance Register (January to December 2024)

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

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

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

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

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

STATEMENT OF COMPLIANCE

Based on the information set out in this corporate governance statement the Board believes that throughout the accounting period under review, the Group complied with the requisite regulatory requirements.

By order of the Board

Rumbidzayi Angeline Jakanani
GROUP CHIEF GOVERNANCE OFFICER

31 March 2025

cbz Bank

AUDITED FINANCIAL RESULTS

For the year ended 31 December 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	NOTES	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Net interest income		**1 215 529**	**1 371 881**
Interest income	2	1 426 190	1 599 471
Interest expense	2	(210 661)	(227 590)
Net fee and commission income		**1 346 174**	**891 347**
Fee and commission income	3	1 572 333	1 040 013
Fee and commission expense	3	(226 159)	(148 666)
Treasury and dealing income	4	1 417 849	1 750 900
Other revenue	5	(113 687)	338 057
Revenue		**3 865 865**	**4 352 185**
Net other income	6	229 847	188 452
Total income		**4 095 712**	**4 540 637**
Staff expenses	7	(1 446 391)	(880 337)
Administration expenses	8	(764 168)	(707 710)
Expected credit loss	14.1	(835 749)	(409 016)
Depreciation and amortisation expense		(120 779)	(71 189)
Operating income		**928 625**	**2 472 385**
Monetary loss		-	(967 310)
Profit before taxation		**928 625**	**1 505 075**
Taxation	9	(14 891)	(411 636)
Profit for the year after tax		**913 734**	**1 093 439**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Gains/(loss) on property revaluations		(478 379)	536 653
Gains on equity instruments at FVOCI*		22 428	35 578
Exchange gains on translation to presentation currency		3 345 357	-
Deferred income tax relating to components of other comprehensive income	9.3	90 050	(135 781)
		2 979 456	**436 450**
Total comprehensive income for the year		**3 893 190**	**1 529 889**

*Fair value through other comprehensive income

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
ASSETS			
Cash and cash equivalents	10	6 956 491	4 104 934
Money market assets	11	1 067 407	438 451
Financial securities	12	5 724 402	2 788 862
Loans and advances to customers	13	7 611 320	4 270 933
Equity investments	17	420 938	210 275
Land inventory	16	510 919	229 050
Other assets	15	5 577 062	2 254 660
Current tax receivable		-	64 295
Intangible assets	22	6 312	6 834
Investment properties	21	586 271	459 473
Property and equipment	20	1 580 546	990 948
TOTAL ASSETS		**30 041 668**	**15 818 715**
LIABILITIES			
Deposits	24	21 620 825	12 488 866
Other liabilities	25	1 925 270	333 383
Current tax payable		12 227	-
Deferred tax liability	23	332 787	462 120
Lease liability	20.1b	12 238	2 796
TOTAL LIABILITIES		**23 903 347**	**13 287 165**
EQUITY			
Share capital	27.1	8 410	8 410
Share premium	27.2	27 477	27 477
Revaluation reserve	27.3	165 253	546 368
Retained earnings	27.4	2 490 732	1 863 417
Fair value reserve	27.5	101 092	85 878
Foreign currency translation reserve	27.6	3 345 357	-
Equity attributable to equity holders of the parent		**6 138 321**	**2 531 550**
TOTAL LIABILITIES AND EQUITY		**30 041 668**	**15 818 715**

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Share capital ZWG 000	Share premium ZWG 000	Revaluation reserve ZWG 000	FCTR* ZWG 000	Fair value reserve ZWG 000	Retained earnings ZWG 000	Total ZWG 000
31 December 2023							
Opening balance	8 410	27 477	138 013	-	57 783	1 059 588	1 291 271
Profit for the year	-	-	-	-	-	1 093 439	1 093 439
Other comprehensive income	-	-	408 355	-	28 095	-	436 450
Dividend paid	-	-	-	-	-	(289 610)	(289 610)
Closing balance	**8 410**	**27 477**	**546 368**	**-**	**85 878**	**1 863 417**	**2 531 550**
31 December 2024							
Opening balance	8 410	27 477	546 368	-	85 878	1 863 417	2 531 550
Profit for the year	-	-	-	-	-	913 734	913 734
Other comprehensive income	-	-	(381 115)	3 345 357	15 214	-	2 979 456
Dividend paid	-	-	-	-	-	(286 419)	(286 419)
Closing balance	**8 410**	**27 477**	**165 253**	**3 345 357**	**101 092**	**2 490 732**	**6 138 321**

* Foreign currency translation reserve

STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	928 625	1 505 075
Non cash items:		
Depreciation	115 709	67 082
Amortisation of intangible assets	5 070	4 107
Monetary loss	-	967 310
Write off of property and equipment	45 155	7 895
Write off of intangible assets	-	59
Fair value gains/(loss) on investment properties	158 768	(289 895)
Fair value gains/(loss) on financial instruments	818	(726)
Expected credit loss expense	835 749	409 016
Unrealised loss on foreign currency position	(827 392)	(1 181 535)
Dividend in specie - equity investments received	(4 983)	-
Bad debts recovered	(49 296)	(517 455)
Accrued interest on loans	(4 526)	(41 587)
Accrued interest on deposits	31 148	(54 817)
Profit on sale of property and equipment	(236)	(1 793)
Loss on loan modifications	-	13 881
Day one gains on financial instruments	(305 926)	(327 077)
Interest on lease liability	505	145
Operating cash flows before changes in operating assets and liabilities	**929 188**	**559 685**
Changes in operating assets and liabilities		
Deposits	12 039 850	14 279 560
Loans and advances to customers	(4 939 232)	(4 459 809)
Financial securities	(2 805 238)	(2 389 307)
Money market assets	(621 945)	(1 479 804)
Land inventory	(39 341)	730
Other assets	(4 831 175)	(1 434 202)
Other liabilities	1 799 858	685 584
	602 777	**5 202 752**
Corporate tax paid	(136 756)	(399 540)
Net cash inflow from operating activities	**1 395 209**	**5 362 897**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investment property	(21 821)	(33 244)
Investment in equities during the year	5 029	(38 614)
Proceeds on disposal of property and equipment	657	1 799
Purchase of property and equipment	(321 560)	(94 058)
Purchase of intangible assets	-	(5 709)
Net cash outflow from investing activities	**(337 695)**	**(169 826)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(286 419)	(289 610)
Lease liability payment	(3 617)	(4 610)
Interest on lease liability paid	(505)	(145)
Net cash outflow from financing activities	**(290 541)**	**(294 365)**
Net increase in cash and cash equivalents	**766 973**	**4 898 706**
Cash and cash equivalents at beginning of the year	4 104 934	2 778 777
Exchange gains/(loss) on foreign cash balances	(1 087 143)	715 152
Inflation effects on cash	-	(4 286 894)
Effects of translation to presentation currency	3 191 479	-
Expected credit loss on cash equivalents	(19 752)	(807)
Cash and cash equivalents at end of the year	**6 956 491**	**4 104 934**

NOTES TO THE FINANCIAL RESULTS

For the year ended 31 December 2024

1. INCORPORATION ACTIVITIES

The Bank is incorporated in Zimbabwe and registered in terms of the Companies and Other Business Entities Act (Chapter 24:31) and the Banking Act (Chapter 24:20). It offers retail banking mortgage finance commercial banking investment banking small to medium enterprise financing treasury management wealth management agribusiness lease financing and custodial services

1.1 Basis of preparation

Refer to Group accounting policies note 1.1 for basis of preparation.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
2.	**NET INTEREST INCOME**		
2.1	**Interest income**		
	Corporate loans	536 036	892 773
	Mortgage loans	49 088	28 450
	SME loans	10 040	5 783
	Individual loans	335 402	117 887
	Treasury placements	169 543	267 218
	Cash equivalents	8 376	5 421
	Treasury bills	260 931	224 642
	Staff loans	12 037	26 607
	Loan schemes	44 737	30 690
		1 426 190	**1 599 471**
2.2	**Interest expense**		
	Savings deposits	7 407	19 440
	Lease finance	505	145
	Credit lines	132 016	41 759
	Term deposits	70 733	166 246
		210 661	**227 590**
		1 215 529	**1 371 881**
3	**FEE AND COMMISSION INCOME**		
	Point of sale	168 423	118 700
	Cash withdrawal	622 086	389 808
	Funds transfer	293 613	194 893
	Money transfer agency	12 309	9 763
	Passports	31 557	39 170
	Other services	73 661	40 080
	Service fees income	354 690	237 755
	Custodial services income	15 994	8 419
	Advisory income	-	1 425
		1 572 333	**1 040 013**
	Fee and Commission Expense		
	Point of sale	(39 407)	(43 826)
	Cash withdrawal	(34 702)	(18 000)
	Funds transfer	(38 264)	(25 276)
	Money transfer agency	(112)	(139)
	Other commission services	(9 120)	(2 429)
	Service fees	(104 554)	(58 996)
		(226 159)	**(148 666)**
	Net fee and commission income	**1 346 174**	**891 347**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
4	**TREASURY AND DEALING INCOME**		
	Treasury trading income	285 349	241 562
	Fair value gains(losses) on equities	(818)	726
	Net forex gains and losses	827 392	1 181 535
	Day one gains on financial instruments	305 926	327 077
		1 417 849	**1 750 900**
5	**OTHER REVENUE**		
	Dividend income	5 822	11 549
	Rental income	20 725	10 165
	Fair value gain/loss on investment properties	(158 768)	289 895
	Housing projects revenue	18 534	26 448
		(113 687)	**338 057**
6	**NET OTHER INCOME**		
	Profit on disposal of PPE	236	1 793
	Bad debts recovered	229 158	175 655
	Cost Sharing	453	11 004
		229 847	**188 452**
7	**STAFF EXPENSES**		
	Salaries, allowances and bonuses	727,153	776,615
	Pension cost	71,373	45,874
	Other staff costs	647,865	57,847
		1 446 391	**880 336**
8	**ADMINISTRATION EXPENSES**		
	Computer costs	228 723	151 310
	Audit fees	4 235	7 652
	Short term lease	5 227	4 568
	Write offs	13 645	2 822
	Directors fees	7 607	5 047
	Marketing expenses	38 079	28 384
	Office expenses	249 865	213 529
	Other operating costs	216 787	294 398
		764 168	**707 710**
8.1	**Remuneration of directors and key management personnel (included in staff costs)**		
	Fees for services as directors	6 200	1 168
	Pension and retirement benefits for past and present directors	958	225
	Salaries and other benefits	19 020	3 109
		26 178	**4 502**
	Short term employment benefits	25 220	4 277
	Post employment benefits	958	225
		26 178	**4 502**

9 TAXATION

9.1 The following constitutes the major components of income tax expense recognised in the Statement of Profit or Loss.

		31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
	Analysis of tax charge in respect of the profit for the period		
	Current income tax charge	213 278	212 393
	Deferred income tax	(198 387)	199 243
	Income tax expense	**14 891**	**411 636**
9.2	**Income tax rate reconciliations**	**%**	**%**
	Notional tax	25.00	24.00
	Aids levy	0.75	0.72
	Non deductible expenses	25.31	11.83
	Exempt income	(19.86)	(5.61)
	Effect of special tax rate	3.42	(1.27)
	Effect of rebasing taxes	-	(3.15)
	Effect of change in tax rate	-	0.88
	Other (Release of unrealized exchange gains)	(36.10)	-
	Tax credit	(0.12)	(0.05)
	Effective tax rate	**1.60**	**27.35**

9.3 Analysis of tax effects in respect of other comprehensive income

The following constitutes the major components of deferred tax expense recognised in the statement of other comprehensive income.

	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Deferred tax expense on revaluation gains/(loss)	(97 265)	128 298
Deferred tax expense on fair value adjustment on financial assets	7 215	7 483
Total taxation relating to components of other comprehensive income	**(90 050)**	**135 781**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
10	**CASH AND CASH EQUIVALENTS**		
	Interbank placements	112 096	155 728
	Cash and bank	1 230 653	1 161 619
	Balances with foreign banks	1 028 815	342 241
	Balances with the Reserve Bank of Zimbabwe	1 370 806	1 489 810
	RBZ statutory reserve	3 244 769	958 534
		6 987 139	**4 107 932**
	Expected credit loss	(30 648)	(2 998)
		6 956 491	**4 104 934**
10.1	**RESTRICTED BALANCES**		
	RBZ statutory reserve	3 244 769	958 534
	Amounts secured as guarantees or collateral	98 470	44 386
		3 343 239	**1 002 920**

The cash and cash equivalents balance represents the Bank's cash and cash equivalent balance. RBZ Statutory reserve balances relate to restricted liquid reserve determined in line with the RBZ Statutory reserve guidelines currently at 30% for demand and call deposits and 15% for time and savings deposits for both USD and ZWG balances.

11 MONEY MARKET ASSETS

Money market assets are non-credit financial assets securities with an original maturity of one year or less.

		31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
	Interbank placements	1 087 923	457 795
	Accrued interest	15 311	4 748
	Total gross money market	**1 103 234**	**462 543**
	Expected credit loss	(35 827)	(24 092)
	Total net money market	**1 067 407**	**438 451**
11.1	**Maturity analysis**		
	The maturity analysis of money market assets is shown below.		
	Between 0 and 3 months	562 983	325 253
	Between 3 and 6 months	540 251	378
	Between 6 and 12 months	-	136 912
		1 103 234	**462 543**

Maturity analysis is based on the remaining period from 31 December 2024 to contractual maturity.

12 FINANCIAL SECURITIES

Financial securities are non credit financial assets with an original maturity of more than 1 year.

