ZIMRE HOLDINGS LIMITED

Security Growth and Profitability

ANNUAL REPORT 2022

www.zhl.co.zw

MISSION AND VALUES

Mission

Using our financial services capabilities, we will prudently manage risks and optimize resources.

Our Values

Team Work
We value the contribution of each member and consistently make sound and collective decisions.

Excellence
Using technological innovations and other tools, we provide services that meet stakeholder expectations.

Integrity
We observe transparency and conduct our business in a professional and ethical manner.

Commitment
We consistently meet set targets and standards and maximize returns on shareholder funds.

Respect
We empower our employees and develop and harness the best talents in the market.

About This Report

Zimre Holdings Limited ("ZHL"), a Company listed on the Zimbabwe Stock Exchange ("ZSE"), presents its Annual Report for the year ended 31 December 2022. At the time of publishing this Annual Report, ZHL will be celebrating its 40th anniversary. In the spirt of "rebirth" this Annual Report will be our first integrated report consisting of both financial and sustainability information - a testament of our commitment to sustainable business practices and constant evolution of the brand.

Reporting Scope
This report contains information for Zimre Holdings Limited and its subsidiaries. Its core competencies are in the insurance value chain, property and wealth management. In this report all references to 'our', 'we', 'us', 'the business', 'ZHL', and 'the Company' refer to Zimre Holdings Limited.

Reporting Frameworks
In developing this report, we were guided by the following:

- The Companies and other Business Entities Act [Chapter 24:31];
- SI.134 of 2019-Securities and Exchange (Zimbabwe Stock Exchange Listing Requirements);
- International Financial Reporting Standards ("IFRS"); and
- Global Reporting Initiative ("GRI") Standards.

Sustainability Data
The report was compiled using qualitative and quantitative data extracted from Company policy documents, records and from personnel accountable for material issues herein presented. In some cases, estimations were made and confirmed for consistency with business activities. In some cases, comparative data was not available.

Data and Assurance
The Financial Statements were audited by Grant Thornton Zimbabwe in accordance with the International Accounting Standards (IASs). The Independent Auditor's Report is found on page 42.

Sustainability information was validated for compliance with the Global Reporting Initiative (GRI) Standards by the Institute for Sustainability Africa (INSAF), an independent subject matter expert. A GRI Content Index is contained on page 181 to 183. The sustainability data provided in this report was not externally assured.

Report Declaration
The Directors take responsibility to confirm that this report has been prepared in accordance with the GRI Standards 'Core' option.

Restatements
ZHL did not make any restatement of sustainability data previously published.

Forward Looking Statements
This report may contain forward-looking statements which are based on current estimates and projections by ZHL. These statements are however not guaranteeing future developments and results as these may be affected by several anticipated and unanticipated risks and uncertainties. Stakeholders are cautioned against placing undue reliance on forward-looking statements contained herein. We commit to publicly share any revisions of the forward-looking statements to reflect changes in circumstances and or events after the publication of this report through trading and website updates.

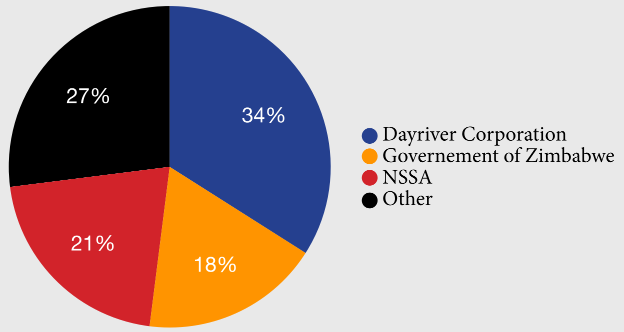
Feedback on the Report
The Group values opinions and feedback from all stakeholders on its operations and reporting. Any suggestions and queries you may have are welcome. Kindly share your feedback at zhl@zimre.co.zw or at the Company's Registered Office, 2nd Floor, Block D, Smatsatsa Office Park, Borrowdale.

CONTENTS

Overview

ZHL is a diversified investment holding Company with sustainable core competencies in the insurance value chain, property and wealth management. The Group has investments and operations located in Botswana, Malawi, Mozambique, Zambia and headquartered in Zimbabwe.

Shareholders



Emeritus Reinsurance
Innovative risk solutions to protect growth and prosperity.

WFDR Risk Services
Create, grow and protect.

CredSure
Innovative Insurance Solutions

ZIMRE PROPERTY INVESTMENTS LIMITED
Turning dreams into reality.

FIDELITY LIFE ASSURANCE OF ZIMBABWE
From cradle to grave.

ZIMRE CAPITAL PRIVATE LIMITED
Financial engineering at it's best.

ZHL
ZIMRE HOLDINGS LIMITED
Security Growth and Profitability

40 YEAR ANNIVERSARY

Also included in the ZHL Group are the following key investments and associates:

Zimbabwe

CELL INSURANCE COMPANY (PVT) LTD

CFI Holdings Limited

Regional

DIAMOND SEGUROS

LIDWALA INSURANCE COMPANY

UGI UNITED GENERAL INSURANCE COMPANY LIMITED

Recognitions and Awards

Zimre Holdings Limited

- Third Overall Prize: Best Risk Management, Chartered Governance and Accountancy Institute in Zimbabwe 2022.

SUBSIDIARIES

Fidelity Life Assurance Limited

- **Second Overall Prize:** Internal Audit and Compliance Insurance 2022, Chartered Governance and Accountancy Institute of Zimbabwe
- **Second Overall Prize:** Best Risk Management Chartered Governance and Accountancy Institute in Zimbabwe 2022
- **Best Governance Practices:** Chartered Governance and Accountancy Institute in Zimbabwe 2022

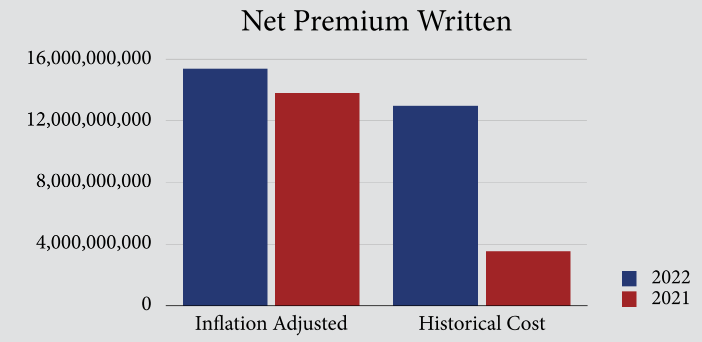
Our Operations

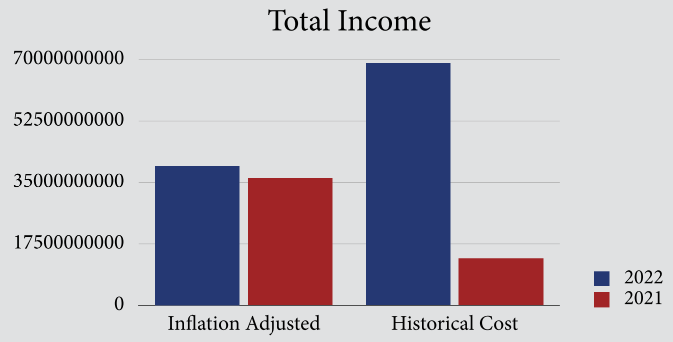
Our operations are based throughout Southern Africa with branches in Zimbabwe, Botswana, Malawi, Mozambique, and Zambia.

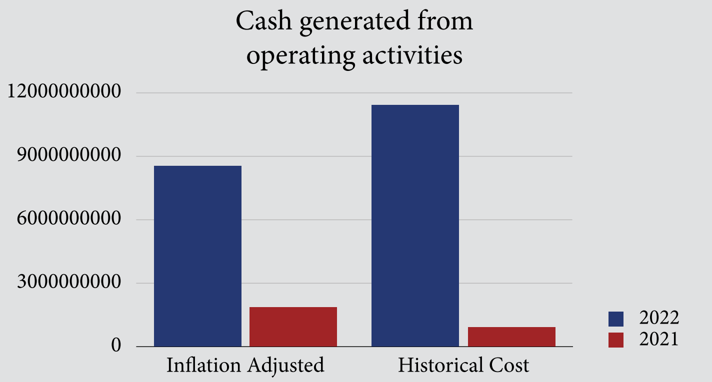
PERFORMANCE HIGHLIGHTS

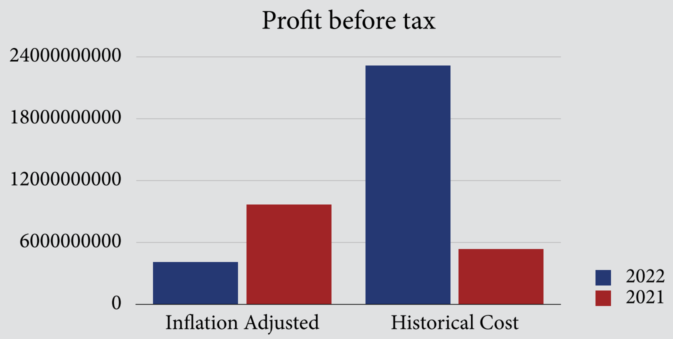
FINANCIAL HIGHLIGHTS

	Inflation adjusted ZWL		Historical ZWL	
	2022	**2021**	**2022**	**2021**
Net premium written	15 409 643 108	13 792 116 611	12 991 015 511	3 523 551 402
Total income	39 529 750 879	36 286 558 928	68 954 994 025	13 333 498 922
Profit before income tax	4 088 782 883	10 667 823 067	24 639 578 418	5 866 857 181
Net profit	4 114 248 253	9 673 485 938	23 174 321 911	5 395 551 291
Cash generated from operations	8 550 120 012	1 855 019 632	11 430 002 109	928 002 864
Total assets	122 188 996 143	80 654 184 885	119 800 554 198	22 844 664 605
Share Performance				
Basic earnings per share (ZWL cents)	255.21	507.74	1 255.11	285.62
Headline earnings per share (ZWL cents)	254.04	495.57	1 254.17	282.38









PERFORMANCE HIGHLIGHTS

	2022
Electricity usage (kWh)	441,173
Water Consumption (m^3)	78,552
Total Employees (headcount)	344
Average hours of training per employee (hrs)	0.37

ZIMRE HOLDINGS LIMITED
Security Growth and Profitability

40 YEAR ANNIVERSARY

INTRODUCING A NEW ERA

REBIRTH | RE-ENERGISED | RELEVANCE | RESPONSIVENESS

Block D, 2nd Floor, Smatsatsa Office Park, Stand Number 10667, Borrowdale, Harare, Zimbabwe
+263 24 2870 762-8 zhl@zimre.co.zw www.zhl.co.zw

Chairman's Statement

Dear Members

It is my pleasure to present the Zimre Holdings Limited (ZHL) Group Financial Results for the year ended 31 December 2022.

BUSINESS ENVIRONMENT

The trading year 2022, was characterised by a slow global economy, a result of the Russia-Ukraine War and latent effects of the COVID-19 pandemic. Sub-Saharan Africa was not spared from economic shocks which included rising inflation, currency fluctuations, geopolitical tensions and weather shocks. Economic growth in the Southern African region has also been crippled by electricity shortages which either reduced production or escalated the cost of production in various industries.

In the first half of 2022, the **Zimbabwean** economy saw marked increases in various commodity prices largely driven by fuel price hikes as a result of the Russia -Ukraine War. The second half was characterised by increasing inflation and currency instability. Like most central banks across the world, the Reserve Bank of Zimbabwe (RBZ) employed tight monetary policies in order to curb the high levels of inflation. Consumers were on the receiving end as the cost of living increased and demand in various sectors of the economy reduced. The RBZ also introduced the Mosi oa Tunya Gold Coins (Gold Coins), which proved to be a valuable alternative and stable investment product for industry players. Additionally, the Gold Coins addressed the economy's excess liquidity thereby bringing exchange rate stability at the tail end of 2022.

Despite extreme weather shocks and terrorist attacks in the North, **Mozambique** saw some signs of positive change as the country received International Monetary Fund (IMF), World Bank and European Union (EU) funding for various national projects. The economy is set to rebound following opportunities in and resumption of the gas projects.

Malawi like Mozambique was hit by tropical storms and cyclones, the effects of which were further exacerbated by electricity shortages, subsequent fuel price increases and shortages. The economy was also dealt blows as exports and production declined, foreign currency became increasingly scarce, and this was worsened by the blight of high inflation and exchange rate instability.

The **Zambian** economy experienced relative economic stability managing to keep inflation in the single digits, down from 16.4% in December 2021 to close 2022 at 9.9%. However, Gross Domestic Product (GDP) growth slowed down in 2022 as government consumption stagnated and drought dampened farmers expectations.

Botswana's economic growth rate for 2022 was estimated to be 6.7% down from 11.8% in 2021. This was a result of declining diamond production attributed to the rise in demand for lab grown diamonds and the late institution of monetary policy measures to curb inflation.

OVERALL GROUP FINANCIAL PERFORMANCE

In spite of the significant challenges in the Group's operating jurisdictions, the Group delivered positive results, benefitting from the resilient performances of its underlying businesses.

Inflation adjusted Group total income was ZWL39.5 billion, a 9% increase from ZWL36.3 billion achieved in 2021. On a historical cost basis, total income increased by 417% from ZWL13.3 billion in 2021 to ZWL69.0 billion in 2022. The growth was driven by overall positive investment returns, strong top-line growth in premium income particularly in Botswana and Zambia and growth in the life and pensions business domiciled in Zimbabwe. Investment income growth was underpinned by fair value gains on investment properties largely driven by the exchange rate movements.

Gross Premium Written (GPW) was ZWL20.4 billion, a 13% increase in inflation adjusted terms. In historical terms, GPW was ZWL17.3 billion, a 272% increase from same period prior year on the back of real business growth in the region and from domestic operations. The regional operations contributed 43% to GPW in 2022 compared to 41% in 2021 and thus remain key strategic investments which provide diversification value to the Group.

Inflation adjusted Group total expenses grew by 36% from ZWL22.1 billion recorded in prior year to ZWL30.1 billion in the current year and in historical cost terms, expenses grew by 457% from ZWL7.6 billion in 2021 to ZWL42.3 billion in 2022. The spike in expenses was on account of unprecedented high claims experience in the non-life reinsurance entities as a result of climate change effects. Going forward, the Group will be improving its underwriting practices using innovative technologies to counteract climate change effects on its key reinsurance business lines. Local non-life reinsurance operations were hit the most by high agriculture claims resulting in a claims ratio of 71%. Operating and administration expenses spiked due to exchange rate driven inflationary pressures experienced primarily in Zimbabwe.

The Group sustained profitability in inflation adjusted terms, recording profit after tax of ZWL4.1 billion. In historical cost terms, profit after tax increased by 330% from ZWL5.4 billion in 2021 to ZWL23.2 billion in 2022. The growth is on account of fair value gains on financial assets and investment properties as well as strong top-line growth in some business units.

The Group's total assets increased by 51% in real terms from ZWL80.7 billion as at 31 December 2021 to ZWL122.2 billion as at 31 December 2022. The asset growth was driven by investment properties and equity investments which account for 67% (2021: 63%) of the Group's total assets. The Group's healthy balance sheet position is evidence of its resilience and commitment to provide its stakeholders with **"Security, Growth and Profitability"**.

COMMITMENT TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) FACTORS

It is the Group's commitment to implement ESG practices that promote inclusive growth, diversity in communities we operate in, promoting equity, strengthening governance as anchor pillars for overall sustainability whilst outwardly championing wellness and healthy lifestyles in customer communities. This commitment informs every aspect of our business, especially our processes, investment appraisals, business practices, a participatory approach and strong collaboration with stakeholders.

DIRECTORATE

As was advised in the Interim Condensed Consolidated Financial Statements for the half year ended 30 June 2022, Mr. Benjamin N. Kumalo stepped down as a member and Chairman of the Board. His over 20 years of service to the ZHL Group has indelibly shaped the DNA of the Group. Desmond Matete, was subsequently appointed as Chairman.

DIVIDEND DECLARATION

Notwithstanding the difficult operating environment, the Board of Directors have found it prudent to declare a final dividend payable of ZWL250,269,677 or ZWL13.76 cents per share for the year ended 31 December 2022. The dividend is in acknowledgement of the Group's philosophy to pass subsidiary dividends to the ultimate shareholder. This brings the total dividend for the year to ZWL405,652,702 or ZWL22.31 cents per share. 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.

OUTLOOK AND STRATEGY

As the Group celebrates a 40-year legacy in 2023, we are proud of its rich history that has showcased Zimbabwean excellence and left a footprint across Zimbabwe and the Southern Africa sub-region. Looking forward, and given its proven resilience over the years, the ZHL Group is focused on growing sustainable value for its stakeholders in a turbulent global economy. The strategy is set to harness the various strengths of its new structure and strategic partnerships to drive capacitation of its regional units and to expand its footprint further into the African continent.

The Group will be embarking on a new investment focus towards infrastructure and landmark development with an emphasis on sustainability. These activities will be undertaken through its Eagle Real Estate Investment Trust (REIT) to enable both local and international investor participation.

Since 2021, the Group has been going through a culture transformation to align the organisational purpose, strategic values and leadership behaviours. The renewed energy, including the various initiatives the Group is embarking on, are set to bring value realization to the shareholder and the community at large.

APPRECIATION

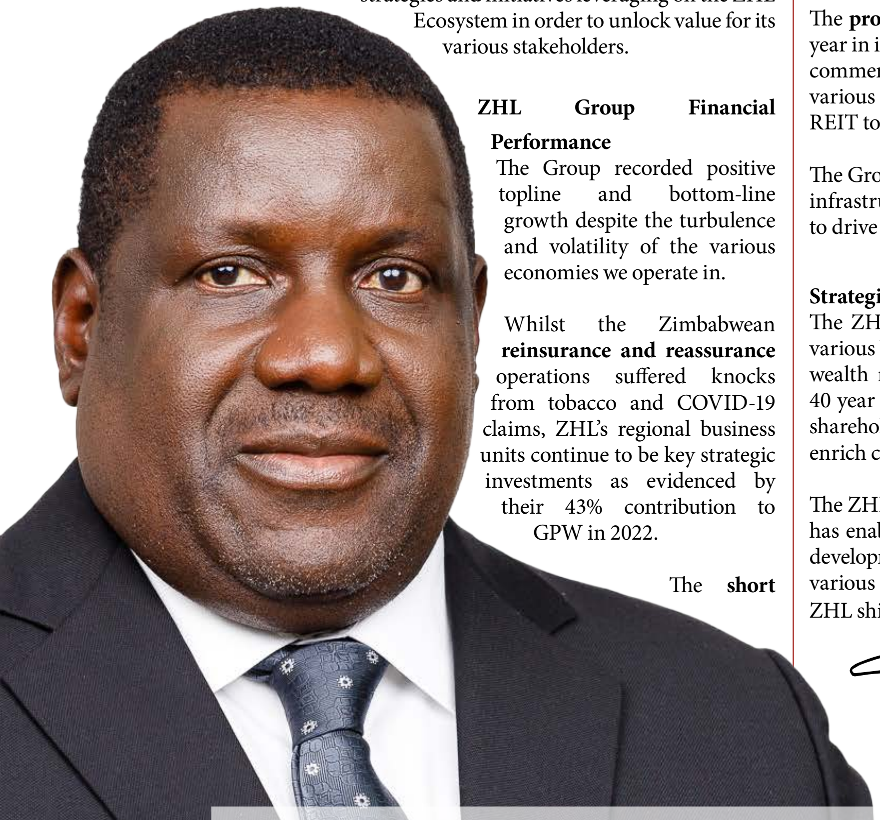
On behalf of the Board, I would like to thank our shareholders and the investing community for their continued support. I would like to extend my gratitude to my fellow Board members, Management and staff for their efforts in sustaining the business through a difficult operating environment.

D. Matete
Chairman
31 March 2023

Group Chief Executive Officer's Review of Operations

CEO's Statement

The 2022 operating period was characterized by various unprecedented challenges in the different regions and sectors that the ZHL Group operates in. Despite the challenges brought about by the Russian-Ukraine war and a post COVID-19 operating environment, the ZHL Group employed various strategies and initiatives leveraging on the ZHL Ecosystem in order to unlock value for its various stakeholders.



ZHL Group Financial Performance

The Group recorded positive topline and bottom-line growth despite the turbulence and volatility of the various economies we operate in.

Whilst the Zimbabwean **reinsurance and reassurance** operations suffered knocks from tobacco and COVID-19 claims, ZHL's regional business units continue to be key strategic investments as evidenced by their 43% contribution to GPW in 2022.

The **short term insurance** cluster recorded notable growth from prior year as short term insurance and broking contributed a total of 6% to total revenue up from a total 4% in the prior year. The short term insurance broking arm (WFDR) drives captive insurance business from the market as well as driving business to the short term insurance cluster.

Life and pensions experienced a higher claims ratio of 41% in 2022 from 38% in 2021 emanating from retrenchments and exit pay-outs from pension funds. The life and pensions cluster has developed various new products on the back of the success of the Vaka Yako product.

The **property** portfolio recorded a 45% growth in rental income from prior year in inflation adjusted terms despite subdued rental growth and increasing commercial property rental voids in the market. The Group has initiated various infrastructure development projects to be housed under the Eagle REIT to diversify the property portfolio and enhance stakeholder value.

The Group's **investments and wealth management** cluster drives the group's infrastructure and landmark development agenda, as well as creating capacity to drive cashflow growth for the business units.

Strategic Intent and Business Outlook

The ZHL Group has, over the past five years, consolidated its interests in various business units in order to regain control of the insurance value chain, wealth management and property investments. As the Group leverages a 40 year legacy and unlocks its business value triangle we are set to enhance shareholder value proposition and embrace innovation and technology to enrich customer experience.

The ZHL ecosystem has managed to restore and grow its wallet power which has enabled the Group to embark on infrastructure and national landmark developments as its strategic investment focus. The Group's driving force and various initiatives across other Group operations are centred on steering the ZHL ship to market leadership.

Group Chief Executive Officer
S Kudenga
13 July 2023

2022 Key Highlights (Inflation adjusted)

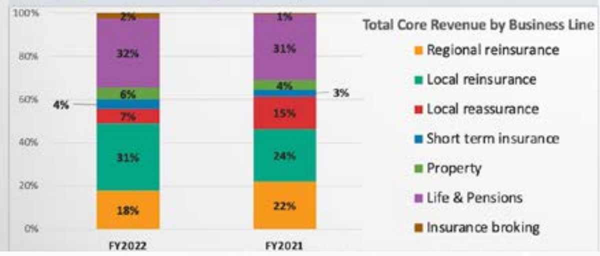
ZWL39.5 billion in **Total Income**, a 9% ▲ increase from prior year.

Total dividend paid out of ZWL405.7 million for 2022.

Net Asset Value per share as at 31 December 2022 was ZWL27.99 a 31% increase from prior year.

ZWL8.6 billion in **Cash flows from operations** up 361% ▲ from prior year and ZWL10.9 billion **in Cash and cash equivalents** (95%) ▲

ZWL10.7 billion in **Total comprehensive income**, an 8% ▲ increase from prior year.



ZHL Through the Ages

Hosted the Reinsurance Forum on behalf of AIO.

Government offloads 49% equity in ZHL & abolishes 20% legal cessions§

Zimbabwe Insurance brokers formed.

1980

1985

1990

1995

Founded as Zimbabwe Reinsurance Corporation by an Act of Parliament

Acquired a 49% stake in ZUPCO

Acquired National Insurance Company of Zimbabwe (NICOZ) and Fidelity Life Assurance (FLA)

Hosted the Africa Insurance Association

Regional Expansion
UniGeneral Acquisition
ZIMRE Malawi and South Africa established.

The ZHL Board of 1993

Standing from left to right: C Gokwe (GM ZHL), H. E Venturus, E Moyo Sibanda , M.P Molai, B. N Khumalo.
Seated from left to right: A Nduna (MD ZHL), C.J Chetsanga (Chairman), Prof N.A.M Dzinotyiwei.

40

YEAR ANNIVERSARY

Leadership and Governance

Board of Directors

D MATETE
Independent Non-Executive Chairman

Tenure: 2 years
Key Skills: Law, Financial Advisory, Investment Banking and Development Finance
Qualifications: Law, Development Finance

M HAKEN
Independent Non-Executive Director

Tenure: 5 years
Key Skills: Insurance and Business Administration
Qualifications: Underwriter

J MAGURANYANGA
Independent Non-Executive Director

Tenure: 11 years
Key Skills: Commercial Law, Banking, Compliance
Qualifications: Law

I MVERE
Non-Executive Director

Tenure: 10 years
Key Skills: Finance and Administration
Qualifications: Public Accountant

H B W RUDLAND
Non-Executive Director

Tenure: 8 years
Key Skills: Investment and Strategy
Qualifications: Business Studies

C VON SEIDEL
Non-Executive Director

Tenure: 8 years
Key Skills: Corporate Finance and Banking
Qualifications: Business Science

E ZVANDASARA
Non-Executive Director

Tenure: 11 years
Key Skills: Accounting, Compliance and Financial Management
Qualifications: Public Sector Professional Accountant

S KUDENGA
Group Chief Executive Officer (Executive)

Tenure: 7 years
Key Skills: Accounting, Insurance, Investment Banking, and Strategy
Qualifications: Chartered Accountant

B N KUMALO
Independent Non-Executive Chairman (Retired on the 22nd July 2022)

Tenure: 23 years
Key Skills: Finance and Administration
Qualifications: Chartered Accountant

Group Senior Management

STANLEY KUDENGA
Group Chief Executive Officer

CA(Z), MBL (Unisa)

RUVIMBO CHIDORA
Group Company Secretary/ Legal Executive

LLB Law and Business Studies

CHAKANYUKA CRAWFORD NZIRADZEMHUKA
Group Chief Operating Officer

HBS (Finance & Banking) (UZ), MSc Finance and Investment,(Nust), Exec MBA (Nust), MIFM (SA Institute of Financial Markets

ZVENYIKA ZVENYIKA
Group Chief Finance Officer

Chartered Accountant FCA(Z)

Operational Management

Emeritus Reinsurance

Leo T Huvaya
Managing Director Zimbabwe
Bsc – Eco (Hons) (UZ), ACII

Patience Mashaire Marwiro
Managing Director- Botswana
MBA, BA – Admin, Bsc (Hons), ACII, FIISA

Christopher Mukwindidza
Managing Director - Malawi
BBS (Hons) –UZ, MBA (UZ), ACII (SA)

Mufaro Chauruka
Managing Director - Mozambique
BBS (Hons) –UZ, MBA (UZ), FIISA

Webster Chigwende
Managing Director -Zambia
Msc Strategic Planning, MBA, BCom – Insurance and Risk
Management (Hons), ACII (UK)

FIDELITY LIFE ASSURANCE OF ZIMBABWE

Reginald Chihota
Managing Director
BA - Business Administration - UZ, MBA - UK, Post Grad CIM - UK

CredSure Innovative Insurance Solutions

Calven Mutyavaviri
Managing Director
MBL (UNISA), BBS (UZ), AIISA, FIISA

ZIMRE PROPERTY INVESTMENTS LIMITED

ZHL ZIMRE HOLDINGS LIMITED Security Growth and Profitability

Managed by ZHL through Zimre Property Services (ZPS)

WFDR Risk Services

Caroline Mbofana
Managing Director
BCom - Marketing Management (Unisa),EMBA (AU)

Corporate Governance

ZHL is a company that trades on the Zimbabwe Stock Exchange ("ZSE"). Due to the ZHL Group's regional presence, the Group has embraced the King Code (as amended) as its primary code on governance as supported by the various local governance regulations prevailing in the jurisdictions of its operations. In Zimbabwe, ZHL embraces the Zimbabwe National Code on Corporate Governance ("ZIMCODE").The ZHL Group believes that its corporate governance structures and procedures remain acceptable and in accordance with both the King Code and ZIMCODE. The Group will continue to adhere to internationally accepted corporate governance principles to guarantee that business is conducted with honesty to protect stakeholder interests. ZHL and its subsidiaries are committed to promoting the highest ethical standards. As such, all employees, visitors, and contractors are required to follow the Group's Code of Ethics and Code of Conduct.

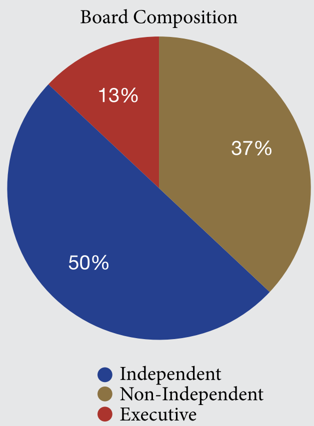
Corporate Governance Framework

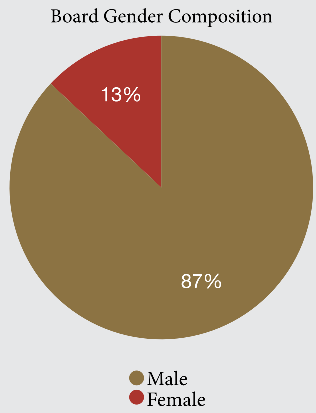
It is the Board's obligation to guarantee that strong governance practices are followed throughout the Group operations. This is supported by an effective governance architecture that upholds the Company's core values. In an era of rapid change and regulatory complexity, the Board and Management strive to strike a balance between the governance expectations of shareholders and other stakeholders and the requirement to generate competitive financial returns.

Board Composition

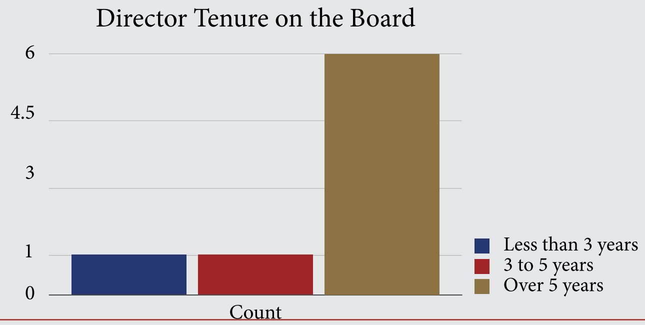
The Board of Directors is chaired by an independent non-executive director and comprises of one executive director, four non-executive directors and three independent non-executive directors.

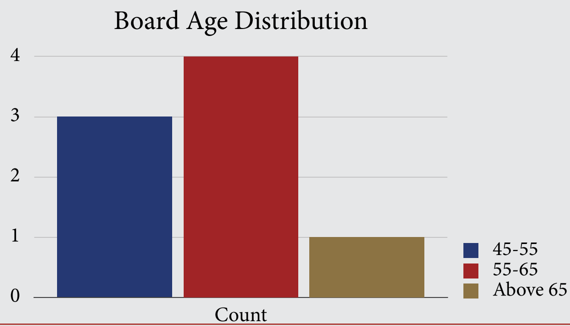
Our Board Composition is illustrated below:





Board Structure





Board Stakeholder Engagement

To ensure successful strategic planning, the Board of Directors plays a vital role in ensuring effective stakeholder engagement for the Company. Through a comprehensive approach that includes ongoing communication, listening, and collaboration, the Board seeks to align the Group's vision, strategy and values with the expectations and interests of its stakeholders which include its subsidiaries, shareholders, employees, customers, suppliers, regulators and other stakeholders. The Board works toward bringing the stakeholders into the strategic direction of the Group. Relations with shareholders and potential investors are primarily managed by the Executive Management team, with help from the Board Chairman as needed. During the fiscal year under review, the Group's stakeholder engagement increased significantly as a result of the execution of a strong communication strategy that linked investor views with the Group's value offer while embracing the new digital landscape. The Board has scheduled interactions with internal and external stakeholders across multiple platforms. Annual General Meetings, notices to stakeholders, press releases of interim and annual reports, investor briefings, and online statement releases are examples of these platforms.

Closed Period

In accordance with the Zimbabwe Stock Exchange (ZSE) Listing Requirements, the Group strictly prohibits the trading whether directly or indirectly of its shares by its Board, Management and Staff during the "closed period". The "closed period" is from 1 January to the publication of the year end results and 1 July until publication of the half year results. Outside of the "closed period" the Board, Management and Staff are obligated to disclose to the Board Chairman and Company Secretary any dealing in the Company's shares.

Directors' Remuneration

ZHL's compensation plans are designed to attract and retain talent at all levels. The Human Resources and Nominations Committee decides on the pay packages for ZHL's non-executive and executive directors. A schedule of the non-executive directors' remuneration is available at the Company's Registered Office upon request until the date of the Annual General Meeting. The executive packages contain a guaranteed salary as well as a performance incentive tied to the attainment of pre-set targets that take into consideration the Group's demands on a regular basis and the Share Appreciation Scheme for alignment of employee's interests with shareholders.

Board Accountability and Delegated Functions

The role of the ZHL Board of Directors is to approve the strategic direction of the ZHL Group, guide and monitor the Management of the Group in achieving the strategic plans, review, approve, and monitor the Group's performance. The Board is accountable to the shareholders and in performing its role, the Board aspires to maintaining and promoting the highest standards of Environmental, Social and Governance principles. Various Committees assist the Board in carrying out its fiduciary duties in accordance with specific terms of reference. The Committees meet at least quarterly to examine performance and offer Management guidance and recommendations on both operational and policy concerns.

Board Committees

The Board's functions are executed and supported through various Committees. The main Committees hold meetings quarterly to assess performance and advise Management on both operational and policy matters. Each Committee operates in accordance with written terms of reference, under which certain Board tasks are assigned with specified objectives.

Summarised below are the Committees, their membership and responsibilities:

Committee	Members	Responsibilities
Audit and Risk Management	Edwin Zvandasara (Chairperson) Mark Haken Jean Maguranyanga Ignatius Mvere	• Initial review of the annual consolidated financial statements, management and risk reports, dividend proposal, review of half-yearly reports or, where applicable, quarterly financial reports or statements. • Monitoring of the financial reporting process, the effectiveness of the internal controls and audit systems, legal and compliance issues. • Monitoring of the audit procedures, including the independence of the independent auditor and the services additionally rendered, awarding of the audit contract and determining the focal points of the audit. • The Committee has unrestricted access to the internal and independent auditors. • Monitoring of the general risk situations and special risk developments within the ZHL Group as well as monitoring the effectiveness of the risk management system.
Human Resources and Nominations	Jean Maguranyanga (Chairman) Ignatius Mvere Hamish BW Rudland Desmond Matete Benjamin N Kumalo (retired 22 July 2022)	• Undertakes the selection of executive management, concludes, amends, and when necessary terminates executive management contracts. • Reviews the Company's development policies and practices and staffing plans within the Company. • Prepares the compensation system for the Company and the overall compensation of the ZHL Board and executive management. • Reviews the succession planning for executive management and Board. • Sets concrete objectives for the composition of the Board including the establishment of selection criteria for shareholder representatives in compliance with prevailing codes and legislation. • Selection of suitable candidates for election to the Board.
Finance and Investments	Hamish BW Rudland (Chairperson) Ignatius Mvere Cron von Seidel Desmond Matete Stanley Kudenga (ex officio)	• Formulation, implementation and review of the capital and liquidity planning for the Group and ZHL. • Providing guidelines for currency management, Group financing and internal Group capital management, as well as establishing and overseeing a Group-wide risk management and monitoring system including dynamic stress tests. • Implementing the Group investment strategy, including monitoring Group-wide investment activities as well as approving investment related frameworks and guidelines and individual investments within certain thresholds.

* Executives attend meetings by invitation

Board Meetings
The Board meets quarterly, as required by the Company's Memorandum and Articles of Association, and in accordance with good corporate governance practice. It advises on corporate strategy, risk management, annual budgets, and business planning. Special Board meetings are called on a need basis to address matters that require immediate action. ZHL Board members have unrestricted access to information on the Group's activities, which is made available through Board meetings, Committee meetings, and Strategic Planning workshops.

The Group Company Secretary maintains an attendance register of Directors for meetings held during the year through which Directors can assess their commitment to the Group.

The attendance of the Board of Directors was evaluated by the Group Company Secretary throughout the fiscal year under review. Our Directors dedicated sufficient time on the Company's business, as shown in the table below:

Director	Main Board	Audit and Risk Management Committee	Human Resource and Nomination Committee	Finance and Investments Committee
Benjamin N. Kumalo	2		2	
Desmond Matete	4		4	5
Mark Haken	3	5		
Jean Maguranyanga	4	5	4	
Ignatius Mvere	4	5	4	4
Hamish B. W. Rudland	4		2	4
Cron von Seidel	2			5
Edwin Zvandasara	2	4		
Stanley Kudenga*	4	4 ^	4 ^	5`

Mr. Benjamin Kumalo retired on the 22th of July 2022 and Mr. Desmond Matete ascended to the position of Board Chairman on the 23rd of July 2022.

KEY
*executive
`ex officio
^Attends by invitation

ZHL Through the Ages

continued

ZHL placed under sanctions by USA OFAC

Acquired controlling interest in First Insurance Company of Uganda (FICO). Fidelity Life Asset Management (FLAM) formed from merger with Zimre Unit Trust. FLAM merged with UKI Asset Management.

First Re inception

Removal of US Sanctions by OFAC & Restructuring initiated:

1. Reduced interest in ZIM & FICO
2. Disposed NICOZ
3. Acquired controlling interest in Credsure/Launch of UMAs.

Rebasing of Zimbabwean Currency

2000

2005

2010

2015

ZIMRE acquired UKI Securities and named it Fidelity Securities.

Holding Company was set up as ZHL

ZIMRE property Investment (ZPI) formed.

FLA listed on ZSE.

Hosted the Federation of Afro-Asian Insurers and Reinsurers Conference & Annual General Assembly.

ZPI listed on ZSE.

Emeritus International Reinsurance Company formed in Botswana. Acquired interest in CFI Holdings Limited.

Emeritus Re Mozambique opened.

Genesis Bank Acquired.

IMF cuts funding to Mozambique.

Zambia Eurobond debacle.

2nd Runner Up Zimbabwe Investments Awards for the US$15M Rights Issue.

Zimre Centre Masvingo

Zimre Centre Harare

Chinamano Heights

ZHL's infrastructure projects

Eastview Gardens

Zimre Centre Mutare

ZHL attending African Insurance Organization (AIO) Conference hosted in Zimbabwe

ZHL engaging it's primary shareholder

40 YEAR ANNIVERSARY

Business Ethics and Compliance

Business Ethics
Integrity is one of our operating values as a Group and it sets the tone for all our processes to be conducted with the highest ethical standards. Business ethics are conduncted in a responsible manner for credible images, which in turn increases stakeholder confidence in our operations.

The Group is guided by our Code of Ethics which provides guidelines and procedures to reinforce and reward ethical behaviour while aiming to curb unethical conduct. Training and awareness sessions are conducted for the Board, employees, visitors and business partners who are then expected to abide by our procedures.

Our internal auditors and, risk and compliance team supervised by the Risk and Compliance Committee are responsible for ensuring compliance with our internal procedures. They conduct regular internal audits to identify improvement opportunities in our systems. Our goal is to ensure 100% compliance to business ethics standards.

During the reporting period we did not incur any cases of non-compliance.

Cybersecurity and Privacy Protection
ZHL's business interest span the insurance value chain, financial services and property. These are data heavy sectors of the economy in which data is of a sensitive nature. While data collection enables us to offer tailored products and services according to the needs, this information may be vulnerable to cyberattacks, data breaches and unauthorised access. It is therefore, imperative that we implement effective cyber security and data protection measures to safeguard client information ensuring client trust and business continuity.

Being largely a financial services and real estate Group, our operations collect, store and process sensitive information from our diverse client portfolio such as financial records, health records and claims history. While data collection enables us to offer tailored products and services according to needs, this information may be vulnerable to cyberattacks, data breaches and unauthorised access.

While we have not had any material cybersecurity incidents to date, the risk is ever present as such, cybersecurity remains an integral part of our operations. Guided by our Cybersecurity policy, we established protocols and practices to ensure cybersecurity and data privacy in all our operations. The requirements of this Policy are shared with all employees and third-party entities to ensure compliance. We regularly conduct training sessions to keep our team informed about the most recent cybersecurity and data privacy concerns.

We engage independent cybersecurity specialists to conduct periodic vulnerability tests and assess our systems' effectiveness.

Risk Management
Given the ZHL Group geographical spread and wide business interests, the Group is exposed to a variety of risks. We manage our risks through a comprehensive risk management framework that integrates risk management into daily business activities and strategic planning. This aims to safeguard our multi-brand Group by promoting the identification, eliminate and minimise risks at all levels of the business.

Our risks are the issues which could have a material impact on our ability to achieve our strategic priorities. Risks are identified through a robust annual process that includes content gathering from internal and external sources, followed by detailed analysis and curation of the information, and then prioritisation. Management applies heightened focus to the risks identified as top enterprise risks.

Risk Management Framework
Our Group operates a centralised risk management framework that combines the best practices of the Committee of Sponsoring Organisation (COSO) framework and ISO31000. It is based on three principles: identify, assess and mitigate. We identify new threats and areas of vulnerability, we assess the likelihood and impact of these threats using quantitative and qualitative methods, and finally we mitigate the risks by implementing appropriate strategies and controls to eliminate their negative consequences.

Each subsidiary has a risk champion whose responsible for the identification of risk, which is weighed against the potential negative impact on a specific operation. Risk is then classified as high, medium, or low based on its impact and likelihood of occurrence. Mitigation efforts will be based on the three E's (economy, effectiveness, and efficiency). A risk register is shared among the Group companies for learning purposes.

Financial Risks
As a business, we face various financial risks that could affect our performance and profitability. There are specific qualitative and quantitative measures to address financial risks arising from our activities. All risks are managed within the Group's overall risk appetite.

We have established policies and procedures to identify, measure, monitor and manage these risks in accordance with our risk appetite statement and strategic objectives. This includes segregation of duties and setting authority limits at various levels. Some transactions require referrals or approvals up to Board level.

Credit Risk: Low tolerance for credit risk exposure and hence measures are in place to ensure counterparty stability and diversification.

Market Risk: Low tolerance for market exposure and hence measures are in place to ensure minimum exposure to foreign exchange rates, interest rates and equity prices.

Liquidity Risk: The Group will always match its long-term liabilities and long-term investments. It maintains liquidity levels enabling it to meet its financial obligations as when they fall due.

Capital and Solvency: The Group and its subsidiaries will engage in activities that preserve capital and exercise due diligence for any projects. It will always meet the regulatory capital and solvency requirements to ensure compliance. It works with its actuaries to monitor solvency levels.

Sustainability Risks
As an investment holding company that has and continues to contribute in the infrastructure development of Zimbabwe, sustainability risk is an area of focus for the ZHL Group. Sustainability risk relates to uncertain environmental and social conditions that, if they occur, can have potential adverse impact on the Group and its investments.

Sustainability risks can be climate-related, or related to other environmental, social and governance practices. As we start our sustainability journey, we have formulated policies and internal procedures to help in managing these risks.

Land development: During construction projects, we handle sewage reticulation, provide clean water, leave open space for community centre projects, and ensure land rehabilitation.

Equality and Inclusivity: We ensure fair treatment and opportunities for all and it is our aim to eradicate prejudice and discrimination. The Group pledges to promote the highest standards of ethical behaviour and to protect its stakeholders.

Our operational risks are presented below:

Risk Category	Risk Description	Risk Mitigation Measures
Credit Risk	Failure by business partners to pay their dues affecting cash flows. This has been heightened by tight monetary policy with high interest rates.	Tighten credit control, declining claims where premiums are overdue, getting off-cover and suspending services where possible. Proper selection of financial stable (rated) business partners.
Human Capital Flight	Loss of key staff.	Introduction of career development plans that foster intention to stay and loyalty among employees but also improve and attract new talent and brand equity.
Liquidity Risk	Due to tight monetary policies, liquidity risk has increased. High interest rates. Discouraged borrowing and gold coins mopped up excess liquidity.	Improve premium and pension contribution collections from clients. Match assets and liabilities - investment maturities that enable discharge of short term and long-term financial obligations as they mature. Keeping a cash buffer that enables us to meet short term obligations as they fall due.
Country Risks	The Financial Action Task Force (FATF) has grey listed Zimbabwe on account of weak institutions, widespread corruption, and sustained economic weakness.	Revenue diversification by source through regional expansion (Botswana, Malawi, Mozambique, Zambia). Sourcing reinsurance business in other markets outside the country. Encourage clients to convert to US$ policies. Launch new products in US$.
Cyber Risk	Loss of software, hardware and data due to intrusion.	Fire walls, regular change of password, user education on appropriate internet activity and secure the Company website.
AML/CTF	The geographical spread of the Group increases its attractiveness for illicit financial flows.	Carry out customer due diligence. Use of KYC forms and UN security council screening list. Attend AML training, reporting any suspicious transaction, freezing without notice any assets of a person included in the sanctions list.
Environmental Risks	Risks arising from the operating environment (both global and local) where management has no control. These are social, economic, technological, geopolitical or economic risks.	Regular scanning of the environment and adopting strategies to counter environmental risks. Improve controls in the wake of global warming and natural disasters to reduce climate related claims exposure resulting from floods, diseases, supply chain disruptions, and physical damage to properties etc.
Legal Risk	Claims disputes, disputed land affecting valuations and returns.	Strict adherence to our policy wordings and terms and conditions of our contracts. Exhausting diplomatic engagement before situation of legal action.

Compliance
The Group is committed to complying with applicable legal, regulatory, and industry standards and strives to ensure transparency and accountability in all aspects of its operations.

Our operations are subject to regulation by the following regulatory authorities:

- Registrar of Companies
- The Reserve Bank of Zimbabwe (RBZ)
- Securities Exchange Commission of Zimbabwe (SECZ)
- Zimbabwe Stock Exchange (ZSE)
- The Insurance and Pensions Commission (IPEC)

Directors' Report

The Directors present their 25th Directors' Report together with the Audited Financial Statements of the Group for the year ended 31 December 2022.

Functional And Presentation Currency
These inflation adjusted Financial Statements are presented in Zimbabwean Dollars (ZWL) which is the Group's functional and presentation currency since 22 February 2019.

Share Capital
The share capital of the Company remains 1 818 218 786. The full capital structure is detailed below.

	December 2022	December 2021
Authorised shares	2 000 000 000	2 000 000 000
Issued shares	1 818 218 786	1 818 218 786
Unissued shares	181 781 214	181 781 214

Placing of authorised unissued shares under the control of the Directors
The Company has 181 781 214 unissued shares and has sought in the AGM Notice, authority to place those unissued shares under the control of the Directors until the next AGM. The proposal will enable the Directors to undertake key transactions in the ordinary course of business without compromising members' shareholding. The Directors shall notify the Zimbabwe Stock Exchange (ZSE) before any such transactions are executed and shall be in compliance with any instruction given by the ZSE.

Employee Share Appreciation Rights Scheme
In 2020, members agreed to align their interest with those of the Group's employees to create a unified sense of purpose and loyalty. The ZHL Employee Share Appreciation Scheme applied to 5% of the Company's issued share capital amounting to 90 932 745 ordinary shares. The Company has granted 25 054 970 to 210 employees. The balance of 20 499 521 share appreciation rights will be issued to employees according to fulfillment of their performance contracts. The share appreciation rights become exercisable on the 3rd anniversary of the Scheme. The Board can confirm that the Scheme has positively impacted the morale of the Group's and the employees' commitment to deliver value to shareholders.

Dividends
In continuation of the Company's commitment to pay regular dividends, and after careful consideration of the Group's level of profitability and reserves, economic downturn and associated risks to business growth (Dividend Policy), the Directors have found it prudent to declared a final dividend for the year ended 31 December 2022 of ZWL250 million translating to ZWL13.76 cents per share. Reckoning the interim dividend paid out on or about the 6th of October 2022, the Company's total dividend payout for financial year ended 31 December 2022 is ZWL406 million, equivalent to approximately USD500 000 at the prevailing interbank rate at the date of Announcement. Per the AGM Notice, members will be asked to confirm payment of the same.

Purchase of Own Shares
At the last AGM, authority was granted for the Company to purchase its own shares up to a maximum of 5% of the number of shares in issue as at 22 July 2022. The authority is due to expire at the conclusion of the next AGM in 2023. The Notice of the AGM proposes that shareholders approve a resolution renewing the authority for the share buyback. During the year ended 31 December 2022, the Company did not purchase any of it's shares, as it prioritised transferring the value through a payment of a cash dividend.

Going Concern
The Directors believe that ZHL has a winning strategy that effectively utilizes its advanced leadership and recent innovative investments to complete the Group's ecosystem that fosters value creation for shareholders. Accordingly, the Directors consider that the Group is able to continue operating for the foreseeable future and therefore, have continued to adopt the going concern basis in preparing the annual 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.

Directorate
In accordance with Article 77 of the Company's Articles of Association, Mr. Ignatius Mvere retires as a Director of the Company and being eligible offers himself for re-election. Messrs Hamish B.W. Rudland and Cron von Seidel will also retire in terms of Article 77 of the Company's Articles of Association and are not seeking re-election to the Board of Directors.

Mr. Rudland has served on the Company Board since his appointment in June of 2015. He was Chairman of the Finance and Investments Committee and member of the Human Resources and Nominations Committee. The Board of Directors hereby expresses its gratitude to Mr. Rudland for his service on the Board of Directors, for giving of his invaluable acumen in business and for being part of a transformational stewardship role to the ZHL Group through his membership of the Board of Directors of ZHL over the years. We wish him well in his future endeavors.

Similarly, Mr. von Seidel has served on the Company Board and on the Finance and Investments Committee since his appointment in June 2015. The Board of Directors wishes to thank Mr. von Seidel for his valuable counsel and support of the Group over the years and wish him continued success in all his future endeavors in his field of expertise around investment management services.

In line with the Company's thrust towards continuous renewal of its governance and stewardship of the Group business operations, at the 2023 AGM members will be asked to elect Messrs Nicholas Mugwagwa Vingirai and Richard Morgan as non-executive directors to the ZHL Board in terms of Article 80 of the Company's Articles of Association. Their profiles will be detailed in the Notice of AGM.

Director's Remuneration
A resolution will be proposed at the AGM to approve the Directors' Remuneration amounting to ZWL201 971 809 (2021:ZWL15 264 211) for the year ended 31 December 2022.

Directors' Shareholding
The directors' shareholding as at 31 December 2022 is detailed below:-

	2022	2021
B Kumalo*	1 031 315	1 031 315
H Rudland	614 769 314	614 769 314
C von Seidel	166 033 426	166 033 426
S Kudenga	100 000	100 000

Mr Rudland indirectly holds 614 769 314 (33.18%) shares through Day River Corporation (Private) Limited and Mr von Seidel indirectly holds 157 498 202 (8.66%) shares through Lalibela Limited and 8 535 224 (0.47%) shares through Richard John von Seidel.
*Mr. Kumalo retired effective 22 July 2022

External Auditor
Shareholders will be requested to approve the remuneration paid to the external auditor amounting to ZWL313 402 923 (2021:ZWL12 898 172) for the financial year ended 31 December 2022 at the AGM. 2021 was Grant Thornton Zimbabwe's first year as the Company's external auditor. Section 191 of the Companies and Other Business Entities Act [Chapter 24:31] requires that no person serve as an auditor of a company for more than five consecutive financial years. Accordingly, Grant Thornton Zimbabwe, being eligible and willing, seek re-appointment as the external auditor for the ensuing year.

Annual General Meeting
The 25th Annual General Meeting of members of the Company will be held in a hybrid manner, both physically and virtually on Friday, 28 July 2023, at 206 Samora Machel Avenue, Harare and through the link below at 10:00 hours.

https://us06web.zoom.us/j/88290656557?pwd=ZlRLSm11OFhLWGt6RU9vaVNVMWZ5dz09

By order of the Board
Ruvimbo Chidora
Group Company Secretary/ Legal Executive

Directors' Responsibility Statement

In conformity with International Financial Reporting Standards (IFRS), the Companies and Other Business Entities Act [Chapter 24:31] and the ZSE Listing Requirement (Statutory Instrument 134 of 2019) and based on this Annual Report, the Board confirms that, to the best of its knowledge: -

- the internal risk management and control systems of the Company provide reasonable assurance that financial reporting does not contain any material inaccuracies;
- there have been no material failings in the effectiveness of the internal risk management and control systems of the Company; a material adverse effect on the continuity of the Company's operations in the coming twelve months; and
- it is appropriate that the financial reporting is prepared on a going concern basis.

