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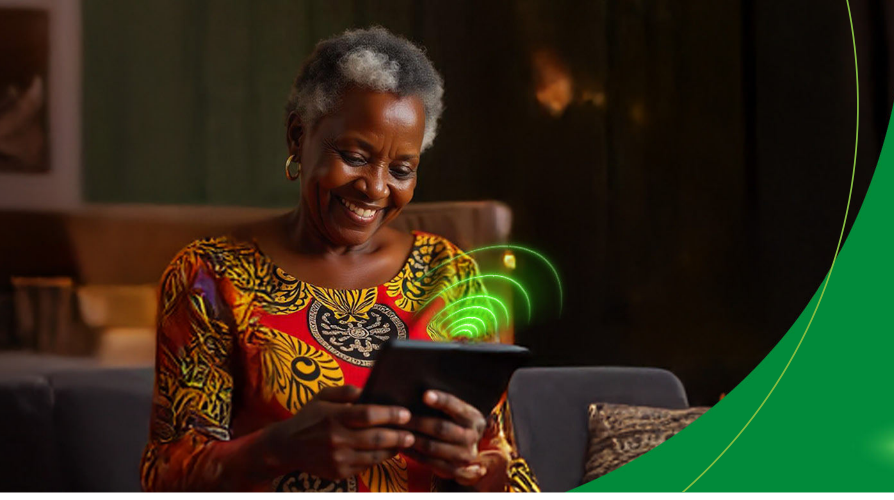
Audited Financial Results for the year ended 31 December 2024



Financial Holdings

Rise To Excellence

CONSOLIDATED FINANCIAL HIGHLIGHTS

Total assets	Total capital and reserves	Net profit after tax
↑ 104%	↑ 125%	↑ 4%
31 Dec 2024 - ZWG14,383bn	31 Dec 2024 - ZWG6,641bn	31 Dec 2024 - ZWG1,167bn
31 Dec 2023 - ZWG7,062bn	31 Dec 2023 - ZWG2,948bn	31 Dec 2023 - ZWG1,124bn

Return on equity	Cost to income ratio	Liquidity ratio
↓ 15pps	↑ 14pps	↓ 15pps
31 Dec 2024 - 25.6%	31 Dec 2024 - 68.97%	31 Dec 2024 - 53%
31 Dec 2023 - 40.7%	31 Dec 2023 - 55%	31 Dec 2023 - 68%

pps - percentage points

CHAIRMAN'S STATEMENT

Operating Environment:
The operating environment was characterized by exchange rate volatility, during the first quarter of the year, culminating to the introduction of the Zimbabwean Gold Currency (ZWG) on the 5th of April 2024. The new currency largely tamed the inflationary pressures in the country, save for the effects of the 44% devaluation of the ZWG currency against the United States Dollar (USD) during September 2024. As a result, the later part of the period under review has seen relative stability in local currency value and inflation rates. Nevertheless, liquidity in both local and foreign currency markets has remained limited. In addition, the effects of the El Nino weather patterns impacted agricultural output, which together with erratic energy supply made a challenging operating environment. All this combined, created a tough operating environment for the Group characterised by constrained revenue generation and limited growth opportunities.

Group Performance:
Despite the challenging environment, the Group's operations remained profitable, posting a profit after tax (PAT) of ZWG1,167 billion from the ZWG 1,124 billion restated profit, in 2023. The Group's profit performance is discussed in greater detail in the Group Chief Executive Officer's report.

Capital Requirements:
The Group remains committed to maintaining robust capital adequacy. As at 31 December 2024, all Group companies, with the exception of ZB Building Society, were in compliance with the prescribed minimum capital requirements. During the year, the Group made a resolution to surrender the Building Society's banking operating licence to Reserve Bank of Zimbabwe (RBZ) in a bid to address the capital shortfall at the Building Society. The Reserve Bank of Zimbabwe (RBZ) has responded with conditions that need to be satisfied before the surrendering of the ZB Building Society's banking licence. These include, but are not limited to certain information requests, ensuring that the deposits are handled in compliance with the Consumer Protection Framework No.1-2017/BSD. The Group is in the process of working towards fulfilling these conditions as part of the efforts to consolidate the Group's banking operations.

Dividends:
The board has declared a final dividend of USD 0.57cents per share for the year ended 31 December 2024. A separate dividend notice will be published to this effect.

Sustainability and Environmental, Social, and Governance (ESG) Reporting
ZB Financial Holdings recognizes the importance of sustainable business practices. The Group's strategic drive on sustainability is underpinned by integrating environmental, social and governance into economic decisions, operations, strategy, products and services, and practices. The Group will leverage off certification through the Reserve Bank of Zimbabwe (RBZ)-led Sustainability Standards Certification Initiative (SSCI). The group has consequently made progress in its adoption of ESG reporting, and is working to integrate ESG principles into its core business operations.

Directorate:
Mr Luxon Zembe resigned from the ZB Financial Holdings Board on the 12th of April 2024 after having stepped down as the Board Chairman on 20 March 2024. On behalf of the Board and management, I extend my gratitude for his contributions and appreciation to him for his distinguished service to the Group as both Director and Chairman. I wish him success in his future endeavours.

I, Agnes Makamure was appointed as Acting ZBFH Chairman with effect from the 20th of March 2024 and subsequently as the substantive ZBFH Chairman with effect from 27 June 2024. I would like to acknowledge the trust and confidence that has been placed in me, and I am committed to contribute to the organization's continued excellence.

Mr Shepherd T Chimutanda was appointed to ZB Financial Holdings Board as an Independent Non-Executive Director with effect from 8 November 2024. I look forward to his invaluable contribution towards the Group's continued success.

Outlook:
Looking ahead, the tight monetary policy is expected to remain in place to stabilize exchange rates and control inflation. On the back of an improved 2024/2025 rainy season, the economy is expected to benefit from a better agricultural performance buoyed by improved rainfall.

Notwithstanding, the efforts of authorities to maintain macroeconomic stability through prudent monetary policy, the Group respectfully suggest that a balanced approach be considered, one that harmonizes stability with measures to stimulate economic growth.

The Group encourages policymakers to explore initiatives that foster a conducive business environment, promote investment and support the overall development of the economy.

The Group is confident that the implementation of its sustainable revenue generation and cost optimisation strategies will sustain the Group's performance. These include, ongoing improvement with respect to the efficiency of front-end systems, brand equity promotion and continuation with the Group's mantra of creating happy people.

Conclusion:
I would like to express my sincere gratitude to the Board of Directors, management, staff, and our valued customers for their continued support, without whom the Group would not have been able to achieve the reported profitability in 2024 and sustain its operations into the future. Notwistanding the difficult environment, I believe the collective efforts of all stakeholders will enable the Group to continue delivering sustainable and positive results in the future.

A. Makamure
(Chairman)

31 March 2025

GROUP CHIEF EXECUTIVE OFFICER'S REPORT

Introduction:
The Group's primary financial statements are presented in Zimbabwe Gold Currency (ZWG) in accordance with IAS 21 "Effects of Changes in Foreign Exchange Rates.

Performance Outturn:
The Group's total income increased by 38% from ZWG2,308 billion in 2023, to ZWG3,211 billion in 2024. This performance outturn was on the back of significant improvement in non-funded income mainly from commissions fees and other income, whilst funded income registered a steady improvement.

Despite constrained growth in loans and advances, the Group's net interest income increased by 14% from ZWG0,417 billion in 2023 to ZWG0,475 billion in 2024. Loan impairment charges declined by 17%, from ZWG0,126 billion in 2023 to ZWG0,104 billion in 2024. Resultantly, income from lending activities net of recoveries rose by 27% from ZWG0,292 billion in 2023 to ZWG 0,370 billion in 2024, aided by improved interest margins and bad debts recovered was ZWG0.069 billion in 2024.

Banking commissions and fees went up by 76%, to close 31 December 2024 at ZWG1,158 billion. The improvement was mainly due to increase in electronic banking transactions as the Group continues with its digitization journey.

The Group generated assurance gross premium of ZWG 0,16 billion for the year ended 31 December 2024 from ZWG 0.099 billion in 2023. The Group also achieved a reinsurance gross premium of ZWG 0,33 billion in 2024 from ZWG 0,37 billion in 2023. The growth in gross premium was mainly driven by an increase in new business as well as the increase in sum assured and increase in the share participation.

Insurance service result was a deficit of ZWG0,007 billion in 2024 against a loss of ZWG0,340 billion in 2023, largely as a result of a decrease of 61% in insurance service expenses from ZWG0,839 billion in 2023 to ZWG 0.328 billion in 2024.

The Group's operating costs increased by 8% from ZWG1,626 billion in 2023 to ZWG 1,785 billion in 2024. The Group is expecting cost savings from automation of its processes.

Profit from ordinary activities improved to close at ZWG1,426 billion represented a growth of 109% against ZWG0,682 billion recorded in prior year.

The Group's profit after tax increased by 4% to ZWG1,167 billion in 2024 from ZWG1,124 billion in 2023.

Meanwhile, the Group's total assets increased by 104%, from ZWG7,062 billion as at 31 December 2023 to ZWG14,383 billion as at 31 December 2024. The growth rate outperformed average inflation over the same period (blended 3.7%).

Deposits and other related funding account balances closed the year at ZWG5.483 billion as at 31 December 2024, representing a growth of 120% from ZWG2.488 billion as at 31 December 2023. The growth was supported by an increase in USD deposits across all sectors.

Earning assets increased by 103% from ZWG4,814 billion as at 31 December 2023 to ZWG 9,346 billion as at 31 December 2024 whilst constituting 65% of total assets (68% at 31 December 2023).

The Group maintained a comfortable liquidity margin of safety, with the ratio of liquid assets to customer deposits being above 40% throughout the year against a prescribed ratio of 30%.

The Group's total equity increased by 125%, from ZWG2,948 billion as at 31 December 2023 to ZWG6,641 billion as at 31 December 2024, underpinned by the positive performance outturn for the year, reflected by a 106% and 223% rise in retained earnings and other components of equity respectively.

Operations Review:

Banking Operations:
ZB Bank Limited posted a profit after tax of ZWG1,110 billion in 2024 up from ZWG 0,545 billion in 2023. Its total assets stood at ZWG10.36 billion as at 31 December 2024, from ZWG4.63 billion as at 31 December 2023.

ZB Building Society posted a loss of ZWG0.069 billion in 2024 from a profit of ZWG0,078billion as at 31 December 2023. The loss position was mainly driven by subdued revenue growth and increased foreign currency revaluation losses. The Society's total assets stood at ZWG0,565 billion as at 31 December 2024, from ZWG0.291 billion as at 31 December 2023.

Insurance Operations:
ZB Reinsurance posted a profit after tax of ZWG0,037 billion in 2024 down from a profit of ZWG0,053 billion in 2023. Its total assets increased from ZWG0,274 billion as at 31 December 2023 to close the year 2024 at ZWG0.487 billion.

ZB Life Assurance posted a profit of ZWG0,167 billion in 2024 up from ZWG0,034 billion in 2023. Its total assets increased from ZWG0,523 billion as at 31 December 2023 to ZWG1,005 billion as at 31 December 2024.

Investments:
In 2024, the Group slightly increased its shareholding in Mashonaland Holdings (Mash), from 56.89% as at 31 December 2023 to 57.69% as at 31 December 2024. Mash posted a profit after tax of ZWG0,064 billion in 2024, up from deficit of ZWG0,155 billion in 2023. Its total assets increased from ZWG1.247 billion as at 31 December 2023 to close the year 2024 at ZWG2,449 billion. Mash commissioned the Pomana Commercial Centre and 12 Van Praagh Day Hospital projects during the current year.

The Group restructured its investment cluster by closing down ZB Capital operations as at 1 January 2025 and also resuscitated asset management operations with effect from 1 January 2025.

Internal Processes:
One of the major projects in FY2024 was the launch of a new core banking system, a project which was on the cards for the past few years - naturally, a project of such magnitude requires a significant outlay of resources, inclusive of financial, human capital, and time. With the new core banking system, the Group has improved its capacity to enhance the customer journey and exceed customer expectations, as well as further progress the digital transformation initiative, #OneDigitalZB. In a related initiative, the Group initiated a Digital Wallet project, expected to be finalised and launched in 2025.

With FY2024 being the penultimate year in the Group's medium-term plan for 2021-2025, the Group has begun to lay the foundation for the next medium-term plan long term sustainability as one of the core tenets underpinning its strategy, and towards this end is one of the financial institutions seeking certification under the Central Bank-led Sustainability Standards Certification Initiative (SSCI) through the European Organisation for Sustainable Development (EOSD). ZB Bank is one of the Zimbabwean financial institutions at the forefront in the certification journey – as at end of 2024 the Bank had completed internal processes and awaiting review and feedback by EOSD. As a Group, ZBFH will continue to avail resources towards supporting Government priorities, including the National Development Strategy 1 (NDS1), as well as Sustainable Development Goals (SDGs) being prioritised by Government in the country's Vision 2030 towards attaining upper middle-income status.

Innovation continued to play a huge role in the Group's Strategy in FY2024. Having launched its Innovation Hub in early 2024, and partnered with the country's major state Universities in innovation, ZBFH was proud to work with a young innovator who was awarded first runner up prize in the Presidential Innovation Awards, under the Private Sector category.

People & Culture:
The Group has continued to leverage off the benefits of adopting the new business model and organisational design, in the recent past. The staff re-organisation and re deployment of staff in the prior year, has enhanced the Group's operational efficiencies. In the prior year, as the new Group structure settled, 59 Staff members signed up for the Voluntary Disengagement Scheme (VDS), whilst 36 staff members approaching retirement were disengaged under the Compulsory Disengagement Scheme (CDS). There were no further significant staff disengagements during the current year. The Group staff complement as at 31 December 2024 stood at 999 (2023: 1 061).

Industrial relations remained cordial during the year under review.

Appreciation:
My profound gratitude goes to our valued customers and stakeholders for the support and commitment that they continue to render to the ZBFH Group.

I would also like to extend my appreciation to the Group's Staff and Management team for their various contributions, inputs and efforts which enabled the Group to attain this performance for the full year to December 2024.

Finally, I remain indebted to the Board for its valuable contribution and counsel.

S. T. Fungura
(Group Chief Executive Officer)

Harare
31 March 2025

ZBFH141

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Audited Financial Results for the year ended 31 December 2024

Financial Holdings

Rise To Excellence

AUDITOR'S STATEMENT

These financial results should be read in conjunction with the full set of consolidated and separate financial statements of the Group for the year ended 31 December 2024, which have been audited by Ernst & Young Chartered Accountants (Zimbabwe). A qualified audit opinion ("except for") has been issued due to the Group's non-compliance with the requirements of International Financial Reporting Standards, specifically International Accounting Standard 21 ("IAS 21"), 'The Effects of Foreign Exchange Rates,' in relation to the translation of some opening balances from Zimbabwean Dollars (ZWL) to United States Dollars (USD) on the date of change in functional currency. The audit report on the consolidated financial statements includes key audit matters on the valuation of expected credit losses on financial assets and the valuation of insurance contract liabilities.

The auditor's report on these financial statements is available for inspection at the Company's registered office. The Engagement Partner on the audit resulting in the independent auditor's report is Mrs. Elina Bvurere, PAAB Practice Certificate Number 0462.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	Notes	Audited 31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG	**Restated 31 Dec 2022 ZWG
ASSETS				
Cash and cash equivalents		2 902 848 808	1 036 478 989	1 223 027 115
Treasury bills	3	878 799 829	330 157 187	332 196 152
Mortgages and other advances	4	3 988 679 045	2 104 055 481	1 185 670 047
Financial assets held at fair value through profit or loss		668 559 857	309 322 895	316 957 240
Financial assets held at amortised cost		83 650 095	35 105 924	21 938 031
Inventories		37 594 100	7 905 534	6 078 892
Trade and other receivables		442 995 745	341 006 854	224 040 346
Assets held for sale		-	47 466 296	-
Reinsurance contract assets	10	110 925 292	124 745 943	10 490 033
Insurance contract assets	10	-	112 805 955	81 030 682
Investments in associates		72 472 415	102 034 437	25 907 753
Property and equipment	7	1 412 673 553	744 998 846	816 091 385
Investment properties	5	3 543 156 990	1 696 614 680	1 866 599 800
Intangible assets	8	198 322 082	23 842 987	29 062 604
Right of use assets	6	26 941 617	42 392 526	31 310 303
Deferred tax asset		15 094 576	3 293 477	19 834 477
Total assets		14 382 714 004	7 062 228 011	6 190 234 860
LIABILITIES				
Deposits and other accounts	9	5 483 003 415	2 488 251 026	2 164 244 535
Trade and other payables		1 231 398 440	759 347 774	495 824 123
Investment contract liabilities		175 413 650	96 481 041	85 706 735
Current tax liabilities		93 665 129	18 963 005	11 951 526
Long term borrowings		-	41 509	352 642
Offshore borrowings	11	234 531 818	221 920 345	133 062 093
Reinsurance contract liabilities	10	-	13 606 449	36 060 810
Insurance contract liabilities	10	268 691 070	322 458 869	218 834 236
Lease liabilities	12	33 662 559	27 481 249	16 292 418
Deferred tax liabilities		221 756 974	166 136 735	152 383 155
Total liabilities		7 742 123 055	4 114 688 002	3 314 712 273
EQUITY				
Share capital		3 878	4 288 875	7 961 853
Share premium		285 183	66 645 368	123 077 568
Other components of equity		2 553 261 736	791 496 111	710 165 431
Retained income		2 226 061 786	1 081 369 692	930 437 318
Equity Reserve		70 645 182	-	-
Attributable to equity holders of parent		4 850 257 765	1 943 800 046	1 771 642 170
Non-controlling interests		1 790 333 184	1 003 739 963	1 103 880 417
Total equity		6 640 590 949	2 947 540 009	2 875 522 587
Total equity and liabilities		14 382 714 004	7 062 228 011	6 190 234 860

*The comparative statement of financial position as at 31 December 2023 which was previously presented in the Zimbabwean Dollar (ZWL) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) with the prevailing rate of 31 December 2023 and thereafter, the ZWG (presentation currency) with the rate of 13.5616 as at 5 April 2024 when ZWG was introduced.

**The comparative statement of financial position as at 1 January 2023 which was previously presented in the Zimbabwean Dollar (ZWL) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD with the prevailing rate of ZWL684,339 at 31 December 2022.

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

	Notes	Audited 31 Dec 24 ZWG	*Restated 31 Dec 2023 ZWG
Interest income calculated using the effective interest rate method	13.1	588 551 881	504 972 821
Other interest and related income	13.1	9 749 451	4 297 251
Interest expense calculated using the effective rate method	13.2	(122 740 814)	(90 949 191)
Other interest and related expense	13.2	(1 038 336)	(887 279)
Net interest income		474 522 182	417 433 602
Loan impairment charges, net recoveries	13.3	(104 285 670)	(125 797 950)
Net income from lending activities		370 236 512	291 635 652
Insurance revenue	14.1	424 303 215	442 102 781
Insurance service expense	14.2	(328 391 413)	(838 937 295)
Allocation of Reinsurance Premiums	14.3	(108 878 194)	(71 590 461)
Amounts recoverable from reassurers for incurred claims	14.3	5 808 418	128 008 047
Insurance service result		(7 157 974)	(340 416 928)
Insurance finance (expenses) / income from insurance contracts	14.4	(108 539 394)	194 297 321
Reinsurance finance expenses from reinsurance contracts	14.4	114 474	78 985
Net Insurance Financial Result		(108 424 920)	194 376 306
Fair value of financial liabilities at fair value through profit or loss		839 123	(79 620 402)
Commissions and fees	15	1 157 775 376	658 196 629
Other operating income	16	1 582 595 140	948 312 821
Fair value adjustments		214 945 311	635 341 254
Total income		3 210 808 568	2 307 825 332
Operating expenses	17	(1 784 850 496)	(1 625 760 087)
Profit from ordinary activities		1 425 958 072	682 065 245
Share of associate companies profit net of tax		(124 789 243)	72 944 142
Effects of inflation adjustments		-	483 362 343
Profit before taxation		1 301 168 829	1 238 371 730
Income tax expense	18	(134 134 583)	(114 061 523)
Net profit for the year		1 167 034 245	1 124 310 207
Profit attributable to:			
Owners of parent		1 149 405 162	1 012 439 882
Non-controlling interests		17 629 083	111 870 325
Profit for the year		1 167 034 245	1 124 310 207
Other comprehensive income: Items that will not be reclassified to profit or loss			
Gains on property and equipment revaluation, net of tax		108 714 701	367 438 690
Effects of translation to presentation currency		2 367 239 792	(1 370 048 668)
Associate's share of gains on Property and Equipment revaluation, net of tax		8 309 160	13 265 688
Items that may be subsequently reclassified to profit or loss			
Fair value losses on financial assets at FVTOCI		(22 033 328)	(19 670 035)
Currency translation differences on foreign subsidiary		(5 538 415)	2 405 383
Associate's share of foreign currency translation differences, net of tax		93 057 370	1 868 460
Other comprehensive income for the year, net of tax		2 549 749 280	(1 004 740 482)
Total comprehensive income for the year		3 716 783 525	119 569 725
Total comprehensive income attributable to:			
Owners of parent		3 019 496 570	119 132 223
Non-controlling interests		697 286 955	437 502
Total comprehensive income for the year		3 716 783 525	119 569 725
Earnings per share			
Basic and fully diluted earnings per share (ZWG cents)	19	730	643

*The comparative statement of profit or loss and other comprehensive income for the year ended 31 December 2023 which was previously presented in the Zimbabwean Dollar (ZW$) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) and thereafter, the ZWG (presentation currency) in line with IFRS Accounting Standards. Refer to note 3.1.1 for details of the translation procedures performed.

**Some items of Other comprehensive income were presented gross of tax in the prior year. In the current all items of Other Comprehensive Income are presented net of tax.

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

	Share capital ZWG	Share premium ZWG	Foreign currency translation reserve ZWG	Foreign subsidiary currency translation reserve ZWG	Equity reserve ZWG	General reserve ZWG	Revaluation reserve ZWG	Financial assets at FVTOCI ZWG	Retained income ZWG	Attributable to equity holders of parent ZWG	Non controlling interests ZWG	Total ZWG
***Restated balance 1 January 2023**	7 961 853	123 077 568	-	-	-	1 438 514	759 429 576	(50 702 659)	930 437 318	1 771 642 170	1 103 880 417	2 875 522 587
Changes in equity for 2023												
Profit for the year	-	-	-	-	-	-	-	-	1 012 439 882	1 012 439 882	111 870 325	1 124 310 207
Other comprehensive income, net tax												
Revaluation of property	-	-	-	-	-	-	378 131 750	-	-	378 131 750	2 572 628	380 704 378
Effects of translation of foreign subsidiary	-	-	-	2 405 383	-	-	-	-	2 405 383	-	-	2 405 383
Associate's share of effects of translating to presentation currency	-	-	1 868 460	-	-	-	-	-	-	1 868 460	-	1 868 460
Effects of change in presentation currency	(3 672 978)	(56 778 360)	548	(36)	-	244 237 540	(417 665 179)	(108 464 769)	(914 040 817)	(1 256 384 051)	(113 664 617)	(1 370 048 668)
Fair value gain on financial assets at FVTOCI	-	-	-	-	-	-	-	(18 574 545)	-	(18 574 545)	(1 095 490)	(19 670 035)
Transaction with owners of the parent												
Dividends	-	-	-	-	-	-	-	-	(8 634 229)	(8 634 229)	(8 264 911)	(16 899 140)
Other movements												
Transfer to retained income	-	-	-	-	-	-	(608 472)	-	608 472	-	-	-
Transfer to share premium from FCTR	-	346 160	-	-	-	-	-	-	-	346 160	78 947	425 107
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	60 559 066	60 559 066	(91 637 336)	(31 078 270)
***Restated balance at 31 December 2023**	4 288 875	66 645 368	-	1 869 008	2 405 347	245 676 054	719 287 675	(177 741 973)	1 081 369 692	1 943 800 046	1 003 739 963	2 947 540 009
Changes in equity for 2024												
Transfer to Equity Reserve	(4 284 997)	(66 360 185)	-	-	70 645 182	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	1 149 405 162	1 149 405 162	17 629 083	1 167 034 245
Other comprehensive income, net of tax												
Revaluation of property	-	-	-	-	-	-	(455 189 394)	-	-	(455 189 394)	572 213 255	117 023 861
Fair value gain on financial assets at FVTOCI	-	-	-	-	-	-	-	(22 486 078)	-	(22 486 078)	452 750	(22 033 328)
Effects of translation of foreign subsidiary	-	-	-	(5 538 415)	-	-	-	-	-	(5 538 415)	-	(5 538 415)
Associate's share of effects of translating to presentation currency	-	-	93 057 370	-	-	-	-	-	-	93 057 370	-	93 057 370
Effects of translating to presentation currency	-	-	2 153 551 710	-	-	-	-	-	-	2 153 551 710	213 688 082	2 367 239 792
Transaction with owners of the parent												
Dividends	-	-	-	-	-	-	-	-	(13 080 134)	(13 080 134)	(1 982 917)	(15 063 051)
Other movements												
Transfer to retained income (note 26.3.2)	-	-	-	-	-	-	(1 629 567)	-	1 629 567	-	-	-
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	6 737 498	6 737 498	(15 407 032)	(8 669 534)
Balance at 31 December 2024	3 878	285 183	2 248 478 087	(3 133 068)	70 645 182	245 676 054	262 468 714	(200 228 051)	2 226 061 785	4 850 257 765	1 790 333 184	6 640 590 949

*The comparative statement of changes in equity as at 31 December 2023 which was previously presented in the Zimbabwean Dollar (ZWL) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) and thereafter, the ZWG (presentation currency) in line with IFRS.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

	Notes	Audited 31 Dec 2024 ZWG	*Restated 31 Dec 23 ZWG
Cash generated from operating activities		(102 424 332)	(1 171 724 676)
Interest and related income received	13.1	598 301 332	509 270 072
Dividends received	16	14 062 978	9 655 767
Interest and related expense paid	13.2	(123 779 150)	(91 836 470)
Income tax paid		(82 251 874)	(46 004 376)
Interest paid lease liability		(1 778 869)	(8 087 253)
Interest expense on offshore borrowings		(25 792 694)	(29 219 086)
Net cash generated from / (used in) operating activities		276 337 391	(827 946 022)
Cash flows from investing activities			
Purchase of investment property	5	(266 162 811)	(65 958 324)
Purchase of intangible assets	8	(158 774 316)	(9 942 222)
Purchase of property and equipment		(162 926 480)	(78 685 361)
Proceeds on disposal of property and equipment		18 003 908	4 216 692
Proceeds on disposal of investment property		47 466 296	20 346 468
Purchase of investment securities		(150 104 629)	(95 358 658)
Proceeds on disposal of investment securities		153 060 738	44 157 526
Net cash used in investing activities		(519 437 294)	(181 223 879)
Cash flows from financing activities			
Dividends paid		(15 063 051)	(16 899 140)
Lease capital payments		(4 195 526)	(8 197 291)
Proceeds from offshore borrowings	11	281 438 182	991 090 218
Repayments on offshore borrowings	11	(259 278 086)	(1 145 779 655)
Acquisition of non-controlling interests		(8 669 534)	(31 078 270)
Net cash used in financing activities		(5 768 015)	(210 864 138)
Decrease in cash and cash equivalents		(248 867 918)	(1 220 034 039)
Cash and cash equivalents at beginning of year		1 036 478 989	1 223 027 115
Effects of changes in presentation currency on cash and cash equivalents		681 608 984	(420 867 948)
Effects of exchange rates fluctuating on cash and cash equivalents		1 433 628 753	862 829 778
Effects of inflation adjustments on cash and cash equivalents		-	591 524 083
Cash and cash equivalents at end of year		2 902 848 808	1 036 478 989
Cash and cash equivalents comprise:			
Cash		972 973 154	465 325 366
Local bank accounts		540 847 872	208 599 060
Foreign bank accounts		1 389 027 782	362 554 563
		2 902 848 808	1 036 478 989

*The comparative statement of cash flows as at 31 December 2023 which was previously presented in the Zimbabwean Dollar (ZWL after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) and thereafter, the ZWG (presentation currency) in line with IFRS.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
For the year ended 31 December 2024

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the consolidated and separate financial statements, which are set out below, have been consistently followed in all material respects (except for matters disclosed under note 1.1.1.1) and are in accordance with IFRS Accounting Standards.

