



FIDELITY LIFE

ASSURANCE OF ZIMBABWE

AUDITED CONSOLIDATED SPECIAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024



Empowering Choices, Securing Tomorrow

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	AUDITED	RESTATED
		GROUP	GROUP
		2024	2023
		ZWG	ZWG
ASSETS			
Property and equipment	5	173,901,058	133,147,864
Right of use asset		2,714,621	3,662,381
Investment property	6	1,214,468,283	949,546,092
Intangible assets		4,522,374	10,675,548
Other non current assets		4,386,261	3,907,105
Insurance Contract Assets	12	8,698,042	24,524,570
Inventories		870,803	7,031,020
Income tax asset		11,042,558	-
Trade and other receivables	8	201,575,883	125,093,753
Financial assets at fair value through other comprehensive income		556,783	453,744
Financial assets at fair value through profit or loss	10	524,068,717	284,761,212
Debt securities at amortised cost		111,744,861	97,208,825
Biological assets		2,535,477	1,954,443
Cash and deposits with banks	11	97,295,173	72,271,557
Total assets		2,358,380,894	1,714,238,114
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Issued share capital		28,100,578	28,100,578
Share premium		17,321,345	17,321,345
Treasury shares		(258,940)	(258,940)
Retained earnings		486,209,779	330,671,319
Revaluation reserve		56,984,656	42,730,701
Foreign currency translation reserve		(823,982,084)	(825,234,317)
Insurance reserve		28,381,214	336,469,068
Total ordinary shareholder's equity		(207,243,452)	(70,200,246)
Non-controlling interests		232,092,748	219,933,296
Total equity		24,849,296	149,733,050
Liabilities			
Insurance contract liabilities	12	1,575,731,618	1,107,488,482
Investment contract liabilities	12.5	430,056,454	258,988,097
Borrowings	13	82,054,967	19,407,902
Lease liability		54,556,423	53,847,016
Deferred tax liabilities		2,368,947	3,699,066
Income tax liability	14	188,763,189	117,484,227
Trade and other payables		-	3,590,274
Total liabilities		2,333,531,598	1,564,505,064
Total equity and liabilities		2,358,380,894	1,714,238,114

Livingstone T. Gwata
Chairman

Reginald Chihota
Managing Director

38%

“Our asset base expanded to USD91.4 million, marking a 38% increase from the prior period, reflecting robust capital allocation. This growth reflects strategic investments and improved capital efficiency”

GROUP STATEMENT OF COMPREHENSIVE INCOME

	Notes	AUDITED	RESTATED
		GROUP	GROUP
		2024	2023
		ZWG	ZWG
Insurance contracts revenue	12.6	294,891,302	203,188,315
Insurance service expenses	12.6	(230,675,430)	(135,633,421)
Insurance service result from insurance contracts issued		64,215,872	67,554,894
Allocation of reinsurance paid		(9,134,681)	(7,889,542)
Amount recoverable from reinsurers for incurred claims		5,219,501	5,761,450
Net expenses from reinsurance contracts held		(3,915,180)	(2,128,092)
Insurance service result	12.6	60,300,692	65,426,802
Interest revenue from financial instruments not measured at fair value through profit or loss		48,044,237	44,675,882
Net income from other financial instruments at fair value through profit or loss		120,638,714	167,737,023
Net gains from fair value adjustments to investment properties		157,627,003	219,898,081
Net change in investment contract liabilities		(96,787,923)	(293,207,460)
Other net investment revenue		3,403,725	11,856,268
Net gain from foreign exchange		858,626	-
Net Investment Income		233,784,382	150,959,794
Insurance finance expenses for insurance contracts issued		25,923,055	(58,283,997)
Net insurance finance expenses		25,923,055	(58,283,997)
Net insurance and investment result		320,008,129	158,102,599
Rental income from investment property		9,833,511	9,021,529
Profit or loss on disposal of investment property		-	32,220,701
Interest income from micro - lending		16,444,093	13,724,931
Other income		116,755,162	59,477,745
Operating and administrative expenses		(274,385,700)	(196,627,731)
Allowance for expected credit losses on receivables		(7,677,556)	(780,637)
Finance costs		(11,526,022)	(4,577,557)
Profit before income tax expense		169,451,617	70,561,580
Income tax expense		(4,416,523)	(10,281,296)
Profit for the year		165,035,094	60,280,284
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss:			
Gains on property, plant and equipment revaluations		16,813,734	15,578,914
Finance income/finance expenses from insurance contracts		58,100,415	-
		74,914,149	15,578,914
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		1,252,233	10,239,579
Investments in equity instruments		103,039	-
		1,355,272	10,239,579
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		241,304,515	86,098,777
Profit for the year attributable to:			
Owners of the parent		155,538,460	60,051,426
Non-controlling interests		9,496,634	228,858
Total profit for the year		165,035,094	60,280,284
Total comprehensive income attributable to:			
Owners of the parent		229,145,063	81,839,935
Non-controlling interests		12,159,452	4,258,842
Total comprehensive income for the year		241,304,515	86,098,777
Basic and diluted earnings per share (cents)		144.12	55.64



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FOR THE YEAR ENDED 31 DECEMBER 2024



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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP	Note	Share capital	Share premium	Treasury shares	Retained earnings	Revaluation reserve	Foreign currency translation reserve	Insurance Reserve	Attributable to shareholders of parent	Non-controlling interest	Total equity
		ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Year ended 31 December 2023											
Balance at 1 January 2023 as previously stated		28,100,578	17,321,345	(258,940)	3,353,057	31,181,770	14,964,884	11,290,972	105,953,666	98,297,986	204,251,652
Impact of change in functional currency		-	-	-	-	-	(850,438,781)	-	(850,438,781)	158,798,745	(691,640,036)
Restated balance at 1 January 2023		28,100,578	17,321,345	(258,940)	3,353,057	31,181,770	(835,473,897)	11,290,972	(744,485,115)	257,096,731	(487,388,384)
Profit for the year		-	-	-	60,051,426	-	-	-	60,051,426	228,858	60,280,284
Other comprehensive income for the year		-	-	-	-	11,548,931	10,239,579	-	21,788,510	4,029,984	25,818,494
Bonus Smoothing Reserve		-	-	-	267,266,836	-	-	325,178,097	592,444,933	-	592,444,933
Non controlling interest on disposal of subsidiary		-	-	-	-	-	-	-	-	(41,422,277)	(41,422,277)
Balance at 31 December 2023		28,100,578	17,321,345	(258,940)	330,671,319	42,730,701	(825,234,318)	336,469,068	(70,200,246)	219,933,297	149,733,050
Year ended 31 December 2024 (Restated)											
Balance at 1 January 2024		28,100,578	17,321,345	(258,940)	330,671,319	42,730,701	(825,234,318)	336,469,068	(70,200,247)	219,933,297	149,733,050
Transfer to Bonus Smoothing Reserve		-	-	-	-	-	-	(366,188,269)	(366,188,269)	-	(366,188,269)
Profit for the year		-	-	-	155,538,460	-	-	-	155,538,460	9,496,634	165,035,094
Other comprehensive income for the year		-	-	-	-	14,253,955	1,252,234	58,100,415	73,606,604	2,662,817	76,269,421
Balance at 31 December 2024		28,100,578	17,321,345	(258,940)	486,209,779	56,984,656	(823,982,084)	28,381,214	(207,243,452)	232,092,748	24,849,296

CONSOLIDATED STATEMENT OF CASH FLOWS

Note	AUDITED		RESTATED	
	GROUP		GROUP	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Cash flows from operating activities				
Profit before income tax	169,451,617	70,561,580		
Non-cash movements in profit before tax	(114,532,209)	(158,532,789)		
Operating profit before working capital	54,919,408	(87,971,209)		
Working capital changes	957,047	133,333,693		
Cash generated from operations	55,876,455	45,362,484		
Income tax paid	(13,372,756)	(7,429,297)		
Net cashflow from operating activities				
Net cash (utilised) generated from investing activities	(69,060,624)	34,261,517		
Net cash generated/(used in) in financing activities	51,580,541	(6,136,251)		
Net /increase in cash and cash equivalents	(17,480,083)	28,125,266		
Cash and cash equivalent at beginning of the period	72,271,557	6,213,104		
Cash and cash equivalents at the end of year	97,295,173	72,271,557		
Comprising:				
Cash on hand	92,384	102,007		
Cash at bank	24,315,318	17,808,988		
Investments maturing within 3 months	72,887,471	54,360,562		
	97,295,173	72,271,557		

2024

The Group reported a 23% increase in cash generated from operations from prior year, a strong indicator of the Group's continued ability to generate revenue, signifying strong financial health to fund growth and shareholder returns.