		31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
	Treasury bills	3 337 042	1 149 955
	Discounted treasury bills	1 757 876	955 673
	Promissory notes	228 806	556 460
	Accrued interest	501 677	187 693
	Total gross financial securities	**5 825 401**	**2 849 781**
	Expected credit loss	(100 999)	(60 919)
	Total net financial securities	**5 724 402**	**2 788 862**
12.1	**Maturity analysis**		
	The maturity analysis of financial securities is shown below:		
	Between 0 and 3 months	830 663	601 352
	Between 3 and 6 months	2 184 249	811 501
	Between 6 and 12 months	1 473 967	655 397
	Between 1 and 5 years	1 336 184	775 920
	Above 5 years	338	5 611
		5 825 401	**2 849 781**

Maturity analysis is based on the remaining period from 31 December 2024 to contractual maturity.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
13	**LOANS AND ADVANCES TO CUSTOMERS**		
	Overdrafts	1 591 771	610 218
	Commercial loans	5 723 026	3 518 814
	Staff loans	82 865	132 065
	Mortgage advances	493 998	187 728
	Interest accrued	100 305	48 335
	Total gross loans and advances to customers	**7 991 965**	**4 497 160**
	Allowance for Expected Credit Loss (ECL)	(380 645)	(226 227)
	Total net loans and advances to customers	**7 611 320**	**4 270 933**
13.2	**Maturity analysis**		
	Less than 1 month	929 984	841 849
	Between 1 and 3 months	675 500	463 267
	Between 3 and 6 months	1 410 489	540 040
	Between 6 months and 1 year	2 836 896	1 052 385
	Between 1 and 5 years	2 066 723	1 562 431
	More than 5 years	72 373	37 188
		7 991 965	**4 497 160**

Maturity analysis is based on the remaining period from 31 December 2024 to contractual maturity.

13.3 Loans to directors, key management and employees

Loans to directors and key management Included in advances are loans to executive directors and key management:-

	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Opening balance	40 183	22 336
Effects of translating to presentation currency	13 513	-
Advances made during the year	9 236	104 858
Exchange loss	(46 529)	
Monetary adjustment	-	(81 587)
Repayments during the year	(4 713)	(5 424)
Balance at end of the year	**11 690**	**40 183**
Loans to employees		
Included in advances are loans to employees: -		
Opening balance	91 882	56 023
Effects of translating to presentation currency	46 940	-
Advances made during the period	60 607	260 330
Exchange loss	(114 483)	-
Monetary adjustment	-	(188 574)
Repayment during the period	(13 771)	(35 897)
Balance at end of the year	**71 175**	**91 882**

		31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
13.4	**Allowance for Expected Credit Loss (ECL)**		
	Opening balance	226 227	311 855
	Effects of translating to presentation currency	90 595	-
	Credit loss expense on loans and advances	850 270	336 431
	Foreign exchange loss	(43 756)	394 130
	Monetary adjustment	-	676 884
	Amounts written off during the year	(742 691)	(1 493 073)
	Closing balance	**380 645**	**226 227**

		AUDITED 31 DEC 2024 ZWG 000	%	AUDITED 31 DEC 2023 ZWG 000	%
13.5	**Sectoral Analysis**				
	Private	2 809 767	37%	1 178 033	28%
	Agriculture	1 272 156	16%	547 509	12%
	Mining	1 638 764	21%	857 043	19%
	Manufacturing	698 533	8%	737 143	16%
	Distribution	978 779	12%	722 498	16%
	Construction	164 788	2%	53 717	1%
	Transport	33 041	0%	15 863	0%
	Communication	199 403	2%	190 659	4%
	Services	158 874	2%	182 937	4%
	Financial organisations	37 860	0%	11 758	0%
		7 991 965	**100%**	**4 497 160**	**100%**

14. IMPAIRMENT ON FINANCIAL INSTRUMENTS

14.1 Expected credit loss expense (ECL)

The table below shows the ECL charges on financial instruments for the period recorded in the Statement of Other Comprehesive Income:

AUDITED				
	Stage 1 ZWG 000	**Stage 2 ZWG 000**	**Stage 3 ZWG 000**	**Total**
	31 December 2024	**31 December 2024**	**31 December 2024**	**31 December 2024**
Money market assets	(8 568)	-	-	(8 568)
Financial securities	(22 125)	-	-	(22 125)
Loans and advances to customers	44 724	274 302	531 244	850 270
Financial guarantees	362	-	-	362
Other receivables	7 818	-	-	7 818
Lease receivables	-	516	7 476	7 992
Expected credit loss expense	**22 211**	**274 818**	**538 720**	**835 749**

AUDITED				
	Stage 1 ZWG 000	**Stage 2 ZWG 000**	**Stage 3 ZWG 000**	**Total**
	31 December 2023	**31 December 2023**	**31 December 2023**	**31 December 2023**
Money market assets	7 221	-	-	7 221
Financial securities	60 450	-	-	60 450
Loans and advances to customers	(41 825)	(76 731)	454 987	336 431
Financial guarantees	(520)	-	-	(520)
Other receivables	4 804	-	-	4 804
Lease receivables	-	(4)	634	630
Expected credit loss expense	**30 130**	**(76 735)**	**455 621**	**409 016**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
15.	**OTHER ASSETS**		
	Prepayments and stationery	314 062	104 316
	Other receivables	5 281 446	2 162 780
	Gross other assets	**5 595 508**	**2 267 096**
	Expected credit loss	(18 446)	(12 436)
	Net other assets	**5 577 062**	**2 254 660**

Included in other receivables is an amount of ZWG3 179 611 536 (2023: ZWG 1 890 805 062) which relates to the RBZ financial asset in lieu of legacy debt registration. RBZ committed to provide USD to the Bank for all registered legacy liabilities and nostro gap accounts at an exchange rate of US$1:Z$1

The RBZ financial asset is denominated in US Dollars and has been translated to ZWG using the closing exchange rate in line with guidance on translating to presentation currency as prescribed in IAS 21.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
16.	**LAND INVENTORY**		
	Opening balance	229 050	229 780
	Additions	45 697	18 606
	Effects of translating to presentation currency	242 527	-
	Disposals	(6 355)	(19 336)
	Closing balance	**510 919**	**229 050**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
17.	**EQUITY INVESTMENTS**		
	Opening balance	210 275	77 945
	Effects of translating to presentation currency	189 099	-
	Additions	4 814	96 026
	Disposal	(4 860)	-
	Fair value adjustments - Profit or loss	(818)	726
	Fair value adjustments - Other comprehensive income	22 428	35 578
		420 938	**210 275**
17.1	**Investments in Equities**		
	Listed investments	285	893
	Unlisted investments	420 653	209 382
		420 938	**210 275**
	Equity investment designated at fair value through profit or loss	285	893
	Equity investment designated at fair value through other comprehensive income	420 653	209 382
		420 938	**210 275**

18. CATEGORIES OF FINANCIAL ASSETS

	At fair value through profit or loss ZWG 000	At fair value through OCI ZWG 000	At amortised cost ZWG 000	Total carrying amount ZWG 000
31 December 2024				
Balances with banks and cash			6 956 491	6 956 491
Money market assets	-	-	1 067 407	1 067 407
Financial securities	-	-	5 724 402	5 724 402
Loans and advances to customers	-	-	7 611 320	7 611 320
Equity investments	285	420 653	-	420 938
Other assets	-	-	5 281 446	5 281 446
TOTAL ASSETS	**285**	**420 653**	**26 641 066**	**27 062 004**
31 December 2023				
Balances with banks and cash	-	-	4 104 934	4 104 934
Money market assets	-	-	438 451	438 451
Financial securities	-	-	2 788 862	2 788 862
Loans and advances to customers	-	-	4 270 933	4 270 933
Equity investments	893	209 382	-	210 275
Other assets	-	-	2 162 780	2 162 780
TOTAL ASSETS	**893**	**209 382**	**13 765 960**	**13 976 235**

19. FAIR VALUE MEASUREMENT

19.1 The following table presents items of the Statement of Financial Position of the Bank which are recognised at fair value:

AUDITED

	Level 1		Level 2		Level 3		Total carrying amount	
	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000
Equity investments	285	893	-	-	420 653	209 383	420 938	210 276
Land and Buildings	-	-	939 607	780 998	-	-	939 607	780 998
Investment properties	-	-	586 271	459 473	-	-	586 271	459 473
Total assets at fair value	**285**	**893**	**1 525 878**	**1 240 471**	**420 653**	**209 383**	**1 946 816**	**1 450 747**

The Bank determines for assets and liabilities that are recognized in the financial statements at fair value on a recurring basis whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

Level 2 valuation techniques are highlighted on note 20 for Property and Equipment and note 21 for Investment properties.

There were no transfers between Level 1 and Level 2 during 2024.

The fair values of the non-listed equities have been classified as level three investments.

Fair values were derived using a combination of income and market approaches depending on the appropriateness of the methodologies to the type of equity instruments held. The valuation took into account certain assumptions about the model inputs, including but not limited to liquidity discounts, country factor, inflation, credit risk and volatility. A range of probabilities were also applied to these inputs and the fair values derived therefrom were deemed to be within acceptable fair values ranges of the equities.

The following table shows the valuation techniques used in measuring the fair value of unquoted equities as well as the significant unobservable inputs used.

Valuation Technique	Significant unobservable inputs	Interrelationship between key unobservable inputs and fair value measurement
• Earnings Multiple	• Liquidity discount • GDP Growth	• The GDP growth was higher or lower • The Liquidity discount was higher or lower

If the fair value adjustment of unquoted equities had been 5% up or down the Bank's other comprehensive income would be ZWG897 121 (2023: ZWG1 423 118) and the Statement of Financial Position would be ZWG1 121 401(2023: ZWG1 778 898) higher or lower than the reported position.

20. PROPERTY AND EQUIPMENT

AUDITED

31 December 2024	Land ZWG 000	Buildings ZWG 000	Leasehold improvements ZWG 000	Motor vehicles ZWG 000	Computers ZWG 000	Equipment ZWG 000	Furniture & fittings ZWG 000	Work in progress ZWG 000	Total ZWG 000
COST									
Opening balance	123 779	668 074	1 343	28 637	106 259	37 911	21 910	88 293	1 076 206
Right of use assets	-	13 314	-	-	-	-	-	-	13 314
Effects of transalating to presentation currency	111 688	602 816	1 212	36 934	106 877	45 210	21 486	69 739	995 962
Additions	-	-	-	11 944	71 322	21 554	4 314	212 426	321 560
Revaluation loss	(108 150)	(437 951)	-	-	-	-	-	-	(546 101)
Disposals	-	-	-	-	(1 029)	(374)	(255)	-	(1 658)
Write offs	-	-	-	(44)	(68)	(102)	(36)	(45 093)	(45 343)
Intercategory transfers	-	-	-	6 608	4 121	5 379	1 333	(17 441)	-
Closing balance	**127 317**	**846 253**	**2 555**	**84 079**	**287 482**	**109 578**	**48 752**	**307 924**	**1 813 940**
Accumulated depreciation									
Opening balance	-	8 754	1 139	9 252	43 522	15 610	6 981	-	85 258
Effects of transalating to presentation currency	-	9 867	1 064	12 220	53 084	17 426	7 913	-	101 574
Right of use assets	-	3 712	-	-	-	-	-	-	3 712
Charge for the year	-	67 722	65	7 989	25 852	7 417	2 952	-	111 997
Disposals	-	-	-	-	(774)	(337)	(126)	-	(1 237)
Write offs	-	-	-	(39)	(28)	(92)	(29)	-	(188)
Revaluation		(67 722)	-	-	-	-	-		(67 722)
Closing balance	**-**	**22 333**	**2 268**	**29 422**	**121 656**	**40 024**	**17 691**	**-**	**233 394**
Net Book Value	**127 317**	**823 920**	**287**	**54 657**	**165 826**	**69 554**	**31 061**	**307 924**	**1 580 546**

AUDITED

31 December 2023	Land ZWG 000	Buildings ZWG 000	Leasehold improvements ZWG 000	Motor vehicles ZWG 000	Computers ZWG 000	Equipment ZWG 000	Furniture & fittings ZWG 000	Work in progress ZWG 000	Total ZWG 000
COST									
Opening balance	43 025	253 775	1 343	10 988	95 222	24 754	15 763	50 187	495 057
Right of use assets	-	2 861	-	-	-	-	-	-	2 861
Additions	-	-	-	17 156	9 129	11 824	6 005	49 943	94 057
Revaluation gain	80 754	403 372	-	-	-	-	-	-	484 126
Disposals	-	-	-	(4)	(14)	(4)	(2)	-	(24)
Transfers from Investment properties		8 066	-	-	-	-	-	-	8 066
Write offs				-	(17)	(28)	(7)	(7 885)	(7 937)
Transfers(PPE Intercategories)				497	1 939	1 365	151	(3 952)	-
Closing balance	**123 779**	**668 074**	**1 343**	**28 637**	**106 259**	**37 911**	**21 910**	**88 293**	**1 076 206**
Accumulated depreciation & impairment									
Opening balance	-	7 260	1 020	8 812	32 741	14 506	6 424	-	70 763
Right of use assets	-	1 494	-	-	-	-	-	-	1 494
Charge for the year	-	52 527	119	444	10 804	1 131	564	-	65 589
Disposals	-	-	-	(4)	(11)	(3)	(1)	-	(19)
Writeoffs	-	-	-	-	(12)	(24)	(6)	-	(42)
Revaluation		(52 527)							(52 527)
Closing balance	**-**	**8 754**	**1 139**	**9 252**	**43 522**	**15 610**	**6 981**	**-**	**85 258**
Net Book Value	**123 779**	**659 320**	**204**	**19 385**	**62 737**	**22 301**	**14 929**	**88 293**	**990 948**

Properties were revalued on an open market basis by professional valuer, as at 31 December 2024 in accordance with the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual and the Real Estate Institute of Zimbabwe Standards. The revaluation of land and buildings entailed the following:

In determining the market values of the subject properties, the following was considered:

- Comparable market evidence which comprised complete transactions as well as transactions where offers had been made but the transactions had not been finalised;
- Professional judgement was exercised to take cognisance of the fact that properties in the transaction were not exactly comparable in terms of size, quality and location to the properties owned by the Bank;
- The reasonableness of the market values of commercial properties so determined, per the above bullet, was assessed by reference to the properties in the transaction; and
- The values per square metre of lettable space for both the subject properties and comparables were analysed.

