

# ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024



## CHAIRMAN'S STATEMENT

It is my pleasure to present the Zimre Holdings Limited (ZHL) Group Financial Results for the year ended 31 December 2024.

### BUSINESS ENVIRONMENT

The operating environment in 2024 presented a mixture of economic challenges and opportunities across the regional markets where ZHL operates. Key macroeconomic and sectoral trends shaped the business landscape in Zimbabwe, Malawi, Botswana, Zambia, and Mozambique, influencing market conditions and strategic decision-making.

**Zimbabwe's** Gross Domestic Product (GDP) growth slowed down to 2% in 2024, constrained by El Niño-induced droughts and a decline in global mineral prices. The introduction of the Zimbabwe Gold (ZWG) currency in April 2024 initially provided a measure of exchange rate stability. However, in the second half of the year, the ZWG experienced depreciation pressures, prompting monetary authorities to respond with a 43% devaluation. Despite these challenges, inflation remained relatively contained, closing the year at 4% for ZWG inflation.

The business environment was characterised by exchange rate volatility, rising inflation, liquidity shortages, and power outages, all of which increased operating and production costs for businesses. These factors contributed to a cautious investment climate and heightened cost pressures across industries.

**Malawi's** economic performance remained subdued, with annual inflation surging to 33%, driven by poor agricultural yields and rising global fuel prices. As a result, GDP growth projections were revised downwards to 2%. The El Niño-induced drought significantly affected food security, leading to foreign currency shortages triggering fuel shortages in the main and thus compounding challenges for both individuals and businesses. The country's trade deficit continued to widen, as import costs outpaced export earnings, further straining economic stability.

**Botswana's** economy faced stagnation, with a 0.5% contraction in Q2 2024, resulting in overall GDP growth of 1% for the year. A key driver of this contraction was reduced global demand for diamonds, which impacted the country's major revenue source. Inflation averaged 3.3%, remaining within manageable levels, but government efforts to diversify the economy away from diamond dependency progressed slowly, limiting alternative growth opportunities from across other economic sectors.

The **Zambian** economy recorded an estimated GDP growth of 1% as it continued to grapple with currency depreciation, persistent energy shortages, and high inflation averaging 16%. The drought induced decline in hydroelectric power generation mostly from generation assets along the Zambezi and Kafue rivers led to widespread load shedding, affecting both industrial production and household consumption. However, the debt restructuring program embarked upon by Government made notable progress, providing some optimism for a gradual economic recovery in 2025. Foreign direct investment (FDI) stood at 3.9% of GDP, largely directed towards mining and renewable energy projects, signalling potential growth opportunities in these sectors.

**Mozambique's** economy demonstrated resilience, expanding by 5% in 2024, making it one of the strongest performers in the region. Inflation remained low at 3%, and natural gas exports continued to drive economic growth. However, political instability escalated following the disputed October 2024 presidential elections, triggering violent protests and unrest, which disrupted economic activities and regional trade. Whilst there has been noticeable de-escalation of the disturbances, this instability registered notable risks and dented investor confidence, despite the country's overall economic expansion.

Despite these macroeconomic and geopolitical challenges, ZHL remained resilient, leveraging its regional diversification strategy to mitigate risks, capture growth opportunities, and sustain profitability in a dynamic operating environment.

### CHANGE IN FUNCTIONAL CURRENCY

These financial results are presented in United States Dollars ("USD"). This follows a decision by the Board of Directors to change the functional and reporting currency from the discontinued Zimbabwe Dollar (ZWL) to the USD effective 1 January 2024. The decision was based on an assessment of the Group's business trends against the requirements of International Accounting Standards (IAS) 21. The comparative figures have been translated in accordance with IAS 21, which directs entities operating in hyperinflationary economies to translate their last reported inflation adjusted financial statements using the closing official exchange rate at the reporting date, to derive and present comparative financial statements under a newly assessed functional currency. While the Group has applied the guidance of IAS 21 to present comparative financial information, attention is brought to the following deviation from IAS 21 with a view to reduce distorted comparative financial statements brought about by the change in functional currency:

- foreign currency transactions denominated in USD in the Statement of Profit or Loss and Other Comprehensive Income were included in the prior year comparatives in USD and ZWL transactions were translated into the functional currency using the spot exchange rates.
- the investment property and property and equipment opening balances in the Statement of Financial Position were carried in USD based on the property valuation reports in USD as at 31 December 2023. The respective fair value gains for the comparative year were derived from reconciled movements between the USD property values as at 31 December 2022 and 31 December 2023.
- Share Capital and Treasury Shares have been carried in USD reflecting the balances contained in the share certificates held.

### GROUP FINANCIAL PERFORMANCE

#### Insurance contract revenue

Insurance contract revenue recorded a significant increase of 24%, from USD50.0 million to USD61.86 million. This impressive performance was a result of strong business growth in key business segments namely life and pension, local reinsurance, and the Mozambique reinsurance operations with combined contribution of 63% up from 61% in 2023. Overall, the key revenue growth drivers were increased market share locally, thanks to a diverse range of products; external business partnerships, new life business written and expansion into the rest of Africa through the Group's regional business units.

#### Insurance service result

The Group achieved remarkable growth in insurance service results, leap frogging from USD2.08 million to USD5.53 million a 166% growth driven by effective strategic underwriting decisions focused on profitable business and diversification of product offerings in local and regional markets. Improved claims management and strict control over directly attributable expenses, particularly business acquisition costs, also contributed to the strong insurance service results.

#### Total income

Total income soared by 25% from USD70.37 million in prior year to USD88.02 million on the back of the solid performance in insurance contract revenue, improved retention performance due to enhanced capitalisation of the Mozambique reinsurance business and balance sheet restructuring of the Botswana reinsurance business. Investment income flowing through insurance businesses contributed 17% to income supported by investment returns from property and financial assets through profit and loss which provides stability and capital growth. The real estate business also showed a remarkable improvement with higher occupancy levels, leading to a 22% rise in rental income from previous year. 87% of group income is denominated in USD, an increase from 75% achieved in 2023.

#### Profit for the year

The Group closed the year with a healthy profit amounting to USD10.33 million, a 471% growth from prior year. The profitability was underpinned by the robust performance of life and pension, reinsurance and the real estate businesses. Continued topline growth, improved retention capabilities, lower expense ratios and balance sheet resilience were key growth drivers during the year under review.

#### Total assets and Cashflows

The total assets are a brilliant measure of a company's ability to grow and generate profit. During the year under review, the Group's total assets reached USD208 million, a 14% improvement from prior year, showcasing the strong asset base augmented by investment property and equity investments not to mention its sustained profitability.

Net cash generated from operations increased by 51% ending the year at USD15.82 million from USD10.50 million, driven by effective working capital management strategies aimed at cash collection which is vital to the Group's success.

### DIRECTORATE

I am pleased to report that during the year ended 31 December 2024, there were no changes to the ZHL directorate. The stability in the Group's leadership and robust governance oversight has allowed the Group to maintain strategic focus and energy to execute its long-term vision; to revive ZHL's role as an architect of Zimbabwe's national infrastructure stock creation while establishing a strong Pan African reinsurance operation.

### DIVIDEND

In keeping with striking a delicate balance between recognizing shareholder expectations in realising dividends from the Group's profitability and generating the necessary resources to fund the growth momentum, the Board of Directors is pleased to declare a final dividend for the year ended 31 December 2024 of USD750,000 or USD0.00041 per share. The Dividend is in line with the Dividend Policy which considers the Group's level of profitability and reserves, a prudent assessment of its capital requirements, macro-economic conditions pertaining to liquidity and associated risks to business growth. The dividend which is a growth of 25% from the total dividend declared for the year 2023 reflects the continued strengthening of the Group's cash wallet strategy and commitment to passing cash profits to the ultimate shareholder. A separate dividend notice will be published to this effect in accordance with the Company's Articles of Association and the Zimbabwe Stock Exchange (ZSE) Listing Requirements.

### SUSTAINABILITY

Sustainability remains a core pillar of ZHL's long-term strategy, ensuring that the Group not only delivers financial value but also contributes positively to the environment and communities in which it carries out business. In 2024, ZHL enhanced its Environmental, Social and Governance (ESG) initiatives, aligning with global best practices and local regulatory frameworks to promote sustainable growth and responsible business practices.

Key sustainability efforts included:

- enhancing energy efficiency and carbon reduction through increased investment in renewable energy, including solar installations across business units.
- placement of waste collection bins in high-traffic areas and participation in urban tree-planting programs to enhance environmental sustainability.
- the launch of the ZHL Elevators Graduate Program, aimed at empowering young professionals and expanding industry talent and deepening skills development.
- through the Eagle Real Estate Investment Trust (REIT), ZHL integrated eco-friendly architectural designs into new developments such as the Mazowe Mall Project.

Governance is also central to our sustainability strategy, ensuring compliance with ESG standards of transparency and ethical leadership. Our sustainability reporting is guided by the Global Reporting Initiative (GRI), SASB IFRS S1 and S2 standards, and Zimbabwe Stock Exchange (ZSE) ESG Reporting Standards.

### OUTLOOK AND STRATEGY

The year 2024 was a period of resilience and strategic realignment for ZHL, reaffirming the Group's ability to adapt, innovate, and drive sustainable growth despite prevailing economic challenges. With a history spanning over 40 years, ZHL remains steadfast in its commitment to provide **Security, Growth, and Profitability**, ensuring long-term value creation for all stakeholders to the business.

As we look to 2025, the Group is focused on regional expansion and market diversification, strengthening operations across Sub-Saharan Africa leveraging on the African Continental Free Trade Area (AfCFTA) to access new opportunities. A key priority for this year is the implementation of Phase 2 of the amalgamation exercise through the potential listing of Emeritus International on the Botswana Stock Exchange. The listing will upscale the balance sheets of the regional subsidiaries improving underwriting capacity to enhance competitiveness while exposing the Group to international best practice. Additionally, the Eagle REIT listing in 2025 is expected to unlock shareholder value, enhance brand visibility and optimize asset returns.

To drive operational efficiency, the Group is accelerating its digital transformation agenda, enhancing customer experiences through technology-driven insurance and wealth management solutions. A key focus is ensuring responsible data usage and stakeholder protection, reinforcing ZHL's position as a trusted financial services provider.