It should be noted that the above does not imply that the systems and procedures employed by the Company provide absolute assurance as to the realisation of ZHL's operational and strategic objectives, or that they can prevent all misstatements, inaccuracies, errors, fraud and noncompliance with legislation, rules and regulations. Nor can they provide certainty that we will achieve our objectives.

In view of the above, the Directors hereby further confirm that, and to the best of their knowledge, the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and of the companies included in the consolidation; and that the Group Chief Executive Officer's Report provides a fair review of the Company's position, the development and performance of the business during the financial year and the principal risks and uncertainties that the Company faces.

Chairman
D. Matete
13 July 2023

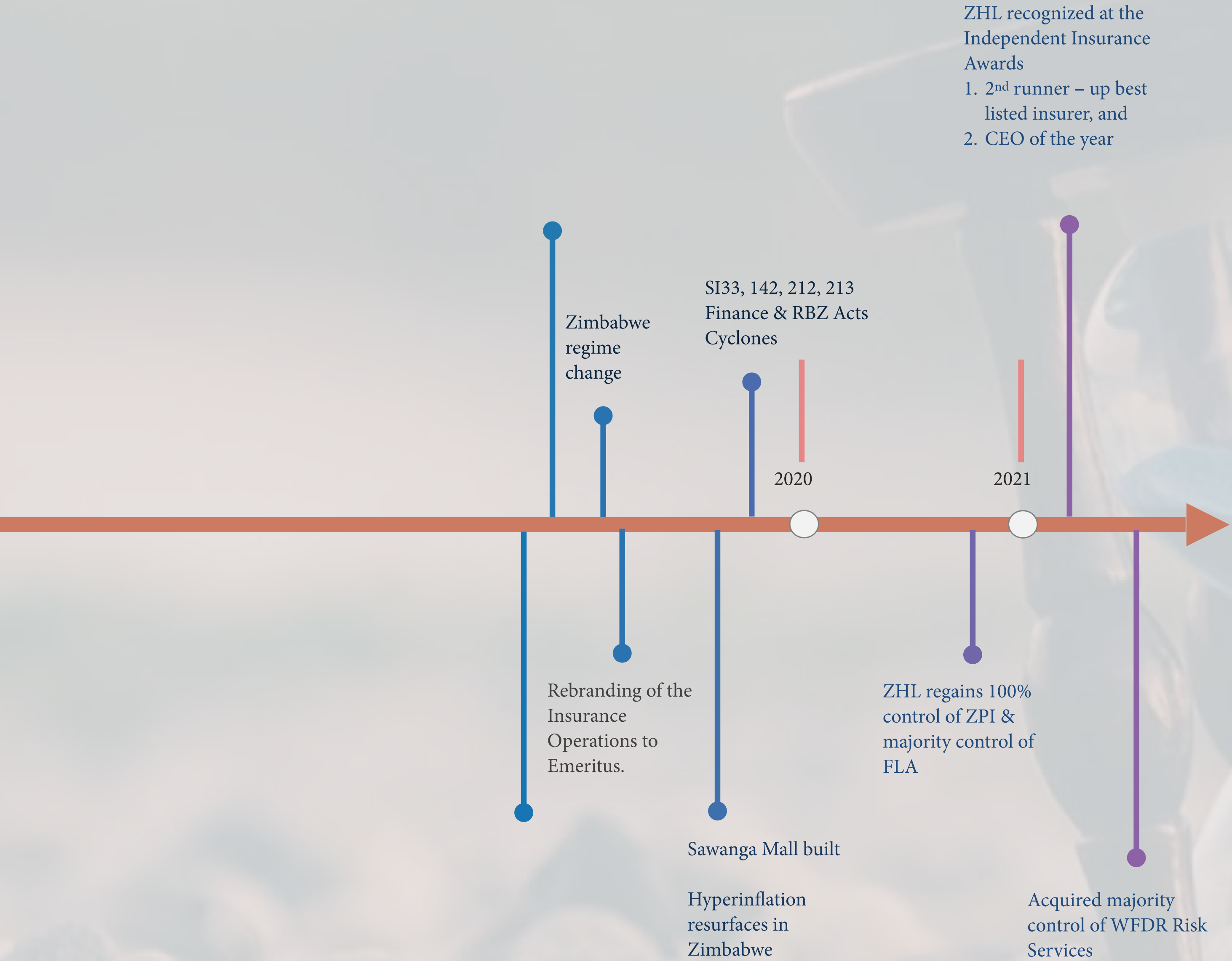
Group Chief Executive Officer
S Kudenga
13 July 2023

Declaration by Chief Finance Officer

These audited consolidated and separate financial statements were prepared under the direction and supervision of the Chief Finance Officer, Zvenyika Zvenyika, FCA(Z) (PAAB Number 03505).

Chief Finance Officer
Z Zvenyika
13 July 2023

ZHL Through the Ages
continued



40 YEAR ANNIVERSARY

2022 Eagle Award Recipient -
Emeritus Re - Malawi

ZHL Group conquers Mount Kilamanjaro

Unveiling of the Eagle Culture

2022 ZHL Group Strategy Retreat in Penalonga, Zimbabwe

The 2022 Insurance Institute of Zimbabwe (IIZ) Games

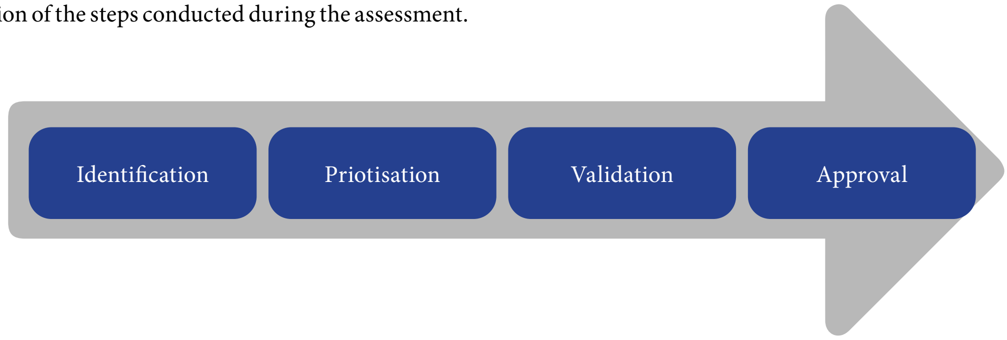
Sustainability

Our Strategy
Our sustainability strategy is based on the principle that we can create positive environmental and social impact while also achieving financial growth for our shareholders. We seek opportunities that enable us to meet the needs of the organization, its clients, employees, and stakeholders today, while protecting resources and creating policies and practices that are sustainable well into the future. This is an invariable part of the Group's culture from senior leaders to frontline employees.

Sustainability Materiality Assessment
In this report, we conducted our first materiality assessment process as required by the GRI standards to adequately address key issues affecting our operations and are affected by our processes. Material issues are categorised under the following key themes - environment, social, economic and governance as presented below:

We conducted an exercise to identify material topics based on desktop research from leading global players within the insurance and financial services industry. The topics were then ranked according to importance and significance to our business and stakeholders followed by a validation and approval process from Management.

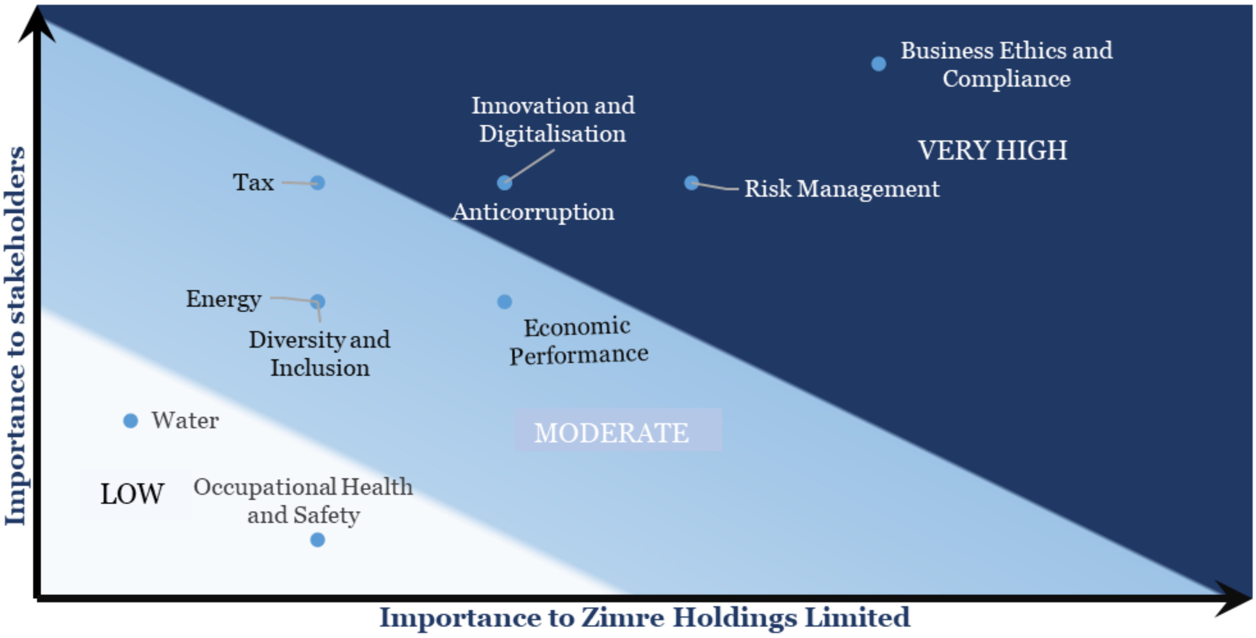
Below is a presentation of the steps conducted during the assessment.



Material Topics

Identification	Priotisation	Validation	Approval
• Tax • Anti-corruption • Economic Performance • Anti-Money Laundering • Responsible Investment	• Waste • Water • Energy • Climate Change • Green Buildings	• Labour Relations • Employment • Compensation & Benefits • Human Rights • Diversity and Inclusion • Occupational Health and Safety • Training and Education • Corporate Social Responsibility • Tenant Satisfaction • Property Regulatory Compliance and Security	• Business Ethics and Compliance • Cybersecurity and Privacy Protection • Innovation and Digitalisation • Financial Literacy • Risk Management

Materiality Matrix



From the matrix above, topics ranked as "Very High" were those regarded by the business and stakeholders to be of significant interest. As such, they represent both risks and opportunities for the Group. Those ranked as "Moderate" reflect where measures are in place to manage the impacts while improvements continue to be implemented or are under consideration. Lastly, those ranked as "Low" reflect where significant efforts were made by the Group to address them.

The issues that were significantly important to both the business and stakeholders were:

- Business Ethics and Compliance,
- Risk Management,
- Anticorruption, and
- Innovation and Digitalisation.

Stakeholder Engagement
The ZHL Group implements a system of stakeholder engagement whereby in its plan preparation process it indicates how the involvement of stakeholders is to be achieved at each stage of the plan, execution and dissemination process.

When done well, Stakeholder Engagement also helps the Group mitigate against potential risks and conflicts with stakeholder groups, including uncertainty, dissatisfaction, misalignment, disengagement, and resistance to change.

Key Stakeholder Groups
We view our stakeholders as strategic business partners to the Group, who provide insight into potential business risks and opportunities. The stakeholder list is ranked according to significance of impact to our strategic plan and projects as presented below:

Internal	• Subsidiaries • Employees • Management • Investors
External	• Government and Regulators • Supplier • Tenants • Communities

Stakeholder	Key Issues Raised	Mitigation Measure	Engagement Method	Frequency of Engagement
Subsidiaries	· Competitive capital	· Balance sheet restructure and capital injections according to business plan	· Group Strategy seminars	Annual
Employees	· Remuneration and benefits · Lack of culture	· Salary and benefits adjustments · Introduced the 'Eagle Culture' based on the 7 attributes of the Eagle	· Workers' committee · Seminars · Newsletter from the CEO desk	Quarterly Bi-annual Quarterly
Management	· Alignment of goals with shareholder	· Employee Share Appreciation Scheme · Bonus scheme	· Executive Committee Meetings	Quarterly
Shareholders and Potential Investors	· Dividend declaration · Capital appreciation, recapitalisation/capital raising · Timely publications · Identity of the Group	· Policy to declare dividends and provide shareholders with return on investment · Publishing annual financial statements · Interactive analyst briefings outlining the new trajectory of the Group	· Dividend Notice · Annual General Meetings · Analyst briefings	Annual Annual Quarterly
Government and Regulators	· Compliance	· Compliance policy and plan · Engagements with Government and regulator to outline the strategy and issues of concern	· Meetings · Regulatory seminars, circulars and directives	Bi annual Ongoing
Suppliers	· Timely payments	· Ensure timely KYC (Know Your Client) to facilitate payments	· Meetings · Emails · Calls	Regular
Tenants	· Regular maintenance	· Separation of property portfolio from services to enable efficient cost management and attendance to maintenance issues	· Meetings · Townhalls	Regular
Communities	· Participation in community events	· A CSR policy that governs our participation	· Meetings · Social Media	Continuous

ZHL
ZIMRE HOLDINGS LIMITED
Security Growth and Profitability

40
YEAR ANNIVERSARY

RE-ENERGISED

We have renewed energy and purpose, to provide better solutions

CredSure Innovative Insurance Solutions
Emeritus Reinsurance
FIDELITY LIFE ASSURANCE OF ZIMBABWE
WFDR
ZIMRE CAPITAL (PRIVATE) LIMITED
ZIMRE PROPERTY INVESTMENTS LIMITED

Block D, 2nd Floor, Smatsatsa Office Park, Stand Number 10667, Borrowdale, Harare, Zimbabwe
+263 24 2870 762-8 zhl@zimre.co.zw www.zhl.co.zw

Responsible Assurance Services

Financial Literacy
The Group promotes financial literacy for employees as it ensures that investments are financially sound. Financial literacy within our operations allows for in-depth understanding of different types of policies, premiums, deductibles, exclusions, and claims. It can also enable employees to detect and avoid cases of fraud and other illicit dealings. It also empowers our employees to diversify their income through sound investment knowledge.

We provide trainings in financial literacy for all employees at different levels and all are mandated to attend at least one financial literacy workshop each year. This helps them develop the skills and knowledge to perform their financial tasks effectively and confidently. During training workshops, we encourage employees to partake in the Company's investments at favourable terms which are also at arms length. Our long-term aspiration is to foster financial inclusion at all levels.

Responsible Investments
As an investment holdings company, we are committed to responsible investments that support our long-term goals and values. Our investment procedures integrate Environment, Economic, Social, and Governance (EESG) criteria and prioritise investments which will yield positive EESG impacts. We believe that responsible investments not only benefit our stakeholders, but also enhance our financial performance and reputation.

We continue to embrace adaptive measures that promote sustainable investment and are committed to ensuring due diligence and transparency through our investments. Periodically, we conduct reviews and audits of our investment policies, procedures and systems to ensure efficiency of the systems. Additionally, employees are trained on financial literacy and investment skills in order to steer our investments in a sustainable manner.

Anti-Money Laundering
For ZHL, Anti-Money Laundering (AML) is a crucial issue as our subsidiaries offer products and services that may be subject to illicit dealings. Our business maintains a high standard of professionalism and ethics. We have a zero-tolerance towards any business misconduct and take a proactive approach to prevent occurrences of misconduct. Therefore, we established robust AML policies and procedures to prevent, detect and report suspect or actual money laundering activities.

Our AML policies take effect from client due diligence prior to engagement, transaction monitoring, record keeping and reporting. We require advanced Customer Due Diligence (CDD) for high-risk cases. The client must provide all the necessary information for CDD using our Know Your Customer (KYC) form. We screen customers and business partners based on the UN sanctions list and exclude those who are politically exposed or have dubious records. This enables us to verify the client's identity and assess the money laundering risks.

We comply with AML laws and regulations related to money laundering and terrorism financing such as UN-Security Council directives and Reserve Bank of Zimbabwe (RBZ)'s Financial Intelligence Unit (FIU) as we understand the reputational risks associated with non- compliance. We monitor, track and report suspicious client activities to the relevant authorities.

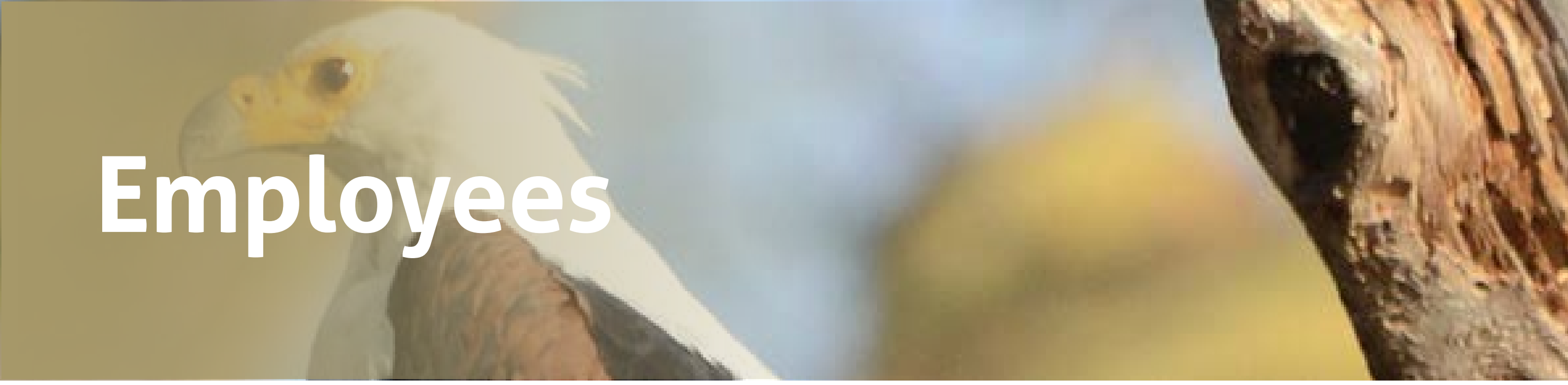
Our Group Risk and Compliance department conducts regular internal and external checks and audits to evaluate effectiveness of our systems. We aim to provide at least 5 hours of AML training per year for all employees and 4 hours for Management and Board members. Compliance champions and employees have thus far received this training to enhance their knowledge on AML issues.
For the reporting period, the Group did not receive any regulatory sanctions and none of our employees were implicated in any illicit dealings.

Innovation and Digitalisation
Innovation and Digitalisation are key drivers for Sustainability, Growth and Profitability, the Group's motto. By leveraging technological advancements, we can adapt our activities to meet the dynamic needs of our diverse markets.

Through digitalisation and innovative practices the Group has brought efficiencies to its work flow processes to improve performance outcomes. This has led to direct benefits from improved client engagements through digital platforms and, improved brand presence through online marketing strategies.
While digital innovations come with various benefits, we take care in ensuring data privacy is prioritised throughout our technological engagements with employees and clients. Our digital strategy documents are guided by the Cyber Data Protection Act [Chapter 12:07] of Zimbabwe, to which we commit full compliance.

For the year under review we have taken the following initiatives to fulfil our commitment:
- Implementation of digitalisation in line with the Cybersecurity and Data Protection regulations.
- Use of Project Management tools like the Critical Path Method to ensure set deadlines are met.
- Engagement of Group's Internal Audit, Risk and Compliance as the assurance arm of all projects.

We conduct monthly meetings under the Business Relationship Management theme as a platform to evaluate our processes and operations. Stakeholder feedback is shared in the meetings and improvement opportunities regarding our digitalisation program taken account of. Through regular engagements we maintain an agile approach to implement digitalisation and innovation in our operations which will in turn enable us to provide exceptional customer experience.



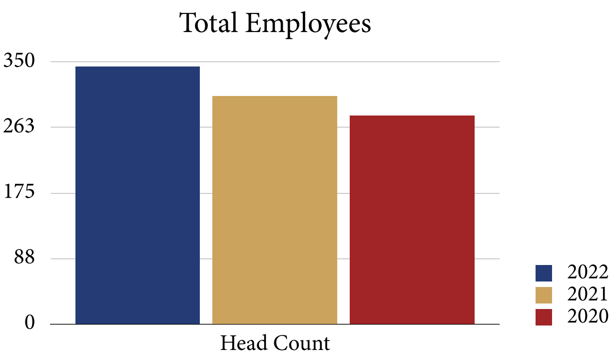
Employees

Employment

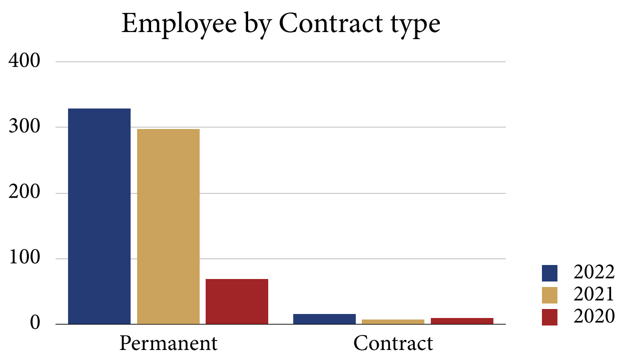
The Group's success and growth hinges on the productivity of our workforce, people are therefore our most valued resource. Our recruitment and employee development processes are designed to ensure we attract and retain talented individuals for key positions within our operations.

Our Human Capital Department is responsible for all employee issues and ensuring their welfare to increase productivity. We aim to consistently provide a motivational and conducive working environment focused on health and occupational safety, individual development opportunities, diversity, and work-life balance. We have availed different channels for employee engagement to enable Management to gain insights on issues affecting employees, to identify and maximise on improvement opportunities.

Our employees head count were as below:



Total employees	2022	2021	2020
	344	305	278



Employees by Contract type	2022	2021	2020
Permanent	329	298	269
Contract	15	7	9
Total employees	344	305	278

	Unit	2022	2021	2020
Interns	Head Count	15	7	9

Compensation Benefits

Employees are our operational backbone, we therefore aim to provide adequate and fair compensation and benefit packages based on global compensation principles according to position, market standards and financial performance of the Group. Additionally, we prioritise creating a conducive working environment that contributes to employee welfare and productivity. Our intention is to attract and retain top performers as we aim for operational excellence.

We have a performance-based reward system that creates a direct linear relationship to between the Company's performance and remuneration packages while also incentivising high work standards and ethical conduct.

To ensure we maintain a competitive compensation structure, we regularly review our compensation policy based on data analyses and industry benchmarks. This enables us to compare internal factors and market requirements in equal measure. Before making changes to our compensation structure, consultations are made with key stakeholders such as employee representatives.

Collective Bargaining

We employ the mechanism of engagement and agreement. We learnt that employee engagements are fundamental in creating an equitable and conducive workplace as well as remuneration packages that are agreeable.

For FY2022, our CBA coverage was as follows:

Collective Bargaining Agreements	Unit	2022	2021	2020
CBA - NECII	Head Count	209	212	184

For employees not covered by NEC, their working conditions are covered by the dictates of the Labour Act [Chapter 28:01] as well as Group policies.

Pension

We contribute towards internal and statutory social security funds managed by National Social Security Authority (NSSA). During the year, our contribution was as follows

Pension Fund	2022 (ZWL)	2021 (ZWL)	2020 (ZWL)
National Social Security Authority (NSSA)	16 072 425	5 479 015	2 244 936
Group Life Pension Fund	94 403 213	26 089 010	9 980 590
Total	**110 475 638**	**31 568 025**	**12 225 526**

Occupational Health and Safety

Our Occupational Health and Safety (OHS) policy promotes the maintenance of a safe, healthy and secure work environment for all employees, visitors and contractors. Safety is part of our business culture as we believe it boosts employee morale, investor confidence and has subsequent reputational benefits.

Occupational Health and Management

Management is responsible for the implementation and enforcement of policy requirements with support from Worker Representatives. We hold regular scheduled safety and health meetings which provide a platform for employees to share any issues they may be facing in the workplace. Mitigation measures are discussed, and responsibilities assigned. Our goal is to have a 100% compliance with the occupational health and safety regulations. As such, we prepare quarterly occupational health and safety reports to assess our performance regarding this goal.

Hazard Identification, Risk Assessment and Incident Investigation (HIRA)

The HIRA System helps to identify and evaluate potential hazards and risks that may arise at the workplace or during any work activity. HIRA assists us to prevent and minimise the occurrence of accidents, injuries, illnesses, and losses that may affect employees. It is therefore a tool to improve our occupational health and safety system performance.

Employees use a hazard spotting form to report unsafe conditions, unsafe acts, and work-related dangers and they are not obliged to sign the form after completing it since Management encourages anonymity. We included employees' legal right to refuse risky work as specified in the Labour Act [Chapter 28:01] into our OHS Policy, which applies to all of our sites and employees and contractors. Line managers and workers' representatives are responsible for enforcing this rule.

Following an incident, an Investigation Team is formed to determine the root cause of the accident, the circumstances that led to the accident, and to develop corrective action plans with clear dates and responsibilities. The OHS Safety committee, led by a senior management, reports on the status of corrective action plans on a monthly basis.

Diversity and Inclusion

Diversity and inclusion form an integral part of our human capital management procedures as we believe a diverse workforce benefits from varying ideas and suggestions which in turn improves productivity. We incorporate diversity and inclusion in our hiring, retaining and promotion practices as we aim to increase racial and ethnic representation across our workforce to better reflect the communities in which we work and live.

Our diversity and inclusion policy is based on international labour standards, the Labour Laws of the various jurisdictions we operate in, Collective Bargaining Agreements (CBA) requirements and our internal recruitment policy.

We value all employee contributions and have zero tolerance to discrimination throughout all our operations. Our objective is to safeguard equity in development, equity in career opportunities and equal remuneration. Through various meeting platforms, we continue to encourage tolerance and embracing differences. Additionally, we established a grievance system to allow for employees to share experiences for improvement of our systems.

Human Rights

Our commitment to respecting human rights is embedded throughout our corporate policies, practices and expectations. We promote upholding of human rights in our operations and have embarked on promoting human rights throughout our supply and service chain.

The Group has an integrated approach to identifying and mitigating potential human rights impacts of our activities as we strive to have a positive influence on our workforce and the communities in which we operate. Our Code of Conduct is approved at the highest level and it defines our duties and responsibilities towards upholding human rights in our business environment.

Our purpose is to establish an environment that acknowledges and enforces each individual's rights, and our target is to achieve 100% compliance on inclusion and no reports of any kind of discrimination. Quarterly employment demographics, feedback on all matrices, track our progress towards our goals and objectives on upholding human rights.

Responsible Operations

Energy

Managing energy is part of our efforts towards being a sustainable and responsible business as energy costs may have a significant impact on our downstream operations. It is therefore important to adopt strategies that can optimize energy consumption, reduce wastages, and increase efficiency.

As ZHL, our main sources of energy are electricity and liquid fuels (diesel and petrol) which are utilised for different functions. We use liquid fuels for transportation, and power our generators which serve as a backup power supply. Our energy consumption is categorised between that which is used in our offices (Energy consumed within Business) and that outside our premises for deliveries and other logistics (Energy consumption outside the organisation). The majority of our electrical energy is consumed by office functions. We conduct regular energy audits to assess efficiency of our energy management systems and to identify areas of improvement and potential savings.

Energy Consumption within business

Energy	2022
Electricity (kWh)	441 173
Diesel for generators (litres)	200

Energy consumption outside the business

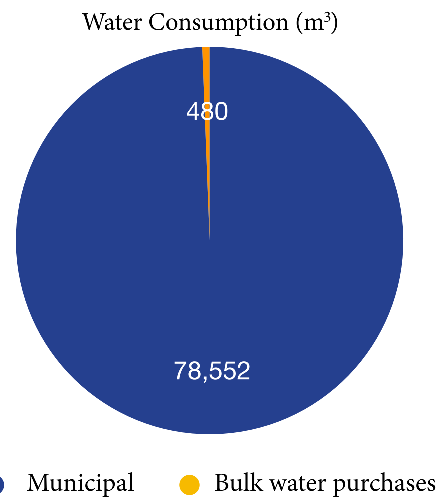
Energy	2022
Petrol (litres)	5 760
Diesel (litres)	7 908

Water

While most of our operations are not water intensive, it is still important for us to provide safe and clean water for employees, to our communities as part of our good will, and our properties. We ensure consistent supply of clean water to our offices as part of employee wellness actions.

In our downstream activities such as insurance and property management, good water management is essential in order to reduce exposure to illness and poor sanitary conditions. Water-related risks, such as droughts, floods, and water scarcity, can affect both the asset and liability sides of our operations, as such we take measures to play our part in water conservation.

We aim to improve water efficiency and to create community awareness on good water conservation practices.



Waste

As ZHL, we believe good waste management practices positively contribute to our business sustainability and enhance our brand reputation. We aim to reduce, reuse and recycle most of our waste material to reduce environmental impacts associated with waste disposal.

Our waste management practices comply with local and international regulations and guidelines. Paper and food waste are our main waste streams. We have substantially reduced our office waste during the year by digitising the majority of our processes. Waste collection is mainly done through the municipal service delivery and where they may be unreliable, we have engaged reputable third-party waste collection contractors who work with municipalities to ensure proper waste transport and disposal.

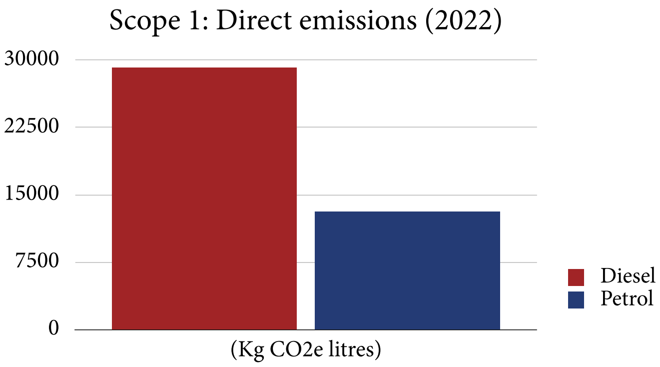
We are committed to being a responsible and eco-friendly business partner for our clients and stakeholders. During the reporting period, none of our subsidiaries received waste-related penalties from local governments and we had no waste related illness outbreaks within our workforce. However, we will make efforts to accurately measure waste generated by the Group.

Climate Change

Climate Change
Our integrated climate approach considers how our operations affect and are affected by climate change and opportunities to mitigate the adverse effects. We contribute to climate change through our use of electricity, fuel, and property development activities. Therefore, it is important to track and manage our greenhouse generating activities so as to reduce our carbon footprint and play our part in environmental stewardship.

Greenhouse Gas (GHG) Emissions
The Group calculates its carbon footprint by converting its energy consumption into carbon dioxide (CO2e) emission equivalency using internationally accepted conversion factors.

Scope 1: Direct Emissions
These are direct GHG emissions from operations that we primarily own or control. These are emissions from fuel consumed by generators and vehicles. We applied emission factors obtained from the United Kingdom (UK) Government GHG Conversion Factors to convert liquid bio-fuel usage as presented below:



Scope 2: Indirect Emissions
These are emissions from the consumption of energy generated and supplied by a third party which the business has no direct control. Our Scope 2 emissions were calculated using emission factors obtained from the Southern African Power Pool 2015 using Operating Margin factors and the Global Warming Potential rates from the Intergovernmental Panel on Climate Change (IPCC) as presented below:

Scope 2 Emission Source	Unit	2022
Electricity	(Kg CO2e kWh)	203 631.43

Socio-economic Development

Corporate Social Responsibility (CSR)
Through our Corporate Social Responsibility (CSR) activities, we continue to strive for positive social contributions in communities to reduce poverty, support education, improve health, provide basic needs and increase long-term employment.

We have a CSR policy that governs our practices regarding community investments. The Policy is based on the following principles:
- Minimising the impact and maximizing the benefits of the Group's operations on the environment and people within the communities it operates.
- Integrating CSR considerations into all business decisions.
- Complying with, and exceed where practicable, all applicable legislation, regulations and codes of practice.
- Reviewing annually the CSR activities, and to continually striving to improve our CSR performance.

Our CSR activities are divided into four key areas:
Community – the Group aims to support or develop worthwhile initiatives to better the communities within which we operates. We also encourage and empower our employees to get involved with their local communities and use their skills and where applicable and possible seek the support of the Group's network and resources.
People - Finding, supporting and developing great people is at the core of the ZHL Group. ZHL strives to ensure all colleagues enjoy their work and have opportunities for personal development and self-actualization through investment in graduate trainee programs, leadership development programs, and skill sharing within the Company and the greater ZHL Group. The Group continues to actively look for ways in which it can promote and increase the diversity of employee through inclusive engagement with communities.
Environmental Management - Managing the Group's impact on the environment in a responsible and ethical manner by identifying all significant environmental impacts and putting processes in place to prevent, reduce and mitigate them.
Responsible Trade Building – the Group seeks to maintain the highest trading and operating standards by practicing ethical labour practices adhering to all regulatory obligations and respecting competition.

During the period under review the Group supported the initiatives presented below:

Theme	Objective	Beneficiary	Items donated	Amount value (US$)
Health	Increase awareness of palliative care needs, cancer & mental health.	Island Hospice & Health care.	Cash	1,000
Environment	Sustain the environment through waste collection. Awareness on conservation (fishing)	Victoria Falls Municipality Tiger fishing tournament	Waste refuse truck Cash	120,000 7,500
Total				**128,500**








Sustainable Development

Our contributions to the UN Sustainable Development Goals (SDGs) are presented below:

Sustainable Development Goals	SDG Target	Business Actions	Impact (s)
3 GOOD HEALTH AND WELL-BEING	Target 3.1	ZHL has partnered with Island Hospice to ensure the communities within the areas it operates have access to palliative care and mental health facilities.	Ensure healthy lives and communities from the inside out.
8 DECENT WORK AND ECONOMIC GROWTH	Target 8.1; 8.3; and 8.8	The Group supports decent work environments and creates employment opportunities. The Group employs a total of 344 employees within Southern Africa. ZHL contributed ZWL 748,992,071 in taxes and ZWL 110,475,638 in pension contribution for employees.	Economic development, and employee welfare.
11 SUSTAINABLE CITIES AND COMMUNITIES	Target 11.6	The Group donated a waste refuse truck amounting to US$120 000 to the Victoria Falls municipality.	Increase waste management.
14 LIFE BELOW WATER	Target 14.4	The Group supported conservation awareness by contributing US$7,500 to the Tiger fishing tournament.	Sustainable fishing.

The UN SDGs present an opportunity to contribute to sustainable development. ZHL identified 4 Sustainable Development Goals (SDGs) it believes it can significantly contribute to, and are aligned with its CSR policy.

Economic Value Generated and Distributed

We create economic value for our shareholders and other stakeholders through our high-quality financial services and real estate management. Our yearly business plan, adopted budgets, and priorities for the year serve as the foundation for our management strategy for creating and distributing economic value. The Company is devoted to promoting growth while enhancing service excellence, product relevance and performance innovation.

Our Sustainable Wealth Pillars are as follows:

- Capital requirements for our insurance businesses
- Systemic risk management
- Innovative product design
- Wealth distribution

The direct economic value generated and distributed is presented on pages 46 to 176 of the financial statements.

Tax

At ZHL we take a responsible approach to our tax management practices across our subsidiaries. We ensure compliance with all applicable tax laws and regulations in the jurisdictions in which we operate. The Group's tax strategy is aligned with the long-term business strategy and the Group's vision is to be a responsible corporate citizen in its sphere of influence.

Approach to tax management

Tax management is a major Board obligation delegated to our Group Chief Finance Officer. ZHL ensures that all employees charged with managing tax issues are well-versed in tax laws and requirements in order to ensure timely submission of tax returns. The Chief Finance Officer is responsible for ensuring that all tax returns have been examined and approved for timeous submissions.

Stakeholder engagements on tax

We hold regular consultations with our tax consultants to ensure we keep up to date with any tax management developments and achieve optimal levels of compliance. In Zimbabwe, we engage with the Zimbabwe Revenue Authority (ZIMRA) through an assigned tax official who assists in ensuring compliance. In our other countries of operation, we have similar engagements with the relevant authorities. Further, we participate in tax seminars for learning and developing common positions on tax matters. During the year, our tax payments were as follows:

	2022 (ZWL)	2021 (ZWL)	2020 (ZWL)
Corporate Tax	70 073 159	35 094 752	17 204 580
Value Added Tax (VAT)	183 171 141	35 162 691	13 958 312
PAYE	325 251 310	98 567 937	27 930 609
Withholding Tax	18 127 625	8 259 628	157 785
Aids Levy	9 131 446	2 826 914	863 833
IMTT	121 062 892	16 652 021	1 464 766
Other taxes	22 174 498	4 336 249	-
Total tax payment	**748 992 071**	**200 900 192**	**61 579 885**

ZHL
ZIMRE HOLDINGS LIMITED
Security Growth and Profitability

A NEW ERA

A REBIRTH

Block D, 2nd Floor, Smatsatsa Office Park, Stand Number 10667, Borrowdale, Harare, Zimbabwe
+263 24 2870 762-8 zhl@zimre.co.zw www.zhl.co.zw

Financial Reports

Grant Thornton

INDEPENDENT AUDITOR'S REPORT

To the members of Zimre Holdings Limited

Report on the Audit of the Inflation Adjusted Consolidated Financial Statements

Adverse Opinion

We have audited the inflation adjusted consolidated financial statements of Zimre Holdings Limited ("the Group") set out on pages 46 to 176, which comprise the consolidated statement of financial position as at 31 December 2022, 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 significant Group accounting policies.

In our opinion, because of the significance of the matters described in the Basis for Adverse Opinion section of our report, the inflation adjusted consolidated financial statements do not present fairly, in all material respects, the financial position of Zimre Holdings Limited as at 31 December 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

<u>Non-compliance with International Accounting Standard (IAS) 21 - The Effect of Changes in Foreign Exchange Rates in the prior financial years and International Accounting Standard (IAS) 8 – Accounting Policies, Changes in Accounting Estimates and Errors</u>

During the prior financial years, the foreign currency denominated transactions and balances of the Group were translated into ZWL using the interbank exchange rates which were not considered appropriate spot rates for translations as required by IAS 21. The opinion on the prior year financial statements was modified in respect of this matter and the misstatements have not been corrected in the inflation adjusted consolidated financial statements for the year ended 31 December 2022.

As the non-compliance with IAS 21 is from prior financial years and there have been no restatements to the prior year financial statements in accordance with IAS 8, some comparative numbers in the consolidated financial statements may be misstated. Our opinion on the current year consolidated financial statements is modified because of the possible effects of the above matters on the comparability of the current year's figures to corresponding figures of the comparative period.

The effects of the above non-compliance with the requirements of IAS 21 have been considered to be material but not pervasive to the inflation adjusted consolidated financial statements.

<u>Inclusion of the unaudited financial statements of Vanguard Life Assurance Limited in the consolidated financial statements of Fidelity Life Assurance of Zimbabwe Limited</u>

These consolidated financial statements include the financial position, financial results and cashflows of Fidelity Life Assurance of Zimbabwe, a significant component of Zimre Holdings Limited. The consolidated financial statements of Fidelity Life Assurance of Zimbabwe include unaudited financial statements of Vanguard Life Assurance Limited, a subsidiary of Fidelity Life Assurance of Zimbabwe. As a result, we were unable to satisfy ourselves that all necessary adjustments and disclosures have been made to the unaudited financial statements of Vanguard Life Assurance Limited, and consequently to the consolidated financial statements of Fidelity Life Assurance of Zimbabwe Limited for the year ended 31 December 2022. The opinion of Fidelity Life Assurance of Zimbabwe Limited for the year ended 31 December 2022 is modified in respect of this matter. Accordingly, we were unable to determine the effect this might have on the consolidated financial statements of Zimre Holdings Limited for the year ended 31 December 2022.

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 adverse 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 period. 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. The key audit matters noted below relate to the consolidated financial statements:

Areas of focus	How our audit addressed the key audit matter
Gross premiums recognition • There is a presumed fraud risk with regards revenue recognition as guided by International Standard on Auditing (ISA) 240 – "The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements" Revised. There is a risk that gross premiums are presented at amounts higher than what has been actually generated by the Group. This is a significant risk and accordingly a key audit matter.	Our audit procedures incorporated a combination of tests of the Group's controls relating to gross premiums recognition and the appropriateness of premiums recognition policies as well as substantive procedures in respect of testing the occurrence assertion. Our substantive procedures included but were not limited to the following: • Reviewed that gross premium recognition criteria is appropriate and in line with the requirements of IFRS 4. • Identified key controls and tested these controls to obtain satisfaction that they were operating effectively for the year under review. • Tested the design and operating effectiveness of internal controls implemented as well as test of details to ensure accurate processing of premiums transactions. • The results of our controls testing have been the basis for the nature and scoping of the additional test of details, which mainly consisted of testing individual transactions by reconciling them to external sources (supporting documentation). • Performed cut-off tests on year end balances to ensure premiums are recognised in the correct period. • Analytical procedures and assessed the reasonableness of explanations provided by management. We satisfied ourselves that the recognition of gross premiums is appropriate.
Adequacy of allowance for credit losses on trade and other receivables As at 31 December 2022, the Group had trade and other receivables amounting to **ZWL 17 160 094 820 (2021: ZWL 7 781 833 285)**. This was considered an area of focus as IFRS 9 requires management to exercise significant judgement using subjective assumptions when determining both timing and amounts of the impairment provision for trade and other receivables. **Key areas of judgement included:** • The interpretation of the requirements to determine impairment under application of IFRS 9, which is reflected in the Group's expected credit loss model; and • Assumptions used in the expected credit loss model such as the financial condition of the counterparty, expected future cash flows and forward-looking macroeconomic factors (e.g. exchange rates, interest rates, gross domestic product growth, inflation).	Assessed management's allowance for credit losses, which included the following: • We performed an assessment of the modelling techniques and methodology used against the requirements of IFRS 9; • We assessed and tested the modelling assumptions with a focus on the: i. Key modelling assumptions adopted by the Group; ii. Reliability of the historical data collected; and iii. appropriateness of macroeconomic factors used. • We examined a sample of exposures and performed procedures to evaluate the: i. Timely identification of exposures with a significant deterioration in credit quality; and ii. Expected loss calculation for exposures assessed on an individual basis. • We assessed the adequacy of the disclosures in the financial statements. Based on our audit work performed, the assumptions used by management were appropriate.
Valuation of insurance/reassurance contract liabilities • Data is a key input into the valuation process. The calculation of insurance contract liabilities has a number of inputs, which are reliant on various processes and systems for accurate and complete data. A breakdown of these processes and systems could result in a misstatement of the value of insurance contracts. • The valuation of the Group insurance contract liabilities involves complex calculations, significant judgements, and long and short-term estimates and assumptions. • The methodology involves judgements about future events, both internal and external to the Group; and the value of the Group insurance contract liabilities is significant to the Consolidated financial statements. • The main valuation assumptions include mortality, expenses, expense inflation, discount rates and lapses, previous experience in claim patterns, claim settlement patterns, trends in claims frequency.	**Our audit procedures included the following:** • Assessed the design and operating effectiveness of the key aspects of the control environment over data integrity, including an evaluation of the effectiveness of the information technology (IT) environment over the policy administration systems and the actuarial valuation systems, together with the data extraction and conversion processes. • Assessed the design and operating effectiveness of the key controls of the actuarial valuation process for the setting and updating of actuarial assumptions and the process for model and methodology changes. • Reviewed management's key assumptions around mortality, longevity, disability, morbidity, persistency and expenses and assess the results of management's experience analyses. • Compared the mortality tables against the standard actuarial mortality tables to assess the reasonableness of the assumptions. • Assessed whether discount rates used reflect the nature of the assets backing the insurance contract liabilities and also whether they reflect the conditions of the market in which these assets are held. • Compared the actual emerging claims for prior years against the provision for the same period to assess the reasonableness of management's previous provisions. We satisfied ourselves that the valuation of insurance/reassurance contract liabilities is appropriate.

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 Directors 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 financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 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.

Report on Other Legal and Regulatory Requirements

In our opinion, except for the effects of the matters described in the Basis for Adverse 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.