With regards to market values for residential properties, the comparison method was used. This method entails carrying out a valuation by directly comparing the subject property, which has been sold or rented out. The procedure was performed as follows:

- Surveys and data collection on similar past transactions;
- Analysis of the collected data; and
- Comparison of the analysis with the subject properties and then carrying out the valuation of the subject properties.

Adjustments were made to the following aspects:

- Age of property - state of repair and maintenance
- Aesthetic quality - quality of fixtures and fittings
- Structural condition - location
- Accommodation offered - size of land.

The maximum useful lives of property and equipment are as follows:

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

The carrying amount of buildings would have been ZWG1 200 739 086 (2023: ZWG17 835 032) had they been carried at cost. Property was tested for impairment through comparisons with open market values determined by an independent valuer.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
20.1a	**Right of Use Assets**		
	Opening balance	2 100	732
	Additions	13 314	2 862
	Effects of translating to presentation currency	(73)	-
	Depreciation	(3 712)	(1 494)
		11 629	**2 100**
	At cost	**24 095**	**10 854**
	Accumulated depreciation	(12 466)	(8 754)
		11 629	**2 100**
20.1b	**Lease liability**		
	Opening balance	2 796	507
	Additions	13 314	2 861
	Effects of translating to presentation currency	254	-
	Interest	505	145
	Exchange loss	-	3 472
	Repayment	(4 631)	(4 755)
	Monetary adjustment	-	566
		12 238	**2 796**
20.1c	**Lease liability maturity analysis**		
	Less than one month	518	172
	One to three months	1 036	345
	Three to six months	1 451	517
	Six to twelve months	2 443	999
	One to five years	7 759	1 331
		13 207	**3 364**
20.1d	**Amounts recognised in statement of profit or loss**		
	Interest on lease liabilities	505	145
	Depreciation	3 712	1 494
		4 217	**1 639**
20.1e	**Amounts recognised in statement of Cashflows**		
	Total cashoutflow for leases	4 121	4 755
		4 121	**4 755**
21.	**INVESTMENT PROPERTIES**		
	Opening balance	459 473	144 400
	Additions	21 821	33 244
	Transfer to property and equipment	-	(8 066)
	Effects of translating to presentation currency	263 745	-
	Fair valuation gain/loss	(158 768)	289 895
	Closing balance	**586 271**	**459 473**

The carrying amount of the investment property is the fair value of the property as determined by a registered internal 'valuer having an appropriate recognized professional qualification and recent experience in the location and category 'of the property being valued. The valuation was in accordance with the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual and the Real Institute of Zimbabwe Standards. Fair values were determined having regard to recent 'market transactions for similar properties in the same location as the Bank's investment properties. The properties were valued as at 31 December 2024.

Below is a summary of expected income from investment property leases held by the Bank as at 31 December 2024

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Maturity analysis of lease income		
Less than 1 year	28 164	1 410
Between 1 and 5 years	40 525	5 655
	68 689	**7 065**

	Valuation technique	Significant observable inputs	Range (weighted average)
Office and retail properties	Implicit investment approach	Comparable rentals per month per square meter	ZWG45– ZWG1 161
		Capitalisation rate	8.5% - 13.5%
Land and residential property	Market value of similar properties	Comparable rate per square meter	ZWG258- ZWG1 935

In arriving at the market value for property, the implicit investment approach was applied based on the capitalisation of income. This method is based on the principle that rentals and capital values are inter-related. Hence given the income produced by a property, its capital value can therefore be estimated. Comparable rentals inferred from properties within the locality of the property based on use, location, size and quality

of finishes were used. The rentals were then adjusted per square meter to the lettable areas, being rentals achieved for comparable properties as at 31 December 2024. The rentals are then annualised and a capitalisation factor was applied to arrive at a market value of the property, also inferring on comparable premises which are in the same category as regards the building elements.
In assessing the market value of the residential stands, values of various properties that had been recently sold or which are currently on sale and situated in comparable residential areas were used. Market evidence from other estate agents and local press was also taken into consideration.

The lease income derived from investments properties amounted to ZWG26 842 941(2023:ZWG14 237 496) with direct operating expenses amounting to ZWG6 118 056(2023:ZWG4 072 122).

If the fair value adjustment had been 5% up or down the Bank's profit would have been ZWG6 350 705(2023:ZWG11 595 789) higher or lower.

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
22.	**INTANGIBLE ASSETS**		
	At cost	46 674	24 535
	Accumulated amortisation	(40 362)	(17 701)
		6 312	**6 834**
	Movement in intangible assets		
	Opening balance	6 834	5 292
	Additions	-	5 708
	Write offs		(59)
	Amortisation charge	(5 070)	(4 107)
	Effects of translating to presentation currency	4 548	
	Closing balance	**6 312**	**6 834**

Intangible assets are carried at cost less accumulated amortisation charge. The intangible assets are amortised over their useful life of 3 years.

23. DEFERRED TAXATION

Deferred tax liability

Deferred tax liability represents the amount of income taxes payable in future years in respect of taxable temporary differences.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
The deferred tax liability balances included in the statement of financial position are comprised of:		
Intangible assets	3 236	1 033
Equity investments	28 774	11 345
Property and equipment	211 363	161 195
Tax claimable impairments	(298 427)	(122 893)
Investment properties	99 102	66 191
Unrealised foreign exchange gains	393 335	336 800
Other	(104 596)	8 449
Closing balance	**332 787**	**462 120**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
24.	**DEPOSITS**		
	Demand	16 981 420	11 174 140
	Savings	354 822	170 222
	Time	543 120	407 563
	Treasury	593 443	102 109
	Credit lines	3 059 467	520 253
	Collateral deposits	88 553	114 579
		21 620 825	**12 488 866**

24.1 Settlement of legacy liabilities and nostro gap accounts

Included in the deposits balance above are amounts that are denominated in USD amounting to US$ 80 634 302 (December 2023: US$133 369 793), being legacy liabilities of US$46 177 401 (December 2023: US$46 221 338) and nostro gap accounts of US$34 456 901 (December 2023: US$64 247 506) which are shown at ZWG2 080 244 040 (December 2023: ZWG89 951 669). These liabilities which are payable on demand are subject to a special settlement arrangement with the RBZ as detailed in Note 26.7 to the financial statements wherein the Reserve Bank of Zimbabwe (RBZ) will provide funding to the Bank for all registered legacy liabilities and nostro gap accounts at an exchange rate of 1:1. We note that to date US$ 70 259 297(December 2023: US$54 083 770) has been made available under this arrangement demonstrating the willingness and capability of the RBZ to honour the settlement arrangement.

		AUDITED 31 DEC 2024 ZWG 000	%	AUDITED 31 DEC 2023 ZWG 000	%
24.2	**Sectoral Analysis**				
	Private	1 603 566	7%	588 862	5%
	Agriculture	205 497	1%	172 438	1%
	Mining	564 087	3%	276 385	2%
	Manufacturing	523 844	2%	343 760	3%
	Distribution	1 321 974	6%	620 857	5%
	Construction	106 723	-	85 635	1%
	Transport	66 349	-	75 460	1%
	Communication	197 864	1%	208 028	2%
	Services	11 328 960	53%	8 810 143	70%
	Financial organisations	4 936 025	23%	1 058 170	8%
	Financial and investments	765 936	4%	249 128	2%
		21 620 825	**100%**	**12 488 866**	**100%**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
24.3	**Maturity analysis**		
	Less than 1 month	18 443 809	11 174 140
	Between 1 and 3 months	61 269	170 222
	Between 3 and 6 months	910 622	407 563
	Between 6 months and 1 year	959 396	102 109
	Between 1 and 5 years	1 245 729	520 253
	More than 5 years	-	114 579
		21 620 825	**12 488 866**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
25.	**OTHER LIABILITIES**		
	Revenue received in advance	52 423	1 525
	Sundry creditors	1 022 791	127 899
	Accruals	66 313	25 195
	Suspense	42 463	25 974
	Provisions	741 280	152 790
		1 925 270	**333 383**
26.	**CATEGORIES OF FINANCIAL LIABILITIES**		
	The Bank's financial liabilities carried at amortised cost are as follows:		
	Deposits	21 620 825	12 488 866
	Other liabilities	1 872 847	331 858
	Lease liability	12 238	2 796
	Total	**23 505 910**	**12 823 520**
27.	**EQUITY**		
	SHARE CAPITAL		
	Authorised		
	600 000 000 ordinary shares of ZWG 0.01 each		
27.1	**Reconciliation of share capital balance**		
	Opening balance	8 410	8 410
	Closing balance	**8 410**	**8 410**
27.2	**Share premium**		
	Opening balance	27 477	27 477
	Closing balance	**27 477**	**27 477**

		AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
27.3	**Revaluation reserve**		
	Opening balance	546 368	138 013
	Net revaluation gain/(loss)	(381 115)	408 355
	Closing balance	**165 253**	**546 368**
27.4	**Retained earnings**		
	Opening balance	1 863 417	1 059 588
	Profit for the year	913 734	1 093 439
	Dividend paid	(286 419)	(289 610)
		2 490 732	**1 863 417**
27.5	**Fair value reserve**		
	Opening balance	85 878	57 783
	Other comprehensive income	15 214	28 095
		101 092	**85 878**
27.6	**Foreign currency translation reserve**		
	Opening balance	-	-
	Total comprehensive income	3 345 357	-
	Closing balance	**3 345 357**	**-**

28. RELATED PARTY DISCLOSURES

CBZ Holdings Limited owns 100% of CBZ Bank(Private) Limited . CBZ Properties (Private) Limited, CBZ Asset Management (Private) Limited, CBZ Insurance (Private) Limited, CBZ Life (Private) Limited and CBZ Risk Advisory Services (Private) Limited are related to CBZ Bank Limited through common shareholding.
The Bank has related party relationships with its Directors and key management employees, their companies and close family members.

The volumes of related party transactions and related income and expenses are as follows:

Loans and advances to Directors' companies
There were no loans and advances to Director's Companies during the year.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
(a) Deposits from directors and key management personnel		
Closing balance	1 467	852
(b) Balances with group company		
Amounts due from group companies	26 227	61 971
Deposits held for group Companies	5 363	57 916
(c) Balances with fellow subsidiaries		
Amounts due from fellow subsidiaries	3 371	3 881
Deposits held for fellow subsidiaries	40 017	43 520
(d) Transactions with group companies		
Interest income on amounts due from group companies	96	326 181
Interest expense on amounts due to group companies	27	1 573
Non – interest income from group companies	4 854	5 788
Costs charged by group companies	135 967	225 967

29. RISK MANAGEMENT

29.1 Risk overview
CBZ Bank Limited has continued to be guided by a desire to uphold a "High Risk Management and Compliance Culture" as one of its major strategic thrusts which is embedded under clearly defined risk appetite in terms of the various key risk exposures. This approach has given direction to the Bank's overall strategic planning and policies. Through the CBZ Bank risk management function, the Bank regularly carries out risk analysis through value at risk (VAR) assessment, stress testing as well as simulations to ensure that there is congruency or proper alignment between its strategic focus and its desired risk appetite.

29.2 Bank risk management framework
The Bank's risk management framework looks at enterprise wide risks and recognises that for effective risk management to take effect, it has to be structured in terms of acceptable appetite, defined responsibility, accountability and independent validation of set processes. Bank Management and staff are responsible for the management of the risks that fall within their organisational responsibilities. The CBZ Bank Risk Management function is responsible for ensuring that the Bank's risk taking remains within the set risk benchmarks. The CBZ Bank Internal Audit function continuously provides independent assurance on the adequacy and effectiveness of the deployed risk management processes. The CBZ Bank Enterprise Wide Governance and Compliance Unit evaluates the quality of compliance with policies, processes and governance structures.

29.3 Credit risk

29.3.1 Credit risk exposure
The table below shows the maximum exposure to credit risk for the components of the statement of financial position.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Bank balances with foreign banks	1 041 530	342 241
Bank balances with RBZ	4 616 569	2 448 344
Money market assets	1 067 407	438 451
Financial securities	5 788 137	2 788 862
Loans and advances to customers	7 611 320	4 270 933
Other assets	5 281 446	2 162 780
Total	**25 406 409**	**12 451 611**
Financial guarantees	35 595	27 069
Total	**35 595**	**27 069**

Where financial instruments are recorded at fair value, the amounts shown above represent the current credit risk exposure but not maximum risk exposure that could arise in the future as a result of changes in value.

The Bank held cash and cash equivalents of ZWG5 739 546 239(2023: ZWG 2 943 309 797) (excluding notes and coins) as at 31 December 2024 which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with the Central Bank and foreign banks.