Sustainability-driven investments remain a core pillar of our strategy, with a commitment to advancing ESG integration through green real estate developments and financial inclusion initiatives. By embedding sustainability into our business model, we aim to create shared value for our stakeholders and contribute to long-term overall economic resilience.

While the 2024 operating environment was characterized by economic turbulence, ZHL remains optimistic about the future, leveraging regional growth, digital transformation, and sustainability-focused investments to maintain momentum. As we move forward, our focus remains on strengthening financial resilience, driving stakeholder value creation, and fostering sustainable business growth.

### APPRECIATION

On behalf of the Board, I would like to thank our shareholders and the investing community for their enduring support to the ZHL Group. I would like to extend my gratitude to my fellow Board members, Management and staff for their efforts in sustaining the business and achieving such a pleasing set of results notwithstanding the hardships and turbulence of the operating environment.



**D Matete**  
Board Chairman  
10 April 2025

## ABRIDGED AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	AUDITED	
		Group 31 December 2024 USD	Group 31 December 2023* USD
<b>ASSETS</b>			
Property and equipment	4	11 330 531	9 056 832
Right of use of assets		617 180	549 806
Investment properties	5	87 025 414	75 098 461
Intangible assets		207 640	383 791
Investment in associates		102 899	667 169
Deferred tax assets		-	1 297 613
Other non-current assets		458 496	574 856
Inventories		2 374 938	391 090
Trade and other receivables	6	15 184 443	21 614 983
Insurance contract assets	7	10 714 450	12 750 270
Reinsurance contract assets	7	18 069 097	17 382 886
Current income tax assets		667 886	691 896
Financial assets :			
- at amortised cost	8.1	11 108 138	6 754 254
- at fair value through profit or loss	8.2	26 535 750	15 065 504
- at fair value through other comprehensive income	8.3	9 331 835	8 181 109
Cash and cash equivalents		14 349 471	11 584 045
<b>Total assets</b>		<b>208 078 168</b>	<b>182 044 565</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		18 182 187	18 182 187
Share premium		5 025 067	5 025 067
Treasury shares		(14 649)	(14 649)
Revaluation reserve		7 935 734	7 225 731
Financial assets at fair value through other comprehensive income reserve		3 601 326	3 088 727
Foreign currency translation reserve		(57 854 381)	(58 292 165)
Change in ownership reserve		1 949 303	1 949 303
Insurance reserve		2 252 085	-
Retained earnings		64 203 002	66 266 663
<b>Total equity attributable to equity holders of the parent</b>		<b>45 279 674</b>	<b>43 430 864</b>
Non-controlling interest		20 159 356	17 391 118
<b>Total equity</b>		<b>65 439 030</b>	<b>60 821 982</b>
<b>LIABILITIES</b>			
Deferred tax liabilities		3 020 868	5 365 238
Investment contract liabilities without Direct Participating Features	9	16 669 824	10 038 882
Insurance contract liabilities	10	96 864 734	74 794 484
Reinsurance liabilities		5 451 175	7 401 283
Borrowings	11	3 701 341	1 007 675
Lease liabilities		687 655	505 242
Other provisions		722 232	235 528
Trade and other payables	12	15 135 111	21 358 386
Current income tax payable		386 198	515 864
<b>Total liabilities</b>		<b>142 639 138</b>	<b>121 222 583</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>208 078 168</b>	<b>182 044 565</b>

\*The comparative statement of financial position as at 31 December 2024 which was previously presented in Zimbabwe Dollar (ZWL), was translated to United States Dollars (USD), being the new functional and presentation currency.



**D. Matete**  
Chairman



**S. Kudenga**  
Group CEO

## Where Strategy Meets Sustainability

**Renewable** energy. **Affordable** housing. Inclusive **healthcare**. At ZHL, every investment is measured by its power to create lasting change.

By embedding ESG principles into our core, we turn capital into communities, and **profits into progress**.





## ABRIDGED AUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

		Audited Group	Audited Group
		31 December 2024	31 December 2023
		USD	USD
<b>INCOME</b>			
Insurance contracts revenue	13	61 857 371	49 960 160
Insurance service expenses	13	(50 884 020)	(45 388 516)
<b>Insurance service result from insurance contracts issued</b>		<b>10 973 351</b>	<b>4 571 644</b>
Allocation of reinsurance paid	13	(11 903 122)	(11 609 844)
Amount recoverable from reinsurers for incurred claims	13	6 461 924	9 115 685
<b>Net expenses from reinsurance contracts held</b>		<b>(5 441 198)</b>	<b>(2 494 159)</b>
<b>Insurance service result</b>		<b>5 532 153</b>	<b>2 077 485</b>
Interest revenue from financial instruments not measured at fair value through profit or loss		2 637 130	2 214 916
Net fair value gains from other financial instruments at fair value through profit or loss	8.2	5 672 722	7 770 840
Net gains from fair value adjustments to investment properties	5	6 978 741	8 922 606
Net change in investment contract liabilities		(3 751 688)	(11 365 291)
Other investment revenue		993 803	2 509 388
Net (loss)/gain from foreign exchange		(910 600)	1 964 582
<b>Net Investment Income</b>		<b>11 620 108</b>	<b>12 017 041</b>
Insurance finance expenses for insurance contracts issued		1 003 248	(2 259 397)
Reinsurance finance income for reinsurance contracts held		-	-
<b>Net insurance finance expenses</b>		<b>1 003 248</b>	<b>(2 259 397)</b>
<b>Net insurance and investment result</b>		<b>18 155 509</b>	<b>11 835 129</b>
Rental income from investment property		2 529 590	2 067 740
Revenue from sale of inventory property		196 370	81 525
Fees and commission income		2 408 848	1 453 436
Non insurance income		5 190 049	3 467 336
Investment income		398 849	244 493
Net fair value gains/(losses) from financial instruments at fair value through profit or loss	8.2	254 635	(107 801)
Net gains from fair value adjustments to investment properties	5	1 062 199	34 398
Interest income from micro - lending		1 013 985	532 004
Other income		481 266	620 550
		<b>13 535 791</b>	<b>8 393 681</b>
<b>Total Income</b>		<b>88 016 518</b>	<b>70 370 882</b>

		Audited Group	Audited Group
		31 December 2024	31 December 2023
		USD	USD
Fee and commission expenses, and other acquisition costs		(57 829)	(52 797)
Operating and administrative expenses	14	(19 150 791)	(14 586 936)
Property operating costs		(1 045 513)	(560 215)
Allowance for expected credit losses on receivables		(229 873)	(8 383)
Finance costs		(562 064)	(310 938)
<b>Total indirect expenses</b>		<b>(21 046 070)</b>	<b>(15 519 269)</b>
<b>Profit before share of profit of associates</b>		<b>10 645 230</b>	<b>4 709 541</b>
Share of loss of associate		-	(1 790 621)
<b>Profit before tax</b>		<b>10 645 230</b>	<b>2 918 920</b>
Income tax expense		(319 694)	(1 111 692)
<b>Profit for the year</b>		<b>10 325 536</b>	<b>1 807 228</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Gains on property and equipment revaluations		1 052 116	889 466
Share of other comprehensive income from associates		-	(5 796)
Finance income from insurance contracts issued		2 252 085	-
Income tax relating to components of other comprehensive income		(102 079)	(47 603)
		<b>3 202 122</b>	<b>836 067</b>
<b>Items that may be reclassified subsequently to profit or loss</b>			
Exchange differences on translating foreign operations		596 575	(1 209 530)
Investments in equity instruments	8.3	661 677	2 286 550
Income tax relating to components of other comprehensive income		(1 724)	(280)
		<b>1 256 528</b>	<b>1 076 740</b>
<b>Other comprehensive income for the year net of tax</b>		<b>4 458 650</b>	<b>1 912 807</b>
<b>Total comprehensive income for the year</b>		<b>14 784 186</b>	<b>3 720 035</b>
Profit for the period attributable to:			
Equity holders of Zimre Holdings Limited		8 103 477	1 764 944
Non-controlling interests		2 222 059	42 284
		<b>10 325 536</b>	<b>1 807 228</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of Zimre Holdings Limited		12 015 948	3 466 259
Non-controlling interests		2 768 238	253 776
		<b>14 784 186</b>	<b>3 720 035</b>
<b>Earnings per share from profit attributable to owners of Zimre Holdings Limited</b>			
Basic and diluted earnings per share (USD cents):	16	0.45	0.10

\*The comparative statement of profit or loss and other comprehensive for the year ended 31 December 2024 which was previously presented in Zimbabwe Dollar (ZWL), was translated to United States Dollars (USD), being the new functional and presentation currency.



