

ABRIDGED CIRCULAR TO SHAREHOLDERS

REGARDING:

- a) ZHL's proposed acquisition of 38,224,928 Fidelity Life Assurance of Zimbabwe Limited shares currently held by the National Social Security Authority ("the Proposed FLA Acquisition"); and
b) ZHL's proposed acquisition of all the ordinary shares in Zimre Property Investments Limited currently held by minority shareholders ("the Proposed ZPI Acquisition").

Lead Financial Advisors



Independent Financial Advisors



Legal Advisors



Independent Auditors and Reporting Accountants



Transfer Secretaries



Sponsoring Brokers



Date of issue: 9 September 2020

THIS ABRIDGED CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Action required:

- Shareholders are invited to attend the Extraordinary General Meeting ("EGM") convened by the EGM Notice contained herein;
- Shareholders who are unable to attend the EGM, but wish to be represented thereat should complete and sign the Proxy Form provided at the end of this Abridged Circular and return to the Company Secretary by 0900 hours on Monday 28 September 2020;
- Shareholders may attend the EGM in person, notwithstanding the completion and return of the Proxy Form;
- If you are in any doubt as to the action you should take, please consult your stockbroker, banker, accountant or other professional advisor immediately; and
- If you no longer hold any shares in ZHL, you should send this Circular, as soon as possible, to the stockbroker, bank or other agent through whom the sale of your shareholding in ZHL was executed for onward delivery to the purchaser or transferee of your shares.

1. Background

Zimre Holdings Limited ("ZHL" or "the Company" or "the Group") was formed to create wealth while also serving a greater purpose of propelling economic progress. Accordingly, the Company's key investments have been in industries that are at the heart of personal and economic growth, namely insurance and property.

In light of the competitive landscape and the renewed strategic thrust to be a leading local investment holding group in Zimbabwe, the Group has begun to consolidate its position in many of its key investments. The purpose for this is to create a value chain that can efficiently utilise the assets to the benefit of all stakeholders.

Against the foregoing background, ZHL has formulated a plan to increase the Company's shareholding in Fidelity Life Assurance of Zimbabwe Limited ("FLA") to levels where its operations are controlled by the Group with the intention of acquiring the remaining shares and delisting it in the future. Pursuant to this, ZHL has entered into a Share Purchase Agreement with the National Social Security Authority ("NSSA") for the purchase of FLA ordinary shares currently held by NSSA constituting 35.09% of the FLA issued share capital. ZHL already holds 20.57% shareholding in FLA and the acquisition will take the total shareholding to 55.66% resulting in FLA becoming a subsidiary of ZHL and its operations being consolidated in the consolidated financial statements of ZHL.

Similarly, over the past few years ZHL has been on a deliberate path to regain control of Zimre Property Investments Limited ("ZPI"). Pursuant to that, the Company managed to gradually increase its shareholding from 47.6% in 2016 to 64.3% at present through open market purchases. The Board believes the right time has come to complete its acquisition of ZPI to become a 100% owned subsidiary of ZHL. The two phased approach will entail the acquisition of the remaining shares held by minority shareholders through an open market offer and the simultaneous application for the delisting of ZPI.

The Proposed Transactions outlined herein seek to achieve total control of FLA and ZPI thus enhancing the Group's ability to create and preserve value for all its stakeholders.

It is important to highlight that FLA directly and indirectly holds a 16.75% minority interest in ZPI, rendering the acquisition strategic for ZHL in its quest to secure 100% control of ZPI.

2. Proposed Transactions

2.1 Proposed FLA Acquisition

The proposed acquisition of ordinary shares in FLA from NSSA is a related party transaction because NSSA is a significant shareholder in both FLA and ZHL. Therefore NSSA, the related party, will not be eligible to vote on the resolution regarding the acquisition of ordinary shares in FLA.

ZHL already holds 20.57% shareholding in FLA and the acquisition of the FLA shares will take ZHL's total shareholding to 55.66%. In terms of the Companies and Other Business Entities Act [Chapter 24:31] ("COBE") and Zimbabwe Stock Exchange ("ZSE") Listings Requirements, ZHL will be required to make an offer, within sixty days of approval of the FLA Acquisition by ZHL shareholders, to the remaining 44.34% FLA shareholders on terms and conditions which are the same or better than those on which the FLA shares were acquired.