Where reference is made to "the Group" or "Company" in the accounting policies, it should be interpreted as referring to the "consolidated" or "separate" respectively, where the context requires, unless otherwise noted.

1.1 Basis of preparation

1.1.1 Functional and presentation currency

1.1.1.1 Change in functional currency

Following the enactment of Statutory Instrument ("SI") 185 of 2020 on 24 July 2020, the Group witnessed a gradual increase in the use of foreign currency across its operations. Subsequently, in June 2022, the government established the multi-currency system into law until 31 December 2025 through Statutory Instrument 118A of 2022. Moreover, on 27 October 2023, Statutory Instrument 218 of 2023 (SI 218/23) extended the settlement of transactions in foreign currency until 31 December 2030, assuring businesses regarding the continuity of the multi-currency system. This has since been confirmed through the Finance Act No.13 of 2023. This announcement facilitated access to foreign currency and long-term loans critical for working capital and business expansion.

As a result of these developments, the company re-evaluated its functional currency in accordance with IAS 21 ("The Effects of Changes in Foreign Exchange Rates").

In assessing functional currency for the businesses, the following factors were considered:

(i) the currency that mainly influences sales prices for goods and services (the currency in which sales prices for goods and services are denominated and settled)
(ii) the currency which influences labour, material and other costs of providing goods and services.
(iii) the currency in which funds from financing activities are generated
(iv) the currency in which receipts from operating activities are usually retained

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

1.1.1.2 Change in presentation currency

The Group and the Company elected to present these audited financial statements in the Zimbabwe Gold (ZWG). The parent elected to use ZWG as a presentation currency to comply with the Reserve Bank of Zimbabwe directive to report in ZWG.

The Group and Company presentation currency (ZWG) is a currency of a hyperinflationary economy.

In prior years, the Group and the Company's presentation currency was the Zimbabwe Dollar (ZWL), which was also the Group and Company's functional currency. The ZWL was a currency of a hyperinflationary environment, as a result, in prior year, financial statements were prepared based on the requirements of International Accounting Standard (IAS) 29 - *Financial Reporting in Hyperinflationary Economies*. IAS 29 requires financial statements prepared in the currency of a hyperinflationary economy to be stated in terms of the measuring unit current at the statement of financial position, and that corresponding figures for previous years be restated in the same terms. The ZWL currency was discontinued on 5 April 2024.

Statement of financial position line items for the 2024 reporting period were translated using the closing rate at 31 December 2024 while the income statement lines were translated using average rates for 2024.

All resulting exchange differences were recognised in other comprehensive income and taken to a separate component of equity, that is the Foreign Currency Translation Reserve.

Equity components of Share Capital and Share Premium have been translated using historical exchange rates. For this purpose, historical rates are defined as the exchange rates prevailing as at 1 January 2024 (Being the earliest available ZWG exchange rate of 5 April 2024). This date corresponds to the point at which management ceased the application of International Accounting Standard (IAS) 29, Financial Reporting in Hyperinflationary Economies.

The financial statements for the year to 31 December 2023 were inflation adjusted and translated to USD using the 31 December 2023 closing rate of USD1:ZWL6104.7226. The December 2022 inflation adjusted numbers were translated to USD at the prevailing closing rate of USD1:ZWL684.3339. The restatement and translation effect of the above has been recognised in other comprehensive income.

1.1.1.3 Conversion of Comparative numbers to the presentation currency

Following the adoption of the ZWG as the Group and Company's presentation currency, the Group and Company converted their comparative financial statements as follows:

Conversion Methodology

Given that ZWG did not exist as a currency in the prior reporting period (2023), a two-step conversion process was employed for all amounts in the financial statements except for Property & Equipment (PE), Investment Property (IP), Right of Use (ROU) and related income and expenses. First, the hyperinflation-adjusted ZWL balances as of 31 December 2023 were converted to US Dollars (USD) using the exchange rate of USD1:ZWL6,104, as per guidance from the Institute of Chartered Accountants Zimbabwe (ICAZ) Second, these USD balances were then converted to ZWG using the exchange rate of USD1:ZWG13.56, which was the earliest available exchange rate, dated 5 April 2024.

The decision to use this two-step process, rather than a direct ZWL to ZWG conversion, was necessitated by the non-existence of ZWG for reporting period before 5 April 2024. The resulting translation and restatement gains and losses are treated by management as translation gains and losses recognised in OCI.

Specific Treatment of Certain Asset Categories

Exceptions to the general conversion methodology were made for Investment Property, Equipment, and Right-of-Use Assets, where management determined that a more accurate representation of these assets would result from alternative methods.

Investment property - The Group and Company adopted figures from the 2023 US Dollar valuation report which was done by the appointed external valuers.
Equipment - The Group and Company adopted figures from the 2023 US Dollar valuation report which was done by the appointed external valuers.
Equity - Values for share capital and share premium were obtained by converting the historical amounts at the date at which equity was issued. Retained earning were adjusted for the changes made on share capital, share premium and investment property. Revaluation reserves were adjusted for changes to equipment.
Right of use asset - The Group and Company mantains its right of use assets in US Dollars. Instead of converting the 2023 IAS 29 value, the USD computation was used so as to align utilisation of the right of use asset to the related lease liability.

1.1.1.4 Foreign Currency Transactions and Balances

In preparing the financial statements of the Group and Company, transactions in currencies other than the United States Dollar are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

1.1.2 Statement of compliance

The consolidated and separate financial statements as at, and for the year ended 31 December 2024, have been prepared under the supervision of E Mungoni CA (Z), Chief Finance Officer of ZB Financial Holdings Limited. The consolidated and separate financial statements are prepared based on accounting records maintained under the historical cost convention and modified by the revaluation of property and equipment, investment properties and financial instruments carried at fair value.

The consolidated and separate financial statements have been prepared in accordance with the IFRS Accounting Standards promulgated by the International Accounting Standards Board (IASB) which includes standards and Interpretations approved by IASB, the International Financial Reporting Interpretations Committee (IFRIC) interpretations except for International Accounting Standard 21 (IAS 21) and International Accounting Standard 29 (IAS 29) which were not fully complied with on conversion of opening balances. The consolidated and separate financial statements were prepared in the manner required by the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Building Societies Act (Chapter 24:02), the Insurance Act (Chapter 24:07), Securities and Exchange Act (Chapter 24:25), Microfinance Act (Chapter 24:29) and relevant regulations made there under.

The consolidated and separate financial statements were authorised for issue by the Board of Directors on 31 March 2025.

1.2 Basis of reporting

The same accounting policies and methods of computation were applied to the financial results as at the reporting date of all group entities.

1.3 Basis of consolidation

Subsidiaries

A subsidiary is an entity controlled by another entity, that is the parent. The Group controls an entity when it is exposed to, or has rights to variable returns from its involvement with the investee and has the ability to exert control over the entity's financial and operational decisions through its power over the investee. The results of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the entity parent. The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any excess of the consideration over the fair values of the identifiable net assets acquired is recognised as goodwill. Where the fair values of the identifiable net assets acquired exceed the consideration, a bargain purchase (negative goodwill) is recognised in profit or loss in the period of acquisition. Transaction costs are expensed, 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.

Non-controlling interests (NCI)

Non-controlling interests are measured at their proportionate share of the fair values of the assets and liabilities recognised.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Where necessary, adjustments are made to the financial statements of subsidiaries and associates to bring the accounting policies used into line with those used by the Group.

Transactions eliminated on consolidation

Intra-Group transactions, balances, and unrealised income and expenses are eliminated on consolidation.

1.4 Key sources of judgement and estimation uncertainty

Significant assumptions and estimations, as at the date of financial reporting, with material implications on the reported financial outturn and balances have been made in the following areas:

- The computation of insurance and reinsurance assets and liabilities (IFRS 17)
- Determination of the fair value of financial assets (IFRS 13)
- Valuation of property (including investment properties) and equipment (IAS 16 and IAS 40)
- Estimation of liabilities under insurance contracts including life funds valuation (IFRS 4)
- Ascertaining of the degree of control or significant influence in investee companies (IAS 27 and IAS 28)
- Determination of carrying amounts of right of use assets and lease liabilities (IFRS 16)
- Determination of exchange rates before 5 April 2024.

The nature of assumptions made and processes involved in the development of estimates, and relevant models used, where applicable, are discussed in the accounting policy notes in the Group's annual report as at 31 December 2024.

The same above significant assumptions and estimates were applied to the extent where relevant, to the financial results as at the reporting date of ZB Life, ZB Reinsurance, ZB Bank Limited and ZB Building Society, incorporated in this reporting package.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

2. SEGMENT INFORMATION

31 December 2024	Banking operations ZWG	Insurance operations ZWG	Investments operations ZWG	Other operations consolidation adjustments ZWG	Total ZWG
External revenue					
Interest revenue calculated using the effective method	541 598 803	452 575	54 717 231	(8 216 728)	588 551 881
Other interest and related income	5 797 379	3 939 540	12 532	-	9 749 451
Interest expense calculated using the effective interest rate method	(125 347 669)	(446 364)	(5 163 509)	8 216 728	(122 740 814)
Other interest and related expenses	(1 260 502)	382 496	(160 330)	-	(1 038 336)
Net interest income	420 788 011	4 328 247	49 405 924	-	474 522 182
Fees and commission income	1 133 456 650	10 812 587	11 910 556	1 595 583	1 157 775 376
Corporate Banking	170 018 498	-	-	-	170 018 498
Retail Banking	963 438 153	-	-	-	963 438 153
Other commissions	-	10 812 587	11 910 556	1 595 583	24 318 726
Insurance	-	424 303 215	-	-	424 303 215
Insurance service expense	-	(328 391 413)	-	-	(328 391 413)
Fair value adjustments	188 312 797	(21 484 996)	30 429 047	17 688 463	214 945 311
Other revenue	1 243 126 337	218 735 598	109 296 093	11 437 112	1 582 595 140
Total segment revenue	2 985 683 795	308 303 238	201 041 620	30 721 158	3 525 749 811
Inter segmental revenue	(24 638 371)	(1 956 984)	12 532	26 582 823	-
Total segment operating expenses	(1 763 370 507)	(80 979 617)	(154 209 878)	213 709 506	(1 784 850 496)
Material non-cash items:					
Expected credit losses	(71 280 971)	-	(33 004 699)	-	(104 285 670)
Depreciation	(194 835 355)	(4 023 091)	(450 116)	(10 626 341)	(209 934 903)
Amortisation of intangible assets	(6 318 022)	-	-	(253 518)	(6 571 540)
Profit from associates net of tax	-	21 031 819	-	(145 821 062)	(124 789 243)
Reportable segment profit before taxation	1 222 313 287	248 355 440	46 623 559	(216 123 457)	1 301 168 829
Income tax expense	(155 851 503)	(9 245 560)	19 248 518	11 713 961	(134 134 584)
		-			
Reportable segment assets as at 31 December	11 187 471 555	1 459 209 677	2 479 692 584	(743 659 812)	14 382 714 004
		-			
Reportable segment liabilities as at 31 December	7 211 527 779	682 291 424	301 672 391	(453 368 539)	7 742 123 055
Investment associates	-	602 911 910	-	(530 439 495)	72 472 415
Cash flow from operating activities	281 006 247	(59 200 248)	(28 919 249)	83 450 641	276 337 391
Cash flow from investing activities	(245 308 755)	(16 392 815)	549 863 379	(807 599 103)	(519 437 294)
Cash flow from financing activities	(83 030 772)	(7 952 807)	85 258 356	(42 792)	(5 768 015)

31 December 2023	Banking operations ZWG	Insurance operations ZWG	Investments operations ZWG	Other operations consolidation adjustments ZWG	Consolidated ZWG
External revenue					
Interest revenue calculated using the effective method	606 939 074	(194 105 564)	289 499 107	(197 359 796)	504 972 821
Other interest and related income	(119 669 913)	123 483 077	484 087	-	4 297 251
Interest expense calculated using the effective interest rate method	(228 983 818)	(9 025 649)	(50 299 520)	197 359 796	(90 949 191)
Other interest and related expenses	4 321 094	-	(5 208 373)	-	(887 279)
Net interest income	262 606 437	(79 648 136)	234 475 301	-	417 433 602
		-			
Fees and commission income	434 853 011	6 294 405	161 069 020	55 980 193	658 196 629
Corporate Banking	45 291	-	-	-	45 291
Retail Banking	434 807 720	-	-	-	434 807 720
Other commissions	-	6 294 405	161 069 020	55 980 193	223 343 618
Insurance revenue	-	442 102 781	-	-	442 102 781
Insurance service expense	-	(838 937 295)	-	-	(838 937 295)
Fair value adjustments	18 977 053 037	8 966 582 649	192 944 593	(27 501 239 025)	635 341 254
Other revenue	41 702 458 392	(1 532 591 902)	(32 484 984)	(39 189 068 685)	948 312 821
Total segment revenue	61 376 970 877	6 963 802 502	556 003 930	(66 634 327 517)	2 262 449 792
Inter segmental revenue	(873 325 269)	(103 085 171)	484 087	975 926 353	-
Total segment operating expenses	(26 476 528 626)	(2 168 239 516)	(456 232 408)	27 475 240 463	(1 625 760 087)
Material non-cash items:					
Expected credit losses	(4 910 887 165)	-	(22 054 453)	4 807 143 668	(125 797 950)
Depreciation	(1 825 828 188)	(15 510 784)	15 427 164	1 751 650 010	(74 261 798)
Amortisation of intangible assets	(7 087 898)	-	1 888 786 694	(1 883 432 877)	(1 734 081)
Profit from associates net of tax	-	14 502 315 286	-	(14 429 371 144)	72 944 142
Reportable segment profit before taxation	34 900 442 251	16 149 750 457	146 010 371	(49 957 831 349)	1 238 371 730
Income tax expense	(2 059 993 227)	(2 214 741 585)	(10 019 036)	4 170 692 325	(114 061 523)
Reportable segment assets as at 31 December	218 117 433 352	40 750 052 692	73 400 076 326	(325 205 334 359)	7 062 228 011
Reportable segment liabilities as at 31 December	142 168 954 230	21 793 316 171	6 889 185 333	(166 736 767 732)	4 114 688 002
Investment in associates	-	18 432 124 531	-	(18 330 090 094)	102 034 437
Cash flow from operating activities	13 103 062	(220 640 956)	688 682	(621 096 810)	(827 946 022)
Cash flow from investing activities	(82 342 045)	(29 736 535)	(1 834 091)	(67 311 208)	(181 223 879)
Cash flow from financing activities	(186 965 409)	(15 673 470)	77 442 720	(85 667 979)	(210 864 138)

3. TREASURY BILLS

		31 Dec 2024 ZWG	31 Dec 2023 ZWG
	Treasury bills include:		
3.1	Assets classified as measured 'at fair value through profit or loss' (FVTPL):		
	Short term treasury bills [1]	69 750 303	15 304 723
	Assets classified as measured 'at fair value through other comprehensive income' (FVTOCI):		
	Medium term treasury bills acquired from the market [2]	1 017 672 269	314 764 909
	Assets classified as measured at 'amortised cost' (AMCO):		
	Treasury bills issued as substitution for debt instruments [3]	-	46 046
	Capitalisation treasury bills [4]	-	41 509
	Impairment charge to statement of profit or loss	(208 622 743)	-
		878 799 829	330 157 187
	Maturity within 1 year	667 832 278	325 370 753
	Maturity after 1 year	210 967 551	4 786 434
		878 799 829	330 157 187

1. The Group invested in treasury bills issued by the RBZ over an average period of 161 days (December 2023: 61 days) which were at an average rate of 27.83% (December 2023: 27.83%).
2. The Group purchased treasury bills from the secondary market. These treasury bills have an average coupon rate of 0.1755% (December 2023: 0.1755%) with an average maturity period of 1 year (December 2023: 2 years).
3. The Group received treasury bills as substitution for debt instruments from the Zimbabwe Asset Management Company (ZAMCO). The treasury bills had a coupon rate of 5% (December 2023: 5%) and an average maturity period of 5 years (December 2023: 6 years).
4. Capitalisation Treasury Bills (CTBs) with a face value of ZWG8,004 were acquired on 26 May 2015 from the Government of Zimbabwe by the holding company, ZB Financial Holdings Limited (ZBFH). The CTBs were then used to recapitalise ZB Bank Limited, a 100% owned subsidiary of ZBFH. During the year ended 31 December 2024, the government through RBZ fully settled the capitalised treasury bills in 2024.

Treasury bills amounting to ZWG1.34 billion (2023: ZWG401 million) were used as security for the Bank to access fixed deposits.

3.4 Determination of fair value of treasury bills

The fair value of treasury bills was determined using level 2 and level 3 (note 6.3) inputs for treasury bills which are classified as FVTPL and FVTOCI respectively. The use of level 2 and level 3 inputs is due to lack of active market for treasury bills which are designated as at "FVTPL" and FVTOCI. The Group used the discounted cash flow valuation technique by applying an average yield market rate on the contractual cash flows in order to determine the fair value of the treasury bills.

Treasury bills purchased from the secondary market were fair valued using TBs average yield market rate of 68%.

USD denominated Treasury bills fair value was computed using a proxy discount rate of 9% by reference to US Federal Reserve TBs with same tenor and adjusted for country risk.

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3.4 Determination of fair value of treasury bills (continued)

Impairment assessment of treasury bills

Treasury Bills classified as FVOCI were assessed for ECL in the current year in line with IFRS 9- Financial Instruments. Ordinarily, the Group considers Treasury Bills to be of low risk instruments due to the nature of them having local sovereign exposure. However, some of the Treasury Bills matured towards the end of 2024 and they were not yet settled. The Group considered that the whole portfolio of Treasury Bills to have had a significant increase in credit risk and thus the related Expected Credit Losses were recognized in the financial statements for the year ended 31 December 2024.

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
4. MORTGAGES AND OTHER ADVANCES		
4.1 Gross loan book		
Mortgage advances	266 922 932	123 913 030
Other advances:		
Loans, overdraft and other accounts	3 427 166 636	1 827 729 954
Asset finance loans	449 209 303	265 384 488
Bills discounted	8 285 252	-
Total other advances	3 884 661 191	2 093 114 442
Gross advances	4 151 584 123	2 217 027 472
Off balance sheet exposures		
In respect of guarantees	350 586 224	94 302 910
In respect of Letter of credit	-	-
In respect of loan commitment	1 969 438 594	1 062 348 934
Gross credit exposure	6 471 608 941	3 373 679 316
Gross advances	4 151 584 123	2 217 027 472
Less: Allowance for loan impairments	(162 905 078)	(112 971 991)
Net advances	3 988 679 045	2 104 055 481
4.2 Maturity analysis		
On demand	445 221 664	137 125 196
Within 1 month	178 951 333	190 815 051
Between 1 and 6 months	590 793 163	599 374 265
Between 6 and 12 months	3 471 704 429	634 903 297
After 12 months	1 784 938 352	1 811 461 507
	6 471 608 941	3 373 679 316
4.3 Non-performing loans		
Included in the above are the following;		
Non-performing loans	135 483 881	34 234 105
Less: Allowance for loan impairments	(15 838 208)	(7 686 674)
	119 645 673	26 547 431

For the secured non-performing loans, security exists in the form of liens registered over funded accounts, bonds registered over landed property and guarantees in various forms. The Bank discounts the value of the security at hand using internal thresholds for prudential purposes. Generally no security value is placed on ordinary guarantees. The internally discounted value of security held in respect of the non-performing book amounted to ZWG119.7 million as at 31 December 2024 (2023: ZWG26.5 million).

	31 Dec 2024 ZWG	As a % of Total	31 Dec 2023 ZWG	As a % of Total
4.4 Sectorial analysis				
Gross advances:				
Private	1 372 059 744	21%	680 464 683	20%
Agriculture	263 462 382	4%	195 369 119	6%
Mining	574 783 004	9%	308 182 525	9%
Manufacturing	263 854 839	4%	106 060 714	3%
Distribution	215 018 942	3%	118 975 321	4%
Construction	66 764 308	1%	34 461 942	1%
Transport	125 959 195	2%	73 812 099	2%
Services	836 269 023	13%	581 587 332	17%
Financial	427 723 556	7%	117 831 707	3%
Communication	5 689 130	0%	282 030	0%
Total gross advances	4 151 584 123	64%	2 217 027 472	66%
Guarantees:				
Manufacturing	318 806 640	5%	63 521 454	2%
Distribution	18 961 898	0%	576 648	0%
Construction	644 963	0%	25 803 564	1%
Transport	357 784	0%	0	0%
Services	11 814 939	0%	4 401 244	0%
Total guarantees	350 586 224	5%	94 302 910	3%
Loan commitments:				
Agriculture	163 636 966	3%	141 984 537	4%
Mining	405 600 744	6%	114 943 303	3%
Manufacturing	170 356 338	3%	69 464 409	2%
Distribution	181 592 784	3%	104 132 289	3%
Construction	7 606 644	0%	36 505 142	1%
Transport	69 986 834	1%	65 463 257	2%
Communication	-	0%	64 086	0%
Services	815 830 316	13%	507 335 053	15%
Financial Services	154 827 968	2%	22 456 858	1%
Total loan commitments	1 969 438 594	30%	1 062 348 934	31%
Total credit exposure	6 471 608 941	100%	3 373 679 316	100%
4.5 Mortgage advances				
Mortgage advances were spread as follows:				
Type of property: -				
High density	2 789 635	1.0%	3 459 730	3%
Medium density	15 210 640	5.7%	52 098 428	42%
Low density	124 265 877	46.6%	28 055 311	23%
Commercial	124 656 780	46.7%	40 299 561	33%
	266 922 932	100%	123 913 030	100%

Gross advances include the following asset finance loans where the bank advances funds to customers to purchase certain equipment for their own use.

4.6 Asset finance loans

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Gross investment in asset finance loans		
Maturing within 1 year	321 512 264	158 155 580
Maturing after 1 year	717 099 198	424 936 889
Gross investment in asset finance loans	1 038 611 462	583 092 469
Unearned finance charges	(589 402 159)	(317 707 981)
Net investment in asset finance loans	449 209 303	265 384 488
Maturing within 1 year	139 434 454	73 850 678
Maturing after 1 year	309 774 849	191 533 810
	449 209 303	265 384 488

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
5 INVESTMENT PROPERTIES		
5.1 Made up as follows:		
Land stock held for capital appreciation and completed properties available for lease:		
-Residential	337 554 314	161 635 402
-Commercial	3 100 748 691	1 793 678 966
-Industrial	104 853 985	50 208 560
Effects of translation to presentation currency	-	(308 908 248)
Balance at end of year	3 543 156 990	1 696 614 680
5.2 Reconciliation of carrying amount		
Carrying amount at beginning of year	1 696 614 680	1 866 599 800
Additions	266 162 811	65 958 324
Disposals	(5 139 061)	(2 550 200)
Fair value adjustment	42 093 868	963 059 798
Reclassified as held for sale	-	(26 456 440)
Effects of translation to presentation currency	1 543 424 692	(1 169 996 602)
Balance at end of year	3 543 156 990	1 696 614 680

6 RIGHT OF USE ASSETS

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Carrying amount at the beginning of the year	42 392 526	31 310 303
Depreciation charge to profit or loss	(2 032 615)	(6 834 076)
Lease modifications	-	26 752 723
Effects of translation to presentation currency	(13 418 294)	(8 836 424)
Carrying amount at end of year	26 941 617	42 392 526

7. PROPERTY AND EQUIPMENT

31 December 2024	Freehold properties ZWG	Leasehold improvements ZWG	Equipment furniture & fittings ZWG	Computer equipment ZWG	Marine assets and motor vehicles ZWG	Capital work in progress ZWG	Total ZWG
Cost or valuation							
Balance at 1 January 2024	559 333 048	182 198 085	215 955 391	300 709 852	99 582 557	7 943 933	1 365 722 866
Additions	-	7 425 645	45 341 916	72 746 912	37 412 007	-	162 926 480
Disposals	-	-	(300 313)	(229 855)	(46 083 703)	-	(46 613 871)
Transfer between categories	-	-	954 953	-	-	(954 953)	-
Surplus on revaluation	31 204 762	1 383	7 045 776	74 416 378	23 837 825	-	136 506 124
Effects of translation to presentation currency	420 952 728	41 765 449	43 777 848	101 137 777	26 821 794	1 802 746	636 258 342
Balance at 31 December 2024	1 011 490 538	231 390 562	312 775 571	548 781 064	141 570 480	8 791 726	2 254 799 941
Accumulated depreciation and impairment							
Balance at 1 January 2024	80 420 617	133 400 646	167 842 254	176 002 720	57 111 749	5 946 034	620 724 020
Recognised in statement of profit or loss	19 093 847	21 114 717	17 679 292	122 555 871	29 490 220	-	209 933 947
Disposals	-	-	(705)	(113 751)	(1 735 363)	-	(1 849 819)
Impairment	9 906 624	-	2 665 630	703 861	42 125	-	13 318 240
Balance at 31 December 2024	109 421 088	154 515 363	188 186 471	299 148 701	84 908 731	5 946 034	842 126 388
Carrying value at 31 December 2024	902 069 450	76 875 199	124 589 100	249 632 363	56 661 749	2 845 692	1 412 673 553
Carrying value at 31 December 2023	478 912 431	48 797 439	48 113 137	124 707 132	42 470 808	1 997 899	744 998 846

31 December 2023	Freehold properties ZWG	Leasehold improvements ZWG	Equipment furniture & fittings ZWG	Computer equipment ZWG	Marine assets and motor vehicles ZWG	Capital work in progress ZWG	Total ZWG
Cost or valuation							
Balance at 1 January 2023	534 182 509	164 452 744	256 706 934	301 665 802	93 287 047	9 640 929	1 359 935 965
Additions	-	21 832 307	12 301 600	17 316 697	14 434 527	12 800 230	78 685 361
Disposals	-	-	(299 840)	(102 821)	(1 398 581)	-	(1 801 242)
Transfer between categories	-	12 775 989	16 730	-	-	(12 792 719)	-
Surplus on revaluation	261 958 863	1 631	13 529 344	96 816 044	32 172 025	-	404 477 907
Effects of translation to presentation to presentation currency	(236 808 324)	(16 864 586)	(66 299 377)	(114 985 870)	(38 912 461)	(1 704 507)	(475 575 125)
Balance at 31 December 2023	559 333 048	182 198 085	215 955 391	300 709 852	99 582 557	7 943 933	1 365 722 866
Accumulated depreciation and impairment							
Balance at 1 January 2023	60 020 310	129 778 518	156 058 666	146 314 947	45 726 106	5 946 034	543 844 581
Recognised in statement of profit or loss	20 400 307	3 613 502	9 201 745	29 265 765	11 780 479	-	74 261 798
Disposals	-	-	(58 335)	(23 670)	(394 836)	-	(476 841)
Impairment	-	8 626	2 640 178	445 678	-	-	3 094 482
Balance at 31 December 2023	80 420 617	133 400 646	167 842 254	176 002 720	57 111 749	5 946 034	620 724 020
Carrying value at 31 December 2023	478 912 431	48 797 439	48 113 137	124 707 132	42 470 808	1 997 899	744 998 846
Carrying value at 31 December 2022	472 180 072	34 685 894	101 759 032	154 225 702	49 203 492	4 037 193	816 091 385