23%

Cash Generated From Operations



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required by the Companies and Other Business Entities Act (Chapter 24:31) to maintain adequate accounting records and are responsible for the content and integrity of the Group's consolidated special purpose financial statements and related financial information included in this report. It is their responsibility to ensure that the Group's consolidated special purpose financial statements fairly present the state of affairs of the Group as at the end of the financial reporting period and the results of its operations and cash flows for the year then ended in conformity with the financial reporting provisions established by the Monetary Policy Statement (MPS) of 6 February 2025 and with the requirements of the Zimbabwe Stock Exchange (ZSE) through notice to listed companies of 12 March 2025.

2 INDEPENDENT AUDITOR'S STATEMENT

These consolidated special purpose financial statements derived from the audited general purpose consolidated financial statements of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries for the year ended 31 December 2024, should be read together with the complete set of the general purpose consolidated financial statements, which have been audited by Grant Thornton Chartered Accountants (Zimbabwe), and the auditor's report signed by Farai Chibisa, Registered Public Auditor 0547.

A qualified opinion was issued on the general purpose consolidated financial statements regarding non-compliance with International Accounting Standard (IAS) 21 – 'The Effect of Changes in Foreign Exchange Rates' on accounting for the change in functional currency on translating comparative financial information, and Implementation of information technology systems to align with the requirements of IFRS 17 – Insurance Contracts.

The audit report on the consolidated special purpose financial statements and the full set of the general purpose consolidated financial statements are available for inspection at the company's registered office and the auditor's reports have been lodged with the Zimbabwe Stock Exchange.

3 ACCOUNTING POLICIES

3.1 Basis of preparation

The consolidated special purpose financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS's") and the Zimbabwe Stock Exchange listing requirements, except for non-compliance with IAS 21, The Effects of Changes in Foreign Exchange Rates. The financial statements are based on statutory records that are maintained under the historical cost convention basis, except for revaluation of investment properties, land and buildings and financial assets at fair value through profit or loss and insurance and investment contract liabilities that have been measured on a fair value basis.

The consolidated special purpose financial statements do not include all the notes of the type normally included in an Annual Financial Report. Accordingly, these consolidated special purpose financial statements are to be read in conjunction with the complete set of the USD consolidated financial statements for the year ended 31 December 2024 and any public announcements made by the Company during the financial reporting period.

3.2 Functional and presentation currency

The Group's functional currency changed from Zimbabwe Gold (ZWG) formerly the Zimbabwe Dollar (ZWL) to United States Dollar (USD) following the significant change in the percentage of USD transactions compared to local currency. In light of these developments, the Directors conducted an assessment as required by International Accounting Standard (IAS) 21, The Effects of Changes in Foreign Currency Exchange Rates to determine whether the use of the Zimbabwe Gold as the functional currency remained appropriate and this assessment led to the conclusion that a change in functional currency from Zimbabwe Gold ("ZWG") to United States Dollars ("USD") was necessary effective 1 January 2024.

The Directors considered the following provisions of IAS 21 when determining the Group's functional currency

- The currency that mainly influences sales prices for goods or services
- The currency used by its competitive forces and regulations that mainly determine the sale price of its goods and service
- The currency that mainly influence labour materials and other costs of providing goods or services
- The currency in which funds from financing activities (i.e. issuing debt and equity instruments) are generated
- The currency in which receipts from operating activities are usually retained

In accordance with International Accounting Standard 29, Financial Reporting in Hyperinflation economies and International Accounting Standard 21, Effects of Changes in Foreign Exchange Rates, the Group applied the relevant translation procedures on the adoption of the new functional currency and the 31 December 2023 inflation adjusted figures were translated to USD using the prevailing official exchange rate except for investment property, property and equipment which are based on the USD fair values as at 1 January 2024 determined by an independent valuer as the IAS 21 converted numbers were materially different from the IFRS 13 Fair Value Measurement determined values. The resultant balances were adopted as the opening USD balances for the current year. Share capital and treasury shares were maintained at the historical figures adopted on a 1:1 basis during currency changes in 2018.

The income statement comparative numbers were based on the currency in which they were transacted in with the ZWL transactions were translated to USD using the spot exchange rate on the day the transaction was incurred.

To present a true and fair financial performance and position of the Group in the current reporting year, the following conversion methods were adopted

- Transactions that were consummated in USD are reported as USD;
- Transactions that were consummated in ZWG were converted to USD based on the spot rate which existed on the date of the transaction;
- The exchange gains/losses on the ZWG transactions and balances were established then recorded in the profit and loss statement
- An independent valuer determined the USD investment properties and property and equipment valuations as at 31 December 2024.

The consolidated special purpose financial statements are presented in Zimbabwe Gold "ZWG".

3.3 The Group's ZWG numbers are based on the USD consolidated financial statements translated by applying the closing official bank rate as at 31 December 2024. This translation process follows the guidelines outlined in the International Accounting Standards Board's (IASB) Exposure Draft, "Translation to a Hyperinflationary Presentation Currency." which states that an entity translates (assets, liabilities, equity items, income and expenses) from a functional currency that is the currency of a non-hyperinflationary economy to a presentation currency that is the currency of a hyperinflationary economy, including comparative amounts, applying the closing rate at the date of the most recent statement of financial position. The ZWG currency numbers are presented in compliance with the financial reporting provisions established by the Monetary Policy Statement (MPS) of 6 February 2025 and with the requirements of the Zimbabwe Stock Exchange (ZSE) through notice to listed companies of 12 March 2025.

	AUDITED GROUP	RESTATED GROUP
	2024 ZWG	2023 ZWG

4 EARNINGS PER SHARE (EPS)

Reconciliation of total earnings to headline earnings attributable to shareholders

Numerator

Profit/ (Loss) for the year attributable to owners of the parent and profit used in EPS

155,538,460 60,051,426

Add/(deduct) non recurring items

Impairment of intangible assets

- -

Profit on disposal of property

79,692 (501,832)

Profit on disposal of investment property

- -

Taxation on headline earnings adjustable items

- -

Headline earnings attributable to ordinary shareholders

155,618,152 59,549,594

Weighted number of ordinary shares in issue

108,923,291 108,923,291

Less: Shares purchased for the Employee Share Ownership Plan

(1,003,743) (1,003,743)

- -

Weighted average number of shares used in basic EPS

107,919,548 107,919,548

Less: Dilutive adjusting effects

- -

Weighted average number of shares used in diluted EPS

- -

Basic and diluted earnings per share (cents)

107,919,548 107,919,548

Headline earnings per share (cents)

Basic earnings per share

144.12 55.64

Headline earnings per share

144.20 55.18



Basic earnings per share is basic earnings attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the year.

Headline earnings per share is a disclosure requirement in terms of Statutory Instrument 134 of 2019 of the Zimbabwe Stock Exchange (ZSE) listing requirements for companies listed on the ZSE. Headline earnings per share is calculated by dividing the headline earnings by the weighted average number of shares in issue during the year. Disclosure of headline earnings is not a requirement of International Financial Reporting Standards (IFRS).