2.2 Proposed ZPI Acquisition

In line with its development strategy, the Board is seeking to regain total control of ZPI which would enable ZHL to fully align the operations of ZPI with the strategic interests of ZHL. The bolt – on acquisition of ZPI and subsequent delisting will propel the interests of both current ZHL and former ZPI shareholders through;

- the pursuit of innovative and community changing development projects;
- introduction of unique financing models that leverage and sweat the property asset base in a more flexible manner;
- a business restructuring that will culminate in a delink between the property portfolio and the property management services; a critical step to achieve the next growth phase of the property portfolio;
- capacity enhancement of ZHL's investment portfolio will improve competitive positioning and income earning prospects of the direct insurance and reinsurance (local and regional) operations as well as open up new private equity pursuits; and
- streamlining costs associated with listed entities and enhance the flow of cash to shareholders of the business.

Subject to the offer being accepted by minority shareholders such that ZHL's shareholding in ZPI exceeds 70% or ZPI has less than 300 shareholders, ZPI shall subsequently delist from the ZSE on a voluntary basis. ZPI currently has 4,100 shareholders.

As of the Last Practicable Date, the Board is not aware of any conflict of interest in so far as the contemplated acquisition is concerned. Accordingly, and upon reasonable enquiry, the Proposed ZPI Acquisition does not constitute a related party transaction as defined in Section 266.1 of the ZSE Listings Requirements. It is therefore the Board's opinion that as of the Last Practicable Date all Shareholders registered as such are eligible to vote on the resolution to be tabled at the Extraordinary General Meeting for the purposes of approving the Proposed ZPI Acquisition.

3. Details of the proposed FLA Acquisition

3.1 Transaction structure

Subject to ZHL Shareholder approval of the Proposed Acquisition of ordinary shares in FLA, the Board proposes to acquire 38,224,928 (thirty eight million two hundred and twenty four thousand nine hundred and twenty eight) FLA ordinary shares (constituting 35.09% of the entire issued shares of FLA) currently held by the NSSA in return for 65,144,492 (sixty-five million one hundred and forty-four thousand four hundred and ninety-two) authorized but unissued ZHL shares ("the FLA Acquisition shares") on the basis of 1 ZHL ordinary share for every 0.59 FLA shares held by NSSA. The FLA Acquisition shares constitute 4.25% of the ZHL total issued ordinary shares.

The pricing of the Proposed Acquisition of the ordinary shares in FLA has been adjudged to be fair and reasonable by the Independent Financial Advisors, Akribos, whose report is part of the documents available for inspection by ZHL shareholders.

3.1.2 Pricing for the offer to the remaining 44.34% FLA shareholders

Subject to approval of the Proposed Acquisition of ordinary shares in FLA by ZHL shareholders, the Board will make an offer to the remaining 44.34% shareholders of FLA, on terms and conditions to be advised at the time of the offer. The terms shall be the same or better than those on which the FLA shares were acquired from NSSA, in accordance with regulatory requirements.

4. Details of the Proposed ZPI Acquisition

4.1 Transaction structure

- Subject to ZHL Shareholder approval of the Proposed Acquisition of ordinary shares in ZPI, the Board proposes to acquire up to 613,166,867 (six hundred and thirteen million one hundred and sixty six thousand eight hundred and sixty seven) ZPI ordinary shares (constituting 35.7% of the entire issued shares of ZPI) currently held by ZPI minority shareholders in return for 220,171,461 (two hundred and twenty million one hundred and seventy-one thousand four hundred and sixty-one) authorized but unissued ZHL shares ("the ZPI Acquisition shares"). The ZPI Acquisition shares constitute 14.36 % of the ZHL total issued ordinary shares;
- Subject to the ZPI minority shareholders taking up the ZHL offer, and ZHL not obtaining 100% but having acquired at least 90% of ZPI's entire shareholding, ZHL shall be entitled to acquire the remaining ZPI minority shareholders on the same terms that applied to shares whose holders accepted the original offer, in terms of section 238 of the COBE; then
- When ZHL's shareholding in ZPI exceeds 70% or ZPI has less than 300 shareholders, ZPI shall subsequently apply for a voluntary delisting from the ZSE on the basis that ZPI will no longer be in compliance with the ZSE Listings Requirements.