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

AUDITED	Notes	Share capital USD	Share premium USD	Treasury shares USD	Revaluation reserve USD	Financial assets at fair value through other comprehensive income reserve USD	Foreign currency translation reserve USD	Change in ownership reserve USD	Insurance reserve USD	Retained earnings USD	Attributable equity holders of parent USD	Non-controlling interest USD	Total equity USD
<b>Year ended 31 December 2023</b>													
Balance as at 1 January 2023 as previously stated		18 182 187	5 025 067	(14 649)	6 605 640	813 535	6 522 652	1 949 303	-	64 911 943	103 995 678	16 278 130	120 273 808
Impact of change in functional currency							(63 620 849)			-	(63 620 849)	-	(63 620 849)
Balance as at 1 January 2023 as restated		18 182 187	5 025 067	(14 649)	6 605 640	813 535	(57 098 197)	1 949 303		64 911 943	40 374 829	16 278 130	56 652 959
Total comprehensive income for the year					620 091	2 275 192	(1 193 968)			1 764 944	3 466 259	253 776	3 720 035
Profit for the year		-	-	-	-	-	-	-	-	1 764 944	1 764 944	42 284	1 807 228
Other comprehensive income for the year net of tax		-	-	-	620 091	2 275 192	(1 193 968)	-	-	-	1 701 315	211 492	1 912 807
Transactions with owners in their capacity as owners		-	-	-	-	-	-	-	-	(410 224)	(410 224)	859 212	448 988
Dividend declared and paid	17	-	-	-	-	-	-	-	-	(410 224)	(410 224)	-	(410 224)
Change in ownership percentage		-	-	-	-	-	-	-	-	-	-	859 212	859 212
Balance as at 31 December 2023		18 182 187	5 025 067	(14 649)	7 225 731	3 088 727	(58 292 165)	1 949 303	-	66 266 663	43 430 864	17 391 118	60 821 982
<b>Year ended 31 December 2024</b>													
Balance as at 1 January 2024		18 182 187	5 025 067	(14 649)	7 225 731	3 088 727	(58 292 165)	1 949 303	-	66 266 663	43 430 864	17 391 118	60 821 982
Total comprehensive income for the year		-	-	-	710 003	512 599	437 784	-	2 252 085	8 103 477	12 015 948	2 768 238	14 784 186
Profit for the year		-	-	-	-	-	-	-	-	8 103 477	8 103 477	2 222 059	10 325 536
Other comprehensive income for the year net of tax		-	-	-	710 003	512 599	437 784	-	2 252 085	-	3 912 471	546 179	4 458 650
Transfer to insurance contract liabilities		-	-	-	-	-	-	-	-	(9 817 138)	(9 817 138)	-	(9 817 138)
Transactions with owners in their capacity as owners		-	-	-	-	-	-	-	-	(350 000)	(350 000)	-	(350 000)
Dividend declared and paid	17	-	-	-	-	-	-	-	-	(350 000)	(350 000)	-	(350 000)
Balance as at 31 December 2024		18 182 187	5 025 067	(14 649)	7 935 734	3 601 326	(57 854 381)	1 949 303	2 252 085	64 203 002	45 279 674	20 159 356	65 439 030

\*The comparative statement of changes in equity for the year ended 31 December 2024 which was previously presented in Zimbabwe Dollar (ZWL), was translated to United States Dollars (USD), being the new functional and presentation currency.

# Homes That Build Futures

**Affordable housing** isn't just about bricks and mortar, it's about dignity, stability, and opportunity. ZHL's real estate projects transform landscapes and lives, creating **sustainable communities** where families and businesses flourish.



## ABRIDGED AUDITED CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Audited Group 31 December 2024 USD	Audited Group 31 December 2023 USD
<b>Cash flows from operating activities</b>		
<b>Profit before income tax</b>	10 645 230	2 918 920
Non-cash movements in profit before tax	6 955 430	6 489 300
		-
<b>Operating profit before working capital</b>	<b>17 600 660</b>	<b>9 408 220</b>
Working capital changes	(1 776 583)	1 086 319
<b>Cash generated from operations</b>	<b>15 824 077</b>	<b>10 494 539</b>
Finance costs	(562 064)	(310 938)
Income tax paid	(425 352)	(959 888)
<b>Net cashflow from operating activities</b>	<b>14 836 661</b>	<b>9 223 713</b>
Net cash utilised from investment activities	(13 737 237)	(6 193 245)
Net cash generated from financing activities	1 666 002	(47 282)
<b>Net increase in cash and cash equivalents</b>	<b>2 765 426</b>	<b>2 983 186</b>
Cash and cash equivalent at beginning of the year	11 584 045	8 600 859
<b>Cash and cash equivalents at the end of year</b>	<b>14 349 471</b>	<b>11 584 045</b>
<b>Comprising:</b>		
Cash on hand	201 855	376 168
Cash at bank	11 565 155	8 534 388
Investments maturing within 3 months	2 582 461	2 673 489
	<b>14 349 471</b>	<b>11 584 045</b>

\*The comparative statement of cashflows for the year ended 31 December 2024 which was previously presented in Zimbabwe Dollar (ZWL), was translated to United States Dollars (USD), being the new functional and presentation currency.



## Building Africa's Future, One Strategic Investment at a Time

For over 40 years, ZHL has championed transformative investments across **Botswana, Malawi, Mozambique, Zambia, and Zimbabwe**. From real estate to reinsurance, our pan-African footprint drives sustainable growth, empowering communities and economies.

Together, we're not just investing—we're shaping a legacy of impact.

## NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### Directors' Responsibility Statement

The Directors are required by the Companies and Other Business Entities Act (Chapter 24:31) to maintain adequate accounting records and are responsible for the content and integrity of the Group's abridged financial statements and related financial information included in this report. It is their responsibility to ensure that the Group's abridged financial statements fairly present the state of affairs of the Group as at the end of the financial reporting period and the results of its operations and cash flows for the year then ended in conformity with International Financial Reporting Standards ("IFRS").

### Independent Auditor's statement

These abridged consolidated financial statements derived from the audited consolidated financial statements of Zimre Holdings Limited "the Group" for the financial year ended 31 December 2024, should be read together with the complete set of audited consolidated financial statements, for the year ended 31 December 2024, which have been audited by Grant Thornton Chartered Accountants (Zimbabwe) and the auditor's report signed by Edmore Chimhowa, Registered Public Auditor 0470.

A qualified opinion has been issued on the audited consolidated financial statements, for the year then ended. The qualified opinion was issued regarding non-compliance with International Accounting Standard (IAS) 21- The Effects of Changes in Foreign Exchange Rates on translating comparative consolidated inflation adjusted financial statements and implementation of information technology systems to align with the requirements of International Financial Reporting Standard (IFRS) 17 – Insurance Contracts by Fidelity Life Assurance of Zimbabwe Limited, a significant component of Zimre Holdings Limited.

The auditor's report includes a section on key audit matters outlining matters that in the auditor's professional judgement, were of most significance in the audit of the consolidated financial statements. Other than the matters described in the Basis for Qualified Opinion section above, it was determined that there were no other key audit matters to communicate in the audit report.

The auditor's report contains an emphasis of matter describing the restatement of prior year comparatives of Fidelity Life Assurance of Zimbabwe Limited, a significant component of Zimre Holdings Limited, to reflect the audited position of the annual financial statements for Vanguard Life Assurance Limited, a significant component of Fidelity Life Assurance of Zimbabwe Limited, for the year ended 31 December 2023.

**The auditor's report on the consolidated financial statements and the full set of the audited consolidated financial statements, is available for inspection at the Company's registered office and the auditor's report has been lodged with the Zimbabwe Stock Exchange.**

## 1 CORPORATE INFORMATION

- 2.1** The principal activity of Zimre Holdings Limited (the "Company") and its subsidiaries and associates (together "the Group") is the provision of insurance, reinsurance and reassurance and property management and development services. The Group also has an associate that operates in the agro-industrial sector.

Zimre Holdings Limited is a public company incorporated and domiciled in Zimbabwe whose shares are publicly traded on the Zimbabwe Stock Exchange ("ZSE"). The registered office is located at 2nd Floor, Block D, Smatsatsa Office Park, Borrowdale, Harare, Zimbabwe.

The abridged consolidated financial statements for the year ended 31 December 2024 were authorised for issue by a resolution of the Board of Directors on 10 April 2025.

## 2 BASIS OF PREPARATION

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

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

## 2.2 Functional and presentation currency

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

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

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

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

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

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

The abridged consolidated financial statements are presented in United States Dollar ("USD") which is both the functional and presentation currency of the Group. The abridged Group Financial Statements of the regional foreign subsidiaries were dealt with in accordance with IAS 21. The items included in statement of profit or loss and comprehensive income were translated using average exchange rates and statement of financial position items were translated at the closing rates.

## 2.3 Material accounting policies

The accounting policies adopted are consistent with those of the previous financial year and corresponding reporting period except for the new standards and interpretations adopted from 1 January 2024.

## 2.4 Changes in material accounting policies

There were no material accounting policies changes applicable to the current reporting year.

## 3 INVESTMENT IN CFI HOLDINGS

The reporting date of the associate company is 30 September 2024. The financial statements taken into account for the associate are for the year ended 30 September 2024. Management has determined that there were no significant transactions to take into account for the period 1 October to 31 December 2024.



## NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 4 PROPERTY AND EQUIPMENT

GROUP	AUDITED				
	Freehold land and buildings USD	Motor vehicles USD	Equipment and computers USD	Furniture and fittings USD	Total USD
<b>Year ended 31 December 2023</b>					
<b>Cost or valuation</b>					
As at 1 January 2023	5 136 728	1 263 299	742 010	286 762	7 428 799
Additions	6 430	301 697	300 490	68 198	676 815
Revaluation surplus	423 113	216 931	207 133	42 289	889 466
Disposals	(217 451)	(202 915)	(46 532)	(6 737)	(473 635)
Foreign exchange movements	1 793 053	(31 260)	174 314	47 433	1 983 540
<b>As at 31 December 2023</b>	<b>7 141 873</b>	<b>1 547 752</b>	<b>1 377 415</b>	<b>437 945</b>	<b>10 504 985</b>
<b>Accumulated depreciation and impairment</b>					
As at 1 January 2023	(79 502)	(708 100)	(488 951)	(142 683)	(1 419 236)
Depreciation	(396 514)	(133 540)	(138 647)	(56 692)	(725 393)
Disposals	19 523	116 198	40 097	5 021	180 839
Foreign exchange movements	365 350	115 443	26 713	8 131	515 637
<b>As at 31 December 2023</b>	<b>(91 143)</b>	<b>(609 999)</b>	<b>(560 788)</b>	<b>(186 223)</b>	<b>(1 448 153)</b>
<b>Net book amount</b>	<b>7 050 730</b>	<b>937 753</b>	<b>816 627</b>	<b>251 722</b>	<b>9 056 832</b>
<b>Carrying amount</b>					
<b>As at 31 December 2023</b>					
Cost	7 141 873	1 547 752	1 377 415	437 945	10 504 985
Accumulated depreciation	(91 143)	(609 999)	(560 788)	(186 223)	(1 448 153)
	<b>7 050 730</b>	<b>937 753</b>	<b>816 627</b>	<b>251 722</b>	<b>9 056 832</b>
<b>Year ended 31 December 2024</b>					
<b>Cost or valuation</b>					
As at 1 January 2024	7 141 873	1 547 752	1 377 415	437 945	10 504 985
Additions	-	704 337	485 484	58 344	1 248 165
Revaluation surplus	844 823	207 293	-	-	1 052 116
Disposals	-	(61 606)	(56 802)	(6 851)	(125 259)
Foreign exchange movements	12 405	730 049	5 855	(1 654)	746 655
<b>As at 31 December 2024</b>	<b>7 999 101</b>	<b>3 127 825</b>	<b>1 811 952</b>	<b>487 784</b>	<b>13 426 662</b>
<b>Accumulated depreciation and impairment</b>					
As at 1 January 2024	(91 143)	(609 999)	(560 788)	(186 223)	(1 448 153)
Depreciation	(30 581)	(425 115)	(275 589)	(103 803)	(835 088)
Disposals	780	63 027	45 442	9 109	118 358
Foreign exchange movements	-	64 427	3 502	823	68 752
<b>As at 31 December 2024</b>	<b>(120 944)</b>	<b>(907 660)</b>	<b>(787 433)</b>	<b>(280 094)</b>	<b>(2 096 131)</b>
<b>Net book amount</b>	<b>7 878 157</b>	<b>2 220 165</b>	<b>1 024 519</b>	<b>207 690</b>	<b>11 330 531</b>
<b>Carrying amount</b>					
<b>As at 31 December 2024</b>					
Cost	7 999 101	3 127 825	1 811 952	487 784	13 426 662
Accumulated depreciation	(120 944)	(907 660)	(787 433)	(280 094)	(2 096 131)
	<b>7 878 157</b>	<b>2 220 165</b>	<b>1 024 519</b>	<b>207 690</b>	<b>11 330 531</b>