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5 PROPERTY AND EQUIPMENT

GROUP	Land and buildings	Motor vehicles	Equipment and computers	Furniture and fittings	Total
	ZWG	ZWG	ZWG	ZWG	ZWG
Net carrying amount at 1 January 2023	81,235,864	639,751	1,046,052	715,909	83,637,576
Gross carrying amount - cost/valuation	81,666,751	5,355,717	5,409,765	1,891,830	94,324,063
Accumulated depreciation	(430,887)	(4,715,966)	(4,363,713)	(1,175,921)	(10,686,487)
Additions	-	-	1,770,087	1,104,305	2,874,392
Exchange rate movement on foreign operations	547,444	309,685	472,448	157,035	1,486,612
Disposals	-	(2,215,627)	(826)	-	(2,216,453)
Gross carrying amount - cost/valuation	-	(3,183,432)	(3,638)	-	(3,187,070)
Accumulated depreciation	-	967,805	2,812	-	970,617
Depreciation charge for the year	(90,346)	(125,020)	(1,175,689)	(191,915)	(1,582,970)
Revaluation surplus	26,797,676	10,531,799	9,961,730	1,657,502	48,948,707
Gross carrying amount - cost/valuation	26,797,676	10,531,799	9,961,730	1,657,502	48,948,707
Accumulated depreciation	-	-	-	-	-
Net carrying amount at 31 December 2023 (Restated)	108,490,638	9,140,588	12,073,802	3,442,836	133,147,864
Gross carrying amount - cost/valuation	109,011,871	13,013,769	17,610,392	4,810,672	150,820,844
Accumulated depreciation	(521,233)	(3,873,181)	(5,536,590)	(1,367,836)	(11,298,840)
Additions	-	270,936	8,639,092	118,639	9,089,667
Exchange rate movement on foreign operations	602,730	337,548	514,964	171,173	1,626,415
Depreciation charge for the year	(53,351)	(2,763,742)	(3,886,363)	(1,065,504)	(7,768,960)
Revaluation surplus	12,899,250	24,897,823	-	-	37,797,073
Gross carrying amount - cost/valuation	12,899,250	24,897,823	-	-	37,797,073
Accumulated depreciation	-	-	-	-	-
Net carrying amount at 31 December 2024	121,939,267	31,883,152	17,341,495	2,737,144	173,901,058
Gross carrying amount - cost/valuation	122,513,851	38,520,075	26,764,448	5,170,484	199,342,998
Accumulated depreciation	(574,584)	(6,636,923)	(9,422,953)	(2,433,340)	(19,067,800)

6 INVESTMENT PROPERTY

	AUDITED GROUP	RESTATED GROUP
	2024 ZWG	2023 ZWG
Balance at the beginning of the year	949,546,092	729,648,011
Additions	110,364,925	-
Disposals	(3,037,773)	-
Exchange rate movement on foreign operations	(31,964)	-
Fair value gains through profit or loss	157,627,003	219,898,081
Balance at 31 December	1,214,468,283	949,546,092

The Group's fair values of investment properties are based on property valuations performed by an independent professional property valuer. Gains and losses arising from a change in fair value of investment properties are recognised in the profit or loss statement.

As at 31 December 2024, the fair values of the properties are based on valuations performed by Homelux Real Estate an accredited independent valuer. Homelux Real Estate is a specialist in valuing these types of investment properties and has recent experience in the location and category of the investment properties being valued. Valuation models in accordance with recommendations by the International Valuation Standards Committee have been applied.

There were no transfers between Levels 1 or 2 to Level 3 during the year. The fair value of investment properties is categorised as level 3. Significant judgements and assumptions were applied for the Group's Investment property portfolio. Land banks and residential properties were valued in Zimbabwe dollar using the market comparison method and the income capitalisation method was used to value commercial properties.



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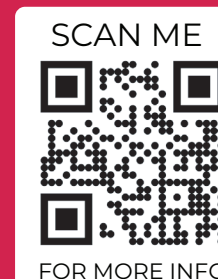
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7.1 SEGEMENT INFORMATION

December 2024	AUDITED					
	Insurance	Microlending	Property Investment	Other	Consolidation adjustments	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Insurance contract revenue	294,891,302	-	-	-	-	294,891,302
Insurance service expenses	(230,675,430)	-	-	-	-	(230,675,430)
Net expenses from reinsurance contracts held	(3,915,180)	-	-	-	-	(3,915,180)
Insurance service result	60,300,692	-	-	-	-	60,300,692
Net Investment Income	260,059,690	2,185,933	-	6,270,171	(34,731,412)	233,784,382
Net insurance finance expenses	25,923,055	-	-	-	-	25,923,055
Net insurance and investment result	346,283,437	2,185,933	-	6,270,171	(34,731,412)	320,008,129
Non insurance income	42,740,814	36,950,469	-	83,964,056	-	163,655,339
Indirect expenses	(173,769,151)	(39,045,798)	(3,379,475)	(98,017,427)	-	(314,211,851)
Income tax expense	(5,284,384)	(924,799)	(1,284,972)	3,077,632	-	(4,416,523)
Profit/(loss) for the year	209,970,716	(834,195)	(4,664,447)	(4,705,569)	(34,731,412)	165,035,094
Segment assets	2,321,466,723	61,656,016	645,994,440	94,153,354	(764,889,639)	2,358,380,894
Segment liabilities	2,186,434,046	62,451,203	48,798,920	76,902,645	(41,055,215)	2,333,531,598

7.2 SEGEMENT INFORMATION

December 2023	RESTATED					
	Insurance	Microlending	Property Investment	Other	Consolidation adjustments	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Insurance contract revenue	203,188,315	-	-	-	-	203,188,315
Insurance service expenses	(135,633,421)	-	-	-	-	(135,633,421)
Net expenses from reinsurance contracts held	(2,128,092)	-	-	-	-	(2,128,092)
Insurance service result	65,426,802	-	-	-	-	65,426,802
Net Investment Income	163,327,414	(2,307,521)	-	179,480	(10,239,579)	150,959,794
Net insurance finance expenses	(58,283,997)	-	-	-	-	(58,283,997)
Net insurance and investment result	170,470,219	(2,307,521)	-	179,480	(10,239,579)	158,102,599
Non insurance income	45,329,332	21,735,649	-	66,953,970	-	134,018,951
Indirect expenses	(127,130,985)	(28,588,195)	(1,123,912)	(64,716,878)	-	(221,559,970)
Income tax expense	(5,576,965)	-	-	(4,704,331)	-	(10,281,296)
Profit/(loss) for the year	83,091,601	(9,160,067)	(1,123,912)	(2,287,759)	(10,239,579)	60,280,284
Segment assets	1,642,166,935	32,600,790	645,994,440	39,483,753	(646,007,804)	1,714,238,114
Segment liabilities	1,437,733,223	32,561,732	44,136,022	18,942,420	31,131,667	1,564,505,064

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7.3 GEOGRAPHICAL INFORMATION	AUDITED			
	Zimbabwe ZWG	Malawi ZWG	Consolidation adjustments ZWG	Total ZWG
December 2024				
Insurance contract revenue	226,309,086	68,582,216	-	294,891,302
Insurance service expenses	(177,458,207)	(53,217,223)	-	(230,675,430)
Net expenses from reinsurance contracts held	(4,084,702)	169,522	-	(3,915,180)
Insurance service result	44,766,177	15,534,515	-	60,300,692
Net Investment Income	201,439,487	67,076,306	(34,731,411)	233,784,382
Net insurance finance expenses	25,923,055	-	-	25,923,055
Net insurance and investment result	272,128,719	82,610,821	(34,731,411)	320,008,129
Non insurance income	159,187,967	4,467,372	-	163,655,339
Indirect expenses	(258,916,662)	(55,295,189)	-	(314,211,851)
Income tax expense	158,067	(4,574,590)	-	(4,416,523)
				-
Profit/(loss) for the year	172,558,091	27,208,414	(34,731,411)	165,035,094
Segment assets	1,746,351,701	612,029,193	(764,889,639)	2,358,380,894
Segment liabilities	1,734,111,267	599,420,331	(41,055,217)	2,333,531,598