4.1.2 Pricing for the ZPI shares held by minority shareholders

The Board proposes to acquire up to 613,166,867 (six hundred and thirteen million one hundred and sixty six thousand eight hundred and sixty seven) ZPI ordinary shares from minority shareholders through the issuance of up to 220,171,461 (two hundred and twenty million one hundred and seventy-one thousand four hundred and sixty-one) ZHL ordinary shares at a share swap ratio of 1 authorized but unissued ZHL share for every 2.78 ZPI shares held by minority shareholders.

The pricing of the Proposed Acquisition of ordinary shares in ZPI has been adjudged to be fair and reasonable by the Independent Financial Advisors, Akribos, whose report is part of the documents available for inspection by ZHL shareholders.

5. Dilutive effect

The proposed share swap between ZHL and NSSA for the FLA shares, and between ZHL and ZPI minority shareholders shall have a 4.08% and 12.11% dilutive effect respectively, resulting in a total dilution of 15.69% to the current ZHL shareholders assuming that the transactions are done sequentially.

6. Rationale for the Transactions

The Proposed acquisition of ordinary shares in FLA and ZPI have been influenced by the following factors:

6.1 Balance sheet growth and enhanced underwriting capacity

The Proposed Acquisitions will result in ZHL having combined assets of ZWL\$2.183 billion and shareholders' equity of ZWL\$840 million had the acquisitions been implemented on 31 December 2019. The growth of the Group's balance sheet will significantly increase the insurance arm's underwriting capacity and hence its competitiveness both in Zimbabwe and the region.

6.2 Future funding initiatives

The Proposed acquisitions will enhance the Group's future capital raising efforts as the balance sheet will now be anchored by a significant property portfolio comprising a mixture of properties in prime locations around the country. The Group's enhanced capital raising prospects will also improve the development of its diverse landbank in accordance with prevailing international trends and standards.

6.3 Economies of scale

The portfolio restructuring facilitates consolidation of the capital base, thereby creating economies of scale that have become critical for sustainable operational efficiencies. In cross - selling prospects will be better exploited thereby generating synergies from the business combinations.

6.4 Corporate parenting

This will enable the Group to implement a broad strategy for the combined businesses and leverage competencies within the Group to create value for shareholders. In particular, the successful acquisition of FLA and ZPI will result in enhanced skills transfer and optimisation through a shared services framework across the Group which will result in elimination of duplication and standardisation of processes thereby enhancing operational efficiencies.

6.5 Delisting of ZPI

Delisting of ZPI will ease the restructuring of the business composition, enabling a leaner and more focused business structure. In addition, high governance costs associated with listing both the Parent ("ZHL") and subsidiary ("ZPI") such as audit fees, annual listing fees and annual report publication fees will be eliminated.

7. Conditions precedent

7.1 The proposed FLA acquisition

The Proposed FLA Acquisition is subject to the following conditions precedent:

- approval by the Members of ZHL at the EGM to be held on Wednesday, 30 September 2020 in terms of the EGM Notice at the end of this Abridged Circular;
- approval of the proposed acquisition by the Insurance and Pensions Commission of Zimbabwe (IPEC); and
- approval of the proposed acquisition by the Competition and Tariff Commission of Zimbabwe (CTC).

7.2 The Proposed ZPI Acquisition

The Proposed ZPI Acquisition is subject to the following conditions precedent:

- approval by the Members of ZHL at the EGM to be held on Wednesday, 30 September 2020 in terms of the EGM Notice at the end of this Abridged Circular;
- approval by Reserve Bank Of Zimbabwe ("RBZ") Exchange Control authorities to issue ZHL ordinary shares to non-resident ZPI minority shareholders; and
- the offer being accepted by the ZPI minority shareholders.

7.3 The Proposed ZPI delisting

The Proposed ZPI delisting is subject to the following condition precedent:

- the offer being accepted by ZPI minorities provided that ZHL's shareholding in ZPI exceeds 70% or ZPI has less than 300 shareholders.

8. Future prospects of ZHL

The Group's strategy is to grow the balance sheet organically and through mergers and acquisitions in the current sectors of exposure as well as develop a new pipeline of investments. ZHL's growth strategy to optimize shareholder value will, among other initiatives, leverage on the Group's balance sheet; diversify the business portfolio; and broaden the resource mobilisation strategy. The ultimate objective is to develop a Group that is effectively in control of the strategic direction of portfolio businesses and to derive synergistic dividends.