29.3.2 An industry sector analysis of the Bank's advances before and after taking into account collateral held is as follows:

	AUDITED		AUDITED	
	31 DEC 2024 ZWG 000	31 DEC 2024 ZWG 000	31 DEC 2023 ZWG 000	31 DEC 2023 ZWG 000
	Gross maximum exposure	Net maximum exposure (not covered by mortgage security)	Gross maximum exposure	Net maximum exposure (not covered by mortgage security)
Private	2 821 465	2 432 770	1 178 033	986 084
Agriculture	1 272 156	779 855	547 509	349 675
Mining	1 638 764	1 414 858	857 043	714 687
Manufacturing	647 133	-	737 143	486 793
Distribution	978 779	407 853	722 498	512 996
Construction	164 788	-	53 717	-
Transport	33 041	15 849	15 863	-
Communication	199 403	198 841	190 659	190 659
Services	198 576	41 384	182 937	56 789
Financial organisations	37 860	2 669	11 758	8 105
Gross value	**7 991 965**	**5 294 079**	**4 497 160**	**3 305 788**

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Collateral analysis		
Cash cover	1 290	77 457
Government guarantee	873 419	451 628
Registered marketable commodities	29 411	172 136
Mortgage bonds	3 558 430	1 077 687
Notarial general covering bonds	2 056 053	1 057 936
	6 518 603	**2 836 844**

The Bank holds collateral against loans and advances to customers in the form of mortgage bonds over property, other registered securities over assets, guarantees, cash cover, assignment of crop or export proceeds and leasebacks. Estimates of fair values are based on the values of collateral assessed at the time of borrowing, and are regularly aligned with trends in the market.

30. Credit quality per class of financial assets

a. Loans and advances to customers

(i) The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Bank's internal grading system are explained in Note 34.3.1 of the Group's results.

	SRS Rating	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
		31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Internal rating grade									
Performing	"1 - 3c"	3 015 088	1 722 566	30 744	11 842	-	-	3 045 832	1 734 408
Special mention	"4a - 7c"	3 620 673	1 632 941	1 115 517	983 884	-	-	4 736 190	2 616 825
Non-performing	"8 - 10"	-	-	-	-	209 943	145 927	209 943	145 927
Total		**6 635 761**	**3 355 507**	**1 146 261**	**995 726**	**209 943**	**145 927**	**7 991 965**	**4 497 160**

(ii) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans and advances is as follows:

GROSS CARRYING AMOUNT

	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Gross carrying opening balance	3 355 507	1 511 947	995 726	1 625 930	145 927	365 202	4 497 160	3 503 079
New assets originated or purchased (excluding write offs)	7 420 714	7 246 922	2 318 573	69 321	31 139	27 491	9 770 426	7 343 734
Transfers from Stage 1	(544 924)	(2 443 819)	436 322	2 392 584	108 602	51 235	-	-
Transfers from Stage 2	556 012	406 289	(2 257 606)	(1 809 439)	1 701 594	1 403 150	-	-
Transfers from Stage 3	24 897	87 070	13 992	762	(38 889)	(87 832)	-	-
Effects of translating to presentation currency	3 027 743	-	898 462	-	(202 219)	-	3 723 986	-
Foreign exchange movement	(4 449 168)	1 706 493	(1 047 671)	813 182	(773 181)	190 413	(6 270 020)	2 710 088
Amounts paid off	(2 755 020)	(2 054 988)	(211 537)	(1 031 728)	(20 339)	(303 947)	(2 986 896)	(3 390 663)
Amounts written off	-	-	-	-	(742 691)	(569 231)	(742 691)	(569 231)
Monetary adjustment	-	(3 104 407)	-	(1 064 886)	-	(930 554)	-	(5 099 847)
Gross loans and advances	**6 635 761**	**3 355 507**	**1 146 261**	**995 726**	**209 943**	**145 927**	**7 991 965**	**4 497 160**
Expected credit loss allowance	(156 068)	(65 578)	(123 305)	(65 638)	(101 272)	(95 011)	(380 645)	(226 227)
Net loans and advances	**6 479 693**	**3 289 929**	**1 022 956**	**930 088**	**108 671**	**50 916**	**7 611 320**	**4 270 933**

The Bank writes off financial assets when there is no longer any reasonable expectation of recovery. In the financial period ended 31 December 2024 the Bank has written off loans and advances amounting to ZWG742 690 616 (2023: ZWG569 230 950) as there is no longer any reasonable expectation of recovery as the Bank determined that the borrowers no longer have assets or sources of income that could generate sufficient cashflows to repay these amounts subject to write-off.The Bank still continues with recovery efforts for amounts it is legally owed but which have been written off. In this regard the Bank recovered from its written off accounts reported as per Note 6.

ECL RECONCILIATION

	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Opening balance	65 578	52 473	65 638	83 645	95 011	175 737	226 227	311 855
New assets originated or purchased	161 767	235 395	1 003 759	746 458	38 445	8 550	1 203 971	990 403
Effects of translation to presentation currency	59 174	-	59 227	-	(248 160)	-	(129 759)	
Transfers from Stage 1	(62 114)	(180 064)	14 978	153 818	47 136	26 246	-	-
Transfers from Stage 2	35 193	3 192	(981 944)	(1 287 355)	946 751	1 284 163	-	-
Transfers from Stage 3	447	873	3 348	102	(3 795)	(975)	-	-
Foreign exchange movement	(26 006)	33 277	(20 547)	224 579	(16 875)	136 274	(63 428)	394 130
Amounts written off	-	-	-	-	(742 691)	(569 231)	(742 691)	(569 231)
Amounts paid off	(77 971)	(7 453)	(21 154)	(41 409)	(14 550)	(124 281)	(113 675)	(173 143)
Monetary adjustment	-	(72 115)	-	185 800	-	(841 472)	-	(727 787)
Closing Balance	**156 068**	**65 578**	**123 305**	**65 638**	**101 272**	**95 011**	**380 645**	**226 227**

ECLs were computed using the same model assumptions and estimates except for LGD floor which was adjusted from 25% to between 5% and 10% as well as upward adjustments to certain collateral haircuts on various financial assets. These changes were meant to better reflect the evolving risk profile of the Bank's financial assets and to ensure that the ECL model remains dynamic and able to respond to new evolving risks in the market and therefore computing ECLs that are reliable and appropriate for the level of credit risk in the Bank's financial assets.

b. Financial Securities

(i) The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Bank's internal grading system are explained in Note 34.3.1 of the Group's results.

	SRS Rating	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
		31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Internal rating grade									
Performing	"1 - 3c"	5 889 136	2 849 781	-	-	-	-	5 889 136	2 849 781
Total		**5 889 136**	**2 849 781**	**-**	**-**	**-**	**-**	**5 889 136**	**2 849 781**

(ii). An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to financial securities is as follows:

	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Gross carrying opening balance	2 849 781	529 991	-	-	-	-	2 849 781	529 991
New assets originated or purchased (excluding write offs)	3 336 692	6 530 009	-	-	-	-	3 336 692	6 530 009
Effects of translating to presentation currency	2 571 425	-					2 571 425	-
Foreign exchange movement	(632 696)	51 730	-	-	-	-	(632 696)	51 730
Maturities	(2 236 066)	(883)	-	-	-	-	(2 236 066)	(883)
Monetary adjustment	-	(4 261 066)	-	-	-	-	-	(4 261 066)
Gross financial securities	**5 889 136**	**2 849 781**	**-**	**-**	**-**	**-**	**5 889 136**	**2 849 781**
Expected credit loss allowance	(100 999)	(60 919)					(100 999)	(60 919)
Net financial securities	**5 788 137**	**2 788 862**	**-**	**-**	**-**	**-**	**5 788 137**	**2 788 862**

c. Money market

(i) The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Bank's internal grading system are explained in Note 34.3.1 of the Group's results.

	SRS Rating	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
		31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Internal rating grade									
Performing	"1 - 3c"	1 103 234	462 543					1 103 234	462 543
Total		**1 103 234**	**462 543**	**-**	**-**	**-**	**-**	**1 103 234**	**462 543**

(ii) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to money market is as follows:

	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Opening balance	462 543	382 114					462 543	382 114
New assets originated or purchased (excluding write offs)	2 909 334	552 028					2 909 334	552 028
Foreign exchange movement	-	235 296					-	235 296
Maturities	(2 686 004)	(193 165)					(2 686 004)	(193 165)
Effects of translating to presentation currency	417 361	-					417 361	-
Monetary adjustment	-	(513 730)					-	(513 730)
Gross money market assets	**1 103 234**	**462 543**	**-**	**-**	**-**	**-**	**1 103 234**	**462 543**
Expected credit loss allowance	(35 827)	(24 092)	-	-	-	-	(35 827)	(24 092)
Net Money market assets	**1 067 407**	**438 451**	**-**	**-**	**-**	**-**	**1 067 407**	**438 451**

d. Financial guarantees

(i) The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Bank's internal grading system are explained in Note 34.3.1 of the Group's results.

	SRS Rating	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
		31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Internal rating grade									
Performing	"1 - 3c"	35 595	27 069	-	-	-	-	35 595	27 069
Total		**35 595**	**27 069**	**-**	**-**	**-**	**-**	**35 595**	**27 069**

(ii) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to financial guarantees is as follows:

	Stage 1 ZWG 000		Stage 2 ZWG 000		Stage 3 ZWG 000		Total ZWG 000	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
Gross carrying opening balance	27 069	6 654	-	-	-	-	27 069	6 654
New assets originated or purchased (excluding write offs)	35 595	35 423	-	-	-	-	35 595	35 423
Effects of translating to presentation currency	24 424	-					24 424	-
Maturities	(51 493)	-	-	-	-	-	(51 493)	-
Foreign exchange movement	-	-					-	-
Monetary adjustment	-	(15 008)	-	-	-	-	-	(15 008)
Gross financial guarantees	**35 595**	**27 069**	**-**	**-**	**-**	**-**	**35 595**	**27 069**
Expected credit loss allowance	(896)	(145)	-	-	-	-	(896)	(145)
Net financial guarantees	**34 699**	**26 924**	**-**	**-**	**-**	**-**	**34 699**	**26 924**

30.2 Market risk

This is the risk of loss under the banking book arising from unfavourable changes in market price such as interest rates, foreign exchanges rates, equity prices, credit spreads and commodity prices, which can cause substantial variations in earnings and or economic value of the Bank if not properly managed. The Bank's exposure to market risk arises mainly from customer driven transactions.

30.2.1 Bank market risks management framework

To manage these risks, there is oversight at Bank Board level through the Bank Board Risk Management Committee, which covers Asset and Liability Management processes through yearly review of the Bank's Asset and Liability as well as investment policies and benchmarks meant to assist in attaining the Bank's liquidity strategic plan. The Bank's Board is responsible for setting specific market risks strategies and executive Management implements policy and track performance regularly against set benchmarks through use of daily liquidity position reports, investment portfolio mix, cash flow analysis, liquidity matrix analysis, liquidity gap analysis and liquidity simulations to evaluate ability of the bank to withstand stressed liquidity situations

31. LIQUIDITY RISK

Liquidity relates to the Bank's ability to fund its growth in assets and to meet obligations as they fall due without incurring unacceptable losses. The Bank recognises two types of liquidity risks i.e. Market liquidity risk and Funding liquidity risk.
Market liquidity risk is the risk that the Bank cannot cover or settle a position without significantly affecting the market price because of limited market depth.

Funding risk, on the other hand, is the risk that the Bank will not be able to efficiently meet both its expected as well as the unexpected current and future cash flow needs without affecting the financial condition of the Bank.
The Bank's liquidity risk management framework ensures that limits are set relating to levels of wholesale funding, retail funding, loans to deposit ratio, counter- party exposures as well as prudential liquidity ratio.

The primary source of funding under the Bank are customer deposits made up of current, savings and term deposits and these are diversified by customer type and maturity profile. The Bank tries to ensure through the Assets and Liabilities Committee (ALCO) processes and balance sheet management processes that asset growth and maturity are funded by appropriate growth in deposits and stable funding respectively.

31.1 CONTRACTUAL LIQUIDITY GAP ANALYSIS

AUDITED

31 DEC 2024	Less than one month ZWG 000	1 to 3 months ZWG 000	3 to 6 months ZWG 000	6 to 12 months ZWG 000	1 to 5 years ZWG 000	5 years and above ZWG 000	Total ZWG 000
Assets							
Balances with banks and cash	6 956 492	-	-	-	-	-	6 956 492
Money market assets	400 001	170 519	573 697	-	-	-	1 144 217
Financial securities	216 630	622 799	2 312 810	1 540 477	1 516 553	426	6 209 695
Loans and advances to customers	1 011 374	803 496	1 625 738	3 164 864	2 509 830	95 819	9 211 121
Financial guarantees	5 756	6 328	14 083	9 427	-	-	35 594
Other liquid assets	2 083 389	3 179 612	-	-	-	-	5 263 001
Total assets	**10 673 642**	**4 782 754**	**4 526 328**	**4 714 768**	**4 026 383**	**96 245**	**28 820 120**
Liabilities							
Deposits	18 472 113	72 167	993 308	1 040 917	1 635 800	-	22 214 305
Lease liabilities	518	1 036	1 451	2 443	7 759	12 238	25 445
Financial guarantees	5 756	6 328	14 083	9 427	-	-	35 594
Capital commitments	2 892	-	-	-	-	-	2 892
Total liabilities	**18 481 279**	**2 004 801**	**1 008 842**	**1 052 787**	**1 643 559**	**12 238**	**24 203 506**
Liquidity gap	**(7 807 637)**	**2 777 953**	**3 517 486**	**3 661 981**	**2 382 824**	**84 007**	**4 616 614**
Cumulative liquidity gap	**(7 807 637)**	**(5 029 684)**	**(1 512 198)**	**2 149 783**	**4 532 607**	**4 616 614**	**4 616 614**

AUDITED

31 DEC 2023	Less than one month ZWG 000	1 to 3 months ZWG 000	3 to 6 months ZWG 000	6 to 12 months ZWG 000	1 to 5 years ZWG 000	5 years and above ZWG 000	Total ZWG 000
Assets							
Balances with banks and cash	4 104 934	-	-	-	-	-	4 104 934
Money market assets	350 184	457	142 472	-	-	-	493 113
Financial securities	124 224	485 121	706 799	768 452	836 298	2 666	2 923 560
Loans and advances to customers	862 274	498 665	591 314	1 152 900	1 660 826	52 253	4 818 232
Financial guarantees	4 839	625	3 145	18 459	-	-	27 068
Current tax receivable	64 295	-	-	-	-	-	64 295
Other liquid assets	259 546	1 890 805	-	-	-	-	2 150 351
Total assets	**5 770 296**	**2 875 673**	**1 443 730**	**1 939 811**	**2 497 124**	**54 919**	**14 581 553**
Liabilities							
Deposits	11 696 658	5 385	269 659	10 091	586 729	-	12 568 522
Other liabilities	-	333 258	-	-	-	-	333 258
Current tax payable	-		-	-	-	-	-
Lease liabilities	172	345	517	999	1 331	-	3 364
Financial guarantees	4 839	625	3 145	18 459	-	-	27 068
Total liabilities	**11 701 669**	**339 613**	**273 321**	**29 549**	**588 060**	**-**	**12 932 212**
Liquidity gap	**(5 931 373)**	**2 536 060**	**1 170 409**	**1 910 262**	**1 909 064**	**54 919**	**1 649 341**
Cumulative liquidity gap	**(5 931 373)**	**(3 395 313)**	**(2 224 904)**	**(314 642)**	**1 594 422**	**1 649 341**	**1 649 341**

The table above shows the cash flows of the Bank's non-derivative on and off balance sheet financial assets and liabilities on the basis of their earliest possible contractual maturity and the related year gaps. For issued financial guarantee contracts the maximum amount of the guarantee is allocated to the earliest year in which the guarantee could be called.