7.4 GEOGRAPHICAL INFORMATION	RESTATED			
	Zimbabwe ZWG	Malawi ZWG	Consolidation adjustments ZWG	Total ZWG
December 2023				
Insurance contract revenue	134,606,099	68,582,216	-	203,188,315
Insurance service expenses	(82,416,198)	(53,217,223)	-	(135,633,421)
Net expenses from reinsurance contracts held	(2,297,614)	169,522	-	(2,128,092)
Insurance service result	49,892,287	15,534,515	-	65,426,802
Net Investment Income	94,123,067	67,076,306	(10,239,579)	150,959,794
Net insurance finance expenses	(58,283,997)	-	-	(58,283,997)
Net insurance and investment result	85,731,357	82,610,821	(10,239,579)	158,102,599
Non insurance income	129,551,580	4,467,371	-	134,018,951
Indirect expenses	(166,264,781)	(55,295,189)	-	(221,559,970)
Income tax expense	(5,706,706)	(4,574,590)	-	(10,281,296)
				-
Profit/(loss) for the year	43,311,450	27,208,413	(10,239,579)	60,280,284
Segment assets	1,102,208,921	612,029,193	(646,007,804)	1,714,238,114
Segment liabilities	965,084,733	599,420,331	31,131,669	1,564,505,064

8 TRADE AND OTHER RECEIVABLES	AUDITED	RESTATED
	Group 2024 ZWG	Group 2023 ZWG
Residential stand sales debtors	261,468	8,436
Micro-finance loans receivable	47,076,690	27,241,668
Other trade debtors	138,038,667	63,977,184
	-	-
Trade receivables - gross	185,376,825	91,227,288
Less: allowance for expected credit losses ("ECL")	(9,844,914)	2,383,627
Trade receivables - net		
Residential stand sales debtors	253,341	8,152
Micro-finance loans receivable	43,936,368	25,160,529
Other trade debtors	131,342,202	68,442,234
Total receivables classified as financial assets at amortised cost	175,531,911	93,610,915
Prepayments	6,794,938	639,029
Loans to employees	15,084,615	3,787,994
Receivables from related parties	4,164,419	27,055,815
Total trade and other receivables	201,575,883	125,093,753

The carrying value of trade and other receivables classified as financial assets at amortised cost approximates their fair value.

Included in other receivables balance are debtors arising from non core business activities such as rental debtors and debtors arising from disposal of non core assets from the Southview Development Project.

Receivables from related parties, loans to employees and other receivables are shown net of expected credit losses. The amount of expected credit losses for these receivables are as shown in the table below.

The total impairment allowance is made up of the following:	Dec-24	Dec-23
	ZWG	ZWG
Expected credit loss on trade receivables-stand sales debtors	(8,127)	(284)
Expected credit loss on trade receivables-micro-finance loans receivable	(3,140,322)	(2,081,139)
Allowance for expected credit loss on trade receivables	(6,696,465)	4,465,050
	(9,844,914)	2,383,627

Movements in expected credit loss are as follows:

Allowance for expected losses	Dec-24	Dec-23
	ZWG	ZWG
Balance at 1 January	6,673,092	4,768,208
Net decrease/(increase) during the period through profit or loss	(7,677,556)	(532,816)
Impact on period end ECL exposures transferred between stages during the period	4,505,734	(1,372,068)
Balance at 31 December	(9,844,914)	6,673,092





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9 PRIOR PERIOD RESTATEMENTS

9.1 CONSOLIDATION OF UNAUDITED RESULTS - MALAWI SUBSIDIARY

In the prior year, ended December 31, 2023, Fidelity Life Assurance Group consolidated unaudited results for the Malawi subsidiary. The group has restated prior year comparatives to reflect the audited position of the Malawi subsidiary annual financial statements for 2023. The effect of the change is an increase in profit for the year 2023 by ZWG6 509 896 with a corresponding increase in retained earnings by the same amount for the prior year results. Total assets decreased by ZWG8 064 240 and total liabilities decreased by ZWG73 936 282 which resulted in a corresponding increase in equity of ZWG65 872 032. The restatement is shown in the note below.

Impact on statement of profit or loss and other comprehensive income for the year ended 31 December 2023	AUDITED		
	As previously stated 2023 ZWG	Effect of restatement 2023 ZWG	Restated 2023 ZWG
Insurance service result	28,874,416	(6,403,774)	22,470,642
Total investment income	57,780,712	(10,898,420)	46,882,292
Insurance financial expense	(2,586,502)	(25,479,996)	(28,066,498)
Other income and expense	1,101,439	4,377,202	5,478,641
Finance Cost	-	(297,725)	(297,725)
Other operating expenses	(74,518,221)	44,273,055	(30,245,166)
Income tax expense	(6,116,770)	939,553	(5,177,217)
Impact on profit for the year	4,535,074	6,509,895	11,044,969
Impact on statement of financial position as at 31 December 2023			
Total assets	480,448,937	(8,064,240)	472,384,697
Total equity	(11,529,298)	(65,872,032)	(77,401,330)
Total liabilities	(468,919,624)	73,936,282	(394,983,342)
Impact on equity for the year	(6,994,224)	(59,362,137)	(66,356,361)

9.2 RESTATEMENT OF IFRS 17 RESULTS - FIDELITY LIFE ASSURANCE COMPANY

The IFRS 17 results for Fidelity Life Assurance Company for the year ended 31 December 2023 were based on actuarial models that performed calculations on an aggregated basis to calculate IFRS 17 numbers for the 2023 financial year. In response to recommendations from external auditors in the 2023 audit, the company implemented an actuarial engine that computes IFRS 17 numbers on a per policy basis during the 2024 financial year. The group has restated prior year audited annual financial statements to reflect these changes and the effect of the change is a decline in profit for the year 2023 by ZWG910 326 with a corresponding increase in retained earnings by the same amount for the prior year results. Insurance contract assets and liabilities had a net increase of ZWG5 094 146 which resulted in a corresponding increase of the same amount. The restatement is shown in the note below.

Impact on statement of profit or loss and other comprehensive income for the year ended 31 December 2023	AUDITED		
	As previously stated 2023 ZWG	Effect of restatement 2023 ZWG	Restated 2023 ZWG
Insurance contracts revenue	128,869,183	(3,637,872)	125,231,311
Allocation of reinsurance paid	(4,243,853)	4,487,623	243,770
Amount recoverable from reinsurers for incurred claims	2,283,993	(1,760,077)	523,916
Impact on profit for the year	126,909,323	(910,326)	125,998,997
Impact on statement of financial position as at 31 December 2023			
Insurance Contract Assets	5,118,990	1,012,127	6,131,117
Insurance contract liabilities	(922,257,471)	(6,106,273)	(928,363,744)
Impact on equity for the year	917,138,481	5,094,146	922,232,627

Note 9.2 should be read in conjunction with note 15 - IFRS 17 Implementation

10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	AUDITED	RESTATED
	GROUP 2024 ZWG	GROUP 2023 ZWG
Balance at the beginning of the year	284,761,212	46,623,514
Additions	105,543,366	50,643,204
Fair value adjustments - through profit or loss	120,638,714	167,737,023
Exchange gain/(loss)	15,874,565	39,005,449
Disposals	(2,749,140)	(19,247,978)
Financial assets at fair value through profit or loss	524,068,717	284,761,212

Listed equities are the only financial instruments held by the Group that are measured at fair value. These are shown as equities at fair value through profit or loss in the statement of financial position. The fair values of the equities are determined as Level 1 fair values in the fair value hierarchy. Level 1 fair values are determined based on observable quoted prices in active markets for identical assets that the Group can access.