9. Directors' recommendations

The Directors of ZHL have considered the terms of the Proposed Transactions and having also considered the fair and reasonable opinions of the Independent Financial Advisors in relation to the Proposed Transactions, are unanimously of the opinion that the Proposed Transactions are in the best interests of ZHL Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of the resolutions giving effect to the Proposed Transactions. In respect of their own shareholding, respective Directors of ZHL will collectively vote in favour of the resolutions to approve the Proposed Transactions at the EGM.

10. Effects of the Proposed Transactions

10.1 Effects on ZHL share capital structure

The Proposed Transactions will result in the following changes in the Company's share capital structure.

The table below shows the effect, on the ZHL shareholding structure, assuming all ZPI shareholders accept the offer and the acquisition of the FLA shares is successfully concluded:

Shareholder	Post-transactions		Number of ZHL shares from ZPI Acquisition	Number of ZHL shares from FLA Acquisition	Pre-transactions	
	Number of shares	% holding			Number of shares	% holding
Day River Corporation (Private) Limited	614,769,314	33.80%	-	-	614,769,314	40.09%
Government of Zimbabwe	331,728,844	18.24%	-	-	331,728,844	21.63%
National Social Security Authority	239,206,270	13.15%	2,117,074	33,183,670	203,905,526	13.30%
Lalibela Limited-NNR	157,498,202	8.66%	-	-	157,498,202	10.27%
Nickdale Enterprises (Private) Limited	68,123,292	3.75%	-	-	68,123,292	4.44%
NSSA-Workers Compensation IF	88,798,093	4.88%	3,831,809	31,960,822	53,005,462	3.46%
Fidelity Life Assurance Company	44,125,773	2.43%	44,125,773	-	-	-
Stenbic Nominees 110008040010	43,317,053	2.38%	43,317,053	-	-	-
Local Authorities Pension Fund	34,788,794	1.91%	-	-	34,788,794	2.27%
Mega Market (Private) Limited	10,759,898	0.59%	7,605,179	-	3,154,719	0.21%
Zesa Pension Fund	10,476,426	0.56%	10,476,426	-	-	-
Stenbic Nominees (Private) Limited a/c 110008040007	9,382,887	0.52%	9,382,887	-	-	-
Von Seidel-NNR Richard John	8,535,224	0.47%	-	-	8,535,224	0.56%
Guramathu Family Trust	7,265,217	0.40%	3,506,323	-	3,758,894	0.25%
SCB Nominees 033667800001	6,221,102	0.34%	6,221,102	-	-	-
Sleyn Andre	6,164,081	0.34%	6,164,081	-	-	-
Mariot Computing And Management Services (Private) Limited	6,002,411	0.33%	-	-	6,002,411	0.39%
Stenbic Nominees (Private) Limited a/c 140043470003	4,055,597	0.22%	4,055,597	-	-	-
Triangle Money Plan Pension Fund - Imara a/c	3,948,860	0.22%	3,948,860	-	-	-
Hippo Valley Estates Pension Fund - Imara	3,877,082	0.21%	3,877,082	-	-	-
Sub-total	1,699,044,420	93.42%	148,629,246	65,144,492	1,485,270,682	96.87%
Other shareholders	119,610,470	6.58%	71,542,215	-	48,068,255	3.13%
Total shares issued	1,818,654,890	100.00%	220,171,461	65,144,492	1,533,338,937	100.00%

*Calculated assuming the FLA Acquisition is implemented first

10.2 Effects on the financial position

Balance sheet impact is as set out below:

	ZHL Audited (ZWL\$)			Post-transactions	
	ZHL Audited (ZWL\$)	FLA Audited (ZWL\$)	ZPI Audited (ZWL\$)	Pro-forma (ZWL\$)	ZHL Audited (ZWL\$)
Total assets	1,096,418,411	1,031,428,206	525,668,854	2,183,464,413	
Shareholders equity	572,319,243	61,966,187	487,647,396	839,505,272	
Non-controlling interest	162,235,611	95,084,404	-	107,717,969	
Total liabilities	361,863,557	874,377,615	38,021,458	1,236,241,172	
Total capital employed	1,096,418,411	1,031,428,206	525,668,854	2,183,464,413	
Outstanding shares	1,533,338,937	108,923,291	1,716,666,667	1,818,654,890	
NAV/share (ZWL\$)	0.37	0.57	0.28	0.46	

11 Financial impact

The consolidated proforma financial statements of Zimre Holdings Limited showing the impact of the Transactions is set out below.