The Bank carries out static statement of financial position analysis to track statement of financial position growth drivers the pattern of core banking deposits statement of financial position structure levels and direction of the Bank's maturity mismatch and related funding or liquidity gap. The Asset and Liability Management Committee (ALCO) comes up with strategies through its monthly meetings to manage these liquidity gaps.

Details of the liquidity ratio for the Bank at the reporting date and during the reporting year were as follows:

	%
At 31 December 2023	53.45
At 31 December 2024	43.76
Average for the year	54.05
Maximum for the year	59.14
Minimum for the year	43.76

32. INTEREST RATE RISK

This is the possibility of a Bank's interest income being negatively influenced by unforeseen changes in the interest rate levels arising from weaknesses related to a Bank's trading, funding and investment strategies.

This is managed at both Board and Management level through the regular policy and benchmarks which relate to interest rate risk management. The major areas of intervention involve daily monitoring of costs of funds, monthly analysis of interest re-pricing gaps, monthly interest rate simulations to establish the Bank's ability to sustain a stressed interest rate environment and various interest rate risk hedging strategies. The use of stress testing is an integral part of the interest rate risk management framework and considers both the historical market events as well as anticipated future scenarios. The Bank denominates its credit facilities in the base currency, the ZWG in order to minimize cross currency interest rate risk. The Bank's interest rate risk profiling is illustrated below:

At 31 December 2024, if interest rates (both earning and paying rates) at that date had been 15 basis points higher or lower with all other variables held constant, post tax profit would have been ZWG17 777 622 lower or higher respectively than the reported position. This arises as a result of the sensitivity of the net interest assets in the movement in the interest rates.

32.1 INTEREST RATE REPRICING AND GAP ANALYSIS

AUDITED								
31 DEC 2024	Less than one month ZWG 000	1 to 3 months ZWG 000	3 to 6 months ZWG 000	6 to 12 months ZWG 000	1 to 5 years ZWG 000	5 years and above ZWG 000	Non-interest bearing ZWG 000	Total ZWG 000
Assets								
Balances with banks and cash	2 022 820	-	-	-	-	-	4 933 671	6 956 491
Money market assets	396 822	166 162	504 423	-	-	-	-	1 067 407
Financial securities	215 719	614 945	2 083 249	1 473 967	1 336 184	338	-	5 724 402
Loans and advances to customers	885 690	643 327	1 343 309	2 701 779	1 968 289	68 926	-	7 611 320
Equity investments	-	-	-	-	-	-	420 938	420 938
Land inventory	-	-	-	-	-	-	510 919	510 919
Other assets	-	-	-	-	-	-	5 577 062	5 577 062
Intangible assets	-	-	-	-	-	-	6 312	6 312
Investment properties	-	-	-	-	-	-	586 271	586 271
Total assets	**3 521 051**	**1 424 434**	**3 930 981**	**4 175 746**	**3 304 473**	**69 264**	**13 615 719**	**30 041 668**
Equity & Liabilities								
Deposits	1 462 389	61 269	910 622	959 396	1 245 729	-	16 981 420	21 620 825
Other liabilities	-	-	-	-	-	-	1 925 270	1 925 270
Current tax payable	-	-	-	-	-	-	12 227	12 227
Deferred taxation	-	-	-	-	-	-	332 787	332 787
Lease liability	467	940	1 322	2 229	7 280	-	-	12 238
Equity	-	-	-	-	-	-	6 138 321	6 138 321
Total liabilities and equity	**1 462 856**	**62 209**	**911 944**	**961 625**	**1 253 009**	**-**	**25 390 025**	**30 041 668**
Interest rate repricing gap	**2 058 195**	**1 362 225**	**3 019 037**	**3 214 121**	**2 051 464**	**69 264**	**(11 774 306)**	**-**
Cumulative gap	**2 058 195**	**3 420 420**	**6 439 457**	**9 653 578**	**11 705 042**	**11 774 306**	**-**	**-**

AUDITED								
31 DEC 2023	one month ZWG 000	3 to 6 months ZWG 000	6 to 12 months ZWG 000	1 to 5 months ZWG 000	5 years years ZWG 000	Non-interest and above ZWG 000	bearing ZWG 000	Total ZWG 000
Assets								
Balances with banks and cash	1 731 080	-	-	-	-	-	2 373 854	4 104 934
Money market assets	325 252	378	112 821	-	-	-	-	438 451
Financial securities	124 224	485 121	695 143	768 452	714 379	1 542	-	2 788 861
Loans and advances to customers	841 849	463 267	540 040	1 052 385	1 336 204	37 188	-	4 270 933
Equity investments	-	-	-	-	-	-	210 275	210 275
Land Inventory	-	-	-	-	-	-	229 050	229 050
Other assets	-	-	-	-	-	-	2 254 658	2 254 658
Current tax receivable							64 295	64 295
Intangible assets	-	-	-	-	-	-	6 834	6 834
Investment properties	-	-	-	-	-	-	459 473	459 473
Property and equipment	-	-	-	-	-	-	990 948	990 948
Total assets	**3 022 405**	**948 766**	**1 348 004**	**1 820 837**	**2 050 583**	**38 730**	**6 589 387**	**15 818 712**
Equity & Liabilities								
Deposits	522 266	5 191	258 573	-	12 735	515 960	11 174 140	12 488 865
Other liabilities	333 383	-	-	-	-	-	-	333 383
Deferred taxation	-	-	-	-	-	-	462 120	462 120
Lease liability	125	252	382	779	1 257	-	-	2 795
Equity	-	-	-	-	-	-	2 531 549	2 531 549
Total liabilities and equity	**855 774**	**5 443**	**258 955**	**779**	**13 992**	**515 960**	**14 167 809**	**15 818 712**
Interest rate repricing gap	**2 166 631**	**943 323**	**1 089 049**	**1 820 058**	**2 036 591**	**(477 230)**	**(7 578 422)**	**-**
Cumulative gap	**2 166 631**	**3 109 954**	**4 199 003**	**6 019 061**	**8 055 652**	**7 578 422**	**-**	**-**

FOREIGN CURRENCY POSITION

FOREIGN CURRENCY POSITION AS AT 31 DECEMBER 2024

AUDITED							
	Total 000	ZWG 000	USD 000	ZAR 000	GBP 000	EUR 000	Other foreign currencies 000
Assets							
Balances with banks and cash	6 956 491	5 323 329	1 164 110	302 668	24 739	88 336	53 309
Money market assets	1 067 407	1 067 407	-	-	-	-	-
Financial securities	5 724 402	5 255 820	468 582	-	-	-	-
Loans and advances to customers	7 611 320	6 742 279	827 816	41 225	-	-	-
Equity investments	420 938	420 938	-	-	-	-	-
Land inventory	510 919	510 919	-	-	-	-	-
Other assets	5 577 062	5 332 623	244 331	52	51	5	-
Intangible assets	6 312	6 312	-	-	-	-	-
Investment properties	586 271	586 271	-	-	-	-	-
Property and equipment	1 580 546	1 580 546	-	-	-	-	-
	30 041 668	**26 826 444**	**2 704 839**	**343 945**	**24 790**	**88 341**	**53 309**
Equity & Liabilities							
Deposits	21 620 825	18 605 280	2 693 291	195 811	3 800	72 474	50 169
Other liabilities	1 925 270	1 640 669	266 352	2 329	588	1 512	13 820
Deferred taxation	332 787	332 787	-				
Lease liability	12 238	12 238	-	-	-	-	-
Current tax payable	12 227	-	12 227	-	-	-	-
Equity	6 138 321	6 138 321	-	-	-	-	-
Total equity and liabilities	**30 041 668**	**26 729 295**	**2 971 870**	**198 140**	**4 388**	**73 986**	**63 989**

FOREIGN CURRENCY POSITION AS AT 31 DECEMBER 2023

AUDITED							
	Total 000	ZWG 000	USD 000	ZAR 000	GBP 000	EUR 000	Other foreign currencies 000
Assets							
Balances with banks and cash	4 104 934	587 572	3 185 798	232 530	2 745	45 548	50 741
Money market assets	438 451	12 086	426 365	-	-	-	-
Financial securities	2 788 862	218 571	2 570 291	-	-	-	-
Loans and advances to customers	4 270 933	499 219	3 770 235	1 479	-	-	-
Equity investments	210 275	210 275	-	-	-	-	-
Land inventory	229 050	229 050	-	-	-	-	-
Other assets	2 254 660	182 434	2 060 404	3	27	3	11 789
Current tax receivable	64 295	64 295	-	-	-	-	-
Intangible assets	6 834	6 834	-	-	-	-	-
Investment properties	459 473	459 473	-	-	-	-	-
Property and equipment	990 948	990 948	-	-	-	-	-
Total assets	**15 818 715**	**3 460 757**	**12 013 093**	**234 012**	**2 772**	**45 551**	**62 530**
Equity & Liabilities							
Deposits	12 488 866	2 072 009	9 890 327	456 294	2 514	20 153	47 569
Other liabilities	333 383	135 682	188 292	2 036	325	1 467	5 581
Deferred taxation	462 120	462 120	-	-	-	-	-
Lease Liability	2 796	2 796	-	-	-	-	-
Equity	2 531 550	2 531 550	-	-	-	-	-
Total equity and liabilities	**15 818 715**	**5 204 157**	**10 078 619**	**458 330**	**2 839**	**21 620**	**53 150**

FOREIGN CURRENCY POSITION AS AT 31 DECEMBER 2024

UNDERLYING CURRENCY						
	ZWG 000	ZAR 000	GBP 000	EUR 000	Other foreign currencies $ 000	USD 000
Assets						
Balances with banks and cash	1 164 110	220 537	764	3 291	2 066	206 343
Money market assets	-	-	-	-	-	41 375
Financial securities	468 582	-	-	-	-	203 726
Loans and advances to customers	827 816	30 038	-	-	-	261 344
Other assets	244 331	38	2	-	-	206 703
Total assets	**2 704 839**	**250 613**	**766**	**3 291**	**2 066**	**919 491**
Liabilities						
Deposits	2 693 291	142 676	117	2 700	1 945	721 177
Current tax payable	14 534	-	-	-	-	(89)
Other liabilities	266 352	1 697	18	56	536	63 596
Lease liability	10 513	-	-	-	-	67
Total liabilities	**2 984 690**	**144 373**	**135**	**2 756**	**2 481**	**784 751**
Net position	**(279 851)**	**106 240**	**631**	**535**	**(415)**	**134 740**

FOREIGN CURRENCY POSITION AS AT 31 DECEMBER 2023

UNDERLYING CURRENCY					
	USD 000	ZAR 000	GBP 000	EUR 000	Other foreign currencies $ 000
Assets					
Balances with banks and cash	234 913	314 084	159	3 033	3 742
Money market assets	31 439	-	-	-	-
Financial securities	189 527	-	-	-	-
Loans and advances to customers	278 008	1 998	-	-	-
Other assets	151 929	4	2	-	869
Total assets	**885 816**	**316 086**	**161**	**3 033**	**4 611**
Liabilities					
Deposits	729 289	616 328	145	1 342	3 508
Other liabilities	13 884	2 750	19	98	411
Total liabilities	**743 173**	**619 078**	**164**	**1 440**	**3 919**
Net position	**142 643**	**(302 992)**	**(3)**	**1 593**	**692**

33. Operational risk

This is the potential for loss arising from human error and fraud, inadequate or failed internal processes, systems failure, non-adherence to procedure or other external sources that result in the compromising of the Bank's revenue or erosion of the Bank's statement of financial position value.

33.1 Operational risk management framework

CBZ Bank Risk Management Committee exercises adequate oversight over operational risks across the Bank with the support of the Board as well as business and functional level committees. CBZ Bank Risk Management is responsible for setting and approval of Bank Operational Policies and maintaining standards for operational risk.

The Bank Board Audit Committee through Internal Audit function as well as Bank Enterprise Wide Governance and Compliance perform their independent reviews and assurances under processes and procedures as set under policies and procedure manuals. On the other hand, the Bank Risk Management and Bank IT Departments with assistance from the Organization and Methods Department within Group Human Resources ensure that processes, procedures and control systems are in line with variables in the operating environment.

33.2 Strategic risk

This is the risk that arises where the Bank's strategies may be inappropriate to support its long term corporate goals due to underlying inadequate strategic planning process, weak decision making process as well as weak strategic implementation programs.