11 CASH AND DEPOSITS WITH BANKS

	AUDITED	RESTATED
	GROUP 2024 ZWG	GROUP Restated 2023 ZWG
Cash on hand	92,384	102,007
Cash at bank	24,315,318	17,808,988
Investments maturing within 3 months	72,887,471	54,360,562
Cash and deposits with banks	97,295,173	72,271,557

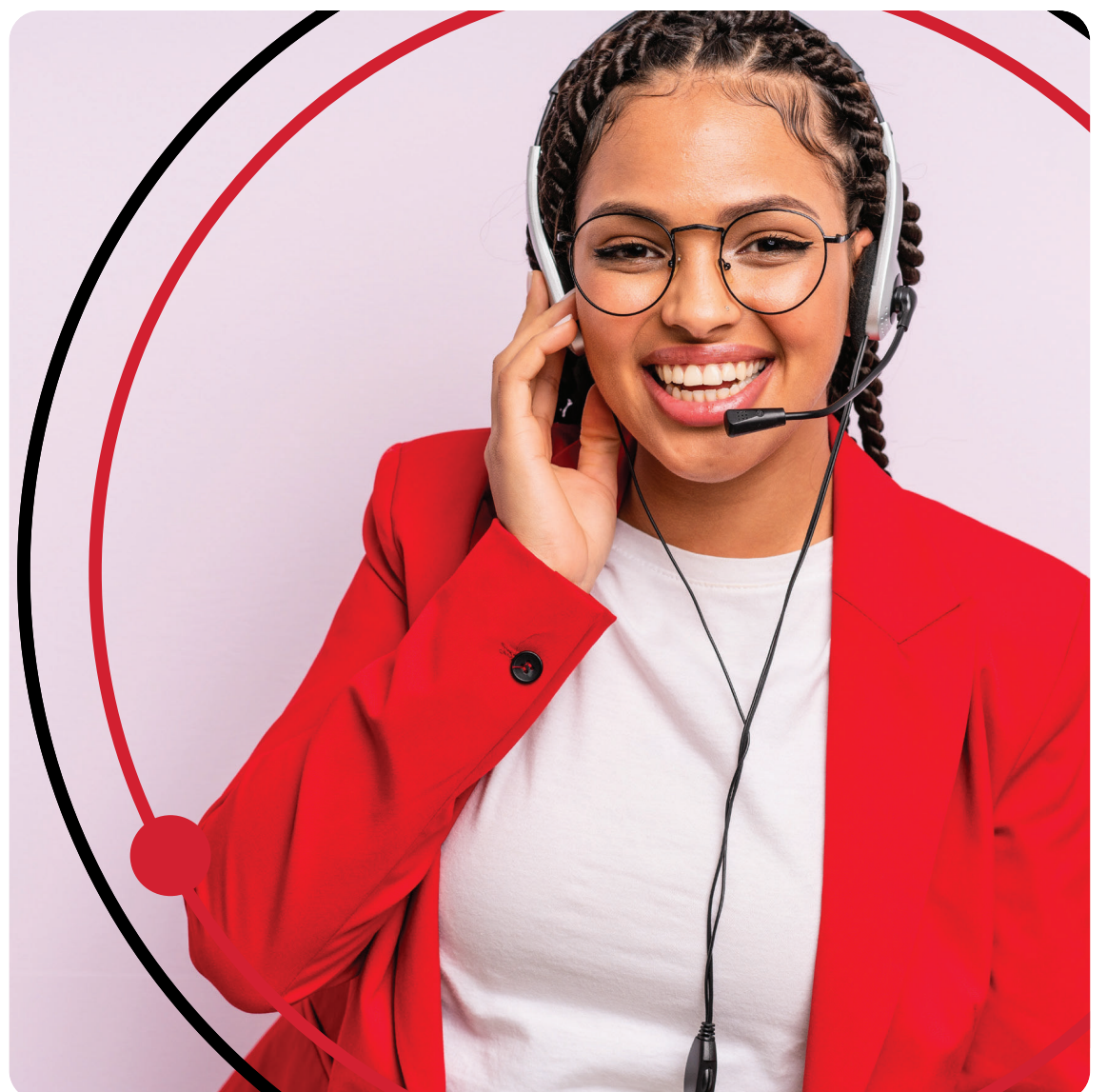
Cash and deposits with banks

The Group cash and cash equivalents include cash in hand, other short term highly liquid investments readily convertible to known amounts of cash with original maturities of three months or less, and-for the purpose of the cash flow statement it includes bank overdraft.

The cash and cash equivalents is subsequently measured at amortised cost.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. In the consolidated statement of financial position bank overdrafts are shown within borrowings.





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12 INSURANCE CONTRACT ASSETS AND LIABILITIES

An analysis of the amounts presented on the consolidated statement of financial position for insurance contracts, investment contracts with DPF and investment contracts without DPF is included in the table below along with the presentation of current and non-current portions of the balances:

GROUP	AUDITED						
	Direct participating contracts	Investment contracts with DPF	Investment contracts without DPF	Total	Current portion	Non current portion	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Balance as at 31 December 2024							
Insurance contract assets	(8,698,042)	-	-	(8,698,042)	(869,804)	(7,828,238)	(8,698,042)
Insurance contract liabilities	822,699,769	753,031,849	-	1,575,731,618	157,573,161	1,418,158,457	1,575,731,618
Investment contract liabilities	-	-	430,056,454	430,056,454	43,005,645	387,050,809	430,056,454
Balance as at 31 December 2023							
Insurance contract assets	(24,524,570)	-	-	(24,524,570)	(2,452,457)	(22,072,113)	(24,524,570)
Insurance contract liabilities	673,088,902	434,399,580	-	1,107,488,482	110,748,848	996,739,634	1,107,488,482
Investment contract liabilities	-	-	258,988,097	258,988,097	25,898,809	233,089,288	258,988,097

12.2 Analysis of Insurance Contract Liability and Assets by participation

GROUP	AUDITED			RESTATED		
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
	2024			2023		
	Liability for remaining coverage	Liability for incurred claims	TOTAL	Liability for remaining coverage	Liability for incurred claims	TOTAL
Direct Participating Contracts	815,902,948	6,796,821	822,699,769	675,602,656	(2,513,754)	673,088,902
Investment contracts with direct participating contracts	838,996,269	(85,964,420)	753,031,849	456,733,806	(22,334,226)	434,399,580
	1,654,899,217	(79,167,599)	1,575,731,618	1,132,336,462	(24,847,980)	1,107,488,482

12.3 Direct participating contracts issued

Reconciliation of the liability for the remaining coverage and liability for incurred claims