ZIMRE HOLDINGS LIMITED PROFORMA STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019	FLA Acquisition						ZPI Acquisition			
	Profirma after FLA Acquisition						Profirma after FLA & ZPI Acquisition			
	1	2	3	4	5	6	7	8	9	10
ASSETS										
Property and equipment	81 846,649					80,820,535				162,666,184
Right of use of assets	9 987,870					2,374,492				12,361,362
Investment property	507 570 140					691 999 291				1 199 569 391
Intangible assets	7 452 716					6 924,493				7 242,243
Goodwill	2 023,904									103,444,819
Investment in subsidiaries		73,793,825	43,265,100							(177,033,720)
Investment in associates	34 671,131					21,928,606				21,928,606
Deferred income tax asset	15 917,838					21,365				15,939,203
Financial assets available for sale										
Inventory	18 827,227					13,648,078				32,475,305
Trade and other receivables	178 646,855					64,330,355				242,977,011
Life insurance contract asset	1 433,800					1 433,800				1 433,800
Current income tax receivable	87 288					1 454,182				8,892,999
Deferred acquisition costs	12 484,672					5 807,261				18,291,733
Financial assets										
held to maturity investments										
at fair value through profit or loss	24 276,610					69,802,774				94,109,384
at amortised cost	30 871,601					51,229,503				82,111,104
at fair value through other comprehensive income	78 046,290					78,046,290				78,046,290
Cash and cash equivalents	31 464,482					102 399,822				102 399,822
Total assets	1 096 416 411	73 793 825	38 513 654	(7 379 363)	1 031 438 286	(13 688 586)	2 211 165 628	-	(27 791 218)	2 183 464 410
EQUITY AND LIABILITIES										
Equity attributable to equity holders of the parent										
Share capital	113 365 163	651 440			6 765 662	(8 765 662)	114 076 668	2 201 715		116 218 232
Share premium	84 497 249	73 142 180			4 170 390	(4 170 390)	100 500 067	64 497 249	(27 791 218)	163 136 117
Treasury shares	(115 725)				(62 344)	(62 344)	(115 725)			(115 725)
Revaluation reserve	106 809 794				8 886 270	8 886 270	106 809 794			115 696 064
Mark-to-market reserve	38 428 578	(4 036 108)			7 059 437	(6 514 506)	35 873 801			35 873 801
Foreign currency translation reserve	101 225 798				5 037 719	5 037 719	113 787 890			113 787 890
Retained earnings	122 252 022	34 549 382			38 593 353	(14 488 022)	102 399 822			102 399 822
Other reserves	5 056 365				5 056 365		(24 231 578)			(19 175 213)
Total equity attributable to equity holders of the parent	572 319 243	73 793 825	38 513 654	(7 379 363)	61 965 187	(4 430 062)	76 763 285	18 443 285	(27 791 218)	839 305 272
Non-controlling interest										107 171 586
Total equity	572 319 243	73 793 825	38 513 654	(7 379 363)	61 965 187	(4 430 062)	76 763 285	18 443 285	(27 791 218)	946 476 858
Liabilities										
Life reinsurance contract liabilities	6 486 500				5 281 509		11 768 009			11 768 009
Lease liability	5 281 509				3 420 517		8 702 026			8 702 026
Deferred income tax liability	12 798 175				11 385 630		24 183 805			24 183 805
Borrowings	14 454 883				24 611 761		39 066 644			39 066 644
Trade and other payables	187 077 093				95 039 852		282 116 945			282 116 945
Short term insurance contract liabilities	123 566 461				88 079 867		211 646 328			211 646 328
Other provisions	12 198 936				5 155 894		17 354 830			17 354 830
Total liabilities	361 863 557	236 879 360	34 998 767	34 998 767	146 861 653	146 861 653	443 453 884	18 443 285	(27 791 218)	643 157 266
TOTAL EQUITY AND LIABILITIES	1 096 416 411	73 793 825	38 513 654	(7 379 363)	1 031 438 286	(13 688 586)	2 211 165 628	-	(27 791 218)	2 183 464 410