Grant Thornton

Edmore Chimhowa
Partner
Registered Public Auditor (PAAB No: 0470)

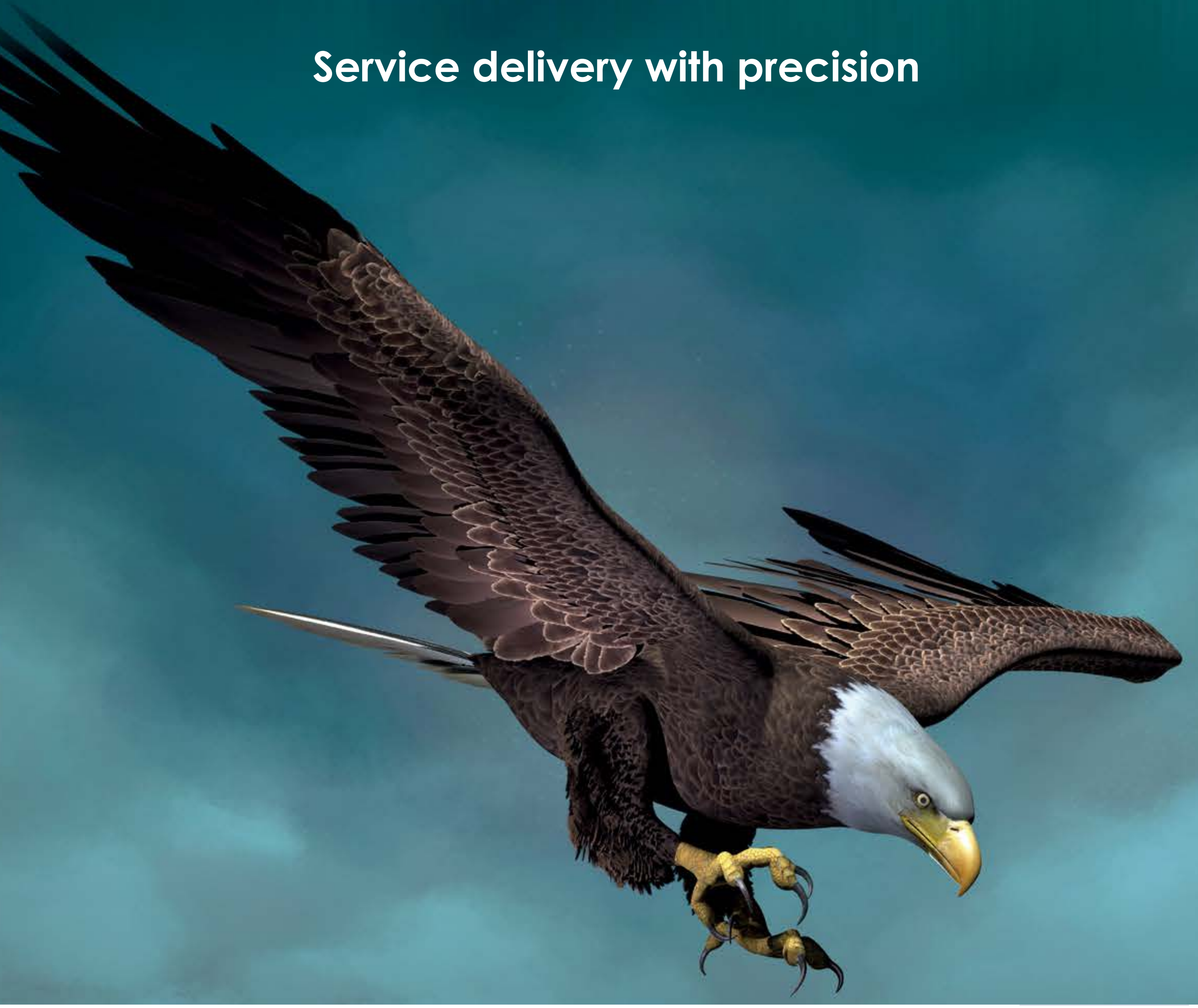
Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors
HARARE

31 March 2023

ZHL
ZIMRE HOLDINGS LIMITED
Security Growth and Profitability

RESPONSIVENESS

Service delivery with precision



CredSure
Innovative Insurance Solutions

Emeritus
Reinsurance

FIDELITY LIFE
ASSURANCE OF ZIMBABWE

WFDR

ZIMRE CAPITAL

ZIMRE PROPERTY INVESTMENTS LIMITED

Block D, 2nd Floor, Smatsatsa Office Park, Stand Number 10667, Borrowdale, Harare, Zimbabwe
+263 24 2870 762-8 zhl@zimre.co.zw www.zhl.co.zw

GROUP STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

		INFLATION ADJUSTED		HISTORICAL COST	
ASSETS	**Notes**	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Property and equipment	**8**	7 300 065 929	4 569 604 740	6 935 249 862	1 234 202 897
Right of use of assets	**9**	169 781 982	123 054 534	141 614 825	35 655 046
Investment properties	**10**	68 246 210 551	45 706 873 341	68 246 210 551	13 296 162 925
Intangible assets	**11**	419 157 080	379 774 197	280 131 846	94 635 809
Investment in associates	**13**	3 128 627 220	4 818 499 486	2 273 541 148	1 156 317 343
Deferred tax assets	**14**	1 533 604 611	181 650 509	1 125 983 431	32 384 017
Other non-current assets	**15**	111 365 906	-	111 365 906	-
Inventories	**16**	484 845 065	511 216 609	19 106 791	8 987 278
Trade and other receivables	**17**	17 160 094 820	7 781 833 282	17 173 762 109	2 228 652 160
Life reassurance contract asset	**23.1**	87 876 000	89 728 203	87 876 000	26 102 000
Current income tax assets		462 500 152	255 293 812	459 635 743	74 265 157
Deferred acquisition costs	**18**	919 546 590	834 467 521	780 755 749	176 792 016
Financial assets:					
- at amortised cost	**19.1**	1 002 923 679	3 005 011 982	1 002 923 679	874 160 186
- at fair value through profit or loss	**19.2**	6 142 794 997	4 536 663 640	6 142 794 997	1 319 718 775
- at fair value through other comprehensive income	**19.3**	4 093 119 281	2 252 820 108	4 093 119 281	655 347 019
Cash and cash equivalents	**20**	10 926 482 280	5 607 692 921	10 926 482 280	1 631 281 977
Total assets		122 188 996 143	80 654 184 885	119 800 554 198	22 844 664 605
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to equity holders of the parent					
Share capital	**21**	2 825 677 150	2 825 677 150	18 175 447	18 175 447
Share premium	**21**	6 383 816 866	6 383 816 866	787 722 112	787 722 112
Treasury shares	**21**	(10 392 855)	(10 392 855)	(1 412 619)	(1 412 619)
Revaluation reserve		5 316 807 902	2 891 907 646	7 672 416 450	903 666 649
Financial assets at fair value through other comprehensive income reserve		1 033 510 585	793 731 343	594 340 639	147 739 785
Foreign currency translation reserve		7 186 606 196	4 594 326 207	4 057 343 133	583 552 452
Change in ownership reserve		2 476 382 924	2 476 382 924	334 501 014	334 501 014
Retained earnings		20 152 290 045	15 835 055 133	29 668 215 556	7 105 586 920

GROUP STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 (continued)

		INFLATION ADJUSTED		HISTORICAL COST	
ASSETS	**Notes**	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Total equity attributable to equity holders of the parent		45 364 698 813	35 790 504 414	43 131 301 732	9 879 531 760
Non-controlling interest		5 519 534 059	2 813 023 053	5 358 109 167	853 922 597
Total equity		50 884 232 872	38 603 527 467	48 489 410 899	10 733 454 357
LIABILITIES					
Deferred tax liabilities	**14**	3 551 778 897	2 238 825 825	4 190 804 531	702 008 883
Short term insurance contract liabilities	**22**	7 820 258 539	4 755 871 909	7 187 612 936	1 211 397 022
Insurance contract liabilities with discretionary participation features	**22.2**	24 458 354 615	20 603 880 912	24 458 354 615	5 993 684 045
Investment contract liabilities with discretionary participation features	**22.3**	12 461 018 797	2 977 660 658	12 461 018 797	866 203 666
Investment contracts without discretionary participation features	**22.4**	5 589 813 222	3 269 671 498	5 589 813 222	951 149 833
Life reassurance contract liabilities	**23.2**	648 465 000	480 885 692	648 465 000	139 890 000
Borrowings	**24**	477 437 553	432 222 418	477 437 553	125 733 818
Lease liabilities	**9**	102 677 438	112 477 809	102 677 438	32 719 877
Other provisions	**25**	303 504 699	219 176 568	303 504 699	63 758 624
Trade and other payables	**26**	15 442 068 200	6 420 995 077	15 442 068 200	1 867 872 170
Current income tax payable		449 386 308	538 989 052	449 386 308	156 792 310
Bank overdraft	**19**	-	-	-	-
Total liabilities		71 304 763 271	42 050 657 418	71 311 143 299	12 111 210 248
TOTAL EQUITY AND LIABILITIES		122 188 996 143	80 654 184 885	119 800 554 198	22 844 664 605

D. Matete
Chairman

S. Kudenga
Group Chief Executive

Chairman
D. Matete
13 July 2023

Group Chief Executive Officer
S Kudenga
13 July 2023

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

		INFLATION ADJUSTED		HISTORICAL COST	
		Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
INCOME	**Notes**				
Gross written premium	**27**	20 390 246 091	18 001 781 109	17 265 859 934	4 636 790 891
Retrocession premium	**28**	(4 980 602 983)	(4 209 664 498)	(4 274 844 423)	(1 113 239 489)
Net premium written		15 409 643 108	13 792 116 611	12 991 015 511	3 523 551 402
Change in unearned premium reserve	**29**	(1 840 133 051)	(692 596 802)	(1 449 187 000)	(174 597 449)
Net premium earned		13 569 510 057	13 099 519 809	11 541 828 511	3 348 953 953
Brokerage commission and fees	**30**	1 611 879 120	1 490 838 107	1 274 828 272	401 101 209
Total insurance income		15 181 389 177	14 590 357 916	12 816 656 783	3 750 055 162
Rental income from investment property		1 479 455 498	1 069 121 812	1 089 753 298	253 330 511
Fair value adjustments on investment property	**10**	17 929 819 393	13 055 776 107	49 352 586 685	7 352 760 127
Net property income	**31**	253 291 086	129 307 485	153 472 436	(295 216)
Bargain on purchase	**37.5.2**	-	1 608 467 632	-	409 565 344
Investments income	**33**	873 732 622	590 028 329	861 789 130	169 606 527
Other income	**34**	3 812 063 103	5 243 499 647	4 680 735 693	1 398 476 467
Total income		**39 529 750 879**	**36 286 558 928**	**68 954 994 025**	**13 333 498 922**
EXPENDITURE					
Insurance benefits and claims					
Non-life insurance claims		(11 934 646 071)	(4 645 927 205)	(10 545 581 850)	(1 008 995 955)
Life reassurance benefits and claims		(1 923 660 536)	(2 606 153 288)	(1 558 575 388)	(664 591 103)
Movement in life reassurance contract liabilities	**23.2**	(651 604 466)	(386 927 091)	(446 801 000)	(90 842 000)
Claims ceded to reinsurers		7 217 756 523	1 394 020 833	6 344 071 281	362 228 893
		(7 292 154 550)	(6 244 986 751)	(6 206 886 957)	(1 402 200 165)
Gross change in insurance contract liabilities with discretionary participating features	**22.2**	1 133 233 209	(3 343 686 995)	(8 773 170 400)	(2 366 304 082)
Gross change in investment contract liabilities with discretionary participation features	**22.3**	(9 483 358 139)	(157 708 943)	(11 594 815 131)	(111 609 525)
Gross change investment contract liabilities without discretionary participation features	**22.4**	(207 597 250)	(939 928 406)	(3 429 299 258)	(665 180 810)

45 YEAR ANNIVERSARY

CONSULTATIVE SERVICES TO TAME YOUR RISK

Partner with WFDR Risk Services & experience customised global solutions

- Agriculture Insurance
- Const. / Eng. Insurance
- Healthcare
- Student Cover
- Business Insurance
- Travel Insurance

WFDR Risk Services

1st Floor Block 5 West Wing, Celestial Park, Borrowdale, Harare, Zimbabwe
(024) 2885205 info@wfdr.co.zw
wfdr.co.zw

A Member of the ZHL Group

		INFLATION ADJUSTED		HISTORICAL COST	
		Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
EXPENDITURE	Notes				
Net property operating costs	32	(225 493 539)	(328 442 556)	(375 242 389)	(37 086 916)
Commission and acquisition expenses		(4 575 972 263)	(3 509 127 970)	(3 728 272 489)	(910 349 314)
Operating and administrative expenses	35	(8 567 788 770)	(6 684 387 147)	(7 411 584 575)	(1 836 031 749)
Allowance for expected credit losses on receivables	17	(608 533 615)	(739 261 549)	(548 225 567)	(182 353 895)
Finance costs		(234 479 249)	(194 848 392)	(198 308 629)	(48 042 338)
Total expenses		(30 062 144 166)	(22 142 378 709)	(42 265 805 395)	(7 559 158 794)
Net monetary loss		(3 643 575 158)	(2 973 743 006)	-	-
Profit before share of profit of associates accounted for using the equity method		5 824 031 555	11 170 437 213	26 689 188 630	5 774 340 128
Share of (loss)/profit of associates	13	(1 735 248 672)	(502 614 146)	(2 049 610 212)	92 517 053
Profit before income tax		**4 088 782 883**	**10 667 823 067**	**24 639 578 418**	**5 866 857 181**
Income tax expense	14.2	25 465 370	(994 337 129)	(1 465 256 507)	(471 305 890)
Profit for the year		**4 114 248 253**	**9 673 485 938**	**23 174 321 911**	**5 395 551 291**
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified to profit or loss:					
Property revaluation (loss)/surplus	8	2 191 809 433	722 809 937	4 222 913 719	477 386 819
Share of other comprehensive income of associates accounted for using the equity method	13	408 933 555	126 772 575	2 866 677 488	352 551 093
Gross change in insurance liabilities through OCI		-	-	-	-
Other comprehensive income		-	(594 878 252)	-	(339 097 687)
Income tax relating to components of other comprehensive income	14.1	(175 842 732)	(1 302 558)	(320 841 407)	(10 108 415)
		2 424 900 256	253 401 702	6 768 749 800	480 731 810
Items that may be reclassified to profit or loss:					
Exchange gains on translation of foreign operations		3 922 682 340	(142 594 496)	5 745 293 693	70 376 162
Changes in fair value of financial assets at FVOCI	19.3	242 201 254	152 787 144	451 111 974	60 035 752
Income tax relating to components of other comprehensive income	14.1	(2 422 013)	(1 527 872)	(4 511 120)	(600 358)
		4 162 461 581	8 664 776	6 191 894 547	129 811 556
Other comprehensive income for the year net of tax		6 587 361 837	262 066 478	12 960 644 347	610 543 366
Total comprehensive income for the year		10 701 610 090	9 935 552 416	36 134 966 258	6 006 094 657

		INFLATION ADJUSTED		HISTORICAL COST	
	Notes	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Profit attributable to:					
Equity holders of Zimre Holdings Limited		4 640 302 587	9 231 759 628	22 820 581 019	5 193 182 572
Non-controlling interests		(526 054 334)	441 726 310	353 740 892	202 368 720
		4 114 248 253	9 673 485 938	23 174 321 911	5 395 551 292
Total comprehensive income attributable to:					
Equity holders of Zimre Holdings Limited		9 897 262 075	9 474 558 324	33 509 722 354	5 745 892 660
Non-controlling interests		804 348 015	460 994 092	2 625 243 904	260 201 998
		10 701 610 090	9 935 552 416	36 134 966 258	6 006 094 658
Earnings per share attributable to owners of Zimre Holdings Limited					
Basic and diluted earnings per share (ZWL cents):	**36**	255.21	507.74	1,255.11	285.62

GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

INFLATION ADJUSTED	Notes	Share capital ZWL	Share premium ZWL	Treasury shares ZWL	Revaluation reserve ZWL	Financial assets at fair value through other comprehensive income reserve ZWL	Foreign currency translation reserve ZWL	Change in ownership reserve ZWL	Retained earnings ZWL	Attributable equity holders of parent ZWL	Non-controlling interest ZWL	Total equity ZWL
Year ended 31 December 2021												
Balance as at 1 January 2021		**2 825 677 150**	**6 383 816 866**	**(8 609 425)**	**2 604 361 495**	**642 472 071**	**4 790 332 934**	**2 476 382 924**	**8 336 876 473**	**28 051 310 488**	**3 729 427 859**	**31 780 738 347**
Total comprehensive income for the year		-	-	-	**287 546 151**	**151 259 272**	**(196 006 728)**	-	**92 31 759 628**	**9 474 558 324**	**460 994 092**	**9 935 552 416**
Profit for the year		-	-	-	-	-	-	-	9 231 759 628	9 231 759 628	441 726 310	9 673 485 938
Other comprehensive income for the year net of tax		-	-	-	287 546 151	151 259 272	(196 006 728)	-	-	242 798 696	19 267 782	262 066 478
Bargain purchase		-	-	-	-	-	-	-	(1 599 661 298)	(1 599 661 298)	-	(1 599 661 298)
Non-controlling interests on acquisition of subsidiary		-	-	-	-	-	-	-	-	-	(1 377 398 898)	(1 377 398 898)
Transactions with owners in their capacity as owners		-	-	**(1 783 430)**	-	-	-	-	**(133 919 670)**	**(135 703 100)**	-	**(135 703 100)**
Dividend declared and paid		-	-	-	-	-	-	-	(133 919 670)	(133 919 670)	-	(133 919 670)
Share buy-back		-	-	(1 783 430)	-	-	-	-	-	(1 783 430)	-	(1 783 430)
Balance as at 31 December 2021		**2 825 677 150**	**6 383 816 866**	**(10 392 855)**	**2 891 907 646**	**793 731 343**	**4 594 326 207**	**2 476 382 924**	**15 835 055 133**	**35 790 504 414**	**2 813 023 053**	**38 603 527 467**
Year ended 31 December 2022												
Balance as at 1 January 2022		**2825 677 150**	**6383 816 866**	**(10 392 855)**	**2 891 907 646**	**793 731 343**	**4 594 326 207**	**2 476 382 924**	**15 835 055 133**	**35 790 504 414**	**2 813 023 053**	**38 603 527 467**
Total comprehensive income for the year		-	-	-	**2 424 900 256**	**239 779 242**	**2 592 279 989**	-	**4 640 302 587**	**9 897 262 075**	**804 348 015**	**10 701 610 090**
Profit for the year		-	-	-	-	-	-	-	4 640 302 587	4 640 302 587	(526 054 334)	4 114 248 253
Other comprehensive income for the year net of tax		-	-	-	2 424 900 256	239 779 242	2 592 279 989	-	-	5 256 959 488	1 330 402 349	6 587 361 837
Transactions with owners in their capacity as owners		-	-	-	-	-	-	-	**(323 067 675)**	**(323 067 675)**	**1 902 162 990**	**1 579 095 315**
Dividend declared and paid					-	-	-	-	(323 067 675)	(323 067 675)	-	(323 067 675)
Change in ownership percentage		-	-	-	-	-	-	-	-	-	1 902 162 990	1 902 162 990
Balance as at 31 December 2022		**2 825 677 150**	**6 383 816 866**	**(10 392 855)**	**5 316 807 902**	**1 033 510 585**	**7 186 606 196**	**2 476 382 924**	**20 152 290 045**	**45 364 698 814**	**5 519 534 059**	**50 884 232 872**

HISTORICAL COST	Notes	Share capital ZWL	Share premium ZWL	Treasury shares ZWL	Revaluation reserve ZWL	Financial assets at fair value through other comprehensive income reserve ZWL	Foreign currency translation reserve ZWL	Change in ownership reserve ZWL	Retained earnings ZWL	Attributable equity holders of parent ZWL	Non-controlling interest ZWL	Total ZWL
Year ended 31 December 2021												
Balance as at 1 January 2021		18 175 447	787 722 112	(1 023 081)	465 230 460	88 304 391	528 713 948	334 501 014	2351 969 692	4573 593 983	803 620 028	5377 214 011
Total comprehensive income for the year		-	-	-	438 436 189	59 435 394	54 838 504	-	5 193 182 572	5 745 892 659	260 201 998	6 006 094 657
Profit for the year		-	-	-	-	-	-	-	5 193 182 572	5 193 182 572	202 368 720	5 395 551 292
Other comprehensive income for the year net of tax		-	-	-	438 436 189	59 435 394	54 838 504	-	-	552 710 087	57 833 278	610 543 365
Burgain purchase		-	-	-	-	-	-	-	(409 565 344)	(409 565 344)	-	(409 565 344)
Non-controlling interests on acquisition of subsidiary					-	-	-		-	-	(209 899 429)	(209 899 429)
Transactions with owners in their capacity as owners		-	-	(389 538)	-	-	-	-	(30 000 000)	(30 389 538)	-	(30 389 538)
Dividend declared and paid		-	-	-	-	-	-	-	(30 000 000)	(30 000 000)	-	(30 000 000)
Share buy-back	20	-	-	(389 538)	-	-	-	-	-	(389 538)	-	(389 538)
Balance as at 31 December 2021		18 175 447	787 722 112	(1 412 619)	903 666 649	147 739 785	583 552 452	334 501 014	7 105 586 920	9 879 531 760	853 922 597	10 733 454 357
Year ended 31 December 2022												
Balance as at 1 January 2022		18 175 447	787 722 112	(1 412 619)	903 666 649	147 739 785	583 552 452	334 501 014	7 105 586 920	9 879 531 760	853 922 597	10 733 454 357
Total comprehensive income for the year		-	-	-	6 768 749 801	446 600 854	3 473 790 681	-	22 820 581 019	33 509 722 355	2 625 243 904	36 134 966 259
Profit for the year		-	-	-	-	-	-	-	22 820 581 019	22 820 581 019	353 740 892	23 174 321 911
Other comprehensive income for the year net of tax		-	-	-	6 768 749 801	446 600 854	3 473 790 681	-	-	10 689 141 336	2 271 503 012	12 960 644 348
Transactions with owners in their capacity as owners		-	-	-	-	-	-	-	(257 952 383)	(257 952 383)	1 878 942 666	1 620 990 284
Dividend declared and paid		-	-	-	-	-	-	-	(257 952 383)	(257 952 383)	-	(257 952 383)
Change in ownership percentage	36.5	-	-	-	-	-	-	-	-	-	1 878 942 666	1 878 942 667
Balance as at 31 December 2022		18 175 447	787 722 112	(1 412 619)	7 672 416 450	594 340 639	4 057 343 133	334 501 014	29 668 215 556	43 131 301 731	5 358 109 167	48 489 410 899

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

		INFLATION ADJUSTED		HISTORICAL COST	
	Notes	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Profit/(loss) before income tax		4 088 782 883	10 667 823 067	24 639 578 418	5 866 857 181
Adjustments for non-cash items:					
Net monetary loss		3 643 575 158	2 973 743 006	-	-
Depreciation	8	251 299 658	234 968 264	118 012 781	43 659 283
Lease depreciation charge	9	47 106 645	80 293 631	42 272 033	7 470 307
Fair value adjustments on investment property	10	(17 929 819 393)	(13 055 776 107)	(49 352 586 685)	(7 352 760 127)
Amortisation of intangible assets	11	41 957 587	16 671 669	30 780 727	503 785
Goodwill reversal	11	-	339 360 449	-	144 955 157
Share of profit of associate	13	1 735 248 672	502 614 146	2 049 610 212	(92 517 053)
Movement in life reassurance contract liabilities	23	169 431 511	386 927 092	446 801 000	90 842 000
Movement in life assurance contract liabilities		15 657 973 566	4 087 598 067	34 698 149 090	3 691 298 607
Movement in allowance for credit losses	17	608 533 615	739 261 549	548 225 567	182 353 895
Movement in deferred acquisition costs	18	(85 079 069)	(259 269 743)	(603 963 733)	(90 864 459)
Movement in short term insurance contract liabilities	22	2 929 194 395	845 495 648	3 064 961 387	284 835 251
Movement in other provisions	25	84 328 131	53 400 349	239 746 075	12 042 016
Bargain on purchase	33	-	(1 608 467 632)	-	(409 565 344)
Profit from disposal of property and equipment	34	(20 381 138)	(60 878 730)	(14 559 406)	(16 828 997)
Profit from disposal of investment property	34	(8 003 023)	233 036 148	(8 003 023)	61 366 348
Profit from disposal of financial assets at fair value through profit or loss	34	(441 675)	-	(441 675)	-
Fair value gains on financial assets at fair value through profit or loss	34	673 656 567	(1 834 243 042)	(1 098 314 780)	(526 463 404)
Unrealised exchange (gains)/losses		(2 002 664 125)	(282 239 070)	(1 005 618 850)	(204 574 199)
Adjustments for separately disclosed items:					
Finance costs		234 479 249	194 848 392	198 308 629	48 042 338
Dividend received	33	(173 481 020)	(78 160 247)	(164 927 757)	(26 791 460)
Interest received	33	(700 251 602)	(511 868 082)	(696 861 373)	(142 815 067)
Working capital changes:					
Increase in trade and other receivables		(9 378 261 538)	(876 663 259)	(14 945 109 949)	(983 437 913)
Decrease/(increase) in inventory		26 371 544	327 543 022	(10 119 513)	(2 279 743)
Increase/(decrease) in trade and other payables		9 021 073 123	(1 402 110 695)	13 574 196 027	452 053 397

	Notes	INFLATION ADJUSTED Group 2022 ZWL	INFLATION ADJUSTED Group 2021 ZWL	HISTORICAL COST Group 2022 ZWL	HISTORICAL COST Group 2021 ZWL
Cash flows from operations		8 914 629 721	2 278 386 032	11 750 135 202	1 037 381 799
Finance costs		(234 479 249)	(194 848 392)	(198 308 629)	(48 042 338)
Income tax paid		(130 030 460)	(228 518 008)	(121 824 464)	(61 336 597)
Net cash flows from operating activities		8 550 120 012	1 855 019 632	11 430 002 109	928 002 864
Cash flows from investing activities					
Purchase of property and equipment	**8**	(223,043,031)	(216 140 638)	(238 699 609)	(63 699 910)
Purchase of intangible assets - software	**11.1**	(25 393 582)	(26 565 519)	(186 498 996)	(9 344 983)
Acquisition and development of investment property	**10**	(582 834 896)	(1 009 077 175)	(11 542 083)	(265 339 458)
Acquisition of an associate	**12**	(2 040 813 812)	(2 610 010 333)	(1 797 060 610)	(507 018 367)
Purchase of financial assets at amortised cost	**19.1**	(61 669 774)	(36 041 910)	(60 584 016)	(11 129 119)
Purchase of financial assets at fair value through profit or loss	**19.2**	(36 652 442)	(155 217 667)	(51 544 498)	(34 309 018)
Purchase of financial assets at FVOCI	**19.3**	(87 576 326)	(106 169 221)	(89 918 939)	(25 488 295)
Purchase of other non financial assets		(113 946 456)	-	(109 187 958)	-
Proceeds from disposal of property, plant and equipment		2 675 124	-	10 028 364	-
Proceeds from disposal of financial assets at amortised cost	**19.1**	25 918 999	6 272 978	57 848 439	1 824 814
Proceeds from disposal of financial assets through profit or loss	**19.2**	68 283 706	546 483 055	39 387 655	174 150 394
Proceeds from disposal of financial assets at FVOCI	**19.3**	-	-	-	-
Dividends received	**33**	173 481 020	78 160 247	164 927 757	26 791 460
Interest received	**33**	700 251 602	511 868 082	696 861 373	142 815 067
Cash flows (used in)/generated from investing activities		(2 201 319 868)	(3 016 438 101)	(1 575 983 121)	(570 747 415)

	Notes	INFLATION ADJUSTED Group 2022 ZWL	INFLATION ADJUSTED Group 2021 ZWL	HISTORICAL COST Group 2022 ZWL	HISTORICAL COST Group 2021 ZWL
Financing activities					
Dividends paid to Company shareholders	38	(323 067 675)	(133 919 670)	(257 952 383)	(30 000 000)
Loan drawdown	24	84 481 210	566 034 794	339 362 046	10 667 041
Loan repayment	24	(215 727 676)	(303 647 063)	(127 325 472)	17 444 642
Lease payments	9	(32 040 916)	(34 928 428)	(27 039 252)	(10 733 854)
Share buy-back	21	-	(1 783 430)	-	(389 538)
Cash generated from financing activities		(486 355 057)	91 756 203	(72 955 061)	(13 011 709)
Inflation effect		(57 792 104)	337 700 545	-	-
Net increase/(decrease) in cash and cash equivalents		5 862 445 087	(1 069 662 266)	9 781 063 927	344 243 740
Cash and cash equivalents at the beginning of the year		5 607 692 921	6 538 816 988	1 631 281 977	1 183 389 323
Effects of exchange rate changes on cash and cash equivalents		(485 863 624)	476 238 744	(485 863 624)	103 648 914
Cash and cash equivalents at the end of the year	20	10 926 482 280	5 607 692 921	10 926 482 280	1 631 281 977

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

		INFLATION ADJUSTED		HISTORICAL COST	
		Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
ASSETS	**Notes**				
Property and equipment	**8**	21 634 587	-	19 693 050	-
Right of use of assets	**9**	58 603 737	2 212 472	30 436 580	502 001
Investment property	**10**	18 186 532	-	18 186 532	-
Investment in subsidiaries	**12**	14 819 475 829	14 819 475 829	1 363 494 358	1 363 494 358
Investment in associates	**13**	706 405 725	130 722 029	576 396 918	713 218
Deferred tax assets	**14**	-	-	2 809 547	1 070 347
Other receivables and prepayments	**17**	234 907 152	263 638 011	234 907 152	72 850 685
Financial assets:					
- at amortised cost	**19.1**	46 864	161 100	46 864	46 864
- at fair value through profit or loss	**19.2**	68 639 049	44 377 640	68 639 049	12 909 488
- at fair value through other comprehensive income	**19.3**	536 815 463	294 614 209	536 815 463	85 703 489
Cash and cash equivalents	**20**	38 000 742	4 900 245	38 000 742	1 425 485
Total assets		16 502 715 680	15 560 101 535	2 889 426 255	1 538 715 935
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to equity holders of the parent					
Share capital	**21**	2825 677 143	2825 677 143	18 175 447	18 175 447
Share premium		6 383 816 869	6383 816 869	787 722 113	787 722 113
Treasury shares		(10 392 855)	(10 392 855)	(1 412 619)	(1 412 619)
Financial assets at fair value through other comprehensive income reserve		310 666 147	70 886 905	525 633 405	79 032 551
Retained earnings		5 606 973 107	3 428 280 277	191 570 023	(128 162 194)
Total equity		15 116 740 410	12 698 268 339	1 521 688 369	755 355 298
LIABILITIES					
Deferred tax liabilities	**14**	18 237 383	8 225 480	-	-
Lease liabilities	**9**	34 539 885	951 793	34 539 884	276 877
Other provisions	**25**	36 332 820	29 371 550	36 332 820	8 544 205
Trade and other payables	**26**	1 296 865 182	2 823 284 373	1 296 865 182	774 539 555
Total liabilities		1 385 975 270	2 861 833 196	1 367 737 886	783 360 637
TOTAL EQUITY AND LIABILITIES		16 502 715 680	15 560 101 535	2 889 426 255	1 538 715 935

COMPANY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

		INFLATION ADJUSTED		HISTORICAL COST	
		Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
INCOME	**Notes**				
Investments income	**33**	83 485 295	105 080 602	62 311 073	22 994 988
Other gains	**34**	2 025 010 733	32 323 191	1 256 107 091	20 511 623
Total income		2 108 496 028	137 403 793	1 318 418 164	43 506 611
EXPENDITURE					
Operating and administrative expenses	**35**	(985 557 716)	(674 601 616)	(728 974 444)	(160 569 953)
Finance costs		(23 011 105)	(826 251)	(18 009 440)	(175 602)
Total expenses		(1 008 568 820)	(675 427 867)	(746 983 884)	(160 745 555)
Net monetary gains/(losses)		1 389 399 380	911 952 720	-	-
Profit/(loss) before tax		2 489 326 588	373 928 646	571 434 280	(117 238 944)
Income tax credit/(expense)	**14.3**	12 433 915	(4 805 767)	6 250 320	1 221 854
Profit/(loss) for the year		2 501 760 503	369 122 879	577 684 600	(116 017 090)
OTHER COMPREHENSIVE INCOME					
Items that may be reclassified to profit or loss:					
Fair value gains for financial assets at FVOCI	**19.3**	242 201 254	152 787 144	451 111 974	60 035 752
Income tax relating to components of other comprehensive income		(2 422 013)	(1 527 872)	(4 511 120)	(600 358)
Other comprehensive (loss)/income for the year net of tax		239 779 242	151 259 272	446 600 854	59 435 394
Total comprehensive income for the year		2 741 539 745	520 382 151	1 024 285 454	(56 581 696)
Profit/(loss) attributable to:					
Equity holders of Zimre Holdings Limited		2 501 760 503	369 122 880	577 684 600	(116 017 090)
Total comprehensive income/(loss) attributable to:					
Equity holders of Zimre Holdings Limited		2 741 539 745	520 382 152	1 024 285 454	(56 581 696)
Earnings per share from profit of continuing operations attributable to owners of Zimre Holdings Limited					
Basic and diluted earnings per share (ZWL cents):	**36**	137.59	24.07	31.77	0.28

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

INFLATION ADJUSTED	Notes	Share capital ZWL	Share premium ZWL	Treasury shares ZWL	Financial assets at fair alue through other comprehensive income reserve ZWL	Retained earnings ZWL	Total ZWL
Balance as at 31 December 2021							
Balance as at 1 January 2021		2 825 677 143	6 383 816 869	(8 609 424)	(80 372 367)	3 166 491 971	12 287 004 191
Total comprehensive income for the year		-	-	-	151 259 272	369 122 879	520 382 151
Profit for the year		-	-	-	-	369 122 879	369 122 879
Other comprehensive income for the year, net of tax		-	-	-	151 259 272	-	151 259 272
Transactions with owners in their capacity as owners		-	-	(1 783 430)	-	(107 334 572)	(109 118 002)
Dividend declared and paid	37	-	-	-	-	(107 334 572)	(107 334 572)
Share buyback	21	-	-	(1 783 430)	-	-	(1 783 430)
Balance as at 31 December 2021		2 825 677 143	6 383 816 869	(10 392 855)	70 886 905	3 428 280 277	12 698 268 339
Year ended 31 December 2022							
Balance as at 1 January 2022		2 825 677 143	6 383 816 869	(10 392 855)	70 886 905	3 428 280 277	12 698 268 339
Total comprehensive income for the year		-	-	-	239 779 242	2 501 760 503	2 741 539 745
Profit for the year		-	-	-	-	2 501 760 503	2 501 760 503
Other comprehensive income for the year, net of tax		-	-	-	239 779 242	-	239 779 242
Transactions with owners in their capacity as owners		-	-	-	-	(323 067 674)	(323 067 674)
Dividend declared and paid	37	-	-	-	-	(323 067 674)	(323 067 674)
Balance as at 31 December 2022		2 825 677 143	6 383 816 869	(10 392 855)	310 666 147	5 606 973 107	15 116 740 411

HISTORICAL COST **Year ended 31 December 2021**	**Notes**	**Share capital ZWL**	**Share premium ZWL**	**Treasury shares ZWL**	**Financial assets at fair value through other comprehensive income reserve ZWL**	**Retained earnings ZWL**	**Total ZWL**
Balance as at 1 January 2021		18 175 447	787 722 113	(1 023 081)	19 597 157	17 854 896	842 326 532
Comprehensive income for the year		-	-	-	59 435 394	(116 017 090)	(56 581 696)
Profit for the year		-	-	-	-	(116 017 090)	(116 017 090)
Other comprehensive income for the year, net of tax		-	-	-	59 435 394	-	59 435 394
Transactions with owners in their capacity as owners		-	-	(389 538)	-	(30 000 000)	(30 389 538)
Dividend declared and paid	37		-	-	-	(30 000 000)	(30 000 000)
Share buyback	21	-	-	(389 538)	-	-	(389 538)
Balance as at 31 December 2021		18 175 447	787 722 113	(1 412 619)	79 032 551	(128 162 194)	755 355 298
Year ended 31 December 2022							
Balance as at 1 January 2022		18 175 447	787 722 113	(1 412 619)	79 032 551	(128 162 194)	755 355 298
Comprehensive income for the year		-	-	-	446 600 854	577 684 600	1 024 285 454
Profit for the year		-	-	-	-	577 684 600	577 684 600
Other comprehensive income for the year, net of tax		-	-	-	446 600 854	-	446 600 854
Transactions with owners in their capacity as owners		-	-	-	-	(257 952 383)	(257 952 383)
Dividend declared and paid	37		-	-	-	(257 952 383)	(257 952 383)
Balance as at 31 December 2022		18 175 447	787 722 113	(1 412 619)	525 633 405	191 570 023	1 521 688 369

COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

		INFLATION ADJUSTED		HISTORICAL COST	
	Notes	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
Profit /(loss) before income tax		2 489 326 588	373 928 646	571 434 280	(117 238 944)
Adjustments for non-cash items:					
Depreciation	8	1 440 419	8 507 129	1 422 006	69 623
Lease depreciation charge	9	13 852 481	38 765 980	9 017 869	3 349 709
Fair value gains on financial assets at fair value through profit or loss	19.2	(24 261 409)	(14 697 216)	(55 866 411)	(7 844 441)
Lease payments		-	-	-	-
Monetary (gains)/losses		(1 389 399 380)	(911 952 720)	-	-
Movement in leave pay provision	25	6 961 270	11 999 059	27 788 615	5 400 147
Unrealised exchange (gains)/losses	34	(518 967 187)	(4 529 779)	256 636	(1 317 716)
Adjustments for separately disclosed items:					
Finance costs		23 011 105	826 251	18 009 440	175 602
Dividend received	33	(83 450 442)	(102 177 598)	(62 276 622)	(22 327 271)
Interest received	33	(34 853)	(2 903 004)	(34 451)	(667 716)
Working capital changes:					
Decrease/(increase) in other receivables and prepayments		28 730 859	(245 212 908)	(162 056 467)	(69 516 126)
(Decrease)/increase in trade and other payables		(1 526 419 191)	2 494 402 433	522 325 627	715 018 792
Cash flows from operations		(979 209 741)	1 646 956 273	870 020 522	505 101 659
Finance costs		(23 011 105)	(826 251)	(18 009 440)	(175 602)
Net cash flows utilised in/ generated from operating activities		(1 002 220 845)	1 646 130 022	852 011 082	504 926 057
Cash flows from investing activities					
Purchase of property and equipment	8	(23 075 006)	-	(21 115 055)	-
Acquisition and development of investment property	10	(18 186 532)	-	(18 186 532)	
Acquisition of an associate	13	(575 683 699)	-	(575 683 699)	
Acquisition of associate	10.2	-	(2 610 010 333)	-	(507 018 367)
Purchase of financial assets	19.2	-	(20 521 148)	-	(4 145 448)

	Notes	INFLATION ADJUSTED Company 2022 ZWL	INFLATION ADJUSTED Company 2021 ZWL	HISTORICAL COST Company 2022 ZWL	HISTORICAL COST Company 2021 ZWL
Proceeds from disposal of financial assets through profit or loss	**19.2**	136 850	33 550 964	136 850	5 470 622
Dividends received	**33**	83 450 442	102 177 598	62 276 622	22 327 271
Interest received	**33**	34 853	2 903 004	34 451	667 716
Cash flows used in investing activities		(533 323 092)	(2 491 899 915)	(552 537 363)	(482 698 206)
Financing activities					
Dividends paid	**37**	(323 067 674)	(107 334 573)	(257 952 383)	(30 000 000)
Lease payments	**9**	33 588 091	(10 680 822)	(5 516 027)	(3 680 208)
Share buy-back	**21**	-	(1 783 430)	-	(389 538)
Cash used in financing activities		-	(119 798 825)	-	(34 069 746)
Inflation effect on cash		1 857 554 068	900 314 720	-	-
Net decrease in cash and cash equivalents		32 530 548	(65 253 998)	36 005 308	(11 841 895)
Cash and cash equivalents at the beginning of the year		4 900 245	65 271 688	1 425 485	12 104 747
Effects of exchange rate changes on cash and cash equivalents		569 948	4 882 555	569 948	1 162 633
Cash and cash equivalents at the end of the year	**20**	38 000 742	4 900 245	38 000 742	1 425 485

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 GENERAL INFORMATION

The principal activities of Zimre Holdings Limited (the "Company" or "ZHL") and its subsidiaries and associates (together "the Group") is the provision of life assurance, non life insurance (general insurance, reinsurance, healthcare, funeral assurance), property management and development services, asset management and microlending. The Group also has an associate 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 Block D, 2nd Floor, Smatsatsa Office Park, Stand Number 10667, Borrowdale, Harare, Zimbabwe.

The financial statements of the Group for the year ended 31 December 2022 were authorised for issue by a resolution of the Board of Directors on 31 March 2023.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These financial statements for the year ended 31 December 2022 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Zimbabwe economy is under hyperinflationary environment effective 1 July 2019. IAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the balance sheet date, and the corresponding figures for previous period also be restated in terms of the same measuring unit. Although IAS 29 discourages the presentation of historical financial statements when inflation adjusted financial statements are presented, historical financial statements are included to allow comparability.

2.1.2 Compliance statement

These financial statements for the year ended 31 December 2022 have been prepared in accordance with International Financial Reporting Standards and in a manner required by the Zimbabwe Companies and Other Business Entities Act [Chapter 24:31].

2.1.3 a) Hyperinflation accounting

On 9 July 2019, the Public Accountants and Auditors Board ("PAAB") issued Pronouncement 01/2019, which advised that Zimbabwe had met all the conditions for the application of IAS 29 effective for financial reporting periods ending on or after 1 July 2019. These hyperinflationary conditions persisted into the current reporting period, making the application of IAS 29 imperative. For purposes of fair presentation in accordance with IAS 29, the historical cost information has been restated for changes in the general purchasing power of the Zimbabwe dollar. Accordingly, the inflation adjusted financial statements represent the primary financial statements of the Group. In line with the provisions of IAS 29, the historical cost financial information has been provided by way of supplementary information only. IAS 29 requires that the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the reporting date and that the corresponding figures for the comparative periods be stated in the same terms.

These financial statements and the corresponding figures for the previous years have been restated to take account of the changes in the account of the changes in the general purchasing power of the ZWL. The restatement is based on conversion factors derived from the Zimbabwe Consumer Price Index ("CPI") compiled by the Zimbabwe National Statistics Agency from the figures published by the Reserve Bank of Zimbabwe. The indices and conversion factors used are as follows:

Dates	Conversion Factor	
31 December 2022	13,672.91	1.000
31 December 2021	3977.46	3.438
Averages		
31 December 2022	9,198.69	1.486
31 December 2021	3135.23	1.269

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of preparation (continued)

b) Functional and presentation currency

The financial statements are presented in Zimbabwe dollar ("ZWL") which is both the functional and presentation currency of the Group.

(c) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions or valuation where items are re-measured. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are generally recognised in the statement of profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses). Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

(d) Group companies

The results and financial positions of all the Group's subsidiaries and associates that have a functional currency different from the ZWL (none of which is a currency of a hyperinflationary economy) are translated into ZWL as follows:

i. income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average foreign currency exchange rate;
ii. assets and liabilities for each statement of financial position are translated at the closing foreign currency exchange rate at the date of the statement of financial position; and
iii. all resulting foreign currency exchange rate differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment is repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation and presentation (continued)

2.1.4 New standards, amendments and interpretations, effective for the first time for 31 December 2022 year ends that are relevant to the Group

Number	Effective date	Executive summary
Amendment to IFRS 3, 'Business combinations' asset or liability in a business combination clarity	Annual periods beginning on or after 1 January 2022	The Board has updated IFRS 3, 'Business combinations', to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, the Board added a new exception in IFRS 3 for liabilities and contingent liabilities. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS 37, 'Provisions, contingent liabilities and contingent assets', or IFRIC 21, 'Levies', rather than the 2018 Conceptual Framework. The Board has also clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.
Amendments to IAS 16 'Property, Plant and Equipment': Proceeds before Intended Use	Annual periods beginning on or after 1 January 2022	The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of property and equipment and any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The proceeds from selling such items, together with the costs of producing them, are recognised in profit or loss.
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' on Onerous Contracts—Cost of Fulfilling a Contract	Annual periods beginning on or after 1 January 2022	The amendment clarifies which costs an entity includes in assessing whether a contract will be loss-making. This assessment is made by considering unavoidable costs, which are the lower of the net cost of exiting the contract and the costs to fulfil the contract. The amendment clarifies the meaning of 'costs to fulfil a contract'. Under the amendment, costs to fulfil a contract include incremental costs and the allocation of other costs that relate directly to fulfilling the contract.
Annual improvements cycle 2018 -2020	Annual periods beginning on or after 1 January 2022	These amendments include minor changes to: • IFRS 1, 'First time adoption of IFRS' has been amended for a subsidiary that becomes a first-time adopter after its parent. The subsidiary may elect to measure cumulative translation differences for foreign operations using the amounts reported by the parent at the date of the parent's transition to IFRS • IFRS 9, 'Financial Instruments' has been amended to include only those costs or fees paid between the borrower and the lender in the calculation of "the 10% test" for derecognition of a financial liability. Fees paid to third parties are excluded from this calculation. • IFRS 16, 'Leases', amendment to the Illustrative Example 13 that accompanies IFRS 16 to remove the illustration of payments from the lessor relating to leasehold improvements. The amendment intends to remove any potential confusion about the treatment of lease incentives. • IAS 41, 'Agriculture' has been amended to align the requirements for measuring fair value with those of IFRS 13. The amendment removes the requirement for entities to exclude cash flows for taxation when measuring fair value.

2.1.4 New standards, amendments and interpretations issued but not effective for 31 December 2022 year ends that are relevant to the Company and have not been early adopted

Number	Effective date	Executive summary
Amendments to IAS 12, Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Trans-action	Annual periods beginning on or after 1 January 2023. Earlier application is permitted.	The amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.
IFRS 17, 'Insurance contracts'	1 January 2023 Early application is permitted for entities that apply IFRS 9, 'Financial instruments', and IFRS 15, 'Revenue from contracts with customers', at or before the date of initial application of IFRS 17.	The IASB issued IFRS 17, 'Insurance contracts', and thereby started a new epoch of accounting for insurers. Whereas the current standard, IFRS 4, allows insurers to use their local GAAP, IFRS 17 defines clear and consistent rules that will significantly increase the comparability of financial statements. For insurers, the transition to IFRS 17 will have an impact on financial statements and on key performance indicators. Under IFRS 17, the general model requires entities to measure an insurance contract at initial recognition at the total of the fulfilment cash flows (comprising the estimated future cash flows, an adjustment to reflect the time value of money and an explicit risk adjustment for non-financial risk) and the contractual service margin. The fulfilment cash flows are remeasured on a current basis each reporting period. The unearned profit (contractual service margin) is recognised over the coverage period. Aside from this general model, the standard provides, as a simplification, the premium allocation approach. This simplified approach is applicable for certain types of contract, including those with a coverage period of one year or less. For insurance contracts with direct participation features, the variable fee approach applies. The variable fee approach is a variation on the general model. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the contractual service margin. Consequently, the fair value changes are not recognised in profit or loss in the period in which they occur but over the remaining life of the contract.
IFRS 17, 'Insurance contracts' Amendments	1 January 2023	In response to some of the concerns and challenges raised, the Board developed targeted amendments and several proposed clarifications intended to ease implementation of IFRS 17, simplify some requirements of the standard and ease transition. The amendments are not intended to change the fundamental principles of the standard or unduly disrupt implementation already underway. The Group commenced preparations for the implementation of IFRS 17 a project team was set up and the following have been done • A project charter and detailed implementation plan was drafted • Performance of Gap Analysis on products, systems, and business processes to enable full project documentation. • Data categorisation defining starting points to align to the current system. • Aligning and upgrading existing operating and accounting systems to the new user requirements arising from implementing IFRS 17. • Aligning actuarial models currently in use to IFRS 17 requirements and inte-grating the actuarial systems to the Group's operating systems and accounting systems. • Reviewing and updating accounting policies and updating business processes for financial reporting purposes. • Training sessions were organised for the project team and these will be held continuously until project is fully implemented.
Amendment to IAS 1 'Presentation of Financial Statements' on Classification of Liabilities as Current or Non-current	Defer the effective date of the amendments to IAS1, classification of liabilities as current or non-current to annual reporting periods beginning on or after a date to be decided after exposure, but no earlier than 1 January 2023.	The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.

There are no other standards, amendments and interpretations that are not yet effective that are likely to have a material impact on the Group and Company.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Principles of consolidation and equity accounting

Group

The consolidated financial statements comprise the financial statements of Zimre Holdings Limited (the "Company") and its subsidiaries and associates.

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Specifically, the Group controls an investee if and only if the Group has:
- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee, and
- the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; or
- the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired during the year are included in the statement of comprehensive income and statement of financial position from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date. Any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9, 'Financial instruments' either in statement of profit or loss or as a change to the comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity. Acquisition related costs are expensed as incurred. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest is less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in the profit or loss as a bargain purchase.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of financial position respectively. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between Group entities are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the transferred asset. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All subsidiaries of the Company have 31 December year ends and are consolidated in the financial statements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Principles of consolidation and equity accounting

Group (continued)

Loss of control
If the Group loses control over a subsidiary, it:
- derecognises the assets (including goodwill) and liabilities of the subsidiary;
- derecognises the carrying amount of any non-controlling interest;
- derecognises the cumulative transaction differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in the statement of comprehensive income; and
- reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

Changes in ownership interests in subsidiaries without change of control
Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners of the Group in their capacity as owners. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity. Gains or losses from disposal to non-controlling interests are also recorded in equity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Principles of consolidation and equity accounting (continued)

(a) Subsidiaries (continued)

Separate financial statements

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less accumulated allowance for impairment.

(b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. If the shareholding is less than 20%, the Group will be presumed not to have significant influence unless such influence can be clearly demonstrated. The existence of significant influence by the Group is usually evidenced in one or more of the following ways:

- representation on the board of directors or equivalent governing body of the investee;
- participation in the policy-making process;
- material transactions between the investor and the investee;
- interchange of managerial personnel; or
- provision of essential technical information.

Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost and thereafter the carrying amount is increased or decreased to recognise the investor's share of post-acquisition profits or losses of the investee and the Group's share of movements in other comprehensive income after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

When the investment, or portion of an investment, meets the criteria to be classified as held for sale, the portion so classified is accounted for in accordance with IFRS 5, 'Non-current assets held for sale and discontinued operations'. Any remaining portion is accounted for using, the equity method until the time of disposal, at which time the retained investment is accounted under IFRS 9, 'Financial instruments', unless the retained interest continues to be an equity accounted entity in accordance with the provisions of the standard.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. When the Group's share of losses in an equity - accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the other entity.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss) of an associate' in the statement of profit or loss. Unrealised gains resulting from upstream and downstream transactions between the Group and its associate are eliminated in the Group's financial statements to the extent of the investor's interests in the entity. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting polices of equity accounted investees have been changed where necessary to ensure consistency with the polices adopted by the Group.

The associates, except for CFI Holdings Limited which has a 30 September year end, have 31 December year-ends, and are included

in the financial statements based on audited year end financial statements.

2.3 Earnings per share

(i) Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares;
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutivepotential ordinary shares.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker, responsible for allocating resources and assessing performance of the operating segments, has been identified as the "Group Executive Committee" which comprises the Group Chief Executive Officer, Group Finance Executive and the Managing Directors of the subsidiaries.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Property and equipment

Property and equipment is measured at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the items can be measured reliably. The carrying amount is any component accounted for as a separate asset is derecognised when replaced. Repairs and maintenance costs are recognised in profit or loss as incurred.

Land and buildings are measured at fair value less accumulated depreciation and impairment loss recognised after the date of the revaluation. Valuations are performed annually to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any revaluation surplus net of tax is credited in other comprehensive income to revaluation reserve included in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the revaluation reserve to retained earnings. Depreciation is calculated on a straight-line basis over the useful life of the asset as follows:

• Freehold buildings	40 years
• Vehicles	5 years
• Computers and office equipment	5 years
• Furniture and fittings	10 years

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition is included in profit or loss in the year the asset is de-recognised. The asset's residual values, useful lives and methods of depreciation are reviewed at each financial year-end, and adjusted prospectively if appropriate. Changes in the asset's depreciation method, residual value or useful life are treated as a change in accounting estimate in accordance with IAS 8, 'Accounting policies, changes in accounting estimates and errors.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Owner occupied properties comprises property which is owned by the Group and is significantly occupied by group companies, regardless of the leasing of the property being at market related rentals and terms. Significant occupation by group companies is considered as 75% (2020 75%) of the space of the property occupied or above. Such owner occupied properties are classified under property and equipment and depreciated in line with the Group accounting policies.

2.6 Investment property

Investment property comprises completed property and property under construction or development that is held to earn rentals or for capital appreciation or both. Property held under a lease is classified as investment property when it is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment property is included in the statement of profit or loss in the period in which they arise. Fair values are evaluated annually by an accredited external independent valuer, applying valuation models recommended by the International Valuation Standards Committee.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the cost of the replacement is included in the carrying amount of the property and the fair value is re-assessed.

Investment property is derecognised when either it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the period of derecognition. Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use. The difference between the cost-based measurement and fair value is treated as a revaluation adjustment.

2.7 Intangible assets

Intangible assets acquired separately are measured on initial recognition at historical cost. The historical cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Intangible assets (continued)

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in statement of comprehensive income in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in statement of comprehensive income when the asset is derecognised.

The software licences have a finite life of up to 5 years and are amortised over that period. The amortisation costs for the year are included in operating and administrative expenses in the statement of profit or loss.

2.8 Other non-current assets

Other non-current assets comprise of gold coins that are held for capital appreciation or value preservation. The Group's other non-current assets are initially recorded at cost and subsequently measured at fair value, with changes in the carrying value recognised in the statement of profit or loss.

Other non-current assets are derecognised when disposed. Any gains and losses on disposal of other non-current assets are recognised in the statement of profit or loss in the year of disposal. Gains or losses on the disposal are determined as the difference between net disposal proceeds and the carrying value of the asset in the previous financial period.

2.9 Inventory

Inventory comprises property acquired or being constructed for sale in the ordinary course of business, consumables and other stocks. Property classified as inventory is residential property that the Group is developing and intends to sell before or on completion of construction. Cost includes:

- amounts paid to contractors for construction; and
- borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and less costs to completion and the estimated costs of sale. Net realisable value for completed inventory property is assessed with reference to market conditions and prices existing at the reporting date, and is determined by the Group in light of recent market transactions.

Consumables and other stocks are valued on the basis of weighted average cost and at the lower of cost or estimated net realisable value, inventory is valued at the lower of cost or estimated net realisable value, but is based on the specific identification of the property.

2.10 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of the asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of comprehensive income. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, it is reduced to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified; an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in statement of comprehensive income.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Trade and other receivables

Premiums receivables relate to insurance premiums outstanding from insurance companies, reinsurance brokers and insurance agents and are recognised when due and measured on initial recognition at the fair value of the consideration received or receivable. Subsequent to initial recognition, premiums receivable are measured at amortised cost, using the effective interest rate method. See note 2.12 for further information about the Company's accounting for financial assets.

Insurance contracts are issued at market rates even when credit terms are offered. Furthermore, short term insurance contracts are for periods not exceeding one year. Therefore there is no significant financing component in insurance premiums thus their carrying amount is considered to be the same as their fair value. Other receivables are amounts that generally arise from transactions outside the usual operating activities of the Company. If collection of the amount is due in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Other receivables comprise loans to employees and prepayments. Other receivables are recognised initially at fair value and subsequently at amortised cost using the effective interest rate method less allowance for impairment. See note 2.12 for description of the Company's impairment policy.

2.12 Deferred acquisition costs

Deferred acquisition costs relate to commission incurred to acquire insurance business, deferred over a period in which the related premiums are earned. The deferred portion is calculated by applying the actual commission rate on the unearned premium reserve balance.

2.13 Financial Instruments

i) Classification

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument on another entity.
The Group's financial assets are classified as measured at:
- fair value (either through other comprehensive income or through profit or loss), and
- amortised cost.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("FVOCI"). The Group reclassifies debt investments when and only when their business model for managing those assets changes.

ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Financial Instruments

iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

• **Amortised cost**: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

• **FVOCI**: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses), and impairment expenses are presented as a separate line item in the statement of profit or loss.

• **FVPL:** Assets that do not meet the criteria for amortised cost are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

The Group has classified investments in quoted equities as financial assets at FVPL because they are held for trading with expected disposal in the short-term. Unquoted equity investments are long-term strategic investments and not expected to be disposed in the short-term, as such have been classified as financial assets at FVOCI.

iv) Impairment

From 1 January 2018, the Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies both the simplified approach and the general approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 3.3 for further details.

De-recognition of financial assets

A financial asset is de-recognised when the right to receive cash flows from the asset has expired or the Group has transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and have transferred substantially all the risks and rewards of the asset to another party, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset. When the Group has transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if and to what extent they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and Company have retained.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Financial liabilities

The Group's financial liabilities include trade and other payables, bank borrowings, policy holder liabilities, and investment contracts.

Measurement

Financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, less directly attributable transaction costs. Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at amortised cost. The Group determines the classification of its financial liabilities at initial recognition. Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest rate method. Gains and losses are recognised in statement of comprehensive income when the liabilities are derecognised.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such a modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

2.15 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported, on the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.16 Cash and cash equivalents

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

2.17 Share capital

Ordinary shares

Ordinary shares are classified as equity.
Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of income tax from the proceeds.

Treasury shares (repurchase and reissue of ordinary shares)

Where the Company purchases its own shares or a group company purchases the Company's ordinary share capital ("treasury shares"), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

2.18 Reinsurance contract liabilities

Reinsurance contract liabilities relate to life reassurance and non-life reinsurance. At the end of the year, a liability adequacy test is carried out by a registered actuary to determine the sufficiency of the insurance contract liabilities.

2.18.1 Life reassurance policy holder liabilities

Life reassurance policy holder liabilities are policyholders' liabilities computed by an independent actuary in accordance with the guidelines issued by the Actuarial Society of Zimbabwe and Actuarial Society of South Africa. Under this method, the policy holders' liabilities are valued using realistic expectations of future experience with prescribed margins for prudence and deferral profit emergence.

2.18.2 Non-life reinsurance contract liabilities

These include the outstanding claims and the incurred but not reported reserve ("IBNR") (disclosed as insurance payable) and the provision for unearned premium.

Outstanding claims

The outstanding claims reserve is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, together with related claims handling costs and reduction for the expected salvage and other recoveries.