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
8. INTANGIBLE ASSETS		
Computer software		
Carrying amount at beginning of year	23 842 987	29 062 604
Additions at cost	158 774 316	9 942 222
Reversal of cancelled projects	20 909 386	-
Amortisation	(6 571 540)	(1 734 081)
*Impairment	(1 366 932)	(20 779)
Effects of translation to presentation currency	2 733 865	(13 406 979)
Balance at end of year	198 322 082	23 842 987
9 DEPOSITS AND OTHER ACCOUNTS		
9.1 Summary of deposits by type		
Balances of banks	605 537 397	321 279 459
Current accounts	367 542 189	200 673 631
Savings and call accounts	3 815 805 886	1 786 053 998
Fixed deposits	694 117 943	180 243 938
	5 483 003 415	2 488 251 026
9.2 Maturity analysis		
On demand	4 492 865 131	580 392 895
Within 1 month	370 000 888	1 822 076 098
Between 1 and 6 months	417 832 108	85 755 102
Between 6 and 12 months	168 888 831	481
After 12 months	33 416 457	26 450
	5 483 003 415	2 488 251 026

	31 Dec 2024 ZWG	% Contribution	31 Dec 2023 ZWG	% Contribution
9.3 Deposit concentration				
Private individuals	800 654 657	15%	417 739 757	17%
Agriculture	183 052 736	3%	58 385 101	2%
Mining	465 528 169	8%	66 187 793	3%
Manufacturing	144 107 808	3%	47 616 239	2%
Distribution	138 130 042	3%	68 375 185	3%
Construction	121 616 224	2%	67 455 470	3%
Transport	42 289 026	1%	16 130 102	1%
Services	2 153 234 110	39%	1 061 575 475	43%
Financial	1 132 636 618	21%	558 230 229	22%
Communication	301 754 025	6%	126 555 675	5%
	5 483 003 415	100%	2 488 251 026	100%

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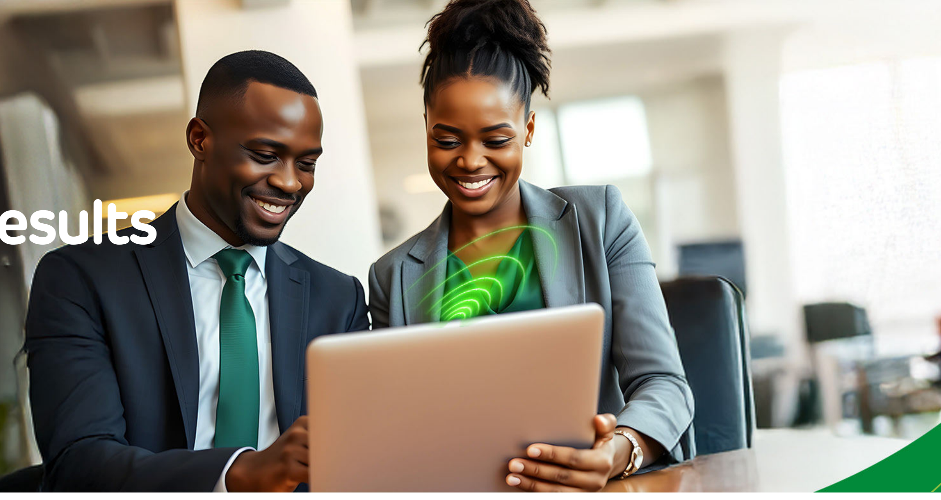

Audited Financial Results for the year ended 31 December 2024

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (Continued)

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
9.4 Secured and unsecured deposits analysis		
Secured deposits	703 645 491	24 882 510
Unsecured deposits	4 779 357 924	2 463 368 516
	5 483 003 415	2 488 251 026

10 INSURANCE AND REINSURANCE CONTRACTS

10.1 Consolidated Life and non-Life insurance assets and liabilities

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Insurance contracts issued		
Insurance contract liabilities	268 691 070	322 458 869
Insurance contract Assets	-	(112 805 955)
Net insurance contracts issued	268 691 070	209 652 914
Reinsurance contracts held	-	-
Reinsurance contracts Liabilities	18 163 212	13 606 449
Reinsurance contracts Assets	(129 088 504)	(124 745 943)
Net reinsurance contract (Assets) / Liabilities held	(110 925 292)	(111 139 494)
11 OFFSHORE BORROWINGS		
Balance at beginning of year	221 920 345	133 062 093
Additions	281 438 182	991 090 218
Interest expense	25 792 694	29 219 086
Capital repayments	(259 278 086)	(1 145 779 655)
Interest expense paid	(25 792 694)	(29 219 086)
Exchange rates movements	-	288 036 347
Effects of inflation adjustments	-	16 894 728
Effects of translation to presentation currency	(9 548 623)	(61 383 386)
Balance at end of year	234 531 818	221 920 345
12 LEASE LIABILITIES		
Balance at the beginning of year	27 481 249	16 292 418
Add finance cost posted to profit or loss	1 778 869	8 087 253
Exchange gains	-	14 226 365
Less lease liabilities paid during the year	(5 974 395)	(16 284 544)
Effects of translating to presentation currency	10 376 836	(7 515 916)
Lease liability modification	-	26 752 723
Effects of inflation adjustments	-	(14 077 050)
Balance at end of year	33 662 559	27 481 249

13 NET INTEREST INCOME

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
13.1 Interest income calculated using the effective interest rate method		
Advances	415 692 361	369 864 502
Mortgages	39 607 566	13 108 237
Overdraft accounts	25 657 148	48 999 783
Financial assets at amortised cost	-	194 043
Treasury bills at FVTPL	82 053 331	34 949 703
Treasury bills at FVTOCI	2 134 299	11 929 614
Cash and short-term funds	3 607 099	5 696 871
Loans to other banks	19 800 077	20 230 068
	588 551 881	504 972 821
Other interest and related income		
Other interest categories	9 749 451	4 297 251
Total interest and related income	598 301 332	509 270 072
13.2 Interest expense calculated using the effective interest rate		
Customer deposits	95 169 251	53 642 852
Finance costs on operating lease liabilities	1 778 869	8 087 253
Offshore borrowings	25 792 694	29 219 086
	122 740 814	90 949 191
Other interest and related expenses		
Other interest payable categories	1 038 336	887 279
Total interest and related expenses	123 779 150	91 836 470
Net interest and related income	474 522 182	417 433 602
13.3 Loan impairments		
Loans and advances	(364 541 114)	(117 408 393)
Other financial assets	208 622 743	22 526
Guarantees	(43 673 261)	95 416
Loan commitments	25 679 306	(32 103 064)
Net recoveries against loans previously written off	69 626 656	23 595 565
	(104 285 670)	(125 797 950)

14. INSURANCE REVENUE AND EXPENSES

14.1 Insurance Service Revenue

	2024 Life Risk ZWG	2024 Life Savings ZWG	2024 Annuities ZWG	2024 Non Life ZWG	2024 Total ZWG	2023 Life Risk ZWG	2023 Life Savings ZWG	2023 Annuities ZWG	2023 Non Life ZWG	2023 Total ZWG
Contracts not measured under the PAA										
Amounts relating to the changes in the LRC										
Expected insurance service expenses incurred in the period	(10 642 581)	1 568 246	132 405	-	(8 941 930)	6 847 096	(547 107)	3 559	-	6 303 548
Change in the risk adjustment for nonfinancial risk	262 538	28 780	(17 810)	-	273 508	(130 790)	(199 671)	(167)	-	(330 628)
Amount of CSM recognised in profit or loss	1 469 844	1 216 160	2 388	-	2 688 392	2 650 733	3 882 226	2 179	-	6 535 138
Amounts relating to recovery of insurance acquisition cashflows	1 537 122	1 250 595	-	-	2 787 717	219 339	251 371	-	-	470 710
Insurance revenue from contracts not measured under the PAA	(7 373 077)	4 063 781	116 983	-	(3 192 313)	9 586 378	3 386 819	5 571	-	12 978 768
Insurance revenue from contracts measured under the PAA	64 666 879	-	-	362 828 649	427 495 528	100 239 242	-	-	328 884 771	429 124 013
Total Insurance revenue	57 293 802	4 063 781	116 983	362 828 649	424 303 215	109 825 620	3 386 819	5 571	328 884 771	442 102 781

14.2 Insurance Service Expenses

	2024 Life Risk ZWG	2024 Life Savings ZWG	2024 Annuities ZWG	2024 Non Life ZWG	2024 Total ZWG	2023 Life Risk ZWG	2023 Life Savings ZWG	2023 Annuities ZWG	2023 Non Life ZWG	2023 Total ZWG
Incurred claims	13 047 086	128 166	-	150 450 675	163 625 927	7 796 301	2 307 848	-	96 372 572	106 476 721
Other directly attributable expenses	47 409 844	4 815 206	29 115	-	52 254 165	75 328 827	1 787 890	126 556	28 339 929	105 583 202
Changes that relate to past service - adjustments to the LIC	6 757 193	-	-	(49 703 820)	(42 946 627)	4 471 477	-	-	122 107 698	126 579 175
Losses and reversal of losses on onerous contracts	8 330 826	21 323 978	30 221	97 515 217	127 200 242	424 076 906	954 175	104 698	-	425 135 779
Amortisation of insurance acquisition cash flows	1 537 122	1 250 595	-	25 469 989	28 257 706	199 451	259 513	-	74 703 454	75 162 418
Total insurance service expenses	77 082 071	27 517 945	59 336	223 732 061	328 391 413	511 872 962	5 309 426	231 254	321 523 653	838 937 295

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (Continued)

14.3 Net Income Or Expenses From Reinsurance Contracts Held

The Group has voluntarily disclosed an analysis of the net expenses from reinsurance contracts held recognised in the period in the table below:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Amounts relating to the changes in the assets for remaining coverage		
Expected claims and other expenses recovery	393 028	445 858
Changes in the risk adjustment recognised for the risk expired	4 556	2 941
CSM recognised for the services received	135 231	1 363 880
Reinsurance Expenses from contracts held not measured under PAA	532 815	1 812 679
Reinsurance Expenses from contracts held measured under PAA - Life	2 465 851	66 095
Reinsurance Expenses from contracts held measured under PAA- Non Life	105 879 528	69 711 687
Allocation of Reinsurance Expenses	108 878 194	71 590 461
Reinsurance Recoveries	(5 696 290)	(127 778 820)
Changes that related to past service - adjustments to incurred claims	(112 128)	(229 227)
Amounts recoverable from reassurers for incurred claims - Non Life	(5 808 418)	(128 008 047)
Net expense / (income) from reinsurance contracts held (note	103 069 776	(56 417 586)

14.4 Net Insurance Financial Results

Insurance finance income / (expenses) from insurance contracts issued

An analysis of investment income and net insurance finance expenses is presented below:

	2024 Insurance related ZWG	2024 Non-insurance ZWG	2024 Total ZWG	2023 Insurance related ZWG	2023 Non-insurance ZWG	2023 Total ZWG
Investment income						
Amounts recognised in profit or loss						
Rental income from investment property	-	2 881 614	2 881 614	-	1 866 071	1 866 071
Other interest income	481 593	-	481 593	834 787	-	834 787
Other dividend income - investments and securities	4 985 943	-	4 985 943	1 863 399	-	1 863 399
Impairment loss on debt instruments at amortisation cost	-	-	-	-	-	-
Net foreign exchange income / (expense)	-	-	-	-	-	-
Total investment income	5 467 536	2 881 614	8 349 150	2 698 186	1 866 071	4 564 257
Interest revenue calculated using effective interest rate	703 187	-	703 187	1 017 054	-	1 017 054
Total amounts recognised in the profit or loss	6 170 723	2 881 614	9 052 337	3 715 240	1 866 071	5 581 311
Insurance finance income / (expenses) from insurance contracts issued						
Interest accreted to insurance contracts using current financial assumptions	(106 889 496)	-	(106 889 496)	201 329 970	-	201 329 970
Interest accreted to insurance contracts using locked in rate	(1 649 898)	-	(1 649 898)	(7 032 649)	-	(7 032 649)
Due to changes in interest rates and other financial assumptions	-	-	-	-	-	-
Change in fair value of underlying assets of contracts measured under VFA	-	-	-	-	-	-
Net foreign exchange income / (expense)	-	-	-	-	-	-
Total insurance finance income / (expenses) from insurance contracts issued	(108 539 394)	-	(108 539 394)	194 297 321	-	194 297 321
Reinsurance finance income / (expenses) from reinsurance contracts held						
Interest accreted to insurance contracts using current financial assumptions	490 740	-	490 740	78 985	-	78 985
Interest accreted to reinsurance contracts using locked in rate	(376 266)	-	(376 266)	-	-	-
Due to changes in interest rates and other financial assumptions other financial assumptions	-	-	-	-	-	-
Changes in non-performance risk of reinsurer	-	-	-	-	-	-
Reinsurance finance income / (expenses) from reinsurance contract held	(114 474)	-	(114 474)	78 985	-	78 985

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
15 COMMISSION AND FEES INCOME		
Commissions and fees		
Digital channels	10 812 587	115 331 568
Insurance underwriting commissions	6 158 123	100 971
Management and service fees	558 563 248	478 854 825
Other commissions	82 023 108	63 909 265
	1 157 775 376	658 196 629
16 OTHER OPERATING INCOME		
Exchange income	1 433 628 753	809 433 381
Dividends from investment Securities	14 062 978	9 655 767
Profit on disposal of investment property	542 106	13 941 403
Profit/(loss) on disposal of property and equipment	-	2 892 292
Rent received	74 474 112	103 439 200
Other	59 887 191	8 950 778
	1 582 595 140	948 312 821
17 OPERATING EXPENSES		
Staff expense	723 968 503	748 605 078
Communication expenses	35 608 595	21 893 031
National Social Security Authority expenses	9 045 355	5 458 627
Pension fund expenses	39 574 891	22 902 242
Marketing expenses	14 647 756	34 744 277
Computers and information technology expenses	232 457 671	158 951 942
Occupation expenses	46 598 392	100 297 404
Transport expenses	30 635 234	14 528 465
Travelling expenses	23 812 864	19 039 810
Security costs	61 158 408	56 045 286
Depreciation of property and equipment	209 933 947	74 261 798
Amortisation of intangible assets	6 571 540	1 734 081
Depreciation of right of use asset	2 032 615	6 834 076
Impairment of property and equipment	13 318 240	3 094 482
Consultancy fees	14 362 292	31 035 657
Consumables and stationery	11 072 342	57 303 308
Bank charges	75 671 984	62 494 096
Impairment of intangible assets	1 366 932	20 779
Administration expenses	146 383 898	168 523 924
Amortisation of valuation discount on long term borrowings	(318 597)	(3 698)
Directors' fees	26 172 856	16 107 200
IMTT expenses	16 801 539	10 564 801
Auditors' remuneration	16 987 110	11 323 421
Loss on disposal of property and equipment	26 986 129	-
	1 784 850 496	1 625 760 087
18 INCOME TAX EXPENSE		
Current income tax	156 953 998	39 148 236
Deferred tax expense / (credit)	(22 819 415)	69 038 586
Current year	(22 819 415)	67 361 300
*Change in tax rate	-	1 677 286
Effects of translation to presentation currency	-	5 874 701
Income tax expense	134 134 583	114 061 523

19 EARNINGS PER SHARE

Basic earnings per share (ZW cents)
The calculation of basic earnings per share for the period ended 31 December 2024 of ZWG730 cents (2023: ZWG643) is based on the profit after tax attributable to the parent of ZWG1,149 billion (2023: ZWG 1,012 billion) and weighted average number of shares of 157 522 902 (2023:157 522 902).

There were no dilutive instruments for the year.

20 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

20.1 Capital risk management

Management of the Group monitors the level of capital adequacy on a continual basis, employing techniques adopted from the guidelines developed by the Basel Committee and contained in the Basel II capital accord as implemented by the supervisory authorities for each of the affected entities. For the life assurance business, regular actuarial reviews are undertaken to establish the solvency of the business.

An Internal Capital Adequacy Assessment Plan (ICAAP) has been developed for Banking operations and defines capital targets which are generally set above regulatory levels, stress test scenarios and risk appetite across different lines of operations.

Management of the Group monitors the level of capital adequacy on a continual basis, employing techniques adopted from international best practice.

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ZB Financial Holdings

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (Continued)

20.2 Financial risk management

The Group maintains active trading positions in a variety of non-derivative financial instruments in anticipation of customer demand. The Group manages its trading activities by the type of risk involved and on the basis of the categories of trading instruments held. Regular feedback on risk related matters is provided to the Board through the Board Governance, Risk and Compliance Committee.

20.2.1 Classification and measurement of financial assets and financial liabilities

The following table shows the carrying amounts and the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

The carrying amount of financial assets and financial liabilities approximate their fair value.

20.2.1 Classification and measurement of financial assets and liabilities

	CARRYING AMOUNT				FAIR VALUE			
31 December 2024	Carried at FVTPL ZWG	Carried at AMCO ZWG	Carried at FVTOCI ZWG	Total ZWG	Level 1 ZWG	Level 2 ZWG	Level 3 ZWG	Total ZWG
Financial assets measured at fair value								
Listed equity securities	453 808 905	-	-	453 808 905	453 808 905	-	-	453 808 905
Unlisted investments	210 778 989	-	-	210 778 989	-	-	210 778 989	210 778 989
Treasury bills	69 750 303	-	809 049 526	878 799 829	-	69 750 303	809 049 526	878 799 829
Financial assets not measured at fair value								
Trade and other receivables	-	442 995 745	-	442 995 745	-	-	-	-
Cash and cash equivalents	-	2 902 848 808	-	2 902 848 808	-	-	-	-
Mortgages and other advances	-	3 988 679 045	-	3 988 679 045	-	-	-	-
Total	734 338 197	7 334 523 598	809 049 526	8 877 911 321	453 808 905	69 750 303	1 019 828 515	1 543 387 723
Financial liabilities								
Deposit and other accounts	-	(5 483 003 415)	-	(5 483 003 415)	-	-	-	-
Trade and other payables	-	(1 231 393 170)	-	(1 231 393 170)	-	-	-	-
Off shore borrowings	-	(234 531 818)	-	(234 531 818)	-	-	-	-
Investment contract liabilities	(175 413 650)	-	-	(175 413 650)	-	-	-	-
Total	(175 413 650)	(6 948 928 403)	-	(7 124 342 053)	-	-	-	-

	CARRYING AMOUNT				FAIR VALUE			
31 December 2023	Carried at FVTPL ZWG	Carried at AMCO ZWG	Carried at FVTOCI ZWG	Total ZWG	Level 1 ZWG	Level 2 ZWG	Level 3 ZWG	Total ZWG
Financial assets measured at fair value								
Listed equity securities	115 128 017	-	-	115 128 017	115 128 017	-	-	115 128 017
Unlisted investments	174 874 546	-	-	174 874 546	-	-	174 874 546	174 874 546
Treasury bills	15 304 723	-	314 764 909	330 069 632	-	15 304 723	314 764 909	330 069 632
Financial assets not measured at fair value	305 307 286	-	314 764 909	620 072 195	115 128 017	15 304 723	489 639 455	620 072 195
Trade and other receivables	-	253 097 842	-	253 097 842	-	-	-	-
Cash and cash equivalents	-	1 036 478 989	-	1 036 478 989	-	-	-	-
Treasury bills	-	87 555	-	87 555	-	-	-	-
Mortgages and other advances	-	2 104 055 481	-	2 104 055 481	-	-	-	-
Total	305 307 286	3 393 719 867	314 764 909	4 013 792 062	-	-	-	-
Financial liabilities								
Deposit and other accounts	-	(2 488 251 026)	-	(2 488 251 026)	-	-	-	-
Trade and other payables	-	(759 347 768)	-	(759 347 774)	-	-	-	-
Off shore borrowings	-	(221 920 345)	-	(221 920 345)	-	-	-	-
Long term borrowings	-	(41 509)	-	(41 509)	-	-	-	-
Investment contract liabilities	(96 481 038)	-	-	(96 481 038)	-	-	-	-
Total	(96 481 038)	(3 469 560 648)	-	(3 566 041 692)	-	-	-	-

20.2.2 Valuation techniques for securities held at fair value

20.2.2.1 Level 1 valuation

Listed equity investments are valued in relation to prices ruling at the stock market at which the stock is listed at the close of business on 31 December 2024.

2.2.2.2 Level 2 valuation

These investments are valued using inputs other than quoted prices which are observable for the asset. Treasury bills are valued by discounting cash flows using the market rate for similar instruments as the discounting rate.

20.2.2.3 Level 3 valuation

Unlisted investments were valued at net asset value, dividend growth model and price earnings multiple techniques. In applying this method judgement was used.

The following factors are relevant in understanding the level 2 and level 3 fair value measurement basis :

Type	Valuation technique	Significant unobservable inputs
Equity Security	Net Asset Value (Level 3): The valuation model determines the fair value of investment securities with reference to the net asset value, which was determined by the directors as a proxy valuation method. NAV valuation method was used where investees are largely property holdings, insurance and investment entities.	The fair values of investment securities are based on net asset values which make use of the net movements in the assets and liabilities of investee entities.
	Discounted Cash Flow Method (Level 3): The method uses the past financial information to predict the future cashflows which are then discounted using the weighted cost of capital. Despite several practical challenges in applying the discounted free cash flow ("DCF") method, such as but not restricted to; • challenges in anticipating the right inouts for the model, • dependence on several assumptions and the subjectivity of some of them.	Risk Discounting rate. December 2024: Average rates of 20%- 38% (December 2023: Average rates of 20%-40%) A 5% increase in the risk discounting rate will result in a decrease in profit or loss of ZWG90.8million (2023: ZWG22.9 million), while a 5% decrease in the risk discounting rate will result in an increase in profit or loss of ZWG90.8 million (2023: ZWG22.9 million). Sustainable growth rate as at 31 December 2024 was 9.7%: (December 2023: 9.7%). A 2% increase in the sustainable growth rate will result in an increase in profit or loss of ZWG36.3 million (2023: ZWG9.2 million), while a 2% decrease in the sustainable growth rate will result in a decrease in profit or loss of ZWG36.3 million (2023: ZWG9.2 million). Terminal value based on market exit EBITDA multiple December 2024: 2.93X (December 2023: 2.93X) A 10% increase in terminal value will result in a decrease in profit or loss of ZWG181.7 million (2023: ZWG45.8 million), while a 10% decrease in terminal value will result in an increase in profit or loss of ZWG181.7 million (2023: ZWG45.8 million).
	Price earnings multiple (Level 3): The price earnings multiple was considered suitable for valuation of Zimswitch as it is among the most generally used valuation methods when valuing a company's business. The application of the P/E method is affected mostly by the use of historical earnings ("trailings earnings") Although employing forward earnings is an option, the calculation of such earnings is arbitrary. This is especially problematic for Zimswitch's valuation because the macroeconomic environment in which the valuation is being done is volatile and characterized by hyperinflationary conditions, which means that the company's past earnings may not be indicative of its future earnings. The market approach as prescibed by IFRS 13 - Fair valuation requires the identification of a similar or identical quoted assets with similar risk profiles	Adjusted market price earnings multiple. Price earnings ratio December 2024: 5.7X-8.9X; (December 2023: 5.9X-8.8X) A 20% increase in price earnings ratio will result in an increase in profit or loss of ZWG363.3 million (2023: ZWG91.6 million), while a 20% decrease in price earnings ratio will result in a decrease in profit or loss of ZWG363.3 million (2023: ZWG91.6 million).
	EBITDA (Level 3): It measures the total value of a company, including its debt and equity, relative to its financial performance. In order to avoid complicated accounting changes, it requires easily accessible financial data in the form of proxy multiples and a company's EBITDA figures.	EBITDA multiple. December 2024: 4.84X-7.58X (December 2023: 4.84X-17.72X) A 50% increase in EBITDA will result in increase in profit or loss of ZWG937.6 million (2023: ZWG222.7 million), while a 20% decrease in EBITDA will result in a decrease in profit or loss of ZWG937.6 million (2023: ZWG222.7 million).
Equity Security (continued)	Enterprise value Value/Sales valuation method (EV/Sales Valuation Method) (Level 3): This method calculates the enterprise value (EV) by dividing the ompany's market capitalization by its annual sales revenue. It provides a good valuationbased on its revenue performance	Value/Sales Adjusted EV/Sales Multiple December 2024:3.1X -8.7X (December 2023: 3.13X - 15.96X) A 5% increase in adjusted EV/Sales Multiple will result in an increase in profit or loss of ZWG90.8million (2023: ZW22.9 million). While a 5% decrease in adjusted EV/Sales Multiple will result in a decrease in profit or loss of ZWG90.8 million (2023 ZWG22.9 million).
Treasury bills	Discounted cashflow valuation technique (Level 2): The Group uses the discounted cashflow valuation technique by applying a risk discounted rate for comparable risk profiles and applying this on the contractual cash flows to determine the present value of the treasury bills.	The fair values of treasury bills are based on discounted cashflow valuation technique which make use of discount rate which takes into account the US Libor Rate of adjusted for country risk. Adjusted discount rate - (December 2024: Average rates of 0%- 9% (December 2023: Average rates of 0%-9%) A 2% increase in adjusted discount rate will result in the reported other comprehensive income increasing by ZWG51.3 million (2023: ZWG8.6 million) and the value of the treasury bills increasing by ZWG21.4 million (2023: ZWG19.2 million) A 2% decrease in adjusted discount rate will result in the reported other comprehensive income decreasing by ZWG51.3 million (2023: ZWG8.6 million) and the value of the treasury bills decreasing by ZWG21.4 million (2023: ZWG19.2 million).

20.2.2.3 Level 3 valuation (continued)

Level 3 recurring fair values

A reconciliation from the opening balances to the closing balances for level 3 fair values is shown below:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Balance at beginning of year	174 874 546	479 862 548
Fair value adjustments	34 567 393	(200 833 301)
*Additions	125 068 233	109 587 398
*Disposals	(123 380 642)	(63 985 043)
Effects of translation to presentation currency	(350 541)	(149 757 056)
Balance at the end of year	210 778 989	174 874 546

20.2.3.1 Liquidity risk

Definition

The Group considers two types of liquidity risk, funding liquidity risk and market liquidity risk. Funding liquidity risk is the risk that the Group is unable to meet its payment obligations as they fall due. These payment obligations could emanate from depositor withdrawals, the inability to roll over maturing debt or meet contractual commitments to lend. Market liquidity risk is the risk that the Group will be unable to sell assets, without incurring an unacceptable loss, in order to generate cash required to meet payment obligations under a stress liquidity event.

Through the robust Liquidity Risk Management Framework, the Group manages the funding and market liquidity risk to ensure that the Group's operations continue uninterrupted under normal and stressed conditions. The key objectives that underpin the Liquidity Risk Management Framework include maintaining financial market confidence at all times, protecting key stakeholder interests and meeting regulatory requirements.

Identification techniques

This risk is identified through the analyses of contractual maturity mismatch between assets and liabilities and stress testing.

Measurement methods

Liquidity risk is measured using the gap analysis techniques and the term structure of assets and liabilities.

The Group uses liquidity management tools such as the liquidity ratio, maturity gap analysis behavioural), daily cash flow summary & forecasting and stress testing to measure liquidity risk.

Liquidity gap analysis as at 31 December 2024

The tables below set out the remaining contractual maturities of the Group's financial assets and financial liabilities.