Notes and assumptions to the pro forma statement of financial position

- Represents the unadjusted consolidated statement of financial position for ZHL as at 31st December 2019. The results were extracted from the published audited financial statement for the year ended 31 December 2019.
- Represents the issue of new ZHL shares to NSAA at a swap ratio of 1 ZHL share for every 0.59 FLA share held by NSAA in FLA, representing 35.09% of the issued share capital of Fidelity.
- Represents the de-recognition of the investment in associate in FLA, representing 20.57% of the issued share capital of Fidelity and remeasurement to fair value on transfer to investment in subsidiary, after the purchase of Fidelity ordinary shares held by NSAA.
- Represents cashflow effects of transaction costs of the FLA transaction estimated at 10% of transaction value.
- Represents the unadjusted consolidated statement of financial position for FLA as at 31st December 2019. The results were extracted from the published audited financial statement for the year ended 31 December 2019.
- Represents elimination of investment in FLA - at acquisition journal upon consolidation of FLA, the goodwill and recording of NCI on consolidation of FLA.
- Represents transfer of ZHL shares held by FLA from financial assets to treasury shares.
- Represents the proforma consolidated statement of financial position after the FLA acquisition transaction.
- Represents the issuance of new ZHL shares at a swap ratio of 1 ZHL share for every 2.78 ZPI shares and elimination of NCI in ZPI.
- Represents payment of capital gains tax due from NCI arising as a result of the share swap which is estimated at 5% of transaction value and transaction costs estimated at 10%.
- Represents the proforma consolidated statement of financial position after the ZPI and FLA acquisition transactions.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER

INCOME	Inflation Adjusted		Historical Cost
	Group 2019 ZWL\$	Group 2018 ZWL\$	
Gross written premium	496 508 052	243 940 334	27 688 451
Premium ceded	(163 259 986)	(89 273 789)	(8 611 273)
Net premium written	333 248 066	154 666 545	21 077 178
Unearned premium reserve	(13 726 735)	(8 413 389)	1 811 011
Net premium acquisition	319 521 331	146 253 156	22 188 209
Brokerage commission and fees	41 180 890	15 055 091	1 829 609
Rental income	17 410 307	16 450 733	2 725 893
Fair value adjustments on investment property	172 655 944	(62 579 966)	(607 852)
Revenue from sale of inventory property	120 339 172	(60 607 258)	(7 428 578)
Net property income	10 864 291	3 788 463	843 308
Investment income	(15 458 342)	32 240 335	5 741 827
Other income	566 573 613	189 276 954	36 369 015
Total revenue	566 573 613	189 276 954	36 369 015
EXPENDITURE			
Insurance benefits and claims:			
Non-life insurance contracts	(172 070 509)	(70 339 094)	(9 366 142)
Life insurance contracts	(4 784 519)	(4 956 982)	(2 274 593)
Movement in life insurance contract liabilities	(7 206 136)	14 791 100	3 020 600
Claims ceded to reinsurers	53 859 366	(9 202 054)	3 636 438
Net property operating costs	(132 283 798)	(41 162 888)	(8 904 317)
Commissions and acquisition expenses	(4 822 814)	(7 086 642)	(2 403 624)
Operating and administrative expenses	(23 039 172)	(20 607 258)	(7 428 578)
Allowance for expected credit losses on receivables	(97 651 854)	(92 668 981)	(14 891 485)
Finance costs	(64 142 390)	(13 960 737)	(3 829 791)
Income tax	(9 022 219)	(1 875 626)	15 400
TOTAL EXPENDITURE	(426 975 564)	(213 263 066)	(30 722 700)
Profits/loss before share of loss of associate	129 598 049	(23 986 112)	5 646 225
Share of profits/loss of associate	4 544 261	(3 860 959)	302 347
Profits/loss before income tax	134 142 310	(27 847 071)	5 948 572
Monetary gain/loss for the period	(19 823)	(25 856 524)	32 000
Income tax expense (monetary gain/loss before income tax)	134 122 487	(49 270 819)	5 920 502
Profit for the period from continuing operations	(28 024 788)	986 886	326 069
Discontinued operations	106 102 109	148 381 820	(134 562)
Profit for the period	106 102 109	148 381 820	2 921 507
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Exchange differences on translating foreign operations	23 377 422	(9 920)	67 711
Share of other comprehensive income of associates	16 056 426	(748 787)	(29 200)
Other comprehensive income arising from discontinued operations	(2 967 297)	(207 578)	93 322
Income tax relating to components of other comprehensive income	36 466 551	(264 443)	131 743
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations	116 344 332	(2 292 227)	509 178
Fair value gains on financial assets at fair value through other comprehensive income	34 197 408	283 178	232 803
Income tax relating to components of other comprehensive income	(1 681 250)	(112 827)	(114 400)
Other comprehensive income for the period net of tax	148 960 450	478 076	730 241
Total comprehensive income for the period net of tax	188 427 001	21 131 623	602 004
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	291 529 110	(48 150 198)	6 685 674
Profits/loss for the period attributable to:			
Equity holders of the parent	41 774 664	(15 698 634)	4 877 957
Non-controlling interests	4 544 261	(3 860 959)	302 347
Total comprehensive income/loss attributable to:	46 318 925	(19 559 593)	5 180 304
Continuing operations	215 952 874	(15 615 198)	5 651 797
Discontinued operations	215 952 874	(15 615 198)	5 180 304
Earnings per share from profit on continuing operations attributable to owners of Zimre Holdings Limited			
Basic and diluted earnings per share (ZWL cents: 2018 and 2019)(US cents: 2017)			(1)
Earnings per share from loss on discontinued operations attributable to owners of Zimre Holdings Limited			
Basic and diluted earnings per share (ZWL cents: 2018 and 2019)(US cents: 2017)			0
Earnings per share attributable to owners of Zimre Holdings Limited			
Basic and diluted earnings per share (ZWL cents: 2018 and 2019)(US cents: 2017)			0
Headline earnings per share attributable to owners of Zimre Holdings Limited			
Basic and diluted earnings per share (ZWL cents: 2018 and 2019)(US cents: 2017)			0
Number of shares for basic EPS	1 533 338 937	1 533 338 937	1 533 338 937