Incurred but not reported - ("IBNR")

The provision for incurred but not reported claims ("IBNR") represents all claims incurred before the reporting date but only reported subsequent to year-end. IBNR is estimated using a rate of 10% (2020 -10%) of net premium written and actuarially tested for adequacy as at reporting date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Reinsurance contract liabilities (continued)

2.18.2 Non-life reinsurance contract liabilities (continued)

Delays can be experienced in the notification and settlement of certain types of claims, therefore the ultimate cost of these cannot be known with certainty at the reporting date. The liability is calculated at the reporting date using a range of standard actuarial claim project techniques, based on empirical data and current assumptions that include a margin for adverse variation. The liability is not discounted for the time value of money. The liabilities are derecognised when the obligation to pay a claim expires, is discharged or is cancelled.

Unearned premium reserves - ("UPR")

The unearned premium reserve represents that portion of premiums received or receivable that relates to risks that have not yet expired at the reporting date. The provision is recognised on contracts entered into with maturities beyond the financial year end of the Group and earned premiums is brought to account over the term of the contract in accordance with the pattern of insurance service provided under the contract. The subsidiaries within the Group use various methods to account for unearned premium reserve which include the 1/8 method, the 1/365 method and the 24th method.

2.19 Retrocession

The Group cedes reinsurance risk in the normal course of business for its reinsurance businesses to retrocessionaires. Retrocession receivables and payables are disclosed as part of insurance trade receivables and payables respectively. Retrocession income and expenses are disclosed in profit or loss.

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in profit or loss net of any reimbursement.

Restructuring provisions are recognised only when the recognition criteria for provisions are fulfilled. The Group has a constructive obligation when a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, an appropriate timeline, and furthermore, the employees affected have been notified of the plan's main features. If the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects, current market assessments of the time value of money, and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Provisions (continued)

The Group and Company recognise obligations for retrenchments as a liability and expense when there is a demonstrable commitment to either terminate the employment of an employee or group of employees before normal retirement date as a result of an offer made in order to encourage voluntary redundancy.

2.21 Revenue recognition

The Group recognises revenue when the following conditions have been met:
- when contracts have been approved by all parties to the contract;
- each party's rights in relation to the goods or services to be transferred can be identified;
- the payment terms for the goods or services to be transferred can be identified;
- the contract has commercial substance; and
- it is probable that the consideration to which the Group is entitled to in exchange for the goods or services will be collected.

The Group derives revenue from the transfer of goods and provision of services over time and at a point in time in the following major product lines:

2.21.1 Premium income

Gross premiums comprise the premiums on contracts entered into during the year. Premiums written include adjustments to premiums written in prior periods. Premium income arising from pensions is recognized when due while that from individual life is recognized when paid. Premiums are recognised as revenue (earned premiums) proportionally over the period of coverage. The portion of premium received on in-force contracts that relates to unexpired risks at the reporting date is reported as the unearned premium liability. Premiums are shown before deduction of commission and are net of any taxes or duties levied on premiums.
Premium income is accounted for gross of reinsurance and accounted for as follows:
Pensions - when due
Life - when paid
Property and casualty insurance (short-term insurance) - when due
Health insurance - when paid
In the short-term business, premium income is accounted for as and when the premiums are agreed and risks accepted.

2.21.2 Fund management and investment contracts fee income

Fees charged for investment management services are recognised as revenue as the services are provided. Initial fees which exceed the level of recurring fees and relate to the future provision of services are deferred and amortised over the anticipated period in which the services will be provided.

2.21.3 Rental income

The Group is the lessor on operating lease transactions. Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Services and management charges are recognised in the accounting period in which they are incurred.

Tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Directors are reasonably certain that the tenant will exercise that option. Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in the statement of profit or loss when the right to receive them arises.

2.21.4 Property services income

Property services income comprises income received from property-related services to other parties. The income is recognised when the related services have been provided. Property services income will be generated, and revenue recognised as indicated, from the following services:

- Project management - over time;
- Property management - over time;
- Property purchases - at a point in time;
- Property sales - at a point in time; and
- Property valuations - at a point in time.

2.21.5 Sale of inventory property and stands

The Group develops and sells residential properties. Revenue is recognised when control over the property has been transferred to the customer. The properties have generally no alternative use for the Group due to contractual restrictions. However, an enforceable right to payment does not arise until legal title has passed to the customer. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer. The revenue is measured at the transaction price agreed under the contract. The consideration is due upon signing the sale contract.

Deferred payment terms may be agreed in some cases for periods up to 36 months. In such cases, the transaction price is adjusted for the effects of a significant financing component. The Group has contracts with customers where the period between signing of the sale contract and payment by the customer exceeds one year. As a consequence, the Group adjusts the transaction prices for the time value of money at the effective interest rate.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 Deferred income

Where conditions precedent to the sale of completed stands have not been met, any related revenue is recognised as deferred income. Amounts recognised in deferred income will only be recognised as revenue after all conditions precedent have been met and significant risks and rewards have been transferred to the buyer, and the buyer has accepted the property.

2.23 Other income

2.23.1 Dividend income

Dividend income is recognised when the Group and Company's rights to receive the payment is established, when the investee's Board of Directors has declared the dividend.

2.23.2 Interest income

Interest earned on cash invested with financial institutions is recognised on an accrual basis using the effective interest method, which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in the statement of comprehensive income.

2.23.3 Fee income

Insurance contract policyholders are charged for policy administration services, surrenders and other contract fees. These fees and charges are recognised as income over the period in which the related services are performed. Actuarial and consultancy fee income is recognised on an accrual basis, based on the values of the services provided and disclosed under other income.

2.23.4 Commission income

Commission income received or receivable under reinsurance contracts for non life insurance contracts is recognised as revenue proportionally over the period of the insurance contract.

2.23.5 Realised gains and losses

Realised gains and losses recorded in the statement of comprehensive income on investments include gains and losses on financial assets at FVPL and investment properties. Gains and losses on financial assets are from financial assets at FVPL. Gains from financial assets at FVOCI are recognised through other comprehensive income and are not recycled to profit or loss on disposal. Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and the original or amortised cost and are recorded on occurrence of the sale transaction.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.24 Insurance claims and benefits

2.24.1 Life and health reassurance

Insurance benefits and claims relating to life assurance contracts are recognised in profit or loss based on the estimated liability for compensation owed to the contract holder. Death, disability and severe illness and surrender claims are accounted for when notified. These claims include outstanding claims and claims incurred but not reported ("IBNR"). The IBNR estimate is determined taking into account the likelihood of the claim being valid and the expected severity of the claim. The proportion to be included is estimated separately for each benefit type. An estimate of the expected claim amount is charged to profit or loss and included in liabilities under insurance contracts. Maturity and income disability are recorded as incurred. Liabilities are held to reflect IBNR claims.

The IBNR is modified to reflect actual current operating conditions. The liabilities are calculated gross of reinsurance. An asset is then raised to allow for the expected recoveries from reinsurers. Claims are accounted for as incurred and consist of claims paid, movement in the provision for outstanding claims and relates claims handling expenses. The provision for outstanding claims is based on estimates of the cost of settling all claims incurred but unpaid at the reporting date, whether reported or not.

2.24.2 Non-life insurance

Benefits payable under non-life insurance contracts are accounted for as incurred. Liabilities are held to reflect IBNR claims. The IBNR calculation is performed using the chain ladder approach. This allows for the historical patterns of claims payment in determining the likely future emergence of claims. The IBNR is further modified to reflect current operational conditions or known events.

2.24.3 Retrocession recoveries

Related retrocession recoveries are disclosed separately as assets in the statement of financial position and are included in recoveries from retrocessions in profit or loss.

2.25 Acquisition costs on reinsurance contracts

Acquisition costs on reinsurance and insurance contracts comprises commission and other acquisition costs over the life of the reinsurance and insurance contracts.

Commission
Commission is recognised as an expense in statement of comprehensive income when the premium is received through an intermediary or agent. The period of the commission and the commission rate differ per product depending on the product design structure. Commission is deferred in deferred acquisition costs over the duration of the contract.

Other acquisition costs
Other acquisition costs are expenses incurred to acquire reinsurance and insurance business including staff costs directly associated with obtaining business.

2.26 Employee benefits

Post-employment benefits

The Group operates one defined contribution pension plan, which requires contributions to be made to the fund which is separately administered. The pension plan is funded by payments from employees and the Group. The Group's contribution to the defined contribution pension plan is charged to the statement of profit or loss in the period to which the contributions relate. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Retirement benefits are also provided for the Company's employees through the National Social Security Authority ("NSSA") Scheme. The cost of retirement benefits applicable to the scheme is determined by the systematic recognition of legislated contributions.

Termination benefits

The Group recognises termination benefits when there is a demonstrable commitment to either terminate employment of an employee or group of employees before normal retirement date or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. The Group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37, "Provisions, contingent liabilities and contingent assets", and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Short term employee benefits

Short term employee benefits consist of salaries, accumulated leave payments, bonuses and any non-monetary benefits such as medical aid contributions. Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.26 Employee benefits (continued)

Profit sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the Group's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.27 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised from the statement of financial position when the obligation specified in the contract is discharged or cancelled or has expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs. Where the terms of a financial liability are renegotiated and the Company or a subsidiary issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.28 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

2.29 Current income and deferred taxes

The income tax expense or credit for the year is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. Current income and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

2.29.1 Current income tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to the tax authorities. The tax rates and laws used to compute the amounts are those that are enacted or substantively enacted by the reporting date. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision, where appropriate on the basis of amounts expected to be paid to the tax authorities. Taxable income for the life reassurance subsidiary is calculated in accordance with the insurance formula as laid down in the Eighth Schedule to the Zimbabwe Income Tax Act (Chapter 23:06).

2.29.2 Deferred tax

Deferred tax is provided in full using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint arrangements, except for deferred tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference not recognised.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.29.2 Deferred tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and carry forward of unused tax credits and unused tax losses can be utilised except, when the deferred tax asset relating to deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss; and in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised in other comprehensive income or equity is also recognised in other comprehensive income or equity and not in statement of comprehensive income.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.29.3 Value added tax ("VAT")

Expenses and assets are recognised net of the amount of VAT, except, when the value added tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

2.30 Leases

From 1 January 2019, the Group adopted IFRS 16, 'Leases' (as issued by the IASB in January 2016).

The Group as a lessee

The Group makes the use of leasing arrangements principally for office space, and IT equipment and motor vehicles (although the Group currently has no motor vehicles). The rental contracts for offices are typically negotiated for terms of between 3 and 20 years and some of these have extension terms. Lease terms for office fixtures and equipment and motor vehicles have lease terms of between 6 months and 6 years without any extension terms. The Group does not enter into sale and leaseback arrangements. All the leases are negotiated on an individual basis and contain a wide variety of different terms and conditions such as purchase options and escalation clauses. IFRS 16 introduced new or amended requirements with respect to lease accounting. It introduced significant changes to lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use asset and a lease liability at the lease commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged.

The Group and Company assess whether a contract is or contains a lease, at inception of contract. The Group and Company recognise a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this this rate cannot be readily determined, the Group and Company use its incremental borrowing rate.

The lease liability is presented as a separate line in the statement of financial position. The liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method and reducing the carrying amount to reflect the lease payments made. The Group and Company remeasure the lease liability and makes a corresponding adjustment to the related right-of-use asset whenever the lease term has changed or the lease contract has been modified.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the statement of financial position. The Group and Company apply IAS 36 Impairment of assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment losses. The deferred tax implications of IFRS 16 are that lease payments are tax-deductible on a cash basis. However, the tax bases of the right-of-use asset and lease liability are zero. The result is a taxable temporary difference in relation to the right-of-use asset and a deductible temporary difference in relation to the lease liability.

The Group as a lessor

As a lessor the Group classifies its leases as either operating or finance leases. The Group assessed whether it transfers substantially all the risks and rewards of ownership. Those assets that do not transfer substantially all the risks and rewards are classified as operating leases. Rental income is accounted for on a straight-line basis over the lease term and is included in revenue due to its operating nature.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.31 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

3 GROUP FINANCIAL RISK MANAGEMENT

Risk Governance Framework

The Group has an Audit and Risk Committee that is part of the Board. Below the Audit and Risk Committee is a Financial Risk Management Committee that comprises senior management of the Group from the departments of Finance, Investments, Audit and Operations. The Financial Risk Management Committee reports to the Audit and Risk Committee on a quarterly basis on the risks identified, how they are being managed and the quantification and sensitivities around the risks. Both committees have clear terms of reference that feed into the overall group risk management strategy policy framework. The terms of reference are set, approved and regularly reviewed by the Board. The primary objective of the Group's risk management framework is to protect the shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities.

3.1 Financial risk factors

The Group is exposed to financial risk through its financial assets and liabilities, insurance and reinsurance assets and liabilities. The significant components of financial risk are investment risk, market risk, foreign currency risk, interest rate risk and equity price risk, credit risk and liquidity risk.

3.2 Market risk

Market risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in the market prices. The Group's market risk arise from open positions in (a) foreign currencies and (b) interest bearing assets and liabilities, to the extent that these are exposed to general and specific market movements. Market risk comprises three types of risks: foreign exchange risk, interest rate risk and equity price risk.

3.2.1 Foreign exchange risk

Foreign exchange risk is the risk arising from fluctuations in foreign exchange rates and their effect on future commercial transactions or recognised assets and liabilities.

The Group is exposed to foreign exchange risk arising from the holding of monetary assets and liabilities denominated in currencies other than functional currencies of the individual entities. The Group's primary method of managing foreign exchange risk is to match principal cash outflows to the currency in which the principal cash inflows are denominated. Generally, Group companies are required to maintain bank accounts in United states dollars to reduce losses from fluctuations in foreign exchange rates. There are no hedging instruments. The table below shows the balances of monetary assets and liabilities denominated in foreign currency:

	INFLATION ADJUSTED			
As at 31 December 2022	**Botswana Pula ZWL**	**Malawian Kwacha ZWL**	**Mozambican Metical ZWL**	**Zambian Kwacha ZWL**
Assets				
Trade and other receivables	222 788 727	4 301 570 139	3 009 271 721	1 046 830 057
Financial assets at amortised cost	-	13 323 010	184 132 090	694 871 266
Cash and cash equivalents	317 854 701	2 597 157 975	233 888 628	538 786 523
	540 643 428	6 912 051 124	3 427 292 439	2 280 487 846
Liabilities				
Borrowings	-	-	227 749 446	48 142 552
Trade and other payables	138 566 123	4 256 842 936	1 168 590 584	863 856 044
	138 566 123	4 256 842 936	1 396 340 030	911 998 596
Net foreign currency exposure	**402 077 305**	**2 655 208 188**	**2 030 952 409**	**1 368 489 250**

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.2 Market risk (continued)

3.2.1 Foreign exchange risk (continued)

	INFLATION ADJUSTED			
As at 31 December 2021	Botswana Pula ZWL	Malawian Kwacha ZWL	Mozambican Metical ZWL	Zambian Kwacha ZWL
Assets				
Trade and other receivables	513 049 437	1 927 253 822	815 572 753	412 485 112
Financial assets at amortised cost	-	6 686 666	170 997 528	346 951 093
Cash and cash equivalents	994 732 126	1 508 330 208	60 078 842	120 100 856
	1 507 781 563	3 442 270 696	1 046 649 123	879 537 061
Liabilities				
Borrowings	-	-	160 173 746	42 508 731
Trade and other payables	396 652 532	2 049 993 777	563 425 856	258 997 475
	396 652 532	2 049 993 777	723 599 602	301 506 206
Net foreign currency exposure	**1 111 129 031**	**1 392 276 919**	**323 049 521**	**578 030 855**

	HISTORICAL COST			
As at 31 December 2022	Botswana Pula ZWL	Malawian Kwacha ZWL	Mozambican Metical ZWL	Zambian Kwacha ZWL
Assets				
Trade and other receivables	222 788 727	4 301 570 139	3 009 271 721	1 046 830 057
Financial assets at amortised cost	-	13 323 010	184 132 090	694 871 266
Cash and cash equivalents	317 854 701	2 597 157 975	233 888 628	538 786 523
	540 643 428	6 912 051 124	3 427 292 439	2 280 487 846
Liabilities				
Borrowings	-	-	227 749 446	48 142 552
Trade and other payables	138 566 123	4 256 842 936	1 168 590 584	863 856 044
	138 566 123	4 256 842 936	1 396 340 030	911 998 596
Net foreign currency exposure	**402 077 305**	**2 655 208 188**	**2 030 952 409**	**1 368 489 250**
As at 31 December 2021				
Assets				
Trade and other receivables	149 246 457	560 639 548	237 250 711	119 992 221
Financial assets at amortised cost	-	1 945 156	49 743 306	100 928 327
Cash and cash equivalents	289 368 304	438 774 362	17 476 979	34 937 427
	438 614 761	1 001 359 066	304 470 996	255 857 975
Liabilities				
Borrowings	-	-	46 594 660	12 365 821
Trade and other payables	115 386 512	596 344 691	163 900 994	75 342 555
	115 386 512	596 344 691	210 495 654	87 708 376
Net foreign currency exposure	**323 228 249**	**405 014 375**	**93 975 342**	**168 149 599**

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.2 Market risk (continued)

3.2.1 Foreign exchange risk (continued)

Foreign exchange risk sensitivity analysis

The following analysis is performed for reasonably possible movements in the foreign exchange rates to ZWL (assumption: +/- 10%) with all other variables held constant, showing the impact on profit/(loss) before income tax and equity due to changes in the fair value of currency sensitive monetary assets and liabilities including insurance contract claim liabilities. There are no changes from prior year on this assumption.

The sensitivity of 10% represents the directors' assessment of a possible change:

Effect on profit before income tax	Change	Botswana Pula ZWL	Malawian Kwacha ZWL	Mozambican Metical ZWL	Zambian Kwacha ZWL
31 December 2022	10%	40 207 731	265 520 819	203 095 241	136 848 925
31 December 2022	-10%	(40 207 731)	(265 520 819)	(203 095 241)	(136 848 925)
31 December 2021	10%	111 112 903	139 227 692	32 304 952	57 803 085
31 December 2021	-10%	(111 112 903)	(139 227 692)	(32 304 952)	(57 803 085)
Effect on equity					
31 December 2022	10%	30 268 380	199 884 072	152 890 097	103 019 871
31 December 2022	-10%	30 268 380	199 884 072	152 890 097	103 019 871
31 December 2021	10%	82 501 331	103 376 561	23 986 427	42 918 791
31 December 2021	-10%	(82 501 331)	(103 376 561)	(23 986 427)	(42 918 791)

As shown in the table above, the Group is exposed to changes in ZWL exchange rates against other functional currencies used by the group companies in their respective jurisdictions. The functional currencies in which monetary assets and liabilities are denominated are shown in the sensitivity table above.

Exchange rates

The exchange rates used by the Group to convert foreign denominated amounts to the functional and presentation currency are depicted below:

	31 December 2022		30 June 2022	31 December 2021	
	Average	As at	Average	Average	As at
Botswana Pula	0.081	0.078	0.084	0.090	0.085
Malawi Kwacha	3.434	1.496	5.113	9.000	7.499
Mozambican Metical	0.248	0.094	0.387	0.736	0.590
South African Rand	0.061	0.025	0.093	0.167	0.146
Zambian Kwacha	0.067	0.026	0.107	0.223	0.153

Amounts recognised in profit or loss and other comprehensive income

During the year, the following foreign-exchange related amounts were recognised in profit or loss and other comprehensive income:

	2022 ZWL	2021 ZWL
Amounts recognised in profit or loss		
Net foreign exchange gain included in other income	2537 485 637	1054 348 546
Net gains (losses) recognised in other comprehensive income		
Translation of foreign operations	3 922 682 340	(142 594 495)

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.2.2 Equity price risk

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate and currency risk, whether those changes are caused by factors specific to the individual financial instruments to its issuer or factors affecting all financial instruments traded in the market.

The Group is exposed to equity securities price risk Equity price risk is the potential loss arising from changes in the market price of equity instruments as a result of fluctuations in the market price. A substantial part of the equity portfolio comprises listed counters. Unquoted counters are subjected to periodic financial analysis and review. The Group's equity price risk policy is to manage such risks by setting and monitoring objectives on investments, diversification of portfolios and setting limits on investment in each sector. At the reporting date, the total exposure to listed equity securities at fair value through profit or loss was ZWL6 142 794 997 (2021: ZWL11 319 718 775).

The following table demonstrates the sensitivity to a reasonably possible change in the market price of shares with all other var ables held constant.

	INFLATION ADJUSTED			
As at December 2022	**Change in market price %**	**Effect on profit before income tax ZWL**	**Effect on profit after income tax ZWL**	**Effect on equity ZWL**
Increase in market price	10%	614 279 500	462 429 607	462 429 607
Decrease in market price	-10%	(614 279 500)	(462 429 607)	(462 429 607)
As at December 2021				
Increase in market price	10%	453 666 364	339 115 607	339 115 607
Decrease in market price	-10%	(453 666 364)	(339 115 607)	(339 115 607)

	HISTORICAL COST			
As at December 2022	**Change in market price %**	**Effect on profit before income tax ZWL**	**Effect on profit after income tax ZWL**	**Effect on equity ZWL**
Increase in market price	10%	614 279 500	462 429 607	462 429 607
Decrease in market price	-10%	(614 279 500)	(462 429 607)	(462 429 607)
As at December 2021				
Increase in market price	10%	131 971 878	99 348 429	99 348 429
Decrease in market price	-10%	(131 971 878)	(99 348 429)	(99 348 429)

3.2.3 Interest rate risk

Cash flow interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations. The Group manages its cash flow interest rate risk by re-negotiating fixed interest rates whenever there are changes in the market.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the Group calculates the impact on profit or loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run for all interest-bearing positions.

Currently, the Group does not undertake any hedging of its short-term loans due to the nature and terms of the loan facilities. On long-term loans, the Group assesses risks and considers hedging where necessary. As at 31 December 2022, there were no hedges in place (2021: ZWL nil).

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.2.3 Interest rate risk (continued)

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates. The key assumption to this sensitivity is that the interest rates will increase or decrease by 25%, holding all other variables constant.

	INFLATION ADJUSTED			
December 2022	**Change in assumption %**	**Change in reported value ZWL**	**profit after income tax ZWL**	**Change in equity ZWL**
Increase in interest rate	25%	250 730 920	188 750 236	188 750 236
Decrease in interest rate	-25%	(250 730 920)	(188 750 236)	(188 750 236)
December 2021				
Increase in interest rate	25%	751 252 996	561 561 614	561 561 614
Decrease in interest rate	-25%	(751 252 996)	(561 561 614)	(561 561 614)

	HISTORICAL COST			
December 2021	**Change in assumption %**	**Change in reported value ZWL**	**profit after income tax ZWL**	**Change in equity ZWL**
Increase in interest rate	25%	250 730 920	188 750 236	188 750 236
Decrease in interest rate	-25%	(250 730 920)	(188 750 236)	(188 750 236)
December 2020				
Increase in interest rate	25%	218 540 047	164 516 947	164 516 947
Decrease in interest rate	-25%	(218 540 047)	(164 516 947)	(164 516 947)

3.3 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. Credit risk arises from cash and cash equivalents, trade and other receivables and financial assets at amortised cost.

Risk management

The key areas where the Group is exposed to credit risk are:
- amounts due from debt securities;
- reinsurers' share of insurance liabilities;
- amounts due from cedants;
- amounts due from agents, brokers and intermediaries;
- amounts due from tenants; and
- amounts due from cash and balances with banks.

The Group manages and analyses credit risk for each of their new clients before standard payment, terms and conditions are offered. Exposure limits are set for each counterparty or group of counterparties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis. With respect to credit risk arising from other financial assets of the Group, which comprise cash and balances with banks, and financial assets at amortised cost, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.3 Credit risk (continued)

Credit risk analysis

The maximum exposure to credit risk by class of financial asset is set out below:

	INFLATION ADJUSTED				
Group **As at 31 December 2022**	**30 days** **ZWL**	**60 days** **ZWL**	**90 days** **ZWL**	**120 days** **ZWL**	**Total** **ZWL**
Trade and other receivables:					
- reinsurance receivables	2 298 657 308	1 681 010 677	731 971 545	5 724 669 891	10 436 309 421
- rental receivables	187 325 416	83 871 293	41 558 191	165 395 070	478 149 969
- debtors for inventory sales	216 549 059	-	-	-	216 549 059
Financial assets at amortised cost	1 002 923 679	-	-	-	1 002 923 679
Cash and cash equivalents	10 926 482 280	-	-	-	10 926 482 280
Total	**14 631 937 742**	**1 764 881 970**	**773 529 736**	**5 890 064 961**	**23 060 414 408**
As at 31 December 2021					
Trade and other receivables:					
- reinsurance receivables	1 276 239 904	933 315 678	406 398 679	3 178 399 898	5 794 354 159
- rental receivables	47 350 781	21 200 386	10 504 784	41 807 378	120 863 330
- debtors for inventory sales	114 343 710	-	-	-	114 343 710
Financial assets at amortised cost	3 005 011 982	-	-	-	3 005 011 982
Cash and cash equivalents	5 607 692 921	-	-	-	5 607 692 921
Total	**10 050 639 298**	**954 516 065**	**416 903 464**	**3 220 207 276**	**14 642 266 103**

	HISTORICAL COST				
Group **As at 31 December 2022**	**30 days** **ZWL**	**60 days** **ZWL**	**90 days** **ZWL**	**120 days** **ZWL**	**Total** **ZWL**
Trade and other receivables:					
- reinsurance receivables	2 298 657 308	1 681 010 677	731 971 545	5 724 669 891	10 436 309 421
- rental receivables	187 325 416	83 871 293	41 558 191	165 395 070	478 149 971
- debtors for inventory sales	216 549 059	-	-	-	216 549 059
Financial assets at amortised cost	1 002 923 679	-	-	-	1 002 923 679
Cash and cash equivalents	10 926 482 280	-	-	-	10 926 482 280
Total	**14 631 937 742**	**1 764 881 970**	**773 529 736**	**5 890 064 961**	**23 060 414 410**
As at 31 December 2021					
Trade and other receivables:					
- reinsurance receivables	371 259 123	271 502 214	118 221 673	924 598 858	1 685 581 868
- rental receivables	13 774 377	6 167 208	3 055 849	12 161 797	35 159 232
- debtors for inventory sales	33 262 669	-	-	-	33 262 669
Financial assets at amortised cost	874 160 186	-	-	-	874 160 186
Cash and cash equivalents	1 631 281 977	-	-	-	1 631 281 977
Total	**2 923 738 332**	**277 669 422**	**121 277 523**	**936 760 655**	**4 259 445 932**

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.3 Credit risk (continued)

Credit risk analysis

	INFLATION ADJUSTED				
Company **As at 31 December 2022**	**30 days ZWL**	**60 days ZWL**	**90 days ZWL**	**120 days ZWL**	**Total ZWL**
Other receivables	234 907 152	-	-	-	234 907 152
Financial assets at amortised cost	-	-	-	46 864	46 864
Cash and cash equivalents	38 000 742	-	-	-	38 000 742
Total	**272 907 894**	**-**	**-**	**46 864**	**272 954 758**
As at 31 December 2021					
Other receivables	263 638 011	-	-	-	263 638 011
Financial assets at amortised cost	-	-	-	161 100	161 100
Cash and cash equivalents	39 811 196	-	-	-	39 811 196
Total	**303 449 207**	**-**	**-**	**161 100**	**303 610 307**

	HISTORICAL COST				
Company	**30 days ZWL**	**60 days ZWL**	**90 days ZWL**	**120 days ZWL**	**Total ZWL**
As at 31 December 2022					
Other receivables	234 907 152	-	-	-	234 907 152
Financial assets at amortised cost	-	-	-	46 864	46 864
Cash and cash equivalents	38 000 742	-	-	-	38 000 742
Total	**272 907 894**	**-**	**-**	**46 864**	**272 954 758**
As at 31 December 2021					
Other receivables	76 692 491	-	-	-	76 692 491
Financial assets at amortised cost	-	-	-	46 864	46 864
Cash and cash equivalents	11 581 106	-	-	-	11 581 106
Total	**88 273 597**	**-**	**-**	**46 864**	**88 320 461**

The following policies and procedures are in place to mitigate the Group's exposure to credit risk:

Cash and cash equivalents

The Group has a credit policy that establishes counterparty trading limits for each banking institution that the Group trades with. These counter party limits are reviewed at least quarterly and submitted to the Group Finance and Investments Committee for approval. In this process the financial results of the banking institutions which are published semi annually, are reviewed together with other qualitative factors that may be noted. The limits determined are proposed to the Group Finance and Investments Committee for approval.

The Group only trades with and receives service from banking institutions that meet regulatory requirements. Key considerations in the review of limits and security requirements include:
- compliance with minimum capital requirements set by the central banks in the various jurisdiction in which the Group operates,
- conformance with the minimum rating as set out in the periodic capital adequacy, asset quality, management, earnings liquidity and sensitivity ratings,
- total shareholders' equity,
- total assets,
- ratios such as loan to deposit ratios and non-performing loans ("NPLs"),
- overall profitability and cash generation,
- historical performance and outlook, and
- ability of the bank to provide collateral security.

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.3 Credit risk (continued)

Cash and cash equivalents (continued)

The Group further considers the following information in determining the trading limits:
- other qualitative factors covered under the rating system;
- qualitative factors include additional opinion formed through market intelligence on the financial institution, shareholder profile, management and segment of market being served.

Approved collateral security instruments are as follows:
- treasury bills; or
- bankers acceptances.

The financial institutions holding the cash and cash equivalents of the Group have the following external credit ratings as published by the Global Credit Rating Company:

	INFLATION ADJUSTED		HISTORICAL COST	
Group	**2022 ZWL**	**2021 ZWL**	**2022 ZWL**	**2021 ZWL**
Credit rating:				
AA+	335 618 945	989 444 124	335 618 945	287 830 020
AA-	26 201 558	31 751 663	26 201 558	9 236 582
AA	41 686 741	90 800 592	41 686 741	26 413 959
A+	85 509 473	68 477 574	85 509 473	19 920 177
A	128 253 592	96 467 743	128 253 592	28 062 537
BBB+	585 230 077	18 281 627	585 230 077	5 318 139
BBB-	11 313 573	1 303 740	11 313 573	379 259
BBB	764 074	37 865 204	764 074	11 015 015
BB+	-	57 622 716	-	16 762 490
BB	1 280 853	18 394 007	1 280 853	5 350 830
BB-	103 436 004	17 612 581	103 436 004	5 123 513
B+	659 604 908	34 186 450	659 604 908	9 944 863
Cash	322 255 792	114 835 867	322 255 792	33 405 838
Unrated	8 554 773 846	4 030 649 034	8 554 773 846	1 172 518 756
	10 926 482 280	5,607,692,921	10 926 482 280	1 631 281 977
Company				
Credit rating:				
A	17 153 594	491 463	17 153 594	142 967
BBB-	17 230 161	1 239 275	17 230 161	360 506
Cash	1 141 169	-	1 141 169	-
Unrated	2 475 819	3 169 507	2 475 819	922 012
	38 000 742	4 900 245	38 000 742	1 425 485

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.3 Credit risk (continued)

Cash and cash equivalents (continued)

Definition of ratings	Description
AA+	Has very strong financial security characteristics.
AA-	
A+	Has strong financial security characteristics, but is somewhat more likely to be affected by adverse business conditions than banks with higher ratings.
A-	
BBB+	Has good financial security characteristics, but is much more likely to be affected by adverse business conditions than banks with higher ratings.
BBB-	
BB+	Has good financial security characteristics, but is much more likely to be affected by adverse business conditions than banks with higher ratings.
BB-	
B+	Possessing substantial risk that obligations will not be paid when due.

Insurance receivables

The following policies and procedures are in place to mitigate credit risk:
- exposure limits are set for each counterparty or group's of counterparties;
- the creditworthiness of cedants is considered on an annual basis by reviewing their financial strength prior to finalisation of any contract;
- the exposure to individual counterparties is also managed by other mechanisms, such as the right to offset where counterparties are both debtors and creditors of the Group; and
- management information reported to the board of directors includes details of allowance for credit losses on amounts due from cedants and subsequent write-offs.

Credit limits are monitored based on the financial position and history of the insured or cedant's ability to pay. In the view of management, the credit quality of insurance receivables is considered sound. Management does not expect material losses from non-performance by counter parties. The credit risk in respect of customer balances incurred on non-payment of premium will only persist during the period specified in the policy document.

Tenant receivables

Tenants are assessed according to a set criteria prior to entering into lease arrangements. Credit risk is managed by requiring tenants to pay rentals in advance in addition to an upfront good tenancy deposit. The credit quality of the tenant is assessed based on an extensive credit rating criteria at the time of entering into a lease agreement. At inception of the lease tenants are classified into good, acceptable and watch list categories.

Outstanding tenants' receivables are regularly monitored and all tenants that accrue arrears are classified in the watch list category as rental obligations are payable in advance. An impairment analysis is performed at each reporting date on an individual basis for major tenants. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset.

Impairment of financial assets

The Group has three types of financial assets that are subject to the expected credit loss model:
- trade receivables for insurance premiums, sales of inventory and from rentals;
- other receivables; and
- debt investments carried at amortised cost,

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade receivables for insurance premiums and sales of inventory

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for trade receivables. To measure the expected credit losses, trade receivable and contract assets have been grouped based on shared credit risk characteristics.

The expected loss rates are based on the payment profiles of income over a period of 5 years and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. The Group identifies the inflation rate, interest rates, expected changes in legislation in countries in which it operates and expected changes in the Group policy and accordingly adjusts the historical loss rates based on expected changes in these factors. On that basis, the loss allowance as at 31 December 2021 and 31 December 2020 was determined as follows for trade receivables.

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.3 Credit risk (continued)

Group

Receivables for insurance premiums: As at 31 December 2022	**INFLATION ADJUSTED** Current ZWL	31 - 60 days ZWL	61 - 120 days ZWL	121 - 180 days ZWL	More than 180 days ZWL	Total ZWL
Default rate (%)	5%	7%	12%	11%	27%	
Gross carrying amount (ZWL)	2 298 657 308	1 681 010 677	731 971 545	458 064 151	5 266 605 741	10 436 309 421
Credit loss allowance (ZWL)	113 303 896	118 586 754	91 111 677	48 769 410	1 397 977 974	1 769 749 711

Group As at 31 December 2021	**INFLATION ADJUSTED** Current ZWL	31 - 60 days ZWL	61 - 120 days ZWL	121 - 180 days ZWL	More than 180 days ZWL	Total ZWL
Default rate (%)	5%	7%	12%	11%	24%	
Gross carrying amount (ZWL)	1 276 239 905	933 315 677	406 398 678	254 322 271	976 080 881	3 846 357 413
Credit loss allowance (ZWL)	62 907 574	65 840 674	50 586 208	27 077 314	715 407 115	921 818 886

As at 31 December 2022	**HISTORICAL COST** Current ZWL	31 - 60 days ZWL	61 - 120 days ZWL	121 - 180 days ZWL	More than 180 days ZWL	Total ZWL
Default rate (%)	5%	7%	12%	11%	24%	
Gross carrying amount (ZWL)	2 298 657 308	1 681 010 677	731 971 545	458 064 151	5 266 605 741	10 436 309 421
Credit loss allowance (ZWL)	113 303 896	118 586 754	91 111 677	48 769 410	1 397 977 974	1 769 749 711
As at 31 December 2021						
Default rate (%)	5%	7%	12%	11%	24%	
Gross carrying amount (ZWL)	371 259 123	271 502 214	118 221 673	73 982 535	850 616 323	1 685 581 868
Credit loss allowance (ZWL)	18 299 859	19 153 100	14 715 565	7 876 811	208 112 454	268 157 789

Receivables from rentals: As at 31 December 2022	**INFLATION ADJUSTED** Current ZWL	31 - 60 days ZWL	61 - 120 days ZWL	121 - 180 days ZWL	More than 180 days ZWL	Total ZWL
Default rate (%)	7%	14%	14%	35%	13%	
Gross carrying amount (ZWL)	187 325 416	83 871 293	41 558 191	14 530 200	150 864 870	478 149 971
Credit loss allowance (ZWL)	12 520 850	11 457 335	5 638 789	5 032 239	19 815 253	54 464 467
As at 31 December 2021						
Default rate (%)	7%	14%	14%	35%	42%	
Gross carrying amount (ZWL)	47 350 781	21 200 387	10 504 783	3 672 841	38 134 545	120 863 336
Credit loss allowance (ZWL)	3 164 931	2 896 103	1 425 333	1 272 014	16 033 299	24 791 680

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.3 Credit risk (continued)

	HISTORICAL COST					
As at 31 December 2022	**Current ZWL**	**31 - 60 days ZWL**	**61 - 120 days ZWL**	**121 - 180 days ZWL**	**More than 180 days ZWL**	**Total ZWL**
Default rate (%)	7%	14%	14%	35%	13%	
Gross carrying amount (ZWL)	187 325 416	83 871 293	41 558 191	14 530 200	150 864 870	478 149 971
Credit loss allowance (ZWL)	12 520 850	11 457 335	5 638 789	5 032 239	19 815 253	54 464 467
As at 31 December 2021						
	Current	**31 - 60 days**	**61 - 120 days**	**121 - 180 days**	**180 days**	**Total**
	ZWL	**ZWL**	**ZWL**	**ZWL**	**ZWL**	**ZWL**
Default rate (%)	7%	14%	14%	35%	50%	
Gross carrying amount (ZWL)	13 774 377	6 167 208	3 055 849	1 068 432	11 093 366	35 159 233
Credit loss allowance (ZWL)	920 681	842 479	414 630	370 030	5 597 363	8 145 182

Trade receivables for sales of inventory

No impairment allowance has been recognised on property sales receivables because the debtors pay a significant deposit upfront, therefore monthly repayments are affordable and title does not pass until the full amount has been settled. There has been no history of default.

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 90 days. Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item. All of the Group's trade receivables and contract assets at amortised cost have not shown signs of deterioration of credit quality, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. The credit risk of the investments is considered to have increased significantly if there have been missed contractual payments for a period of greater than 30 days.

Other receivables

Other receivables comprise receivables from disposal of investments in equity instruments, staff loans and sundry receivables. No impairment allowance has been recognised on equity instruments and sundry receivables as the identified credit loss allowance was immaterial. The Group uses the simplified approach to determine expected credit loss allowance for staff loans that are short term and the general approach for staff loans exceeding twelve months. For further details on allowance for credit loss on other receivables refer to **note 16.**

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.3 Credit risk (continued)

Debt investments at amortised cost

All of the Group's debt investments at amortised cost are considered to have low credit risk, and the loss allowance was therefore limited to 12 months' expected losses. These are investments in prescribed assets with a long tenure, issued by both government and private entities. The assets pay fixed interest coupons at half yearly or quarterly intervals. The principal amount is settled on maturity of the investment. There has been no indication of a lack of capacity by the counterparties to settle the coupons and principal amounts as they fall due, particularly because of their prescribed asset status. As such, probability of default is estimated to approximate zero. No impairment allowance has been recognised on these instruments.

The financial assets as at 31 December 2022 were held as follows:

	INFLATION ADJUSTED		HISTORICAL COST	
Group	**2022 ZWL**	**2021 ZWL**	**2022 ZWL**	**2021 ZWL**
Issued by the Government:				
-Bonds	680 811 009	192 537 857	289 744 232	56 009 403
-Treasury bills	46 217 283	158 876 475	147 634 568	46 217 283
-Debentures	46 864	161 100	46 864	46 864
Issued by other financial institutions:				
Deposits with financial institutions	515 338 662	2 613 049 438	515 338 662	760 137 995
Mortgage loan	10 833 264	40 387 112	50 159 353	11 748 641
	1 002 923 679	3 005 011 982	1 002 923 679	874 160 186
Company				
Issued by other financial institutions, rated:				
Unrated	46 864	161 100	46 864	46 864

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.4 Liquidity risk

Liquidity risk is the risk that the Group may fail to meet its payment obligations when they fall due, the consequences of which may be interest charges by the creditors. It is the Group's policy to ensure that cash resources are available at all times to meet commitments as they arise. Cash outflows arise from the payment of intimated claims falling due, purchase of investments and other operating commitments. Such outflows are adequately matched by inflows from premium income, maturing investments and investment income. Management monitors daily the Group's cumulative liquidity gap and cash and cash equivalents on the basis of actual and expected cash flows. Where gaps appear, action is taken in advance to close or minimise the gaps.

The table below summarises the maturity profile of the Group's financial assets and financial liabilities based on contractual and undiscounted payments on a worst case scenario. The assets and liabilities disclosed are on a contractual undiscounted basis. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

Liquidity gap analysis

	INFLATION ADJUSTED			
Group As at 31 December 2022 Assets	**On demand to 3 months ZWL**	**3 months to 1 year ZWL**	**Greater than 1 year ZWL**	**Total contractual cash flows ZWL**
Financial assets:				
- at fair value through profit or loss	-	6 142 794 997	-	6 142 794 997
- at amortised cost	-	1 002 923 679	-	1 002 923 679
- at fair value through other comprehensive income	-	-	4 093 119 281	4 093 119 281
Trade and other receivables (excluding prepayments and statutory receivables)	7 218 883 094	9 954 879 015	-	17 173 762 109
Cash and cash equivalents	10 926 482 280	-	-	10 926 482 280
Total assets	18 145 365 374	17 100 597 691	4 093 119 281	39 339 082 346
Liabilities				
Outstanding claims	331 998 961	647 372 928	1 251 014 247	2 230 386 136
Lease liabilities	3 569 297	30 735 853	68 372 287	102 677 438
Borrowings	123 415 118	118 575 310	235 447 125	477 437 553
Trade and other payables (excluding statutory liabilities)	15 442 068 200	-	-	15 442 068 200
Total liabilities	15 901 051 576	796 684 091	1 554 833 660	18 252 569 327
Liquidity gap	2 244 313 798	16 303 913 600	2 538 285 621	21 086 513 019
Cumulative liquidity gap	2 244 313 798	18 548 227 398	21 086 513 019	-

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.4 Liquidity risk (continued)

	INFLATION ADJUSTED			
As at 31 December 2021	**On demand to 3 months ZWL**	**3 months to 1 year ZWL**	**Greater than 1 year ZWL**	**Total contractual cash flows ZWL**
Assets				
Financial assets:				
- at fair value through profit or loss	-	4 536 663 640	-	4 536 663 640
- at amortised cost	-	3 005 011 982	-	3 005 011 982
Trade and other receivables	1 799 301 046	2 488 442 647	-	7 781 833 282
Cash and cash equivalents	5 607 692 921	-	-	5 607 692 921
Total assets	7 406 993 967	10 030 118 269	-	20 931 201 825
Liabilities				
Outstanding claims	158 576 634	309 212 477	597 536 901	1 065 326 012
Lease liabilities	3 909 980	33 669 534	74 898 295	112 477 809
Borrowings	18 871 541	18 131 481	395 219 397	432 222 418
Trade and other payables	6 420 995 077	-	-	6 420 995 077
Total liabilities	6 602 353 232	361 013 491	1 067 654 593	8 031 021 316
Liquidity gap	804 640 735	9 669 104 778	(1 067 654 593)	12 900 180 509
Cumulative liquidity gap	804 640 735	10 473 745 513	9 406 090 920	-

Company

	INFLATION ADJUSTED			
As at 31 December 2022	**On demand to 3 months ZWL**	**3 months to 1 year ZWL**	**Greater than 1 year ZWL**	**Total contractual cash flows ZWL**
Assets				
Financial assets:				
- at fair value through profit or loss	-	68 639 049	-	68 639 049
- at amortised cost	-	46 864	-	46 864
- at fair value through other comprehensive income	-	-	536 815 463	536 815 463
Trade and other receivables	234 907 152	-	-	234 907 152
Cash and cash equivalents	38 000 742	-	-	38 000 742
Total assets	272 907 894	68 685 913	536 815 463	878 409 270
Liabilities				
Lease liabilities	11 513 295	23 026 589	-	34 539 884
Trade and other payables	1 296 865 182	-	-	1 296 865 182
Total liabilities	1 308 378 477	23 026 589	-	1 331 405 066
Liquidity gap	(1 035 470 583)	45 659 324	536 815 463	(452 995 796)
Cumulative liquidity gap	(1 035 470 583)	(989 811 259)	(452 995 796)	-

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.4 Liquidity risk (continued)

	INFLATION ADJUSTED			
As at 31 December 2021	**On demand to 3 months ZWL**	**3 months to 1 year ZWL**	**Greater than 1 year ZWL**	**Total contractual cash flows ZWL**
Assets				
Financial assets:				
- at fair value through profit or loss	-	44 377 640	-	44 377 640
- at amortised cost	-	161 100	-	161 100
- at fair value through other comprehensive income	-	-	294 614 209	294 614 209
Trade and other receivables	263 638 011	-	-	263 638 011
Cash and cash equivalents	4 900 245	-	-	4 900 245
Total assets	268 538 256	44 538 740	294 614 209	607 691 205
Liabilities				
Lease liabilities	317 263	634 530	-	951 793
Trade and other payables	2 823 284 373	-	-	2 823 284 373
Total liabilities	2 823 601 636	634 530	-	2 824 236 166
Liquidity gap	(2 555 063 380)	43 904 210	294 614 209	(2 216 544 961)
Cumulative liquidity gap	(2 555 063 380)	(2 511 159 170)	(2 216 544 961)	-

Group

	HISTORICAL COST			
As at 31 December 2022	**On demand to 3 months ZWL**	**3 months to 1 year ZWL**	**Greater than 1 year ZWL**	**Total contractual cash flows ZWL**
Assets				
Financial assets:				
- at fair value through profit or loss	-	6 142 794 997	-	6 142 794 997
- at amortised cost	-	1 002 923 679	-	1 002 923 679
- at fair value through other comprehensive income	-	-	4 093 119 281	4 093 119 281
Trade and other receivables	7 218 883 094	9 954 879 015	-	17 173 762 109
Cash and cash equivalents	10 926 482 280	-	-	10 926 482 280
Total assets	18 145 365 374	17 100 597 691	4 093 119 281	39 339 082 346
Liabilities				
Outstanding claims	331 998 961	647 372 928	1 251 014 247	2 230 386 136
Lease liabilities	3 080 323	30 803 231	68 094 308	102 677 438
Borrowings	123 415 118	118 575 310	235 447 125	477 437 553
Trade and other payables	15 442 068 200	-	-	15 442 068 200
Total liabilities	15 900 562 602	796 751 469	1 554 555 680	18 252 569 327
Liquidity gap	2 244 802 771	16 303 846 222	2 538 563 601	21 086 513 018
Cumulative liquidity gap	2 244 802 771	18 548 648 993	21 087 212 594	-

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.4 Liquidity risk (continued)

	HISTORICAL COST			
As at 31 December 2021	**On demand to 3 months ZWL**	**3 months to 1 year ZWL**	**Greater than 1 year ZWL**	**Total contractual cash flows ZWL**
Assets				
Financial assets:				
- at fair value through profit or loss	-	1 319 718 775	-	1 319 718 775
- at amortised cost	-	874 160 186	-	874 160 186
- at fair value through other comprehensive income	-	-	655 347 019	655 347 019
Trade and other receivables	936 799 945	1 291 852 215	-	2 228 652 160
Cash and cash equivalents	1 631 281 977	-	-	1 631 281 977
Total assets	2 568 081 922	3 485 731 176	655 347 019	6 709 160 117
Liabilities				
Outstanding claims	46 130 059	89 950 136	173 823 922	309 904 117
Lease liabilities	981 596	9 815 963	21 922 318	32 719 877
Borrowings	5 489 745	5 274 461	114 969 612	125 733 818
Trade and other payables (excluding statutory liabilities)	1 867 872 170	-	-	1 867 872 170
Total liabilities	1 920 473 570	105 040 560	310 715 852	2 336 229 982
Liquidity gap	647 608 352	3 380 690 616	344 631 167	4 372 930 135
Cumulative liquidity gap	647 608 352	4 028 298 968	4 372 930 135	-

Company

	HISTORICAL COST			
As at 31 December 2022	**On demand to 3 months ZWL**	**3 months to 1 year ZWL**	**Greater than 1 year ZWL**	**Total contractual cash flows ZWL**
Assets				
Financial assets:				
- at fair value through profit or loss	-	68 639 049	-	68 639 049
- at amortised cost	-	46 864	-	46 864
- at fair value through other comprehensive income	-	-	536 815 463	536 815 463
Other receivables	234 907 152	-	-	234 907 152
Cash and cash equivalents	38 000 742	-	-	38 000 742
Total assets	272 907 894	68 685 913	536 815 463	878 409 270
Liabilities				
Lease liability	11 513 295	23 026 589	-	34 539 884
Trade and other payables	1 296 865 182	-	-	1 296 865 182
Total liabilities	1 308 378 477	23 026 589	-	1 331 405 066
Liquidity gap	(1 035 470 583)	45 659 324	536 815 463	(452 995 796)
Cumulative liquidity gap	(1 035 470 583)	(989 811 259)	(452 995 796)	-

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.4 Liquidity risk (continued)

Company

	HISTORICAL COST			
As at 31 December 2021	**On demand to 3 months ZWL**	**3 months to 1 year ZWL**	**Greater than 1 year ZWL**	**Total contractual cash flows ZWL**
Assets				
Financial assets:				
- at fair value through profit or loss	-	12 909 488	-	12 909 488
- at amortised cost	-	46 864	-	46 864
- at fair value through other comprehensive income	-	-	85 703 489	85 703 489
Other receivables (excluding prepayments and statutory receivables)	72 850 685	-	-	72 850 685
Cash and cash equivalents	1 425 485	-	-	1 425 485
Total assets	74 276 170	12 956 352	85 703 489	172 936 011
Liabilities				
Lease liability	92 292	184 585	-	276 877
Trade and other payables (excluding statutory liabilities)	774 539 555	-	-	774 539 555
Total liabilities	774 631 847	184 585	-	774 816 432
Liquidity gap	(700 355 677)	12 771 767	85 703 489	(601 880 421)
Cumulative liquidity gap	(700 355 677)	(687 583 910)	(601 880 421)	-

3.5 Investment risk

The Group's investment risk management system operates through a hierarchy of investment limit approvals. Investments in excess of the specified limits require the approval of the Group Finance and Investment Committee. In addition, the Group Finance and Investment Committee makes all decisions regarding property investments and unquoted company share transactions.

3.6 Fair value

The Group measures financial assets such as quoted and unquoted investments and non-financial assets such as investment property at fair value at reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.4 Liquidity risk (continued)

Determination of fair value and fair value hierarchy

Observable inputs reflect market data obtained from independent sources and unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

- **Level 1**: quoted (unadjusted) prices in active markets for identical assets and liabilities. The level includes listed equity securities traded on active markets;
- **Level 2**: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, directly (that is, as prices) or indirectly (that is derived from prices), or
- **Level 3**: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows an analysis of financial instruments recorded at fair value and their fair value hierarchy:

	Level 1 ZWL	Level 2 ZWL	Level 3 ZWL	Total ZWL
As at 31 December 2022				
Financial assets at fair value through profit or loss	6 142 794 997	-	-	6 142 794 997
Financial assets at fair value through other comprehensive income	-	-	4 093 119 281	4 093 119 281
Total	6 142 794 997	-	4 093 119 281	10 235 914 278
As at 31 December 2021				
Financial assets at fair value through profit or loss	4 536 663 640	-		4 536 663 640
Financial assets at fair value through other comprehensive income	-	-	2 252 820 108	2 252 820 108
Total	4 536 663 640	-	2 252 820 108	6 789 483 748

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.6 Fair value (continued)

Valuation technique for financial assets measured at fair value

Listed equity investments valuation

Level 1 is made up of the Group's investments in equity securities listed on the Zimbabwe Stock Exchange and other regional bourses.