	Up to 1 month ZWG	2 to 6 months ZWG	7 to 12 months ZWG	Above 12 months ZWG	Gross nominal inflow/ (outflow) ZWG	Carrying amount ZWG
FINANCIAL ASSETS BY TYPE:						
Cash and cash equivalents	2 710 749 018	6 974 617	185 125 173	-	2 902 848 808	2 902 848 808
Trade and other receivables	158 480 407	110 748 936	-	-	269 229 343	269 229 343
Treasury bills	91 581 141	277 390 756	298 860 381	211 256 395	879 088 673	878 799 829
Mortgages and other advances	619 443 315	458 386 014	759 248 455	2 413 218 215	4 250 295 999	3 988 679 045
Financial assets classified at fair value through profit or loss	-	-	-	668 559 857	668 559 857	668 559 857
Financial assets held at amortised cost	-	-	-	99 644 125	99 644 125	83 650 095
Total	3 580 253 881	853 500 323	1 243 234 009	3 392 678 592	9 069 666 805	8 791 766 977
FINANCIAL LIABILITIES BY TYPE						
Deposits and other account	(4 787 678 674)	(483 681 776)	(168 876 970)	(38 480 337)	(5 478 717 757)	(5 483 003 415)
Trade and other payables	(1 231 393 169)	(357 713 653)	(47 860 049)	(79 311 361)	(1 716 278 233)	(1 231 393 170)
Offshore borrowings	-	(234 531 818)	-	-	(234 531 818)	(234 531 818)
Lease liabilities	(561 043)	(2 805 213)	(3 366 256)	(28 708 916)	(35 441 428)	(33 662 559)
Loan commitments	(69 832 178)	(118 631 591)	(450 801 915)	(1 330 172 910)	(1 969 438 594)	(2 770 097 084)
Guarantees	(3 895 574)	-	-	-	(3 895 574)	-
Investment contract liabilities	(35 082 730)	-	-	(140 330 920)	(175 413 650)	(175 413 650)
	(6 128 443 368)	(1 197 364 051)	(670 905 190)	(1 617 004 443)	(9 613 717 053)	(9 928 101 695)
Period gap	(2 548 189 488)	(343 863 728)	572 328 819	1 775 674 149	(544 050 248)	(1 136 334 719)
Cumulative gap	(2 548 189 488)	(2 892 053 215)	(2 319 724 396)	(544 050 248)	-	-

Liquidity gap analysis as at 31 December 2023

The tables below set out the remaining contractual maturities of the Group's financial assets and financial liabilities.

	Up to 1 month ZWG	2 to 6 months ZWG	7 to 12 months ZWG	Above 12 months ZWG	Gross nominal inflow/ (outflow) ZWG	Carrying amount ZWG
FINANCIAL ASSETS BY TYPE:						
Cash and cash equivalents	817 794 484	84 958 810	133 725 696	-	1 036 478 990	1 036 478 989
Trade and other receivables	167 839 886	173 166 968	-	-	341 006 854	341 006 854
Treasury bills	14 399 688	9 848 490	-	311 461 921	335 710 099	330 157 187
Mortgages and other advances	304 531 544	388 244 289	339 936 205	2 096 471 439	3 129 183 477	2 104 055 481
Financial assets held at fair value through profit or loss	-	17 725 453	-	291 597 446	309 322 899	309 322 895
Financial assets held at amortised cost	-	8 723 302	-	26 842 256	35 565 558	35 105 924
	1 304 565 602	682 667 312	473 661 901	2 726 373 062	5 187 267 877	4 156 127 330
FINANCIAL LIABILITIES BY TYPE						
Deposits and other accounts	(2 450 561 140)	(141 041 602)	(499)	(27 994)	(2 591 631 235)	(2 488 251 026)
Trade and other payables	(543 583 024)	(74 273 832)	(141 490 918)	-	(759 347 774)	(759 347 774)
Long term loan	-	-	-	(44 431)	(44 431)	-
Offshore borrowings	-	(227 436 703)	-	-	(227 436 703)	(221 920 345)
Lease liabilities	(458 021)	(2 290 104)	(2 748 125)	(30 072 252)	(35 568 502)	(27 481 249)
Loan commitments	(14 062 370)	(131 860 441)	(229 685 905)	(686 740 218)	(1 062 348 934)	(1 062 348 934)
Guarantees	(8 885 322)	(64 835 914)	(20 581 674)	-	(94 302 910)	(94 302 910)
Investment contracts liabilities	(19 296 208)	-	(77 184 833)	-	(96 481 041)	(96 481 041)
	(3 036 846 085)	(641 738 596)	(471 691 954)	(716 884 895)	(4 867 161 530)	(4 750 133 279)
Period gap	(1 732 280 483)	40 928 716	1 969 947	2 009 488 167	320 106 347	(594 005 949)
Cumulative gap	(1 732 280 483)	(1 691 351 767)	(1 689 381 820)	320 106 347	-	-

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Liquidity ratios		
Total liquid assets	3 781 648 637	1 366 636 176
Total liabilities to the public	5 483 003 415	2 488 251 026
Liquidity ratio	69%	55%
Average for the year	48%	64%
Maximum for the year	57%	85%
Minimum for the year	38%	48%
Minimum statutory liquidity ratio	30%	30%

Regulated banking operations, ZB Bank Limited and ZB Building Society reported liquidity ratios that were above the minimum regulated ratios as follows:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
ZB Bank Limited	66%	51%
ZB Building Society	87%	59%

20.2.3.2 Market risk

Market risk is the risk of losses in on- and off-balance sheet positions arising from movements in market prices. The Group is exposed to market risk through holding interest rate, foreign exchange rate and stock price sensitive positions. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

20.2.3.2.1 Interest rate risk

Interest rate gap analysis as at 31 December 2024

	Up to 1 month ZWG	2 to 6 months ZWG	7 to 12 months ZWG	Above 12 months ZWG	Carrying amount ZWG
FINANCIAL ASSETS BY TYPE:					
Cash and cash equivalents	2 902 848 808	-	-	-	2 902 848 808
Treasury bills	91 581 141	277 390 756	298 860 381	210 967 551	878 799 829
Advances and other accounts	623 841 430	457 253 408	755 924 418	2 151 659 789	3 988 679 045
Financial assets held at fair value through profit or loss	-	-	-	668 559 857	668 559 857
Financial assets held at amortised cost	-	-	-	83 650 095	83 650 095
	3 618 271 379	734 644 164	1 054 784 799	3 114 837 292	8 522 537 634
FINANCIAL LIABILITIES BY TYPE					
Deposits and other accounts	(4 787 678 674)	(483 681 776)	(168 876 970)	(42 765 995)	(5 483 003 415)
Offshore borrowings	-	(234 531 818)	-	-	(234 531 818)
	(4 787 678 674)	(718 213 594)	(168 876 970)	(42 765 995)	(5 717 535 233)
Period gap	(1 169 407 295)	16 430 570	885 907 829	3 072 071 297	2 805 002 401
Cumulative gap	(1 169 407 295)	(1 152 976 725)	(267 068 896)	2 805 002 401	-

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20.2.3.2.1 Interest rate risk (continued)

Interest rate gap analysis as at 31 December 2023

	Up to 1 month ZWG	2 to 6 months ZWG	7 to 12 months ZWG	Above 12 months ZWG	Carrying amount ZWG
FINANCIAL ASSETS BY TYPE:					
Cash and cash equivalents	1 036 478 989	-	-	-	1 036 478 989
Treasury bills	14 376 169	962 386	-	314 818 631	330 157 187
Advances and other accounts	302 972 404	364 302 905	285 345 381	1 151 434 790	2 104 055 481
Financial assets held at fair value through profit or loss	-	-	-	309 322 895	309 322 895
Financial assets held at amortised cost	-	-	-	35 105 924	35 105 924
	1 353 827 562	365 265 292	285 345 381	1 810 682 241	3 815 120 475
FINANCIAL LIABILITIES BY TYPE					
Deposits and other accounts	(2 444 368 325)	(139 314 054)	-	95 431 353	(2 488 251 026)
Long term borrowing	-	-	-	(41 509)	(41 509)
Offshore borrowings	-	(221 920 345)	-	-	(221 920 345)
	(2 444 368 325)	(361 234 399)	-	95 389 844	(2 710 212 880)
Period gap	(1 090 540 763)	4 030 893	285 345 381	1 906 072 085	1 104 907 596
Cumulative gap	(1 090 540 763)	(1 086 509 870)	(801 164 489)	1 104 907 596	-

Sensitivity analysis

A 10% change in the interest rate sensitivity assets would result in the reported profit/ loss and equity increasing or decreasing by ZWG 1,084 billion (December 2023: ZWG 0,287 billion).

A 10% change in the interest rate sensitive liabilities would result in the reported profit/ loss and equity increasing or decreasing by ZWG 1,687 billion (December 2023: ZWG 0,204 billion).

20.2.3.3 Foreign exchange risk

Foreign currency position

The carrying amount of the Group's foreign denominated monetary assets and liabilities as at 31 December 2024 were as follows:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Botswana pula	69 607 502	46 605 517
British pound	427 352 399	253 251 517
Euro	2 394 877 866	1 031 992 531
South African rand	3 588 058 416	1 332 321 246
ZWG	13 399 261 204	-
USD	-	7 459 658 567
Total assets	19 879 157 387	10 123 829 378
Botswana pula	(220 985 433)	(42 652 692)
British pound	-	(229 210 886)
Euro	(1 851 669 706)	(1 003 828 514)
South African rand	-	(1 296 713 007)
ZWG	(36 453 895)	-
USD	-	(2 585 559 342)
Total liabilities	(2 109 109 034)	(5 157 964 441)
Net position	17 770 048 353	4 965 864 937

The Group's main exposure to foreign currency risk arises from the commitments for licence and support fees for information technology platforms that were sourced from foreign suppliers.

Sensitivity analysis

A 5% increase in exchange rates would result in the reported profit being reduced or increased by ZWG668 million (2023: ZWG96 million) and equity being reduced or increased by ZWG888 million (2023: ZWG129 million).

A 10% increase in exchange rates would result in the reported profit being reduced or increased by ZWG1.3 billion (2023: ZWG0.374 billion) and equity being reduced or increased by ZWG1.78 billion (2023: ZWG0.496 billion).

20.2.4 Credit risk

The table below shows the credit quality and the maximum exposure for credit risk based on the Group internal credit rating system and period-end stage classification.

	December 2024				December 2023			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
Total loans and advances	3 672 194 013	337 308 789	142 081 321	4 151 584 123	2 071 942 231	110 590 711	34 494 530	2 217 027 472
Guarantees	350 586 224	-	-	350 586 224	94 302 910	-	-	94 302 910
Loan commitments	1 969 438 594	-	-	1 969 438 594	1 062 348 934	-	-	1 062 348 934
Letterof credit	-	-	-		-	-		
Treasury bills	-	878 799 829	-	878 799 829	330 157 187	-	-	330 157 187
Other financial assets	-	-	-	-	-	-	-	-
Insurance debtors			-	-	-	-		
Total financial assets	5 992 218 831	1 216 108 618	142 081 321	7 350 408 770	3 558 751 262	110 590 711	34 494 530	3 703 836 503
Total loans and advances								
Good (AAAto-A-)	3 671 781 648	2 934 277	3 976 640	3 678 692 565	2 071 706 258	1 915 872	189 384	2 073 811 514
Special Mention (BB+ to CCC-)	412 365	334 374 512	261 350	335 048 227	235 973	108 674 839	7 409	108 918 221
Non performing (CC TO D)	-	-	137 843 331	137 843 331	-	-	34 297 737	34 297 737
Total loans and advances	3 672 194 013	337 308 789	142 081 321	4 151 584 123	2 071 942 231	110 590 711	34 494 530	2 217 027 472
Corporate Lending								
Good (AAAto-A-)	2 349 673 392	-	-	2 349 673 392	1 398 094 510	-	-	1 398 094 510
Special Mention (BB+ to CCC-)	-	274 055 762	-	274 055 762	-	77 593 026	-	77 593 026
Non performing (CC TO D)	-	-	72 081 205	72 081 205	-	-	18 683 557	18 683 557
Total corporate lending	2 349 673 392	274 055 762	72 081 205	2 695 810 359	1 398 094 510	77 593 026	18 683 557	1 494 371 093
Small business lending								
Good (AAAto-BBB-)	149 054 398	1 473 735	1 999 703	152 527 836	61 792 521	3 590	5 138	61 801 249
Special Mention (BB+toCCC-)	208 492	3 758 847	130 675	4 098 014	-	7 996 951	-	7 996 951
Non performing (CCTOD)	-	-	11 796 334	11 796 334	-	-	3 368 980	3 368 980
Total small business Lending	149 262 890	5 232 582	13 926 712	168 422 184	61 792 521	8 000 541	3 374 118	73 167 180
Consumer Lending								
Good (AAAto-BBB-)	918 823 345	1 460 542	1 976 937	922 260 824	500 942 441	1 912 283	184 243	503 038 967
Special Mention (BB+toCCC-)	203 873	49 509 294	130 675	49 843 842	235 973	15 115 875	7 409	15 359 257
Non performing(CCTOD)	-	-	48 323 982	48 323 982	-	-	7 177 946	7 177 946
Total consumer lending	919 027 218	50 969 836	50 431 594	1 020 428 648	501 178 414	17 028 158	7 369 598	525 576 170
Mortgage lending								
Good(AAAto-BBB-)	254 230 513	-	-	254 230 513	110 876 787	-	2	110 876 789
Special Mention (BB+toCCC-)	-	7 050 609	-	7 050 609	-	7 968 987	-	7 968 987
Non performing(CCTOD)	-	-	5 641 810	5 641 810	-	-	5 067 254	5 067 254
Total Mortgage Lending	254 230 513	7 050 609	5 641 810	266 922 932	110 876 787	7 968 987	5 067 256	123 913 030
Guarantees								
Good (AAAto-BBB-)	350 586 224	-	-	350 586 224	94 302 910	-	-	94 302 910
Special Mention (BB+toCCC-)	-	-	-	-	-	-	-	-
Non performing(CCTOD)	-	-	-	-	-	-	-	-
Total guarantees	350 586 224	-	-	350 586 224	94 302 910	-	-	94 302 910
Loan commitments								
Good(AAAto-BBB-)	1 969 438 594	-	-	1 969 438 594	1 062 348 934	-	-	1 062 348 934
Special Mention (BB+toCCC-)	-	-	-	-	-	-	-	-
Non performing (CCTOD)	-	-	-	-	-	-	-	-
Total loan commitments	1 969 438 594	-	-	1 969 438 594	1 062 348 934	-	-	1 062 348 934

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20.2.4 Credit risk (continued)

An analysis of changes in the ECLs in relation to loans and advances are as follows:

	December 2024				December 2023			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
Total loans and advances	132 891 377	12 616 099	17 397 602	162 905 078	98 338 532	6 865 092	7 768 367	112 971 991
Treasurybills	-	-	-	-	-	-	-	
Total impairment allowances	132 891 377	12 616 099	17 397 602	162 905 078	98 338 532	6 865 092	7 768 367	112 971 991
In respect of guarantees	44 781 160	-	-	44 781 160	698 221	-	-	698 221
In respect of loan commitments	34 450 239	-	-	34 450 239	31 492 719	-	-	31 492 719
Total impairment allowances	212 122 776	221 238 842	17 397 602	450 759 220	130 529 472	6 865 092	7 768 367	145 162 931

Treasury bills were assessed for impairment at 31 December 2024 and were considered to have had a significant increase in credit risk. The related IFRS 9 impairment charge was raised.

	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
Total loans and advances								
Good (AAA to- BBB-)	132 876 751	72 396	1 161 691	134 110 838	98 323 321	376 860	65 462	98 765 643
Special Mention (BB+ to CCC-)	14 626	12 543 703	77 428	12 635 757	15 211	6 488 232	3 792	6 507 235
Non performing (CC TO D)		16 158 483	16 158 483	-	-	7 699 113	7 699 113	
	132 891 377	12 616 099	17 397 602	162 905 078	98 338 532	6 865 092	7 768 367	112 971 991
Impairment allowance for loans and advances by lending category:								
Corporate Lending								
Good (AAA to- BBB-)	102 558 358	-	-	102 558 358	68 839 408	-	-	68 839 408
Special Mention (BB+ to CCC-)	-	8 962 488	-	8 962 488	-	2 323 100	-	2 323 100
Non performing (CC TO D)	-	-	7 361 504	7 361 504	-	-	5 029 880	5 029 880
Impairment allowance for corporate lending	102 558 358	8 962 488	7 361 504	118 882 350	68 839 408	2 323 100	5 029 880	76 192 388
Small business Lending								
Good(AAAto-BBB-)	2 072 256	2 398	15 559	2 090 213	2 547 234	2 238	4 374	2 553 846
Special Mention (BB+toCCC-)	889	64 752	-	65 641	-	151 239	-	151 239
Non performing (CCTOD)	-	-	6 006 488	6 006 488	-	-	227 074	227 074
Impairment allowance for small business lending	2 073 145	67 150	6 022 047	8 162 342	2 547 234	153 477	231 448	2 932 159
Consumer Lending								
Good (AAAto-BBB-)	17 340 461	69 998	1 146 132	18 556 591	26 863 273	374 622	61 088	27 298 983
Special Mention (BB+toCCC-)	13 695	3 272 983	77 428	3 364 106	15 211	4 013 892	3 792	4 032 895
Non performing(CCTOD)	-	-	1 664 642	1 664 642	-	-	2 437 331	2 437 331
Impairment allowance for consumer lending	17 354 156	3 342 981	2 888 202	23 585 339	26 878 484	4 388 514	2 502 211	33 769 209
Mortgage Lending								
Good (AAAto-BBB-)	10 905 676	-	-	10 905 676	73 412	-	-	73 412
Special Mention (BB+toCCC-)	42	243 480	-	243 522	-	-	-	-
Non performing (CCTOD)	-	-	1 125 849	1 125 849	-	-	4 828	4 828
Impairment allowance for mortgage lending	10 905 718	243 480	1 125 849	12 275 047	73 412	-	4 828	78 240
Impairment allowances on guarantees and loanc ommitments								
Guarantees								
Good (AAAto-BBB-)	44 781 160	-	-	44 781 160	698 221	-	-	698 221
Special Mention (BB+toCCC-)	-	-	-	-	-	-	-	-
Non performing (CCTOD)	-	-	-	-	-	-	-	-
Impairment allowances for guarantees	44 781 160	-	-	44 781 160	698 221	-	-	698 221
Loan commitments								
Good (AAAto-BBB-)	34 450 239	-	-	34 450 239	31 492 719	-	-	31 492 719
Special Mention (BB+toCCC-)	-	-	-	-	-	-	-	-
Non performing(CCTOD)	-	-	-	-	-	-	-	-
Impairment allowances for loan commitments	34 450 239	-	-	34 450 239	31 492 719	-	-	31 492 719
Other financial assets								
Treasury bills	-	-	-	-	-	-	-	-
Non performing (CC TO D)	-	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-	
Good (AAA to BBB-)	-	208 622 743	-	208 622 743	-	-	-	-
Impairment allowances for other financial assets	-	208 622 743	-	208 622 743	-	-	-	-

An analysis of changes in the gross carrying amount are as follows:

	December 2024				December 2023			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
Total loans and advances	3 672 194 013	337 308 789	142 081 321	4 151 584 123	2 071 942 231	110 590 711	34 494 529	2 217 027 471
Guarantees	350 586 224	-	-	350 586 224	94 302 910	-	-	94 302 910
Loan commitments	1 969 438 594	-	-	1 969 438 594	1 062 348 934	-	-	1 062 348 934
Treasury bills	-	878 799 829	-	878 799 829	330 157 187	-	-	330 157 187
Total financial assets	5 992 218 831	1 216 108 618	142 081 321	7 350 408 770	3 558 751 262	110 590 711	34 494 529	3 703 836 503
Balance at beginning of year	3 558 751 262	110 590 711	34 494 530	3 703 836 503	1 764 191 778	34 469 852	4 652 005	1 803 313 635
Effects of inflation adjustments	-	-	-	-	(3 757 094 909)	(107 677 647)	(33 817 206)	(3 898 589 762)
Effects of translation to presentation currency	3 100 996 102	26 256 270	8 430 933	3 135 683 305	(813 846 111)	(15 901 422)	(2 146 033)	(831 893 566)
New Assets	1 373 728 143	349 924 596	7 795 191	1 731 447 930	6 613 999 127	202 282 275	68 812 567	6 885 093 969
Repayments	(1 197 047 676)	(19 379 649)	(4 131 643)	(1 220 558 968)	(240 595 110)	(4 764 832)	(548 884)	(245 908 826)
Stage 1 movements	(844 209 000)	754 629 526	89 579 474	-	(7 903 513)	2 333 983	5 569 530	-
Stage 2 movements	-	(5 912 836)	5 912 836	-	-	(151 498)	151 498	-
Amounts written off	-	-	-	-	-	-	(8 178 947)	(8 178 947)
Balance at the of the end year	5 992 218 831	1 216 108 618	142 081 321	7 350 408 770	3 558 751 262	110 590 711	34 494 529	3 703 836 503

All amounts written off are still subject to collection and enforcement activities.

Impairment allowance on total financial assets

	December 2024				December 2023			
	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG	STAGE1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	TOTAL ZWG
Total loans and advances	132 891 377	12 616 099	17 397 602	162 905 078	98 338 537	6 865 092	7 768 367	112 971 996
Treasury bills	-	-	-	-	-	-	-	-
Total Loans and other advances	132 891 377	12 616 099	17 397 602	162 905 078	98 338 537	6 865 092	7 768 367	112 971 996
In respect of guarantees	44 781 160	-	-	44 781 160	698 221	-	-	698 221
In respect of Loan commitments	34 450 239	-	-	34 450 239	31 492 714	-	-	31 492 714
Total impairment allowances	212 122 776	221 238 842	17 397 602	450 759 220	130 529 472	6 865 092	7 768 367	145 162 931
Balance at the beginning of the year	130 529 472	6 865 092	7 768 367	145 162 931	80 450 089	80 450 089	80 450 089	241 350 267
Effects of inflation adjustments	-	-	-	-	(140 171 310)	(8 561 213)	(7 275 490)	(156 008 013)
Effects of translation to presentation currency	43 782 852	40 067 263	11 283 034	95 133 149	(37 112 746)	(76 223 555)	(79 620 329)	(192 956 630)
New assets	107 334 119	160 269 058	45 132 156	312 735 333	242 452 010	12 692 053	13 978 595	269 122 658
Repayments	(25 089 095)	(681 913)	(76 501 185)	(102 272 193)	(14 809 676)	(1 352 706)	(177 390)	(16 339 772)
Stage 1 movements	(44 434 572)	18 071 239	26 363 333	-	(278 895)	(111 734)	390 629	-
Stage 2 movements	-	(3 351 897)	3 351 897	-	-	(27 842)	27 842	-
Amounts written off	-	-	-	-	-	-	(5 579)	(5 579)
Balance at year end	212 122 776	221 238 842	17 397 602	450 759 220	130 529 472	6 865 092	7 768 367	145 162 931

*All new assets are initially categorized in stage 1. They are subsequently transferred to stage 2 or 3 as appropriate, as a result of significant increase in credit risk.

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
ECL Movement		
Analysis of ECL on loans and advances		
Balance at beginning of year	112 971 991	82 942 647
Increase in ECL for the year	434 167 771	141 003 959
Write offs against provision net of recoveries	(69 626 656)	(23 595 565)
Effects of inflation movement	-	(49 116 452)
Effects of translation to presentation currency	(314 608 027)	(38 262 598)
Balance at end of year	162 905 078	112 971 991
Analysis of ECL on guarantees and letters of credit guarantees		
Balance at beginning of year	698 221	6 245 245
ECL for current period	43 673 261	(95 416)
Effects of inflation movements	-	(2 570 553)
Effects of translation to presentation currency	409 678	(2 881 055)
Balance at end of year	44 781 160	698 221
Analysis of ECL on loan commitments		
Balance at beginning of year	31 492 719	517 921
Increase in ECL for the year	25 679 306	32 103 063
Effects of inflation movement	-	12 399 573
Effects of translation to presentation currency	(22 721 786)	(13 527 838)
Balance at end of year	34 450 239	31 492 719
Analysis of ECL on other financial assets		
Balance at beginning of year	-	130 624
Decrease in ECL for the year	(208 622 743)	(22 526)
Effects of inflation movements	-	(47 838)
Effects of translation to presentation currency	-	(60 260)
Balance at end of year	(208 622 743)	-

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20.2.5 Insurance Risk

2024	FCF as at 31 December 2024 ZWG	CSM as at 31 December 2024 ZWG	Impact on FCF ZWG	Impact on CSM ZWG	Remaining CSM ZWG	Impact on Profit before tax ZWG	Impact on Equity ZWG
Life Risk							
Insurance Contract Liabilities as at 31 December 2024							
Insurance Contract Liabilities	1 267 071 040	4 918 982					
Reinsurance Contract Assets	1 308 434	166 632					
Net Insurance Contract Liabilities							
Mortality/Morbidity rate - 5% increase							
Insurance Contract Liabilities			12 670 710	49 190	4 968 172	12 719 900	9 444 526
Reinsurance Contract Assets			13 084	1 666	168 299	14 751	10 952
Net Insurance Contract Liabilities			12 683 795	50 856	5 136 470	12 734 651	9 455 478
Mortality/Morbidity rate - 5% decrease							
Insurance Contract Liabilities			(12 670 710)	(49 190)	4 869 792	(12 719 900)	(9 444 526)
Reinsurance Contract Assets			(13 084)	(1 666)	164 966	(14 751)	(10 952)
Net Insurance Contract Liabilities			(12 683 795)	(50 856)	5 034 758	(12 734 651)	(9 455 478)
Lapse/surrender rates - 5% increase							
Insurance Contract Liabilities			63 353 552	245 949	5 164 931	63 599 501	47 222 630
Reinsurance Contract Assets			65 422	8 332	174 964	73 753	54 762
Net Insurance Contract Liabilities			63 418 974	254 281	5 339 895	63 673 254	47 277 391
Lapse/surrender rates - 5% decrease							
Insurance Contract Liabilities			(63 353 552)	(245 949)	4 673 033	(63 599 501)	(47 222 630)
Reinsurance Contract Assets			(65 422)	(8 332)	158 301	(73 753)	(54 762)
Net Insurance Contract Liabilities			(63 418 974)	(254 281)	4 831 333	(63 673 254)	(47 277 391)
Expenses - 5% increase							
Insurance Contract Liabilities			126 707 104	491 898	5 410 880	127 199 002	94 445 259
Reinsurance Contract Assets			130 843	16 663	183 296	147 507	109 524
Net Insurance Contract Liabilities			126 837 947	508 561	5 594 176	127 346 509	94 554 783
Expenses - 5% decrease							
Insurance Contract Liabilities			(126 707 104)	(491 898)	4 427 084	(127 199 002)	(94 445 259)
Reinsurance Contract Assets			(130 843)	(16 663)	149 969	(147 507)	(109 524)
Net Insurance Contract Liabilities			(126 837 947)	(508 561)	4 577 053	(127 346 509)	(94 554 783)
Savings Risk							
Insurance Contract Liabilities as at 31 December 2024	127 545 807	31 911 865					
Mortality rate - 5% increase			1 275 458	319 119	32 230 984	1 594 577	1 183 973
Lapse/surrender rates - 5% increase			6 377 290	1 595 593	33 507 458	7 972 884	5 919 866
Expenses - 5% increase			12 754 581	3 191 187	35 103 052	15 945 767	11 839 732
Mortality rate - 1% decrease			(1 275 458)	(319 119)	31 592 747	(1 594 577)	(1 183 973)
Lapse/surrender rates - 5% decrease			(6 377 290)	(1 595 593)	30 316 272	(7 972 884)	(5 919 866)
Expenses - 10% decrease			(12 754 581)	(3 191 187)	28 720 679	(15 945 767)	(11 839 732)
Annuities							
Insurance Contract Liabilities as at 31 December 2024	5 267 302	346 999					
Mortality rate - 5% increase			52 673	3 470	350 469	56 143	41 686
Lapse/surrender rates - 5% increase			263 365	17 350	364 349	280 715	208 431
Expenses - 10% increase			526 730	34 700	381 699	561 430	416 862
Mortality rate - 1% decrease			(52 673)	(3 470)	343 529	(56 143)	(41 686)
Lapse/surrender rates - 5% decrease			(263 365)	(17 350)	329 649	(280 715)	(208 431)
Expenses - 10% decrease			(526 730)	(34 700)	312 299	(561 430)	(416 862)