Land, buildings and motor vehicles are carried at fair value determined on an open market value basis by independent professional valuers. The latest fair was estimated as at 31 December 2024.

A further analysis of the depreciation expense recognised in profit and loss is as indicated below:

	AUDITED	
	Group 2024 USD	Group 2023 USD
Directly attributable expenses	(241 165)	(362 995)
Operating and administrative expenses	(593 923)	(362 398)
	<b>(835 088)</b>	<b>(725 393)</b>

## NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 5 INVESTMENT PROPERTIES

	<b>AUDITED</b>	
	<b>Group 2024 USD</b>	<b>Group 2023 USD</b>
<b>As at 1 January</b>	75 098 461	66 749 490
Additions	4 212 766	67 860
Disposals	(256 868)	(312 860)
Fair value gains recognised in profit or loss	8 040 940	8 957 004
Exchange rate movement on foreign operations	(69 885)	(363 033)
<b>As at 31 December</b>	<b>87 025 414</b>	<b>75 098 461</b>

A further analysis of fair value gains recognised in profit and loss is as indicated below

	<b>Group 2024 USD</b>	<b>Group 2023 USD</b>
Insurance business units	6 978 741	8 922 606
Non insurance business units	1 062 199	34 398
	<b>8 040 940</b>	<b>8 957 004</b>

### 6 Trade and other receivables

	<b>AUDITED</b>	
	<b>Group 2024 USD</b>	<b>Group 2023 USD</b>
Rental receivables	789 254	911 870
Inventory sales receivables	332 767	332 767
Other trade receivables	7 572 717	5 561 979
Less: allowance for credit losses	(274 485)	(1 428 561)
Total trade receivables-net	8 420 253	5 378 055
Receivables from related parties net of ECL	2 605 119	2 665 846
Loans to employees net of ECL	230 325	228 864
	2 835 444	2 894 710
Prepayments	419 970	203 310
Other receivables*	3 508 776	3 506 769
Foreign exchange movement	-	9 632 139
<b>Total trade and other receivables</b>	<b>15 184 443</b>	<b>21 614 983</b>

\*Other receivables and prepayments comprise receivables from disposal of investment in equity instruments, prepaid licence fees and sundry receivables.

Due to the short-term nature of the trade and other receivables, their carrying amount is considered to be the same as their fair value.

Based on credit history of these other receivables, it is expected that these amounts will be received when due.

### 7 Insurance Contract Assets and Reinsurance contract assets

	<b>AUDITED</b>	
	<b>Group 2024 USD</b>	<b>Group 2023 USD</b>
Insurance contract assets	12 584 105	14 057 618
Allowance for credit loss (ECL)	(1 869 655)	(1 307 348)
	<b>10 714 450</b>	<b>12 750 270</b>
Reinsurance contract assets	18 069 097	17 382 886
<b>Balance as at 31 December</b>	<b>28 783 547</b>	<b>30 133 156</b>

Insurance contract assets and reinsurance contract assets comprises of amounts due from policyholders, brokers, reinsurers and retrocessioners. Due to the short term nature of these assets their carrying amount is considered to be the same as their fair value.

### 8 FINANCIAL ASSETS

#### 8.1 At amortised cost

##### Analysis of movements

	<b>AUDITED</b>	
	<b>Group 2024 USD</b>	<b>Group 2023 USD</b>
<b>As at 1 January</b>	6 754 254	4 765 742
Purchases	4 036 716	880 050
Disposals	(144 130)	1 278 636
Foreign exchange movement	461 298	(170 174)
<b>As at 31 December</b>	<b>11 108 138</b>	<b>6 754 254</b>

Financial assets at amortised cost comprise of investments in debentures, bonds, treasury bills and mortgage loans. The debentures held mature between 1-2 years and accrue interest at a rate of 5% per annum. Bonds and treasury bills mature between 1-2 years and accrue interest of between 5%-15% per annum depending on jurisdiction. Mortgage loans mature in 2025 and accrue interest of 10% per annum.

#### 8.2 At fair value through profit or loss

	<b>AUDITED</b>	
	<b>Group 2024 USD</b>	<b>Group 2023 USD</b>
<b>As at 1 January</b>	15 065 504	7 217 161
Additions	214 536	-
Purchases	4 482 817	4 545 341
Disposals	(137 283)	(1 015 936)
Fair value gain through profit and loss	5 927 357	7 663 039
Foreign exchange movement	982 819	(3 344 101)
<b>As at 31 December</b>	<b>26 535 750</b>	<b>15 065 504</b>

A further analysis of fair value gains recognised in profit and loss is as indicated below

	<b>AUDITED</b>	
	<b>Group 2024 USD</b>	<b>Group 2023 USD</b>
Insurance business units	5 672 722	7 770 840
Non insurance business units	254 635	(107 801)
	<b>5 927 357</b>	<b>7 663 039</b>

All financial assets at fair value through profit or loss are classified as current assets. At fair value through profit or loss financial assets are equity securities listed either on the Zimbabwe Stock Exchange or on Stock Exchanges for regional countries. The fair values of the equities are determined as Level 1 fair values in the fair value hierarchy. Level 1 fair values are determined based on observable quoted prices in active markets for identical assets that the Group can access.





## NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 8 FINANCIAL ASSETS (continued)

#### 8.3 At fair value through other comprehensive income

	AUDITED	
	Group 2024 USD	Group 2023 USD
<b>As at 1 January</b>	8 181 109	5 958 472
Fair value gains	661 677	2 286 550
Foreign exchange movement	489 049	(63 913)
<b>As at 31 December</b>	<b>9 331 835</b>	<b>8 181 109</b>

Financial assets at fair value through other comprehensive income comprises investments in unquoted instruments. The fair values of the investments are determined as level 3 fair values in the fair value hierarchy. The fair value of the equity investments are arrived at by applying the shareholding percentage at statement of financial position date to the latest valuation of the investee company. The valuation is performed by an independent valuer, Akribos Advisory Services.

### 9 Investment contract liabilities without Direct Participating Features

#### Reconciliation of investment contract liabilities

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

	AUDITED	
	Group 2024 USD	Group 2023 USD
<b>Opening balance as at 1 January</b>	<b>10 038 882</b>	<b>5 607 893</b>
Contributions received	5 139 799	575 654
Benefits paid	(2 161 354)	(7 020 354)
Investment return from underlying assets	3 751 688	11 365 291
Asset management fees charged	(99 191)	(489 602)
<b>Balance as at 31 December</b>	<b>16 669 824</b>	<b>10 038 882</b>



## Healthy Communities, Stronger Economies

Access to healthcare is the bedrock of thriving societies. ZHL's strategic **investments in medical infrastructure** and innovation ensure that underserved regions **across Africa** can look forward to a healthier, more resilient tomorrow.





## NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 10 INSURANCE CONTRACT LIABILITIES

2024

2023

#### Analysis of Insurance contract liability by liability for remaining coverage and liability for incurred claims

	Notes	Liability for remaining coverage USD	Liability for incurred claims USD	Total USD	Liability for remaining coverage USD	Liability for incurred claims USD	Total USD
Direct participating contracts	10.1	31 166 594	722 849	31 889 443	26 090 234	-	26 090 234
Investment contracts with direct participating features	10.2	26 087 068	3 101 910	29 188 978	15 433 080	1 405 092	16 838 172
Property and casualty		4 465 500	31 320 813	35 786 313	5 067 694	26 798 384	31 866 078
<b>Total insurance contracts liabilities</b>	10.3	<b>61 719 162</b>	<b>35 145 572</b>	<b>96 864 734</b>	<b>46 591 008</b>	<b>28 203 476</b>	<b>74 794 484</b>