Unlisted equity investments valuation

Valuation technique

Level 3 comprises the Group's investments in unlisted equities. The Group used the relative valuation technique to value unlisted equities. Under this model, various value indicators of publicly traded stocks are used as comparatives for companies in the same industry. The relative valuation approach considers discounted cash flow valuation too intricate to establish, arguing that medium and long-range earnings projections are too intricate to make accurately and that the discount rates used are subjective. Instead, various valuation parameters of publicly traded stocks such as price to book ratios ("PBV"), relative market capitalisation can be used as comparatives for companies in the same industry.The PBV so obtained is then applied to the book value of equity to arrive at an implied value.

Valuation process

The Group engaged an independent consultant to assist management to determine the fair values of the unlisted equities at each reporting date. Management provides the independent consultant with prior periods' audited financials statements, approved future projected cash flows and other non financial strategic information and they perform the following:
- determine return on equity using the earnings and equity;
- normalise return on equity for forecast periods;
- calculate the predicted price/book value based on a regression model, by considering other publicly tradable reinsurance businesses within the region's PBV ratios; and
- apply the regressed price to book ratio to the firm's equity to determine the price.

As part of the engagement, the independent consultant provides the determined valuations for discussions.

Comparison of carrying amounts and fair values for assets and liabilities not held at fair value

The fair value is an estimate of the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following table summarises the fair value of assets and liabilities not measured at fair value on the entity's statement of financial position.

Group	2022 Carrying value ZWL	2022 Fair value ZWL	2021 Carrying value ZWL	2021 Fair value ZWL
Financial assets				
Financial assets at amortised cost	1 002 923 679	1 002 923 679	3 005 011 982	3 005 011 982
Trade and other receivables	17 160 094 820	17 160 094 820	7 781 833 282	7 781 833 282
Cash and cash equivalents	10 926 482 280	10 926 482 280	1 631 281 977	1 631 281 977
	29 089 500 779	29 089 500 779	12 418 127 241	12 418 127 241

Company	2022 Carrying value ZWL	2022 Fair value ZWL	2021 Carrying value ZWL	2021 Fair value ZWL
Financial assets				
Financial assets at amortised cost	46 864	46 864	161 100	161 100
Other receivables	234 907 152	234 907 152	263 638 011	263 638 011
Cash and cash equivalents	38 000 742	38 000 742	4 900 245	4 900 245
	272 954 758	272 954 758	268 699 356	268 699 356

3 GROUP FINANCIAL RISK MANAGEMENT (continued)

3.6 Fair value (continued)

The carrying amount of trade and other receivables and financial assets at amortised cost closely approximates its fair value as the instruments are short term in nature.

Group	2022 Carrying value ZWL	2022 Fair value ZWL	2021 Carrying value ZWL	2021 Fair value ZWL
Financial liabilities				
Short term insurance contract liabilities	7 820 258 539	7 820 258 539	4 755 871 909	4 755 871 909
Life reassurance contract liabilities	648 465 000	648 465 000	480 885 692	480 885 692
Borrowings	477 437 553	477 437 553	432 222 418	432 222 418
Lease liabilities	102 677 438	102 677 438	112 477 809	112 477 809
Trade and other payables	15 442 068 200	15 442 068 200	6 420 995 077	6 420 995 077
	24 490 906 731	24 490 906 731	12 202 452 905	12 202 452 905

Company	2022 Carrying value ZWL	2022 Fair value ZWL	2021 Carrying value ZWL	2021 Fair value ZWL
Financial liabilities				
Lease liabilities	34 539 884	34 539 884	951 793	951 793
Trade and other payables	1 296 865 182	1 296 865 182	2 823 284 373	2 823 284 373
	1 331 405 066	1 331 405 066	2 824 236 166	2 824 236 166

The carrying amounts of financial liabilities carried at amortised cost closely approximates their fair values. The impact of discounting is not significant due to the market terms (rates and tenor) available.

4 CAPITAL MANAGEMENT POLICIES

The Group's objective when managing capital is to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits to other stakeholders. The Group's capital comprises ordinary share capital, share premium, reserves and retained earnings. It is the Group's objective to retain a capital position that supports the development of the business. The Group manages its capital structure and makes adjustments to it, in light of changes in the economic conditions. Where necessary, capital is redeployed to subsidiaries from the holding company.

The subsidiaries with minimum capital requirements imposed by their regulators were capitalised as follows:

	INFLATION ADJUSTED			
	2022		2021	
	Shareholders' equity	Minimum regulatory capital	Shareholders' equity	Minimum regulatory capital
Emeritus Reinsurance Zimbabwe (Private) Limited	12 289 024 889	112 500 000	3 905 822 616	386 729 862
Emeritus Reinsurance Zambia Limited **	1 030 397 609	130 505 710	228 290 177	448 626 267
Emeritus Reinsurance Company Limited Malawi	2 213 114 219	200 037 340	935 783 625	687 648 115
Emeritus Resegguros SA Mozambique	3 285 257 011	164 378 919	567 549 332	565 068 769
Emeritus Reinsurance Company Limited Botswana	220 266 607	117 785 630	567 549 332	404 899 738
Credit Insurance Zimbabwe Limited	1 124 088 756	37 500 000	422 015 045	128 909 954
Fidelity Life Assurance of Zimbabwe Limited	7 547 517 974	75 000 000	157 050 590	75 000 000

4 CAPITAL MANAGEMENT POLICIES (continued)

	HISTORICAL COST			
	2022		2021	
	Shareholders' equity	Minimum regulatory capital	Shareholders' equity	Minimum regulatory capital
Emeritus Reinsurance Zimbabwe (Private) Limited	6 775 965 225	112 500 000	104 103 984	112 500 000
Emeritus Reinsurance Zambia Limited	153 760 179	130 505 710	14 339 103	23 821 961
Emeritus Reinsurance Company Limited Malawi	370 181 010	200 037 340	55 456 210	34 149 521
Emeritus Resegguros SA Mozambique	295 436 739	164 378 919	27 499 453	26 431 066
Emeritus Reinsurance Company Limited Botswana	246 227 541	117 785 630	20 942 856	15 733 273
Credit Insurance Zimbabwe Limited	179 754 779	37 500 000	31 656 867	37 500 000
Fidelity Life Assurance of Zimbabwe Limited	2 512 164 256	75 000 000	139 620 883	75 000 000

The minimum capital requirements based on historical cost figures have increased significantly.

5 INSURANCE RISK MANAGEMENT

5.1 Definition of insurance risk

Insurance risk is the risk that actual future underwriting policyholder behaviour and expense experience will differ from that assumed in measuring policyholder liabilities and assets and pricing products. Insurance risk arises due to uncertainty regarding the timing and amount of future cash flows from insurance contracts. This could be due to variations in mortality, morbidity, policyholder behaviour or expense experience in the case of life products, claims incidence, claim severity or expense experience in the case of short-term insurance products. These could have adverse impacts on the Group's earnings and capital if different from those assumed. The insurance risks that the Group is exposed to that have the greatest impact on the financial position and comprehensive income are covered in more detail in section 5.8.

5.2 General Management of Insurance risk

The management and staff in all subsidiaries accepting insurance risk are responsible for the day-to-day identification, monitoring and treatment of the insurance risk. It is also management's responsibility to report any material insurance risks, risk events and issues identified to senior management through certain pre-defined escalation procedures. In addition to the management of risk by the subsidiary companies, the Group has the following insurance risk management controls:

The Group Internal Audit and Risk Department

This provides independent oversight on compliance with the Group's risk management policies and procedures and the effectiveness of the Group's insurance risk management processes.

The Risk Committee,

The Risk Committee is responsible for managing all aspects of insurance risk in the Group. This Committee reports directly or indirectly to board committees (Audit, Risk and Compliance Committee)
The functions of the committee include:

- recommending insurance risk related policies to the Audit, Risk and Compliance Committee for approval and ensure compliance therewith;
- ensuring that insurance risk is appropriately controlled by monitoring insurance risk triggers against agreed limits and/or procedures.
- gaining assurance that material insurance risks are being monitored and that the level of risk taken is in line with the risk appetitestatement at all times;
- considering any new insurance risks introduced through new product development or strategic development and how these risksshould be managed;
- monitoring, ratifying and/or escalating to Audit, Risk and Compliance Committee and Reinsurance Board all material insurancerisk-related breaches. Excesses highlighting the corrective action undertaken to resolve the issue;
- monitoring insurance risk capital requirements as they apply to the management of the Group and its subsidiaries' statements offinancial position; and
- approving the reinsurance, underwriting and claim management strategies and oversee the implementation of those strategies.

Statutory Actuary

The statutory actuaries provide oversight on the long-term insurance risks undertaken by the Group in that they are required to:

- report at least annually on the financial soundness of the reassurance division within the Group;
- oversee the setting of assumptions used to provide best estimate liabilities plus compulsory and discretionary margins (as described in the accounting policies) in accordance with the assumption setting policy; and
- report on the actuarial soundness of premium rates in use for new business and on the profitability of the business taking into consideration the reasonable benefit expectations of policyholders and the associated insurance and market risks.

5 INSURANCE RISK MANAGEMENT (continued)

5.2 General Management of Insurance risk (continued)

Capital Adequacy Requirements

A minimum level of solvency is required to be held within each insurance subsidiary to meet the regulatory capital requirements (CAR). For the long term insurance subsidiaries the CAR is calculated to determine whether the excess of assets over liabilities is sufficient to provide for the possibility of actual future experience departing from assumptions made in calculating the policy holder liabilities and against fluctuations in the value of assets. The CAR is actuarially determined taking into account forward looking information.

Pricing

Pricing risk is managed by carefully establishing criteria by which each potential customer is allocated to the appropriate risk category, applying the underwriting rules, and by establishishing prices appropriate to each category. Underwriting performance is measured by monitoring the claims loss ratio which is the ratio of claims to premiums.

Reserving

For claims that have been reported by the financial position date, expert assessors estimate the expected cost of final settlement. For expected claims that have not been reported by the financial position date an incurred but not reported ("IBNR") provision is calculated using appropriate techniques .Consideration is also given to any stipulated minimum IBNR prescribed by regulations. These provisions for claims are not discounted for the time value of money due to the expected short duration of settlement. Using the experience of a range of specialist claims assessors, provisions are reviewed regularly to ensure they are sufficient.

Catastrophic

Catastrophic risk has the potential to cause significant loss or impact on current year earnings and capital through a single event or a number of correlated events. Reinsurance and the diversification of types of short-term insurance offered are used to reduce risks from single catasrophic events or accumulations of risk. Various reinsurance arrangements are in place, with retention levels and catastrophe cover levels varying by line of business.

5.3 Risk identification, assessment, measurement and management

Risk management takes place prior to the acceptance of risks through the product development , underwriting , pricing and claims assessment process and at the point of sale. Risks continue to be managed through the measurement, monitoring and treatment of risks once the risks are contracted.

5.3.1 Risk management through product development, pricing and at the point of sale

The product development and pricing process defines the terms and conditions on which the Group is willing to accept risks. Once a policy has been sold, the Group takes on risk for the duration of the contract and the Group cannot unilaterally change the terms and conditions of the policy except where the policy allows for rate reviews. It is for these reasons that risks need to be carefully assessed and appropriately mitigated before a product is launched and before new policies are accepted onto the Group's statement of financial position. In order to manage these risks, new products need to comply with the Group's minimum risk acceptance criteria. The product development and approval process ensures that:

- risks inherent in new products are identified and quantified;
- sensitivity tests are performed to enhance understanding of the risks and appropriateness of mitigating actions;
- pricing is adequate for the risk undertaken;
- product design takes account of various factors including size and timing of fees and charges, appropriate levels of minimum premiums, commission structures and policy terms and conditions;
- the Group makes use of reinsurance or retrocession to reduce its exposures to some insurance risks;
- customer needs and expectations will be met by the product; and
- post implementation reviews are performed to ensure that intended outcomes are realised and to determine if any further action is required.

5.3.2 Risk management post-implementation of products and of in-force policies

The ongoing management of insurance risk, once the risk has been contracted, includes the management of costs, premium adjustments where permitted and appropriate, management strategies and training of cedants to encourage customers to retain their policies, and careful follow up on disability claims , default claim and early death claims. Further, experience investigations are conducted at least annually on all significant insurance risks to ascertain the extent of deviations from assumptions and their financial impacts. If the investigations indicate that these deviations are likely to persist in future, the assumptions will be adjusted accordingly for the subsequent measurement of policyholder liabilities and assets. Furthermore, any deviations that are likely to persist are also used to inform the product development and pricing of new existing products. Insurance risks are assessed and reviewed against the Group's risk appetite and risk target. Mitigating action are developed for any risks that fall outside of management's assessment of risk appetite in order to reduce the level of risk to within the approved tolerance limits.

Embedded value sensitivities for insurance risks are also prepared for internal use and reporting to analysts.

5 INSURANCE RISK MANAGEMENT (continued)

5.4 Reporting

Each relevant customer facing unit prepares monthly and quarterly reports that include information on insurance risk. The reports are presented to the relevant customer facing unit executive committees and relevant risk committees for review and discussion. Major insurance risks are incorporated into a report of the internal audit on the Group's overall risk which is submitted to the Group audit committee. Where it is deemed necessary, material insurance risk exposures are escalated to the board. In respect of insurance risks, the reports contain the results of experience investigations conducted along with other indicators of actual experience. These reports also raise any issues identified and track the effectiveness of any mitigation plans put in place.

5.5 Policyholder behaviour risk

This is the risk of adverse financial impact caused by actual policyholders' behaviour deviating from expected policyholders' behaviour, mainly due to:

- regulatory and legislative changes (including taxation);
- changes in economic conditions;
- sales practices;
- competitor behaviour;
- policy conditions and practices; and
- policyholders' perceptions.

The primary policyholder behaviour risk is persistency risk. This generally arises when policyholders discontinue or reduce contributions, or terminate their policies at a rate that is not in line with expectations. This behaviour results in a loss of future premiums that are designed to recoup expenses and commission incurred early in the life of the contract and to provide a profit margin or return on capital. A decrease in persistency generally gives rise to a loss, as the loss of these future charges generally exceeds the charges that the Group applies to the policyholder benefits in these events. However with certain products the general principle does not always apply.

In the measurement of policyholder liabilities and assets, margins as described in the accounting policies are added to the best estimate withdrawal rates. In addition, an allowance is made for the withdrawal risk in the Technical Capital Adequacy Requirement ("TCAR") and Ordinary Capital Adequacy Requirement ("OCAR") calculations, with the TCAR providing a capital requirement underpin of meeting the surrender benefits on all policies where this is onerous.

In the calculation of economic capital requirements, allowance is made for the following risks in respect of policyholder behaviour:

- The risk that the actual level of withdrawals is different from expected; and
- The risk of withdrawal catastrophe to capture a run-on-a-bank type of scenario.

5.6 Underwriting risks

The primary purpose of underwriting is to ensure that an appropriate premium is charged for each risk and that cover is not offered to uninsurable risks. Underwriting risks are the risks that future demographic or claims incidence experience will exceed the allowance for expected demographic or claims incidence experience, as determined through provisions, pricing, risk measures and value measures. Underwriting risks include, amongst others, mortality and morbidity risks, longevity risks and non-life (short-term insurance) risks.

The main risks that the Group is exposed to are as follows:

- mortality risk – risk of loss arising due to policyholder death experience being different than expected
- longevity risk – risk of loss arising due to the annuitant living longer than expected
- investment return risk – risk of loss arising from actual returns being different than expected
- expense risk – risk of loss arising from expense experience being different than expected
- policyholder decision risk – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected

These risks do not vary significantly in relation to the location of the risk insured by the Group, type of risk insured or by industry.

5.6.1 Mortality and morbidity risk

Mortality risk is the risk of adverse financial impact due to actual mortality (death) claims being higher than anticipated. Morbidity risk is the risk of adverse financial impact due to policyholder health related (disablement and dread disease) claims being higher than expected. The Group has the following processes and procedures in place to manage mortality and morbidity risk.

(a) Underwriting strategy

The underwriting strategy seeks diversity to ensure a balanced portfolio and is based on a large portfolio of similar risks over a number of years and as such, it is believed that this reduces the variability of the outcome. The Group manages its assurance risk through underwriting limits, approval procedures for transactions that involve new products or that exceed set limits, pricing guidelines, centralized management of reassurance and monitoring of emerging issues. The Group uses several methods to assess and monitor assurance risk exposures both for individual types of risks insured and overall risks. These methods include internal risk measurement models, sensitivity and scenario analyses. Underwriting guidelines concerning authority limits and procedures to be followed are in place.

5 INSURANCE RISK MANAGEMENT (continued)

5.6.1 Mortality and morbidity risk (continued)

(a) Underwriting strategy (continued)

All individual business applications for risk cover are underwritten except for some policies with smaller sums assured where specific allowance for no underwriting has been made in the product design and pricing. For other smaller sums assured, the underwriting process is largely automated. For individual and institutional business, larger sums assured in excess of specified limits are reviewed by experienced underwriters and evaluated against established processes. For institutional risk business, these specified limits are scheme specific based on the size of the scheme , membership, average age, gender distribution , industry and distribution of sums assured. Since applications on institutional business below the specified limits are not medically underwritten, very few lives are medically tested. However, the annually reviewable terms on institutional business enable premiums to keep pace with emerging claims experience. Specific testing for HIV and other medicals is carried out based on the assessment of the risk. Part of the underwriting process involves assessing the current health conditions and family medical history of applicants. Terms and conditions are varied accordingly.

Non-standard risk, such as hazardous pursuits and medical conditions, are assessed at underwriting stage. Financial underwriting is used where necessary to determine insurable interest. The non-life insurance risks are sensitive to certain assumptions. The table below shows the qualitative sensitivity of certain triggers related to insurance business:

Risk triggers	General effect on insurance market	Effect on the Group
1. Many cedants and competition in the domiciled market	Undercutting premium rates Underwriting bad business	Lower premiums, increase in claims ration, lower profits Increase in claims, increase in bad debts, lower profits
2. Weakening local currency	Underinsurance of cedants	Increase in claim ratios on partial claims, lower profit
3. Lack of foreign currency and strict exchange controls in local markets.	Inability to discharge external claims and retrocessions Substandard construction and risk management practices	Lower premiums and risk spread, increase in claims ration, lower profits Increased fire and engineering risk, increase in claims, lower profits
4. Weak risk practices of cedants and underlying clients	Having insurance as the only effective risk management item	Increase in claims, lower profit

(b) Pricing strategy

The theory of probability is applied to the pricing and provisioning for a portfolio of assurance contracts. The principal risk is that the frequency and severity of claims is greater than expected. Assurance events are, by their nature, random, and the actual number and size of events during any one year may vary from those estimated using established statistical techniques.

5 INSURANCE RISK MANAGEMENT (continued)

5.6.1 Mortality and morbidity risk (continued)

Premium rates are differentiated by factors which historical experience has shown are significant determinants of mortality and morbidity claims experience. Prior to taking on individual risk policies, appropriate underwriting processes are conducted, such as medical tests, which influence pricing on the policy prior to acceptance. The actual claims experience is monitored on a monthly basis so that deteriorating experience can be timeously identified. Product pricing and the measurement of the liabilities are changed if the deteriorating experience is expected to continue and cannot be mitigated. Detailed mortality and morbidity investigations are conducted on a bi-annual basis for key products. Allowance for HIV related deaths is made in product pricing and in the measurement of policyholder liabilities and assets.

Key assumptions

Material judgement is required in determining the liabilities and in the choice of assumptions. Assumptions in use are based on past experience, current internal data, external market indices and benchmarks which reflect current observable market prices and other published information. Assumptions and prudent estimates are determined at the date of valuation and no credit is taken for possible beneficial effects of voluntary withdrawals. Assumptions are further evaluated on a continuous basis in order to ensure realistic and reasonable valuations. The key assumptions to which the estimation is particularly sensitive are as follows:

Mortality rates

Assumptions are based on standard tables, according to the type of contract written. An investigation into the actual mortality experience of the Company is used to compare the experience to the standard table. Adjustment to the standard table may be made where justified by the experience. An appropriate, but not excessive, prudent allowance is made for expected future improvements. Assumptions are differentiated by sex, underwriting class and contract type. An increase in rates will lead to a larger number of claims (and claims could occur sooner than anticipated) which will increase the expenditure and reduce profits for the shareholders.

Longevity

Assumptions are based on standard industry and national tables, adjusted when appropriate to reflect the Company's own risk experience. An appropriate, but not excessive, prudent allowance is made for expected future improvements. Assumptions are differentiated by sex, underwriting class and contract type. An increase in longevity rates will lead to an increase in the number on annuity payments to be made, which will increase the expenditure and reduce profits for the shareholders.

Investment return and inflation

Economic assumptions are based on the existing investment portfolio, and take account of the expected future medium to long-term economic environment. These estimates are based on current market returns as well as expectations about future economic and financial developments. An increase in investment return would lead to an increase in profits for the shareholders.

Expenses

Operating expenses assumptions reflect the projected costs of maintaining and servicing in-force policies and associated overhead expenses. The current level of expenses is taken as an appropriate expense base, adjusted for expected expense inflation if appropriate. An increase in the level of expenses would result in an increase in expenditure, thereby reducing profits for the shareholders.

Lapse and surrender rates

Lapse relates rates to the termination of policies on premiums not paid up. Surrenders relate to the voluntary termination of policies by policyholders. Policy termination assumptions are determined using statistical measures based on the Company's experience and vary by product type, policy duration and sales trends. For lapses, the Company's actual lapse experience is investigated. The lapse assumption is set based on this assumption but at a level that is expected to be consistent from year to year.by policyholders. Policy termination assumptions are determined using statistical measures based on the Company's experience and vary by product type, policy duration and sales trends. For lapses, the Company's actual lapse experience is investigated. The lapse assumption is set based on this assumption but at a level that is expected to be consistent from year to year. An increase in lapse rates early in the life of the policy would tend to reduce profits for shareholders, but later increases are broadly neutral in effect.

Discount rate

Life insurance liabilities are determined as the sum of the discounted value of the expected benefits and future administration expenses directly linked to the contract, less the discounted value of the theoretical premiums that would be required to meet these future cash outflows. Discount rates are based on current industry risk rates, adjusted for the Group's own risk exposure.

(c) Terms and conditions

The terms and conditions contain exclusions for non-standard and unpredictable risks that may result in severe financial loss (e.g. on life policies, a suicide exclusion applies to the sum assured for death within two years from the date of issue).

Terms are built into the policy contracts that permit risk premiums to be reviewed on expiry of a guarantee period. In particular:
- for institutional risk business, the risk premiums are reviewable annually; and
- for non-Zimbabwean business, similar terms exist.

(d) Claims management

For mortality, claims are validated against policy terms and conditions. Early claims within a period of 1 year for non-accidental claims are assessed for non-disclosure of material facts and investigations carried out to deter fraud. For morbidity, experienced claims assessors determine the merits of the claim in relation to the policy terms and conditions.

5 INSURANCE RISK MANAGEMENT (continued)

5.6.1 Mortality and morbidity risk (continued)

(e) Reinsurance

Reinsurance is used by the Group to reduce exposure to a particular line of business, a particular individual, a single event, and to benefit from the management support services and technical expertise offered to reinsurers. The Group has a centralised reinsurance function that works closely with subsidiaries to optimise and monitor reinsurance at Group level to ensure consistent governance and execution of the Group's reinsurance strategy. Regular reviews, which consider risk appetite, are conducted on reinsurance arrangements for new business. The levels of reinsurance purchased for new business written in 2020 were broadly similar to those in the previous years. Given that a large proportion of the Group's business is long term individual risk business, where the proportion of the risk that is reinsured is fixed for life at the inception of the policy, the Group's overall reinsurance result is heavily influenced by historic reinsurance arrangements. In some instances where underlying policyholder benefits are annually renewable, for example institutional business, reinsurance is annually renewable.

Existing reinsurance arrangements include proportional reinsurance (quota share and surplus type arrangements) on both a treaty and facultative basis and catastrophe reinsurance which is renewed annually. Catastrophe reinsurance is consolidated across subsidiaries and is in place to reduce the risk of many claims arising from the same event. Various events are excluded from the catastrophe reinsurance (e.g. epidemics and radioactive contamination).

5.7 Non-life reinsurance risk

The principal risk the Group faces under insurance contracts is that the actual claims and payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims and actual payments made. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities. The risk exposure is mitigated by diversification across a large portfolio of insurance contracts. The variability of risks is also improved by careful selection and implementation of underwriting guidelines, as well as the use of reinsurance arrangements. The Group purchases reinsurance as part of its risks transfer programme. Reinsurance ceded is placed on both a proportional and non–proportional basis. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. The Group's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Group substantially dependent upon any single reinsurance contract.

The variability of risks is improved by careful selection and implementation of underwriting strategies, which are designed to ensure that risks are diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geography. Risk management is very vital starting from pre-risk acceptance where some large risks or business perceived risky is surveyed and improvement recommendations passed before cover commences. Selected running risks are also surveyed for risk improvement and mitigating chances and severity of losses. Risk management is thus filtered into the whole underwriting process to manage the portfolio. Furthermore, firm claim management policies to assess all new and on-going claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are all policies and procedures put in place to reduce the risk exposure of the Group. The Group further enforces a policy of actively managing and promptly pursuing claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the business. The Group has also limited its exposure by imposing maximum claim amounts on certain contracts as well as the use of reinsurance arrangements in order to limit exposure to catastrophic events. The purpose of these underwriting and reinsurance strategies is to limit exposure to catastrophes based on the Group's risk appetite as decided by management.

Underwriting strategy

Concentration of insurance risk and policies mitigating the concentrations within the insurance process, concentrations of risk may arise where a particular event or series of events could impact heavily upon the Group's resources. The Group monitors the concentration risk by class of business and geographical spread.

Types of contracts

Fire:	provide indemnity for loss or damage to property caused by perils such as fire, lightning, explosion, earthquakes, floods and malicious damage.
Accident:	provide indemnity for third party bodily injury, property damage, professional indemnity, group personal accident and legal expenses.
Motor:	provide indemnity for loss or damage to the insured motor vehicle.
Engineering:	provide indemnity for losses sustained through use of machinery and equipment or erection of buildings or structures.
Marine:	provide indemnity for cargo, hull and third party bodily injury or property damage classes of business.
Agriculture:	provide indemnity for loss of income or crop damage due to damage due hail, floods, pests and fire.
Aviation:	provide indemnity for cargo, hull and third party bodily injury or property damage classes of business.

The concentration of insurance risk before and after reinsurance by territory arising from non-life insurance contracts accepted is summarised below:

5 INSURANCE RISK MANAGEMENT (continued)

5.8.1 Life insurance contract liability sensitivity analysis

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before income tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non-linear. Sensitivity information will also vary according to the current economic assumptions, mainly due to the impact of changes to both the intrinsic cost and time value of options and guarantees. When options and guarantees exist, they are the main reason for the asymmetry of sensitivities. The method used for deriving sensitivity information and significant assumptions made did not change from the previous period.

Below is the impact on profit and net assets and liabilities of changes in the life insurance contract liability as a result of changes in key inputs used to calculate the liability.

	INFLATION ADJUSTED			
Base	**Change in assumptions (+, increase) (-, decrease)**	**Impact on liabilities**	**Impact on profit before tax**	**Impact on profit after tax**
2022				
Mortality	+10%	(203,223,699)	203,223,699	(2,014,552)
Mortality	-10%	(179,561,336)	179,561,336	(1,779,987)
Lapse	-10%	319,037,985	(319,037,985)	3,162,616
Expense	+10%	563,128,316	(563,128,316)	5,582,277
Discount rate	+1%	1,445,206,252	(1,445,206,252)	14,326,294
Investment return	+5%	(5,015,515,654)	5,015,515,654	(49,718,684)
2021				
Mortality	+10%	(45,621,783)	45,621,783	2,140,846
Mortality	-10%	(47,000,133)	47,000,133	2,205,527
Lapse	-10%	73,659,062	(73,659,062)	(3,456,523)
Expense	+10%	15,019,725	(15,019,725)	(704,815)
Discount rate	+1%	120,978,073	(120,978,073)	(5,677,013)
Investment return	+1%	(3,750,606)	3,750,606	176,001

5 INSURANCE RISK MANAGEMENT (continued)

5.8.1 Life insurance contract liability sensitivity analysis (continued)

	HISTORICAL COST			
Base	**Change in assumptions (+, increase) (-, decrease)**	**Impact on liabilities**	**Impact on profit before tax**	**Impact on profit after tax**
2022				
Mortality	+10%	(203,223,699)	203,223,699	1,036,552
Mortality	-10%	(179,561,336)	179,561,336	915,861
Lapse	-10%	319,037,985	(319,037,985)	(1,627,268)
Expense	+10%	563,128,316	(563,128,316)	(2,872,261)
Discount rate	+1%	1,445,206,252	(1,445,206,252)	(7,371,339)
Investment return	+5%	(5,015,515,654)	5,015,515,654	25,581,863
2021				
Mortality	+10%	(13,271,410)	13,271,410	566,433
Mortality	-10%	(13,672,373)	13,672,373	583,546
Lapse	-10%	21,427,475	(21,427,475)	(914,539)
Expense	+10%	4,369,249	(4,369,249)	(186,483)
Discount rate	+1%	35,192,610	(35,192,610)	(1,502,045)
Investment return	+1%	(1,086,053)	1,086,053	46,353

5 INSURANCE RISK MANAGEMENT (CONTINUED)

5.9 Claims development

The Group is liable for all insured events that occur during the term of the contract, even if the loss is discovered after the end of the contract term, subject to predetermined time scales depending on the nature of the insurance contract. The Group is therefore exposed to the risk that claims reserves will not be adequate to fund the historical claims ("run off risk"). To manage run off risk the Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures and adopts sound reserving practices. The reserves created over time proved to be sufficient to fund the actual claims paid. Further, the Group does not participate in any policies with unlimited liability. The Group is liable for all insured events in terms of the contract. All underlying policies have reporting conditions that restrict the timeline within which a claim should reasonably be made. Delays however sometimes occur between the time insurers process claims and recover from reinsurers. Reserves are maintained for this contingency and this forms part of the annual actuarial reviews to assess the adequacy of claim reserves. The majority of the Group's insurance contracts are classified as short term, meaning that any claim is settled within a year after the loss date.

In terms of IFRS 4, 'Insurance contracts', an insurer need only disclose claims run off information where uncertainty exists about the amount and timing of claim payments not resolved within one year. The tables below indicate the claims development of the Group for the period of 5 years.

Claims development table

Paid claims

Accident year	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
At end of							
accident year	1 416 243	1 186 378	1 420 589	6 197 027	1 904 114	40 572 274	12 645 258
One year later	1 998 791	1 343 493	1 803 094	6 531 770	3 246 654	43 881 430	-
Two years later	2 037 554	1 366 027	1 817 158	8 657 471	3 670 129	-	-
Three years later	2 044 209	1 370 957	1 959 219	9 451 361	-	-	-
Four years later	2 048 418	1 373 908	3 244 535	-	-	-	-
Five years later	2 123 143	3 341 952	-	-	-	-	-
Six years later	2 123 143	-	-	-	-	-	-
Seven years later	-	-	-	-	-	-	-
Cumulative claims paid to date	**2 123 143**	**3 341 952**	**3 244 535**	**9 451 361**	**3 670 129**	**43 881 430**	**12 645 258**

Incurred claims

Accident year	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
At end of							
accident year	1 416 263	1 186 994	1 502 786	2 200 460	2 381 481	31 869 293	18 485 521
One year later	1 998 810	1 344 108	1 885 290	2 634 486	4 040 486	36 597 959	
Two years later	2 038 511	1 366 643	1 899 354	3 885 529	4 463 961	-	-
Three years later	2 045 166	1 371 573	2 041 415	4 679 419	-	-	-
Four years later	2 049 374	1 374 524	3 326 731	-	-	-	-
Five years later	2 124 098	3 342 568	-	-	-	-	-
Six years later	2 124 098	-	-	-	-	-	-
Seven years later	-	-	-	-	-	-	-
Estimate of cumulative claims incurred to date	**2 124 098**	**3 342 568**	**3 326 731**	**4 679 419**	**4 463 961**	**36 597 959**	**18 485 521**

5 INSURANCE RISK MANAGEMENT (continued)

5.9 Claims development (continued)

Case estimates

Accident year	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
One year later	20	616	82 197	(3 996 567)	477 367	(8 702 981)	-
Two years later	19	615	82 196	(3 897 284)	793 832	-	-
Three years later	957	616	82 196	(4 771 942)	-	-	-
Four years later	957	616	82 196	-	-	-	-
Five years later	956	616	-	-	-	-	-
Six years later	955	-	-	-	-	-	-
Seven years later	-	-	-	-	-	-	-

IBNR reserves

Accident year	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
One year later	650 111	351 365	443 920	687 554	455 647	5 457 400	-
Two years later	1 901 232	637 462	552 718	318 463	313 524	-	-
Three years later	1 321 469	688 248	49 750	45 504	-	-	-
Four years later	1 326 814	18 754	4 837	-	-	-	-
Five years later	45 855	-	-	-	-	-	-
Six years later	-	-	-	-	-	-	-
Seven years later	-	-	-	-	-	-	-
Cumulative payments to date	**45 855**	**18 754**	**4 837**	**45 504**	**313 524**	**5 457 400**	
Cumulative incurred claims less payments to date	**2 078 243**	**3 323 814**	**3 321 894**	**4 633 915**	**4 150 437**	**31 140 559**	**18 485 521**

Sensitivity analysis for life and health policyholder contract liabilities has not been disclosed as the unit is significantly small, the trends reflect unreliable wide fluctuations and there is no sufficient historical information. The analysis is part of the periodic independent actuarial assessments. Therefore no additional work was done because of this and the insignificant contribution of individual life business to overall gross premium written.

6 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires the use of accounting estimates and judgements which, by definition will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. The uncertainty about the judgements and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

6.1 Judgements other than estimates

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

6.1.1 Inflation indices and adjustments

On 11 October 2019, the Public Accountants and Auditors Board ("PAAB") issued pronouncement 01/2019, which advised that Zimbabwe has met conditions for application of IAS 29 for financial periods ending on or after 1 July 2019. IAS 29 requires that the financial statements of the Group whose functional currency is the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the reporting date and that the corresponding figures for the comparative periods be stated in the same terms. The financial statements and the corresponding figures for the previous years have been restated to take account of the changes in the general purchasing power of the Zimbabwe dollar. The restatement is based on conversion factors derived from the Zimbabwe Consumer Price Index ("CPI") compiled by the Reserve Bank of Zimbabwe from the figures provided by the Zimbabwe National Statistics Agency.

6 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

6.1 Judgements other than estimates (continued)

6.1.2 Taxes

The Group is subject to taxes in Botswana, Malawi, Mozambique, Zambia and Zimbabwe. Significant judgement is required in determining the liabilities for taxes. There are many transactions and calculations for which the ultimate tax determination and timing of payment is uncertain. In particular, when calculating deferred tax, the effective tax rate applicable on the temporary differences on investment property depends on the method by which the carrying amount of investment property will be realised. Management has rebutted the presumption that the investment property measured at fair value will be recovered through sale. Management has rebutted the presumption as the objective of its business model is to consume substantially all of the economic benefits embodied in the investment property over time rather than through sale. As a result the Group continues to apply the income tax rate of 24.72% (2019: 25.75%) for the purpose of recognising deferred tax for its investment property with the exception of land. The Group will recover the carrying amount of land recognised as investment property through sale and in that respect, the capital gains tax rate is used to determine deferred tax. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax assets and liabilities in the period in which such determination is made.

6.1.3 Going concern

The Directors have assessed the ability of the Group and Company to continue operating as going concerns and believe that the preparation of these financial statements on a going concern basis is appropriate.

6.2 Estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based their assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

6.2.1 Insurance contract liabilities

The estimation of the ultimate liability arising from claims made under insurance contracts is the Group's most critical accounting estimate. There are several sources of uncertainty that are considered in the estimate of the liability that the Group will ultimately pay for such claims.

(i) Unearned premiums

Unearned premiums represent the proportion of premiums written in the current year, which relate to risks that have not expired by the end of the financial year. The Group raises provisions for unearned premiums on a basis that reflects the underlying risk profile of its insurance contracts. An unearned premium provision is created at the commencement of each insurance contract and is released as the risk covered by the contract expires. Most of the Group's insurance contracts have an even risk profile. Therefore, the unearned premiums are released evenly over the period of insurance using a time proportion basis. The unearned premiums are first determined on a gross level and thereafter the reinsurance impact is separately recognised based on the relevant reinsurance contract. Deferred acquisition costs and commission revenue is recognised on a basis that is consistent with the related provision for unearned premiums. At each reporting date an assessment is made of whether the unearned premiums are adequate. A separate provision can be made, based on information available at the reporting date, for any estimated future underwriting losses relating to unexpired risks.

(ii) Outstanding claims

Outstanding claims represent the Group's estimate of the cost of settlement of claims that have occurred and were reported by the reporting date (net of salvage recoveries), but that have not yet been fully settled. Claims provisions are determined based on previous claims experience, knowledge of events, the terms and conditions of the relevant policies and on the interpretation of circumstances. Each notified claim is assessed on a separate case-by-case basis with due regard for the specific circumstances, information available from the insured and/or loss adjuster, past experience with similar cases and historical claims payment trends. The approach also includes the consideration of the development of loss payment trends, the levels of unpaid claims, legislative changes, judicial decisions and economic conditions. The Group employs personnel experienced in claims handling and rigorously applies standardised policies and procedures to claims assessment. The ultimate cost of reported claims may vary as a result of future developments or better information becoming available about the current circumstances. Therefore, case estimates are reviewed regularly and updated when new information becomes available. The provision for outstanding claims is initially estimated at a gross level. A separate calculation is performed to estimate reinsurance recoveries. The calculation of reinsurance recoveries considers the type of risk underwritten, the year in which the loss claim occurred, under which reinsurance programme the recovery will be made, the size of the claim and whether the claim was an isolated incident or formed part of a catastrophe reinsurance claim.

(iii) Claims incurred but not reported ("IBNR")

There is also considerable uncertainty concerning the eventual outcome of claims that have occurred but had not yet been reported to the insurer by the reporting date. The 'IBNR' liability relates to these events. In calculating the estimated cost of unpaid claims (both reported and not reported), the Group's estimation techniques are based on statistical merthods including the basic chain-ladder. The basic chain-ladder method assumes that payments for an accident year will develop in the same way as claims have for prior years and an estimate based upon actual accident years claims experience using predetermined formulae where greater weight is given to actual claims experience as time passes.

6 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

6.2 Estimates (continued)

6.2.1 Insurance contract liabilities (continued)

(iii) Claims incurred but not reported ("IBNR") (continued)

The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Group, where information about the claim event is available. IBNR claims may not be apparent to the insured until many years after the event that gave rise to the claims.

In estimating the liability for the cost of reported claims not yet paid, the Group considers any information available on the cost of settling claims with similar characteristics in previous periods. Large claims are assessed on a case-by-case basis or projected separately in order to allow for the possible distortive effect of their development and incidence on the rest of the portfolio. Where possible, the Group adopts multiple techniques to estimate the required level of provisions. This provides a greater understanding of the trends inherent in the experience being projected. The projections given by the various methodologies also assist in estimating the range of possible outcomes. The most appropriate estimation technique is selected taking into account the characteristics of the business class and the extent of the development of each accident year.

Note 5 presents the development of the estimate of ultimate claim cost for claims notified in a given year. This gives an indication of the accuracy of the Group estimation technique for claims payments.

iv) Insurance contract liabilities (policyholders' funds) and actuarial assumptions

The life policyholder funds, under un-matured policies, are computed at the reporting date by the Group's independent actuary, in accordance with prevailing legislation, guidelines issued by the Actuarial Society of South Africa ("SAP") 104. Under this method, the insurance contract liabilities are valued using realistic expectations of future experience with prescribed margins for prudence. The insurance contract liabilities reflected in the statement of financial position represent the increase or decrease in actuarial liabilities.
The main assumptions used relate to mortality, longevity, investment returns, expenses, lapses, surrender rates and discount rates.

Estimates are also made as to future investment income arising from the assets backing the life insurance contracts. These estimates are based on current market returns as well as expectations about future economic and financial developments. Assumptions on future expenses are based on current expense levels adjusted for expected expense inflation if necessary. Lapse and surrender rates depend on product features, policy duration and external circumstances such as sales trends. Discount rates are based on current expense levels adjusted for expected inflation adjustments if appropriate.

6.2.2 Fair value of investment property

The Group carries its investment property at fair value, with changes in fair value being recognised in the profit or loss The approach mostly used on commercial and industrial properties is the comparative approach. This method seeks to ascribe the subject property a value similar to that achieved for comparable properties. Another method is the yield method which converts anticipated future cash flow benefits in the form of rental income into present value. This approach requires careful estimation of future benefits and the application of investor yield or return requirements. The determined fair value of the investment properties is most sensitive to the estimated yield as well as the long-term void rate.

Valuation approach

The valuations have been undertaken in an environment of poor liquidity conditions and limited transaction evidence. Limited transaction evidence affects all properties whose fair values are arrived at based on comparable transactions obtained from the market. With regards to commercial and industrial properties, yields obtained from US$ transaction evidence were utilised. In undertaking the valuations for commercial, industrial and retail properties, reliance has been placed on rental market evidence, void rates and arrears currently applying to the individual properties in the portfolio. The achieved rentals for the property portfolio are generally in line, and in some instances, higher than the rental rates being achieved in the market. With regards to the residential properties, various properties were identified that were sold or which are on sale and situated in comparable low density residential suburbs. In analysing the comparable properties, the Main Space Equivalent ("MSE") principle was applied. The total MSE of the comparable was then used to determine the value per square meter of MSE. The objective is to arrive at a common basis of comparison. After adjustments for quality, location and size, the rates per MSE reflected by the comparable were then applied to the subject residential properties.

The yields have been obtained from the limited concluded transactions and have also been assessed taking into account asking prices and offers that may have been received for properties currently on the market, formally or otherwise, although the transactions may not have been concluded. Refer to note 10 for the carrying amount of investment property and the estimates and assumptions used to value investment property.

6 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

6.2 Estimates (continued)

6.2.3 Useful lives and residual values of property and equipment

The Group assesses the useful lives and residual values of property and equipment each year taking into consideration past experience, technology changes and the local operating environment. No changes to the useful lives and residual values have been considered necessary during the year. Refer to note 8 for the carrying amount of property, vehicles and computer equipment and accounting policy note 2.5 for the useful lives of property, vehicles and equipment.

6.2.4 Allowances for credit losses on financial assets measured at amortised cost

The Group assesses its financial assets at amortised cost for impairment on a monthly basis and recognises credit loss allowances using the expected credit loss model. Key assumptions applied in this calculation are the estimated debt recovery rates within the Group's debtors' book, as well as an estimation or view on current and future market conditions that could affect the debt recovery rates. Refer to note 16 for further details on the allowance and the carrying amount of trade and other receivables.

7 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.

Reinsurance

The segment offers short-term reinsurance products and services to general insurance companies locally, regionally and internationally. 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. Revenue in this segment is derived primarily from insurance premiums, investment income and fair value gains and losses on financial assets.

Life reassurance

The life reassurance 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 reassurance 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 policy holders 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-financng 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.

Other and eliminations

This segment comprises the holding company and consolidation eliminations.

7 SEGMENT INFORMATION (continued)

7.1 Information about products and services

	INFLATION ADJUSTED							
2022	**Non-life reinsurance ZWL**	**Life reassurance ZWL**	**Life & Pensions ZWL**	**General insurance ZWL**	**Property ZWL**	**Insurance broking ZWL**	**Other and eliminations ZWL**	**Total ZWL**
Gross written premium	14 590 268 437	1 654 073 999	3 365 321 482	1 209 069 012	-	-	(428 486 839)	20 390 246 091
Retrocession premium	(4 310 322 067)	(195 505 330)	(279 171 391)	(624 091 034)	-	-	428 486 839	(4 980 602 983)
Net premium written	10 279 946 370	1 458 568 669	3 086 150 091	584 977 978	-		-	15 409 643 108
Change in unearned premium reserve	(1 938 694 542)	-	-	98 561 491	-	-	-	(1 840 133 051)
Net premium earned	**8 341 251 828**	**1 458 568 669**	**3 086 150 091**	**683 539 469**	**-**		**-**	**13 569 510 057**
Brokerage commission and fees	968 211 093	54 201 233	55 164 315	179 930 757	-	548 508 287.00	(194 136 565)	1 611 879 120
Total insurance income	**9 309 462 921**	**1 512 769 902**	**3 141 314 406**	**863 470 226**	**-**	**548 508 287**	**(194 136 565)**	**15 181 389 177**
Rental income from investment property and income from sale of inventory property	129 178 163	189 018 826	3 149 941	6 741 744	1 151 366 824	-	-	1 479 455 498
Investment income	170 551 913	5 976 733	2 558 344 200	91 735 822	229 437 466	18 903 097	(145 737 271)	2 929 211 959
Other gains	2 161 418 867	866 966 150	(826 269 935)	222 908 645	387 976 481	159 871 460	(997 099 789)	1 975 771 878
Total income	**11 770 611 863**	**2 574 731 611**	**4 876 538 612**	**1 184 856 437**	**1 768 780 771**	**727 282 844**	**(1 336 973 626)**	**21 565 828 512**
Claims and expenses	**(11 749 364 605)**	**(2 035 001 826)**	**(5 774 907 501)**	**(1 142 324 904)**	**(490 727 945)**	**(551 918 816)**	**508 405 835**	**(21 235 839 762)**
Insurance benefits and claims	(4 582 420 942)	(1 148 734 330)	(1 258 216 155)	(302 783 123)	-	-	-	(7 292 154 550)
Commission and acquisition expenses	(3 735 149 413)	(376 780 319)	(363 824 248)	(185 220 637)	-	(109 134 209.00)	194 136 564	(4 575 972 263)
Net property operating costs	(16 871 869)	(16 126 054)	(43 792 820)	-	(114 599 822)	-	-	(191 390 565)
Operating and administrative expenses	(3 414 922 381)	(493 361 123)	(4 109 074 278)	(654 321 144)	(376 128 123)	(442 784 607.00)	314 269 271	(9 176 322 385)
Operating profit/(loss)	**21 247 259**	**539 729 785**	**(898 368 889)**	**42 531 533**	**1 278 052 825**	**175 364 028**	**(828 567 791)**	**329 988 751**

7 SEGMENT INFORMATION (continued)

7.1 Information about products and services (continued)

	INFLATION ADJUSTED							
	Non-life reinsurance ZWL	Life reassurance ZWL	Life & Pensions ZWL	General insurance ZWL	Property ZWL	Insurance broking ZWL	Other and eliminations ZWL	Total ZWL
Gross change in insurance and investment contract liabilities	-	-	(8 557 722 180)	-	-	-	-	(8 557 722 180)
Finance costs	(26 347 248)	-	(191 428 499)	-	6 307 603	-	(23 011 105)	(234 479 249)
Fair value adjustment on investment property	697 632 040	693 091 379	10 920 928 930	-	5 618 167 044	-	-	17 929 819 393
Monetary gain/(loss)	(857 905 019)	(1 396 365 780)	(437 077 412)	(140 571 004)	(1 417 533 876)	(24 603 653)	630 481 586	(3 643 575 158)
Share of profit of associates	-	-	-	-	-	-	(1 735 248 672)	(1 735 248 672)
Profit/(loss) before income tax	**(165 372 968)**	**(163 544 616)**	**836 331 950**	**(98 039 471)**	**5 484 993 596**	**150 760 375**	**(1 956 345 982)**	**4 088 782 883**
Income tax (expense)/credit	1 146 648 488	6 403	(626 817 511)	(72 632 177)	(404 152 012)	(30 021 737)	12 433 916	25 465 370
Total assets	**33 857 361 819**	**3 959 301 504**	**56 407 690 383**	**2 034 615 457**	**28 886 291 794**	**1 138 131 016**	**(4 094 395 830)**	**122 188 996 143**
Total liabilities	**17 982 221 831**	**796 380 617**	**48 860 172 411**	**910 526 703**	**2 141 023 921**	**925 675 840**	**(311 238 054)**	**71 304 763 270**

7 SEGMENT INFORMATION (continued)

7.1 Information about products and services (continued)

	HISTORICAL COST							
	Non-life reinsurance ZWL	Life reassurance ZWL	Life & Pensions ZWL	General insurance ZWL	Property ZWL	Insurance broking ZWL	Other and eliminations ZWL	Total ZWL
Gross written premium	12 271 133 638	1 165 875 290	3 403 406 422	853 931 423	-	-	(428 486 839)	17 265 859 934
Retrocession premium	(3 942 330 629)	(165 744 116)	(158 298 570)	(436 957 947)	-	-	428 486 839	(4 274 844 423)
Net premium written	8 328 803 009	1 000 131 174	3 245 107 852	416 973 476	-		-	12 991 015 511
Change in unearned premium reserve	(1 399 603 176)	-	-	(49 583 824)	-	-	-	(1 449 187 000)
Net premium earned	**6 929 199 833**	**1 000 131 174**	**3 245 107 852**	**367 389 652**	**-**		**-**	**11 541 828 511**
Brokerage commission and fees	900 910 861	45 112 865	38 242 443	117 879 213	-	366 819 455	(194 136 565)	1 274 828 272
Total insurance income	**7 830 110 694**	**1 045 244 039**	**3 283 350 295**	**485 268 865**	**-**	**366 819 455**	**(194 136 565)**	**12 816 656 783**
Rental income from investment property and income from sale of inventory property	109 286 326	104 079 807	13 086 709	4 724 710	858 575 746	-	-	1 089 753 298
Investment and other income	161 007 451	3 818 807	1 826 773 387	74 985 440	162 910 574	19 278 351	69 702 352	2 318 476 362
Other gains	2 368 904 372	462 552 290	936 955 199	168 024 972	615 993 852	185 885 683	(1 361 045 334)	3 377 271 034
Total income	**10 469 308 844**	**1 615 694 943**	**6 060 165 590**	**733 003 987**	**1 637 480 172**	**571 983 489**	**(1 485 479 548)**	**19 602 157 477**
Claims and expenses	**(10 340 170 194)**	**(1 458 149 521)**	**(5 036 812 489)**	**(764 410 531)**	**(546 534 943)**	**(388 650 989)**	**264 766 554**	**(18 269 962 114)**
Insurance benefits and claims	(4 128 590 961)	(778 405 637)	(1 115 065 516)	(184 824 843)	-	-	-	(6 206 886 957)
Commission and acquisition expenses	(3 174 011 894)	(276 456 022)	(309 884 987)	(121 377 895)	-	(40 678 256)	194 136 565	(3 728 272 489)
Net property operating costs	(11 352 708)	(11 764 977)	(268 222 414)	-	(83 652 426)	-	-	(374 992 526)
Operating and administrative expenses	(3 026 214 631)	(391 522 885)	(3 343 639 571)	(458 207 793)	(462 882 517)	(347 972 734)	70 629 988	(7 959 810 142)
Operating profit/(loss)	**129 138 649**	**157 545 422**	**1 023 353 101**	**(31 406 544)**	**1 090 945 229**	**183 332 500**	**(1 220 712 994)**	**1 332 195 363**

7 SEGMENT INFORMATION (continued)

7.1 Information about products and services (continued)

	HISTORICAL COST							
	Non-life reinsurance ZWL	Life reassurance ZWL	Life & Pensions ZWL	General insurance ZWL	Property ZWL	Insurance broking ZWL	Other and eliminations ZWL	Total ZWL
Gross change in insurance and investment contract liabilities	-	-	(23 797 284 789)	-	-	-	-	(23 797 284 789)
Finance costs	(26 347 248)	-	(155 872 503)	-	1 920 563	-	(18 009 440)	(198 308 629)
Fair value adjustment on investment property	1 995 161 442	2 037 739 999	24 956 413 046	-	20 363 272 197	-	-	49 352 586 685
Share of profit from associates	-	-	-	-	-	-	(2 049 610 212)	(2 049 610 212)
Profit before income tax	**2 097 952 843**	**2 195 285 421**	**2 026 608 855**	**(31 406 544)**	**21 456 137 989**	**183 332 500**	**(3 288 332 646)**	**24 639 578 418**
Income tax credi/(expense)	814 740 926	10 665	(1 162 769 554)	33 870 105	(1 134 796 570)	(22 562 399)	6 250 320	(1 465 256 507)
								-
Total assets	**27 711 680 732**	**3 959 277 323**	**55 752 418 408**	**2 007 297 129**	**28 631 749 592**	**1 099 935 295**	**638 195 719**	**119 800 554 198**
								-
Total liabilities	**17 349 576 227**	**796 380 617**	**48 373 447 512**	**919 838 892**	**2 116 519 638**	**918 189 522**	**837 190 890**	**71 311 143 299**