To mitigate this risk, the Bank's Board and Management teams craft the strategy which is underpinned to the Bank's corporate goals. Approval of the strategy is the responsibility of the Board whilst implementation is carried out by Management. On the other hand strategy and goal congruency is audited monthly by management and quarterly by the Board.

33.3 Regulatory risk

Regulatory risk is defined as the failure to comply with applicable laws and regulations or supervisory requirements, or the exclusion of provisions of relevant regulatory requirements out of operational procedures. This risk is managed and mitigated through the Bank Board Risk Management Committee and the Bank Enterprise Wide Governance and Compliance unit which ensures that:

- Comprehensive and consistent compliance policies and procedures exist covering the Bank;
- A proactive and complete summary statement of the Bank's position on ethics and compliance exists;
- A reporting structure of the Bank Enterprise Wide Compliance Function exists that ensures independence and effectiveness; and that
- Yearly compliance and awareness training targeting employees in compliance sensitive areas is carried out.

33.4 Reputation risk

This is the risk of potential damage to the Bank's image that arises from the market's perception of the manner in which the Bank packages and delivers its products and services as well as how staff and management conduct themselves. It also relates to the Bank's general business ethics. This can result in loss of earnings or adverse impact on market capitalisation as a result of stakeholders adopting a negative view to the Bank and its actions. The risk can further arise from the Bank's inability to address any of its other key risks. This risk is managed and mitigated through:

- Continuous improvements of the Bank's operating facilities to ensure that they remain within the taste of the Bank's various stakeholders;
- Ensuring that staff subscribe to the Bank's code of conduct, code of ethics and general business ethics and that;
- Stakeholders' feedback systems that ensures proactive attention to the Bank's reputation management.

33.5 Money laundering risk

This is the risk of financial or reputational loss suffered as a result of transactions in which criminal financiers disguise the origin of funds they deposit in the Bank and then use the funds to support illegal activities. The Bank manages this risk through:

- Adherence to Know Your Customer Procedures;
- Effective use of compliance enabling technology to enhance anti–money laundering program management, communication, monitoring and reporting;
- Development of early warning systems; and
- Integration of compliance into individual performance measurement and reward structures.

33.6 Risk and Credit Ratings

33.6.1 External Credit Rating

Rating Agent	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Global Credit Rating Co.(Short Term)	A1+	A1+	A1+	A+	A1	A1	A1-	A1-	A1-	A1	A1	A1
Global Credit Rating Co. (Long Term)	AA-	AA-	AA-	AA-	A+	A+	A	A	A	A	A+	A+

No short-term ratings were provided by the rating agent from 2009 to 2012.

33.6.2 Reserve Bank of Zimbabwe Ratings

CAMELS RATING MATRIX - 31 December 2018 RBZ ONSITE EXAMINATION

	Composite	Capital Adequacy	Asset Quality	Management	Earnings	Liquidity	Sensitivity to market risk
CBZ Bank Limited	2	1	3	2	2	2	2

Key
1. Strong 2. Satisfactory 3. Fair 4. Substandard 5. Weak

CBZ Bank Limited
Risk Matrix Summary

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

KEY

Level of inherent risk

Low – reflects a lower than average probability of an adverse impact on an institution's capital and earnings. Losses in a functional area with low inherent risk would have little negative impact on the institution's overall financial condition.
Moderate – could reasonably be expected to result in a loss which could be absorbed by an institution in the normal course of business.
High – reflects a higher than average probability of potential loss. High inherent risk could reasonably be expected to result in a significant and harmful loss to the institution.

Adequacy of Risk Management Systems

Weak – risk management systems are inadequate or inappropriate given the size complexity and risk profile of the banking institution. Institution's risk management systems are lacking in important ways and therefore a cause of more than normal supervisory attention. The internal control systems will be lacking in important aspects particularly as indicated by continued control exceptions or by the failure to adhere to written down policies and procedures.
Acceptable – management of risk is largely effective but lacking to some modest degree. While the institution might be having some minor risk management weaknesses these have been recognised and are being addressed. Management information systems are generally adequate.
Strong – management effectively identifies and controls all types of risk posed by the relevant functional areas or per inherent risk. The board and senior management are active participants in managing risk and ensure appropriate policies and limits are put in place. The policies comprehensively define the financial institution's risk tolerance responsibilities are effectively communicated.

Overall Composite Risk

Low Risk – would be assigned to low inherent risk areas. Moderate risk areas may be assigned a low composite risk where internal controls and risk management systems are strong and effectively mitigate much of the risk.
Moderate Risk – risk management effectively identifies and controls all types of risk posed by the relevant functional area significant weaknesses in the risk management systems may result in a moderate composite risk assessment. On the other hand a strong risk management system may reduce the risk so that any potential financial loss from the activity would have only a moderate negative impact on the financial condition of the organization.
High – Risk management systems do not significantly mitigate the high inherent risk. Thus, the activity could potentially result in a financial loss that would have a significant impact on the Bank's overall condition.

Direction of Overall Composite Risk Rating

Increasing– based on the current information composite risk is expected to increase in the next twelve months.
Decreasing– based on current information composite risk is expected to decrease in the next twelve months.
Stable – based on the current information composite risk is expected to be stable in the next twelve months.

34.1 Capital Adequacy

The capital adequacy is calculated in terms of the guidelines issued by the Reserve Bank of Zimbabwe.

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Risk Weighted Assets	**23,933,213**	**10,612,117**
Total Qualifying Capital	**6,408,555**	**3,836,887**
Tier 1		
Share capital	8,410	8,410
Share premium	27,477	27,477
Revenue reserves	2,490,733	1,533,201
Other reserves	2,733,979	-
Exposure to insiders	(29,596)	(65,860)
	5,231,003	**1,503,228**
Less Tier 3	(800,162)	(391,129)
	4,430,841	**1,112,099**
Tier 2		
Revalauation reserves	165,252	546,367
Fair value reserve	101,092	85,878
General provisions	299,165	198,186
Foreign Currency Translation Reserve	612,043	-
	1,177,552	**830,431**
Tier 3		
Capital allocated for market risk	24,883	168,222
Capital allocated to operations risk	775,279	222,907
	800,162	**391,129**
Capital Adequacy (%)		
Tier 1	18.51%	10.14%
Tier 2	4.92%	7.83%
Tier 3	3.34%	3.69%
Total	**26.78%**	**21.65%**

Regulatory capital consists of Tier 1 capital which comprises share capital share premium and revenue reserves including current period profit. The other component of the regulatory capital is Tier 2 capital which includes general provisions and revaluation reserves. The regulated minimum capital base required by the Central Bank is US$ 30 million with a tier 1 ratio of 8% and a total capital adequacy ratio of 12%

35. CORPORATE GOVERNANCE STATEMENT

The quality of corporate governance practices is becoming an increasingly important factor in maintaining market confidence. The Bank is committed to and supports the principles contained in the Reserve Bank of Zimbabwe (RBZ) Corporate Governance Guideline No. 01-2004/BSD, as well as the King III Code which is an internationally regarded benchmark in Corporate Governance.

36. DISCLOSURE POLICY

The Board is aware of the importance of balanced and understandable communication of the Bank's activities to stakeholders and strives to clearly present any matters material to a proper appreciation of the Bank's position. The interests and concerns of stakeholders are addressed by communicating information in a timely manner.

The Directors foster a mutual understanding of objectives shared between the Bank and its institutional shareholders by meeting with and making presentations to them on a regular basis. The Board welcomes and encourages the attendance of private shareholders at general meetings and gives them the opportunity to have questions addressed.

The Bank endeavours to ensure, through its regular public dissemination of quantitative and qualitative information that analysts' estimates are in line with the Bank's own expectations. The Bank does not confirm or attempt to influence analysts' opinions or conclusions and does not express comfort with analysts' models and earnings estimates.

37. GOING CONCERN

For going concern assessment refer to CBZ Holdings note 35.

38. COMPLIANCE AND REGULATORY RISK

a) The Bank was fined ZWG500,911 by RBZ. ZWG281,019 was for RBZ exchange control full scope inspection penalty fee and ZWG219,892 was for the delayed submission of the Agency Banking Report for 30 June 2024.
b) The Bank was in breach of related party lending regulations due to insider and related party exposures amounting to ZWG 29,596,456 that were unsecured.

39. CONTINGENT LIABILITY DISCLOSURE

As at December 31, 2024, CBZ Bank is subject to an ongoing a tax audit by the Zimbabwe Revenue Authority (ZIMRA), covering the past five financial years. The audit aims to assess the Bank's compliance with tax regulations, and its outcome remains uncertain, pending ongoing discussions and the final determination by ZIMRA.

At this stage, it is not practicable for CBZ Bank to determine the timeline for the resolution of the audit or the specific terms under which any findings may be settled. Furthermore, the Bank is unable to reliably estimate the potential financial impact, including any taxes, fines, or penalties that may arise, which could be material. The Bank remains committed to full cooperation with ZIMRA to facilitate the timely completion of the audit process.

AUDITED FINANCIAL RESULTS

For the year ended 31 December 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Insurance revenue	117 362	68 618
Insurance service expenses	(119 599)	(92 611)
Insurance service loss	**(2 237)**	**(23 993)**
Allocation of reinsurance premiums	(5 472)	(5 981)
Amounts recoverable from reinsurers for incurred claims	78	74
Net expense from reinsurance contracts held	**(5 394)**	**(5 907)**
Insurance service result	**(7 631)**	**(29 900)**
Finance expenses from insurance contracts issued	(4292)	(5 433)
Reinsurance finance income for reinsurance contracts held	1 421	81
Net insurance financial result	(2 871)	(5 352)
	(10 502)	**(35 252)**
Investment and other income results		
Interest income	3 200	642
Interest expense		(1 313)
Net (loss)/ gains on FVTPL investments	(38 600)	2 572
Net change in investment contract liabilities and VFA	(10 947)	(32 313)
Profit on disposal of investment properties	-	(2 055)
Fair value adjustments to investment properties	(36 730)	53 154
Expected credit loss expense	(751)	(193)
Net investment and other income	**(83 828)**	**20 494**
Net insurance and investment result	**(94 330)**	**(14 758)**
Other income	67 790	7 288
Non-attributable other operating expenses	(5 756)	(21 788)
Monetary gain	-	70 843
(Loss)/Profit before taxation	**(32 296)**	**41 585**
Taxation	(360)	(147)
(Loss)/Profit for the year	**(32 656)**	**41 438**
Other comprehensive income	-	-
(Loss)/Gains on property revaluations	(20 993)	15 759
(Loss)/Gains on equity instruments at FVOCI	(220)	1 959
Exchange gains on translation to presentation currency	87 094	-
Other comprehensive income for the year net of tax	**65 881**	**17 718**
Total comprehensive income	**33 225**	**59 156**

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
ASSETS		
Current assets		
Cash and cash equivalents	12 438	7 945
Money market assets	25 775	6 658
Insurance contract assets	21 357	25 789
Reinsurance contract assets	543	926
Other receivables	8 164	1 978
Equity investments	68 036	23 391
Property and equipment	27 287	25 911
Investment properties	130 185	102 315
TOTAL ASSETS	**293 785**	**194 913**
EQUITY AND LIABILITIES		
Liabilities		
Other payables	9 462	4 543
Provisions	8 893	3 392
Investment contract liabilities	16 466	12 239
Insurance contract liabilities	113 716	63 077
Reinsurance contract liabilities	596	203
Current tax payable	8	40
	149 141	**83 494**
Equity		
Share capital	-	-
Share premium	18 690	18 690
Revaluation reserve	2 578	23 571
Foreign currency translation reserve	87 094	-
Retained earnings	33 702	66 358
Fair value reserve	2 580	2 800
	144 644	**111 419**
TOTAL EQUITY AND LIABILITIES	**293 785**	**194 913**

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

AUDITED	Share capital ZWG 000	Share premium ZWG 000	Revaluation reserve ZWG 000	FCTR ZWG 000	Fair Value reserve ZWG 000	Retained Earnings ZWG 000	Total ZWG 000
31-Dec-23							
Opening balance	0	2 281	7 812	-	841	24 920	35 854
Profit for the period						41 438	41 438
Total comprehensive income	-	-	15 759	-	1 959		17 718
Issue of shares	-	16 409	-	-	-	-	16 409
Closing balance	**0**	**18 690**	**23 571**		**2 800**	**66 358**	**111 419**
31-Dec-24							
Opening balance	0	18 690	23 571	-	2 800	66 358	111 419
Profit for the year	-	-	-	-	-	(32 656)	(32 656)
Total comprehensive income	-	-	(20 993)	87 094	(220)	-	65 881
Closing balance	**0**	**18 690**	**2 578**	**87 094**	**2 580**	**33 702**	**144 644**

STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(32 296)	41 585
Non cash items:		
Fair value adjustment on financial instruments	38 600	(2 572)
Monetary loss	-	(70 843)
Unrealised loss on foreign currency position	64 758	(1 242)
Interest expense	-	1 313
Interest income	(3 200)	(642)
Dividend income	(1 932)	(177)
Fair value adjustment on investment properties	36 730	(53 154)
Income tax expense	353	27
Loss on disposal of investment properties	-	(2 055)
Loss on sale of property and equipment	(0)	(8)
Depreciation	2 416	833
Other adjustments for non cash items	(167 366)	166
Changes in other working capital balances	**(61 937)**	**(86 769)**
Changes in operating assets and liabilities		
Other receivables	(46 996)	(449)
Reinsurance assets	383	(472)
Reinsurance liabilities	(3 411)	203
Insurance contract assets	4 432	(24 950)
Other payables	(59 742)	(4 915)
Money market assets	(19 629)	(4 652)
Life assurance investment contract liabilities	5 261	25 346
Insurance contract liabilities	222 208	89 465
Cash generated from operations	102 506	79 576
Interest received/(paid)	3 200	(671)
Dividend received/(paid)	1 932	177
Corporate tax paid	(375)	(173)
Net cash inflow from operating activities	**45 326**	**(7 860)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(794)	(957)
Proceeds on disposal of investment properties	(0)	2 465
Purchase of investment properties	(4 472)	(2 462)
Investment in equities during the period	(37 763)	(7 992)
Equity investments disposed during the year	1 423	2 232
Proceeds on disposal of property and equipment	2	9
Net cash outflow from investing activities	**(41 604)**	**(6 705)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of shares	-	16 409
Net cash outflow from financing activites	**-**	**16 409**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**3 722**	**1 843**
Cash and cash equivalents at the beginning of the year	7 945	5 495
Unrealised exchange gains on foreign cash balances	4 437	607
FCTR effects on cash	(3 666)	
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**12 438**	**7 945**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Insurance service result		
Insurance revenue	169 673	109 582
Insurance service expenses	(152 296)	(132 719)
Insurance service profit/ (loss)	**17 377**	**(23 137)**
Reinsurance service result		
Reinsurance expenses	(67 671)	(48 730)
Reinsurance income	33 547	43 411
Reinsurance service loss	**(34 124)**	**(5 319)**
Net insurance financial result	**(16 747)**	**(28 456)**
Investments result		
Fair value (loss)/ gain from financial assets	(868)	1 141
Fair value (loss)/ gain from investment properties	(2 494)	11 493
Other income	9 124	722
Investment expenses	-	-
Expected credit losses on financial assets	(32)	(56)
Interest received	55	590
Interest expense	-	(1 406)
Net investments result	**5 785**	**12 484**
Other operating expenses	(5 529)	(5 237)
Monetary gain	-	12 981
Loss before tax	**(16 491)**	**(8 228)**
Taxation	(3 082)	(413)
Loss after tax	**(19 573)**	**(8 641)**
Other comprehensive income		
(Losses)/Gains on property revaluations	(9 932)	15 379
Fair value gains on unlisted equities	-	1 383
Exchange gains / (loss) on translation to presentation currency	2 557	(4 029)
Taxation relating to items on other comprehensive income	24 498	-
Other comprehensive income for the year net of tax	**17 123**	**12 733**
Total comprehensive income for the year	**(2 450)**	**4 092**

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
ASSETS		
Cash and cash equivalents	8 310	3 417
Interest bearing investments	2 348	1 301
Other assets	2 911	1 637
Insurance contract assets	-	49
Reinsurance contract assets	46 091	26 694
Investment properties	22 986	14 596
Investment in equities	12 451	7 189
Intangible assets	-	81
Property and equipment	29 683	27 102
Deferred tax asset	6 756	6 018
TOTAL ASSETS	**131 536**	**88 084**
LIABILITIES		
Insurance contract liabilities	75 570	43 013
Reinsurance contract liabilities	9 591	2 755
Current liabilities	14 173	9 430
Tax payable	1 429	920
Deferred tax liability	10 429	9 172
	111 192	**65 290**
EQUITY		
Share Capital	128	128
Share premium	18 224	18 224
Revaluation reserve	11 013	18 388
Fair value reserve	1 845	1 845
Foreign currency translation reserve	24 498	-
Retained earnings	(35 364)	(15 791)
	20 344	**22 794**
TOTAL EQUITY AND LIABILITIES	**131 536**	**88 084**

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

AUDITED	Share capital ZWG 000	Share premium ZWG 000	Revaluation reserve ZWG 000	FCTR ZWG 000	Fair Value reserve ZWG 000	Revenue reserve ZWG 000	Total ZWG 000
31 December 2023							
Opening balance	128	5 722	6 969	-	531	(7 150)	6 200
Loss for the year	-	-	-		-	(8 641)	(8 641)
Other comprehensive income for the year	-	-	11 419	-	1 314	-	12 733
Recapitalisation		12 502			-	-	12 502
Closing balance as at 31 December 2023	**128**	**18 224**	**18 388**	**-**	**1 845**	**(15 791)**	**22 794**
31 December 2024							
Opening balance as at 1 January 2024	128	18 224	18 388	-	1 845	(15 791)	22 794
Loss for the year	-	-	-	-	-	(19 573)	(19 573)
Other comprehensive income for the year	-	-	(7 375)	24 498	-	-	17 123
Closing balance as at 31 December 2024	**128**	**18 224**	**11 013**	**24 498**	**1 845**	**(35 364)**	**20 344**

STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(16 491)	(8 228)
Non cash items:		-
Depreciation	1 864	619
Amortisation of intangible assets	101	81
Monetary gain	-	(12 981)
Fair value adjustments on investment properties	2 494	(11 493)
Fair value adjustments on financial instruments	868	(1 141)
Unrealised loss on foreign currency position	(6 987)	607
Expected credit losses	32	56
Changes in insurance and reinsurance contract assets/liabilities	1 288	13 409
Interest received	(55)	(590)
Interest expense	-	1 406
Cash flows before changes in operating assets and liabilities	**(16 886)**	**(18 255)**
Changes in operating assets and liabilities		
Financial securities	(1 079)	(905)
Insurance contract assets	49	9 201
Reinsurance contract assets	(10 743)	(4 121)
Insurance contract liabilities	32 170	(3 347)
Reinsurance contract liabilities	6 836	6 701
Other assets	(3 845)	(1 158)
Other liabilities	4 363	7 410
	27 751	**13 781**
Interest received	55	590
Interest expense	-	(1 406)
Corporate tax paid	(165)	-
Net cash inflow/ (outflow) from operating activities	**10 755**	**(5 290)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on disposal of investment property	-	3 347
Investment in equities during the year	(1 586)	(1 587)
Equity investments disposed during the year	1 891	546
Proceeds on disposal of property and equipment	-	1
Purchase of property and equipment	(1 095)	(1 989)
Net cash inflow/ (outflow) from investing activities	**(790)**	**318**
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of shares	-	12 502
Net cash inflow from financing activities	**-**	**12 502**
Net increase/ (decrease) in cash and cash equivalents	**9 965**	**7 530**
Cash and cash equivalents at beginning of the year	3 417	(9 103)
Exchange gains on foreign cash balances	(680)	4 990
Foreign currency translation effects on cash	(4 392)	-
Cash and cash equivalents at end of the year	**8 310**	**3 417**

DATVEST
A Member of the cbz Group

AUDITED FINANCIAL RESULTS
For the year ended 31 December 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2024

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
Revenue	41 392	53 808
Operating expenditure	(44 517)	(47 715)
Operating (loss)/ income	**(3 125)**	**6 093**
Expected credit loss expense	(132)	(1 691)
Monetary gain	-	1 351
(Loss)/ Profit before taxation	**(3 257)**	**5 753**
Taxation	(684)	(1 689)
(Loss)/ Profit for the year after taxation	**(3 941)**	**4 064**
Other comprehensive income	14 956	821
Total comprehensive income for the year	**11 015**	**4 885**

STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
ASSETS		
Balances with banks and cash	1 459	328
Money market assets	-	2 012
Equity investments	4 486	3 243
Land Inventory	1 701	-
Other assets	21 126	2 233
Investment property	28 198	27 778
Intangible assets	32	30
Property and equipment	2 552	1 119
Deferred taxation	4 710	1 798
TOTAL ASSETS	**64 264**	**38 541**
LIABILITIES		
Current taxation	4 166	428
Other liabilities	22 366	11 574
Deferred tax liability	2 182	2 696
Lease liability	1 225	533
TOTAL LIABILITIES	**29 939**	**15 231**
EQUITY		
Share capital	104	104
Share premium	5 549	5 549
Revenue reserves	12 451	16 392
Foreign currency translation reserve	15 623	-
Fair value reserve	598	1 265
TOTAL EQUITY	**34 325**	**23 310**
TOTAL LIABILITIES AND EQUITY	**64 264**	**38 541**

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2024

	AUDITED					
	Share capital ZWG 000	FCTR ZWG 000	Share premium ZWG 000	Fair value reserve ZWG 000	Revenue reserves ZWG 000	Total ZWG 000
Audited 31 December 2023						
Opening balance	104	-	3 163	444	12 328	16 039
Profit for the year	-	-	-	-	4 064	4 064
Issue of shares	-	-	2 386	-	-	2 386
Other comprehensive income	-	-	-	821	-	821
Closing balance	**104**		**5 549**	**1 265**	**16 392**	**23 310**
Audited 31 December 2024						
Opening balance	104	-	5 549	1 265	16 392	23 310
Profit for the year	-	-	-	-	(3 941)	(3 941)
Other comprehensive income	-	15 623	-	(667)	-	14 956
Closing balance	**104**	**15 623**	**5 549**	**598**	**12 451**	**34 325**

STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

	AUDITED 31 DEC 2024 ZWG 000	AUDITED 31 DEC 2023 ZWG 000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(3 257)	5 753
Adjust for:		
Fair value loss/(gain) on investment properties	12 894	(17 191)
Fair value adjustments on financial instruments	273	42
Amortisation of intangible assets	14	8
Monetary gain	-	(1 351)
Depreciation and amortisation	394	206
Expected credit loss expense	132	1 691
Unrealised gain on foreign currency position	(4 288)	(4 700)
Profit on disposal of equipment	(5)	(93)
(Profit)/loss on disposal of investment properties	-	(1 196)
Interest on lease liability	56	49
Operating cash inflow/(outflow) before changes in operating assets and liabilities	**6 213**	**(16 782)**
Changes in operating assets and liabilities		
Money market assets	2 012	(2 082)
Other assets	(38 289)	(20 143)
Other liabilities	10 792	30 799
	(25 485)	**8 574**
Corporate tax paid	(1 661)	(591)
Net cash outflow from operating activities	**(20 933)**	**(8 799)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on disposal of investment property	-	5 294
Investment in equities during the year	-	(3 665)
Equity investments disposed during the year	-	3 731
Proceeds from disposal of property and equipment	8	119
Purchase of equipment	(400)	(285)
Net cash (outflow)/inflow from investing activities	**(392)**	**5 194**
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of shares	-	2 386
Lease liability repayment	(141)	(93)
Interest on lease liability	(57)	(49)
Net cash (outflow)/inflow from financing activities	**(198)**	**2 244**
NET DECREASE IN BALANCES WITH BANKS AND CASH	**(21 523)**	**(1 361)**
Balances with banks and cash at the beginning of the year	328	193
Exchange gains on foreign cash balances	4 043	-
Inflation effects on cash	-	1 496
Effects of translation to presentation currency	18 611	-
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER	**1 459**	**328**

KPMG
Mutual Gardens 100 The Chase (West)
Emerald Hill, Harare, Zimbabwe
Telephone +263 430 2600
Internet www.kpmg.com/zw

Independent Auditors' Report

To the shareholder of CBZ Bank Limited

Opinion

We have audited the financial statements of CBZ Bank Limited (the Bank), which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, material accounting policies, and notes to the financial statements, as set out on pages ……. to ……….

In our opinion, the financial statements present fairly, in all material respects, the financial position of CBZ Bank Limited as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with IFRS® Accounting Standards and the manner required by the Companies and Other Business Entities Act (Chapter 24:31) and the Banking Act (Chapter 24:20).

Basis for opinion

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

Key audit matters

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

Expected credit losses in respect of loans and advances to customers
Refer to

- material accounting policies - the significant accounting estimates and judgements note 1.3;
- notes to the financial statements - loans and advances to customers note 14 and credit risk note 31.3

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Key audit matter	How the matter was addressed in our audit
The Bank assesses at each reporting date on a forward-looking basis, the Expected Credit Losses (ECL) associated with a financial asset or a group of financial assets. The Bank carries out a significant increase in credit risk assessment at each reporting date in order to determine whether the credit risk of its financial assets has increased significantly since initial recognition. As at reporting date, the Bank assessed the ECL in respect of gross loans and advances to customers of ZWG8 billion. The Bank's ECL model includes certain judgements and assumptions such as: • the credit rating allocated to the counterparties; • the determination of the Bank's definition of default; • the estimate of the likelihood of default over a given time horizon probability of default (PD); • the estimate of the loss arising in the case where a default occurs at a given time loss given default (LGD); • the estimate of the exposure at a future default date (exposure at default EAD); • the criteria for assessing significant increase in credit risk (SICR); • the identification of impaired assets and the estimation of impairment, including the estimation of future cash flows, market values and estimated time and cost to sell collateral held. • the incorporation of forward-looking information related to the expected outlook on the country's macro-economic variables and the gross domestic product growth rates used in determining the expected credit losses in the loans and advances portfolios; Due to the significance of the loans and advances to customers to the Bank and the level of judgement applied in determining the ECL, the expected credit loss in respect of loans and advances to customers was considered a key audit matter.	Our procedures included the following; • Obtaining an understanding the Bank's IFRS 9: Financial Instruments (IFRS 9) policy and models. • Assessed whether the models are compliant with the requirements of IFRS 9 by inspecting the IFRS 9 accounting policy and IFRS 9 ECL Model document. • Evaluating the effectiveness of credit risk management and governance controls by testing the design, implementation, and operating effectiveness of controls implemented by the Bank. • Identifying changes that were implemented in the ECL models parameters during the year and challenging management on the reasonableness and validity of the changes applied to key parameters. • Performing advanced credit risk reviews on a sample of loans which include significant borrowers and watchlist facilities by assessing reasonability of management credit risk ratings that had been applied in determining the PD. • Testing the accuracy and completeness of historical credit loss information that is used in the development of the PD model by our engaged specialist by inspecting the loan contracts and loan account statements in the credit origination process. • Assessing the completeness, accuracy and validity of data and inputs used during the application of the ECL model by obtaining external confirmations for loan balances, reconciling the balances on the sub-ledger to the general ledger and agreeing interest rates to loan agreement. • Testing collateral data to confirm the registration of collateral recognised in the model by agreeing the value of collateral to supporting legal documentation. • Perform a recalculation of the Expected credit losses relating to stage 3 corporate loans and assess the reasonableness of management's assumptions. • Engaged our own Financial Risk Management specialists to: o Assess the reasonableness of management's assumptions in the determination of the PD, EADs and LGDs for stage 1, stage 2 and stage 3 (retail

Key audit matter	How the matter was addressed in our audit
	only) loans by comparing them against industry benchmarks. o Test the LGD model for unsecured loans by using historical write-off and recovery data to create an independent LGD estimate. o Assess the appropriateness of the Bank's IFRS 9 ECL models by reperforming management's calculations using our own independent models. o Engage an economist and use available external and independent macro-economic information (gross domestic product growth rates) to challenge management's judgements and assumptions incorporated into forward looking ECLs. o Perform an analysis of the financial performance of selected entities and independently compute the credit rating through use of an independent credit rating model. o Assess the adequacy of the Bank's disclosures in respect of ECL as required in terms of IFRS 7 and IFRS 9, Financial instruments disclosures.