### 10.1 Direct participating contracts issued

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

	2024				2023			
	Liability for remaining coverage USD	Loss component USD	Liability for incurred claims USD	Total USD	Liability for remaining coverage USD	Loss component USD	Liability for incurred claims USD	Total USD
<b>Balance as at 01 January</b>	<b>26 076 368</b>	<b>13 866</b>	<b>-</b>	<b>26 090 234</b>	<b>19 514 552</b>	<b>12 366</b>	<b>-</b>	<b>19 526 918</b>
<b>Insurance contract revenue</b>	<b>(2 447 424)</b>	<b>-</b>	<b>-</b>	<b>(2 447 424)</b>	<b>(1 008 177)</b>	<b>-</b>	<b>-</b>	<b>(1 008 177)</b>
<b>Insurance service expenses</b>								
Incurred claims	1 523 746	-	64 347	1 588 093	1 444 773	-	48 719	1 493 492
Directly attributable expenses	655 150	-	84 456	739 606	244 060	-	-	244 060
Losses on onerous contracts and reversal of those losses	-	(90 833)	-	(90 833)	-	-	-	-
Insurance acquisition cashflows amortisation	202 740	-	-	202 740	191 574	-	-	191 574
<b>Insurance service expenses</b>	<b>2 381 636</b>	<b>(90 833)</b>	<b>148 803</b>	<b>2 439 606</b>	<b>1 880 407</b>	<b>-</b>	<b>48 719</b>	<b>1 929 126</b>
Total net expenses from reinsurance contracts held	151 760	-	-	151 760	82 489	-	-	82 489
<b>Insurance service result</b>	<b>85 972</b>	<b>(90 833)</b>	<b>148 803</b>	<b>143 942</b>	<b>954 719</b>	<b>-</b>	<b>48 719</b>	<b>1 003 438</b>
Finance expenses from insurance contracts issued recognised in profit or loss	178 321	365 561	779 123	1 323 005	15 418	1 500	-	16 918
Finance expenses from insurance contracts issued recognised in OCI	96 772	-	(56 274)	40 498	-	-	-	-
<b>Finance expenses from insurance contracts issued</b>	<b>275 093</b>	<b>365 561</b>	<b>722 849</b>	<b>1 363 503</b>	<b>15 418</b>	<b>1 500</b>	<b>-</b>	<b>16 918</b>
<b>Total amounts recognised in comprehensive income</b>	<b>361 065</b>	<b>274 728</b>	<b>871 652</b>	<b>1 507 445</b>	<b>970 137</b>	<b>1 500</b>	<b>48 719</b>	<b>1 020 356</b>
Investment components	5 818 381	-	-	5 818 381	7 514 549	-	-	7 514 549
<b>Cashflows</b>								
Premiums received	1 493 776	-	-	1 493 776	22 830	-	-	22 830
Claims and other directly attributable expenses paid	(2 952 783)	-	-	(2 952 783)	(1 945 700)	-	-	(1 945 700)
Insurance acquisition cash flows	(3 263)	-	(64 347)	(67 610)	-	-	(48 719)	(48 719)
<b>Total cash flows</b>	<b>(1 462 270)</b>	<b>-</b>	<b>(64 347)</b>	<b>(1 526 617)</b>	<b>(1 922 870)</b>	<b>-</b>	<b>(48 719)</b>	<b>(1 971 589)</b>
<b>Balance as at 31 December</b>	<b>30 793 544</b>	<b>288 594</b>	<b>807 305</b>	<b>31 889 443</b>	<b>26 076 368</b>	<b>13 866</b>	<b>-</b>	<b>26 090 234</b>



## ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 10.2 INSURANCE CONTRACT LIABILITIES (continued)

#### Investment contract liabilities with Direct Participating Features

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

	2024				2023			
	Liability for remaining coverage USD	Loss component USD	Liability for incurred claims USD	Total USD	Liability for remaining coverage USD	Loss component USD	Liability for incurred claims USD	Total USD
<b>Balance as at 01 January</b>	<b>16 129 380</b>	<b>60 636</b>	<b>648 156</b>	<b>16 838 172</b>	<b>8 888 599</b>	<b>56 841</b>	<b>-</b>	<b>8 945 440</b>
<b>Insurance contract revenue</b>	<b>(8 983 136)</b>	<b>-</b>	<b>-</b>	<b>(8 983 136)</b>	<b>(6 867 797)</b>	<b>-</b>	<b>-</b>	<b>(6 867 797)</b>
<b>Insurance service expenses</b>								
Incurring expenses	625 357	-	1 040 812	<b>1 666 169</b>	565 052	-	756 937	<b>1 321 989</b>
Directly attributable expenses	1 803 295	-	-	<b>1 803 295</b>	976 643	-	-	<b>976 643</b>
Losses on onerous contracts and reversal of those losses	-	1 842 482	-	<b>1 842 482</b>	-	-	-	<b>-</b>
Insurance acquisition cashflows amortisation	1 189 876	-	-	<b>1 189 876</b>	1 029 657	-	-	<b>1 029 657</b>
<b>Insurance service expenses</b>	<b>3 618 528</b>	<b>1 842 482</b>	<b>1 040 812</b>	<b>6 501 822</b>	<b>2 571 352</b>	<b>-</b>	<b>756 937</b>	<b>3 328 289</b>
Total net expenses from reinsurance contracts held	-	-	-	<b>-</b>	-	-	-	<b>-</b>
<b>Insurance service result</b>	<b>(5 364 608)</b>	<b>1 842 482</b>	<b>1 040 812</b>	<b>(2 481 314)</b>	<b>(4 296 445)</b>	<b>-</b>	<b>756 937</b>	<b>(3 539 508)</b>
Finance expenses from insurance contracts issued recognised in profit or loss	(2 262 090)	(65 743)	-	<b>(2 327 833)</b>	2 238 488	3 795	-	<b>2 242 283</b>
Finance expenses from insurance contracts issued recognised in OCI	2 211 587	-	-	<b>2 211 587</b>	-	-	-	<b>-</b>
<b>Finance expenses from insurance contracts issued</b>	<b>(50 503)</b>	<b>(65 743)</b>	<b>-</b>	<b>(116 246)</b>	<b>2 238 488</b>	<b>3 795</b>	<b>-</b>	<b>2 242 283</b>
<b>Total amounts recognised in comprehensive income</b>	<b>(5 415 111)</b>	<b>1 776 739</b>	<b>1 040 812</b>	<b>(2 597 560)</b>	<b>(2 057 957)</b>	<b>3 795</b>	<b>756 937</b>	<b>(1 297 225)</b>
Investment components	9 921 068	-	-	<b>9 921 068</b>	5 832 935	-	-	<b>5 832 935</b>
<b>Cashflows</b>								
Premiums received	9 734 890	-	-	<b>9 734 890</b>	5 542 841	-	-	<b>5 542 841</b>
Claims and other directly attributable expenses paid	(2 786 432)	-	-	<b>(2 786 432)</b>	(987 564)	-	-	<b>(987 564)</b>
Insurance acquisition cash flows	(1 536 354)	-	(384 806)	<b>(1 921 160)</b>	(1 089 474)	-	(108 781)	<b>(1 198 255)</b>
<b>Total cash flows</b>	<b>5 412 104</b>	<b>-</b>	<b>(384 806)</b>	<b>5 027 298</b>	<b>3 465 803</b>	<b>-</b>	<b>(108 781)</b>	<b>3 357 022</b>
<b>Balance as at 31 December</b>	<b>26 047 441</b>	<b>1 837 375</b>	<b>1 304 162</b>	<b>29 188 978</b>	<b>16 129 380</b>	<b>60 636</b>	<b>648 156</b>	<b>16 838 172</b>



## NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 10.3 INSURANCE CONTRACT LIABILITIES (continued)

#### Property and casualty

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

	2024							2023								
	Liability for remaining coverage			Liability for incurred claims				Liability for remaining coverage			Liability for incurred claims					
	Excluding loss component USD	Loss component USD	LIC for contract not under the PAA USD	Subtotal	Present value of future cashflows	Risk adjustment for non financial risk	Subtotal	Total liability	Excluding loss component USD	Loss component USD	LIC for contract not under the PAA USD	Subtotal	Present value of future cashflows	Risk adjustment for non financial risk	Subtotal	Total liability
Opening Insurance contract liabilities	2 316 317	291 521	-	2 607 838	31 544 988	(2 286 748)	29 258 240	31 866 078	6 952 403	376 984	-	7 329 387	18 858 484	897 190	19 755 674	27 085 061
<b>Net balance as at 1 January</b>	<b>2 316 317</b>	<b>291 521</b>	<b>-</b>	<b>2 607 838</b>	<b>31 544 988</b>	<b>(2 286 748)</b>	<b>29 258 240</b>	<b>31 866 078</b>	<b>6 952 403</b>	<b>376 984</b>	<b>-</b>	<b>7 329 387</b>	<b>18 858 484</b>	<b>897 190</b>	<b>19 755 674</b>	<b>27 085 061</b>
<b>Insurance contract revenue</b>	(49 610 669)	(816 142)	-	(50 426 811)	-	-	-	(50 426 811)	(41 459 098)	(625 088)	-	(42 084 186)	-	-	-	(42 084 186)
<b>Insurance service expenses</b>																
Incurring claims	-	-	-	-	16 116 539	-	16 116 539	16 116 539	-	-	-	-	14 595 345	-	14 595 345	14 595 345
Directly attributable expenses	-	-	-	-	6 104 449	-	6 104 449	6 104 449	-	-	-	-	9 349 252	-	9 349 252	9 349 252
Changes that relate to past service - adjustment to the LIC	-	-	-	-	4 554 623	-	4 554 623	4 554 623	-	-	-	-	5 690 590	-	5 690 590	5 690 590
Change in risk adjustment	-	-	-	-	-	501 965	501 965	501 965	-	-	-	-	-	24 236	24 236	24 236
Changes Related to Past Services - IBNR	-	-	-	-	15 083	-	15 083	15 083	-	-	-	-	(12 871)	-	(12 871)	(12 871)
Change in Loss Component - New loss arising in period	-	96 989	-	96 989	-	-	-	96 989	-	237 429	-	237 429	-	-	-	237 429
Change in Loss Component - Reversal	-	(442 279)	-	(442 279)	-	-	-	(442 279)	-	-	-	-	-	-	-	-
Insurance acquisition cashflows amortisation	14 656 246	-	-	14 656 246	338 977	-	338 977	14 995 223	9 770 084	-	-	9 770 084	477 036	-	477 036	10 247 120
<b>Insurance service expenses</b>	<b>14 656 246</b>	<b>(345 290)</b>	<b>-</b>	<b>14 310 956</b>	<b>27 129 671</b>	<b>501 965</b>	<b>27 631 636</b>	<b>41 942 592</b>	<b>9 770 084</b>	<b>237 429</b>	<b>-</b>	<b>10 007 513</b>	<b>30 099 352</b>	<b>24 236</b>	<b>30 123 588</b>	<b>40 131 101</b>
Total net expenses from reinsurance contracts held	5 289 438	-	-	5 289 438	-	-	-	5 289 438	2 411 670	-	-	2 411 670	-	-	-	2 411 670
<b>Insurance service result</b>	<b>(29 664 985)</b>	<b>(1 161 432)</b>	<b>-</b>	<b>(30 826 417)</b>	<b>27 129 671</b>	<b>501 965</b>	<b>27 631 636</b>	<b>(3 194 781)</b>	<b>(29 277 344)</b>	<b>(387 659)</b>	<b>-</b>	<b>(29 665 003)</b>	<b>30 099 352</b>	<b>24 236</b>	<b>30 123 588</b>	<b>458 585</b>
<b>Total amounts recognised in comprehensive income</b>	<b>(29 664 985)</b>	<b>(1 161 432)</b>	<b>-</b>	<b>(30 826 417)</b>	<b>27 129 671</b>	<b>501 965</b>	<b>27 631 636</b>	<b>(3 194 781)</b>	<b>(29 277 344)</b>	<b>(387 659)</b>	<b>-</b>	<b>(29 665 003)</b>	<b>30 099 352</b>	<b>24 236</b>	<b>30 123 588</b>	<b>458 585</b>
Other changes	3 039 366	-	-	3 039 366	286 070	-	286 070	3 325 436	(2 123 676)	(346 777)	-	(2 470 453)	(5 952 375)	(722 161)	(6 674 536)	(9 144 989)
<b>Cashflows</b>																
Premiums received	37 620 381	895 212	-	38 515 593	-	-	-	38 515 593	36 633 071	648 973	-	37 282 044	1 643 192	-	1 643 192	38 925 236
Claims and other directly attributable expenses paid	-	-	-	-	(20 860 769)	-	(20 860 769)	(20 860 769)	-	-	-	-	(13 103 665)	(1 539 152)	(14 642 817)	(14 642 817)
Insurance acquisition cash flows	(12 894 087)	-	-	(12 894 087)	(971 157)	-	(971 157)	(13 865 244)	(9 868 137)	-	-	(9 868 137)	-	(946 861)	(946 861)	(10 814 998)
<b>Total cash flows</b>	<b>24 726 294</b>	<b>895 212</b>	<b>-</b>	<b>25 621 506</b>	<b>(21 831 926)</b>	<b>-</b>	<b>(21 831 926)</b>	<b>3 789 580</b>	<b>26 764 934</b>	<b>648 973</b>	<b>-</b>	<b>27 413 907</b>	<b>(11 460 473)</b>	<b>(2 486 013)</b>	<b>(13 946 486)</b>	<b>13 467 421</b>
<b>Balance as at 31 December</b>	<b>416 992</b>	<b>25 301</b>	<b>-</b>	<b>442 293</b>	<b>37 128 803</b>	<b>(1 784 783)</b>	<b>35 344 020</b>	<b>35 786 313</b>	<b>2 316 317</b>	<b>291 521</b>	<b>-</b>	<b>2 607 838</b>	<b>31 544 988</b>	<b>(2 286 748)</b>	<b>29 258 240</b>	<b>31 866 078</b>