7 SEGMENT INFORMATION (continued)

7.1 Information about products and services (continued)

	INFLATION ADJUSTED							
2021	**Non-life reinsurance ZWL**	**Life reassurance ZWL**	**Life & Pensions ZWL**	**General insurance ZWL**	**Property ZWL**	**Insurance broking ZWL**	**Other and eliminations ZWL**	**Total ZWL**
Gross written premium	12 375 081 073	1 593 663 417	4 032 228 612	873 361 755	-	-	(872 553 747)	18 001 781 109
Retrocession premium	(4 009 620 893)	(250 935 164)	(353 593 816)	(468 068 371)	-	-	872 553 747	(4 209 664 498)
Net premium written	8 365 460 179	1 342 728 253	3 678 634 796	405 293 383	-	-	-	13 792 116 611
Change in unearned premium reserve	(710 035 267)	-	-	17 438 464	-	-	-	(692 596 802)
Net premium earned	**7 655 424 913**	**1 342 728 253**	**3 678 634 796**	**422 731 848**	**-**	**-**	**-**	**13 099 519 809**
Brokerage commission and fees	939 401 025	72 832 594	399 366 496	141 100 745	-	113 612 681	(175 475 434)	1 490 838 106
Total insurance income	**8 594 825 937**	**1 415 560 847**	**4 078 001 292**	**563 832 592**	**-**	**113 612 681**	**(175 475 434)**	**14 590 357 916**
Rental income from investment property and income from sale of inventory property	104 960 595	92 480 286	175 956 590	3 760 709	821 271 116	-	-	1 198 429 297
Investment income	186 652 496	10 259 846	375 060 569	2 295 976	6 320 621	-	1 617 906 453	2 198 495 961
Other gains/(losses)	1 544 129 844	1 852 225 674	2 263 284 986	155 436 800	130 612 469	2 904 992	(705 095 118)	5 243 499 647
Total income	**10 430 568 872**	**3 370 526 654**	**6 892 303 437**	**725 326 077**	**958 204 205**	**116 517 673**	**737 335 902**	**23 230 782 820**
Claims and expenses	**(8 273 372 538)**	**(1 559 905 323)**	**(5 492 258 181)**	**(690 141 363)**	**(891 392 905)**	**(90 011 294)**	**(509 124 369)**	**(17 506 205 973)**
Insurance benefits and claims	(2 609 136 302)	(948 872 046)	(2 594 096 956)	(92 881 447)	-	-	-	(6 244 986 751)
Commission and acquisition expenses	(2 975 067 392)	(354 472 810)	(202 351 787)	(147 229 812)	-	(5 481 602)	175 475 433	(3 509 127 970)
Net property operating costs	(21 468 781)	(22 248 411)	(150 542 144)	-	(134 183 221)	-	-	(328 442 556)
Operating and administrative expenses	(2 667 700 062)	(234 312 056)	(2 545 267 294)	(450 030 104)	(757 209 684)	(84 529 692)	(684 599 802)	(7 423 648 696)
Operating profit/(losses)	**2 157 196 335**	**1 810 621 330**	**1 400 045 256**	**35 184 714**	**66 811 300**	**26 506 379**	**228 211 533**	**5 724 576 848**

7 SEGMENT INFORMATION (continued)

7.1 Information about products and services (continued)

	INFLATION ADJUSTED							
2021	Non-life reinsurance ZWL	Life reassurance ZWL	Life & Pensions ZWL	General insurance ZWL	Property ZWL	Insurance broking ZWL	Other and eliminations ZWL	Total ZWL
Gross change in insurance and investment contract liabilities	-	-	(4 441 324 344)	-	-	-	-	(4 441 324 344)
Finance costs	(35 326 783)	-	(155 153 528)	-	(3 793 813)	251 983	(826 251)	(194 848 392)
Fair value adjustment on investment property	1 384 998 824	1 421 382 562	4 449 264 369	-	5 800 130 353	-	-	13 055 776 107
Monetary gain/(loss)	(409 543 857)	(1 842 422 186)	26 606 915	(142 381 206)	(372 532 166)	(46 231 310)	(187 239 195)	(2 973 743 006)
Share of profit of associates	-	-	-	-	-	-	(502 614 146)	(502 614 146)
Profit/(loss) before income tax	**3 097 324 518**	**1 389 581 706**	**1 279 438 667**	**(107 196 492)**	**5 490 615 674**	**(19 472 949)**	**(462 468 059)**	**10 667 823 067**
Income tax (expense)/credit	(513 051 634)	(425 513)	(353 237 186)	89 460 497	(203 183 751)	(9 093 769)	(4 805 773)	(994 337 129)
Total assets	**22 861 579 752**	**3 836 500 047**	**34 006 439 016**	**1 118 486 570**	**23 334 762 565**	**543 758 533**	**(5 047 341 598)**	**80 654 184 885**
Total liabilities	**10 855 140 761**	**510 040 946**	**29 840 343 942**	**522 403 933**	**1 607 113 187**	**441 984 709**	**(1 726 370 061)**	**42 050 657 418**

	HISTORICAL COST							
2021	Non-life reinsurance ZWL	Life reassurance ZWL	Life & Pensions ZWL	General insurance ZWL	Property ZWL	Insurance broking ZWL	Other and eliminations ZWL	Total ZWL
Gross written premium	3 253 769 633	375 205 489	1 066 937 145	194 705 148	-	-	(253 826 524)	4 636 790 891
Retrocession premium	(1 118 757 188)	(59 962 326)	(84 843 213)	(103 503 286)	-	-	253 826 524	(1 113 239 489)
Net premium written	2 135 012 445	315 243 163	982 093 932	91 201 862	-	-	-	3 523 551 402
Change in unearned premium reserve	(167 373 648)	-	-	(7 223 801)	-	-	-	(174 597 449)
Net premium earned	**1 967 638 797**	**315 243 163**	**982 093 932**	**83 978 061**	-	-	-	**3 348 953 953**
Brokerage commission and fees	270 943 973	17 162 844	106 572 062	31 505 333	-	25 962 930	(51 045 933)	401 101 209
Total insurance income	**2 238 582 770**	**332 406 007**	**1 088 665 994**	**115 483 394**	-	**25 962 930**	**(51 045 933)**	**3 750 055 162**
Rental income from investment property and								

7 SEGMENT INFORMATION (continued)

7.1 Information about products and services (continued)

	HISTORICAL COST							
2021	Non-life reinsurance ZWL	Life reassurance ZWL	Life & Pensions ZWL	General insurance ZWL	Property ZWL	Insurance broking ZWL	Other and eliminations ZWL	Total ZWL
income from sale of inventory property	25 036 088	21 205 935	14 414 749	961 121	191 417 402	-	-	253 035 295
Investment and other income	52 487 804	2 412 632	109 486 493	1 674 603	976 007	-	412 134 332	579 171 870
Other gains	423 245 746	565 468 734	730 209 152	42 914 774	34 162 084	1 351 164	(398 875 188)	1 398 476 467
Total income	**2 739 352 408**	**921 493 308**	**1 942 776 388**	**161 033 892**	**226 555 493**	**27 314 094**	**(37 786 789)**	**5 980 738 794**
Claims and expenses	**(2 258 532 902)**	**(362 861 224)**	**(1 136 796 372)**	**(162 243 682)**	**(171 045 486)**	**(21 572 132)**	**(254 970 241)**	**(4 368 022 039)**
Insurance benefits and claims	(745 646 648)	(216 396 538)	(416 669 470)	(23 487 509)	-	-	-	(1 402 200 165)
Commission and acquisition expenses	(789 900 992)	(83 959 308)	(54 084 459)	(32 221 158)	-	(1 229 329)	51 045 932	(910 349 314)
Net property operating costs	(4 922 839)	(5 101 610)	-	-	(27 062 467)	-	-	(37 086 916)
Operating and administrative expenses	(718 062 423)	(57 403 768)	(666 042 443)	(106 535 015)	(143 983 019)	(20 342 803)	(306 016 173)	(2 018 385 644)
Operating profit/(loss)	**480 819 506**	**558 632 084**	**805 980 016**	**(1 209 790)**	**55 510 007**	**5 741 962**	**(292 757 030)**	**1 612 716 755**
Gross change in insurance and investment contract liabilities	-	-	(3 143 094 417)	-	-	-	-	(3 143 094 417)
Finance costs	(10 276 587)	-	(38 063 023)	-	463 203	9 670	(175 601)	(48 042 338)
Fair value adjustment on investment property	529 617 116	311 049 910	3 005 523 574	-	3 506 569 527	-	-	7 352 760 127
Share of profit from associates	-	-	-	-	-	-	92 517 053	92 517 053
Profit before income tax	**1 000 160 035**	**869 681 994**	**630 346 150**	**(1 209 790)**	**3 562 542 738**	**5 751 632**	**(200 415 578)**	**5 866 857 181**
Income tax credi/(expense)	(126 533 844)	(10 226)	(166 069 670)	(23 893 315)	(153 375 304)	(2 645 384)	1 221 853	(471 305 890)
Total assets	**4 991 388 835**	**1 115 971 904**	**9 754 067 006**	**306 649 445**	**6 688 152 740**	**156 159 936**	**(167 725 261)**	**22 844 664 605**
Total liabilities	**2 990 179 709**	**148 371 285**	**8 516 037 088**	**172 102 323**	**456 175 100**	**129 520 002**	**(301 175 257)**	**12 111 210 248**

7 SEGMENT INFORMATION (continued)

7.2 Geographical information

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

	INFLATION ADJUSTED						
2022	**Botswana ZWL**	**Malawi ZWL**	**Mozambique ZWL**	**Zambia ZWL**	**Zimbabwe ZWL**	**Eliminations ZWL**	**Total ZWL**
Gross premium	690 367 196	2 517 208 356	1 807 340 163	1 157 748 323	14 646 068 892	(428 486 839)	20 390 246 091
Retrocession premium	(274 823 564)	(1 376 369 059)	(642 651 813)	(492 007 196)	(2 623 238 190)	428 486 839	(4 980 602 983)
Net premium written	415 543 632	1 140 839 297	1 164 688 350	665 741 127	12 022 830 702	-	15 409 643 108
Change in unearned premium reserve	(36 233 893)	(3 186 115)	11 145 415	(5 880 757)	(1 805 977 701)	-	(1 840 133 051)
Net premium earned	**379 309 739**	**1 137 653 182**	**1 175 833 765**	**659 860 370**	**10 216 853 001**	**-**	**13 569 510 057**
Brokerage fees and commission	90 549 428	272 278 353	164 731 742	137 877 745	1 140 578 418	(194 136 566)	1 611 879 120
Total insurance revenue	**469 859 167**	**1 409 931 535**	**1 340 565 507**	**797 738 115**	**11 357 431 419**	**(194 136 566)**	**15 181 389 177**
Rental revenue and income							
from sale of inventory property	-	8 853 687	-	-	1 470 601 810	-	1 479 455 497
Investment and other revenue	9 678 920	96 709 652	16 352 530	21 440 216	2 930 767 912	(145 737 271)	2 929 211 959
Other (loss)/income	(1 193 436)	132 557 291	(16 799 777)	30 958 657	2 827 348 933	(997 099 789)	1 975 771 878
Total income	**478 344 651**	**1 648 052 165**	**1 340 118 260**	**850 136 989**	**18 586 150 073**	**(1 336 973 626)**	**21 565 828 511**
Total claims and expenses	**(508 390 464)**	**(1 382 223 145)**	**(1 297 385 314)**	**(682 756 906)**	**(17 873 489 771)**	**508 405 837**	**(21 235 839 763)**
Net benefits and claims	(172 914 879)	(370 919 756)	(328 312 831)	(142 112 687)	(6 277 894 397)	-	(7 292 154 550)
Commission and acquisition expenses	(211 133 809)	(554 921 428)	(479 447 891)	(343 960 401)	(3 180 645 299)	194 136 565	(4 575 972 263)
Net property operating costs	-	-	-	-	(191 390 565)	-	(191 390 565)
Operating and administrative expenses	(124 341 776)	(456 381 961)	(489 624 592)	(196 683 818)	(8 223 559 510)	314 269 272	(9 176 322 385)
Operating profit/ (loss)	**(30 045 813)**	**265 829 020**	**42 732 946**	**167 380 083**	**712 660 302**	**(828 567 789)**	**329 988 748**

7 SEGMENT INFORMATION (continued)

7.2 Geographical information

	INFLATION ADJUSTED						
	Botswana ZWL	Malawi ZWL	Mozambique ZWL	Zambia ZWL	Zimbabwe ZWL	Eliminations ZWL	Total ZWL
Gross change in insurance and investment contract liabilities	-	-	-	-	(8 557 722 180)	-	(8 557 722 180)
Finance costs	-	-	(21 398 123)	(4 949 125)	(208 132 001)	-	(234 479 249)
Fair value adjustment on investment property	-	28 827 989	-	-	17 900 991 404	-	17 929 819 393
Monetary gain/loss	-	-	-	-	(4 274 056 745)	630 481 587	(3 643 575 158)
Share of profit from associates	-	-	-	-	(2 008 973 878)	273 725 206	(1 735 248 672)
Profit before income tax	**(30 045 813)**	**294 657 009**	**21 334 823**	**162 430 958**	**3 564 766 902**	**75 639 004**	**4 088 782 883**
Income tax (expense)/credit	6 722 326	(129 139 321)	(1 992 377)	(53 962 893)	191 403 719	12 433 916	25 465 370
Total assets	**578 227 055**	**8 412 369 582**	**6 229 840 764**	**2 838 921 734**	**108 224 032 837**	**(4 094 395 830)**	**122 188 996 143**
Total liabilities	**357 960 447**	**6 199 256 202**	**2 944 582 365**	**1 808 524 136**	**60 305 678 173**	**(311 238 053)**	**71 304 763 271**

	HISTORICAL COST						
	Botswana ZWL	Malawi ZWL	Mozambique ZWL	Zambia ZWL	Zimbabwe ZWL	Eliminations ZWL	Total ZWL
Gross written premium	690 367 196	2 517 208 356	1 807 340 163	1 157 748 323	11 521 682 735	(428 486 839)	17 265 859 934
Retrocession premium	(274 823 564)	(1 376 369 059)	(642 651 813)	(492 007 196)	(1 917 479 630)	428 486 839	(4 274 844 423)
Net premium written	415 543 632	1 140 839 297	1 164 688 350	665 741 127	9 604 203 105	-	12 991 015 511
Change in unearned premium reserve	(36 233 893)	(3 186 115)	11 145 415	(5 880 757)	(1 415 031 650)	-	(1 449 187 000)
Net premium earned	**379 309 739**	**1 137 653 182**	**1 175 833 765**	**659 860 370**	**8 189 171 455**	**-**	**11 541 828 511**
Brokerage fees and commission	90 549 428	272 278 353	164 731 742	137 877 745	803 527 569	(194 136 565)	1 274 828 272
Total insurance income	**469 859 167**	**1 409 931 535**	**1 340 565 507**	**797 738 115**	**8 992 699 024**	**(194 136 565)**	**12 816 656 783**
Rental revenue and income from sale of inventory property	-	8 853 687	-	-	1 080 899 611	-	1 089 753 298
Investment and other revenue	9 678 920	96 709 652	16 352 530	21 440 216	2 104 842 554	69 702 352	2 318 726 225
Other income	(1 193 436)	132 557 291	(16 799 777)	30 958 657	4 592 793 634	(1 361 045 334)	3 377 271 034
Total income	**478 344 651**	**1 648 052 165**	**1 340 118 260**	**850 136 989**	**16 771 234 823**	**(1 485 479 548)**	**19 602 407 339**

7 SEGMENT INFORMATION (continued)

7.2 Geographical information

	HISTORICAL COST						
	Botswana ZWL	Malawi ZWL	Mozambique ZWL	Zambia ZWL	Zimbabwe ZWL	Eliminations ZWL	Total ZWL
Total claims and expenses	**(508 390 464)**	**(1 382 223 145)**	**(1 297 385 314)**	**(682 756 906)**	**(14 664 222 703)**	**264 766 553**	**(18 270 211 979)**
Net benefits and claims	(172 914 879)	(370 919 756)	(328 312 831)	(142 112 687)	(5 192 626 804)	-	(6 206 886 957)
Commission and acquisition expenses	(211 133 809)	(554 921 428)	(479 447 891)	(343 960 401)	(2 332 945 525)	194 136 565	(3 728 272 489)
Net property operating costs	-	-	-	-	(375 242 389)	-	(375 242 389)
Operating and administrative expenses	(124 341 776)	(456 381 961)	(489 624 592)	(196 683 818)	(6 763 407 985)	70 629 988	(7 959 810 144)
Operating profit/ (loss)	**(30 045 813)**	**265 829 020**	**42 732 946**	**167 380 083**	**2 107 012 120**	**(1 220 712 994)**	**1 332 195 361**
Gross change in insurance and investment contract liabilities	-	-	-	-	(23 797 284 789)	-	(23 797 284 789)
Finance costs	-	-	(21 398 123)	(4 949 125)	(153 951 940)	(18 009 441)	(198 308 629)
Fair value adjustment on investment property	-	28 827 989	-	-	49 323 758 696	-	49 352 586 685
Share of profit from associates	-	-	-	-	(2 008 973 878)	(40 636 334)	(2 049 610 212)
Profit before income tax	**(30 045 813)**	**294 657 009**	**21 334 823**	**162 430 958**	**25 470 560 209**	**(1 279 358 768)**	**24 639 578 418**
Income tax (expense)/credit	6 722 326	(129 139 321)	(1 992 377)	(53 962 893)	(1 293 134 562)	6 250 320	(1 465 256 507)
Total assets	**8 046 086 321**	**8 412 369 582**	**6 229 840 764**	**2 838 921 734**	**105 890 191 573**	**(11 616 855 776)**	**119 800 554 198**
Total liabilities	**357 960 447**	**6 199 256 202**	**2 944 582 365**	**1 808 524 136**	**60 535 081 158**	**(534 261 009)**	**71 311 143 299**

7 SEGMENT INFORMATION (continued)

7.2 Geographical information (continued)

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

	INFLATION ADJUSTED						
2021	**Botswana ZWL**	**Malawi ZWL**	**Mozambique ZWL**	**Zambia ZWL**	**Zimbabwe ZWL**	**Eliminations ZWL**	**Total ZWL**
Gross premium	1 505 840 348	2 500 881 948	2 136 885 594	963 050 205	11 767 676 761	(872 553 747)	18 001 781 109
Retrocession premium	(707 947 606)	(1 109 270 081)	(1 037 120 600)	(302 037 036)	(1 925 842 922)	872 553 747	(4 209 664 498)
Net premium written	797 892 742	1 391 611 867	1 099 764 994	661 013 169	9 841 833 839	0	13 792 116 611
Change in unearned premium reserve	(11 500 593)	2 355 236	(55 413 116)	(9 485 229)	(618 553 100)	-	(692 596 802)
Net premium earned	**786 392 149**	**1 393 967 103**	**1 044 351 878**	**651 527 940**	**9 223 280 739**	**-**	**13 099 519 809**
Brokerage fees and commission	213 326 263	268 606 907	326 831 869	80 218 921	777 329 580	(175 475 434)	1 490 838 106
Total insurance income	**999 718 412**	**1 662 574 010**	**1 371 183 747**	**731 746 861**	**10 000 610 319**	**(175 475 434)**	**14 590 357 916**
Rental revenue and income from sale of inventory property	-	13 479 237	2 241 768	-	1 182 708 292	-	1 198 429 297
Investment and other revenue	23 489 360	84 771 523	21 583 806	28 767 875	410 668 405	1 629 214 996	2 198 495 965
Other income/(loss)	14 215 365	48 635 079	49 632 481	(96 250 562)	5 943 670 952	(716 403 672)	5 243 499 643
Total income	**1 037 423 137**	**1 809 459 849**	**1 444 641 802**	**664 264 174**	**17 537 657 967**	**737 335 890**	**23 230 782 821**
Total claims and expenses	**(850 477 866)**	**(1 617 884 239)**	**(1 292 397 668)**	**(578 192 340)**	**(12 658 478 299)**	**(508 775 557)**	**(17 506 205 969)**
Net benefits and claims	(141 651 895)	(609 513 894)	(243 370 976)	(134 041 436)	(5 116 408 550)	-	(6 244 986 751)
Commission and acquisition expenses	(429 139 810)	(556 672 579)	(575 355 478)	(292 523 626)	(1 830 911 913)	175 475 436	(3 509 127 970)
Net property operating costs	-	-	-	-	(328 442 556)	-	(328 442 556)
Operating and administrative expenses	(279 686 161)	(451 697 766)	(473 671 214)	(151 627 277)	(5 382 715 280)	(684 250 993)	(7 423 648 692)
Operating profit/ (loss)	**186 945 271**	**191 575 610**	**152 244 134**	**86 071 834**	**4 879 179 668**	**228 560 333**	**5 724 576 851**

7 SEGMENT INFORMATION (continued)

7.2 Geographical information (continued)

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

	INFLATION ADJUSTED						
	Botswana ZWL	Malawi ZWL	Mozambique ZWL	Zambia ZWL	Zimbabwe ZWL	Eliminations ZWL	Total ZWL
Gross change in insurance and investment contract liabilities	-	-	-	-	(4 441 324 346)	-	(4 441 324 346)
Finance costs	(1 005 690)	-	(27 998 328)	(6 322 765)	(159 521 609)	-	(194 848 392)
Fair value adjustment on investment property	-	23 299 333	-	-	13 032 476 774	-	13 055 776 107
Monetary gain/loss	-	-	-	-	-	(2 973 743 006)	(2 973 743 006)
Share of profit from associates	-	-	-	-	-	(502 614 146)	(502 614 146)
Profit before income tax	**185 939 581**	**214 874 943**	**124 245 806**	**79 749 069**	**13 310 810 487**	**(3 247 796 820)**	**10 667 823 067**
Income tax (expense)/credit	(40 906 693)	(130 999 907)	(1 679 143)	(31 701 838)	(784 243 780)	(4 805 768)	(994 337 129)
Total assets	5 558 784 537	4 333 705 643	2 623 163 448	1 268 551 348	95 467 550 630	(28 597 570 721)	80 654 184 885
Total liabilities	1 287 362 813	3 061 171 928	1 592 794 063	803 424 917	40 382 681 958	(5 076 778 261)	42 050 657 418

7 SEGMENT INFORMATION (continued)

7.2 Geographical information (continued)

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

	HISTORICAL COST						
	Botswana ZWL	Malawi ZWL	Mozambique ZWL	Zambia ZWL	Zimbabwe ZWL	Eliminations ZWL	Total ZWL
Gross written premium	438 050 060	727 508 390	621 621 584	280 152 010	2 823 285 371	(253 826 524)	4 636 790 891
Retrocession premium	(205 942 477)	(322 687 479)	(301 699 142)	(87 862 795)	(448 874 120)	253 826 524	(1 113 239 489)
Net premium written	232 107 583	404 820 911	319 922 442	192 289 215	2 374 411 251	-	3 523 551 402
Change in unearned premium reserve	(3 345 531)	685 140	(16 119 716)	(2 759 260)	(153 058 082)	-	(174 597 449)
Net premium earned	**228 762 052**	**405 506 051**	**303 802 726**	**189 529 955**	**2 221 353 169**	-	**3 348 953 953**
Brokerage fees and commission	62 056 766	78 137 946	95 075 630	23 335 743	193 541 056	(51 045 932)	401 101 209
Total insurance income	**290 818 818**	**483 643 997**	**398 878 356**	**212 865 698**	**2 414 894 225**	**(51 045 932)**	**3 750 055 162**
Rental revenue and income from sale of inventory property	-	3 921 120	652 132	-	248 462 043	-	253 035 295
Investment and other revenue	6 833 072	24 660 098	6 278 745	8 368 596	118 424 542	414 606 817	579 171 870
Other income	4 135 260	14 147 980	14 438 125	(27 999 359)	1 795 102 134	(401 347 673)	1 398 476 467
Total income	**301 787 150**	**526 373 195**	**420 247 358**	**193 234 935**	**4 576 882 943**	**(37 786 788)**	**5 980 738 794**
Total claims and expenses	**(247 404 634)**	**(470 643 710)**	**(375 959 428)**	**(168 196 575)**	**(2 850 927 437)**	**(254 890 255)**	**(4 368 022 039)**
Net benefits and claims	(41 206 640)	(177 308 038)	(70 796 795)	(38 992 752)	(1 073 895 940)	-	(1 402 200 165)
Commission and acquisition expenses	(124 837 085)	(161 936 461)	(167 371 330)	(85 095 337)	(422 155 033)	51 045 932	(910 349 314)
Net property operating costs	-	-	-	-	(37 086 916)	-	(37 086 916)
Operating and administrative expenses	(81 360 909)	(131 399 211)	(137 791 303)	(44 108 486)	(1 317 789 548)	(305 936 187)	(2 018 385 644)
Operating profit/ (loss)	54 382 516	55 729 485	44 287 930	25 038 360	1 725 955 506	(292 677 043)	1 612 716 755
Gross change in insurance and investment contract liabilities	-	-	-	-	(3 143 094 417)	-	(3 143 094 417)
Finance costs	(292 556)	-	(8 144 734)	(1 839 297)	(37 590 149)	(175 602)	(48 042 338)
Fair value adjustment on investment property	-	6 777 793	-	-	7 345 982 334	-	7 352 760 127
Share of profit from associates	-	-	-	-	80 685 931	11 831 122	92 517 053
Profit before income tax	**54 089 960**	**62 507 278**	**36 143 196**	**23 199 063**	**5 971 939 206**	**(281 021 523)**	**5 866 857 181**
Income tax (expense)/credit	(11 899 787)	(38 107 969)	(488 464)	(9 222 088)	(412 809 436)	1 221 854	(471 305 890)
Total assets	1 617 054 492	1 260 678 145	763 080 168	369 022 516	22 771 434 051	(3 936 604 767)	22 844 664 605
Total liabilities	374 494 785	890 497 144	463 344 959	216 027 849	11 382 129 769	(1 215 284 258)	12 111 210 248

8 PROPERTY AND EQUIPMENT

GROUP Year ended 31 December 2021	INFLATION ADJUSTED Freehold land and buildings ZWL	Motor vehicles ZWL	Equipment and computers ZWL	Furniture and fittings ZWL	Total ZWL
Cost or valuation					
As at 1 January 2021	3 362 291 155	1 198 091 357	676 250 116	307 074 999	5 543 707 627
Additions	9 189 344	151 407 367	42 280 127	13 263 800	216 140 638
Revaluation surplus	722 809 937	-	-	-	722 809 937
Disposals	(65 709 848)	(225 475 871)	(38 871 618)	(6 865 627)	(336 922 964)
Foreign exchange movements	(311 229 764)	71 367 812	35 718 765	11 592 013	(192 551 174)
As at 31 December 2021	**3 717 350 824**	**1 195 390 665**	**715 377 390**	**325 065 185**	**5 953 184 064**
Accumulated depreciation and impairment					
As at 1 January 2021	(145 421 415)	(723 684 679)	(444 630 087)	(133 241 081)	(1 446 977 262)
Depreciation	(65 292 909)	(77 982 262)	(69 108 881)	(22 584 212)	(234 968 264)
Disposals	53 563 908	146 940 132	25 115 523	1 197 195	226 816 758
Foreign exchange movements	157 150 416	(54 274 542)	(30 786 846)	(539 583)	71 549 445
As at 31 December 2021	-	**(709 001 351)**	**(519 410 291)**	**(155 167 681)**	**(1 383 579 324)**
Net book amount	**3 717 350 824**	**486 389 314**	**195 967 099**	**169 897 504**	**4 569 604 740**
Carrying amount					
As at 31 December 2021					
Cost	3 717 350 824	1 195 390 665	715 377 390	325 065 185	5 953 184 064
Accumulated depreciation	-	(709 001 351)	(519 410 291)	(155 167 681)	(1 383 579 324)
	3 717 350 824	**486 389 314**	**195 967 099**	**169 897 504**	**4 569 604 740**

8 PROPERTY AND EQUIPMENT (continued)

GROUP Year ended 31 December 2021	INFLATION ADJUSTED Freehold land and buildings ZWL	Motor vehicles ZWL	Equipment and computers ZWL	Furniture and fittings ZWL	Total ZWL
Year ended 31 December 2022					
Cost or valuation					
As at 1 January 2022	3 717 350 824	1 195 390 665	715 377 390	325 065 185	5 953 184 064
Additions	22 131 602	89 568 938	89 595 713	21 746 778	223 043 031
Revaluation surplus	2 125 053 310	6 049 915	22 826 775	37 879 433	2 191 809 433
Disposals	(59 857 375)	(34 367 550)	(14 542 204)	(3 481 175)	(112 248 304)
Foreign exchange movements	789 686 056	(247 304 361)	(117 984 465)	(124 650 291)	299 746 940
As at 31 December 2022	**6 594 364 417**	**1 009 337 607**	**695 273 209**	**256 559 930**	**8 555 535 164**
Accumulated depreciation and impairment					
As at 1 January 2022	-	(709 001 351)	(519 410 291)	(155 167 681)	(1 383 579 324)
Depreciation	(41 833 498)	(82 758 098)	(62 147 131)	(64 560 931)	(251 299 658)
Disposals	4 344 484	34 367 550	12 600 785	3 481 468	54 794 287
Accumulated depreciation on disposals	7 130 396	1 248 064	2 589 782	1 513 616	12 481 858
Foreign exchange movements	(65 731 234)	189 583 026	102 226 915	86 054 895	312 133 602
As at 31 December 2022	**(96 089 852)**	**(566 560 809)**	**(464 139 940)**	**(128 678 634)**	**(1 255 469 235)**
Net book amount	**6 498 274 565**	**442 776 798**	**231 133 269**	**127 881 296**	**7 300 065 929**
Carrying amount					
As at 31 December 2022					
Cost	6 594 364 417	1 009 337 607	695 273 209	256 559 930	8 555 535 164
Accumulated depreciation	(96 089 852)	(566 560 809)	(464 139 940)	(128 678 634)	(1 255 469 235)
	6 498 274 565	**442 776 798**	**231 133 269**	**127 881 296**	**7 300 065 929**

8 PROPERTY AND EQUIPMENT (continued)

	HISTORICAL COST				
GROUP	Freehold land and buildings ZWL	Motor vehicles ZWL	Equipment and computers ZWL	Furniture and fittings ZWL	Total ZWL
Year ended 31 December 2021					
Cost or valuation					
As at 1 January 2021	590 531 195	73 086 755	42 796 963	13 088 713	719 503 625
Additions	2 293 526	44 044 514	14 539 518	2 822 352	63 699 910
Acquisitions through business combinations	-	1 991 747	1 678 149	91 072	3 760 968
Revaluation surplus	469 793 768	7 593 051	-	-	477 386 819
Disposals	(19 115 043)	(15 842 088)	(8 387 697)	(817 523)	(44 162 351)
Reclassification to investment property	-	-	-	-	-
Foreign exchange movements	37 876 631	22 066 241	11 415 404	4 258 155	75 616 431
As at 31 December 2021	**1 081 380 077**	**132 940 220**	**62 042 337**	**19 442 769**	**1 295 805 402**
Accumulated depreciation and impairment					
As at 1 January 2021	(2 293 447)	(32 019 025)	(17 525 990)	(2 928 435)	(54 766 897)
Depreciation	(14 587 201)	(15 005 627)	(11 590 105)	(2 476 350)	(43 659 283)
Acquisitions through business combinations	-	(744 732)	(514 678)	(30 187)	(1 289 597)
Revaluation surplus	8 282 011	-	-	-	8 282 011
Disposals	-	11 612 621	8 437 633	462 598	20 512 852
Accumulated depreciation on disposals	7 304 319	-	-	-	7 304 319
Foreign exchange movements	1 294 318	719 772	-	-	2 014 090
As at 31 December 2021	-	**(35 436 991)**	**(21 193 140)**	**(4 972 374)**	**(61 602 505)**
Net book amount	**1 081 380 077**	**97 503 229**	**40 849 197**	**14 470 395**	**1 234 202 897**
Carrying amount					
As at 31 December 2021					
Cost	1 081 380 077	132 940 220	62 042 337	19 442 769	1 295 805 402
Accumulated depreciation	-	(35 436 991)	(21 193 140)	(4 972 374)	(61 602 505)
	1 081 380 077	**97 503 229**	**40 849 197**	**14 470 395**	**1 234 202 897**

8 PROPERTY AND EQUIPMENT (continued)

	HISTORICAL COST				
GROUP	**Freehold land and buildings ZWL**	**Motor vehicles ZWL**	**Equipment and computers ZWL**	**Furniture and fittings ZWL**	**Total ZWL**
Year ended 31 December 2022					
Cost or valuation					
As at 1 January 2022	1 081 380 077	132 940 220	62 042 337	19 442 769	1 295 805 402
Additions	22 131 602	86 925 301	108 270 747	21 371 959	238 699 609
Acquisitions through business combinations	-	-	-	-	-
Revaluation surplus	4 156 236 520	6 049 915	22 758 951	37 868 333	4 222 913 719
Disposals	(326 584)	(34 367 550)	(14 157 991)	(3 465 814)	(52 317 939)
Reclassification to investment property	-	-	-	-	-
Foreign exchange movements	1 029 697 543	514 849 165	143 183 660	44 715 765	1 732 446 133
As at 31 December 2022	**6 289 119 158**	**706 397 051**	**322 097 704**	**119 933 012**	**7 437 546 925**
Accumulated depreciation and impairment					
As at 1 January 2022	-	(35 436 991)	(21 193 140)	(4 972 374)	(61 602 505)
Depreciation	(26 633 235)	(55 390 602)	(30 140 032)	(5 848 912)	(118 012 781)
Acquisitions through business combinations	-	-	-	-	-
Revaluation surplus	-	-	-	-	-
Disposals	4 344 484	34 367 550	12 505 963	3 476 003	54 694 000
Accumulated depreciation on disposals	48 622 933	1 248 064	2 606 573	1 513 616	53 991 186
Foreign exchange movements	(32 775 068)	(252 936 462)	(114 409 012)	(31 246 420)	(431 366 962)
As at 31 December 2022	**(6 440 886)**	**(308 148 441)**	**(150 629 648)**	**(37 078 087)**	**(502 297 062)**
Net book amount	**6 282 678 272**	**398 248 610**	**171 468 056**	**82 854 925**	**6 935 249 862**
Carrying amount					
As at 31 December 2022					
Cost	6 289 119 158	706 397 051	322 097 704	119 933 012	7 437 546 924
Accumulated depreciation	(6 440 886)	(308 148 441)	(150 629 648)	(37 078 087)	(502 297 062)
	6 282 678 272	**398 248 610**	**171 468 056**	**82 854 925**	**6 935 249 862**

Land and buildings 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 2022. There were no buildings pledged as collateral as at 31 December 2022.

8 PROPERTY AND EQUIPMENT (continued)

COMPANY

	INFLATION ADJUSTED				
	Freehold land and buildings ZWL	Motor vehicles ZWL	Equipment and computers ZWL	Furniture and fittings ZWL	Total ZWL
At 31 December 2021					
Cost or fair value	51 043 474	-	-	-	51 043 474
Accumulated depreciation	(51 043 474)	-	-	-	(51 043 474)
Net book amount	-	-	-	-	-
Year ended 31 December 2022					
Opening net book amount	-	-	-	-	-
Additions	-	7 651 457	14 329 391	1 094 158	23 075 006
Depreciation charge	-	(395 765)	(1 016 836)	(27 818)	(1 440 419)
Closing net book amount	-	7 255 692	13 312 555	1 066 341	21 634 587
At 31 December 2022					
Cost or fair value	51 043 474	7 651 457	14 329 391	1 094 158	74 118 480
Accumulated depreciation	(51 043 474)	(395 765)	(1 016 836)	(27 818)	(52 483 893)
Net book amount	-	7 255 692	13 312 555	1 066 341	21 634 587

	HISTORICAL COST				
	Freehold land and buildings ZWL	Motor vehicles ZWL	Equipment and computers ZWL	Furniture and fittings ZWL	Total ZWL
At 31 December 2021					
Cost or fair value	278 493	-	-	-	278 493
Accumulated depreciation	(278 493)	-	-	-	(278 493)
Net book amount	-	-	-	-	-
Year ended 31 December 2022					
Opening net book amount	-	-	-	-	-
Additions	-	6 875 480	13 002 886	1 236 690	21 115 055
Depreciation charge		(355 628)	(787 884)	(278 493)	(1 422 006)
Closing net book amount	-	6 519 851	12 215 002	958 197	19 693 050
At 31 December 2022					
Cost or fair value	278 493	6 875 480	13 002 886	1 236 690	21 393 548
Accumulated depreciation	**(278 493)**	**(355 628)**	**(787 884)**	**(278 493)**	(1 700 499)
Net book amount	-	6 519 851	12 215 002	958 197	19 693 050

All property and equipment are classified as non-current assets.

8 PROPERTY AND EQUIPMENT (continued)

Fair value hierarchy

The following table shows an analysis of the fair values of land and buildings recognised in the statement of financial position by level of the fair value hierarchy:

	Level 1 ZWL	Level 2 ZWL	Level 3 ZWL	Total ZWL	Total gain in the period in other comprehensive income ZWL
31 December 2022					
Freehold land and buildings	-	-	6 594 364 417	6 594 364 417	2 125 053 310
31 December 2021					
Freehold land and buildings	-	-	3 717 350 824	3 717 350 824	-

Carrying amounts that would have been recognised if land and buildings were stated at cost are as follows:

	INFLATION ADJUSTED		HISTORICAL	
Group	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL
Cost	4 201 283	14 442 325	2 681 045	2 681 045
Accumulated depreciation	(623 746)	(2 144 188)	(398 043)	(398 043)
Carrying amount	3 577 537	12 298 137	2 283 002	2 283 002

8 PROPERTY AND EQUIPMENT (continued)

Valuation techniques used to derive level 3 fair values
The table below presents the following for land and buildings:
- The fair value measurements at the end of the reporting period;
- The level of the fair value hierarchy (in this case level 3) within which the fair value measurements are categorised in their entirety;
- A description of the valuation techniques applied;
- The inputs used in the fair value measurement, including the ranges of rent charged to different units within the same building; and
- Level 3 fair value measurements, quantitative information about the significant observable inputs used in the fair value measurement.

Class of property	Fair value ZWL	Valuation technique	Key unobservable inputs	Range (weighted average)
31 December 2022 CBD offices and land - owner occupied	6 594 364 417	Market comparable	Rate per square metre (ZWL)	108- 149
31 December 2021 CBD offices and land - owner occupied	3 717 350 824	Market comparable	Rate per square metre (ZWL)	31-75

The market value was determined by reference to observable prices in an open market. Under the market comparable method, a property's fair value is estimated based on comparable transactions. The unit of comparison applied by the Group is the price per square metre (sqm).

9 LEASES

	INFLATION ADJUSTED		HISTORICAL COST	
Group	**Group 2022 ZWL**	**Group 2021 ZWL**	**Group 2022 ZWL**	**Group 2021 ZWL**

This note provides information for leases where the Group is a lessee.

(i) **Amounts recognised in the statement of financial position**
The statement of financial position shows the following amounts relating to leases.

	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Right-of-use assets				
Buildings - office space	169,781,982	27 866 335	141 614 825	7 964 729
Motor vehicles	-	95 188 199	-	27 690 317
	169 781 982	123 054 534	141 614 825	35 655 046
Lease liabilities				
Non-current	-		-	-
Current	102 677 438	112 477 809	102 677 437	32 719 877
	102 677 438	112 477 809	102 677 437	32 719 877

Additions to the right-of-use assets during the 2022 financial year were ZWL105 959 779

(ii) **Amounts recognised in the statement of profit or loss**
The statement of profit or loss shows the following amountsr relating to leases.

	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Depreciation charge of right-of-use assets				
Buildings - office space	(47 106 645)	(80 293 631)	(42 272 033)	(7 470 307)
Interest expense (included in finance cost)	(32,040,916)	(8 154 706)	(27 039 252)	(2 307 455)

9 LEASES (continued)

(ii) Amounts recognised in the statement of profit or loss (continued)

Lease commitments - Group as lessee. Future minimum rentals payable under the non-cancellable operating lease as at 31 December 2022 are as follows:

	INFLATION ADJUSTED		HISTORICAL COST	
Maturity analysis - contractual undiscounted cash flows	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
Less than one year	48 112 694	33 886 286	48 112 694	21 081 797
One to five years	-	43 448 702	-	27 030 897

The Group has tested its right of use assets for impairment and has concluded that there is no indication that the right of use assets are impaired. No amounts were included in administrative expenses for low value or short term leases and variable lease payments are not included in lease liabilities.

The total cash outflow for leases in 2022 was ZWL12 532 915 (2021: ZWL13 768 095) being principal payments of ZWL10 160 705 (2020: ZWL10 818 042) and interest payments of ZWL2 372 210 (2021: ZWL2 950 053.)

This note provides information for leases where company is lessee.

	INFLATION ADJUSTED		HISTORICAL COST	
Company	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
(i) Amounts recognised in the statement of financial position				
The statement of financial position shows the following amounts relating to leases.				
Right-of-use assets				
Buildings - office space	58 603 737	2 212 472	30 436 580	502 001
Lease liabilities				
Non-current	-	-	-	-
Current	34 539 885	951 793	34 539 884	276 877
	34 539 885	951 793	34 539 884	276 877
(ii) Amounts recognised in the statement of profit or loss				
The statement of profit or loss shows the following amounts relating to leases.				
Depreciation charge of right-of-use assets				
Buildings - office space	(13 852 481)	(38 765 980)	(9 017 869)	(3 349 709)
Interest expense (Included in finance cost)	(23 011 105)	(826 251)	(18 009 440)	(175 602)
Lease commitments - Group as lessee				
Future minimum rentals payable under the non-cancellable operating lease as at 31 December 2022 are as follows: Maturity analysis - contractual undiscounted cash flows				
Less than one year	8 358 525	7 714 659	8 358 525	2 244 200
One to five years	-	-	-	-

The Company has tested its right of use assets for impairment and has concluded that there is no indication that the right of use assets are impaired. No amounts were included in administrative expenses for low value or short term leases and variable lease payments are not included in lease liabilities.

The total cash outflow for leases in 2022 was ZWL3 347 416 (2021: ZWL5 190 279 being principal payments of ZWL3 107 059 (2021: ZWL4 609 545) and interest payments of ZWL240 357 (2021: ZWL580 734).

9 LEASES (continued)

(ii) Amounts recognised in the statement of profit or loss (continued)

The group's leasing activities and how these are accounted for

The Group leases office space. Rental contracts are typically made for varying fixed periods ranging 5 to 10 years. For leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option. IFRS16(18) IFRS16(26)

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received and
- makes adjustments specific to the lease, e.g. term, country, currency and security. IFRS16(38)

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs.

The Group carries right of use assets at cost. Refer to note 2.28. The Group had no low value or short term leases as at reporting date. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the group.

10 INVESTMENT PROPERTIES

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
As at 1 January	45 706 873 341	34 244 773 177	13 296 162 925	6 197 588 803
Improvements, acquisition, development and capitalised borrowing costs	582 834 896	1 009 077 175	11 542 083	265 339 458
Improvements to existing properties	582 834 896	46 379 007	11 389 749	9 542 411
Acquisition and development	-	19 675 650	152 334	5 723 661
Additions through business combinations	-	943 022 518	-	250 073 386
Disposals	-	(2 192 462 491)	-	(606 877 527)
Fair value gains recognised in profit or loss	17 929 819 393	13 055 776 107	49 352 586 685	7 352 760 127
Exchange rate movement on foreign operations	4 026 682 921	(410 290 627)	5 585 918 858	87 352 064
As at 31 December	68 246 210 551	45 706 873 341	68 246 210 551	13 296 162 925

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
As at 1 January	-	-	-	-
Acquisition and development	18 186 532	-	18 186 532	-
As at 31 December	18 186 532	-	18 186 532	-

Investment properties, principally freehold office buildings, are held for long term rental yields and are not occupied by the Group. They are carried at fair value.

10.1 Leasing arrangements

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease payments are based on agreed rentals from periodic rent reviews that are carried out. Where considered necessary to reduce credit risk, the Company may obtain bank guarantees and sureties for the term of the lease.

Although the Group is exposed to changes in the residual value at the end of the current leases, the Group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties. Minimum lease payments receivable on leases of investment properties are as follows:

	INFLATION ADJUSTED		HISTORICAL COST	
	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL
Within 3 months	14 059 234	48 330 006	14 059 234	14 059 234
3 to 6 months	34 698 827	119 280 646	34 698 827	34 698 827
6 to 12 months	147 725 260	507 820 171	147 725 260	147 725 260
1 to 5 years	1 933 090 495	6 645 189 510	1 933 090 495	1 933 090 495
	2 129 573 816	7 320 620 333	2 129 573 816	2 129 573 816

10.2 Valuation of investment properties

Investment properties are stated at fair value, which is determined based on valuations performed by accredited independent property valuers, as at 31 December 2022. In Zimbabwe, properties were valued by Homelux Real Estate, an industry specialist in valuing these types of investment properties. In Malawi and Mozambique the valuations were performed by SMN Property Professionals and Zambujo and Associados Consultores respectively. The fair values of the property have been determined using the income approach for developed commercial and industrial properties, and the market approach for residential properties and undeveloped land. Valuation models in accordance with those recommended by the International Valuation Standards Committee have been applied

.

Significant judgements and assumptions were applied for the Group's Investment property portfolio. Land banks and residential properties were valued in Zimbabwe dollar using the comparison method and/or market evidence. The table below shows the geographical distribution of investment properties held by the Group:

10.2 Valuation of investment properties

Investment properties are stated at fair value, which is determined based on valuations performed by accredited independent property valuers, as at 31 December 2022. In Zimbabwe, properties were valued by Homelux Real Estate, an industry specialist in valuing these types of investment properties. In Malawi and Mozambique the valuations were performed by SMN Property Professionals and Zambujo and Associados Consultores respectively. The fair values of the property have been determined using the income approach for developed commercial and industrial properties, and the market approach for residential properties and undeveloped land. Valuation models in accordance with those recommended by the International Valuation Standards Committee have been applied. Significant judgements and assumptions were applied for the Group's Investment property portfolio. Land banks and residential properties were valued in Zimbabwe dollar using the comparison method and/or market evidence.
The table below shows the geographical distribution of investment properties held by the Group:

Country in which property is situated	Class of property	Valuation technique	Valuation technique	Carrying amount ZWL	
				2022	2021
Zimbabwe	CBD offices, retail, residential and land	Income capitalisation and market comparable	Income capitalisation and market comparable	67 637 982 766	13 188 009 403
Malawi	Residential property	Market comparable	Market comparable	608 227 785	108 153 522
				68 246 210 551	13 296 162 925

Valuation process

The market value was determined by reference to observable prices in an open market. Where there were no comparable prices, the market value was determined by capitalising achieved rentals using appropriate yield levels. The fair value of investment property is categorised as level 3 because of the significant unobservable inputs which were used.

i) Income approach

Under the income capitalisation method, a property's fair value is estimated based on the annualised net operating income generated by the property, which is divided by the capitalisation rate (discounted by the investor's rate of return). Under the income capitalisation method, over (above market rent) and under-rent situations are separately capitalised (discounted).

ii) Market approach

Under the market comparable method, a property's fair value is estimated based on comparable transactions. The unit of comparison applied by the Group is the price per square metre (sqm).

iii) Rent per square metre

The rent at which space could be let in the market conditions prevailing at the date of valuation. The unit of comparison is the rental rate per square metre.

iv) Vacancy rate

The Group determines the vacancy rate which can be based on the percentage of estimated vacant space divided by the total lettable area.

v) Prime yield

The prime yield is defined as the internal rate of return of the cash flows from the property, assuming a rise to Estimated Rental Value ("ERV") at the next review, but with no further rental growth.

10 INVESTMENT PROPERTIES (continued)

10.2 Valuation of investment properties (continued)

The rental rate yield represents the net income expected in year zero divided by the current property values (historical or trailing income yield). The risk arises when void levels in the portfolio increase. This increase will consequently result in a reduction in net incomes. Where net incomes remain constant, a reduction in the yield rates will result in increased property values.

10.3 Fair value hierarchy

Changes recorded in the statement of profit or loss for recurring fair value measurements categorised within level 3 of the fair value hierarchy amount to ZWL49 352 586 685 (2021:ZWL7 352 760 127) and are presented in the statement of profit or loss line item "fair value adjustments on investment property". All gains and losses recorded in statement of profit or loss for recurring fair value measurements categorised within level 3 of the fair value hierarchy are attributable to changes in unrealised gains or losses relating to investment properties held at the end of the reporting period.

Valuation techniques used to derive level 3 fair values The table below presents the following for each class of the investment properties:
- The fair value measurements at the end of the reporting period;
- A description of the valuation techniques applied;
- The inputs used in the fair value measurement, including the ranges of rent charged to different units within the same building; and
- Level 3 fair value measurements, quantitative information about the significant observable inputs used in the fair value measurement.