2024	FCF as at 31 December 2023 ZWG	CSM as at 31 December 2023 ZWG	Impact on FCF ZWG	Impact on CSM ZWG	Remaining CSM ZWG	Impact on Profit before tax ZWG	Impact on Equity ZWG
Insurance Contract Liabilities as at 31 December 2023							
Insurance Contract Liabilities	33 523 756	295 916					
Reinsurance Contract Assets	281 545	708 304					
Net Insurance Contract Liabilities							
Mortality/Morbidity rate - 5% increase							
Insurance Contract Liabilities			335 238	2 959	298 875	338 197	254 594
Reinsurance Contract Assets			2 815	7 083	715 387	9 898	7 452
Net Insurance Contract Liabilities			338 053	10 042	1 014 262	348 095	262 046
Mortality/Morbidity rate - 5% decrease							
Insurance Contract Liabilities			(335 238)	(2 959)	292 957	(338 197)	(254 594)
Reinsurance Contract Assets			(2 815)	(7 083)	701 221	(9 898)	(7 452)
Net Insurance Contract Liabilities			(338 053)	(10 042)	994 178	(348 095)	(262 046)
Lapse/surrender rates - 5% increase							
Insurance Contract Liabilities			63 353 552	245 949	5 164 931	63 599 501	47 877 704
Reinsurance Contract Assets			65 422	8 332	174 964	73 753	55 522
Net Insurance Contract Liabilities			63 418 974	254 281	5 339 895	63 673 254	47 933 226
Lapse/surrender rates - 5% decrease							
Insurance Contract Liabilities			(63 353 552)	(245 949)	4 673 033	(63 599 501)	(47 877 704)
Reinsurance Contract Assets			(65 422)	(8 332)	158 301	(73 753)	(55 522)
Net Insurance Contract Liabilities			(63 418 974)	(254 281)	4 831 334	(63 673 254)	(47 933 226)
Expenses - 5% increase							
Insurance Contract Liabilities			126 707 104	491 898	5 410 880	127 199 002	95 755 409
Reinsurance Contract Assets			130 843	16 663	183 296	147 507	111 043
Net Insurance Contract Liabilities			126 837 947	508 561	5 594 176	127 346 509	95 866 452
Expenses - 5% decrease							
Insurance Contract Liabilities			(126 707 104)	(491 898)	4 427 084	(127 199 002)	(95 755 409)
Reinsurance Contract Assets			(130 843)	(16 663)	149 969	(147 507)	(111 043)
Net Insurance Contract Liabilities			(126 837 947)	(508 561)	4 577 053	(127 346 509)	(95 866 452)
Savings Risk							
Insurance Contract Liabilities as at 31 December 2024	2 553 176 519	526 462 063					
Mortality rate - 5% increase			25 531 765	5 264 621	531 726 683	30 796 386	23 183 519
Lapse/surrender rates - 5% increase			127 658 826	26 323 103	552 785 166	153 981 929	115 917 596
Expenses - 5% increase			255 317 652	52 646 206	579 108 269	307 963 858	231 835 192
Mortality rate - 1% decrease			(25 531 765)	(5 264 621)	521 197 442	(30 796 386)	(23 183 519)
Lapse/surrender rates - 5% decrease			(127 658 826)	(26 323 103)	500 138 960	(153 981 929)	(115 917 596)
Expenses - 10% decrease			(255 317 652)	(52 646 206)	473 815 856	(307 963 858)	(231 835 192)
Annuities							
Insurance Contract Liabilities as at 31 December 2023	131 852 510	6 407 730					
Mortality rate - 5% increase			1 318 525	64 077	6 471 808	1 382 602	1 040 823
Lapse/surrender rates - 5% increase			6 592 626	320 387	6 728 117	6 913 012	5 204 115
Expenses - 5% increase			13 185 251	640 773	7 048 503	13 826 024	10 408 231
Mortality rate - 5% decrease			(1 318 525)	(64 077)	6 343 653	(1 382 602)	(1 040 823)
Lapse/surrender rates - 5% decrease			(6 592 626)	(320 387)	6 087 344	(6 913 012)	(5 204 115)
Expenses - 5% decrease			(13 185 251)	(640 773)	5 766 957	(13 826 024)	(10 408 231)

20.4 Other business risks

- Operational risk
- Legal, reputational and compliance risk
- Technological risk
- Solvency risk
- Underwriting risk

20.5 Risk rating

20.5.1 Regulatory risk rating

ZB Bank Limited and ZB Building Society were assessed using the Risk Assessment System (RAS) and the CAMELS 5 rating model. The individual components of the rating systems were rated as follows:

RFI/(C)D/CAMELS/CEFM Component	Latest Rating	
	ZB Bank Limited	ZB Building Society
Capital Adequacy	4	4
Asset Quality	4	2
Management	3	3
Earnings	4	3
Liquidity and Funds Under Management	2	2
Sensitivity to Market Risk	2	2
Composite rating	4	3

Key: 1 = Strong; 2 = Satisfactory; 3 = Fair; 4 = Weak; 5 = Critical

Overall Risk Matrix – ZB Bank Limited

Type of Risk	Level of Aggregate Inherent Risk	Adequacy of Aggregate Risk Management Systems	Overall Composite Risk	Direction of Overall Composite Risk
Credit Risk	High	Inadequate	High	Increasing
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	Increasing
Operational Risk	High	Acceptable	Moderate	Stable
Legal & Compliance Risk	High	Inadequate	High	Increasing
Reputational Risk	High	Acceptable	High	Stable
Overall Risk	High	Acceptable	High	Increasing

[1] "CAMELS" stands for Capital Adequacy Asset Quality Management Earnings, Liquidity management and Sensitivity to market risk

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (Continued)

Overall Risk Matrix – ZB Building Society

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

Interpretation of risk matrix

Level of Inherent Risk

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

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

Entity	2024	2023	2022
ZB Bank Limited	BBB+	BBB+	BBB+
ZB Building Society	B-	B-	B-
ZB Reinsurance Company	A-	A-	BBB

The ratings for ZB Bank Limited and ZB Building Society expire in September 2025, whilst the rating for ZB Reinsurance expires in May 2025.

21. COMPLIANCE WITH REGULATIONS

21.1 Regulatory capital requirements - Banking operations

Commercial banks and building societies in Zimbabwe were required to maintain a minimum capital level of ZWG equivalent of USD30 million and USD20 million respectively, using the spot rate as at 31 December 2024. ZB Bank Limited met this requirement as at 31 December 2024, whilst ZB Building Society was not in compliance with this minimum regulatory capital requirement as at 31 December 2024.

As a result of non compliance of ZBBS with the minimum capital requirements, its the shareholders made a resolution in July 2024 to surrender the banking license to RBZ.

Subsequently, the Group applied for the surrender to RBZ, who have responded to the application, outlining specific conditions and guidelines that must be satisfied before the license is cancelled.

The Group is currently working to fulfill these conditions, which include but not limited to smooth handling of deposits in compliance with the Consumer Protection Framework No.1-2017/BSD.

The Group paid total penalties amounting to USD65 100 (equivalent to ZWG1 693 524) in respect of late publication of 31 December 2023 financial results and non compliance with submission of regulatory returns.

21.2 Insurance operations

In terms of paragraph 3 of Statutory Instrument 206 of 2021, Amendment Regulations of 2021 (Number 22), paragraph 11B (1) was inserted to the principal regulations of the Insurance Act (Chapter 24:07) with the effect of setting the minimum prescribed assets ratios for insurers at the rate of 15% of the market value of total adjusted assets in the case life assurance businesses and 10% of the market value of total adjusted assets in the case of short-term re-insurance businesses.

ZB Life Assurance Limited did not comply with these ratios throughout 2024, closing the year with ratio at 9.35% (2023: 6.04%). As further required by paragraph 11B sub-section 4, ZB Life Assurance has collaborated with the Insurance and Pensions Commissions (IPEC) on the non-compliance as required by the Regulations, and provided a roadmap to remedy the non-compliance which is being tracked on a monthly basis. Compliance has been affected by the shortage of qualifying assets on the market. Furthermore, the ratio have been impacted on by an inflationary growth in the value of assets. The non-compliance persisted up to the date of release of these financial statements. No penalties have been levied on ZB Life Assurance Limited for the non-compliance.

ZB Reinsurance complied with this requirement as at 31 December 2024 with a ratio of 11% (2023: 12%).

21.3 Other compliance issues

The directors are not aware of any other material cases of non-compliance with regulations governing the operations of all companies within the Group.

22. SUBSEQUENT EVENTS

Migration of QUPA Microfinance to the Banking Cluster

With effect from 1 January 2025, the Qupa Microfinance business was moved from the Investment cluster to the Banking cluster due to the similarities of its operations with the rest of the banking operations. This move does not result in any changes in the operations of the Qupa Microfinance Company and also has no impact on the Group Financial Statements for the year ended 31 December 2024.

Reopening of ZB Asset Management

The Group is resuscitating its Asset Management arm through the planned reopening of ZB Asset Management under the Investments Cluster which plays a key role in supporting the Group's Wealth management strategy. This will bring in scope for the Group to offer pooled investment products to the market and in the process enhance its profile as a one stop shop for financial products. Resultantly, the Investment Properties under ZB Financial Holdings will be transferred back to ZB Asset Management Company. This has no impact on the financial statements for the year ended 31 December 2024.

Closure of ZB Capital (Private) Limited

Following the resolution, the operations of ZB Capital were ceased effective 1 January 2025. ZB Capital's corporate finance operations were transferred to ZB Bank Limited and its assets to ZBFH. This has no impact on the financial statements for the year ended 31 December 2024.

23. GOING CONCERN

The Board undertakes regular assessment of whether the Company and its subsidiaries is a going concern in the light of current economic conditions and all available information about future risks and uncertainties.

The Monetary Policy Committee of the Reserve Bank of Zimbabwe revised minimum capital requirements for banking institutions which became effective from 31 December 2021. The revised limit for Tier 1 Banks is the ZWG equivalent of USD30m and for Building Societies is the ZWG equivalent of USD20m reckoned with reference to the exchange rate ruling at that time.

In order to address the capital shortfall at ZBBS, the Group resolved to surrender the Building Society's banking licence. The Group have already applied for the surrendering of banking license of ZBBS to the RBZ, who have responded with conditions that should be satisfied before the cancellation of the license and the Group is addressing the conditions raised by RBZ as guided by Consumer Protection Framework No. 1 -2017/BSD, which sets out the rights of customers and obligations of banking institutions. The Group has assessed the conditions specified by RBZ and concluded that it is highly probable it will comply with these conditions before 31 December 2025.

The Group will ensure that it continues to support the ZBBS to meet customer demands in the normal course of business until the surrender of the license process is finalised.

The Board has reviewed budgets for 2025 and the cash flow projections for the Group. The Board does not have any reason to conclude that the Group will not be a going concern for the foreseeable future.

Consequently, the financial statements for the year ended 31 December 2024 have been prepared on going concern basis.

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24. BOARDS ATTENDANCE END OF YEAR 2024

ENTITY	ZBFH	ZBBL	ZBBS	ZBRE	ZBLA
TOTAL MEETINGS	9	4	4	4	4
**A MAKAMURE (MRS)	9	X	X	X	X
*L ZEMBE	2	X	X	X	X
T SIBANDA (MS)	9	X	X	X	X
S T FUNGURA	7	4	4	4	X
E N MUNGONI (MRS)	6	X	4	X	X
P M V WOOD	9	X	X	X	X
S Z G DIMAIRHO	9	X	X	X	X
***S CHIMUTANDA	1	X	X	X	X
O S MANDIMIKA	X	4	X	X	X
F NYAMBIRI	X	4	X	X	X
P MURENA (MRS)	X	3	X	X	X
E MASINIRE	X	4	X	X	X
E CHIBVURI	X	4	X	X	X
P PARADZA	X	4	X	X	X
T B VHIRIRI	X	4	X	X	X
J KATSIDZIRA	X	4	X	X	X
T KAPUMHA	X	X	4	X	X
T F A MASIIWA	X	X	3	X	X
C C KAHIYA	X	X	4	X	X
C MUCHINGAMI	X	X	4	X	X
P MURAMBINDA (MRS)	X	X	X	4	X
F B CHIRIMUUTA	X	X	X	3	X
K NYATSINE	X	X	X	4	X
A NYAKONDA	X	X	X	4	X
M SHONIWA (MRS)	X	X	X	4	X
C MASIMBE (MRS)	X	X	X	3	X
E T Z CHIDZONGA	X	X	X	X	4
****L MAWIRE (MRS)	X	X	X	X	2
*****G CHIMBGA	X	X	X	X	2
C MAKONI	X	X	X	X	4
A MANGORO	X	X	X	X	4
R DZIMBA-MABVURUNGE (MRS)	X	X	X	X	4
O PAZVAKAVAMBWA	X	X	X	X	4
E MASVAVIKE	X	X	X	X	4
S MANANGAZIRA (MRS)	X	X	X	X	3

*L Zembe resigned from the ZBFH Boards with effect from 12 April 2024.
**A Makamure was appointed to ZBFH Boards as Acting Chairman with effect from 20 March 2024 and was subsequently appointed substantive Chairman effective 27th June 2024.
***S Chimutanda was appointed to ZBFH with effect from 08 November 2024.
****L Mawire resigned from ZBLA with effect from 23 May 2024.
*****G Chimbga was appointed to ZBLA with effect from 23 May 2024.

KEY

ZBFH - ZB Financial Holdings Limited Board
ZBBL - ZB Bank Limited Board
ZBBS - ZB Building Society Board
ZBRE - ZB Reinsurance Company Board
ZBLA - ZB Life Assurance Board

Banking | Insurance | Investments
for you

Audited Financial Results
for the year ended
31 December 2024

Financial Holdings

Rise To Excellence

Bank

AUDITED FINANCIAL RESULTS
for the year ended 31 December 2024

STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	Notes	31 Dec 2024 ZWG	Restated 31 Dec 2023 ZWG	Restated 1 Jan 2023 ZWG
ASSETS				
Cash and cash equivalents	1	2 730 622 885	962 853 610	1 009 650 565
Treasury bills	2	869 362 997	325 370 753	332 196 156
Advances and other accounts	3	4 001 112 482	2 071 617 629	1 200 097 768
Inventories	4	12 054 381	7 045 706	3 032 460
Trade and other receivables	5	692 997 135	290 185 874	228 692 787
Financial assets at fair value through profit or loss	6	296 817 241	171 100 471	162 837 504
Financial assets held at amortised cost	7	17 948 687	8 723 301	12 932 510
Investment in subsidiary company	8	921 252 670	416 842 652	417 680 682
Right of use assets	9	182 571 114	87 865 494	43 272 792
Intangible assets	10	182 460 384	16 293 948	27 374 094
Property and equipment	11	437 330 955	248 985 288	310 099 946
Current tax asset	17	-	11 007 151	-
Deferred tax asset	16	11 627 384	9 272 483	9 200 964
Total assets		10 356 158 315	4 627 164 360	3 757 068 228
LIABILITIES				
Deposits from customers	12	5 471 683 080	2 514 870 321	2 130 101 711
Trade and other payables	13	1 090 640 737	664 190 852	368 205 589
Lease liabilities	14	195 521 436	89 759 210	117 199 940
Offshore borrowings	15	234 531 818	221 920 345	133 062 095
Current tax liabilities	17	29 337 723	-	8 427 719
Total liabilities		7 021 714 794	3 490 740 728	2 756 997 054
EQUITY AND RESERVES				
Share capital		4 022	4 432 079	8 227 692
Share premium		174 156	80 840 462	149 783 628
Equity Reserve		85 094 363	-	-
Foreign currency translation reserve		1 070 804 500	-	-
Property and equipment revaluation reserves		286 975 453	222 284 262	377 484 788
Investment reserves		(181 149 818)	(158 018 648)	(50 702 659)
Retained income		2 072 540 845	986 885 477	515 277 725
Total equity		3 334 443 521	1 136 423 632	1 000 071 174
Total equity and liabilities		10 356 158 315	4 627 164 360	3 757 068 228

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

	Notes	31 Dec 2024 ZWG	Restated 31 Dec 2023 ZWG
Interest income calculated using the effective interest rate method	18.1.1	546 221 626	466 926 862
Other interest and related income	18.1.2	929 787	2 251 940
Interest expense calculated using the effective interest rate method	18.2.1	(135 512 504)	(209 735 224)
Other interest and related expenses	18.2.2	(102 233)	(121 399)
Net interest and related income		411 536 676	259 322 179
Loan impairment charges net of recoveries	19	(64 719 607)	(116 604 528)
Net income from lending activities		346 817 069	142 717 651
Commission and fee income	20	1 078 970 796	605 434 300
Operating income	21	1 353 903 943	673 230 707
Fair value adjustments	22	118 317 463	25 027 564
Total income		2 898 009 271	1 446 410 222
Operating expenses	23	(1 665 716 107)	(1 215 071 907)
Profit from ordinary activities		1 232 293 164	231 338 315
Net monetary gain		-	328 678 473
Profit before tax		1 232 293 164	560 016 788
Income tax expense	24	(122 494 980)	(15 311 358)
Profit for the year		1 109 798 184	544 705 430
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Gain on revaluation of property and equipment	11	87 562 887	135 397 593
Related tax		(22 376 141)	(33 431 678)
Effects of change in presentation currency		1 070 804 500	(354 490 698)
Items that may be reclassified to profit or loss			
Fair value loss on FVTOCI financial assets		(31 153 091)	(136 351 395)
Related tax		8 021 921	5 645 567
Other comprehensive income/(loss) net of tax		1 112 860 076	(383 230 611)
Total comprehensive income for the year		2 222 658 260	161 474 819
Earnings per share (ZWG cents)		6.13	3.01

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

Audited	Share capital ZWG	Share premium ZWG	Equity reserve ZWG	Foreign currency translation reserve ZWG	Property and equipment revaluation reserve ZWG	Investment reserve ZWG	Retained income ZWG	Total ZWG
Balance at 1 January 2023	8 227 692	149 783 628	-	-	377 484 788	(50 702 659)	515 277 725	1 000 071 174
Changes in equity for 2023								
Profit or loss								
Profit for the year	-	-	-	-	-	-	544 705 430	544 705 430
Other comprehensive income, net of tax								
Revaluation of property and equipment	-	-	-	-	101 965 915	-	-	101 965 915
Fair value gains on financial assets at FVTOCI	-	-	-	-	-	(130 705 828)	-	(130 705 828)
Effects of change in presentation currency	(3 795 613)	(69 098 448)	-	-	(256 557 969)	23 389 839	(48 428 507)	(354 490 698)
Distributions								
Dividend to shareholders	-	-	-	-	-	-	(25 277 643)	(25 277 643)
Other movements								
Transfer to retained income	-	-	-	-	(608 472)	-	608 472	-
Movement in share premium	-	155 282	-	-	-	-	-	155 282
Restated balance as at 31 December 2023	4 432 079	80 840 462	-	-	222 284 262	(158 018 648)	986 885 477	1 136 423 632
Changes in equity for 2024								
Profit or loss								
Profit for the year	-	-	-	-	-	-	1 109 798 184	1 109 798 184
Other comprehensive income, net of tax								
Revaluation of property and equipment	-	-	-	-	65 186 746	-	-	65 186 746
Fair value gains on financial assets at FVTOCI	-	-	-	-	-	(23 131 170)	-	(23 131 170)
Effects of change in presentation currency	-	-	-	1 070 804 500	-	-	-	1 070 804 500
Distributions								
Dividend to shareholders	-	-	-	-	-	-	(24 638 371)	(24 638 371)
Other movements								
Transfer to equity reserve	(4 428 057)	(80 666 306)	85 094 363	-	-	-	-	-
Transfer to retained income	-	-	-	-	(495 555)	-	495 555	-
Balance as at 31 December 2024	4 022	174 156	85 094 363	1 070 804 500	286 975 453	(181 149 818)	2 072 540 845	3 334 443 521

STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

		31 Dec 2024 ZWG	Restated 31 Dec 2023 ZWG
Cash used in operating activities		(118 526 169)	46 733 144
Interest received		547 151 411	469 178 802
Interest paid		(81 151 767)	(108 139 610)
Interest paid lease liability	14	(28 670 276)	(72 497 927)
Interest paid offshore borrowings	15	(25 792 694)	(29 219 086)
Income taxes paid		(53 353 088)	(28 057 345)
Dividends received	21	4 188 521	4 789 070
Net cash generated from operating activities		243 845 938	282 787 048
Investing activities			
Proceeds on disposal of property and equipement		17 167 454	3 725 564
Proceeds on disposal of financial assets at fair value through profit or loss		13 849 684	-
Proceeds on disposal of financial assets at amortised cost		-	2 279 211
Purchase of financial assets at fair value through profit or loss		-	(15 638 141)
Purchase of property and equipment	11	(118 861 528)	(69 870 283)
Purchase of intangible assets	10	(157 782 105)	(3 079 262)
Net cash used in investing activities		(245 626 495)	(82 582 911)
Cash flows from financing activities			
Offshore loan received	15	281 438 182	991 090 218
Lease liability payments		(80 166 601)	(4 919 076)
Dividend paid		(24 638 371)	(25 277 643)
Offshore capital repayments		(259 278 086)	(1 145 779 655)
Net cash used in financing activities		(82 644 876)	(184 886 156)
Net increase in cash and cash equivalents		(84 425 433)	15 317 981
Cash and cash equivalents at the beginning of the year		962 853 610	1 009 650 565
Effect of exchange rate fluctuations on cash and cash equivalents held		1 201 526 165	624 492 767
Effects of inflation adjustments		-	(16 284 116)
Effects of change in presentation currency		650 668 543	(670 323 587)
Cash and cash equivalents at end of the year	1	2 730 622 885	962 853 610
- Cash on hand		1 020 301 068	459 825 477
- Local bank accounts		1 602 602 405	413 033 913
- Foreign bank accounts		107 719 412	89 994 220
		2 730 622 885	962 853 610

NOTES TO THE AUDITED FINANCIAL RESULTS
For the year ended 31 December 2024

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
1. CASH AND CASH EQUIVALENTS		
Balances with the Reserve Bank of Zimbabwe	1 331 718 155	334 117 289
Balances with other banks and cash	1 398 904 730	628 736 321
	2 730 622 885	962 853 610

2. TREASURY BILLS

2.1 Reported in the statements of financial position

The Reserve Bank of Zimbabwe (RBZ) has issued various forms of treasury bills which the Bank has participated in. The Bank has three categories of treasury bills classified as follows:
a) as ''at "Fair value through profit or loss (FVTPL)'';
b) as "at "Fair value through other comprehensive income (FVTOCI)"; and
c) as "at amortised cost (AMCO)".

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Treasury bills include:		
Assets classified as '' at FVTPL'' [1]		
Treasury bills acquired from the primary market	69 750 303	15 304 723
Assets classified as at "FVTOCI":		
Medium term treasury bills" acquired from the secondary market [2]	1 005 066 105	309 978 475
Assets classified as " at AMCO":		
Treasury bills issued as substitution for debt instruments [3]	-	46 046
Capitalization treasury bills [4]	-	41 509
	1 074 816 408	325 370 753
Allowance for ECL	(205 453 411)	-
	869 362 997	325 370 753
Maturity within 1 year	667 832 278	15 338 555
Maturing after 1 year	201 530 719	310 032 198
	869 362 997	325 370 753

1. The Bank invested in treasury bills issued by the RBZ over an average period of 106 days (December 2023: 61 days) which were at an average rate of 3.75% (December 2023: 3.75%).
2. The Bank purchased treasury bills from the secondary market. These treasury bills have an average coupon rate of 2.5% (December 2023: 2.5%) with an average maturity period of 1 year 6 months (December 2023: 2 years).
3. The Bank received treasury bills as substitution for debt instruments from the Zimbabwe Asset Management Company (ZAMCO). The treasury bills coupon rate of 5% and an average maturity period of 6 years.
The treasury bills were settled in current year.
4. Capitalization treasury bills (CTBs) with a face value of ZWG8,004 were acquired on 26 May 2015 from the government of Zimbabwe by the holding company ZB Financial Holdings (ZBFH).
The CTBs were settled in the current year.

Treasury bills amounting to ZWG1.34 billion (2023: ZWG401 million) were used as security for the Bank to access fixed deposits.

2.2 Determination of fair value of treasury bills

The fair value of treasury bills was determined using level 2 and level 3 inputs for treasury bills which are classified as FVPL and FVTOCI respectively. The use of level 2 and level 3 inputs is due to lack of active market for treasury bills which are classified as "FVTPL" and FVTOCI. The Bank used the discounted cash flow valuation technique by applying a risk discounted rate for comparable risk profiles on the contractual cash flows in order to determine the present value of the treasury bills.

Treasury bills purchased from the secondary market value were fair valued using TBs average yield market rate of 24%.

USD denominated Treasury bills fair value was computed using a proxy discount rate of 12% by reference to US Federal Reserve TBs with same tenor and adjusted for country risk.

	Audited 31 Dec 2024 ZWG	Audited 31 Dec 2023 ZWG
3. ADVANCES AND OTHER ACCOUNTS		
3.1. Loans, overdrafts and other accounts at amortised cost	3 510 264 889	1 833 844 962
Mortgage loans	266 911 500	123 883 709
Asset finance loans	449 209 303	265 384 488
Bills discounted	8 285 252	-
Gross advances	4 234 670 944	2 223 113 159
Off balance sheet exposures		
In respect of guarantees	350 586 224	94 302 910
In respect of loan commitments	1 969 438 594	1 062 348 934
	2 320 024 818	1 156 651 844
Gross credit exposure	6 554 695 762	3 379 765 003
Gross advances	4 234 670 944	2 223 113 159
Less: Allowance for loan impairment	(108 152 895)	(103 691 293)
Less: Staff benefit liability	(125 405 567)	(47 804 237)
Net advances	4 001 112 482	2 071 617 629
3.2 Maturity analysis		
- On demand	435 465 088	131 305 833
- Within 1 month	178 951 333	190 729 394
- Between 1 and 6 months	457 253 408	555 155 033
- Between 6 and 12 months	3 075 949 235	530 470 667
- After 12 months	2 407 076 698	1 972 104 076
	6 554 695 762	3 379 765 003
3.3 Loans and advances by business line:		
Corporate lending	5 199 139 221	2 645 771 789
Small business lending	110 037 741	70 831 193
Consumer lending	978 607 300	539 278 312
Mortgage lending	266 911 500	123 883 709
	6 554 695 762	3 379 765 003

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Audited Financial Results for the year ended 31 December 2024

NOTES TO THE AUDITED FINANCIAL RESULTS (Continued)

	Audited 31 Dec 2024 ZWG	31 Dec 2023 ZWG
3.4 Mortgage loans		
Mortgage advances were spread as follows:		
Type of property:		
High density	2 789 634	3 451 640
Medium density	15 210 640	52 092 589
Low density	124 265 877	28 039 919
Commercial	124 645 349	40 299 561
	266 911 500	123 883 709

3.5 Asset finance loans

Gross advances include the following asset finance loans where the bank advance funds to customers to purchase certain assets for their own use. In the current year Finance lease receivables was renamed to Asset Finance Loans to better describe the nature of the asset.