## 42 Years of Trust. A Future of Accountability.

Trust isn't built overnight. For **four decades**, ZHL has delivered transparent, governance-led investments that stand the test of time.

Our commitment? To report openly, act responsibly, and invest sustainably, because **Africa's future** deserves nothing less.



## NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 11 BORROWINGS

	AUDITED	
	Group 2024 USD	Group 2023 USD
<b>As at 1 January</b>	<b>1 007 675</b>	<b>1 127 552</b>
Drawn downs during the year	2 753 424	973 450
Interest for the year	(335 645)	(55 910)
Capital repayments	(574 609)	(503 503)
Interest repayment	335 645	55 910
Foreign exchange movement	514 851	(589 824)
<b>Balance as at 31 December</b>	<b>3 701 341</b>	<b>1 007 675</b>
Non-current	1 054 911	45 255
Current	2 646 430	962 420
	<b>3 701 341</b>	<b>1 007 675</b>

Bank borrowings comprise loans from institutions listed below :-

#### ZB Bank Limited

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

#### Steward Bank

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

#### National Social Security Authority

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

#### Nedbank Limited

Zimre Holdings Limited obtained a loan amounting to USD500,000 during the year for asset financing. The facility accrues interest at 12% per annum and is repayable over three years. The loan is secured over the assets acquired.

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

#### NBS Bank

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

#### African Banking Corporation (Mozambique) SA

Emeritus Re Mozambique acquired a loan facility to purchase an office building. The loan accrues interest at 20.75% per annum and is repayable over 7 years. Currently the outstanding amount is USD70,732 (2023:USD227,642). There were no changes to the terms and conditions of these borrowings during the reporting period. The facility is secured through a collateral of the office building purchased.

### 12 TRADE AND OTHER PAYABLES

	AUDITED	
	Group 2024 USD	Group 2023 USD
Related party payables	4 364 109	3 406 643
Other payables*	6 641 801	14 607 228
Accruals**	4 129 201	3 344 515
<b>Total trade and other payables</b>	<b>15 135 111</b>	<b>21 358 386</b>

All trade and other payables are classified as current liabilities.

\* Other payables are constituted of non-insurance payables from the holding company, non-insurance entities and property business.

\*\*Included in the accruals are actuarial fees and any other accrued expenses not included in other payables.





## NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 13 Insurance contract revenue and expenses

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

	AUDITED			
	Direct participating contracts USD	Investment contracts with DPF USD	Property and casualty USD	Total USD
<b>2024</b>				
<b>Insurance contract revenue</b>				
<b>Amounts relating to the changes in the Liability for remaining coverage (LRC)</b>				
Expected incurred claims and other expenses after loss component allocation	1 211 971	2 671 734	-	3 883 705
Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation	56 536	396 014	-	452 550
CSM recognised in profit or loss for the services provided	556 995	4 972 286	-	5 529 281
Insurance acquisition cash flow recovery	67	(877 846)	-	(877 779)
Insurance revenue from contracts not measured under the PAA	1 825 569	7 162 188	-	8 987 757
Insurance revenue from contracts measured under the PAA	-	1 820 948	50 426 811	52 247 759
Insurance revenue from contracts measured under VFA	621 855	-	-	621 855
<b>Total insurance revenue</b>	<b>2 447 424</b>	<b>8 983 136</b>	<b>50 426 811</b>	<b>61 857 371</b>
<b>Insurance service expenses</b>				
Claims	(1 588 093)	(1 666 169)	(16 116 539)	(19 370 801)
Directly attributable expenses	(739 606)	(1 803 295)	(6 104 449)	(8 647 350)
Changes that relate to past service -adjustments to the LIC	-	-	(4 554 623)	(4 554 623)
Change in Risk Adjustment	-	-	(501 965)	(501 965)
Changes Related to Past Services - IBNR	-	-	(15 083)	(15 083)
Changes Related to Past Services - Gross Outstanding Claims	-	-	-	-
Losses on onerous contracts and reversal of those losses	90 833	(1 842 482)	-	(1 751 649)
Change in Loss Component - New loss arising in period	-	-	(96 989)	(96 989)
Change in Loss Component - Reversal	-	-	442 279	442 279
Insurance acquisition cashflows amortisation	(202 740)	(1 189 876)	(14 995 223)	(16 387 839)
<b>Total insurance service expenses</b>	<b>(2 439 606)</b>	<b>(6 501 822)</b>	<b>(41 942 592)</b>	<b>(50 884 020)</b>
Reinsurance expenses-contracts measured under the PAA	(354 078)	-	(11 549 044)	(11 903 122)
Claims recovered	202 318	-	6 259 606	6 461 924
Change in Loss Component - New loss arising in period	-	-	(97 938)	(97 938)
Change in Risk Adjustment	-	-	183 767	183 767
Changes that relate to past service - adjustments to incurred claims	-	-	(141 473)	(141 473)
<b>Total net expenses from reinsurance contracts held</b>	<b>(151 760)</b>	<b>-</b>	<b>(5 289 438)</b>	<b>(5 441 198)</b>
<b>Total insurance service result</b>	<b>(143 942)</b>	<b>2 481 314</b>	<b>3 194 781</b>	<b>5 532 153</b>



## NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 13 Insurance contract revenue and expenses (continued)

2023

#### Insurance contract revenue

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

Expected incurred claims and other expenses after loss component allocation

Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation

CSM recognised in profit or loss for the services provided

Insurance acquisition cash flow recovery

Insurance revenue from contracts not measured under the PAA

Insurance revenue from contracts measured under the PAA

Insurance revenue from contracts measured under VFA

#### Total insurance revenue

#### Insurance service expenses

Claims

Directly attributable expenses

Changes that relate to past service -adjustments to the LIC

Change in Risk Adjustment

Changes Related to Past Services - IBNR

Change in Loss Component - New loss arising in period

Insurance acquisition cashflows amortisation

#### Total insurance service expenses

Reinsurance expenses-contracts measured under the PAA

Claims recovered

Change in Loss Component - New loss arising in period

Change in Risk Adjustment

Changes that relate to past service -adjustments to incurred claims

#### Total net expenses from reinsurance contracts held

#### Total insurance service result

	AUDITED			
	Direct participating contracts USD	Investment contracts with DPF USD	Property and casualty USD	Total USD
Expected incurred claims and other expenses after loss component allocation	234 977	2 208 682	-	2 443 659
Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation	(33 339)	422 158	-	388 819
CSM recognised in profit or loss for the services provided	630 930	4 037 342	-	4 668 272
Insurance acquisition cash flow recovery	-	(887 327)	-	(887 327)
Insurance revenue from contracts not measured under the PAA	832 568	5 780 855	-	6 613 423
Insurance revenue from contracts measured under the PAA	-	1 086 942	42 084 186	43 171 128
Insurance revenue from contracts measured under VFA	175 609	-	-	175 609
<b>Total insurance revenue</b>	<b>1 008 177</b>	<b>6 867 797</b>	<b>42 084 186</b>	<b>49 960 160</b>
Claims	(1 493 492)	(1 321 989)	(14 595 345)	(17 410 826)
Directly attributable expenses	(244 060)	(976 643)	(9 349 252)	(10 569 955)
Changes that relate to past service -adjustments to the LIC	-	-	(5 690 590)	(5 690 590)
Change in Risk Adjustment	-	-	(24 236)	(24 236)
Changes Related to Past Services - IBNR	-	-	12 871	12 871
Change in Loss Component - New loss arising in period	-	-	(237 429)	(237 429)
Insurance acquisition cashflows amortisation	(191 574)	(1 029 657)	(10 247 120)	(11 468 351)
<b>Total insurance service expenses</b>	<b>(1 929 126)</b>	<b>(3 328 289)</b>	<b>(40 131 101)</b>	<b>(45 388 516)</b>
Reinsurance expenses-contracts measured under the PAA	(305 814)	-	(11 304 030)	(11 609 844)
Claims recovered	223 325	-	8 892 360	9 115 685
Change in Loss Component - New loss arising in period	-	-	153 312	153 312
Change in Risk Adjustment	-	-	(11 839)	(11 839)
Changes that relate to past service -adjustments to incurred claims	-	-	(141 473)	(141 473)
<b>Total net expenses from reinsurance contracts held</b>	<b>(82 489)</b>	<b>-</b>	<b>(2 411 670)</b>	<b>(2 494 159)</b>
<b>Total insurance service result</b>	<b>(1 003 438)</b>	<b>3 539 508</b>	<b>(458 585)</b>	<b>2 077 485</b>

## Dominating Markets. Elevating Communities.

From **Botswana, Zambia, Malawi, Mozambique and Zambia**, ZHL's **pan-African portfolio** isn't just expanding, it's setting the standard for impactful investing. Shareholders benefit from our diversified holdings (real estate, reinsurance, healthcare, and financial services), while communities thrive through jobs, infrastructure, and innovation.