Class of property	Fair value 31 December 2022 ZWL	Valuation technique	Key unobservable inputs	Range (weighted average)
CBD retail	13 595 440 133	Income	Rental per square metre (ZWL)	6,113.25
		capitalisation	Capitalisation rate	7.00%
			Vacancy rate	0.73%
CBD offices	21 800 193 398	Income	Rental per square metre (ZWL)	5,607.53
		capitalisation	Capitalisation rate	10.00%
			Vacancy rate	25.00%
Industrial	675 600 000	Income	Rental per square metre (ZWL)	1,077.76
		capitalisation	Capitalisation rate	11.00%
			Vacancy rate	19.15%
Land - Residential	24 410 882 882	Market	Rate per square metre (ZWL)	21,000.00
		comparable		
Land - Commercial	2 607 443 688	Market	Rate per square metre (ZWL)	35000-105000
		comparable		
Student accommodation	889 700 000	Income	Rental per room (ZWL)	70000-85000
		capitalisation	Capitalisation rate	11.00%
			Vacancy rate	n/a
Residential	4 266 950 450	Market	Comparable transacted	
		comparable	properties prices (ZWL)	90000-130000
Total	**68 246 210 551**			

10 INVESTMENT PROPERTIES (continued)

10.3 Fair value hierarchy

Class of property	Fair value 31 December 2022 ZWL	Valuation technique	Key unobservable inputs	Range (weighted average)
CBD retail	6 927 792 805	Income	Rental per square metre (ZWL)	1,290.00
		capitalisation	Capitalisation rate	4.5%-7%
			Vacancy rate	5.00%
CBD offices	16 559 313 224	Income	Rental per square metre (ZWL)	760.00
		capitalisation	Capitalisation rate	2%-5.5%
			Vacancy rate	20.00%
Industrial	601 579 785	Income	Rental per square metre (ZWL)	300.00
		capitalisation	Capitalisation rate	9.00%
			Vacancy rate	30.00%
Land - Residential	16 372 530 963	Market	Rate per square metre (ZWL)	4,900.00
		comparable		
Land - Commercial	2 294 837 645	Market	Rate per square metre (ZWL)	5000-10000
		comparable		
Student accommodation	704 707 748	Income	Rental per room (ZWL)	7500-11000
		capitalisation	Capitalisation rate	9.00%
			Vacancy rate	n/a
Residential	2 246 111 171	Market	Comparable transacted	
		comparable	properties prices (ZWL)	5000-8000
Total	**45 706 873 341**			

Lettable space per square metre

Sector	December 2022	December 2021	December 2022	December 2021
CBD retail	19 500	19 500	31.80%	31.80%
CBD offices	41 529	41 529	52.99%	52.99%
Industrial	6 881	6 881	11.22%	11.22%
Student accommodation	2 499	2 499	3.99%	3.99%
Total	**70 409**	**70 409**	**100.00%**	**100.00%**

10 INVESTMENT PROPERTY (continued)

10.3 Fair value hierarchy (continued)

Lettable space per square metre (continued)

The valuation technique and key unobservable inputs used in determining the fair value measurement of investment property as well as the inter-relationship between key unobservable inputs and fair value, is detailed in the table below:

Property class	Valuation technique	Key unobservable inputs	Range	Relationship between key unobservable inputs and fair value
CBD offices	Income capitalisation Comparison approach	Market rental rates per square metre Capitalisation rate Occupancy rate Void period	ZWL5000-8000 4% -6% 70% to 90% Average 6 months	The estimated fair value would increase (decrease) if market rental rates were higher/(lower), capitalisation rates were lower/ (higher), occupancy rates were higher/(lower), voids periods were shorter (longer)
Retail	Income capitalisation and Comparison approach	Market rental rates per square metre Capitalisation rate Occupancy rate Void period	ZWL 4500-9000 3.5% -5.5% 85% - 95% Average 2 months	The estimated fair value would increase/(decrease) if market rental rates were higher/(lower), capitalisation rates were lower/ (higher), occupancy rates were higher/(lower), voids periods were shorter/(longer)
Industrial	Income capitalisation and Comparison approach	Market rental rates per square metre Capitalisation rate Occupancy rate Void period	ZWL 1500 to 3500 8% - 10% 60% to 80% Average 6 months	The estimated fair value would increase/(decrease) if market rental rates higher/(lower), capitalisation rates were lower/(higher),occupancy rates were higher/ (lower), voids periods were shorter/(longer)
Residential	Comparison approach	Comparable transacted sales evidence	ZWL500,000 - ZWL750,000	The estimated fair value would increase/(decrease) if achieved transacted sale evidence were higher/ (lower)
Land -commercial	Comparison approach	Comparable	US$ 40.00 to US$ 100.00	The estimated fair value would increase/(decrease) if achieved transacted sale evidence were higher/ (lower)
Land - residential	Comparison approach	Comparable	US$ 15.00 - US$ 40.00	The estimated fair value would increase/(decrease) achieved transacted sale evidence were higher/(lower)

Sensitivity analysis to significant changes in unobservable inputs within level 3 of the hierarchy. Significant increases/(decreases) in the comparable transacted properties and rental per square metre in isolation would result in a significant higher/(lower) fair value measurement. Significant increases/(decreases) in the long-term vacancy rate and prime yield in isolation would result in a significant lower/(higher) fair value measurement. The annual rental income used in the valuation of the portfolio was ZWL858 575 746 and the overall capitalisation rate was 7.6%. Increasing the capitalisation rate by 10% would decrease the fair value to ZWL1 922 697 213. Reducing the capitalisation rate by 10% would increase the fair value to ZWL2 349 963 260.

Market prime yields

Sector	Prime yield
Retail	7% - 8%
Office	8% - 10%
Industrial	10% - 12%

The impact of the factors listed below on fair value was as follows:

Void periods	2 - 5 years
Total occupancy rate	77%
Total vacancy rate	33%

	INFLATION ADJUSTED		HISTORICAL COST	
11 INTANGIBLE ASSETS	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Software (note 11.1)	368 989 329	329 606 446	260 822 123	75 326 086
Goodwill (note 11.2)	50 167 751	50 167 751	19 309 723	19 309 723
	419 157 080	379 774 197	280 131 846	94 635 809
11.1 Software				
Cost				
As at 1 January	519 764 635	543 015 928	87 816 811	67 756 148
Additions	25 393 582	26 565 519	186 498 996	9 344 983
Acquisitions through business combinations	-	-	-	-
Revaluation	-	-	-	-
Foreign exchange movements	11 739 049	(49 816 812)	70 976 794	10 715 680
As at 31 December	556 897 266	519 764 635	345 292 601	87 816 811
Amortisation				
As at 1 January	(190 158 189)	(186 456 313)	(12 490 725)	(12 130 067)
Charge for the year	(41 957 587)	(16 671 669)	(30 780 727)	(503 785)
Acquisitions through business combinations	-	-	-	-
Foreign exchange movements	44 207 839	12 969 793	(41 199 026)	143 127
Balance as at 31 December	(187 907 937)	(190 158 189)	(84 470 478)	(12 490 725)
Carrying amount as at 31 December	368 989 329	329 606 446	260 822 123	75 326 086

All intangible assets are classified as non-current assets.

The intangible assets relate to computer software purchased from various vendors. No impairment loss was recognised in respect of these assets (2021:ZWLnil)

11.2 Goodwill				
As at 1 January	50 167 751	389 528 200	19 309 723	145 280 960
Additions	-	-	-	18 983 920
Amortisation	-	(339 360 449)	-	(144 955 157)
As at 31 December	50 167 751	50 167 751	19 309 723	19 309 723

Goodwill is classified as a non-current asset.

An analysis of goodwill by principal cash generating unit ("CGU") is as shown below:-

Credit Insurance Company of Zimbabwe Limited	50 167 751	389 528 200	19 309 723	325 803
WFDR Risk Services	-	-	-	18 983 920
	50 167 751	389 528 200	19 309 723	19 309 723

11 INTANGIBLE ASSETS (continued)

11.2 Goodwill (continued)

The goodwill arose from the acquisition of control in Credit Insurance Zimbabwe Limited in 2017 and Fidelity Life Assurance Company of Zimbabwe Limited ("FLA") on 1 Decemember 2020. The Group tests whether goodwill has suffered any impairment on an annual basis. No impairment charge was required for the year (2019:nil). The recoverable amount of a cash generating unit ("CGU") is determined based on value in use calculations. There was no value in use calculations for FLA due to the proximity of its acquisition date to the balance sheet date.

12 INVESTMENT IN SUBSIDIARIES

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
As at 1 January 2022	14 819 475 829	12 209 465 497	1 363 494 358	856 475 991
Additions	-	2 610 010 332	-	507 018 367
As at 31 December 2022	14 819 475 829	14 819 475 829	1 363 494 358	1 363 494 358

Investments are all classified as non-current assets.
The reporting date of all subsidiaries is 31 December.
Financial information of subsidiaries that have material non-controlling interests is provided below.

12.1 Summary of non-controlling interest portion

Name of company	Country of incorporation	Nature of business	2022	2021	2022	2021
Zimre Property Investments Limited	Zimbabwe	Property	0%	0%	0%	0%
Emeritus Resegguros, S.A.	Mozambique	Reinsurance	30%	30%	30%	30%
Credit Insurance Zimbabwe Limited	Zimbabwe	General Insurance	9%	9%	9%	9%
Fidelity Life Assurance of Zimbabwe	Zimbabwe	Assurance	33%	33%	33%	33%
WFDR Risk Services	Zimbabwe	Insurance broking	40%	0%	40%	0%

12 INVESTMENT IN SUBSIDIARIES (continued)

12.1 Summary of non-controlling interest portion (continued)

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Accumulated non-controlling interest balances				
Emeritus Reseggruos, S.A.	919 246 102	315 276 115	985 577 520	89 920 562
Credit Insurance Zimbabwe Limited	105 102 298	55 733 727	101 677 345	12 580 156
Fidelity Life Assurance Zimbabwe	2 494 454 689	1 376 894 420	2 438 749 881	409 168 887
WFDR Risk Services	84 982 070	-	72 698 309	-
	3 603 785 161	1 747 904 262	3 598 703 054	511 669 605
Profit/ (loss) allocated to material non-controlling interests				
Zimre Property Investments Limited	-	-	-	-
Emeritus Reseggruos, S.A.	5 802 733	36 770 000	5 802 734	10 696 420
Credit Insurance Zimbabwe Limited	(15 957 799)	(1 658 315)	230 343	(2 347 140)
Fidelity Life Assurance Zimbabwe	69 244 523	306 506 289	285 498 889	163 648 602
WFDR Risk Services	48 295 455	-	64 308 040	-
	59 089 457	341 617 974	291 531 966	171 997 882

Set out on the following page is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

12 INVESTMENT IN SUBSIDIARIES (continued)

12.2.1 Summarised statement of profit or loss for 2022

	INFLATION ADJUSTED					HISTORICAL COST				
	Fidelity Life Assurance Zimbabwe ZWL	Emeritus Resegguros, S.A. ZWL	Credit Insurance Zimbabwe Limited ZWL	WFDR Risk Services ZWL	Total ZWL	Fidelity Life Assurance Zimbabwe ZWL	Emeritus Resegguros, S.A. ZWL	Credit Insurance Zimbabwe Limited ZWL	WFDR Risk Services ZWL	Total ZWL
Gross written premium	3 365 321 482	1 807 340 163	1 209 069 012	-	6 381 730 657	3 403 406 422	1 807 340 163	853 931 423	-	6 064 678 008
Total income	5 702 808 548	1 356 918 037	961 947 793	567 411 384	8 589 085 761	5 123 210 390	1 356 918 037	564 979 015	386 097 806	7 431 205 248
					-					-
Net benefits and claims	(1 258 216 155)	(328 312 831)	(302 783 122)	-	(1 889 312 109)	(1 115 065 516)	(328 312 831)	(184 824 843)	-	(1 628 203 190)
Commission and acquisition expenses	(363 824 248)	(479 447 891)	(185 220 637)	(109 134 209)	(1 137 626 985)	(309 884 987)	(479 447 891)	(121 377 895)	(40 678 256)	(951 389 029)
Operating and administration expenses	(2 552 867 098)	(489 624 592)	(654 321 144)	(442 784 607)	(4 139 597 441)	(3 611 861 985)	(489 624 592)	(458 207 793)	(347 972 734)	(4 907 667 104)
Total claims and expenses	(4 174 907 502)	(1 297 385 314)	(1 142 324 903)	(551 918 816)	(7 166 536 535)	(5 036 812 489)	(1 297 385 314)	(764 410 531)	(388 650 990)	(7 487 259 324)
Operating profit / (loss)	1 527 901 046	59 532 722	(180 377 110)	15 492 568	1 422 549 226	86 397 901	59 532 723	(199 431 516)	(2 553 184)	(56 054 076)
										-
Gross change in insurance and investment contract liabilities	(8 557 722 179)				(8 557 722 179)	(23 797 284 789)	-	-		(23 797 284 789)
Other gains	10 094 658 996	(16 799 777)	222 908 645	159 871 460	10 460 639 323	25 893 368 246	(16 799 777)	168 024 972	185 885 683	26 230 479 124
Finance (costs)/ income	(191 428 499)	(21 398 123)	-	-	(212 826 622)	(155 872 503)	(21 398 123)	-	-	(177 270 626)
Net monetary gains/ (losses)	(2 037 077 412)	-	(140 571 004)	(24 603 653)	(2 202 252 069)	-	-	-	-	-
Profit/(loss) before income tax	836 331 952	21 334 822	(98 039 470)	150 760 375	910 387 679	2 026 608 855	21 334 823	(31 406 544)	183 332 499	2 199 869 633
Income tax (expense)/credit	(626 817 511)	(1 992 377)	(72 632 177)	(30 021 737)	(701 442 066)	(1 162 769 554)	(1 992 377)	33 870 105	(22 562 399)	(1 130 891 826)
Profit/(Loss) for the year	209 514 441	19 342 445	(170 671 647)	120 738 638	208 945 613	863 839 300	19 342 445	2 463 561	160 770 100	1 068 977 806

12 INVESTMENT IN SUBSIDIARIES (continued)

12.2.2 Summarised statement of profit or loss for 2021

	INFLATION ADJUSTED					HISTORICAL COST				
	Fidelity Life Assurance Zimbabwe ZWL	Emeritus Resegguros, S.A. ZWL	Credit Insurance Zimbabwe Limited ZWL	WFDR Risk Services ZWL	Total ZWL	Fidelity Life Assurance Zimbabwe ZWL	Emeritus Resegguros, S.A. ZWL	Credit Insurance Zimbabwe Limited ZWL	WFDR Risk Services ZWL	Total ZWL
Gross written premium	4 032 228 611	2 136 885 594	873 361 755	-	7 042 475 960	1 066 937 145	621 621 584	194 705 148	-	1 883 263 877
Total income	5 483 298 468	1 395 009 323	629 149 815	123 675 637	7 631 133 243	1 424 420 701	405 809 234	133 196 449	26 269 032	1 989 695 415
										-
Net benefits and claims	(2 594 096 957)	(243 370 974)	(92 881 447)	-	(2 930 349 378)	(416 669 470)	(70 796 795)	(23 487 508)	-	(510 953 773)
Commission and acquisition expenses	(202 351 788)	(575 355 478)	(147 229 812)	(5 481 602)	(930 418 680)	(54 084 459)	(167 371 330)	(32 221 158)	(1 229 329)	(254 906 276)
Operating and administration expenses	(2 694 609 131)	(473 671 213)	(450 030 105)	(84 529 691)	(3 702 840 140)	(666 042 443)	(137 791 303)	(106 535 015)	(20 342 803)	(930 711 564)
Total claims and expenses	(5 491 057 876)	(1 292 397 665)	(690 141 363)	(90 011 293)	(7 563 608 198)	(1 136 796 372)	(375 959 428)	(162 243 681)	(21 572 132)	(1 696 571 614)
Operating loss	(7 759 409)	102 611 658	(60 991 548)	33 664 344	67 525 045	287 624 328	29 849 806	(29 047 232)	4 696 899	293 123 801
Gross change in insurance and investment contract liabilities	(4 441 324 346)	-	-	-	(4 441 324 346)	(3 143 094 417)	-	-		(3 143 094 417)
Other gains	5 858 269 337	49 632 481	96 176 263	1 648 370	6 005 726 451	3 554 757 400	14 438 125	27 837 442	1 045 062	3 598 078 029
Finance (costs)/ income	(155 153 530)	(27 998 326)	-	251 984	(182 899 872)	(38 063 023)	(8 144 734)	-	9 670	(46 198 086)
Net monetary gains/ (losses)	26 606 913	-	(142 381 206)	(46 231 310)	(162 005 602)	-	-	-	-	-
Profit/(loss) before income tax	1 280 638 966	124 245 812	(107 196 490)	(10 666 612)	1 287 021 676	661 224 289	36 143 197	(1 209 790)	5 751 631	701 909 327
Income tax (expense)/credit	(353 237 187)	(1 679 144)	89 460 497	(9 093 769)	(274 549 604)	(166 069 670)	(488 464)	(23 893 315)	(2 645 384)	(190 451 449)
Profit/(Loss) for the year	927 401 779	122 566 668	(17 735 994)	(19 760 381)	1 012 472 072	495 154 619	35 654 733	(25 103 105)	3 106 247	511 457 878

12 INVESTMENT IN SUBSIDIARIES (continued)

12.3 Summarised statements of financial position (continued)

	INFLATION ADJUSTED					HISTORICAL COST				
31 December 2022	Fidelity Life Assurance Zimbabwe ZWL	Emeritus Resegguros, S.A. ZWL	Credit Insurance Zimbabwe Limited ZWL	WFDR Risk Services ZWL	Total ZWL	Fidelity Life Assurance Zimbabwe ZWL	Emeritus Resegguros, S.A. ZWL	Credit Insurance Zimbabwe Limited ZWL	WFDR Risk Services ZWL	Total ZWL
Assets										
Property and equipment	4 118 563 339	856 792 633	1 422 513 073	55 525 578	6 453 394 624	3 897 472 351	856 792 633	1 422 513 074	17 824 752	6 194 602 810
Right of use of assets	90 912 297	-	-	-	90 912 297	90 912 297	-	-	-	90 912 297
Investment properties	36 096 715 231	-	-	-	36 096 715 231	36 096 715 231	-	-	-	36 096 715 231
Intangible assets	340 877 659	-	4 336 708	697 886	345 912 254	236 804 436	-	737 622	202 992	237 745 050
Financial assets:					-					-
- at amortised cost	-	184 132 090	86 116 230	21 396 842	291 645 162	-	184 132 090	86 116 230	21 396 842	291 645 162
- at fair value through profit					-					-
or loss	5 586 326 587	203 176 812	58 099 305	10 233 743	5 857 836 448	5 586 326 587	203 176 812	58 099 305	10 233 743	5 857 836 447
- at fair value through other		-			-					-
comprehensive income	47 940 189	1 117 812 029	4 006 891	-	1 169 759 109	47 940 190	1 117 812 029	4 006 891	-	1 169 759 109
Trade and other receivables	3 654 064 842	3 009 271 721	400 164 933	881 588 093	7 945 089 590	3 654 064 842	3 009 271 721	400 164 932	881 588 093	7 945 089 588
Inventories	334 989 423	-	-	-	334 989 423	4 881 660	-	-	-	4 881 660
Current tax receivable	-	459 296 659	3 203 493	-	462 500 152	-	459 296 659	339 085	-	459 635 744
Deferred acquisition costs	-	165 470 192	36 022 708	-	201 492 900	-	165 470 192	15 167 874	-	180 638 066
Cash and cash equivalents	6 137 300 815	233 888 628	20 152 115	168 688 873	6 560 030 432	6 137 300 815	233 888 628	20 152 115	168 688 873	6 560 030 432
Total assets	56 407 690 383	6 229 840 764	2 034 615 457	1 138 131 016	65 810 277 620	55 752 418 408	6 229 840 764	2 007 297 129	1 099 935 295	65 089 491 596
Total equity	7 547 517 972	3 064 153 675	1 124 088 753	212 455 176	11 948 215 576	7 378 970 896	3 285 258 400	1 087 458 236	181 745 773	11 933 433 305

12 INVESTMENT IN SUBSIDIARIES (continued)

12.3 Summarised statements of financial position (continued)

	INFLATION ADJUSTED					HISTORICAL COST				
31 December 2022	Fidelity Life Assurance Zimbabwe ZWL	Emeritus Resegguros, S.A. ZWL	Credit Insurance Zimbabwe Limited ZWL	WFDR Risk Services ZWL	Total ZWL	Fidelity Life Assurance Zimbabwe ZWL	Emeritus Resegguros, S.A. ZWL	Credit Insurance Zimbabwe Limited ZWL	WFDR Risk Services ZWL	Total ZWL
Liabilities										
Deferred tax liabilities	1 578 605 282	258 881 537	306 365 368	21 414 214	2 165 266 401	1 665 264 441	37 776 812	315 677 557	13 927 898	2 032 646 708
Lease liabilities	24 319 337	-	-	-	24 319 337	24 319 337	-	-	-	24 319 337
Trade and other payables	4 546 515 601	1 168 590 584	313 475 124	893 791 826	6 922 373 135	3 973 131 543	1 168 590 584	313 475 124	886 134 341	6 341 331 592
Borrowings	201 545 556	227 749 446	-	-	429 295 001	201 545 556	227 749 446	-	-	429 295 002
Insurance and other provisions	42 509 186 636	1 510 465 522	290 686 211	10 469 800	44 320 808 169	42 509 186 635	1 510 465 522	290 686 212	18 127 283	44 328 465 652
Total liabilities	48 860 172 411	3 165 687 090	910 526 703	925 675 840	53 862 062 044	48 373 447 512	2 944 582 365	919 838 892	918 189 522	53 156 058 291
Total equity and liabilities	56 407 690 383	6 229 840 764	2 034 615 457	1 138 131 016	65 810 277 620	55 752 418 408	6 229 840 764	2 007 297 129	1 099 935 295	65 089 491 596
31 December 2021										
Assets										
Property and equipment	2 731 699 245	461 410 778	630 219 978	44 321 679	3 867 651 680	774 216 148	134 224 733	166 722 999	10 873 388	1 086 037 268
Right of use of assets	95 188 199	-	-	-	95 188 199	27 690 317	-	-	-	27 690 317
Investment properties	20 853 467 809	-	-	-	20 853 467 809	6 066 289 056	-	-	-	6 066 289 056
Intangible assets	310 324 807	455 427	5 703 568	-	316 483 801	70 405 507	132 484	970 108	-	71 508 099
Deferred tax assets	-	-	-	-	-	-	-	-	-	-
Financial assets:										-
- at amortised cost	2 147 817 235	170 997 527	29 402 950	-	2 348 217 711	624 801 606	49 743 306	8 553 340	-	683 098 251
- at fair value through profit										-
or loss	4 056 839 792	112 195 514	112 056 309	25 260 070	4 306 351 685	1 180 137 666	32 637 757	32 597 262	7 348 177	1 252 720 863

12 INVESTMENT IN SUBSIDIARIES (continued)

12.3 Summarised statements of financial position (continued)

	INFLATION ADJUSTED					HISTORICAL COST				
31 December 2021	Fidelity Life Assurance Zimbabwe ZWL	Emeritus Resegguros, S.A. ZWL	Credit Insurance Zimbabwe Limited ZWL	WFDR Risk Services ZWL	Total ZWL	Fidelity Life Assurance Zimbabwe ZWL	Emeritus Resegguros, S.A. ZWL	Credit Insurance Zimbabwe Limited ZWL	WFDR Risk Services ZWL	Total ZWL
- at fair value through other					-					-
comprehensive income	-	645 934 834	-	-	645 934 834	-	187 902 916	-	-	187 902 916
Trade and other receivables	1 929 450 567	815 572 754	286 674 082	357 246 516	3 388 943 919	557 842 421	237 250 711	83 393 701	103 923 272	982 410 105
Inventories	334 990 092	-	-	-	334 990 092	2 759 387	-	-	-	2 759 387
Current tax receivable	-	255 293 812	-	-	255 293 812	-	74 265 157	-	-	74 265 157
Deferred acquisition costs	-	101 223 964	13 976 032	-	115 199 996	-	29 446 125	2 644 039	-	32 090 164
Cash and cash equivalents	1 546 661 270	60 078 840	40 453 652	116 930 266	1 764 124 029	449 924 896	17 476 979	11 767 997	34 015 100	513 184 971
Total assets	34 006 439 016	2 623 163 448	1 118 486 570	543 758 532	38 291 847 566	9 754 067 006	763 080 168	306 649 445	156 159 936	10 979 956 555
Total equity	4 166 095 073	1 050 920 384	596 082 637	98 427 999	5 911 526 094	1 238 029 918	299 735 209	134 547 123	26 639 934	1 698 952 183
Liabilities										
Deferred tax liabilities	934 565 555	133 593 767	67 066 555	17 832 320	1 153 058 197	270 868 738	6 070 618	39 644 342	5 160 457	321 744 155
Lease liabilities	64 264 529	-	-	-	64 264 529	18 694 598	-	-	-	18 694 598
Trade and other payables	1 761 580 664	563 425 855	258 664 183	427 498 212	3 011 168 915	348 901 356	163 900 994	75 245 604	124 359 545	712 407 499
Borrowings	228 720 126	26 897 329	-	-	255 617 454	66 534 852	46 594 660	-	-	113 129 511
Insurance and other provisions	26 851 213 068	848 326 114	196 673 195	-	27 896 212 377	7 811 037 544	246 778 688	57 212 376	-	8 115 028 608
Total liabilities	29 840 343 942	1 572 243 064	522 403 933	445 330 532	32 380 321 472	8 516 037 088	463 344 959	172 102 323	129 520 002	9 281 004 371
Total equity and liabilities	34 006 439 016	2 623 163 448	1 118 486 570	543 758 532	38 291 847 566	9 754 067 006	763 080 168	306 649 445	156 159 936	10 979 956 555

12 INVESTMENT IN SUBSIDIARIES (continued)

12.4 Summarised statements of cash flows

12.4.1 For the year ended 31 December 2022

	INFLATION ADJUSTED					HISTORICAL COST				
	Fidelity Life Assurance Zimbabwe ZWL	Emeritus Reseggurus, S.A. ZWL	Credit Insurance Zimbabwe Limited ZWL	WFDR Risk Services ZWL	Total ZWL	Fidelity Life Assurance Zimbabwe ZWL	Emeritus Reseggurus, S.A. ZWL	Credit Insurance Zimbabwe Limited ZWL	WFDR Risk Services ZWL	Total ZWL
Cash flows from operating activities	(44 921 067)	24 323 614	(54 219 734)	67 481 338	(7 335 849)	(124 515 186)	24 323 614	(35 716 653)	158 186 278	22 278 053
Cash flows from investing activities	33 948 260	47 195 487	46 251 452	(62 367 305)	65 027 894	19 035 806	47 195 487	53 462 468	(24 167 290)	95 526 471
Cash flows from financing activities	(191 428 499)	(24 697 975)	-	-	(216 126 473)	(155 872 503)	(24 697 975)	-	-	(180 570 478)
Net increase/ (decrease) in cash and cash equivalents	(202 401 306)	46 821 126	(7 968 282)	5 114 033	(158 434 429)	(261 351 883)	46 821 126	17 745 815	134 018 988	(62 765 953)

12.4.2 For the year ended 31 December 2021

	Fidelity Life Assurance Zimbabwe ZWL	Emeritus Reseggurus, S.A. ZWL	Credit Insurance Zimbabwe Limited ZWL	WFDR Risk Services ZWL	Total ZWL	Fidelity Life Assurance Zimbabwe ZWL	Emeritus Reseggurus, S.A. ZWL	Credit Insurance Zimbabwe Limited ZWL	WFDR Risk Services ZWL	Total ZWL
Cash flows from operating activities	(1 489 655 442)	(106 293 707)	(34 408 648)	(84 700 354)	(1 715 058 151)	(131 217 494)	(30 920 917)	11 160 342	32 930 245	(118 047 824)
Cash flows from investing activities	(154 551 924)	122 688 861	(82 640 889)	749 403	(113 754 549)	(284 355 222)	35 690 279	(19 561 231)	331 245	(267 894 929)
Cash flows from financing activities	256 872 375	(53 089 614)	-	(80 439 811)	123 342 950	(14 193 565)	(15 443 808)	-	(19 500 000)	(49 137 372)
Net increase/ (decrease) in cash and cash equivalents	(1 387 334 992)	(36 694 460)	(117 049 536)	(164 390 762)	(1 705 469 750)	(429 766 280)	(10 674 445)	(8 400 889)	13 761 490	(435 080 125)

13 INVESTMENTS IN ASSOCIATES

The carrying amount of the investment in associates changed as follows:-

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
As at 1 January	4 818 499 486	5 402 948 220	1 156 317 343	693 976 146
Share of profit for the year	(1 735 248 672)	(502 614 146)	(2 049 610 212)	92 517 053
Share of other comprehensive income of associates	408 933 555	126 772 575	2 866 677 488	352 551 093
Other equity changes	(363 557 149)	(208 607 163)	300 156 528	17 273 051
As at 31 December	3 128 627 220	4 818 499 486	2 273 541 148	1 156 317 343

	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
Investments in associates at cost:				
CFI Holdings Limited	108 071 540	108 071 541	589 639	589 639
United General Insurance Limited	16 862 178	16 862 180	92 398	92 397
Special Automobile Underwriters Association of		-		
Zimbabwe ("SAUZ")	5 788 308	5 788 308	31 182	31 182
Zambezi Properties (Pvt) Ltd	575 683 699	-	575 683 699	
	706 405 725	130 722 029	576 396 918	713,218

Investments in associates are all classified as non-current assets.

13.1 Details of the Group's associates are as follows:

Set out below are the associates of the Group as at 31 December. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of owership interest is the same as the proportion of voting rights held.

Name of entity	Published activity	Country of incorporation principal place of business	Proportion of ownership interest held as at 31 December 2022	Proportion of ownership interest held as at 31 December 2021
CFI Holdings Limited	Agro-retail	Zimbabwe	41.08%	41.08%
United General Insurance Limited	General insurance	Malawi	20.00%	20.00%
Special Automobile Underwriters Association of Zimbabwe ("SAUZ")	General insurance	Zimbabwe	20.00%	20.00%
Zimre Property Services Pvt. Limited	Property Management	Zimbabwe	30.00%	-

		INFLATION ADJUSTED		HISTORICAL COST	
		Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
14	**TAXES**				
14.1	**Deferred tax**				
	The analysis of deferred tax assets and deferred tax liabilities is as follows:				
	Deferred tax asset:				
	Deferred tax assets to be recovered after more than 12 months				
	Deferred tax assets to be recovered within more than 12 months	1 533 604 611	181 650 509	1 125 983 431	32 384 017
		1 533 604 611	181 650 509	1 125 983 431	32 384 017
	Deferred tax liabilities:				
	Deferred tax liabilities to be settled after more than 12 months	(3 551 778 897)	(2 238 825 825)	(4 190 804 531)	(702 008 883)
	Deferred tax liabilities to be recovered within more than 12 months	-	-	-	-
		(3 551 778 897)	(2 238 825 825)	(4 190 804 531)	(702 008 883)
	Deferred tax (liabilities)/assets	**(2 018 174 286)**	**(2 057 175 316)**	**(3 064 821 100)**	**(669 624 866)**
	The movement on the deferred tax account is as shown below:				
	As at 1 January	(2 057 175 316)	(847 224 412)	(669 624 866)	(112 775 728)
	(Charged)/credited in profit or loss	1 036 191 047	(588 041 617)	(32 122 989)	(349 114 029)
	Credited/(charged) in other comprehensive income	(178 264 745)	(2 830 429)	(325 352 527)	(10 708 773)
	Foreign exchange movements	(818 925 272)	(619 078 858)	(2 037 720 718)	(197 026 336)
	As at 31 December	(2 018 174 286)	(2 057 175 316)	(3 064 821 100)	(669 624 866)
14.1.2	**Sources of deferred tax**				
	Property, plant and equipment	(2 116 793 031)	(1 147 499 793)	(2 203 780 061)	(354 417 650)
	Investment properties	(1 438 691 923)	(1 534 209 844)	(1 414 187 639)	(434 600 869)
	Intangible assets	-	-	-	-
	Financial assets at fair value through other comprehensive income	(47 019 014)	(19 826 983)	(25 546 395)	(2 308 610)
	Trade and other receivables	(642 848 536)	(308 276 570)	(642 848 536)	(87 445 603)
	Trade and other payables	504 619 586	407 285 998	504 619 586	118 479 795
	Short term investments in equity	(7 979 239)	(6 269 204)	(7 979 239)	(1 823 716)
	Other receivables and prepayments	(31 311 658)	(83 655 740)	(31 311 658)	(24 217 150)
	Provisions	956 056 922	554 845 836	799 666 929	121 228 749
	Assessed tax losses	805 792 607	80 430 984	(43 454 087)	(4 519 812)
	Deferred tax (liabilities)/assets	(2 018 174 286)	(2 057 175 316)	(3 064 821 100)	(669 624 866)

14 TAXES (continued)

14.2 Income tax expense

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Current income tax	(1 010 725 678)	(406 295 512)	(1 433 133 518)	(122 191 861)
Deferred tax	1 036 191 047	(588 041 617)	(32 122 989)	(349 114 029)
Income tax (expense)/credit	25 465 370	(994 337 129)	(1 465 256 507)	(471 305 890)

14.2.1 Tax rate reconciliation

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Profit/(loss) before income tax	4 088 782 883	10 667 823 067	24 639 578 418	5 866 857 181
Tax at Zimre Holdings Limited				
statutory income tax rate of 24.72% (2021: 24.72%)	1 010 747 129	2 637 085 862	6 090 903 785	1 450 287 095
Tax effect on amounts which are not deductible/ (taxable)				
in calculating taxable income:				
Effects of lower tax rate on fair vale adjustment				
(Profit)/losses taxed at different rate	(4 432 251 354)	(3 227 387 854)	(12 199 959 429)	(1 817 602 304)
Effect of gains on fair value of financial assets through profit or loss taxed at different rate	(271 503 414)	(447 375 132)	(271 503 414)	(130 141 753)
Share of profits from associates	428 953 472	124 246 217	506 663 644	(22 870 216)
Effect of life reassurance entity taxed differently	40 428 229	(343 504 599)	(542 674 556)	(214 985 389)
Income exempt from tax - dividends	(42 884 508)	(19 321 213)	-	6 622 849
Income exempt from tax - interest	173 102 196	126 533 791	-	35 303 885
Non-taxable income	(130 942 803)	(106 098 326)	(85 707 356)	(25 292 168)
Movements in insurance provisions	724 096 854	209 006 524	757 658 455	70 411 274
Monetary adjustment	900 691 779	735 109 271	-	-
Permanent differences on adoption of IAS 29	-	-	-	-
Effect on change in tax rate	-	-	-	-
Effect of different tax rate on foreign operations	1 625 027 790	(682 631 671)	-	176 960 837
	25 465 370	(994 337 129)	-	(471 305 890)

		INFLATION ADJUSTED		HISTORICAL COST	
		Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
14	**TAXES (continued)**				
14.3	**Deferred tax**				
	The analysis of deferred tax assets and deferred tax liabilities is as follows:				
	Deferred tax assets:				
	Deferred tax assets to be utilised within 12 months	-	-	-	-
	Deferred tax assets to be utilised within more than 12 months	25 226 035	5 292 974	2 809 548	1 070 347
		25 226 035	5 292 974	2 809 548	1 070 347
	Deferred tax liabilities:				
	Deferred tax liabilities to be settled within 12 months	-	-	-	-
	Deferred tax liabilities to be settled within more than 12 months	(43 351 025)	(13 518 453)	-	-
		(43 351 025)	(13 518 453)	-	-
	Deferred tax assets/(liabilities)	**(18 124 990)**	**(8 225 480)**	**2 809 548**	**1 070 347**
	Deferred tax				
	Reflected in the statement of financial position as follows:				
	Deferred tax asset	-	-	2 809 548	1 070 347
	Deferred tax liabilities	(18 237 383)	(8 225 480)	-	-
	Deferred tax liabilities, net	(18 237 383)	(8 225 480)	2 809 548	1 070 347
	The movement on the deferred tax account is as shown below:				
	As at 1 January	(8 225 480)	(14 559 119)	1 070 347	448 851
	Charged/(credited) in profit or loss	(12 433 915)	4 805 767	6 250 320	1 221 854
	Charged/(credited) in other comprehensive income	2 422 013	1 527 872	(4 511 120)	(600 358)
	As at 31 December	**(18 237 383)**	**(8 225 480)**	**2 809 547**	**1 070 347**
14.3.1	**Sources of deferred tax**				
	Property, plant and equipment	(1 337 018)	(1 903 323)	(1 019 324)	-
	Investment property	(112 393)		(112 393)	-
	Right of use of assets	(14 486 844)	(6 983 692)	(7 523 923)	(124 095)
	Financial assets at fair value through other comprehensive income	(26 840 773)	(4 411 769)	(5 368 155)	(857 035)
	Investments in listed equity	(686 390)	(219 670)	(686 390)	(129 095)
	Lease liabilities	16 244 562	1 788 995	8 538 259	68 444
	Provisions	8 981 473	76 549 658	8 981 473	2 112 128
	Assessed tax losses	-	-	-	-
	Deferred tax assets/(liabilities)	(18 237 383)	64 820 199	2 809 547	1 070 347

14 TAXES (continued)

14.4 Income tax

	INFLATION ADJUSTED		HISTORICAL COST	
	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
Current	-	-		
Deferred	(12 433 915)	4 805 767	6 250 320	1 221 854
Income tax (expense)/credit	(12 433 915)	4 805 767	6 250 320	1 221 854

14.4.1 Tax rate reconciliation

	INFLATION ADJUSTED		HISTORICAL COST	
	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
Profit/(loss) before income tax	2 489 326 588	373 928 646	571 434 280	(122 994 542)
Tax at Zimre Holdings Limited statutory income tax rate of 24.72% (2020: 24.72%)	615 361 533	92 435 161	141 258 554	(30 404 251)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:				
Effect of gains on fair value of financial assets through profit or loss taxed at different rate	(5 997 420)	(6 666 006)	(13 810 177)	(1 939 146)
Unrealised exchange losses/(gains)	(128 288 689)	(1 119 761)	63 440	(325 739)
Effect of losses on fair value of financial assets through profit or loss	-	-	-	-
Non-taxable income	265 904 814	(25 975 925)	(212 896 209)	(5 684 361)
Non-deductible expenses	6 009 420	11 685 913	4 747 088	845 259
Unused tax losses not recognised	86 887 624	128 247 558	86 887 624	38 730 092
Monetary adjustment	(852 311 197)	(193 801 173)	-	-
Permanent differences on adoption of IAS 29	-	-	-	-
Effect of change in tax rate	-	-	-	-
Income tax (expense)/credit for the year	(12 433 915)	4 805 767	6 250 320	1 221 854

15 OTHER NON CURRENTS ASSETS

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
As at 1 January	-	-	-	-
Purchases	113 946 456	-	109 187 958	-
Disposals	(17 397 505)	-	(17 397 505)	-
Fair value gains through profit or loss	14 816 956	-	19 575 453	-
As at 31 December	111 365 906	-	111 365 906	-

16 INVENTORIES

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Property and stands developed for sale	121 531 749	496 048 842	2 250 222	2 436 040
Consumables	363 313 316	15 167 767	16 856 569	6 551 238
	484 845 065	511 216 609	19 106 791	8 987 278

All inventory items are classified as current assets.

There was no write off of inventories during the year ended 31 December 2022 (2021 : ZWLnil).

17 TRADE AND OTHER RECEIVABLES

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Insurance receivables	8 875 457 267	4 932 304 888	8 875 457 267	1 434 811 104
Due from policyholders under life assurance	1 560 852 154	862 049 269	1 560 852 154	250 770 764
Less: allowance for credit losses	(1 769 749 711)	(921 818 886)	(1 769 749 711)	(268 157 789)
Insurance receivables - net	8 666 559 710	4 872 535 271	8 666 559 710	1 417 424 079
Non insurance receivables				
Rental receivables	478 149 971	120 863 336	478 149 971	35 159 233
Inventory sales receivables	216 549 059	114 343 710	216 549 059	33 262 669
Less: allowance for credit losses	(54 464 467)	(27 999 868)	(54 464 467)	(8 145 182)
Non reinsurance trade receivables - net	640 234 563	207 207 179	640 234 563	60 276 720
Total trade receivables-net	9 306 794 273	5 079 742 449	9 306 794 273	1 477 700 799
Other receivables and prepayments*	7 907 765 015	2 738 409 246	7 921 432 303	761 516 414
Less: allowance for credit losses	(54 464 467)	(36 318 413)	(54 464 467)	(10 565 053)
Total trade and other receivables	**17 160 094 820**	**7 781 833 282**	**17 173 762 109**	**2 228 652 160**
The reconciliation of the allowance for credit losses for trade and other receivables is as follows:				
As at 1 January	986 137 167	987 690 266	286 868 024	178 751 312
Charge for the year	608 533 615	739 261 549	548 225 567	182 353 895
Amounts written off	(92 233 344)	(105 165 748)	1 043 585 054	(74 237 183)
Effects of IAS 29	376 241 207	(635 648 901)	-	-
As at 31 December	1 878 678 645	986 137 167	1 878 678 645	286 868 024
Analysed as follows:				
Insurance receivables	1 769 749 711	921 818 886	1 769 749 711	268 157 789
Rental receivables	54 464 467	27 999 868	54 464 467	8 145 182
Other receivables	54 464 467	36 318 413	54 464 467	10 565 053
Total	1 878 678 645	986 137 167	1 878 678 645	286 868 024
			-	

	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
Other receivables and prepayments*	234 907 152	263 638 011	234 907 152	72 850 685

All receivables are classified as current assets.

*Other receivables and prepayments comprise receivables from disposal of investment in equity instruments, staff loans, 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.

18 DEFERRED ACQUISITION COSTS

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
As at 1 January	834 467 521	575 197 778	176 792 016	85 927 557
Movement for the year	85 079 069	259 269 743	603 963 733	90 864 459
As at 31 December	919 546 590	834 467 521	780 755 749	176 792 016

All deferred acquisition costs are classified as current assets.

19 FINANCIAL ASSETS

19.1 At amortised cost

Financial assets at amortised cost include the following debt investments:

	INFLATION ADJUSTED					
	2022			2021		
Group	Current ZWL	Non-current ZWL	Total ZWL	Current ZWL	Non-current ZWL	Total ZWL
Debentures	-	46 864	46 864	-	161 100	161 100
Mortgage loan	-	50 159 353	50 159 353	-	40 387 114	40 387 114
Bonds and treasury bills	289 744 232	147 634 568	437 378 800	192 537 855	158 876 475	351 414 330
Deposits with financial institutions	515 338 662	-	515 338 662	2 613 049 438	-	2 613 049 438
	805 082 894	197 840 785	1 002 923 679	2 805 587 293	199 424 689	3 005 011 982
Company						
Debentures	-	46 864	46 864	-	161 100	161 100
	-	46 864	46 864	-	161 100	161 100

	HISTORICAL COST					
	2022			2021		
Group	Current ZWL	Non-current ZWL	Total ZWL	Current ZWL	Non-current ZWL	Total ZWL
Debentures	-	46 864	46 864	-	46 864	46 864
Mortgage loan	-	50 159 353	50 159 353	-	11 748 641	11 748 641
Government bonds	289 744 232	147 634 568	437 378 800	56 009 403	46 217 283	102 226 686
Deposits with financial institutions	515 338 662	-	515 338 662	760 137 995	-	760 137 995
	805 082 894	197 840 785	1 002 923 679	816 147 398	58 012 788	874 160 186
Company						
Debentures	-	46 864	46 864	-	46 864	46 864
	-	46 864	46 864	-	46 864	46 864

19 FINANCIAL ASSETS (continued)

19.1 At amortised cost (continued)

19.1.1 Analysis of movements

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
As at 1 January	3 005 011 982	2 447 990 661	874 160 186	443 035 188
Additions - business combinations	-	-	-	-
Purchases	61 669 774	36 041 910	60 584 016	11 129 119
Disposals	(25 918 999)	(6 272 978)	(57 848 439)	(1 824 814)
Foreign exchange movement	126 027 916	1 450 050 296	126 027 916	421 820 693
Effects of IAS 29	(2 163 866 994)	(922 797 907)	-	-
As at 31 December	1 002 923 679	3 005 011 982	1 002 923 679	874 160 186

	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
As at 1 January	161 100	258 947	46 864	46 864
Disposals	-	-	-	-
Effects of IAS 29	(114 236)	(97 847)	-	-
As at 31 December	46 864	161 100	46 864	46 864

The debentures mature in 2023 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.

19 FINANCIAL ASSETS (continued)

19.2 At fair value through profit or loss

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
As at 1 January	4 536 663 640	4 071 158 824	1 319 718 775	736 794 728
Purchases	36 652 442	155 217 667	51 544 498	34 309 018
Disposals	(67 842 031)	(546 483 055)	(38 945 980)	(174 150 394)
Fair value gain	1 098 314 780	1 809 769 951	1 098 314 780	526 463 404
Effects of IAS 29	(3 173 156 758)	(1 627 807 326)	-	-
Foreign exchange movement	3 712 162 924	674 807 579	3 712 162 924	196 302 019
As at 31 December	6 142 794 997	4 536 663 640	6 142 794 997	1 319 718 775

	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
As at 1 January	44 377 640	35 309 162	12 909 488	6 390 221
Purchases	-	20 521 148	-	4 145 448
Disposals	(136 850)	(33 550 964)	(136 850)	(5 470 622)
Fair value (loss)/gain	24 261 409	26 966 041	55 866 411	7 844 441
Effects of IAS 29	136 850	(4 867 746)	-	-
As at 31 December	68 639 049	44 377 640	68 639 049	12 909 488
			-	

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 Exchange for regional countries.

19 FINANCIAL ASSETS (continued)

19.3 At fair value through other comprehensive income

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
As at 1 January	2 252 820 108	1 998 394 811	655 347 019	361 667 728
Additions	87 576 326	106 169 221	89 918 939	25 488 295
Fair value gains	242 201 254	152 787 144	451 111 974	60 035 752
Effects of IAS 29	(1 386 219 756)	(720 085 279)	-	-
Foreign exchange movement	2 896 741 349	715 554 211	2 896 741 349	208 155 244
As at 31 December	4 093 119 281	2 252 820 108	4 093 119 281	655 347 019
Unlisted securities				
Cell Insurance Company (Private) Limited	420 894 775	241 804 785	420 894 775	70 341 189
Guardian Reinsurance Brokers Limited	115 920 688	52 809 424	115 920 688	15 362 300
PTA Reinsurance Company	2 359 606 650	1 279 921 116	2 359 606 650	372 329 990
Lidwala Insurance Company	1 117 812 029	645 934 833	1 117 812 029	187 902 916
Vanguard Life Assurance Company Limited	78 885 139	32 349 950	78 885 139	9 410 624
	4 093 119 281	2 252 820 108	4 093 119 281	655 347 019

	INFLATION ADJUSTED		HISTORICAL COST	
	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
As at 1 January	294 614 209	141 827 065	85 703 489	25 667 737
Fair value gain	242 201 254	152 787 144	451 111 974	60 035 752
As at 31 December	536 815 463	294 614 209	536 815 463	85 703 489

Equity investments at FVOCI comprise the following individual investments:

Unlisted securities				
Cell Insurance Company (Private) Limited	420 894 775	241 804 785	420 894 775	70 341 189
Guardian Reinsurance Brokers Limited	115 920 688	52 809 424	115 920 688	15 362 300
	536 815 463	294 614 209	536 815 463	85 703 489

All financial assets at fair value through other comprehensive income (FVOCI) are classified as non-current assets. FVOCI comprises equity securities which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

20 CASH AND CASH EQUIVALENTS

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Cash on hand	23 944 690	68 782 499	23 944 690	20 008 879
Cash at bank	4 474 684 556	4 041 443 520	4 474 684 556	1 175 658 879
Term deposits maturing under 3 months	6 427 853 034	1 497 466 902	6 427 853 034	435 614 218
	10 926 482 280	5 607 692 921	10 926 482 280	1 631 281 977

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

Balances as above	10 926 482 280	5 607 692 921	10 926 482 280	1 631 281 977
Bank overdrafts	-	-		-
Balances per statement of cash flows	10 926 482 280	5 607 692 921	10 926 482 280	1 631 281 977

	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
Term deposits maturing under 3 months	38 000 742	4 900 245	38 000 742	1 425 485
	38 000 742	4 900 245	38 000 742	1 425 485

Term deposits are presented as cash equivalents if they have a maturity of 3 months or less from the date of placement with a financial institution and are repayable within 24 hours notice. Term deposits accrue interest at a rate of between 5% to 10% p.a.

21 SHARE CAPITAL

21.1 Authorised share capital

Authorised share capital as at 31 December 2022 was 2 000 000 000 (2021 : 2 000 000 000) ordinary shares with a nominal value of ZWL0.01 each, ZWL20 000 000 (2021 : ZWL20 000 000).

21.2 Issued share capital and treasury shares

	INFLATION ADJUSTED				HISTORICAL COST		
	Number of shares	Share capital ZWL	Share premium ZWL	Treasury Shares ZWL	Share capital ZWL	Share premium ZWL	Treasury Shares ZWL
As at 1 January 2021	1 818 218 786	2 825 677 150	6 383 816 866	(8 609 425)	18 175 447	787 722 112	(1 023 081)
Share issue	-	-	-	-	-	-	-
Share buy-back	-	-	-	(1 783 430)	-	-	(389 538)
As at 31 December 2021	1 818 218 786	2 825 677 150	6 383 816 866	(10 392 855)	18 175 447	787 722 112	(1 412 619)
As at 1 January 2022	1 818 218 786	2 825 677 150	6 383 816 866	(10 392 855)	18 175 447	787 722 112	(1 412 619)
Share buy-back	-	-	-	-	-	-	-
As at 31 December 2022	1 818 218 786	2 825 677 150	6 383 816 866	(10 392 855)	18 175 447	787 722 112	(1 412 619)

During the year ended 31 December 2022, the Company purchased nil (2021:123 800) ordinary shares amounting to nil (2021: ZWL 389 538).

21 SHARE CAPITAL

21.3 Unissued shares

181 781 214 unissued shares (2021: 181 781 214) and 1 464 900 treasury shares (2021: 1 464 900) are under the control of the directors subject to the limitations imposed by the Articles and Memorandum of Association of the Company, the Zimbabwe Companies and Other Business Entities Act [Chapter 24:31] and the Zimbabwe Stock Exchange Listing Requirements.

21.4 Reserves

Revaluation reserve - relates to revaluation of property and equipment Financial assets at FVOCI reserve - relates to the fair valuation of financial assets classified as financial assets at FVOCI. Foreign currency translation reserve - relates to translation of financial statements of foreign operations whose functional and reporting currency is not Zimbabwe dollar.

22 INSURANCE AND INVESTMENT CONTRACT LIABILITIES

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Gross liabilities				
Outstanding claims	3 397 590 921	1 583 482 666	3 315 208 441	460 636 267
Incurred but not reported claims reserve	1 873 716 435	1 323 052 940	1 956 098 916	384 877 069
Unearned premium reserve	6 352 593 411	4 162 512 413	5 412 239 626	955 086 823
	11 623 900 767	7 069 048 019	10 683 546 983	1 800 600 159

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Recoveries from reinsurance				
Outstanding claims	1 111 779 992	518 156 654	1 084 822 305	150 732 150
Incurred but not reported claims reserve	613 128 682	432 937 285	640 086 369	125 941 773
Unearned premium reserve	2 078 733 554	1 362 082 171	1 771 025 373	312 529 214
	3 803 642 228	2 313 176 110	3 495 934 047	589 203 137
Net liabilities				
Outstanding claims	2 285 810 929	1 065 326 012	2 230 386 136	309 904 117
Incurred but not reported claims reserve	1 260 587 753	890 115 655	1 316 012 547	258 935 296
Unearned premium reserve	4 273 859 857	2 800 430 242	3 641 214 253	642 557 609
	7 820 258 539	4 755 871 909	7 187 612 936	1 211 397 022

All short-term insurance contract liabilities are classified as current liabilities.