Valuation of investment properties, and land and buildings.

Refer to:

- material accounting policies - the significant accounting estimates and judgements note 1.3, the investment properties accounting policy note 1.5, the property and equipment accounting policy note 1.6 and fair value measurement accounting policy note 1.29;
- notes to the financial statements - the investment properties note 20, the property and equipment note 21 and the fair value measurement note 33.

Key audit matter	How the matter was addressed in our audit
• The Bank holds properties, comprising land and buildings, that are measured at fair value in accordance with IAS 16, Property, Plant and Equipment (IAS 16). The Bank also holds investment properties which are measured at fair value in accordance with IAS 40, Investment Property (IAS 40). • As at 31 December 2024 the Bank had land and buildings valued at ZWG951million and investment property valued at ZWG586 million. • Investment property, and land and buildings are subject to variability in values. The fair values of the properties were determined by a registered internal appraiser.	Our procedures included the following: • Obtaining an understanding of the Bank's property portfolio and the selection of the methods used in the valuation of the different properties. • Performing independent deeds search to confirm the ownership and accuracy of data such as land sizes and locations used in the property valuations. • Evaluating the professional qualifications, competence, capabilities and objectivity of the registered internal appraiser, employed by management, who valued the Bank's

Key audit matter	How the matter was addressed in our audit
• The Bank uses several methods, such as the implicit investment approach and market value of similar properties method in performing the valuations. • The Bank's properties are classified as Level 2 in the fair value hierarchy, through their use of observable inputs such as rental rates per square meter and unobservable input such as capitalisation rates which have estimation uncertainty inherent in their values. • Given the degree of complexity involved in determining the fair value of the land and buildings and investment properties, the significant judgement and estimation required in determining the key inputs and assumptions used in determining the fair values in the local property market, the valuation of the Bank's land and buildings and the Bank's investment properties was considered a key audit matter	investment properties, land and buildings through the inspection of their professional membership and reviewing their curriculum vitae. • Engaging our own professional independent property valuation valuer to reperform valuations through a desktop valuation of the properties and compared their results to the valuations that were determined by internal appraiser appointed by the directors. • Evaluating the professional qualifications, competence, objectivity, capabilities and independence of our own engaged professional independent property valuer through enquiring about their interest and relationship with the Bank and confirming their membership to professional associations. • Testing the completeness of key inputs such as the land size, lettable area and property descriptions by inspecting the title deeds and assessing the changes from the prior year. Our engaged external property valuer assisted with: • Evaluating the appropriateness of the valuation methodologies used by the internal appraiser, by comparing the valuation methods used by the internal appraiser to market best practice property valuation methods based on our specialist's knowledge of the industry; • Challenging the assumptions such as capitalisation rates, rent per square meter and market comparable prices used to value land and buildings and investment properties through performing independent property valuations for a sample of properties. The performance of the independent fair values involved re-computation of capitalisation rates and comparison of management's rentals per square meter and comparable market prices to the engaged specialist values observed from market transactions and offer prices. • Assessed the adequacy of the disclosures in the financial statements in respect of the valuation of investment property, land and buildings in accordance with IAS 16, IAS 40 and Fair value measurement(IFRS 13).

Valuation of unlisted equities

Refer to:

- material accounting policies - the significant accounting estimates and judgements note 1.3; the financial assets accounting policy note 1.7 and fair value measurement accounting policy note 1.29;
- notes to the financial statements - the equity investments note 15 and the fair value measurement note 33.

Key audit matter	How the matter was addressed in our audit
• The Bank holds unlisted investments amounting to ZWG421 million which are measured at fair value. • Unlisted investments are shares that are not listed on a registered stock exchange therefore the prices are not quoted in any active market and are classified as level 3 financial instruments in the fair value hierarchy. • The Bank measures its unlisted equities at fair value using the earnings multiple valuation technique and net asset value. The use of different assumptions and methodologies could lead to different measurements of fair value. • The Bank incorporates judgement in the determination of fair value when using the PE methodology through adjusting price earnings ratio (PE) for comparable entities with country specific discounts and size discounts. • We identified assessing the fair value of the unlisted investments as a key audit matter because the valuation methodologies, assumptions and inputs used by management include significant unobservable inputs resulting in significant judgement being applied by management.	We engaged our own equity valuation specialists who assisted by: • Evaluating and challenging the appropriateness of the methodologies applied by management by comparing with market best practices. • Evaluating and challenging assumptions such as comparable entities, country and size discounts, used in the valuation of the unlisted investments through performing an independent computation using our own independent inputs and considering macro-economic factors. This included: • Calculating a range for the expected minimum and maximum values for the PE multiple method and using the Earnings Before Interest and Tax ("EBITA") multiple method through identification of a number of comparable entities and using company specific risk assumptions. • In addition to the procedures performed by the specialist above, our procedures included the following: • Obtaining external confirmations of the holding of the shares held directly with the investee and confirmed that the holding was appropriately considered in the determination of the fair value of the investments; and • • Assessing whether the disclosures in the financial statements appropriately reflected the Bank's exposure to financial instrument valuation risk in accordance with the requirements of IFRS 13.

Other matter

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled “CBZ Bank Audited Financial Statements for the year ended 31 December 2024” including the Statement of Directors’ Responsibilities, Chairman’s Report. The other information does not include the financial statements and our auditors’ report thereon.

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

In connection with our audit of the 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS® Accounting Standards and the manner required by the Companies and Other Business Entities Act (Chapter 24:31) and the Banking Act (Chapter 24:20), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Bank’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Bank or 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- 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.

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.

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

KPMG

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

31 March 2025

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

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

KPMG
Mutual Gardens 100 The Chase (West)
Emerald Hill, Harare, Zimbabwe
Telephone +263 430 2600
Internet www.kpmg.com/zw

Independent Auditors' Report

To the shareholders of CBZ Holdings Limited

Qualified opinion

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

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

Basis for qualified opinion

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

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

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

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

Key audit matters

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

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

1. Valuation of investment properties and land and buildings

Refer to;

- Group and Company material accounting policies - the significant accounting estimates and judgements note 1.3 fair value measurement principles, the investment properties accounting policy note 1.5, the property and equipment accounting policy note 1.6 and the fair value measurement accounting policy note 1.30
- •Notes to the consolidated financial statements - the fair value measurement note19, the property and equipment note 20 and the investment properties note 21.

Key audit matter	How the matter was addressed in our audit
The Group holds land and buildings measured at fair value in accordance with IAS 16, Property, Plant and Equipment (IAS 16). The Group also holds investment properties which is measured at fair value in accordance with IAS 40, Investment Property (IAS 40). As at reporting date the Group had land and buildings valued at ZWG$1,07billion and also held investment properties valued at ZWG1,05 billion. Investment properties, and land and buildings are subject to variability in values. The fair values of the properties were determined by a registered internal appraiser. The Group uses several methods, such as the implicit investment approach and market value	Our procedures included the following: • Obtaining an understanding of the Group and Company property portfolio and the selection of the methods used in the valuation of the different properties. • Performing an independent deeds search to confirm the ownership and accuracy of data such as land sizes and locations used in the property valuations. • Evaluating the professional qualifications, competence, capabilities and objectivity of the registered internal appraiser, employed by management, who valued the Group's and Company properties through the inspection of their professional membership and reviewing their curriculum vitae.

Key audit matter	How the matter was addressed in our audit

of similar properties method in performing the valuations.
 	
The Group properties are classified as Level 2 in the fair value hierarchy, through their use of observable inputs such as rental rates per square meter and capitalisation rates which have estimation uncertainty inherent in their values.
 	
Given the degree of complexity involved in determining the fair value of the land and buildings and investment properties, the significant judgement and estimation required in determining the key inputs and assumptions used in determining the fair values in the local property market, the valuation of the Group's land and buildings and the investment properties was considered a key audit matter.
	• Evaluating the professional qualifications, competence, objectivity, capabilities and independence of our own engaged professional independent property valuer by enquiring about their interest and relationship with the Group and confirming their membership to professional associations.
	• Assessing the adequacy of the disclosures in the consolidated financial statements in respect of the valuation of land and buildings and investment properties in accordance with IAS 16, IAS 40 and IFRS 13, Fair value measurement (IFRS 13).
	• Testing the completeness of key inputs such as the land size, lettable area and property descriptions by inspecting the title deeds and assessing the changes from the prior year.
	• Our engaged external property valuation expert assisted with:
	  ○ Evaluating the appropriateness of the valuation methodologies used by the internal appraiser, by comparing the valuation methods used by the internal appraiser to market best practice property valuation methods based on our specialist's knowledge of the industry; and
	  ○ Challenging the assumptions such as capitalisation rates, rent per square meter and market comparable prices used to the properties through performing independent property valuations for a sample of properties. The performance of independent fair values involved re-computation of capitalisation rates and comparison of management's rentals per square meter and comparable market prices to the engaged specialist values observed from market transactions and offer prices.

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

Refer to:

- Group and Company material accounting policies - significant accounting estimates and judgements note 1.3, expected credit loss and the impairment of financial assets policy accounting policy note 1,9
- Notes to the consolidated financial statements - the loans and advances to customers note 12, the expected credit losses on financial instruments note 13 and the credit risk note 34.3.

Key audit matter	How the matter was addressed in our audit
The Group assesses at each reporting date on a forward-looking basis, the Expected Credit Losses (ECL) associated with the loans and advances to customers. The Group carries out a significant increase in credit risk assessment at each reporting date in order to determine whether the credit risk of its loans and advances to customers has increased significantly since initial recognition. As at reporting date, the Group assessed the ECL in respect of gross loans and advances to customers of ZWG$831million. The Group's ECL model includes certain judgements and assumptions such as: • the credit rating allocated to the counterparties; • the determination of the Group's definition of default; • the estimate of the likelihood of default over a given time horizon, probability of default (PD); • the estimate of the loss arising in the case where a default occurs at a given time, loss given default (LGD); • the estimate of the exposure at a future default date, exposure at default (EAD); • the criteria for assessing a significant increase in credit risk (SICR); • the identification of impaired assets and the estimation of impairment, including the estimation of future cash flows, market values and estimated time and cost to sell collateral held: • the incorporation of forward-looking information related to the expected outlook on the country's macro-economic variables and the gross domestic product growth rates used in determining the expected credit losses in the loans and advances portfolios; Due to the significance of the loans and advances to customers to the Group and the level of judgement applied in determining the ECL, the expected credit loss in respect of	Our procedures included the following; • Obtaining an understanding of the Group's IFRS 9, Financial instruments (IFRS 9) policy and models. • Assessing whether the models are compliant with the requirements of IFRS 9 by inspecting the IFRS 9 accounting policy and IFRS 9 ECL model document. • Evaluating the effectiveness of credit risk management and governance controls by testing the design, implementation, and operating effectiveness of controls implemented by the Group. • Identifying changes that were implemented in the ECL models parameters during the year and challenging management on the reasonableness and validity of the changes applied to key parameters. • Performing advanced credit risk reviews on a sample of loans and advances to customers which include significant borrowers and watchlist facilities by assessing the reasonability of credit risk ratings that had been applied in determining the probability of default (PD). • Testing the accuracy and completeness of historical credit loss information that is used in the development of the probability of default (PD) model by our engaged specialist by inspecting the source documents in the credit origination process. • Assessing the completeness, accuracy and validity of data and inputs used during the application of the ECL model by obtaining external confirmations for loan balances, reconciling the balances on the sub-ledger to the general ledger and agreeing interest rates to loan agreement. • Testing collateral data to confirm the registration of collateral recognised in the model by agreeing the value of collateral to supporting legal documentation Engaged our financial risk management specialists to: • Assessing the reasonableness of management's assumptions in the determination of the PD, EADs

Key audit matter	How the matter was addressed in our audit
loans and advances to customers was considered a key audit matter.	and LGDs for stage 1 and stage 2 loans by comparing against industry benchmarks. • Testing the LGD model for unsecured loans by using historical write-off and recovery data to create an independent LGD estimate. • Assessing the appropriateness of the Group's IFRS 9 ECL models by reperforming management's calculations using our own independent models. • Engaging an economist and using available external and independent macro-economic information (gross domestic product growth rates) to challenge management's judgements and assumptions incorporated into forward looking ECLs. • Performing an analysis of the financial performance of selected entities and independently computing the credit rating through use. • • Assessing the adequacy of the Group's disclosures in respect of ECL as required in terms of IFRS 7 Financial Instruments: Disclosures (IFRS 7),

2. Valuation of unlisted equities

Refer to:

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

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

Other matter

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

Other information

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the manner required by the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Securities and Exchange Act (Chapter 24:25), Microfinance Act (Chapter 24:29), the Insurance Act (Chapter 24:07) and the Asset Management Act (Chapter 24:06) and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence, regarding the financial information of the business activities within the group, as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

KPMG

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

31 March 2025

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

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