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER	Inflation Adjusted		Historical Cost
	Group 2019 ZWL\$	Group 2018 ZWL\$	
Profit/loss before tax	134 189 897	(49 270 819)	5 920 502
Adjusted for items that will not be reclassified to profit or loss:			
Net monetary loss	15 823	25 856 524	309 461
Less: Depreciation charge	2 148 865	1 486 644	807 862
Fair value adjustment of investment properties	(172 946 944)	66 579 966	607 852
Fair value gain on other investment property	40 201	189 100	71 753
Amortisation of intangible assets	(4 822 814)	(7 086 642)	(2 403 624)
Share of profit of associate	7 206 136	(14 791 100)	3 020 600
Movement in the reinsurance contract liabilities	1 470 307	16 450 733	2 725 893
Movement in deferred acquisition costs	1 206 463	(4 784 519)	(2 274 593)
Movement in insurance contract liabilities	64 142 390	(13 960 737)	(3 829 791)
Movement in allowance for credit losses	10 864 291	3 788 463	843 308
Movement in non-reinsurance provisions	7 410 307	16 450 733	2 725 893
Loss from disposal of investment property	(2 206 136)	14 791 100	3 020 600
Loss from disposal of investments	(116 344 332)	(2 292 227)	(509 178)
Finance costs	(97 651 854)	(92 668 981)	(14 891 485)
Profit from disposal of financial asset at fair value through profit or loss	(429 382)	(1 486 209)	-
Profit from disposal of financial assets at fair value through other comprehensive income	34 197 408	283 178	232 803
Gains from share sale of financial assets at fair value through profit or loss	35 516 425	(1 582 919)	(176 264)
Unrealised exchange (gains)/losses	8 897 021	(842 189)	438 888
Profit from disposal of property and equipment	(204 469)	(309 595)	(119 273)
Other non-current investments	1 950 202	1 950 202	-
Finance costs	5 022 219	1 876 524	15 400
Other non-current investments	(3 020 600)	(1 173 600)	(176 264)
Net cash generated from operating activities	1 950 202	1 950 202	-
Working capital changes	(2 302 697)	(14 986 286)	136 540
Monetary gain/loss for the period	187 266	3 654 889	(838 544)
(Decrease)/increase in inventory	1 050 241	1 050 241	652 544
(Increase)/decrease in trade and other receivables	(64 142 390)	(13 960 737)	(3 829 791)
(Increase)/decrease in trade and other payables	22 242 241	17 026 566	1 829 609
Change in other receivables	(175 156 704)	(12 914 729)	(1 811 011)
Finance costs	(2 0		