22 INSURANCE AND INVESTMENT CONTRACT LIABILITIES (continued)

22.1 Reconciliation of short-term insurance contract liabilities

	INFLATION ADJUSTED			
	Outstanding claims ZWL	Incurred but not reported claims ZWL	Unearned premium ZWL	Total ZWL
Group				
As at 1 January 2021	971 940 908	781 894 230	2 176 644 308	3 930 479 446
Additions during the year	826 316 889	1 121 895 426	2 567 891 972	4 516 104 287
Utilised during the year	8 494 248	(161 393 093)	(692 596 802)	(845 495 647)
Effects of IAS 29	(741 426 035)	(852 280 907)	(1 251 509 235)	(2 845 216 177)
As at 31 December 2021	1 065 326 010	890 115 656	2 800 430 243	4 755 871 909
As at 1 January 2022	1 065 326 010	890 115 656	2 800 430 243	4 755 871 909
Additions during the year	4 498 607 515	2 699 146 326	6 969 770 990	14 167 524 831
Utilised during the year	(699 947 166)	(389 114 178)	(1 840 133 051)	(2 929 194 395)
Effects of IAS 29	(2 578 175 430)	(1 939 560 051)	(3 656 208 325)	(8 173 943 806)
As at 31 December 2022	2 285 810 929	1 260 587 753	4 273 859 857	7 820 258 539

	Outstanding claims ZWL	Incurred but not reported claims ZWL	Unearned premium ZWL	Total ZWL
Group				
As at 1 January 2021	175 901 007	141 506 528	340 446 918	657 854 453
Additions during the year	153 398 971	208 270 709	476 708 140	838 377 820
Utilised during the year	(19 395 861)	(90 841 941)	(174 597 449)	(284 835 251)
As at 31 December 2021	309 904 117	258 935 296	642 557 609	1 211 397 022
As at 1 January 2022	309 904 117	258 935 296	642 557 609	1 211 397 022
Additions during the year	2 870 840 788	1 722 492 869	4 447 843 644	9 041 177 301
Utilised during the year	(950 358 769)	(665 415 618)	(1 449 187 000)	(3 064 961 387)
As at 31 December 2022	2 230 386 136	1 316 012 547	3 641 214 253	7 187 612 936

22 INSURANCE AND INVESTMENT CONTRACT LIABILITIES (continued)

22.2 Insurance contract liabilities with discretionary participation features

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Balance at the beginning of the year	20 603 880 912	17 173 126 315	5 993 684 045	3 093 928 925
Change in life assurance policyholder liabilities for the year	3 854 473 703	3 430 754 597	18 464 670 571	2 899 755 120
Movement through profit or loss	(1 133 233 209)	3 343 686 995	8 773 170 400	2 366 304 082
Movement through other comprehensive income	-	594 878 252	-	339 097 686
Exchange rate movement on foreign operations	4 987 706 912	(507 810 650)	9 691 500 171	194 353 352
Balance at the end of the year	24 458 354 615	20 603 880 912	24 458 354 615	5 993 684 045

22.3 Investment contract liabilities with discretionary participation features

Balance at the beginning of the year	2 977 660 658	2 524 523 848	866 203 666	456 886 102
Movement through profit or loss	9 483 358 139	157 708 943	11 594 815 131	111 609 525
Exchange rate movement on foreign operations	-	295 427 867	-	297 708 039
Balance at the end of the year	12 461 018 797	2 977 660 658	12 461 018 797	866 203 666

22.4 Investment contract liabilities with discretionary participation features

Balance at the beginning of the year	3 269 671 498	2 196 214 619	951 149 833	397 468 983
Other investment income	1 762 593	-	47 100 164	(111 643 714)
Gross premium income	2 118 441 389	148 141 626	1 166 481 538	3 391 219
Gross benefits and claims paid	(7 659 508)	(14 613 153)	(4 217 570)	(3 247 465)
Movement through profit or loss	207 597 250	939 928 406	3 429 299 258	665 180 810
Fair value gains from equities	(834 819)	252 481 159	(459 678)	118 305 592
Fair value gains from investment properties	2 147 332 171	722 760 344	4 497 379 302	557 147 824
Investment expenses	(1 938 900 102)	(35 313 097)	(1 067 620 366)	(10 272 606)
Balance at the end of the year	5 589 813 222	3 269 671 498	5 589 813 222	951 149 833

23 LIFE REASSURANCE CONTRACT ASSETS AND LIABILITIES

23.1 Life reassurance contract assets

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
As at 1 January	89 728 203	72 013 832	26 102 000	13 033 000
Movement for the year	90 089 803	55 665 335	61 774 000	13 069 000
Effects of IAS 29	(91 942 006)	(37 950 964)	-	-
As at 31 December	87 876 000	89 728 203	87 876 000	26 102 000

23.2 Life reassurance contract liabilities

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
As at 1 January	480 885 692	198 801 940	139 890 000	35 979 000
Movement for the year	741 694 269	442 592 426	508 575 000	103 911 000
Effects of IAS 29	(574 114 961)	(160 508 674)	-	-
As at 31 December	648 465 000	480 885 692	648 465 000	139 890 000
Net movement for the year	651 604 466	386 927 091	446 801 000	90 842 000
Analysed as follows :				
Non-current	648 465 000	480 885 692	648 465 000	139 890 000
	648 465 000	480 885 692	648 465 000	139 890 000

The life reassurance contract liabilities relates to policyholder funds. The movement is accounted for through statement of profit or loss.

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
24 BORROWINGS				
As at 1 January	432 222 417	411 454 598	125 733 818	74 464 690
Drawn downs during the year	84 481 210	566 034 794	339 362 046	10 667 041
Assumed borrowings through business combinations	-	-	-	-
Interest for the year	215 219 338	187 424 145	179 663 343	44 217 548
Capital repayments	(215 727 676)	(303 647 063)	(127 325 472)	17 444 642
Interest repayment	(215 219 338)	(187 424 145)	(96 207 538)	78 627 548
Effects of IAS 29	120 250 246	101 066 235	-	-
Foreign exchange movement	56 211 356	(342 686 147)	56 211 356	(99 687 651)
Balance as at 31 December	477 437 553	432 222 417	477 437 553	125 733 818
Non-current	235 447 125	395 219 398	235 447 125	114 969 612
Current	241 990 428	37 003 020	241 990 428	10 764 206
	477 437 553	432 222 418	477 437 553	125 733 818
Maturity analysis:				
1 month to 6 months	123 415 118	18 871 540	123 415 118	5 489 745
6 month to 1 year	118 575 310	18 131 480	118 575 310	5 274 461
1 year to 5 years	235 447 125	395 219 398	235 447 125	114 969 612
	477 437 553	432 222 418	477 437 553	125 733 818

Bank borrowings comprise loans from institutions listed below :-

ZB Bank Limited

The overdraft facility with ZB was obtained as a line of credit for the micro-finance business to increase the unit's lending capacity. The facility is denominated in USD and ZWL .The USD facility accrues interest at 15% per annum on a one year tenure expiring on 30 September 2023 and the ZWL facility accrues interest at 205% (2021:49%) per annum expiring on 31 March 2023.

African Banking Corporation (Mozambique) SA

Emeritus Re Mozambique acquired a loan facility to purchase the new office premises. The loan accrues interest at 20.75% per annum and is repayable over 7 years. There were no changes to the terms and conditions of these borrowings during the reporting period. For the long-term borrowings, their fair values are not materially different to carrying amounts as the interest rates on these borrowings approximate market rates. This section sets out an analysis of net debt and the movements in net debt for each of the years presented.

24 BORROWINGS (continued)

	INFLATION ADJUSTED		HISTORICAL COST	
Net debt reconciliation	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Cash and cash equivalents	(10 926 482 280)	(5 607 692 921)	(10 926 482 280)	(1 631 281 977)
Short-term portion of long term loans	241 990 428	37 003 020	241 990 428	10 764 206
Long term portion	235 447 125	395 219 398	235 447 125	114 969 612
Net cash and cash equivalents	(10 449 044 727)	(5 175 470 502)	(10 449 044 727)	(1 505 548 159)

INFLATION ADJUSTED	Cash and cash equivalents ZWL	Borrowings due within one year ZWL	Borrowings due after one year ZWL	Total ZWL
Year ended 31 December 2021				
Net debt as at 1 January 2021	(180 542 429)	9 200 392	4 104 266	(167 237 770)
Cashflows	(2 195 948 819)	(303 647 063)	566 034 794	(1 933 561 088)
Foreign exchange movement	(476 238 744)	-	(590 215)	(476 828 959)
Reclassification to current liabilities	-	10 883 201	(10 883 201)	-
Effects of IAS 29	(2 754 962 928)	320 566 490	(163 446 246)	(2 597 842 683)
Net debt as at 31 December 2021	(5 607 692 921)	37 003 020	395 219 398	(5 175 470 500)
Year ended 31 December 2022				
Net debt as at 1 January 2022	(5 607 692 921)	37 003 020	395 219 398	(5 175 470 502)
Cashflows	5 966 266 067	(215 727 676)	84 481 210	5 835 019 601
Foreign exchange movement	(382 774 629)	-	176 461 601	(206 313 028)
Reclassification to current to liabilities	-	420 715 084	(420 715 084)	-
Effects of IAS 29	(10 902 280 798)	-	-	(10 902 280 798)
Net debt as at 31 December 2022	(10 926 482 280)	241 990 428	235 447 125	(10 449 044 727)

HISTORICAL COST	Cash and cash equivalents ZWL	Borrowings due within one year ZWL	Borrowings due after one year ZWL	Total ZWL
Year ended 31 December 2021				
Net debt as at 1 January 2021	1 000 508 425	(4 074 100)	36 779 432	1 033 213 757
Cashflows	309 354 455	17 444 642	10 667 041	337 466 138
Foreign exchange movement	138 538 199	-	67 523 139	206 061 338
Net debt as at 31 December 2021	1 448 401 080	13 370 542	114 969 612	1 576 741 234
Year ended 31 December 2022				
Net debt as at 1 January 2022	1 448 401 080	13 370 542	114 969 612	1 576 741 234
Cashflows	9 677 974 932	(127 325 472)	339 362 046	9 890 011 506
Foreign exchange movement	(382 774 629)	-	(218 884 533)	(601 659 162)
Net debt as at 31 December 2022	10 743 601 382	(113 954 930)	235 447 125	10 865 093 577

25 OTHER PROVISIONS

Group	INFLATION ADJUSTED Leave pay ZWL	Termination benefits ZWL	Total ZWL	HISTORICAL COST Leave pay ZWL	Termination benefits ZWL	Total ZWL
As at 1 January 2021	107 558 268	178 201 820	285 760 088	19 465 800	32 250 808	51 716 608
Movement	119 129 085	(65 728 736)	53 400 349	26 864 138	(14 822 122)	12 042 016
Effects of IAS 29	(73 113 993)	(46 869 876)	(119 983 869)	-	-	-
As at 31 December 2021	153 573 360	65 603 208	219 176 568	46 329 938	17 428 686	63 758 624
As at 1 January 2022	153 573 360	65 603 208	219 176 568	46 329 938	17 428 686	63 758 624
Movement	212 777 596	96 494 841	309 272 437	164 943 873	74 802 202	239 746 075
Effects of IAS 29	(155 077 145)	(69 867 161)	(224 944 306)	-	-	-
As at 31 December 2022	211 273 811	92 230 888	303 504 699	211 273 811	92 230 888	303 504 699
Analysed as follows						
Non-current	-	92 230 888	92 230 888	-	92 230 888	92 230 888
Current	211 273 811	-	211 273 811	211 273 811	-	211 273 811
	211 273 811	92 230 888	303 504 699	211 273 811	92 230 888	303 504 699

Company	INFLATION ADJUSTED Leave pay ZWL	HISTORICAL COST Leave pay ZWL
As at 1 January 2021	17 372 491	3 144 058
Movement	29 089 655	5 400 147
Effects of IAS 29	(17 090 596)	-
As at 31 December 2021	29 371 550	8 544 205
As at 1 January 2022	29 371 550	8 544 205
Movement	43 545 645	27 788 615
Effects of IAS 29	(36 584 375)	-
As at 31 December 2022	36 332 820	36 332 820
Analysed as follows		
Current	36 332 820	36 332 820

- Leave pay provision relates to amounts for contractual days employees are entitled to be absent from work on paid leave that were not utilised as at year-end.
- Termination benefits provision relates to contractual amounts payable to management on termination of employment.

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
26 TRADE AND OTHER PAYABLES				
Due to retrocessionaires	9 816 119 374	4 643 870 187	10 511 146 312	1 350 905 238
Pensions and other employee long-term benefits	-	-	-	-
Other payables*	4 981 742 146	1 276 397 842	4 286 715 207	371 305 067
Accruals**	644 206 680	500 727 048	644 206 681	145 661 865
Total trade and other payables	15 442 068 200	6 420 995 077	15 442 068 200	1 867 872 170

	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
Other payables*	1 163 977 641	2 619 602 785	1 163 977 641	768 318 861
Accruals**	132 887 541	203 681 588	132 887 541	6 220 694
Total trade and other payables	1 296 865 182	2 823 284 373	1 296 865 182	774 539 555

All trade and other payables are classified as current liabilities.
*Other payables are constituted of non-insurance payables from the holding company, Fidelity non-insurance entities and property business.
**Included in the accruals are actuarial fees and any other accrued expenses not included in other payables.

	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
27 GROSS PREMIUM WRITTEN				
Life assurance contracts	3 365 321 482	4 032 228 614	3 403 406 422	1 066 937 145
Life reassurance contracts	1 654 073 999	1 593 663 416	1 165 875 290	375 205 489
Non-life reinsurance contracts	15 370 850 610	12 375 889 079	12 696 578 222	3 194 648 257
	20 390 246 091	18 001 781 109	17 265 859 934	4 636 790 891
28 RETROCESSION PREMIUM				
Life assurance contracts	(279 171 391)	(353 593 817)	(158 298 570)	(84 843 213)
Life reassurance contracts	(195 505 330)	(250 935 164)	(165 744 116)	(59 962 326)
Non-life reinsurance contracts	(4 505 926 262)	(3 605 135 517)	(3 950 801 737)	(968 433 950)
	(4 980 602 983)	(4 209 664 498)	(4 274 844 423)	(1 113 239 489)
29 UNEARNED PREMIUM PROVISION				
Unearned gross premium	(2 752 540 363)	(906 014 735)	(2 207 761 176)	(208 653 219)
Less related retrocession premiums	912 407 312	213 417 933	758 574 176	34 055 770
	(1 840 133 051)	(692 596 802)	(1 449 187 000)	(174 597 449)
30 BROKERAGE, COMMISSION AND FEES				
Retrocession commission income	1 775 350 077	1 689 843 172	1 406 063 615	448 481 554
Less charges on retrocession contracts	(163 470 957)	(199 005 065)	(131 235 343)	(47 380 345)
	1 611 879 120	1 490 838 107	1 274 828 272	401 101 209

	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
31 NET PROPERTY INCOME				
Revenue from contracts with customers:				
Sale of property and stands	287 394 060	142 436 916	153 722 299	30 727 410
Cost of sales of property and stands	(34 102 974)	(13 129 431)	(249 863)	(31 022 626)
	253 291 086	129 307 485	153 472 436	(295 216)
32 NET PROPERTY OPERATING COSTS				
Operating costs recoveries	-	-	-	-
Property operating costs	(225 493 539)	(328 442 556)	(375 242 389)	(37 086 916)
	(225 493 539)	(328 442 556)	(375 242 389)	(37 086 916)
33 INVESTMENTS INCOME				
Dividend income	173 481 020	78 160 247	164 927 757	26 791 460
Interest income	700 251 602	511 868 082	696 861 373	142 815 067
	873 732 622	590 028 329	861 789 130	169 606 527

	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
Dividend income	83 450 442	102 177 598	62 276 622	22 327 271
Interest income	34 853	2 903 004	34 451	667 717
	83 485 295	105 080 602	62 311 073	22 994 988

34 OTHER (LOSSES)/GAINS

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Profit from disposal of property and equipment	20 381 138	60 878 730	14 559 406	16 828 997
Gains from disposal of investment property	8 003 023	233 036 148	8 003 023	61 366 348
Realised exchange differences *	638 642 491	348 751 845	1 090 083 027	67 247 280
Recoveries from debtors previously written off	77 342 071	2 997 940	51 386 376	872 103
Fair value adjustments on financial assets through profit or loss	(673 656 567)	1 834 243 042	1 098 314 780	526 463 404
Unrealised exchange gains/(losses)	1 898 843 146	844 047 483	1 108 707 846	239 463 484
Interest income from micro-lending	529 703 897	429 200 346	346 712 607	102 314 597
Fair value adjustments on unquoted equity	12 043 266	(8 262 894)	12 043 266	(6 438 804)
Actuarial fees	157 946 776	105 193 687	122 875 099	23 675 220
Other gains	1 142 813 862	1 393 413 320	828 050 263	366 683 838
	3 812 063 103	5 243 499 647	4 680 735 693	1 398 476 467

* The greater value of the realised gains arose from sales of stands.

	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
Management fees	518 967 187	-	451 345 712	-
Realised exchange differences losses	370 942 001	-	370 811 201	8 950 432
Unrealised exchange gains/(losses)	518 967 187	4 529 779	(256 636)	1 317 716
Fair value (losses)/gains on financial assets through profit or loss	24 261 409	14 697 216	55 866 411	7 844 441
Other (losses)/ gains	591 872 949	13 096 196	378 340 405	2 399 034
	2 025 010 733	32 323 191	1 256 107 091	20 511 623

35 OPERATING AND ADMINISTRATION EXPENSES

	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Independent auditors' remuneration	(313 402 923)	(237 032 336)	(238 007 416)	(62 588 763)
Directors' fees (non-executive)	(201 971 809)	(214 634 895)	(224 199 559)	(55 726 941)
Employee benefit expenses (note 35.1)	(3 769 747 945)	(3 328 440 779)	(2 896 146 307)	(838 922 195)
Depreciation of property and equipment (note 8)	(251 299 658)	(234 968 264)	(118 012 781)	(43 659 283)
Depreciation of right-of-use-assets (note 9)	(47 106 645)	(80 293 631)	(42 272 033)	(7 470 307)
Write-off of receivables	(92 233 344)	(105 165 748)	(92 233 344)	(5 472 148)
Amortisation of intangible assets (note 11)	(41 063 722)	(356 032 119)	(30 780 727)	(145 458 909)
Consultation fees	(432 350 990)	(316 150 026)	(380 755 081)	(95 343 309)
Legal fees	(14 893 696)	(21 916 311)	(20 611 056)	(6 408 013)
Rent, premises costs and utilities	(306 807 438)	(255 731 491)	(268 985 224)	(65 758 983)
Travel and representation	(223 203 069)	(100 247 053)	(182 329 243)	(23 394 634)
Marketing, advertising and promotion	(372 298 468)	(242 617 196)	(321 966 692)	(62 920 248)
Computer maintenance and licence fees	(237 774 383)	(166 527 117)	(196 240 855)	(30 399 267)
Subscriptions & levies	(181 747 717)	(61 803 803)	(102 077 272)	(17 741 496)
Retrenchment costs	-	(134 007 033)	-	(31 276 244)
Other operating expenses	(2 081 886 963)	(828 819 345)	(2 296 966 985)	(343 491 009)
	(8 567 788 770)	(6 684 387 147)	(7 411 584 575)	(1 836 031 749)

	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
Independent auditors' remuneration	(25 947 801)	(44 338 740)	(14 247 579)	(12 329 242)
Directors' fees (non-executive)	(37 877 959)	(52 472 233)	(28 004 581)	(13 318 265)
Employee benefit expenses (note 34.1)	(547 456 341)	(331 859 347)	(407 512 248)	(80 777 062)
Depreciation of property and equipment (note 8)	(1 440 419)	(8 507 129)	(1 168 509)	(69 623)
Depreciation of right-of-use-assets (note 9)	(13 852 481)	(38 765 980)	(9 017 869)	(3 349 709)
Consultation fees	(90 837 236)	(100 983 551)	(65 729 639)	(22 141 077)
Legal fees	(359 862)	(277 528)	(175 344)	(62 989)
Rent, premises costs and utilities	(54 321 491)	(11 052 526)	(34 433 184)	(3 014 010)
Travel and representation	(60 325 903)	(18 925 322)	(43 096 384)	(5 160 037)
Marketing, advertising and promotion	(43 699 463)	(14 804 143)	(47 034 644)	(3 943 527)
Other operating expenses	(109 438 760)	(52 615 117)	(78 554 464)	(16 404 412)
	(985 557 716)	(674 601 616)	(728 974 444)	(160 569 953)

35.1 Employee benefit expenses

	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Directors' remuneration (executive directors)	(375 574 093)	(383 583 142)	(301 618 753)	(111 584 617)
Wages and salaries (excluding executive directors)	(2 876 330 242)	(2 291 005 140)	(2 127 032 035)	(558 837 727)
Other staff costs	(390 915 042)	(534 461 680)	(357 019 881)	(136 931 826)
Pension costs (note 35.2)	(107 222 520)	(101 382 313)	(94 403 213)	(26 089 010)
Social security costs (note 35.2.1)	(19 706 048)	(18 008 507)	(16 072 425)	(5 479 015)
	(3 769 747 945)	(3 328 440 782)	(2 896 146 307)	(838 922 195)

35 OPERATING AND ADMINISTRATION EXPENSES (continued)

	INFLATION ADJUSTED		HISTORICAL COST	
	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
35.1 Employee benefit expenses				
Directors' remuneration (executive directors)	-	-	-	-
Wages and salaries (excluding executive directors)	(423 799 775)	(217 968 915)	(309 919 762)	(51 711 357)
Other staff costs	(119 301 066)	(107 019 390)	(94 107 093)	(28 912 395)
Social security costs (note 34.2.1)	(4 355 500)	(6 871 040)	(3 485 393)	(153 310)
	(547 456 341)	(331 859 345)	(407 512 248)	(80 777 062)

	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
35.2 Staff pension and life assurance scheme				
Pension fund contributions	(107 222 520)	(101 382 313)	(94 403 213)	(26 089 010)

Employees are members of the Life Assurance Scheme managed by Fidelity Life Assurance Company Limited. The Group's contributions (employer contributions) to the scheme are charged directly to the statement of profit or loss during the year in which they are incurred. The Staff Pension Fund, a defined contribution plan, was paid-up in 2016. However, Credit Insurance Zimbabwe Limited and subsidiaries domiciled outside Zimbabwe have separate schemes to which they contribute. These schemes are all defined contribution plans and contributions are directly expensed through the statement of profit or loss during the year in which they are incurred.

35.2.1 National Social Security Authority Scheme

The entities domiciled in Zimbabwe and their employees contribute to the National Social Security Authority Pension Scheme. This is a social security scheme, which was promulgated under the National Social Security Act (Chapter 17:04). The Group's obligations under the scheme are limited to specific contributions legislated from time to time. Similarly, regional subsidiaries and their staff also contribute to national social security schemes in their respective countries where such schemes are legislated. Company contributions are charged to the statement of profit or loss in the year in which they are incurred.

National Social Security Authority Scheme contributions	(19 706 048)	(18 008 507)	(16 072 425)	(5 479 015)

	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
National Social Security Authority Scheme contributions	(4 355 500)	(6 871 041)	(3 485 393)	(153 310)
Pension fund contributions	(21 957 885)	(101 382 313)	(15 276 915)	(26 089 010)

36 EARNINGS PER SHARE

	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Basic and diluted earnings per share				

36.1 Basic earnings per share

Reconciliation of total earnings to headline earnings attributable to shareholders

Numerator

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

	Group 2022 ZWL	Group 2021 ZWL	Group 2022 ZWL	Group 2021 ZWL
Earnings attributable to ordinary equity holders of the parent for basic earnings per share	4 640 302 587	9 231 759 628	22 820 581 019	5 193 182 572
Add/deduct non recurring items				
Profit on disposal of property	(20 381 138)	(60 878 730)	(14 559 406)	(16 828 997)
Profit on disposal of investment property	(8 003 023)	(233 036 148)	(8 003 023)	(61 366 348)
Taxation on headline earnings adjustabe items	7 016 565	72 655 758	5 577 432	19 329 889
Headline earnings attributable to ordinary equity holders of the parent	4 618 934 991	9 010 500 508	22 803 596 022	5 134 317 116
Weighted average number of ordinary shares in issue	1 818 218 786	1 818 218 786	1 818 218 786	1 818 218 786
Basic earnings/(loss) per share (ZWL cents)	255.21	507.74	1,255.11	285.62
Headline earnings per share (ZWL cents)	254.04	495.57	1,254.17	282.38

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).

36.2 Diluted earnings per share

The Company has no arrangements or contracts that could result in dilution therefore, the diluted earnings per share are the same as the basic earnings per share.

36 EARNINGS PER SHARE (continued)

36.2 Diluted earnings per share

The Group and Company have no arrangements or contracts that could result in dilution therefore, the diluted earnings per share are the same as the basic earnings per share.

37 RELATED PARTY DISCLOSURES

37.1 Principal subsidiaries

The holding company's direct subsidiaries are Emeritus Reinsurance (Private) Limited, Zimre Property Investments Limited, Credit Insurance Zimbabwe Limited, Fidelity Life Assurance and WFDR which are owned 100% (2021: 100%), 100% (2021:100%), 90.65% (2021: 90.65%), 66.95% (2021: 66.95%) and 60% (2021: 60%) respectively of the issued share capital. 'Emeritus Reinsurance (Private) 'Limited is domiciled in Zimbabwe. In turn Emeritus Reinsurance Zimbabwe (Private) Limited has interests in the subsidiaries listed below:

Subsidiaries of Emeritus Reinsurance Zimbabwe (Private) Limited	Country of incorporation	Activity	2022	2021
Emeritus Reinsurance Zambia Limited (through Emeritus International)	Zambia	Reinsurance	100%	100%
Emeritus Reinsurance Company Limited (through Emeritus International)	Malawi	Reinsurance	100%	100%
Emeritus Resegguros, SA (owned through Emeritus International)	Mozambique	Reinsurance	70%	70%
Emeritus Reinsurance Company (Proprietary) Limited (through Emeritus International)	Botswana	Reinsurance	100%	91.5%
Emeritus Reinsurance Company of South Africa Limited (through Emeritus International)	South Africa	Reinsurance	100%	100%
Emeritus International Reinsurance Company Limited	Botswana	Reinsurance	100%	100%

37.2 Entities with significant influence over the Group

Day River Corporation Limited owns 33.81% of the issued share capital of Zimre Holdings Limited (2021: 33.81%), and the Government of Zimbabwe owns 18.24% (2021: 18.24%).

37.3 Associates

The Group's information on associates is disclosed in note 13.

37.4 Transactions and balances with related parties

The total amount of transactions and balances that have been entered into with related parties are analysed as follows.

Related party transactions

Description	Company owed	Relationship	2022 Transaction amount for the year ZWL	Balance ZWL	Transaction amount for the year ZWL	Balance ZWL
Rentals	Zimre Property Investments Limited	Subsidiary	197 023	-	197 023	-

	INFLATION ADJUSTED		HISTORICAL COST	
	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL
37.4.2 Compensation of key management personnel of the Group				
Short-term employee benefits	(375 574 093)	(303 759 091)	(301 618 753)	(57 294 574)
Total compensation paid to key management personnel	(375 574 093)	(303 759 091)	(301 618 753)	(57 294 574)

37 RELATED PARTY DISCLOSURES (continued)

37.4.3 Other interests of directors in the holding company

	Number of shares	
	2022	2021
B.N. Kumalo	1 042 538	1 042 538
R.C. Von Seidel (indirectly)	166 033 426	166 033 426
H.B.W. Rudland (indirectly)	614 769 314	614 769 314
S Kudenga	100 000	100 000

37.5 Transactions involving changes in subsidiaries shareholding

37.5.1 Business combinations

On 4 December 2020, the Group acquired an additional 35.09% of the share capital of Fidelity life Assurance Company of Zimbabwe Limited, a long term insurer operating in Zimbabwe. As a result of the purchase, the Group expects to increase presence in the long term and pensions assurance business. In the 2020 Annual Report it was indicated that during 2021 the Group will determine the fair values of the identifiable assets acquired and liabilities assumed and make the necessary adjustments to the goodwill that was recognised in prior year financial statements. IFRS 3 requires fair values of assets and liabilities acquired in a business combination to be finalised within 12 months of the acquisition date. The computation resulted in a bargain purchase of ZWL465 342 643 (historical cost terms ZWL409 565 346), which in accordance with paragraph 34 of IFRS 3 was recognised in profit or loss. The previously recorded goodwill was reversed through profit or loss.

37.5.2 Business combinations

On 6 September 2021, the Group acquired 60% of the share capital of WFDR Risk Services (Private) Limited, a long a risk management and short term insurance broking company operating in Zimbabwe. As a result of the purchase, the Group expects to increase presence in the short term business.

38 DIVIDENDS

	INFLATION ADJUSTED		HISTORICAL COST	
	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL
As at 1 January	-	-	-	-
Dividends declared	323 067 674	107 334 573	257 952 383	30 000 000
Dividends paid	(323 067 674)	(107 334 573)	(257 952 383)	(30 000 000)
	-	-	-	-

	Company 2022 ZWL	Company 2021 ZWL	Company 2022 ZWL	Company 2021 ZWL
As at 1 January	-	-	-	-
Dividends declared	323 067 674	107 334 573	257 952 383	30 000 000
Dividends paid	(323 067 674)	(107 334 573)	(257 952 383)	(30 000 000)
	-	-	-	-

During the year ended 31 December 2022, the Board of directors declared a dividend of ZWL102 569 358 in respect of the 2021 financial year. In addition an interim dividend for the year 2022 of ZWL155 383 025 was declared and subsequently paid in September 2022.

39 CONTINGENCIES

39.1 Contingent asset

The Group had a 49% shareholding in the Zimbabwe United Passenger Company (Private) Limited ("ZUPCO") since 1993. In 2004, the Group expressed intention to exit ZUPCO through disposal of its shareholding to the majority shareholder, the Government of Zimbabwe. A settlement agreement was concluded in January 2022 and an amount of ZWL374 417 525 was received for the disposal of the Group's shareholding in June 2022.

39.2 Contingent liabilities

39.2.1 Malawi Revenue Authority (MRA) tax audit

The tax authorities conducted an audit exercise for the four year period ended 31 December 2020 whose scope was on Pay-As-You-Earn (PAYE), Fringe Benefit Tax (FBT), Withholding Tax (WHT MKW1.48 billion), Non resident Tax (NRT), Corporate tax and Value Added Tax (VAT). The assessment exercise resulted in additional taxes and penalties amounting to K2.416 billion of which MKW1.48 billion (2021: MKW1.48 billion) is being contested as captured below:

Taxes being disputed	Additional taxes MWK	Penalties MWK	Total MWK
Withholding taxed (WHT)	737 149	510 270	1 247 419
Non-resident Taxes (NRT)	135 029	100 317	235 346
Total	872 178	610 587	1 482 765

Reinsurance is a highly specialised business field by its nature and it was the first time that the tax authorities had undertaken such a tax audit on a reinsurance company. The assessment of Value Added tax, Withholding tax and Non-resident on reinsurance commissions had been done without proper understanding of the nature, operations of the reinsurance industry and the industry's definition of commission. This resulted in different interpretation and application of the tax law and inappropriate definition of reinsurance terminology such as commissions. A tax consultant has been engaged to review and respond to the tax audit findings and apply for the discharge and waiver of tax penalties. The tax appeal was submitted and the tax authorities have acknowledged receipt of the appeal. The Commissioner General's stay order on the enforcement of the taxes subsists until the matter is reviewed. The amounts under appeal have not been accrued for in the financial statements.

39.3 Litigations

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

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

39.3.2 On 17 January 2022 the company received a writ of summons from Madison General Insurance Zambia claiming USD67 250.86 and USD268 127.15 against Emeritus Re- Zimbabwe and South Africa (together Emeritus Re) respectively for breach of insurance contract. The total amount is USD375 378.01. The matter is pending in the High Court of Zambia.

40 EVENTS AFTER THE REPORTING DATE

40.1 Approval of the consolidated financial Statements

The consolidated financial statements were approved by the Board of Directors for issue on 31 March 2023. The directors have power to amend and/or reissue the financial statements should circumstances requiring that arise.

40.3 Declaration of dividend

The Board of Directors declared a final dividend payable of ZWL250 269 677 or ZWL13.76 cents per share for the year ended 31 December 2022. This brings the total dividend for the year to ZWL405 652 702 or ZWL22.31 cents per share.

Annexures

TOP 20 SHAREHOLDERS AS AT 31 DECEMBER 2022			
HOLDER NO.	**SHAREHOLDER NAME**	**NUMBER OF SHARES**	**% HOLDING**
957658	DAY RIVER CORPORATION (PRIVATE) LIMITED	614 769 314	33.81
6178	GOVERNMENT OF ZIMBABWE	331 728 844	18.24
957835	NSSA-NATIONAL PENSION SCHEME	277 119 216	15.24
956903	LALIBELA LIMITED-NNR	157 498 202	8.66
3948	WORKERS COMPENSATION INSURANCE FUND	107 530 595	5.91
646233	NICKDALE ENTERPRISES (PVT) LTD	68 123 292	3.75
961068	MORGAN AND CO MULTI-SECTOR	28 974 908	1.59
957685	STANBIC NOMINEES 150045520001	26 030 436	1.43
957856	STANBIC NOMINEES 110008040010	22 533 120	1.24
959514	MEGA MARKET (PVT) LTD	17 167 001	0.94
623031	ZESA PENSION FUND	10 495 087	0.58
956902	VON SEIDEL-NNR RICHARD JOHN	8 535 224	0.47
957351	SCB NOMINEES 033667800001	5 256 618	0.29
956762	STANBIC NOMINEES (PVT)LTD-AC 140043470003	4 498 475	0.25
402111	MARIOT COMPUTING AND MANAGEMENT SERVICES (PVT) LTD	4 125 311	0.23
956281	TRIANGLE MONEY PLAN PENSION FUND-IMARA A/C 110008090006	3 955 894	0.22
946790	SIR ALBERT & COMPANY (PVT) LTD	3 943 990	0.22
959773	HIPPO VALLEY ESTATES PF-IMARA	3 883 988	0.21
957423	OLD MUTUAL LIFE ASSURANCE OF ZIMBABWE LIMITED	3 440 710	0.19
748568	MEALCRAFT INVESTMENTS (PVT)LTD	3 055 030	0.17
TOTAL HOLDING OF TOP SHAREHOLDERS		**1 702 665 255**	**93.64**
REMAINING HOLDING		**115,553,531**	**6.36**
TOTAL ISSUED SHARES		**1,818,218,786**	**100**

TOP 20 SHAREHOLDERS AS AT 31 DECEMBER 2021			
HOLDER NO.	**SHAREHOLDER NAME**	**NUMBER OF SHARES**	**% HOLDING**
957658	DAY RIVER CORPORATION (PRIVATE) LIMITED	614 769 314	33.81
6178	GOVERNMENT OF ZIMBABWE	331 728 844	18.24
957835	NSSA-NATIONAL PENSION SCHEME	277 119 216	15.24
956903	LALIBELA LIMITED-NNR	157 498 202	8.66
3948	WORKERS COMPENSATION INSURANCE FUND	107 530 595	5.91
646233	NICKDALE ENTERPRISES (PVT) LTD	68 123 292	3.75
957856	STANBIC NOMINEES 110008040010	44 204 469	2.43
7554	LOCAL AUTHORITIES PENSION FUND	34 798 935	1.91
959514	MEGA MARKET (PVT) LTD	10 752 501	0.59
623031	ZESA PENSION FUND	10 495 087	0.58
402111	MARIOT COMPUTING AND MANAGEMENT SERVICES (PVT) LTD	10 061 305	0.55
956902	VON SEIDEL-NNR RICHARD JOHN	8 535 224	0.47
957351	SCB NOMINEES 033667800001	5 388 662	0.30
956762	STANBIC NOMINEES (PVT)LTD-AC 140043470003	4 498 475	0.25
956281	TRIANGLE MONEY PLAN PENSION FUND-IMARA A/C 110008090006	3 955 894	0.22
959773	HIPPO VALLEY ESTATES PF-IMARA	3 883 988	0.21
961068	MORGAN AND CO MULTI-SECTOR	3 600 000	0.20
957423	OLD MUTUAL LIFE ASSURANCE OF ZIMBABWE LIMITED	3 440 710	0.19
957723	LHG MALTA HOLDINGS LIMITED	3 012 549	0.17
748568	MEALCRAFT INVESTMENTS (PVT)LTD	3 010 430	0.17
TOTAL HOLDING OF TOP SHAREHOLDERS		1 706 407 692	93.85
REMAINING HOLDING		111 811 094	6.15
TOTAL ISSUED SHARES		1 818 218 786	100.00

SHARE MOVEMENTS

Stanbic Nominees 110008040010 reduced their shareholding from 2.43% to 1.24%
Morgan and Co Multi-sector increased their shareholding from 0.20% to 1.59%
Mega Market increased their shareholding from 0.59% to 0.94%
Mariot Computing and Management Services reduced their shareholding from 0.55% to 0.23%

ZHL
ZIMRE HOLDINGS LIMITED
Security Growth and Profitability

Notice Of Annual General Meeting

Notice is hereby given that the 25th Annual General Meeting (AGM) of members will be held at 206 Samora Machel Avenue, Harare, Zimbabwe and virtually:

https://us06web.zoom.us/j/88290656557?pwd=ZlRLSm11OFhLWGt6RU9vaVNVMWZ5dz09

on Friday, 28 July 2023 at 10.00 hours, to consider the following business:

ORDINARY BUSINESS

1. Financial Statements
To receive, consider and adopt the Financial Statements for the year ended 31 December 2022 together with the Report of the Directors and Auditor thereon.

2. Corporate Governance Statement
To receive, consider and approve the Corporate Governance Statement for the period 1 January 2022 to 31 December 2022.

3. Dividend
To confirm payment of the final dividend for the year ended 31 December 2022 of ZWL250 million translating to ZWL13.76 cents per share.

(Reckoning the interim dividend paid out on or about the 6th of October 2022, the Company's total dividend payout for financial year ended 31 December 2022 is ZWL406 million, equivalent to approximately USD500 000 at the prevailing interbank rate at the date of Announcement).

4. Directorate

a. To re-elect Mr. Ignatius Mvere who retires by rotation in terms of Article 77 of the Company's Articles of Association, and being eligible, offers himself for re-election.

(Mr. Mvere has served on the Company Board since his appointment in January of 2013. He holds a Bachelor of Commerce degree and is a registered Public Accountant. Mr. Mvere is the Chief Director of Finance, Administration and Human Resources in the Ministry of Defence and War Veterans Affairs of the Republic of Zimbabwe and brings along with him extensive experience in Public Sector Finance having previously occupied a similar and very senior position in the Ministry of Finance and Economic Development).

b. To note the retirement of Mr. Hamish BW Rudland who retires in terms of Article 77 of the Company's Articles of Association and is not seeking re-election to the Board.

(Mr. Rudland has served on the Company Board since his appointment in June of 2015. He was Chairman of the Finance and Investments Committee and member of the Human Resources and Nominations Committee. The Board of Directors hereby expresses its gratitude to Mr. Rudland for his service on the Board of Directors, for giving of his invaluable acumen in business and for being part of a transformational stewardship role to the ZHL Group through his membership of the Board of Directors of ZHL over the years. We wish him well in his future endeavours).

c. To note the retirement of Mr. Cron von Seidel in terms of Article 77 of the Company's Articles of Association and is not seeking re-election.

(Mr. von Seidel has served on the Company Board and the Finance and Investments Committee since his appointment in June 2015. The Board of Directors wishes to thank Mr. von Seidel for his valued counsel and support over the years and wish him continued success in all his endeavours).

d. To elect Mr. Nicholas Mugwagwa Vingirai in terms of Article 80 of the Company's Articles of Association as a new non-executive director on the Board of ZHL, consistent with the Company's thrust towards continual renewal of its governance and stewardship of the Group business operations.

(Mr Vingirai is an astute banker, entrepreneur, venture capitalist and financial expert with decades of vast experience in the field of banking, insurance and broader financial services sector spanning local, regional and international markets. He is a Fellow of the Institute of Bankers Zimbabwe (FIBZ) and holds an Advanced Diploma in Business Administration and Chairman's Programme Certificate from the Irish Management Institute).

e. To elect Mr. Richard Morgan in terms of Article 80 of the Company's Articles of Association as a new non-executive director on the Board of ZHL, consistent with the thrust for renewal of the Group's governance and stewardship oversight across the Company's operations.

(Mr. Morgan is a global financial and risk expert. He has over 20 years of experience in the tobacco industry and insurance services sector garnered during his tenure as Finance Director at British - America Tobacco Company Zimbabwe, Kenya, South Africa, Uganda and Russia. Presently he is the Finance Director for Great Lakes Tobacco Company (Malta) and brings to the ZHL Board a depth of expertise in one of the key agricultural sectors of Zimbabwe to which the Group is exposed and will continue to support as part of the national economy's mainstay in foreign currency earnings for Zimbabwe).

5. Directors Remuneration
To approve the remuneration of the Directors amounting to ZWL201 971 809 for the year ended 31 December 2022.

(NOTE *In terms of Practice Note 4 issued by the Zimbabwe Stock Exchange (ZSE) on 17th of January 2020, the ZHL Directors Remuneration Report shall be available for inspection at the Company's registered office until the Annual General Meeting).*

6. External Auditor's Fees
To approve the remuneration of the External Auditor, Grant Thornton Zimbabwe amounting to ZWL313 402 923 for the year ended 31 December 2022.

7. External Auditor's Appointment
To re-appoint Grant Thornton Zimbabwe as the External Auditor for the Company for the ensuing year until the conclusion of the next Annual General Meeting.

(NOTE *In terms of section 69 of the ZSE Listing Requirements, Issuers are required to change their audit partners every five years and their audit firm every ten years. Grant Thornton Zimbabwe have served as the Company's External Auditor since 2021).*

SPECIAL BUSINESS

8. General Authority to Buy Back Shares

As a Special Resolution
Subject to the requirements of the Companies and Other Business Entities Act [Chapter 24:31] and Zimbabwe Stock Exchange, the Directors be and are hereby authorised to renew the authority granted on 22 July 2022, to buyback the Company's issued ordinary shares subject to the following terms and conditions:

i. That the purchase price shall not be lower than the nominal value of the Company's shares and not greater than 5% or lower than 5% of the weighted average trading price of the ordinary shares five (5) business days immediately preceding the date of the repurchase of such shares.
ii. The maximum number of shares that may be acquired shall not exceed 10% (ten percent) of the company's issued ordinary share capital.
iii. That this authority shall expire on the date of the next Annual General Meeting of the Company and shall not extend beyond 15 (fifteen) months from the date of the resolution.
iv. That the shares repurchased may be held for treasury purposes or cancelled as may be decided by the Board of Directors from time to time.

9. Authority to place authorised unissued shares under the control of the Directors

As an Ordinary Resolution
To authorise the placement of the Company's authorised unissued ordinary shares, under the control of Directors, until the next Annual General Meeting, to be issued, subject to the requirements of the Company's Memorandum and Articles of Association and the Zimbabwe Stock Exchange Listing Requirements.

(This proposal enables the Directors to undertake key transactions which transactions will be in accordance with section 309 (2) of the ZSE Listing Requirements, which requires that the Directors consult the ZSE prior to issuing the shares under their control and complying with any instruction given by the ZSE regarding such issue).

10. Any Other Business
To transact all such other business as may be transacted at an Annual General Meeting.

EXPLANATORY NOTE

TO THE GENERAL AUTHORITY TO BUY BACK SHARES
The Directors, in considering the effect of the purchase above, have reviewed the Company's budget and cash flow forecast for the period of twelve (12) months after date of notice convening the Annual General Meeting. On the basis of this review, the Directors are satisfied that:

- The Company is in a strong financial position and will, in the ordinary course of business, be able to pay its debts for the period of twelve (12) months after the Annual General Meeting;
- The assets of the Company will be in excess of its liabilities for a period of twelve (12) months after the Annual General Meeting;
- The ordinary capital and reserves of the Company will be adequate for a period of twelve (12) months after the Annual General Meeting, and
- The working capital will be adequate for a period of twelve (12) months after the Annual General Meeting.

By order of the Board

Ruvimbo Chidora
Group Company Secretary
7 July 2023

HEAD OFFICE
A: 2nd Floor Block D, Smatsatsa Office Park, Borrowdale, Harare, Zimbabwe. **T**: +263 (242) 870 762-8 **E**: zhl@zimre.co.zw **W**: www. zhl.co.zw

PROXY FORM

I/We...(insert name in block letters)

Of...(insert address)

Being a member/members of the above Zimre Holdings Limited ("ZHL" or the "Company"), hereby appoint Mr/Mrs/Ms...

(insert name in block letters) Of...*(insert address)*

Or failing him/her.. *(insert name in block letters)* Of...*(insert name in block letters)*

Or failing him/her..*(insert name in block letters)* Of... *(insert address)*

Or failing him/her, the **CHIARPERSON** of the meeting as my/ our proxy to to attend, speak and vote for me/us on my/our behalf at the general meeting of the Company as specified above and any adjournments thereof and in accordance with the following instructions:

	ORDINARY BUSINESS	Number of Votes		
		FOR	**AGAINST**	**ABSTAIN**
	To receive, consider and adopt the Financial Statements for the year ended 31 December 2022 together with the Report of the Directors and Auditors thereon.			
	To receive, consider and approve the Corporate Governance Statement for the period 1 January 2022 to 31 December 2022.			
	To confirm payment of the final dividend for the year ended 31 December 2022 of ZWL250 million translating to ZWL13.76 cents per share.			
4(a)	To re-elect Mr. Ignatius Mvere who retires by rotation in terms of Article 77 of the Company's Articles of Association, and being eligible, offers himself for re-election.			
4(b)	To elect Mr. Nicholas Mugwagwa Vingirai as director of the Company in terms of Article 80 of the Company's Articles of Association.			
4(c)	To elect Mr. Richard Morgan as director of the Company in terms of Article 80 of the Company's Articles of Association.			
5.	To approve the remuneration of the Directors amounting to ZWL201 971 809 for the year ended 31 December 2022.			
6.	To approve the remuneration of the External Auditors, Grant Thornton Zimbabwe amounting to ZWL313 402 923.			
7.	To re-appoint Grant Thornton Zimbabwe as the External Auditors for the Company for the ensuing year until the conclusion of the next Annual General Meeting.			
	SPECIAL BUSINESS			
8.	Subject to the requirements of the Companies and Other Business Entities Act [*Chapter 24:031*] and Zimbabwe Stock Exchange, the Directors be and are hereby authorised to renew the authority granted on 22 July 2022, to buyback the Company's issued ordinary shares which shall expire on the date of the next Annual General Meeting of the Company and shall not extend beyond 15 (fifteen) months from the date of the resolution.			
9.	To authorise the placement of the Company's authorised unissued ordinary shares under the control of Directors until the next Annual General Meeting, to be issued, subject to the requirements of the Company's Memorandum and Articles of Association and the Zimbabwe Stock Exchange Listing Requirements.			

SIGNED this..Day of...2023

Signature of Member/Director...

Name of Member ………………………………………………………………………………

(If for a body Corporate, kindly sign on behalf thereof)

NOTES

(i) *Members are encouraged to lodge their questions with the Company Secretary or Transfer Secretaries by the Wednesday 26 July 2023 at 1000hours.*

(ii) *In terms of the Companies and Other Business Entities Act [Chapter 24:31], a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend, vote, poll and speak in his stead. A proxy needs not be a member of the Company.*

(iii) *Proxy forms must be deposited at the registered office of the Company or at the office of the Transfer Secretaries (ZB Transfer Secretaries (Private) Limited, 21 Natal Road, Avondale, Harare, Zimbabwe) not less than 48 (forty-eight) hours before the time appointed for the holding of the meeting.*

GRI Content Index

GRI Standard	Disclosure	Page number(s)	Omission		
			Part Omitted	Reason	Explanation
GRI 101: Foundation 2016					
General Disclosures					
GRI 102: General Disclosures 2016	**Organizational profile**				
	102-1 Name of the organization	Front Cover			
	102-2 Activities, brands, products, and services	4			
	102-3 Location of headquarters	184			
	102-4 Location of operations	5			
	102-5 Ownership and legal form	4, 178			
	102-6 Markets served	5			
	102-7 Scale of the organization	5-6			
	102-8 Information on employees and other workers	6, 31			
	102-9 Supply chain		To be included in next report.		
	102-10 Significant changes to the organization and its supply chain		To be included in the next report.		
	102-11 Precautionary Principle or approach	20-21			
	102-12 External initiatives	36			
	102-13 Membership of associations	5			
	102-14 Statement from senior decision-maker	8			
	102-16 Values, principles, standards, and norms of behaviour	1			
	102-18 Governance structure	16			
	102-40 List of stakeholder groups	27			
	102-41 Collective bargaining agreements	31-32			
	102-42 Identifying and selecting stakeholders	27			
	102-43 Approach to stakeholder engagement	27			
	102-44 Key topics and concerns raised	28			
	102-45 Entities included in the consolidated financial statements.	143, 151			
	102-46 Defining report content and topic Boundaries	1,26			

GRI Standard	Disclosure	Page number(s)	Omission		
GRI 102: General Disclosures 2016	102-47 List of material topics	26			
	102-48 Restatements of information	1	None, First Sustainability Report		
	102-49 Changes in reporting	1	First Sustainability Report.		
	102-50 Reporting period	1	1 January 2022 to 31 December 2022.		
	102-51 Date of most recent report	1	First Sustainability Report		
	102-52 Reporting cycle	1	1 January to 31 December each year		
	102-53 Contact point for questions regarding the report	1			
	102-54 Claims of reporting in accordance with the GRI Standards	1			
	102-55 GRI content index	181-183			
	102-56 External assurance	1			
GRI Standard	**Disclosure**	**Page number(s)**	**Omission**		
			Part Omitted	**Reason**	**Explanation**
Material Topics					
200 series (Economic topics)					
Economic Performance					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1,26			
	103-2 The management approach and its components	38			
	103-3 Evaluation of the management approach	38			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	38			
	201-3 Defined benefit plan obligations and other retirement plans	32, 171			
Tax					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1,26			
	103-2 The management approach and its components	38			
	103-3 Evaluation of the management approach	38			
GRI 207: Country-by-country reporting	207-4 Tax Payments	38			
Indirect Economic Impacts					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1.26			
	103-2 The management approach and its components	36			
	103-3 Evaluation of the management approach	36			
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	36			
300 series (Environmental topics)					
Energy					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1,26			
	103-2 The management approach and its components	34			
	103-3 Evaluation of the management approach	34			

GRI 302: Energy 2016	302-1 Energy consumption within the organization	34			
	302-2 Energy consumption outside of the organization	34			
	Waste				
	103-1 Explanation of the material topic and its Boundary	1,26			
GRI 103: Management Approach 2016	103-2 The management approach and its components	34			
	103-3 Evaluation of the management approach	34			
Emissions					
	103-1 Explanation of the material topic and its Boundary	1,26			
GRI 103: Management Approach 2016	103-2 The management approach and its components	35			
	103-3 Evaluation of the management approach	35			
GRI 305 Emissions 2016	305-1 Direct Scope 1 GHG Emissions	35			
	305-2 Energy Indirect (Scope 2) GHG Emissions.	35			
400 series (Social topics)					
Employment					
	103-1 Explanation of the material topic and its Boundary	1,26			
GRI 103: Management Approach 2016	103-2 The management approach and its components	31			
	103-3 Evaluation of the management approach	31			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	31			
Occupational Health and Safety					
	103-1 Explanation of the material topic and its Boundary	1,26			
GRI 103: Management Approach 2016	103-2 The management approach and its components	32			
	103-3 Evaluation of the management approach	32			
GRI 403: Occupational Health and Safety 2018	403-2 Hazard Identification, risk assessment, and incident investigation	32			
Diversity and Equal Opportunity					
	103-1 Explanation of the material topic and its Boundary	1,26			
GRI 103: Management Approach 2016	103-2 The management approach and its components	32			
	103-3 Evaluation of the management approach	32			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	16			

DIRECTORS

Desmond Matete (Chairperson)
Mark Haken
Jean Maguranyanga
Ignatius Mvere
Hamish BW Rudland
Cron von Seidel
Edwin Zvandasara
Stanley Kudenga (Group Chief Executive)

GROUP COMPANY SECRETARY

Ruvimbo Chidora

REGISTERED OFFICE

2nd Floor, Block D
Smatsatsa Office Park
Borrowdale
Harare
Tel: +263 (242) 870 762-8
Email: zhl@zimre.co.zw
Website: www. zhl.co.zw

TRANSFER SECRETARIES

ZB Transfer Secretaries (Private) Limited
21 Natal Road
Avondale
Harare

LEGAL ADVISORS

Wintertons Legal Practitioners
Beverly Court
11 Selous Avenue
Harare, Zimbabwe

EXTERNAL AUDITOR

Grant Thornton Chartered Accountants Zimbabwe
135 Enterprise Road
Highlands
Harare

PRINCIPAL BANKERS

Nedbank Zimbabwe Limited
Borrowdale Branch
Harare

SUSTAINABILITY ADVISORS

Institute for Sustainability Africa
65 Whitwell Road
Borrowdale West
Harare, Zimbabwe


40
YEAR ANNIVERSARY

ZIMRE HOLDINGS LIMITED

Security Growth and Profitability

YEAR ANNIVERSARY

2nd Floor, Block D
Smatsatsa Office Park
Borrowdale, Harare.
Tel: +263 (242) 870 762-8
Email: zhl@zimre.co.zw

www.zhl.co.zw