	AUDITED				RESTATED			
	2024				2023			
	Liability for remaining coverage ZWG	Loss component ZWG	Liability for incurred claims ZWG	Total ZWG	Liability for remaining coverage ZWG	Loss component ZWG	Liability for incurred claims ZWG	Total ZWG
Balance as at 01 January	675,244,934	357,722	(2,513,754)	673,088,902	503,446,170	319,024	-	503,765,194
Insurance contract revenue	(63,139,868)	-	-	(63,139,868)	(26,009,454)	-	-	(26,009,454)
Insurance service expenses	-	-	-	-	-	-	-	-
Incurred claims and other directly attributable expenses	39,310,361	-	1,660,056	40,970,417	37,272,976	-	1,256,877	38,529,853
Other directly attributable expenses	16,901,887	-	2,178,838	19,080,725	6,296,382	-	-	6,296,382
Losses on onerous contracts and reversal of those losses	-	(2,343,355)	-	(2,343,355)	-	-	-	-
Insurance acquisition cashflows amortisation	5,230,388	-	-	5,230,388	4,942,322	-	-	4,942,322
Insurance service expenses	61,442,636	(2,343,355)	3,838,894	62,938,175	48,511,680	-	1,256,877	49,768,557
Total net expenses from reinsurance contracts held	3,915,180	-	-	3,915,180	2,128,092	-	-	2,128,092
Insurance service result	(2,217,948)	2,343,355	(3,838,894)	(3,713,487)	(24,630,318)	-	(1,256,877)	(25,887,195)
Finance expenses from insurance contracts issued recognised in profit or loss	4,600,414	9,430,925	20,100,205	34,131,544	397,761	38,698	-	436,459
Finance expenses from insurance contracts issued recognised in OCI	2,496,572	-	(1,451,785)	1,044,787	-	-	-	-
Finance expenses from insurance contracts issued	7,096,986	9,430,925	18,648,420	35,176,331	397,761	38,698	-	436,459
Total amounts recognised in comprehensive income	4,879,038	11,774,280	14,809,526	31,462,844	(24,232,557)	38,698	(1,256,877)	(25,450,736)
Investment components	120,767,422	-	-	120,767,422	238,629,882	-	-	238,629,882
Cashflows	-	-	-	-	-	-	-	-
Premiums received	59,175,980	-	-	59,175,980	970,798	-	-	970,798
Claims and other directly attributable expenses paid	(56,212,248)	-	(3,838,894)	(60,051,142)	(43,569,358)	-	(1,256,877)	(44,826,235)
Insurance acquisition cash flows	(84,181)	-	(1,660,056)	(1,744,237)	-	-	(1)	(1)
Total cash flows	2,879,551	-	(5,498,950)	(2,619,399)	(42,598,560)	-	(1,256,878)	(43,855,438)
Balance as at 31 December	803,770,945	12,132,002	6,796,822	822,699,769	675,244,935	357,722	(2,513,755)	673,088,902



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12.4 Investment contract liabilities with DPF Reconciliation of the liability for remaining coverage and the liability for incurred claims

GROUP	AUDITED				RESTATED			
	2024		2023		2024		2023	
	Liability for remaining coverage	Loss component	Liability for incurred claims	Total	Liability for remaining coverage	Loss component	Liability for incurred claims	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Balance as at 01 January	455,169,488	1,564,318	(22,334,226)	434,399,580	229,312,521	1,466,413	-	230,778,934
Insurance contract revenue	(231,751,434)	-	-	(231,751,434)	(177,178,861)	-	-	(177,178,861)
Insurance service expenses								
Incurred claims expenses	16,133,273	-	26,851,388	42,984,661	14,577,494	-	19,527,839	34,105,333
Other directly attributable expenses	46,522,306	-	-	46,522,306	25,195,924	-	-	25,195,924
Losses on onerous contracts and reversal of those losses	-	47,533,272	-	47,533,272	-	-	-	-
Insurance acquisition cashflows amortisation	30,697,016	-	-	30,697,016	26,563,606	-	-	26,563,606
Insurance service expenses	93,352,595	47,533,272	26,851,388	167,737,255	66,337,024	-	19,527,839	85,864,863
Insurance service result	138,398,839	(47,533,272)	(26,851,388)	64,014,179	110,841,837	-	(19,527,839)	91,313,998
Finance expenses from insurance contracts issued recognised in profit or loss	(58,358,529)	(1,696,071)	-	(60,054,600)	57,749,633	97,905	-	57,847,538
Finance expenses from insurance contracts issued recognised in OCI	57,055,627	-	-	57,055,627	-	-	-	-
Finance expenses from insurance contracts issued	(1,302,902)	(1,696,071)	-	(2,998,973)	57,749,633	97,905	-	57,847,538
Total amounts recognised in comprehensive income	137,095,937	(49,229,343)	(26,851,388)	61,015,206	168,591,470	97,905	(19,527,839)	149,161,536
Investment components	217,427,281	-	-	217,427,281	7,626,398	-	-	7,626,398
Other changes	-	-	-	-	-	-	-	-
Cashflows								
Premiums received	251,145,560	-	-	251,145,560	142,996,984	-	-	142,996,984
Claims and other directly attributable expenses paid	(62,655,579)	-	(26,851,388)	(89,506,967)	(39,773,418)	-	-	(39,773,418)
Insurance acquisition cash flows	(111,521,395)	-	(9,927,416)	(121,448,811)	(53,584,465)	-	(2,806,389)	(56,390,854)
Total cash flows	76,968,586	-	(36,778,804)	40,189,782	49,639,101	-	(2,806,389)	46,832,712
Balance as at 31 December	886,661,292	(47,665,025)	(85,964,418)	753,031,849	455,169,490	1,564,318	(22,334,228)	434,399,580

12.5 Investment contract liabilities without DPF

Reconciliation of investment contract liabilities

The table below shows a reconciliation of the opening and closing balance for the investment contract liabilities

	AUDITED	RESTATED
	2024 ZWG	2023 ZWG
Opening balance 1 January 2023	258,988,097	144,675,228
Contributions received	132,599,105	14,851,010
Benefits paid	(55,759,701)	(181,114,603)
Investment return from underlying assets	96,787,923	293,207,460
Asset management fees charged	(2,558,970)	(12,630,998)
Closing balance	430,056,454	258,988,097





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12.6 Insurance contract revenue and expenses

An analysis of insurance revenue, insurance service expense and net expenses from insurance contracts held by product line for 2024 and 2023 is included in the following tables:

December 2024

Insurance contract revenue

Amounts relating to the changes in the Liability for remaining coverage (LRC)

Expected incurred claims and other expenses after loss component allocation
 Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation
 CSM recognised in profit or loss for the services provided
 Insurance acquisition cash flow recovery
 Insurance revenue from contracts not measured under the PAA
 Insurance revenue from contracts measured under the PAA
 Insurance revenue from contracts measured under VFA

Total insurance revenue

Insurance service expenses

Incurred claims
 Directly attributable expenses
 Losses on onerous contracts and reversal of those losses
 Insurance acquisition cashflows amortisation

Total insurance service expenses

Reinsurance expenses-contracts measured under the PAA

Claims recovered

Total net expenses from reinsurance contracts held

Total insurance service result

	AUDITED		
	Direct participating contracts ZWG	Investment contracts with DPF ZWG	Total ZWG
Expected incurred claims and other expenses after loss component allocation	31,267,034	68,926,730	100,193,764
Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation	1,458,544	10,216,567	11,675,111
CSM recognised in profit or loss for the services provided	14,369,636	128,277,520	142,647,156
Insurance acquisition cash flow recovery	1,728	(22,647,110)	(22,645,382)
Insurance revenue from contracts not measured under the PAA	47,096,942	184,773,707	231,870,649
Insurance revenue from contracts measured under the PAA	-	46,977,727	46,977,727
Insurance revenue from contracts measured under VFA	16,042,926	-	16,042,926
Total insurance revenue	63,139,868	231,751,434	294,891,302
Incurred claims	40,970,417	42,984,661	83,955,078
Directly attributable expenses	19,080,725	46,522,306	65,603,031
Losses on onerous contracts and reversal of those losses	(2,343,355)	47,533,272	45,189,917
Insurance acquisition cashflows amortisation	5,230,388	30,697,016	35,927,404
Total insurance service expenses	62,938,175	167,737,255	230,675,430
Reinsurance expenses-contracts measured under the PAA	9,134,681	-	9,134,681
Claims recovered	(5,219,501)	-	(5,219,501)
Total net expenses from reinsurance contracts held	3,915,180	-	3,915,180
Total insurance service result	(3,713,487)	64,014,179	60,300,692