Together, we're building a legacy of scale and significance.



## NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 14 OPERATING AND ADMINISTRATION EXPENSES

	AUDITED	
	Group 2024 USD	Group 2023 USD
Independent auditors' remuneration	(254 926)	(379 196)
Directors' fees (non-executive)	(837 860)	(694 451)
Employee benefit expenses	(8 922 992)	(6 783 403)
Depreciation of property and equipment	(593 922)	(362 398)
Depreciation of right-of-use-assets	(344 555)	(107 602)
Write-off of receivables	(127 613)	(100 000)
Amortisation of intangible assets	(68 716)	(96 012)
Consultation fees	(1 686 052)	(1 461 803)
Legal fees	(422 890)	(126 073)
Fines	(34 287)	(5 976)
Rent, premises costs and utilities	(907 568)	(470 877)
Travel and representation	(523 086)	(438 818)
Marketing, advertising and promotion	(529 251)	(392 096)
Communication, computer maintenance and licence fees	(740 102)	(621 728)
Subscriptions and levies	(256 206)	(233 612)
Insurance costs	(282 238)	(199 688)
Motor vehicle expenses	(489 069)	(309 951)
Bank charges	(555 199)	(430 351)
Printing and stationery	(391 089)	(415 183)
Management fees	(142 243)	(283 193)
Other operating expenses	(1 040 928)	(674 523)
	<b>(19 150 791)</b>	<b>(14 586 936)</b>



### 15 SEGMENT INFORMATION

#### Description of segments and principal activities

The Group's Executive Committee, consisting of the Group Chief Executive Officer, Group Chief Finance Officer, Group Chief Operating Officer and Managing Directors of subsidiaries, examines the Group's performance both from a product and geographical perspective and has identified reportable segments of its business as detailed below.

Management evaluates segment performance based on operating profit/(loss) consistent with the consolidated financial statements.

#### Reinsurance

The segment offers short-term reinsurance products and services to general insurance companies locally, regionally and internationally. These products offer protection of policyholders' assets and indemnification of other parties that have suffered damage as a result of the policyholders' accidents. Revenue in this segment is derived primarily from insurance premiums, investment income and fair value gains and losses on financial assets.

#### Life reinsurance

The life reinsurance segment offers its services to life assurance companies and medical aid societies locally and regionally. The products are savings, protection products and other long-term contracts (both with and without insurance risk and with and without discretionary participating features). It comprises a wide range of whole life, term assurance, unitised pensions, guaranteed pensions, pure endowment pensions and mortgage endowment products. Revenue from this segment is derived primarily from reinsurance premium, fees and commission income, investment income and fair value gains and losses on investments.

#### General insurance

The segment offers short-term insurance products and services directly to policyholders locally. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of the policyholder's accident e.g. motor accident, domestic credit insurance, export credit. Revenue in this segment is derived primarily from insurance premiums, investment income and fair value gains and losses on financial assets.

#### Life and pensions

The segment offers life assurance, funeral assurance, asset management, actuarial consultancy and micro-financing services. The products offered are life assurance and pensions and also is involved in consumer loans, business loans and loans to farmers.

#### Property

This segment is engaged in leasing, developing, managing, selling and buying properties. It also offers consultancy services related to property development. It derives its revenue primarily from rentals, sales of properties, investment income and estate agency.

#### Insurance broking

This segment offers brokerage and professional risk consultancy services, specialising in Insurance Broking, Risk Management, Employee Benefits and Health Insurance consulting services.

#### Other and eliminations

This segment comprises the holding company and consolidation eliminations.





## NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 15.1 Information about products and services

For the year ended 31 December 2024	AUDITED								
	Non-life reinsurance USD	Life reassurance USD	Life and pensions USD	General insurance USD	Property USD	Insurance Broking USD	Other USD	Eliminations USD	Total USD
Insurance contract revenue	48 637 102	3 685 193	11 430 560	2 363 665	-	-	-	(4 259 149)	61 857 371
Insurance service expenses	(36 745 693)	(3 471 992)	(10 248 855)	(1 476 555)	-	-	-	1 059 075	(50 884 020)
Net expenses from reinsurance contracts held	(7 931 105)	(214 786)	(151 760)	(343 621)	-	-	-	3 200 074	(5 441 198)
<b>Insurance service result</b>	3 960 304	(1 585)	1 029 945	543 489	-	-	-	-	5 532 153
Net Investment Income	2 815 887	94 213	8 514 256	195 753	-	-	-	-	11 620 108
Net insurance finance expenses	-	-	1 004 829	(1 581)	-	-	-	-	1 003 248
Net insurance and investment result	6 776 191	92 628	10 549 029	737 661	-	-	-	-	18 155 509
Non insurance income	-	-	6 871 074	-	3 961 961	1 025 752	2 411 996	(734 993)	13 535 791
Indirect expenses	(3 541 104)	(260 766)	(10 852 458)	(1 112 006)	(2 202 024)	(1 150 939)	(2 661 768)	734 993	(21 046 070)
Income tax expense	(519 615)	36	(149 746)	76 706	249 222	57 917	(13 393)	(20 821)	(319 694)
Profit/(loss) for the year	2 715 471	(168 101)	6 397 079	(297 638)	2 009 160	(67 270)	(263 165)	-	10 325 536
Segment assets	100 162 642	5 816 227	90 987 395	3 048 915	41 376 321	1 056 366	17 002 019	(51 371 716)	208 078 168
Segment liabilities	43 915 146	1 820 277	90 024 184	2 097 581	3 288 811	696 021	3 727 266	(2 930 148)	142 639 138
	AUDITED								
For the year ended 31 December 2023	Non-life reinsurance USD	Life reassurance USD	Life and pensions USD	General insurance USD	Property USD	Insurance Broking USD	Other USD	Eliminations USD	Total USD
Insurance contract revenue	36 918 321	3 355 603	7 875 975	1 810 261	-	-	-	-	49 960 160
Insurance service expenses	(34 817 960)	(2 620 181)	(6 329 368)	(1 621 006)	-	-	-	-	(45 388 516)
Net expenses from reinsurance contracts held	(2 276 893)	(243 278)	101 758	(75 746)	-	-	-	-	(2 494 159)
<b>Insurance service result</b>	(176 532)	492 144	1 648 365	113 509	-	-	-	-	2 077 485
Net Investment Income	6 064 745	771 384	6 984 058	360 437	-	-	-	(2 163 583)	12 017 041
Net insurance finance expenses	-	-	(2 259 201)	(196)	-	-	-	-	(2 259 397)
Net insurance and investment result	5 888 212	1 263 528	6 373 222	473 750	-	-	-	-	11 835 129
Non insurance income	178 406	-	3 831 402	-	2 754 549	1 051 888	1 667 137	(1 089 700)	8 393 681
Indirect expenses	(3 709 340)	(294 803)	(7 470 150)	(845 648)	(1 450 672)	(868 851)	(1 969 503)	1 089 700	(15 519 269)
Income tax expense	(546 679)	-	(398 523)	(83 741)	(98 076)	(50 913)	66 240	-	(1 111 692)
Profit/(loss) for the year	1 871 249	968 725	2 335 951	(455 639)	1 205 800	132 123	(2 026 748)	(2 224 233)	1 807 228
Segment assets	95 665 857	5 191 338	66 339 094	2 486 661	39 297 535	2 197 852	15 954 622	(45 088 393)	182 044 565
Segment liabilities	41 297 548	874 159	63 240 188	1 743 041	3 219 184	1 783 646	2 271 335	9 497 887	121 222 583



## NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024



### 15 SEGMENT RESULTS (continued)

#### 15.2 Geographical information

Information below shows operating results in the countries in which the Group operates.