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Gross investment in finance leases:		
Maturing within 1 year	321 512 264	158 155 580
Maturing after 1 year	717 099 199	424 936 889
Gross investment in finance leases	1 038 611 463	583 092 469
Unearned finance charges	(589 402 160)	(317 707 981)
Net investment in finance leases	449 209 303	265 384 488
Maturing within 1 year	139 434 454	73 850 678
Maturing after 1 year	309 774 849	191 533 810
	449 209 303	265 384 488

	31 Dec 2024 ZWG	% Contribution	31 Dec 2023 ZWG	% Contribution
3.6 Sectoral analysis of advances				
Private	1 173 235 631	27.71%	654 568 589	29.44%
Agriculture	263 462 382	6.22%	195 369 119	8.79%
Mining	574 783 004	13.57%	308 182 525	13.86%
Manufacturing	263 712 763	6.23%	106 045 841	4.77%
Distribution	214 876 217	5.07%	118 938 661	5.35%
Construction	66 672 388	1.57%	34 448 963	1.55%
Transport	125 959 195	2.97%	73 812 099	3.32%
Services	959 622 533	22.66%	607 793 198	27.34%
Financial	586 657 701	13.85%	123 672 134	5.56%
Communication	5 689 130	0.13%	282 030	0.01%
Total	4 234 670 944	100%	2 223 113 159	100%
3.7 Sectoral analysis of guarantees				
Agriculture	14 566 762	4.15%	-	0.00%
Manufacturing	304 239 879	86.78%	63 521 454	67.36%
Distribution	18 961 898	5.41%	576 648	0.61%
Construction	644 963	0.18%	25 803 564	27.36%
Transport	357 784	0.10%	-	0.00%
Services	11 814 938	3.37%	4 401 244	4.67%
Total	350 586 224	100%	94 302 910	100%
3.8 Sectoral analysis of loan commitments				
Agriculture	163 636 966	8.31%	141 984 537	13.37%
Mining	405 600 744	20.59%	114 943 303	10.82%
Manufacturing	170 356 338	8.65%	69 464 409	6.54%
Distribution	181 592 784	9.22%	104 132 289	9.80%
Construction	7 606 644	0.39%	36 505 142	3.44%
Transport	69 986 834	3.55%	65 463 257	6.16%
Communication	-	0.00%	64 086	0.01%
Services	815 830 316	41.42%	507 335 053	47.76%
Financial Services	154 827 968	7.86%	22 456 858	2.11%
Total	1 969 438 594	100.00%	1 062 348 934	100%

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
3.9 Non-performing debt		
Non-performing loans and advances	135 483 881	34 234 105
Less: Allowance for loan impairment	(15 838 208)	(7 686 674)
Carrying amount	119 645 673	26 547 431

For the secured non-performing loans, security exists in the form of liens registered over funded accounts, bonds registered over landed property and guarantees in various forms. The Bank discounts the value of the security at hand using internal thresholds for prudential purposes. Generally no security value is placed on ordinary guarantees. The internally discounted value of security held in respect of the non-performing book amounted to ZWG119.7 million as at 31 December 2024 (2023: ZWG26.5 million).

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
3.10 Loan impairment movement		
Balance at beginning of the year	103 691 293	80 913 431
Write offs charged to provision	-	(1 713)
Reversal / (charge) to statement of profit or loss	(89 101 103)	108 214 971
Effects of change in presentation currency	93 562 705	(85 435 396)
Balance at end of the year	108 152 895	103 691 293

3.11 Internal rating grade

ECL STAGE CLASSIFICATION

	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	2024 TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	2023 TOTAL ZWG
3.11.1 Total loans and advances								
Total loans and advances								
Good (AAA - A-)	3 764 817 999	-	-	3 764 817 999	2 080 222 182	-	-	2 080 222 182
Special mention (BBB+ - CCC-)	-	334 369 091	-	334 369 091	-	108 656 878	-	108 656 878
Non performing (CC - D)	-	-	135 483 854	135 483 854	-	-	34 234 099	34 234 099
Total	3 764 817 999	334 369 091	135 483 854	4 234 670 944	2 080 222 182	108 656 878	34 234 099	2 223 113 159
Corporate lending								
Good (AAA - A-)	2 532 977 436	-	-	2 532 977 436	1 392 843 362	-	-	1 392 843 362
Special mention (BBB+ - CCC-)	-	274 055 762	-	274 055 762	-	77 593 026	-	77 593 026
Non performing (CC - D)	-	-	72 081 205	72 081 205	-	-	18 683 557	18 683 557
Total	2 532 977 436	274 055 762	72 081 205	2 879 114 403	1 392 843 362	77 593 026	18 683 557	1 489 119 945
Small business lending								
Good (AAA - A-)	95 720 232	-	-	95 720 232	59 483 343	-	-	59 483 343
Special mention (BBB+ - CCC-)	-	3 754 123	-	3 754 123	-	7 986 492	-	7 986 492
Non performing (CC - D)	-	-	10 563 386	10 563 386	-	-	3 361 358	3 361 358
Total	95 720 232	3 754 123	10 563 386	110 037 741	59 483 343	7 986 492	3 361 358	70 831 193
Consumer lending								
Good (AAA - A-)	881 901 100	-	-	881 901 100	517 048 009	-	-	517 048 009
Special mention (BBB+ - CCC-)	-	49 508 597	-	49 508 597	-	15 108 373	-	15 108 373
Non performing (CC - D)	-	-	47 197 603	47 197 603	-	-	7 121 930	7 121 930
Total	881 901 100	49 508 597	47 197 603	978 607 300	517 048 009	15 108 373	7 121 930	539 278 312
Mortgage lending								
Good (AAA - A-)	254 219 231	-	-	254 219 231	110 847 468	-	-	110 847 468
Special mention (BBB+ - CCC-)	-	7 050 609	-	7 050 609	-	7 968 987	-	7 968 987
Non performing (CC - D)	-	-	5 641 660	5 641 660	-	-	5 067 254	5 067 254
Total	254 219 231	7 050 609	5 641 660	266 911 500	110 847 468	7 968 987	5 067 254	123 883 709
3.11.2 Financial guarantees and loan commitments								
Financial guarantees								
Good (AAA - A-)	350 586 224	-	-	350 586 224	94 302 910	-	-	94 302 910
Total	350 586 224	-	-	350 586 224	94 302 910	-	-	94 302 910
Loan commitments								
Good (AAA - A-)	1 969 438 594	-	-	1 969 438 594	1 062 348 934	-	-	1 062 348 934
Total	1 969 438 594	-	-	1 969 438 594	1 062 348 934	-	-	1 062 348 934

NOTES TO THE AUDITED FINANCIAL RESULTS (Continued)

3.12 Impairment allowance for loans and advances

ECL STAGE CLASSIFICATION

	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	2024 TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	2023 TOTAL ZWG
3.12.1 Total loans and advances								
Good (AAA to- A-)	79 771 765	-	-	79 771 765	89 526 372	-	-	89 526 372
Special Mention (BBB+ to CCC-)	-	12 542 895	-	12 542 895	-	6 478 247	-	6 478 247
Non performing (CC TO D)	-	-	15 838 235	15 838 235	-	-	7 686 674	7 686 674
TOTAL	79 771 765	12 542 895	15 838 235	108 152 895	89 526 372	6 478 247	7 686 674	103 691 293
Corporate Lending								
Good (AAA to- A-)	21 572 827	-	-	21 572 827	61 636 714	-	-	61 636 714
Special Mention (BBB+ to CCC-)	-	8 962 488	-	8 962 488	-	2 323 100	-	2 323 100
Non performing (CC TO D)	-	-	7 361 504	7 361 504	-	-	5 029 880	5 029 880
TOTAL	21 572 827	8 962 488	7 361 504	37 896 819	61 636 714	2 323 100	5 029 880	68 989 694
Small business Lending								
Good (AAA to- A-)	1 494 064	-	-	1 494 064	2 358 342	-	-	2 358 342
Special Mention (BBB+ to CCC-)	-	63 962	-	63 962	-	141 531	-	141 531
Non performing (CC TO D)	-	-	5 981 779	5 981 779	-	-	219 979	219 979
TOTAL	1 494 064	63 962	5 981 779	7 539 805	2 358 342	141 531	219 979	2 719 852
Consumer Lending								
Good (AAA to- A-)	45 799 198	-	-	45 799 198	25 457 904	-	-	25 457 904
Special Mention (BBB+ to CCC-)	-	3 272 965	-	3 272 965	-	4 013 616	-	4 013 616
Non performing (CC TO D)	-	-	1 369 103	1 369 103	-	-	2 431 986	2 431 986
TOTAL	45 799 198	3 272 965	1 369 103	50 441 266	25 457 904	4 013 616	2 431 986	31 903 506
Mortgage Lending								
Good (AAA to- A-)	10 905 676	-	-	10 905 676	73 412	-	-	73 412
Special Mention (BBB+ to CCC-)	-	243 480	-	243 480	-	-	-	-
Non performing (CC TO D)	-	-	1 125 849	1 125 849	-	-	4 828	4 828
TOTAL	10 905 676	243 480	1 125 849	12 275 005	73 412	-	4 828	78 240
3.12.2 Financial guarantees and loan commitments								
Guarantees								
Good (AAA to- A-)	44 781 158	-	-	44 781 158	698 221	-	-	698 221
TOTAL	44 781 158	-	-	44 781 158	698 221	-	-	698 221
Loan commitments								
Good (AAA to- A-)	34 450 240	-	-	34 450 240	31 492 719	-	-	31 492 719
TOTAL	34 450 240	-	-	34 450 240	31 492 719	-	-	31 492 719

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
4. INVENTORIES		
Point of sale machines	45 223	23 773
Stationery	11 990 941	6 993 996
Fuel	1 027	18 398
Personal Protective Equipment materials	16 773	9 302
ATM spares	417	219
Computer consumables	-	18
	12 054 381	7 045 706
5. TRADE AND OTHER RECEIVABLES		
Accrued interest	3 135 807	7 950 433
Advance payments and sundry assets	620 250 678	243 996 549
Amounts clearing from other Banks	69 610 650	38 238 892
	692 997 135	290 185 874
6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		
6.1 Carrying amounts		
Unquoted equities	257 550 669	136 370 619
Listed equity investments	39 266 572	17 004 400
Virtual Gold Tokens purchased	-	17 725 452
	296 817 241	171 100 471
6.2 Movement of financial assets at fair value through profit or loss		
Balance at beginning of the year	171 100 471	162 837 504
Movement during the year		
Purchases		
- Virtual Gold Tokens	-	15 638 141
	171 100 471	178 475 645
Settlements		
- On Unquoted equity investments	(5 358 753)	-
- On Virtual Gold Tokens	(8 490 931)	-
	157 250 787	178 475 645
Fair value adjustments		
- On listed equity investments	6 919 546	(3 387 253)
- On Unquoted equity investments	4 958 682	51 615 687
- On Virtual Gold Tokens	(25 228 549)	2 087 312
	143 900 466	228 791 391
Exchange (losses)/gains		
- On listed equity investments	(781)	13 219 683
- On Unquoted equity investments	(1 469 767)	4 208 597
- On Virtual Gold Tokens	142 429 918	246 219 671
Effects of change in presentation currency	154 387 323	(75 119 200)
Balance at end of year	296 817 241	171 100 471
7. FINANCIAL ASSETS HELD AT AMORTISED COST		
7.1 Carrying amounts		
Cash balances	17 948 687	8 723 301
	17 948 687	8 723 301
Maturing within 1 year	17 948 687	8 723 301
7.2 Movement of financial assets held at amortized cost		
Balance at beginning of the year	8 723 302	12 932 510
*Movement during the year on Bonds:		
- Maturities	-	(2 279 211)
Cash Balances	1 354 421	-
	10 077 723	10 653 299
Accrued interest on bonds:		
- prior year received in current period	-	(113 394)
	10 077 723	10 539 905
Exchange gains:		
- on cash balances	-	7 763 843
	10 077 723	18 303 748
Impairment reversal on bonds (Note 19)	-	22 526
	10 077 723	18 326 274
Monetary gains / (losses)		
-on bonds	-	14 076
-on cash balances	-	(3 651 102)
	10 077 723	14 689 248
Effects of change in presentation currency	7 870 964	(5 965 947)
Balance at end of year	17 948 687	8 723 301
7.3 Impairment movement on bonds		
Balance at beginning of the year	-	70 365
Reversal to statement of profit or loss (Note 19)	-	22 526
Effect of monetary gain	-	(47 839)
Closing balance	-	-
8. INVESTMENT IN SUBSIDIARY COMPANIES		
Investment in Barcelona Investments Limited		
Opening balance	416 842 652	417 680 682
Fair value gain to profit or loss	128 284 570	(838 030)
Effects of change in presentation currency	376 125 448	-
Closing balance	921 252 670	416 842 652
9. RIGHT OF USE ASSET		
Cost		
Balance at beginning of year	157 069 641	43 272 792
Arising from lease modification	104 937 318	80 569 994
Effect of change in presentation currency	70 534 410	33 226 855
Balance at end of year	332 541 369	157 069 641
Accumulated depreciation		
Balance at beginning of year	69 204 147	51 508 651
Charge to statement of profit or loss (Note 23)	80 766 108	17 695 496
Balance at end of year	149 970 255	69 204 147
Carrying value at end of year	182 571 114	87 865 494

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NOTES TO THE AUDITED FINANCIAL RESULTS (Continued)

10. INTANGIBLE ASSETS

	Computer software ZWG	Capital work in progress ZWG	Total ZWG
2024			
Cost or valuation			
Balance at 1 January 2024	104 958 748	13 448 541	118 407 289
Additions	25 112 004	132 670 101	157 782 105
Effects of change in presentation currency	2 567 461	12 134 892	14 702 353
Balance at 31 December 2024	132 638 213	158 253 534	290 891 747
Accumulated amortisation			
Balance at 1 January 2024	102 113 341	-	102 113 341
Charge to income statement (Note 23)	6 318 022	-	6 318 022
Balance at 31 December 2024	108 431 363	-	108 431 363
Carrying value at 31 December 2024	24 206 850	158 253 534	182 460 384
2023			
Cost or valuation			
Balance at 1 January 2023	103 269 600	24 686 474	127 956 074
Additions	2 928 990	150 272	3 079 262
Effects of change in presentation currency	(1 239 842)	(11 388 204)	(12 628 047)
Balance at 31 December 2023	104 958 748	13 448 542	118 407 289
Accumulated amortisation			
Balance at 1 January 2023	100 581 980	-	100 581 980
Charge to income statement (Note 23)	1 531 361	-	1 531 361
Balance at 31 December 2023	102 113 341	-	102 113 341
Carrying value at 31 December 2023	2 845 407	13 448 542	16 293 948

11. PROPERTY AND EQUIPMENT

	Freehold properties ZWG	Leasehold improvements ZWG	Equipment, furniture & fittings ZWG	Computer equipment ZWG	Motor vehicles ZWG	Capital work in progress ZWG	Total ZWG
2024							
Cost or valuation							
Balance at 1 January 2024	12 326 759	179 879 663	187 385 823	278 363 500	74 701 363	7 943 934	740 601 042
Effects of change in presentation currency	10 107 679	41 490 336	33 164 453	93 623 981	26 259 426	1 802 745	206 448 620
Additions	-	7 425 634	15 835 609	32 468 021	63 132 264	-	118 861 528
Gains on revaluation	825 552	-	4 657 019	12 464 881	69 615 435	-	87 562 887
Disposals	-	-	(29 145)	(41 012 436)	(210 207)	-	(41 251 788)
Transfer between categories	-	-	954 953	-	-	(954 953)	-
Balance at 31 December 2024	23 259 990	228 795 633	241 968 712	375 907 947	233 498 281	8 791 726	1 112 222 289
Accumulated depreciation							
Balance at 1 January 2024	1 124 878	131 387 104	149 079 237	160 782 019	43 296 482	5 946 034	491 615 754
Charge to statement of profit or loss (Note 23)	-	21 063 408	13 017 518	23 542 841	115 938 447	-	173 562 214
Disposals	-	-	(705)	(186 822)	(5 731)	-	(193 258)
Impairment	9 906 624	-	-	-	-	-	9 906 624
Balance at 31 December 2024	11 031 502	152 450 512	162 096 050	184 138 038	159 229 198	5 946 034	674 891 334
Net book value at 31 December 2024	12 228 488	76 345 121	79 872 662	191 769 909	74 269 083	2 845 692	437 330 955
2023							
Cost or valuation							
Balance at 1 January 2023	14 304 126	160 265 082	218 481 007	280 598 338	68 841 710	9 640 932	752 131 195
Additions	-	21 751 524	8 863 428	13 510 988	12 730 092	13 014 251	69 870 283
Gains on revaluation	6 906 997	-	10 765 038	94 123 243	23 602 315	-	135 397 593
Disposals	-	-	(294 916)	(59 329)	(1 100 475)	-	(1 454 720)
Transfer between categories	-	12 775 989	16 730	-	-	(12 792 719)	-
Effects of change in presentation currency	(8 884 364)	(14 912 932)	(50 445 464)	(109 809 740)	(29 372 279)	(1 918 529)	(215 343 309)
Balance at 31 December 2023	12 326 759	179 879 663	187 385 823	278 363 500	74 701 363	7 943 934	740 601 042
Accumulated depreciation							
Balance at 1 January 2023	1 124 878	127 937 997	141 098 606	132 926 108	32 997 626	5 946 034	442 031 249
Charge to statement of profit or loss (Note 23)	-	3 449 107	8 038 623	27 871 044	10 629 757	-	49 988 531
Disposals	-	-	(57 992)	(15 133)	(330 901)	-	(404 026)
Balance at 31 December 2023	1 124 878	131 387 104	149 079 237	160 782 019	43 296 482	5 946 034	491 615 754
Net book value at 31 December 2023	11 201 881	48 492 559	38 306 586	117 581 481	31 404 881	1 997 900	248 985 288

12. DEPOSITS FROM CUSTOMERS

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Current accounts	318 593 294	181 984 111
Savings and call accounts	3 919 208 626	1 777 838 744
Term deposits	628 343 762	233 768 007
Bank deposits	605 537 398	321 279 459
	5 471 683 080	2 514 870 321
Maturity analysis of deposits		
On demand	4 567 048 926	520 643 775
Within 1 month	220 629 748	1 854 912 491
Between 1 and 6 months	483 681 776	139 314 055
Between 6 and 12 months	168 876 969	-
After 12 Months	31 445 661	-
	5 471 683 080	2 514 870 321
Secured and unsecured deposits analysis		
Secured deposits	703 645 491	28 001 166
Unsecured deposits	4 768 037 589	2 486 869 155
	5 471 683 080	2 514 870 321

	31 Dec 2024 ZWG	% Contribution	31 Dec 2023 ZWG	% Contribution
Sectoral analysis of deposits				
Private	800 654 656	15%	356 703 555	14.18%
Agriculture	61 306 865	1%	57 664 914	2.29%
Mining	464 812 017	8%	66 187 793	2.63%
Manufacturing	143 928 770	3%	47 451 332	1.89%
Distribution	123 440 411	2%	66 824 293	2.66%
Construction	95 127 104	2%	63 146 301	2.51%
Transport	37 806 914	1%	16 130 102	0.64%
Services	2 150 442 818	39%	1 061 087 712	42.19%
Financial	1 296 236 173	24%	653 798 317	26.01%
Communication	297 927 352	5%	125 876 002	5.00%
	5 471 683 080	100%	2 514 870 321	100%

13. TRADE AND OTHER PAYABLES

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Items in transit	422 353 513	234 402 803
Interest accrued on deposits	15 150 502	13 423 124
Accrued expenses	29 973 188	126 156 509
Sundry creditors	368 948 878	174 875 209
Deferred income	108 571 496	35 966 245
Amounts clearing to other banks	66 411 748	47 176 025
Provisions for guarantees and loan impairment on loan commitments	79 231 412	32 190 937
	1 090 640 737	664 190 852

NOTES TO THE AUDITED FINANCIAL RESULTS (continued)

14. LEASE LIABILITIES

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Balance at the beginning of the year	89 759 210	117 199 940
Add accrued interest posted to profit and loss	28 670 276	72 497 927
Less payments for lease liabilities	(108 836 877)	(77 417 003)
Add lease liability modifications	104 937 318	80 569 994
Subtract adjustment on lease modifications - profit	-	(25 748 690)
Add exchange loss on lease liabilities	-	20 924 798
Effects of change in presentation currency	80 991 509	(98 267 756)
Balance at the end of the year	195 521 436	89 759 210

15. OFFSHORE BORROWINGS

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Balance at beginning of year	221 920 345	639 413 311
New loans	281 438 182	991 090 218
Interest expense	25 792 694	29 219 086
Repayments	(285 070 780)	(1 174 998 740)
Exchange movements	-	288 036 347
Effects of inflation adjustment	-	3 737 331
Effects of change in presentation currency	(9 548 623)	(554 577 208)
Balance at the end of the year	234 531 818	221 920 345

16 DEFERRED TAX ASSETS / (LIABILITIES)

	Balance at 1 January ZWG	Recognised in profit or loss ZWG	Recognised in OCI ZWG	Effects of change in presentation currency ZWG	Balance at 31 December ZWG
2024					
Property and equipment	(53 803 115)	33 672 134	(22 376 141)	(48 547 615)	(91 054 737)
Provisions	66 835 773	(35 232 112)	-	60 307 266	91 910 927
Right of use assets	(22 625 364)	(3 971 410)	-	(20 415 288)	(47 012 062)
Leases liabilities	23 112 996	6 378 486	-	20 855 288	50 346 770
Fair value adjustments on investment securities	(7 158 619)	(44 877)	-	(6 459 364)	(13 662 860)
Fair value adjustments on FVTOCI financial assets	6 874 462	-	8 021 921	6 202 963	21 099 346
Inventories	(455 087)	865 721	-	(410 634)	-
Prepayments	(3 508 563)	6 674 408	-	(3 165 845)	-
	9 272 483	8 342 350	(14 354 220)	8 366 771	11 627 384
2023					
Property and equipment	(53 166 781)	216 477 682	(33 431 678)	(183 682 338)	(53 803 115)
Provisions	35 185 977	(196 525 627)	-	228 175 423	66 835 773
Right of use assets	(10 697 034)	65 314 035	-	(77 242 365)	(22 625 364)
Leases liabilities	28 971 825	(84 765 955)	-	78 907 127	23 112 996
Fair value adjustments on investment securities	(7 742 461)	25 023 169	-	(24 439 326)	(7 158 619)
Fair value adjustments on FVTOCI financial assets	16 649 438	(38 889 767)	5 645 567	23 469 223	6 874 462
Inventories	-	1 098 567	-	(1 553 653)	(455 087)
Prepayments	-	8 469 572	-	(11 978 135)	(3 508 563)
	9 200 964	(3 798 324)	(27 786 111)	31 655 956	9 272 483

17 CURRENT TAX LIABILITIES

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Balance at beginning of the period	(11 007 151)	8 427 719
Charge to statement of profit or loss (note 28)	130 837 330	11 513 033
Taxation paid	(53 353 088)	(28 057 345)
Effects of inflation adjustments	-	997 265
Effects of change in presentation currency	(37 139 368)	(3 887 823)
Balance at the end of the year	29 337 723	(11 007 151)

18 NET INTEREST AND RELATED INCOME

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
18.1.1 Interest income calculated using the effective interest rate method		
Advances	382 586 077	344 124 366
Overdrafts	25 576 813	47 892 487
Establishment fees	34 071 029	3 163 628
Placements with other banks	19 800 077	24 673 021
Financial assets at amortised cost	-	194 043
Treasury bills at FVTOCI	82 053 331	34 949 703
Treasury bills at FVTPL	2 134 299	11 929 614
	546 221 626	466 926 862
18.1.2 Other interest and related income		
Other interest categories	929 787	2 251 940
	929 787	2 251 940
18.2.1 Interest expense calculated using the effective interest rate method		
Customer deposits	57 527 508	61 860 647
Placements from other banks	29 257 501	38 086 465
Offshore borrowings	25 792 694	29 219 086
Lease liabilities	17 826 876	72 497 927
Productive sector facility	5 107 925	8 071 099
	135 512 504	209 735 224
18.2.2 Other interest and related expenses		
Other interest expenses	102 233	121 399
	102 233	121 399
Total interest and related expenses	135 614 737	209 856 623
Net interest and related income	411 536 676	259 322 179

19 ANALYSIS OF LOAN IMPAIRMENT CHARGES / (RECOVERIES) TO STATEMENT OF PROFIT OR LOSS

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Impairment charges on loans and overdrafts (Note 3)	89 101 103	(108 214 971)
Impairment reversal on other financial assets (Note 7.3)	-	22 526
Impairment charges on treasury bills (Note 2)	(205 453 411)	-
Impairment (charges)/reversal on guarantees (Note 25.1)	(43 673 261)	95 416
Impairment reversal / (charges) on undrawn facilities (Note 25.2)	25 679 306	(32 103 063)
Recoveries during the year	69 626 656	23 595 565
	(64 719 607)	(116 604 528)

20 COMMISSION AND FEE INCOME COMPRISES INCOME FROM:

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Digital channels	506 376 433	115 331 568
Management and service fees	558 563 248	478 955 795
Other commissions	14 031 115	11 146 937
	1 078 970 796	605 434 300

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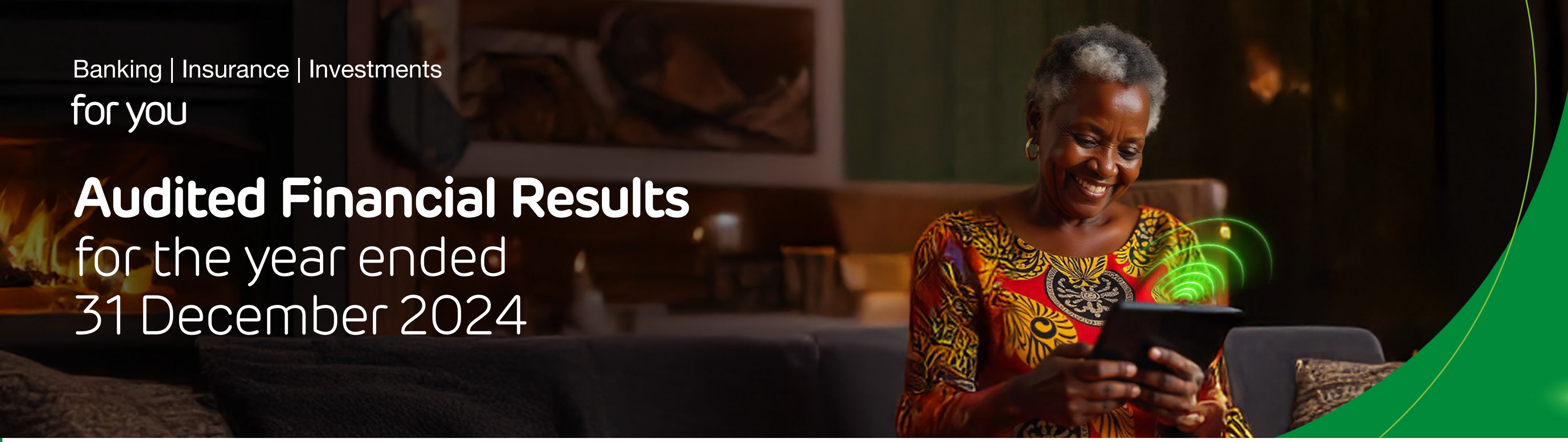

Audited Financial Results for the year ended 31 December 2024

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NOTES TO THE AUDITED FINANCIAL RESULTS (Continued)