December 2023

Insurance contract revenue

Amounts relating to the changes in the Liability for remaining coverage (LRC)

Expected incurred claims and other expenses after loss component allocation
 Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation
 CSM recognised in profit or loss for the services provided
 Insurance acquisition cash flow recovery
 Insurance revenue from contracts not measured under the PAA
 Insurance revenue from contracts measured under the PAA
 Insurance revenue from contracts measured under VFA

Total insurance revenue

Insurance service expenses

Incurred claims
 Directly attributable expenses
 Losses on onerous contracts and reversal of those losses
 Insurance acquisition cashflows amortisation

Total insurance service expenses

Reinsurance expenses-contracts measured under the PAA

Claims recovered

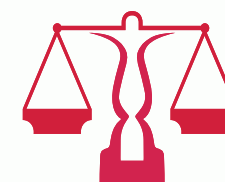
Total net expenses from reinsurance contracts held

Total insurance service result

	RESTATED		
	Direct participating contracts ZWG	Investment contracts with DPF ZWG	Total ZWG
Expected incurred claims and other expenses after loss component allocation	6,062,054	56,980,683	63,042,737
Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation	(860,096)	10,891,043	10,030,947
CSM recognised in profit or loss for the services provided	16,277,048	104,157,368	120,434,416
Insurance acquisition cash flow recovery	-	(22,891,707)	(22,891,707)
Insurance revenue from contracts not measured under the PAA	21,479,006	149,137,387	170,616,393
Insurance revenue from contracts measured under the PAA	-	28,041,473	28,041,473
Insurance revenue from contracts measured under VFA	4,530,449	-	4,530,449
Total insurance revenue	26,009,455	177,178,860	203,188,315
Incurred claims	38,529,853	34,105,333	72,635,186
Directly attributable expenses	6,296,382	25,195,924	31,492,306
Losses on onerous contracts and reversal of those losses	-	-	-
Insurance acquisition cashflows amortisation	4,942,322	26,563,607	31,505,929
Total insurance service expenses	49,768,557	85,864,864	135,633,421
Reinsurance expenses-contracts measured under the PAA	7,889,542	-	7,889,542
Claims recovered	(5,761,450)	-	(5,761,450)
Total net expenses from reinsurance contracts held	2,128,092	-	2,128,092
Total insurance service result	(25,887,194)	91,313,996	65,426,802



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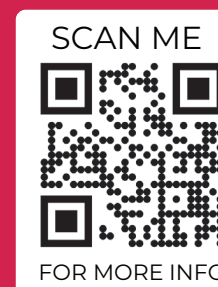
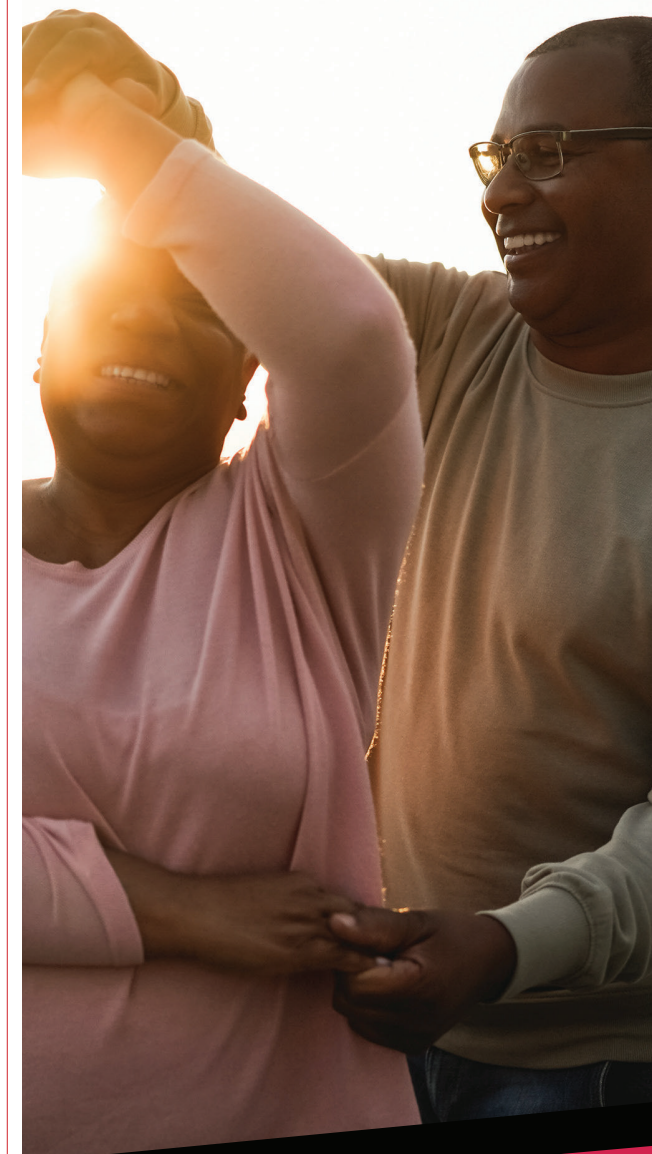


FIDELITY LIFE

ASSURANCE OF ZIMBABWE

We invest your **RETIREMENT SAVINGS** Differently

From your first savings to your final farewell, FLA guides you through every financial decision.



A Member of the **ZIL** Group





FIDELITY LIFE

ASSURANCE OF ZIMBABWE

AUDITED CONSOLIDATED SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Empowering Choices, Securing Tomorrow

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 BORROWINGS

	AUDITED		RESTATED	
	Dec-24		Dec-23	
	ZWG		ZWG	
13.1 SHORT-TERM BORROWINGS				
ZB Bank	14,668,124		19,407,902	
Steward Bank	13,199,648		-	
National Social Security Authority	25,798,500		-	
Nedbank Limited	8,528,107		-	
NBS Bank	19,860,588		-	
	82,054,967		19,407,902	

ZB Bank Limited

The loan facility with ZB was obtained in 2024 as a line of credit for the micro-finance business to increase the unit's lending capacity. The facility is denominated in USD and accrues interest at 18.6% per annum on a 18 month tenure expiring on 31 January 2026.

Steward Bank

The loan facility amounting to USD500,000 was obtained in 2024 as a line of credit for the micro-finance business to increase the unit's lending capacity. The facility is denominated in USD and accrues interest at 25% per annum on a one year tenure expiring on 31 October 2025.

National Social Security Authority

A loan facility with the National Social Security Authority ("NSSA") amounting to USD1,000,000 was obtained in 2024 as a line of credit to bolster the microlending business unit lending capacity. The facility accrues interest at 24% per annum on a one year tenure expiring on 31 May 2025 and is secured by a mortgage bond supported by Zimre Holdings Limited guarantee.

Nedbank Limited

Fidelity Life Assurance of Zimbabwe Limited obtained a loan amounting to USD398,296 for asset financing. The facility accrues interest at the rate of 14% per annum and is repayable over 36 months. The loan is secured over the assets acquired.

NBS Bank

Fidelity Life Assurance of Zimbabwe Limited obtained an asset financing facility amounting to USD837,488.94 from NBS Bank. The facility accrues interest at 18% per annum repayable in 24 months expiring on 31 October 2027. The loan is secured over the assets acquired.