31 December 2024	AUDITED						Total USD
	Zimbabwe USD	Malawi USD	Zambia USD	Mozambique USD	Botswana USD	Eliminations USD	
Insurance contract revenue	34 375 208	8 041 726	5 960 996	10 500 521	7 238 068	(4 259 149)	61 857 371
Insurance service expenses	(30 658 723)	(4 614 972)	(4 692 733)	(7 726 089)	(4 250 577)	1 059 075	(50 884 020)
Net expenses from reinsurance contracts held	(2 278 958)	(2 046 146)	(758 041)	(1 858 418)	(1 699 709)	3 200 074	(5 441 198)
<b>Insurance service result</b>	1 437 527	1 380 608	510 222	916 015	1 287 782	-	5 532 153
Net Investment Income	9 809 464	1 048 293	351 623	410 781	(103)	50	11 620 108
Net insurance finance expenses	1 003 248	-	-	-	-	-	1 003 248
Net insurance and investment result	12 250 238	2 428 901	861 845	1 326 796	1 287 678	51	18 155 509
Non insurance income	14 270 784	-	-	-	-	(734 993)	13 535 791
Indirect expenses	(18 765 923)	(1 377 679)	(602 409)	(602 409)	(466 005)	768 357	(21 046 070)
Income tax expense	384 875	(376 658)	(149 746)	(50 915)	(127 251)	-	(319 694)
Profit/(loss) for the year	7 879 208	674 563	403 819	673 472	694 474	-	10 325 536
Segment assets	194 637 834	17 221 274	5 359 001	17 815 517	24 416 259	(51 371 716)	208 078 168
Segment liabilities	110 332 323	13 999 609	3 577 335	12 888 692	4 771 328	(2 930 148)	142 639 138

31 December 2023	AUDITED						Total USD
	Zimbabwe USD	Malawi USD	Zambia USD	Mozambique USD	Botswana USD	Eliminations USD	
Insurance contract revenue	25 289 866	8 074 870	4 599 795	6 775 818	5 219 811	-	49 960 160
Insurance service expenses	(25 898 231)	(6 368 902)	(2 698 524)	(6 689 433)	(3 733 426)	-	(45 388 516)
Net expenses from reinsurance contracts held	953 904	(409 855)	(1 625 191)	(350 491)	(1 062 526)	-	(2 494 159)
<b>Insurance service result</b>	345 539	1 296 113	276 080	(264 106)	423 859	-	2 077 485
Net Investment Income	8 967 479	1 900 711	859 432	183 717	2 329 936	(2 224 233)	12 017 041
Net insurance finance expenses	(2 259 397)	-	-	-	-	-	(2 259 397)
Net insurance and investment result	7 053 621	3 196 823	1 135 512	(80 389)	2 753 795	(2 224 233)	11 835 129
Non insurance income	9 304 975	-	-	-	178 406	(1 089 700)	8 393 681
Indirect expenses	(14 078 580)	(1 369 831)	(199 634)	(592 753)	(368 170)	1 089 700	(15 519 269)
Income tax expense	(151 648)	(564 583)	(251 179)	(68 174)	(76 107)	-	(1 111 692)
Profit/(loss) for the year	337 746	1 262 409	684 698	(741 316)	2 487 924	(2 224 233)	1 807 228
Segment assets	166 133 925	19 116 961	4 148 307	14 082 173	23 651 592	(45 088 393)	182 044 565
Segment liabilities	80 961 701	16 434 358	2 625 685	9 725 579	4 681 777	9 497 887	121 222 583

## NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 16 EARNINGS PER SHARE

#### Basic and diluted earnings per share

#### Basic earnings per share

#### Reconciliation of total earnings to headline earnings attributable to shareholders

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

	AUDITED	
	Group 2024 USD	Group 2023 USD
Earnings attributable to ordinary equity holders of the parent for basic earnings per share	8 103 477	1 764 944
<b>Add/deduct non recurring items</b>		
Profit on disposal of property	2 208	(609 974)
Profit on disposal of investment property	-	-
Taxation on headline earnings adjustable items	(546)	150 786
<b>Headline earnings attributable to ordinary equity holders of the parent</b>	<b>8 105 139</b>	<b>1 305 756</b>
Weighted average number of ordinary shares in issue	1 818 218 786	1 818 218 786
Basic earnings per share (USD cents)	0.45	0.10
Headline earnings per share (USD cents)	0.45	0.07

#### Basic earnings per share

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

#### Headline earnings per share

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

### 17 DIVIDENDS

As at 1 January  
Dividends declared  
Dividends paid

	AUDITED	
	Group 2024 USD	Group 2023 USD
As at 1 January	-	-
Dividends declared	350 000	410 224
Dividends paid	(350 000)	(410 224)
	-	-

#### Declaration of dividend

The Board of Directors declared a dividend of USD 350,000 or USD0.00019 per share in respect of the 2023 financial year which was subsequently paid in June 2024.

### 18 IFRS 17 IMPLEMENTATION

During the year 2024, the company successfully implemented an IFRS 17-compliant actuarial engine, facilitating contract-level calculations. This process has now reached completion, necessitating rigorous checks and validations to ensure accuracy and compliance with the standard. In alignment with IFRS 17, the company has refined its policies and processes related to the calculations and reporting of insurance contracts. However, it is important to note that there is potential for further enhancements in the reporting and measurement of these contracts. Such improvements may have significant implications for both liabilities and revenues in future reporting periods. Ongoing monitoring and adjustments will be essential as the company continues to navigate the complexities of IFRS 17 to optimize its financial reporting and risk management practices.

### 19 GOING CONCERN

The Directors consider that the Group has adequate resources to continue operating for the foreseeable future and therefore have continued to adopt the going concern basis in preparing these interim financial statements. The Directors are satisfied that the Group is in a sound financial position and has access to facilities and resources which enable it to meet its foreseeable cash requirements.

### 20 EVENTS AFTER THE REPORTING DATE

Subsequent to the 31 December 2024 reporting date, on 6 February 2025 the Reserve Bank of Zimbabwe (RBZ) issued a Monetary Policy Statement (MPS), announcing a requirement for all entities to adopt a common presentation currency, ZWG, for reporting purposes with immediate effect, including for the 31 December 2024 and later period audited financial statements. Management considers this to be a non-adjusting event to the current financial statements for general purpose prepared using the United States Dollars (USD) as the presentation currency. An additional special purpose report will be prepared to comply with requirements of MPS 6 of 2025. Management will continue to seek guidance from PAAB on preparation for later period financial statements.

## Profits That Power Progress

At ZHL, we believe financial success and societal impact go hand in hand. Our **strategic investments**, from renewable energy to affordable housing are designed to **deliver shareholder returns** while transforming communities across Africa.

With 42 years of disciplined governance and transparent reporting, we're proving that sustainable growth isn't just possible, it's profitable!



## INDEPENDENT AUDITOR'S REPORT

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To the members of Zimre Holdings Limited

### Report on the Audit of the Consolidated Financial Statements

#### Qualified Opinion

We have audited the consolidated financial statements of Zimre Holdings Limited ("the Group") set out on pages 9-150, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, except for the effect of the matters described in the *Basis for Qualified Opinion* section of our report, the consolidated financial statements present fairly, in all material respects, the financial position of Zimre Holdings Limited as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### Basis for Qualified Opinion

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

#### Change in functional currency

As described in Note 2.1 to the consolidated financial statements, the Group changed its functional and presentation currency from ZWL to the USD effective 1 January 2024. The change in functional currency entails all amounts, including comparatives being translated from Zimbabwe Dollars (ZWL) to United States Dollars (USD) in accordance

with (IAS) 21. The Group's previous functional currency (ZWL) was a currency of hyperinflationary economy, as such IAS 21 requires that the ZWL inflation adjusted amounts for the period prior to the change in functional currency, and the previously stated comparative consolidated inflation adjusted financial statements, be translated to USD at the closing rate at the date of change in functional currency.

In preparing the USD Consolidated financial statements for the year ended 31 December 2024, management translated ZWL transactions and balances of the comparative financial statements to USD by separating USD and ZWL components of the transactions and balances. The USD components of the transactions in the comparative financial statements were then maintained as if the USD had always been the functional currency of the Group, and the ZWL components of the transactions were translated to USD using translation methods disclosed in Note 2.1 to these consolidated financial statements.

The balances as at 31 December 2024 for retained earnings, property and equipment, investment properties, inventories, revaluation reserve, foreign currency translation reserve, insurance reserve, insurance contract assets, insurance contract liabilities and investment contract liabilities contain material amounts carried forward from 31 December 2023. As a result, the balances may contain misstatements arising from the translation of ZWL balances as at 1 January 2024 to USD on change of the functional currency of the Group.

The accounting treatment adopted in the translation of ZWL amounts in the comparative consolidated financial statements constitute a departure from the requirements of IAS 21.

*Implementation of new information technology systems to align with the requirements of International Financial Reporting Standard (IFRS) 17 - Insurance Contracts*

As more fully disclosed in note 38 to these consolidated financial statements, during the financial year ended 31 December 2024, Fidelity Life Assurance of Zimbabwe Limited, a significant component of Zimre Holdings Limited, implemented new information technology systems to align with the requirements of IFRS 17 - *Insurance Contracts*.

From our review of the system implementation, we noted that there is need for further enhancement of the modelling approaches and data outputs in the new systems. This may result in adjustments being made to the amounts recognised in these consolidated financial statements with respect to the insurance contract liabilities, and the related insurance contract revenue and service expenses.

The effect of the above matters have been considered as material but not pervasive to the consolidated financial statements, taken as a whole.

### **Emphasis of Matter**

These consolidated financial statements include the financial position, financial results and cashflows of Fidelity Life Assurance of Zimbabwe Limited, a significant component of Zimre Holdings Limited. We draw attention to Note 37 to the consolidated financial statements, which describes the restatement of prior year comparatives of Fidelity Life Assurance of Zimbabwe Limited to reflect the audited position of the annual financial statements for Vanguard Life Assurance Limited, a significant component of Fidelity Life Assurance of Zimbabwe Limited, for the year ended 31 December 2023. Our opinion is not modified in respect of this matter.

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 Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming the opinion thereon, and we do not provide a separate opinion on these matters. Other than the matters described in the *Basis for Qualified Opinion* section above, we have determined that there are no other key audit matters to communicate in our report.

### **Other information**

The Directors are responsible for the other information. The other information comprises the 'Corporate information', 'Directors' responsibility for financial reporting', 'historical cost information' and 'Company statements', which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not

cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 that we 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. We have nothing to report in this regard.

### **Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements**

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's responsibilities for the Audit of the Consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and

maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 those charged with governance 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, related safeguards.

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

### **Report on Other Legal and Regulatory Requirements**

In our opinion, except for the effect of the matters described in the *Basis for Qualified Opinion*, the consolidated financial statements have been properly prepared, in all material respects in accordance with the requirements of the Companies and Other Business Entities Act (Chapter 24:31).

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



Edmore Chimhowa

**Partner**

Registered Public Auditor (PAAB No: 0470)

**Grant Thornton**  
Chartered Accountants (Zimbabwe)  
Registered Public Auditors

15 April 2025

**HARARE**