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
21 OPERATING INCOME		
Net exchange gains realised	165 915 315	33 796 988
Net exchange gains (unrealised)	1 201 526 165	624 492 767
Dividends from other investments	4 188 521	4 789 070
Recoveries	440 386	1 007 984
(Loss) / gain on sale of equipment	(23 891 077)	2 674 870
Sundry	5 724 633	6 469 028
	1 353 903 943	673 230 707
22 FAIR VALUE ADJUSTMENTS		
Arising from fair value through profit or loss instruments		
Listed equity investments (Note 6.2)	6 919 546	(3 387 253)
Unlisted equity investments (Note 6.2)	4 958 682	51 615 687
Investment in subsidiary company (Note 8)	128 284 570	(838 030)
Treasury bills at fair value through profit or loss	3 383 214	(24 450 152)
Fair value adjustments of virtual tokens (note 6.2.)	(25 228 549)	2 087 312
	118 317 463	25 027 564
23 OPERATING EXPENSES		
Staff expenses	418 295 842	505 664 619
Communication expenses	34 247 451	20 997 552
Computer and information technology	247 913 087	136 236 055
Occupation expenses	48 667 459	91 208 484
Transport expenses	24 138 367	8 836 198
Travelling expenses	8 391 424	9 369 541
Administration expenses	884 062 477	442 759 458
	1 665 716 107	1 215 071 907
Included in administration expenses are the following:		
Depreciation charges on property and equipment (Note 11)	173 562 214	49 988 531
Amortisation of intangible assets (Note 10)	6 318 022	1 531 361
Depreciation charge on right of use asset (Note 9)	80 766 108	17 695 496
Auditors'remuneration	6 554 747	5 815 942
24 INCOME TAX EXPENSE		
Current income tax expense	130 837 330	11 513 033
Deferred taxation (credit) / charge	(8 342 350)	3 798 325
- current	(8 342 350)	32 417 315
- effect of change in tax rate	-	(28 618 990)
	122 494 980	15 311 358
25 CONTINGENT LIABILITIES		
In respect of guarantees	350 586 224	94 302 910
In respect of undrawn loan commitments	1 969 438 594	1 062 348 934
	2 320 024 818	1 156 651 844
25.1 Impairment movement on guarantees		
Opening balance	698 221	6 245 245
Charge/(Reversal) to statement of profit or loss	(43 673 261)	(95 416)
Effects of inflation adjustments		(2 570 590)
Effect of changes in presentation currency	409 676	(881 018)
	44 781 158	698 221
25.2 Impairment movement on loan commitments		
Opening balance	31 492 719	517 921
(Reversal)/Charge to statement of profit or loss	(25 679 306)	32 103 063
Effects of inflation adjustments	-	(889 342)
Effect of changes in presentation currency	28 636 827	(238 923)
	34 450 240	31 492 719
26 CAPITAL ADEQUACY		
Ordinary share capital	725	725
Share premium	31 374	31 374
Reserves	2 763 916 049	216 778 141
IFRS capital	2 763 948 148	216 810 240
Add / (less)		
Regulatory adjustments:		
Fair value adjustment on capitalization treasury bills	-	(356)
Interest in reserve	(60 577 316)	(836 115)
Loans to group entities	(52 051 507)	(11 411 060)
Revaluation reserve	(321 848 717)	(37 010 738)
Tier 1 capital	2 329 470 609	167 551 971
Revaluation reserve	321 848 717	37 010 738
General provision	29 395 007	3 076 383
Tier 2 capital	351 243 724	40 087 121
Total capital base	2 680 714 333	207 639 092
Credit risk weighted assets	5 691 335 465	575 613 883
Operational risk equivalent assets	2 885 302 786	215 463 920
Market risk equivalent assets	1 881 990 660	153 795 255
Total risk weighted assets	10 458 628 911	944 873 058
Tier 1 capital ratio	22.27%	17.73%
Tier 2 capital ratio	3.36%	4.24%
Capital adequacy ratio	25.63%	21.98%

27. RISK MANAGEMENT

27.1 Fair values and risk management - accounting classification and fair values

	Notes	CARRYING AMOUNT Mandatory FVTPL ZWG	Classified as "AMCO" ZWG	FVTOCI ZWG	Total ZWG	FAIR VALUE Level 1 ZWG	Level 2 ZWG	Level 3 ZWG	Total ZWG
31 December 2024									
Financial assets measured at fair value									
Equity securities	6	296 286 471	-	-	296 286 471	39 266 572	-	257 019 899	296 286 471
Treasury bills	2	69 750 303	-	799 612 694	869 362 997	-	69 750 303	799 612 694	869 362 997
Investment in subsidiary	8	921 252 670	-	-	921 252 670	-	-	921 252 670	921 252 670
Total		1 287 820 214	-	799 612 694	2 087 432 908	39 266 572	69 750 303	1 978 416 033	2 087 432 908
Financial assets not measured at fair value									
Cash and cash equivalents	1	-	2 730 622 885	-	2 730 622 885				
Advances and other accounts	3	-	4 001 112 482	-	4 001 112 482				
Trade and other receivables	5	-	496 868 684	-	496 868 684				
Financial assets at amortised cost	7	-	17 948 687	-	17 948 687				
Total		-	7 246 552 738	-	7 246 552 738				
Financial liabilities									
Deposits and other accounts	12	-	(5 471 683 080)	-	(5 471 683 080)				
Offshore borrowings	15	-	(234 531 818)	-	(234 531 818)				
Trade and other payables	13	-	(902 837 828)	-	(902 837 828)				
Total		-	(6 609 052 726)	-	(6 609 052 726)				

NOTES TO THE AUDITED FINANCIAL RESULTS (Continued)

27.1 Fair values and risk management - accounting classification and fair values (continued)

	Notes	CARRYING AMOUNT Mandatory FVTPL ZWG	Classified as "AMCO" ZWG	FVTOCI ZWG	Total ZWG	FAIR VALUE Level 1 ZWG	Level 2 ZWG	Level 3 ZWG	Total ZWG
31 December 2023									
Financial assets measured at fair value									
Equity securities	6	153 375 019	-	-	153 375 019	17 004 400	-	136 370 619	153 375 019
Treasury bills	2	15 304 723	-	309 978 475	325 283 198	-	15 304 723	309 978 475	325 283 198
Virtual Gold Tokens Purchased	6	17 725 452	-	-	17 725 452	17 725 452	-	-	17 725 452
Investment in subsidiary	8	416 842 652	-	-	416 842 652	-	-	416 842 652	416 842 652
Total		603 247 846	-	309 978 475	913 226 321	34 729 852	15 304 723	863 191 746	913 226 321
Financial assets not measured at fair value									
Cash and cash equivalents	1	-	962 853 610	-	962 853 610				
Treasury Bills	2	-	87 555	-	87 555				
Advances and other accounts	3	-	2 071 617 629	-	2 071 617 629				
Trade and other receivables	5	-	290 185 874	-	290 185 874				
Financial assets at amortised cost	7	-	8 723 301	-	8 723 301				
Total		-	3 333 467 969	-	3 333 467 969				
Financial liabilities									
Deposits and other accounts	12	-	2 514 870 321	-	2 514 870 321				
Offshore borrowings	15	-	221 920 346	-	221 920 346				
Trade and other payables	13	-	664 190 852	-	664 190 852				
Total		-	3 400 981 518	-	3 400 981 518				

27.2 Liquidity risk

The table below set out the remaining contractual maturities of the bank's financial assets and financial liabilities

Liquidity gap analysis	Up to 1 month ZWG	2 to 6 months ZWG	7 to 12 months ZWG	Above 12 months undeterminable* ZWG	Total ZWG	Carrying amount ZWG
As at 31 December 2024						
FINANCIAL ASSETS BY TYPE						
Cash and cash equivalents	2 710 749 018	6 974 617	63 236 087	-	2 780 959 722	2 730 622 885
Treasury bills	91 581 141	277 390 756	298 860 381	211 256 395	879 088 673	869 362 997
Advances and other accounts	614 416 421	457 253 408	3 075 949 235	98 035 889	4 245 654 953	4 001 112 482
Trade and other receivables	269 725 449	61 123 607	120 994 868	45 024 760	496 868 684	692 997 135
Financial assets at fair value through profit or loss	-	-	-	296 817 241	296 817 241	296 817 241
	3 686 472 029	802 742 388	3 559 040 571	651 134 285	8 699 389 273	8 590 912 740
FINANCIAL LIABILITIES BY TYPE						
Deposits and other accounts	4 787 678 674	483 681 776	168 876 970	38 480 337	5 478 717 757	5 471 683 080
Offshore borrowings	-	234 531 818	-	-	234 531 818	234 531 818
Trade and other payables	478 740 430	357 713 653	47 860 049	18 523 696	902 837 828	1 090 640 737
Lease liabilities	22 650 656	45 301 312	93 413 213	65 141 380	226 506 561	195 521 436
Loan commitments	69 832 178	118 631 591	450 801 915	1 330 172 910	1 969 438 594	1 969 438 594
Guarantees	3 895 574	27 924 712	318 765 938	-	350 586 224	350 586 224
	5 362 797 512	1 267 784 862	1 079 718 085	1 452 318 323	9 162 618 782	9 312 401 889
Period gap	(1 676 325 483)	(465 042 474)	2 479 322 486	(801 184 038)	(463 229 509)	(721 489 149)
Cumulative gap	(1 676 325 483)	(2 141 367 957)	337 954 529	(463 229 509)	-	-

Liquidity gap analysis	Up to 1 month ZWG	2 to 6 months ZWG	7 to 12 months ZWG	Above 12 months undeterminable* ZWG	Total ZWG	Carrying amount ZWG
As at 31 December 2023						
FINANCIAL ASSETS BY TYPE						
Cash and cash equivalents	817 794 484	84 958 810	60 100 279	-	962 853 573	962 853 610
Treasury bills	14 399 688	962 386	-	311 461 921	326 823 995	325 370 753
Advances and other accounts	300 258 189	381 172 773	329 619 735	1 625 439 881	2 636 490 578	2 071 617 629
Trade and other receivables	126 780 051	8 875 115	44 513 596	110 018 211	290 186 973	290 185 874
Financial assets at fair value through profit or loss	-	17 725 453	-	153 375 018	171 100 471	171 100 471
	1 259 232 412	475 969 084	434 233 610	2 046 920 013	4 216 355 119	3 650 027 866
FINANCIAL LIABILITIES BY TYPE						
Deposits and other accounts	2 375 556 266	147 217 569	-	-	2 522 773 835	2 514 870 321
Offshore borrowings	-	227 439 957	-	-	227 439 957	221 920 345
Trade and other payables	341 883 730	74 162 756	141 424 100	70 754 139	628 224 725	628 224 725
Lease liabilities	16 225 714	32 451 429	67 607 143	45 972 857	162 257 143	89 759 210
Loan commitments	14 062 370	131 860 441	229 685 905	686 740 218	1 062 348 934	1 062 348 934
Guarantees	8 885 322	64 835 914	20 581 674	-	94 302 910	94 302 910
	2 756 613 402	677 968 066	459 298 822	803 467 214	4 697 347 504	4 611 426 445
Period gap	(1 497 380 990)	(201 998 982)	(25 065 212)	1 243 452 799	(480 992 385)	(961 398 579)
Cumulative gap	(1 497 380 990)	(1 699 379 972)	(1 724 445 185)	(480 992 385)	-	-

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Liquidity ratios		
Cash and short term funds	2 730 622 885	962 853 610
Treasury bills	869 362 997	325 370 753
Total liquid assets	3 599 985 882	1 288 224 363
Total liabilities to the public	5 471 683 080	2 514 870 321
Liquidity ratio	66%	51%
Average for the year	55%	48%
Maximum for the year	66%	57%
Minimum for the year	49%	37%
Minimum statutory liquidity ratio	30%	30%

27.3 Interest rate risk

Interest rate gap analysis	Up to 1 month ZWG	2 to 6 months ZWG	7 to 12 months ZWG	Above 12 months ZWG	Carrying amount ZWG
As at 31 December 2024					
ASSETS					
Cash and short term funds	12 899 250	245 085 750	12 899 250	-	270 884 250
Treasury bills	91 581 141	277 390 756	298 860 381	201 530 719	869 362 997
Advances and other accounts	614 416 419	457 253 408	755 924 418	2 173 518 237	4 001 112 482
	718 896 810	979 729 914	1 067 684 049	2 375 048 956	5 141 359 729
LIABILITIES					
Deposits and other accounts	4 787 678 674	483 681 776	168 876 969	31 445 661	5 471 683 080
Offshore borrowings	-	234 531 818	-	-	234 531 818
Lease liability	19 552 144	39 104 287	32 604	136 832 401	195 521 436
	4 807 230 818	757 317 881	168 909 573	168 278 062	5 901 736 334
Period gap	(4 088 334 008)	222 412 033	898 774 476	2 206 770 894	(760 376 605)
Cumulative gap	(4 088 334 008)	(3 865 921 975)	(2 967 147 499)	(760 376 605)	-
As at 31 December 2023					
ASSETS					
Cash and short term funds	468 548 707	-	-	-	468 548 707
Treasury bills	14 376 169	962 386	-	310 032 198	325 370 753
Advances and other accounts	299 087 536	358 458 678	280 203 087	1 133 868 328	2 071 617 629
	782 012 412	359 421 064	280 203 087	1 443 900 526	2 865 537 089
LIABILITIES					
Deposits and other accounts	2 375 556 267	139 314 054	-	-	2 514 870 321
Offshore borrowings	-	221 920 345	-	-	221 920 345
Lease liability	8975922	17 951 843	37 399 673	25 431 772	89 759 210
	2 384 532 189	379 186 242	37 399 673	25 431 772	2 826 549 876
Period gap	(1 602 519 777)	(19 765 178)	242 803 414	1 418 468 754	(38 987 213)
Cumulative gap	(1 602 519 777)	(1 622 284 955)	(1 379 481 541)	(38 987 213)	-

Building Society

AUDITED FINANCIAL RESULTS
for the year ended 31 December 2024

SEPARATE STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	Notes	31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG	*Restated 31 Dec 2022 ZWG
ASSETS				
Cash and cash equivalents	1	75 633 898	34 945 805	82 365 494
Treasury bills	2	9 302 122	4 786 434	-
Loans and other advances	3	54 617 784	34 389 395	31 247 134
Trade and other receivables	4	68 597 278	30 648 734	9 465 491
Inventories	5	282 204	187 475	348 023
Financial assets "at Fair Value Through Profit or Loss"	6	31 332 787	16 209 637	18 081 035
Right of use assets	7	1 515 615	1 703 322	2 069 314
Property and equipment	8	3 258 629	1 660 511	5 743 584
Investment properties	9	221 454 324	114 229 368	131 296 162
Investment in subsidiaries	10	98 997 846	52 252 572	70 977 891
Total assets		564 992 487	291 013 253	351 594 128
LIABILITIES				
Deposits from customers	11	178 724 474	68 841 000	64 785 535
Trade and other payables	12	65 651 990	12 215 336	46 974 600
Lease liabilities	13	1 726 354	1 800 631	2 383 694
Deferred tax liabilities	14	11 072 716	5 711 574	6 564 808
Total liabilities		257 175 534	88 568 541	120 708 637
EQUITY				
Share capital	15.1.1	2 121	2 337 498	4 339 322
Share premium	15.1.2	59 888	21 842 522	40 433 782
Reserves	15.2	307 754 944	178 264 692	186 112 387
Total equity		307 816 953	202 444 712	230 885 491
Total equity and liabilities		564 992 487	291 013 253	351 594 128

*The 2023 and 2022 statement of financial position have been restated to account for the restrospective application of the change in presentation currency.

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

	Notes	31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG
Interest income calculated using effective interest rate	16.1.1	8 384 833	14 173 265
Other interest and related income	16.1.2	1 627 983	4 641 045
Interest expense calculated using effective interest rate	16.2.1	(3 621 070)	(279 521)
Other interest and related expense	16.2.2	(100 844)	(377 333)
Net interest and related income		6 290 902	18 157 456
Allowance for loan impairment	17	(6 561 366)	(1 911 588)
Net income from lending activities		(270 464)	16 245 868
Commissions, fees and operating income	18	14 535 547	72 015 694
Fair value adjustments	19	4 243 872	62 005 212
Total income		18 508 955	150 266 775
Total operating expenses	20	(86 887 301)	(65 085 760)
Operating (loss) / profit		(68 378 346)	85 181 015
Net monetary loss		-	(3 125 817)
(Loss) / profit before taxation		(68 378 346)	82 055 197
Income Tax Expense	21	(207 476)	(3 713 045)
(Loss) / profit for the year		(68 585 821)	78 342 152
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):			
Effects of changes in presentation currency		171 313 618	(106 489 518)
Gains on property and equipment			
Revaluation		1 546 603	450 918
Items that will be reclassified to profit or loss			
Fair value gains / losses on Fair Value Through Other Comprehensive Income financial instruments		1 097 841	(806 056)
Other comprehensive income for the year		173 958 062	(106 844 656)
Total comprehensive income for the year		105 372 241	(28 502 504)

*The comparative statement of profit or loss and other comprehensive income for the year ended 31 December 2023 has been restated to reflect the change in functional and presentation currencies.

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

Audited	Ordinary shares ZWG	Share premium ZWG	Equity reserve ZWG	Equity translation reserve ZWG	Property revaluation reserve ZWG	Financial assets held at FVTOCI reserve ZWG	Retained income ZWG	Total ZWG
Balance at 1 January 2023	4 339 322	40 433 782	-	-	3 653 630	-	182 458 757	230 885 491
Changes in equity for 2023								
Profit or loss								
Profit for the year	-	-	-	-	-	-	78 342 153	78 342 153
Other comprehensive income, net of tax								
Revaluation of property and equipment	-	-	-	-	450 918	-	-	450 918
Fair value loss on financial assets at FVTOCI						(806 056)		(806 056)
Effects of change in presentation currency	(2 001 824)	(18 652 985)	-	-	(2 059 947)	-	(83 774 762)	(106 489 518)
Other movements								
Transfer from FCTR	-	61 725	-	-	-	-	-	61 725
***Restated Balance at 31 December 2023**	2 337 498	21 842 522	-	-	2 044 599	(806 056)	177 026 148	202 444 712
Changes in equity for 2024								
Profit or loss								
Loss for the year	-	-	-	-	-	-	(68 585 821)	(68 585 821)
Other comprehensive income, net of tax								
Revaluation of property and equipment	-	-	-	-	1 546 603	-	-	1 546 603
Fair value gain on financial assets at FVTOCI	-	-	-	-	-	1 097 841	-	1 097 841
Effects of translating to presentation currency	-	-	-	171 313 618	-	-	-	171 313 618
Other movements								
Transfer to non-distributable equity reserve	(2 335 377)	(21 782 634)	24 118 012	-	-	-	-	-
Balance at 31 December 2024	2 121	59 888	24 118 012	171 313 618	3 591 202	291 785	108 440 326	307 816 953

*The comparative statement of changes in equity for the year ended 31 December 2023 has been restated to reflect the change in functional and presentation currencies.

STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

	31 Dec 2024 ZWG	*Restated 31 Dec 2023 ZWG
Cash flows generated from operating activities	89 423 653	(41 685 550)
Interest received	10 012 816	18 052 777
Interest paid	(3 621 070)	(279 521)
Net cash generated from operating activities	95 815 399	(23 912 294)
Cash flows from investing activities		
Purchase of property and equipment	(130 407)	(122 252)
Dividends received	448 147	363 119
Net cash generated from investing activities	317 740	240 867
Cash flows from financing activities		
Lease liabilities interest payments	(385 896)	(298 989)
Lease liabilities capital payments	(4 513 440)	(1 780 265)
Net cash generated from / (used in) financing activities	(4 899 336)	(2 079 254)
Net increase in cash and cash equivalents	91 233 803	(25 750 681)
Cash and cash equivalents at beginning of year	34 945 805	82 365 494
Effects of foreign exchange rates on cash and cash equivalents	(58 406 314)	19 020 674
Effects of Inflation adjustments	-	(2 693 222)
Effects of translating to presentation currency	7 860 604	(37 996 460)
Cash and cash equivalents at end of year	75 633 898	34 945 805
Comprising of;		
Balances with the Reserve Bank of Zimbabwe	57 205 932	12 885 711
Balances with other banks and cash	18 427 966	22 060 095
	75 633 898	34 945 805

*The comparative statement of cash flows for the year ended 31 December 2023 has been restated to reflect the change in functional and presentation currencies.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2024

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
1. CASH AND CASH EQUIVALENTS		
Balances with the Reserve Bank of Zimbabwe	57 309 627	12 885 711
Balances with other banks and cash	18 324 271	22 060 094
	75 633 898	34 945 805
2 TREASURY BILLS		
2.1 Assets classified at FVTOCI		
Medium term Treasury bills acquired from the market	9 302 122	4 786 434
Reconciliation of Treasury bills carrying amount:		
Balance at beginning of year	4 786 434	-
Acquisition of Treasury bills	-	1 584 647
FVTOCI adjustment	1 097 842	(3 589 919)
Accrued Interest posted to profit or loss	2 220 851	761 532
Effects of change in presentation currency	4 366 327	6 030 174
Expected credit loss	(3 169 332)	-
Balance at end of year	9 302 122	4 786 434

The Society acquired treasury bills from the secondary market in 2023. The Treasury bills have a face value of ZWG 7 228 333 and were acquired at a discount of 23%. The treasury bills have an original tenure of 2 years. The treasury bills have a maturity period of 6 months as at the reporting date.

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
Impairment movement		
Charge to statement of profit or loss	3 169 331	-
Balance at end of the year	3 169 331	-
3. LOANS AND OTHER ADVANCES		
3.1 Categories of loans and other advances		
Mortgages loans		
Residential properties	11 431	29 321
Other loans and overdrafts		
Consumer loans	58 373 012	36 438 084
Gross loans and other advances	58 384 443	36 467 405
Less: Allowance for loan impairment	(3 766 659)	(2 078 010)
Loans and other advances	54 617 784	34 389 395
3.2 Maturity analysis		
Within 1 month	5 989 919	3 741 350
Between 2 - 6 months	9 356 629	5 844 228
Between 7 - 12 months	14 572 064	9 101 831
After 12 months	28 465 831	17 779 996
	58 384 443	36 467 405
3.3 Loans and advances to customers by business line		
Mortgage lending	11 431	29 321
Consumer lending	41 821 348	25 711 105
Small business lending	16 551 664	10 726 978
	58 384 443	36 467 404
3.4 Mortgage loans spread		
Residential low density	11 431	29 322
	11 431	29 322
3.5 Defaulted loans and advances		
Defaulted loans and advances	2 579 340	3 393 090
Less: Allowance for loan impairment	(1 506 757)	(2 078 010)
Net carrying amount	1 072 583	1 315 080

	31 Dec 2024 ZWG	Percentage Contribution	31 Dec 2023 ZWG	Percentage Contribution
3.6 Sectorial analysis				
Private	41 832 780	72%	25 740 427	82%
Manufacturing	142 076	0%	8 341 343	14%
Distribution	142 724	0%	36 659	0%
Construction	91 919	0%	12 989	0%
Services	16 174 944	28%	2 335 987	4%
	58 384 443	100%	36 467 405	100%

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	31 Dec 2024 ZWG	31 Dec 2023 ZWG
4. TRADE AND OTHER RECEIVABLES		
VAT claimable	885 615	113 136
Intercompany balances	53 748 861	30 067 824
Lease receivables	17 253 225	993 440
ECL on lease receivables	(3 290 423)	(525 666)
	68 597 278	30 648 734
5. INVENTORIES		
Inventories comprise of;		
Serviced land held for resale	282 204	187 475
6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		
6.1 Equity investments		
Unlisted equity investments		
Balance at beginning of year	16 209 637	18 081 035
Fair value gain (note 22)	496 875	6 469 634
Effects of translation to presentation currency	14 626 275	(8 341 032)
Balance at end of year	31 332 787	16 209 637

All equity investments are non-current assets.

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
7. RIGHT OF USE ASSETS		
Balance at beginning of year	1 703 322	2 069 314
Effects of change in presentation currency	(634 670)	88 190
Arising from Lease modification	935 840	(259 868)
Depreciation charge	(488 877)	(194 314)
Balance at end of year	1 515 615	1 703 322

8. PROPERTY AND EQUIPMENT

	Leasehold improvements ZWG	Motor vehicles ZWG	Office furniture & equipment ZWG	Computer equipment ZWG	Total ZWG
2024					
Cost/valuation					
Balance at beginning of year	1 924 256	4 265 152	1 968 595	1 683 733	9 841 736
Additions	-	-	16 508	113 899	130 407
Revaluation gains	-	476 171	924 640	145 792	1 546 603
Effects of translation to presentation currency	211 528	(2 099 011)	3 293 724	92 071	1 498 312
Balance at end of year	2 135 784	2 642 311	6 203 468	2 035 495	13 017 058
Accumulated depreciation and impairment charges					
Balance at beginning of year	829 732	717 366	1 698 825	831 762	4 077 685
Charge to statement of profit or loss	50 074	545 104	849 510	132 516	1 577 204
Effects of translation to presentation currency	860 097	843 103	1 650 407	749 934	4 103 541
Balance at end of year	1 739 903	2 105 573	4 198 742	1 714 212	9 758 430
Carrying amount at end of year	395 881	536 738	2 004 726	321 282	3 258 629
2023					
Cost/valuation					
Balance at beginning of year	2 082 571	971 558	3 196 258	921 287	7 171 674
Additions	-	-	89 741	32 512	122 253
Revaluation gains	-	399 308	-	51 610	450 918
Effects of translation to presentation currency	(158 315)	2 894 286	(1 317 404)	678 324	2 096 891
Balance at end of year	1 924 256	4 265 152	1 968 595	1 683 733	9 841 736
Accumulated depreciation and impairment charges					
Balance at beginning of year	829 732	717 366	1 698 825	831 762	4 077 685
Charge to statement of profit or loss	149 541	228 773	193 481	37 640	609 435
Impairment charge	-	2 106	-	-	2 106
Effects of translation to presentation currency	710 556	2 400 987	(331 837)	712 294	3 492 000
Balance at end of year	1 689 829	3 349 232	1 560 469	1 581 696	8 181 226
Carrying amount at end of year	234 427	915 920	408 126	102 037	1 660 511

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
9 INVESTMENT PROPERTIES		
9.1 Carrying amount of investment properties		
Balance at beginning of year	114 229 368	131 296 162
Fair value adjustment	4 153 537	74 260 897
Effect of change in presentation currency	103 071 419	(91 327 691)
Balance at end of year	221 454 324	114 229 368
10 INVESTMENT IN SUBSIDIARIES		
10.1 Carrying amount of investment in subsidiaries		
Balance at beginning of year	52 252 572	38 234 806
Fair value (loss)	(406 540)	(18 725 318)
Effects of changes in presentation currency	47 151 814	32 743 084
Balance at end of year	98 997 846	52 252 572
11. DEPOSITS FROM CUSTOMERS		
11.1 Deposits by type		
Demand accounts	178 705 642	68 795 667
Savings accounts	11 862	8 440
Fixed deposits	6 970	36 893
	178 724 474	68 841 000
11.2 Maturity analysis		
On demand	178 705 643	2 902 930
Within 1 month	-	-
1 month to 6 months	11 862	56 236 127
6 months to 12 months	6 969	4 679 011
More than 1 year	-	5 022 932
	178 724 474	68 841 000

	31 Dec 2024 ZWG	% Contribution	31 Dec 2023 ZWG	% Contribution
11.3 Sectoral analysis				
Private individuals	121 432 301	68%	18 763 377	27%
Financial institutions	716 152	0%	-	0%
Communication	179 038	0%	10 650 465	15%
Manufacturing	14 689 630	8%	11 121 979	16%
Distribution	26 489 120	15%	-	0%
Construction	4 475 951	3%	3 705 748	5%
Agriculture	2 791 291	2%	-	0%
Services	7 950 991	4%	24 599 431	36%
	178 724 474	100%	68 841 000	100%

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
12. TRADE AND OTHER PAYABLES		
Leave pay provision	19 539	189 019
Creditors and other accounts	9 952 977	5 001 309
Deferred income	835 956	671 980
Intercompany balances	54 843 518	6 353 028
	65 651 990	12 215 336