	AUDITED		RESTATED	
	Dec-24		Dec-23	
	ZWG		ZWG	
13.2				
Movements in borrowings during the period were as follows:				
Balance at 1 January	19,407,902		20,493,838	
Net cash out flow on borrowings	62,647,065		(1,085,936)	
Proceeds from borrowings	68,503,505		13,319,662	
Repayment of borrowings	(4,508,907)		(14,405,599)	
Finance costs capitalised	6,246,797		3,304,994	
Finance costs paid	(7,594,330)		(3,304,993)	
Balance at 31 December	82,054,967		19,407,902	

14 TRADE AND OTHER PAYABLES

	AUDITED		RESTATED	
	GROUP		GROUP	
	2024		2023	
	ZWG		ZWG	
Trade payables	15,767,140		21,663,929	
Related party payables	4,071,184		26,952,286	
Statutory liabilities	7,010,794		11,790	
Other payables	161,914,071		68,856,222	
	188,763,189		117,484,227	

15 IFRS 17 IMPLEMENTATION

During the year 2024, the company successfully implemented an IFRS 17-compliant actuarial engine, facilitating contract-level calculations. This process has now reached completion, necessitating rigorous checks and validations to ensure accuracy and compliance with the standard.

In alignment with IFRS 17, the company has refined its policies and processes related to the calculations and reporting of insurance contracts. However, it is important to note that there is potential for further enhancements in the reporting and measurement of these contracts. Such improvements may have significant implications for both liabilities and revenues in future reporting periods.

Ongoing monitoring and adjustments will be essential as the company continues to navigate the complexities of IFRS 17 to optimise its financial reporting and risk management practices.

16 CONTINGENCIES

16.1 Contingent liability

Fidelity Life Assurance of Zimbabwe Limited agreed to unconditionally guarantee ZWL37.5 million of the full debt owing to ZB Bank Limited on behalf of Fidelity Life Financial Services (Private) Limited in terms of the overdraft facility that was signed between Fidelity Life Financial Services (Private) Limited and ZB Bank Limited.

The guarantee covers part of the overdraft with the amount borrowed plus interest and any other charges and shall remain in place until the overdraft is fully paid. Fidelity Life Assurance of Zimbabwe as the Guarantor will duly pay to the Lender ZB Bank Limited the debt and liabilities in terms of the ZB Bank Limited overdraft facility agreement in the event of default by Fidelity Life Financial Services (Private) Limited up to the guaranteed amount.

The guarantee covers part of the overdraft with the amount borrowed plus interest and any other charges and shall remain in place until the overdraft is fully paid. Fidelity Life Assurance of Zimbabwe as the Guarantor will duly pay to the Lender ZB Bank Limited the debt and liabilities in terms of the ZB Bank Limited overdraft facility agreement in the event of default by Fidelity Life Financial Services (Private) Limited up to the guaranteed amount.

16.2 Litigations against the Company

In 2015, Fidelity Life Assurance of Zimbabwe Limited, ("FLA") entered into a sale of shares agreement with CFI Holdings Limited ("CFI") acquiring 80.77% shares in Langford Estates 1962 (Private) Limited, a company whose sole asset is land measuring 834 hectares. The purchase entailed the assumption of CFI Holdings' Limited USD16million debt owed to a consortium of banks by the Company. Subsequently a Debt Assumption and Compromise Agreement was signed between the Company, Langford Estates (1962) (Private) Limited, CFI Holdings, Crest Poultry (Private) Limited t/a Agrifoods, and FBC Bank Limited, Agricultural Bank of Zimbabwe Limited, Infrastructure Development Bank of Zimbabwe Limited, Standard Chartered Bank Zimbabwe Limited and CBZ Bank Limited. The Company assumed the CFI debt and ownership of 80.77% of Langford Estates and duly paid off the debt.

In March 2018, the Company received a letter from CFI contesting the Sale of Shares Agreement and Debt Assumption and Compromise Agreement. The parties failed to reach an amicable resolution and CFI instituted legal proceedings against the Company in the High Court and Arbitration for cancellation of the debt assumption agreement and setting aside of the agreement of sale of shares respectively. Both matters are pending resolution before the two forums. The directors have engaged external legal counsel to defend the interests of Fidelity Life.

17 DIVIDEND DECLARATION

	AUDITED		RESTATED	
	GROUP		GROUP	
	2024		2023	
	ZWG		ZWG	
As at 1 January	-		-	
Dividends declared	7,739,550		-	
Dividends paid	-		-	
As at 31 December	7,739,550		-	

18 EVENTS AFTER THE REPORTING DATE

New structured currency introduction

Subsequent to the 31 December 2024 reporting date, on 6 February 2025 the Reserve Bank of Zimbabwe (RBZ) issued a Monetary Policy Statement (MPS), announcing a requirement for all entities to adopt a common presentation currency, ZWG, for reporting purposes with immediate effect, including for the 31 December 2024 and later period audited financial statements. Subsequently The Public Accountants and Auditors Board (PAAB) issued a statement to provide guidance on the compliance with International Financial Reporting Standards (IFRS's) and the MPS 6 of 2025 RBZ directive. Companies are required to prepare two financial statements namely general purpose and special purpose financial statements. The general-purpose financial statements should comply fully with IFRS requirements for an entity to make an unreserved statement that their financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS's) Accounting Standards.



INDEPENDENT AUDITORS' REPORT

To the members of Fidelity Life Assurance of Zimbabwe Limited

Report on the Audit of the Consolidated Special Purpose Annual Financial Statements

Opinion

We have audited the consolidated special purpose ZWG annual financial statements of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries "the Group" which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and the notes to the consolidated special purpose financial statements, including a summary of the Group's significant accounting policies. These consolidated special purpose annual financial statements of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries were derived from the audited general purpose consolidated financial statements of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries for the year ended 31 December 2024.

In our opinion, the accompanying consolidated special purpose financial statements of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries as at 31 December 2024 are prepared, in all material respects, in accordance with the financial reporting provisions established by the Monetary Policy Statement (MPS) of 6 February 2025 and Zimbabwe Stock Exchange Directive issued on 12 March 2025.

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 Consolidated Special Purpose Financial Statements* section of our report. We

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are independent of the Group in accordance with the International Ethics Standards Board for Accountants of Ethics for Professional Accountants (IESBA Code) that are relevant to our audit of the translated consolidated special purpose financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Basis of Accounting

We draw attention to Note 3.1 of the consolidated special purpose financial statements, which describes the basis of accounting. The consolidated special purpose annual financial statements were prepared to assist the Group to meet the requirements of the Monetary Policy Statement (MPS) of 6 February 2025 and Zimbabwe Stock Exchange Directive issued on 12 March 2025. As a result, the consolidated special purpose financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Matter

The Group has prepared consolidated general purpose financial statements for the year ended 31 December 2024 in accordance with International Financial Reporting Standards on which we issued a separate auditor's report to the shareholders of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries dated 15 April 2025. Our opinion thereon is qualified with respect to non-compliance with International Accounting Standard (IAS) 21- *The Effects of Changes in Foreign Exchange Rates* on translating comparative consolidated inflation adjusted financial statements and Implementation of information technology systems to align with the requirements of International Financial Reporting Standard (IFRS) 17 - *Insurance Contracts*. As such, the consolidated special purpose financial statements should not be taken as having substituted the consolidated general purpose financial statements, from which they are derived.

Responsibilities of Management and Those Charged with Governance for the Consolidated Special Purpose Financial Statements

The Directors are responsible for the preparation and fair presentation of the consolidated special purpose financial statements in accordance with the financial reporting provisions established by the Monetary Policy Statement (MPS) of 6 February 2025 and Zimbabwe Stock Exchange Directive issued on 12 March 2025.

In preparing the financial statements, the Directors are responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated special purpose financial statements have been prepared in all material respects in accordance with the financial reporting provisions established by the Monetary Policy Statement (MPS) of 6 February 2025 and Zimbabwe Stock Exchange Directive issued on 12 March 2025.

The engagement partner on the audit resulting in this Independent Auditor's Report is Farai Chibisa.



Farai Chibisa
Partner

Registered Public Auditor (PAAB No: 0547)

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors

15 April 2025

HARARE