All trade and other payables are current liabilities

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
13 LEASE LIABILITIES		
Balance at beginning of year	1 800 631	2 383 694
Modifications	(634 670)	88 190
Add Accrued interest expense charged to profit or loss	100 844	377 333
Less lease payments during the year	(385 896)	(2 079 254)
Exchange Loss on lease liabilities	-	1 793 163
Effects of inflation adjustment	-	370 873
Gain on lease modification	-	(33 713)
Effects of change in presentation currency	845 445	(1 099 655)
Balance at end of year	1 726 354	1 800 631

	Balance 1 January ZWG	Recognised in profit or loss ZWG	Balance 31 December ZWG
14. DEFERRED TAX LIABILITIES			
2024			
Investment properties	5 711 574	5 361 142	11 072 716
2023			
Investment properties	6 564 808	(853 234)	5 711 574

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
15. EQUITY AND RESERVES		
15.1 Share capital and share premium		
15.1.1 Share capital		
Authorised;		
100 000 000 (2023: 100 000 000) ordinary shares of ZWG 0.000004 each	400	400
Issued and fully paid;		
95 481 425 (2023: 95 481 425) ordinary shares of ZWG 0.000004 each	2 121	2 337 498
Balance at beginning of year	2 337 498	4 339 322
Effects of changes in presentation currency	-	(2 001 824)
Transfer to equity reserve	(2 335 377)	-
Balance at end of year	2 121	2 337 498
15.1.2 Share premium		
Balance at beginning of year	21 842 522	40 433 782
Effects of changes in presentation currency translation reserve	(21 782 634)	(18 652 985)
Transfer from FCTR	-	61 725
Balance at end of year	59 888	21 842 522
15.2 Reserves		
Foreign currency translation reserve	171 313 618	-
Equity reserve	24 118 011	-
Property and equipment revaluation reserves	3 591 202	2 044 599
Financial assets held at FVTOCI reserve	291 785	(806 056)
Retained income	108 440 326	177 026 147
Total reserves	307 754 944	178 264 692
15.2.1 Foreign currency translation reserve		
Effects of translating to presentation currency	171 313 618	-
Balance at end of year	171 313 618	-
15.2.2 Equity reserve		
Transfer to non distributable equity reserve	24 118 011	-
Balance at end of year	24 118 011	-
15.2.3 Property and equipment revaluation reserve		
Balance at beginning of year	2 044 601	3 653 630
Effects of change in functional currency	-	(2 059 947)
Surplus on revaluation of property and equipment	1 546 603	450 918
Balance at end of year	3 591 204	2 044 601
15.2.4 Financial assets held at FVTOCI reserve		
Balance at the beginning of year	(806 056)	-
Fair value adjustment for the period	1 097 841	(806 056)
Effects of change in functional currency	-	-
Balance at end of year	291 785	(806 056)
15.2.5 Retained income		
Balance at beginning of year	177 026 147	182 458 757
Effects of change in presentation currency	-	(83 774 762)
Restated Balance	177 026 148	98 683 995
(Loss) / profit for the year	(68 585 821)	78 342 153
Balance at end of year	155 592 139	177 026 148
16. NET INTEREST INCOME		
16.1 Interest and related income		
16.1.1 Interest income calculated using effective interest rate		
Mortgage advances	3 684	34 066
Consumer loans	5 032 835	12 970 014
Small business loans	847 951	407 653
Short term funds and securities	2 500 363	761 532
	8 384 833	14 173 265
16.1.2 Other interest and related income		
Penalty interest income	46 724	1 228 525
Other interest income	1 581 259	3 412 520
	1 627 983	4 641 045
Total interest income	10 012 816	18 814 310
16.2 Interest and related expense		
16.2.1 Interest expense calculated using effective interest rate		
Fixed deposits	-	4 518
Savings and current accounts	3 621 070	275 003
	3 621 070	279 521
16.2.2 Other interest and related expense		
Finance cost on lease liabilities	100 844	377 333
Total interest expense	3 721 914	656 854
Net interest and related income	6 290 902	18 157 456
17. LOAN AND TREASURY BILLS IMPAIRMENT ALLOWANCE MOVEMENT		
Balance at beginning of year	2 078 010	1 484 587
Effect changes in presentation currency	1 874 572	(669 602)
Effect of inflation adjsutment	-	(648 562)
Charge to statement of profit or loss:	6 561 366	1 911 588
Treasury bills	3 169 331	-
Loans	3 392 035	1 911 588
Balance at end of year	10 513 949	2 078 011

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

	31 Dec 2024 ZWG	31 Dec 2023 ZWG
18. COMMISSIONS, FEES AND NET OPERATING INCOME		
Account service fees	37 475 095	25 283 125
Transaction fees	1 326 067	5 721 757
Other commissions and fees	8 085 696	6 812 455
Operating lease rental income	23 930 015	14 106 660
Realise exchange gains	731 243	117
Unrealised exchange gains/(loss)	(58 406 314)	19 020 556
Dividend income	448 147	363 119
Other	945 600	707 905
	14 535 549	72 015 694
19 FAIR VALUE ADJUSTMENTS		
Fair value adjustment on:		
Assets at FVTPL (note 9)	496 875	6 469 633
Investment properties (note 12)	4 153 537	74 260 897
Investments in subsidiaries (note 13)	(406 540)	(18 725 318)
	4 243 872	62 005 212
20 OPERATING EXPENSES		
Operating expenses comprise:		
Staff costs	4 109 190	4 018 039
Communication expenses	130 816	52 167
Computer and information technology expenses	26 575 959	11 728 743
Marketing and promotion expenses	3 844 549	3 060 687
Occupation expenses	2 993 439	2 339 383
Transport costs	174 457	108 276
Security	1 112 491	800 142
Expected credit loss on trade and other receivables	3 231 267	2 150 223
Administration expenses	44 715 133	40 828 100
	86 887 301	65 085 760
Administration expenses include:		
Audit fees	2 888 516	604 597
Directors fees	2 046 578	1 049 143
Depreciation of property and equipment	1 577 204	609 434
Depreciation right of use assets	488 877	194 314
Impairment of property and equipment	-	2 106
Repairs & maintenance of Investment properties	448 001	381 340
Shared ZBFH Group administration costs	26 712 545	16 764 735
Shared Service centre costs	-	6 630 847
21 TAX EXPENSE		
21.1 Tax expense recognised in statement of profit or loss		
Tax expense comprises:		
Deferred tax expense	207 476	3 713 045
24 RISK MANAGEMENT		
24.1 Capital risk management		
Capital adequacy ratio		
Share capital	2 121	2 121
Share premium	59 888	59 889
Retained income	155 592 139	253 597 850
Tier 1 Capital	155 654 148	253 659 860
Presentation currency translation reserve	124 161 806	-
Equity reserve	24 118 012	-
Revaluation reserves	3 591 202	1 926 998
FVTOCI reserves	291 785	(806 056)
Tier 2 Capital	152 162 805	1 120 942
Total capital base	307 816 953	254 780 802
Credit risk weighted assets	650 706 113	298 459 528
Operational risk equivalent assets	327 708 175	144 113 315
Total risk weighted assets	978 414 288	442 572 843
Tier 1 ratio	15.9%	57.3%
Tier 2 ratio	15.6%	0.3%
Capital adequacy ratio	31.5%	57.6%
RBZ requirements	12%	12%

The Society had a core capital level of ZWG 307 816 953 019 as at 31 December 2024 (2023: ZWG254 780 802).

24.2 Financial risk management

24.2.2 Classification and measurement of financial assets and liabilities

	CARRYING AMOUNT					FAIR VALUE			
	Instruments at FVTPL ZWG	Amortised cost ZWG	Instruments at FVOCI ZWG	Non-financial instruments ZWG	Total ZWG	Level 1 ZWG	Level 2 ZWG	Level 3 ZWG	Total ZWG
As at 31 December 2024									
Financial assets measured at fair value									
Financial assets at FVTPL	31 332 787	-	-	-	31 332 787	-	-	31 332 787	31 332 787
Treasury bills	-	-	9 302 122	-	9 302 122	-	-	9 302 122	9 302 122
	31 332 787	-	9 302 122	-	40 634 909	-	-	40 634 909	40 634 909
Financial assets not measured at fair value									
Trade and other receivables	-	67 710 993	-	886 285	68 597 278				
Loans and advances	-	54 617 784	-	-	54 617 784				
Cash and cash equivalents	-	75 633 898	-	-	75 633 898				
	-	197 962 675	-	886 285	198 848 960				
Financial liabilities not measured at fair value									
Trade and other payables	-	(65 632 451)	-	(19 539)	(65 651 990)				
Deposits from customers	-	(178 724 474)	-	-	(178 724 474)				
	-	(244 356 925)	-	(19 539)	(244 376 464)				

	CARRYING AMOUNT					FAIR VALUE			
	Instruments at FVTPL ZWG	Amortised cost ZWG	Instruments at FVOCI ZWG	Non-financial instruments ZWG	Total ZWG	Level 1 ZWG	Level 2 ZWG	Level 3 ZWG	Total ZWG
As at 31 December 2023									
Financial assets measured at fair value									
Financial assets at FVTPL	16 209 637	-	-	-	16 209 637	-	-	16 209 637	16209637
Treasury bills	-	-	4 786 434	-	4 786 434	-	-	-	-
	16 209 637	-	4 786 434	-	20 996 071	-	-	16 209 637	16209637
Financial assets not measured at fair value									
Trade and other receivables	-	30 535 246	-	113 488	30 648 734				
Loans and advances	-	34 389 395	-	-	34 389 395				
Cash and cash equivalents	-	34 945 805	-	-	34 945 805				
	-	99 870 446	-	113 488	99 983 934				
Financial liabilities not measured at fair value									
Trade and other payables	-	(12 026 317)	-	(189 019)	(12 215 336)				
Deposits from customers	-	(68 841 000)	-	-	(68 841 000)				
	-	(80 867 317)	-	(189 019)	(81 056 336)				

NOTES TO THE FINANCIAL STATEMENTS (Continued)

24.3 Liquidity risk

Liquidity gap analysis	Up to 1-month ZWG	2 to 6 months ZWG	7 months to 12 months ZWG	Gross nominal inflow/(outflow) ZWG
As at 31 December 2024				
Financial assets by type				
Cash and cash equivalents	75 633 898	-	-	75 633 898
Treasury bills	-	13 750 601	-	13 750 601
Loans and other advances	11 569 675	6 636 242	48 009 676	66 215 593
Trade and other receivables	-	71 002 086	-	71 002 086
Financial assets at FVTPL	-	-	31 332 787	31 332 787
	87 203 573	91 388 929	79 342 463	257 934 965
Financial liabilities by type				
Deposits from customers	179 444 279	549	15 008	179 459 836
Trade and other payables	-	64 796 495	-	64 796 495
Lease liabilities	4 089 285	20 446 425	171 749 970	196 285 680
	183 533 564	85 243 469	171 764 978	440 542 011
Sensitivity gap	(96 329 991)	6 145 460	(92 422 515)	(182 607 047)
Cumulative gap	(96 329 991)	(90 184 532)	(182 607 047)	-

Liquidity gap analysis	Up to 1-month ZWG	2 to 6 months ZWG	7 months to 12 months ZWG	Gross nominal inflow/(outflow) ZWG
As at 31 December 2023				
Financial assets by type				
Cash and cash equivalents	34 945 805	-	-	34 945 805
Treasury bills	-	-	7 228 333	7 228 333
Loans and other advances	4 273 352	7 071 515	35 170 296	46 515 164
Trade and other receivables	-	31 061 264	-	31 061 264
Financial assets at FVTPL	-	-	16 209 637	16 209 637
	39 219 157	38 132 779	58 608 266	135 960 203
Financial liabilities by type				
Deposits from customers	68 826 872	2 035	28 492	68 857 399
Trade and other payables	-	11 543 356	-	11 543 356
Lease liabilities	-	-	1 800 631	1 800 631
	68 826 872	11 545 391	1 829 123	82 201 386
Sensitivity gap	(29 607 715)	26 587 388	56 779 143	53 758 816
Cumulative gap	(29 607 715)	(3 020 327)	53 758 816	-

24.4 Interest rate risk

Interest rate gap analysis	Up to 1 month ZWG	2 to 6 months ZWG	7 to 12 months ZWG	Carrying amount ZWG
As at 31 December 2024				
Financial assets by type				
Balances with banks	9 425 010	-	-	9 425 010
Treasury bills	-	9 302 122	-	9 302 122
Loans and other advances	20 477 435	5 933 925	28 206 424	54 617 784
	29 902 445	15 236 047	28 206 424	73 344 916
Financial liability by type				
Deposits from customers	178 723 713	535	226	178 724 474
Sensitivity gap	(148 821 268)	15 235 512	28 206 198	(105 379 558)
Cumulative gap	(148 821 268)	(133 585 756)	(105 379 558)	-

Interest rate gap analysis	Up to 1 month ZWG	2 to 6 months ZWG	7 to 12 months ZWG	Carrying amount ZWG
As at 31 December 2023				
Financial assets by type				
Balances with banks	15 823 146	-	-	15 823 146
Money market investments	-	-	-	-
Loans and other advances	54 617 784	-	-	54 617 784
	70 440 930	-	-	70 440 930
Financial liability by type				
Deposits from customers	178 724 474	-	-	178 724 474
Sensitivity gap	(98 981 422)	-	-	(98 981 422)
Cumulative gap	(98 981 422)	(98 981 422)	(98 981 422)	-

24.6 Credit risk

24.6.1 Total loans and advances

	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	2024 TOTAL ZWG	STAGE1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	2023 TOTAL ZWG
Total loans and advances								
Good (AAA to BBB-)	53 334 166	1 473 735	1 999 703	56 807 604	34 037 169	1 915 873	189 383	36 142 425
Special mention (BB+ to CCC-)	208 492	4 724	130 675	343 891	235 973	17 960	7 409	261 342
Non-performing (CC+ to D)	-	-	1 232 948	1 232 948	-	-	63 637	63 637
Total loans and advances	53 542 658	1 478 459	3 363 326	58 384 443	34 273 142	1 933 833	260 429	36 467 404
Treasury bills	-	12 471 453	-	12 471 453	4 786 434	-	-	4 786 434
Total exposures	53 542 658	13 949 912	3 363 326	70 855 896	39 059 576	1 933 833	260 429	41 253 838
Mortgage lending								
Good (AAA to BBB-)	11 281	-	-	11 281	29 319	-	2	29 321
Special mention (BB+ to CCC-)	-	-	-	-	-	-	-	-
Non-performing (CC+ to D)	-	-	150	150	-	-	-	-
Total	11 281	-	150	11 431	29 319	-	2	29 321
Consumer lending								
Good (AAA to BBB-)	36 922 245	1 460 542	1 976 937	40 359 724	23 307 681	1 912 283	184 243	25 404 207
Special mention (BB+ to CCC-)	203 873	697	130 675	335 245	235 973	7 501	7 409	250 883
Non-performing (CC+ to D)	-	-	1 126 379	1 126 379	-	-	56 015	56 015
Total	37 126 118	1 461 239	3 233 991	41 821 348	23 543 654	1 919 784	247 667	25 711 105
Small business lending								
Good (AAA to BBB-)	16 400 640	13 193	22 766	16 436 599	10 700 169	3 590	5 138	10 708 897
Special mention (BB+ to CCC-)	4 619	4 027	-	8 646	-	10 459	-	10 459
Non-performing (CC+ to D)	-	-	106 419	106 419	-	-	7 622	7 622
Total	16 405 259	17 220	129 185	16 551 664	10 700 169	14 049	12 760	10 726 978
Treasury bills								
Good (AAA to BBB-)	-	12 471 453	-	12 471 453	4 786 434	-	-	4 786 434

24.6.2 Expected credit loss for total loans and advances

	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	2024 TOTAL ZWG	STAGE 1 ZWG	STAGE 2 ZWG	STAGE 3 ZWG	2023 TOTAL ZWG
Total ECL for loans and advances								
Good (AAA to BBB-)	2 119 495	72 396	1 161 691	3 353 582	1 594 261	376 860	65 462	2 036 583
Special mention (BB+ to CCC-)	14 584	808	77 428	92 820	15 211	9 984	3 792	28 987
Non-performing (CC+ to D)	-	-	320 255	320 255	-	-	12 440	12 440
Total	2 134 079	73 204	1 559 374	3 766 657	1 609 472	386 844	81 694	2 078 010
Treasury bills	-	3 169 331	-	3 169 331	-	-	-	-
	2 134 079	3 242 535	1 559 374	6 935 988	1 609 472	386 844	81 694	2 078 010
ECL for mortgage lending								
Good (AAA to BBB-)	-	-	-	-	-	-	-	-
Special mention (BB+ to CCC-)	42	-	-	42	-	-	-	-
Non-performing (CC+ to D)	-	-	-	-	-	-	-	-
Total	42	-	-	42	-	-	-	-
ECL for consumer lending								
Good (AAA to BBB-)	-	-	-	-	-	-	-	-
Special mention (BB+ to CCC-)	1 541 261	69 998	1 146 132	2 757 391	1 405 369	374 622	61 088	1 841 079
Non-performing (CC+ to D)	13 695	18	77 428	91 141	15 211	276	3 792	19 279
Total	1 554 956	70 016	1 223 560	2 848 532	1 420 580	374 898	64 880	1 860 358
ECL for small business lending								
Good (AAA to BBB-)	-	-	-	-	-	-	-	-
Special mention (BB+ to CCC-)	578 192	2 398	15 559	596 149	188 892	2 238	4 374	195 504
Non-performing (CC+ to D)	889	790	-	1 679	-	9 708	-	9 708
Total	579 081	3 188	15 559	597 828	188 892	11 946	4 374	205 212

ZBFH141

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Independent Auditor's Report

To the Shareholders of ZB Financial Holdings Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of ZB Financial Holdings Limited and its subsidiaries ('the Group and company) set out on pages 12 to 120 which comprise of the consolidated and separate statements of financial position as at 31 December 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, except for the effects of the matters 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 the group and company as at 31 December 2024, and their consolidated and separate financial performance and consolidated and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Building Society Act (Chapter 24:02), the Insurance Act (Chapter 24:07), the Securities and Exchange Act (Chapter 24:25) and the Microfinance Act (Chapter 24:29).

Basis for Qualified Opinion

<u>Non-compliance with IAS 21 "The Effects of Changes in Foreign Exchange Rates"</u>

As explained in note 3.1.1.3 to the consolidated and separate financial statements, the functional currency of the Group and its subsidiaries is the United States Dollar (USD). The consolidated and separate financial statements are presented in Zimbabwe Gold currency, ZWG.

Mashonaland Holdings Limited, "Mash", a subsidiary of the Group, changed its functional currency from Zimbabwean Dollars (ZWL) to USD effective 1 January 2023. All the other subsidiaries within the Group changed their functional currencies from ZWL to USD effective 1 January 2024. International Accounting Standards (IAS) 21, Effects of Changes in Foreign Exchange Rates requires the change in functional currency to be applied prospectively. Further, the procedures set out in IAS 21 would have required all ZWL inflation adjusted balances as of 31 December 2022 (for Mashonaland Holdings) and as of 31 December 2023 (for all other subsidiaries) to be converted to USD at the spot rate ruling on that date.

The directors followed an IAS 21 compliant approach for all financial statement elements with the exception of the following:

- **Group:** Investment properties – Mashonaland Holdings – The Directors adopted the USD valuations of the assets as at the date of change in functional currency on 1 January 2023, instead of translating the ZWL inflation adjusted numbers to USD numbers as at that date.
- **Group:** Investment properties and Property and equipment - All other subsidiaries except for Mashonaland Holdings – The Directors restated the fair values of the investment properties and property and equipment as of 31 December 2023 taking into account the USD valuations of the assets as at that date, instead of translating the ZWL inflation adjusted numbers as at 31 December 2023 to USD.
- **Company:** Investments in subsidiaries – The Directors restated the 2023 fair values by recomputing the net asset value of the subsidiaries after having recorded the above adjustments

to Investment properties, Property and equipment, and retained earnings. This contradicts the IAS 21 requirements wherein the reported fair value as of 31 December 2023 should have been translated to USD at the spot exchange rate at that date.

As a result, the following consolidated financial statement elements are impacted:

Consolidated Statement of Profit or Loss and other comprehensive income
- Fair value adjustments are overstated by ZWG 230 870 237: (2023: understated by ZWG 230 870 237)
- Gains on property and equipment revaluation are overstated by ZWG 264 296 153 (2023: understated by ZWG 264 296 153)
- Deferred tax movement included under Income tax expense is understated by ZWG56 531 518 (2023: overstated by ZWG56 531 518)
- Depreciation included in Operating expenses is understated by ZWG 21 333 476

Separate statement of profit or loss and other comprehensive income
- Fair value adjustments is overstated by ZWG285 042 328 (2023: understated 285 042 328)

Further, corresponding amounts for Investments in subsidiaries, Investment Properties, Property and Equipment, Deferred tax, Retained Income, Revaluation Reserve and Non-controlling interests in the consolidated statement of financial position are impacted. Corresponding Effects of translation to presentation currency reconciling items in the disclosures on these line items are also impacted. Our audit report is therefore modified due to the possible effects of this matter on the comparability of the current period's figures and the corresponding figures.

The misstatements are material however not pervasive to the consolidated and separate financial statements.

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 Code of Ethics for Professional Accountants (including International independence standards) (IESBA Code) and other requirements applicable to performing audit of financial statements in Zimbabwe. We have fulfilled our other ethical requirements in accordance with those requirements and the IESBA Code. We believe that the audit evidence we 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 judgment, were of most significance in our audit of the financial statements of the current period. 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. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matters below, our description of how our audit addressed the matters is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

The key audit matters relate to the consolidated financial statements only.

Key Audit Matter	How our audit addressed the matter
Valuation of expected credit losses on financial assets	
As disclosed in notes 6 and 7 to the financial statements, the carrying amount of treasury bills and loans and advances amounts to ZWG 1,087,422,572 and ZWG 4,151,584,123 respectively. These financial assets constitute a substantial proportion of the total assets of the Bank. The Expected Credit Losses (ECL) determined for treasury bills and loans and advances amount to ZWG208,622,743 and ZWG162,905,078 respectively. as disclosed on note 6.1 and 7.1 respectively. The bank provides for impairment on treasury bills and loans and advances based on the expected credit losses model (ECL) in terms of IFRS 9 – Financial Instruments. Management developed model methodologies and determined the inputs that should be implemented in the models to estimate the ECL. The determination of ECL requires significant judgements such as: • The estimation of the key components of the expected credit loss ('ECL') provisions, that is, the probability of default (PD), loss given default (LGD) and exposure at default (EAD). • The allocation of assets to stage 1, 2 or 3 on a timely basis using criteria in accordance with IFRS 9. This includes allocation of appropriate credit grade ratings to customers. • Determination of staging migration criteria that reflects significant increase in credit risk (SICR). • Determination of appropriate forward-looking information (FLI) to incorporate in ECL model considering the current economic environment. • Estimation of the loss rates for non-performing loans. The significant judgements above, which present areas of estimation uncertainty and complexities in determining expected credit losses resulted in the audit team spending more time in performing audit procedures on the balance. We have thus designated valuation of expected credit losses on financial assets as a key audit matter.	**Our procedures to address the matter included the following:** • We reviewed documents and enquired of management to understand management's process for credit origination, monitoring, and appraisal. • We identified relevant controls for the ECL risks and assessed their design and implementation. • We conducted a general assessment of the ECL provision levels by stage to evaluate their reasonableness, taking into account the overall credit quality of the banks' portfolios and risk profile. • We evaluated the Bank's SICR methodology and the calibrations of its ECL models. For a sample of exposures, we examined the loan staging process, confirming the classification into stages 1, 2, and 3 in accordance with IFRS 9 requirements by reviewing the last payment date. For treasury bills, we examined both the coupon payments and the settlement pattern of the principal amounts. • We assessed and evaluated whether the disclosure effectively communicates the key judgments and assumptions made by management in the present economic landscape. For model-based procedures; with the assistance of our specialists, we performed the following: • We evaluated the governance processes established by the Bank to review and approve the economic scenarios and the models used in the determination of the expected credit losses. In relation to the expected credit loss computation and the models, we performed the following: • **Methodology Review (MR)** - We evaluated the conceptual soundness of the ECL model methodology to ensure that the adopted approaches align with best practices and IFRS 9 requirements. • **Validation Testing (VT)** – We performed independent validation of the developed models by performing various statistical tests on the ECL parameters in order to test the performance of the models (PD, LGD, & EAD). We also performed model backtesting tests on the ECL inputs. • **Model Implementation Testing (MIT)** - We tested and validated that the model inputs developed and documented in the model methodology are the ones

Management's approach and key assumptions are included on accounting policy note 2.2.2.5 and 3.4.1.5 of the financial statements.	implemented in the ECL code / system used to estimate the ECL. • **Model Reperfomance Testing (MRT)**- We independently recalculated ECL and performed impact assessments and compared with management output. • We evaluated the forward-looking information and assessed the macroeconomic scenario forecasts generated for reasonableness.
Valuation of Insurance contracts	
As of December 31, 2024, the Group, through ZB Life Assurance and ZB Reinsurance Limited, holds insurance contract liabilities totalling ZWG268, 691,070. The valuation of these liabilities relies on significant judgments and assumptions which include the following: • Determination of the present value of future cash flows (PVFCF). • Determination of the Contractual Service Margin (CSM). • Estimation of the risk adjustment. Expert judgment, integrated within complex actuarial models, is essential, drawing from subjective assumptions regarding forthcoming events, including mortality rates, persistency, and economic conditions. Given the complexity and subjective nature of the measurement of the insurance contract liabilities, we have identified the area as a key audit matter. Management's approach and key assumptions are included on accounting policy note 3.20 of the consolidated financial statements.	Our procedures regarding insurance contract liabilities included, among others: ▪ We obtained an understanding of and evaluated the design and implementation of management's controls over the significant estimates and assumptions used in determining the insurance contracts, including model data inputs. ▪ With the support of our actuarial specialists: ▪ we evaluated the key assumptions used in the determination of PVFCF, CSM and risk adjustment. We assessed their reasonableness considering experience studies, our knowledge of the entities, the products offered, and available market and macroeconomic data. ▪ We tested the methodology and logic of models used through independent recalculations on a sample of models and compared the calculation logic to industry-comparable models. ▪ We assessed the appropriateness of management's data and assumptions applied in determining the insurance contract liabilities, including the reasonableness of coverage units. ▪ We reviewed the analysis of actual experience over expected results for any unusual or unexpected results. ▪ We assessed whether the associated disclosures comply with IFRS 17 – Insurance contracts.

Other Information

The Directors are responsible for the Other information. The other information consists of the information included in ZB Financial Holdings Annual Report other than the financial statements and our auditor's report thereon. We obtained the Chairman's statement, the group Executive Report, the Report of the Directors and the Directors' Responsibility Statement prior to the date of our auditor's report. It also includes information included in the Annual Report expected to be received after the date of our auditor's report. The other information does not include the consolidated and separate financial statements and our audit report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or 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 identified above 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for qualified opinion section above, we have concluded that the other information is materially misstated for the same reasons with respect to non-compliance with IAS 21 "Effects of changes in foreign exchange rates".

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 IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Building Society Act (Chapter 24:02), the Insurance Act (Chapter 24:07), the Securities and Exchange Act (Chapter 24:25) and the Microfinance Act (Chapter 24:29), 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 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 the 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated and separate 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 to 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.

The engagement partner on the audit resulting in this independent auditors' report is Mrs. Elina Bvurere (PAAB Practising Number 0462).

Ernst & Young

Ernst & Young
Chartered Accountants (Zimbabwe)
Registered Public Auditors
Harare

Date: 31 March 2025