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Preliminary Report -Abridged Financial Results For The Period Ended 30 June 2023

SHORT-FORM FINANCIAL RESULTS

This short form financial announcement is the responsibility of the Directors which has been issued in terms of the Zimbabwe Stock Exchange (ZSE) Practice note 13.

This announcement is only a summary of the information contained in the full preliminary report of the abridged consolidated financial statements for the six months ended 30 June 2023. Any investment decision by investors and/or shareholders should be based on consideration of the preliminary report of the abridged consolidated financial results for the six months ended 30 June 2023. The abridged consolidated financial statements have been released on the ZSE Data Portal: <u>www.zse.co.zw</u> and the Company's website: <u>https://firstmutualholdingsinvestor.com/</u>. The full preliminary report is available for inspection, at no charge, at the registered offices of First Mutual Holdings Limited at the office of the Company Secretary on working days between 8:00am and 4:30pm.

Comprehensive Income and Cashflow highlights

	Int	flation adjusted	l	Historical cost				
	30-Jun-23	30-Jun-22	Growth	30-Jun-23	30-Jun-22	Growth		
	ZWL million	ZWL million	%	ZWL million	ZWL million	%		
Insurance contract revenue	199,510	97,329	105%	106,414	12,519	750%		
Insurance service result	29,975	32,491	-8%	(18,334)	2,997	-712%		
Net fair value gains - investment property	510,343	141,016	262%	746,663	55,997	1,233%		
Net Investment return	109,276	6,046	1,707%	159,347	8,810	1,709%		
Profit/ (loss) after tax	386,377	(2,001)	19,409 %	486,668	34,040	1,330%		
Basic earnings per share (ZWL)	305	(14)	2,279%	358	26	1,277%		
Headline earnings per share (ZWL)	305	(14)	2,279%	358	26	1,277%		

Financial Position highlights

	Int	flation adjusted		Historical cost					
	30-Jun-23	31-Dec-22 ZWL million	Growth %	30-Jun-23 ZWL million	31-Dec-22	Growth %			
Total assets	1,490,838	-	114%	1,454,711	-	561%			
Shareholder equity	337,872	140,770	140%	298,662	71,230	319%			
Total equity	585,942	237,668	147%	543,165	100,197	442%			
Total Liabilities	904,896	459,497	97%	911,546	119,807	661%			

DIVIDEND ANNOUNCEMENT

On 13 September 2023 the Board resolved that an interim dividend of 0.068 US cents per share amounting to USD500,000 be declared from the profits of the Company for the half year ended 30 June 2023. Further details on the payment of the dividend will be communicated in a separate dividend announcement.

AUDITOR'S STATEMENT

The audit review of the Group is incomplete pending the finalisation of the Insurance and Pension Commission forensic investigation currently underway at one of the Group's significant subsidiaries, First Mutual Life Assurance Company.

Marules -

Amos Manzai Chairman 13 September 2023

SUPPLEMENTARY INFORMATION - UNITED STATES DOLLARS

Comprehensive Income and Cashflow highlights

	30-Jun-23	30-Jun-22	Growth
	USD000	USD000	%
Insurance contract revenue	62,036	53,884	15%
Insurance service result	10,184	10,120	1%
Net fair value gains - investment property	5,563	38	14541%
Net Investment return	4,963	(8,601)	158%
Profit/ (loss) after tax	9,211	(1,510)	710%
Financial Position highlights			
	30-Jun-23	31-Dec-22	Growth
	30-Jun-23 USD000	31-Dec-22 USD000	Growth %
Total assets			
	USD000	USD000	0/0
Total assets	USD000 219,493	USD000 197,706	% 11%
Total assets Shareholder equity	USD000 219,493 60,173	USD000 197,706 54,120	% 11% 12%

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CHAIRMAN'S STATEMENT

ECONOMIC OVERVIEW

During the first half of the year macroeconomic developments continued to be negatively impacted by price and exchange rate volatility, particularly in Q2 2023. Significant policy interventions were implemented by Government towards the end of the period aimed at stabilising the Zimbabwe dollar and reducing inflationary pressures. However, the impact of these measures is likely to be fully felt post June 2023. Blended annual inflation had increased to 175.8% as at June 2023 compared to 101.5% in January 2023 and the ZWL also lost its value as the official exchange rate advanced from USD1:ZWL669 to USD1:ZWL5,739 by the end of the period. The Government revised its GDP growth estimates for 2023 from 3.8% to 5.3% on the back of better than anticipated agricultural output from tobacco. Moreover, the Reserve Bank of Zimbabwe expected the blended annual inflation to close the year at between 60%-70% form an initial estimate of between 10%-30%. The ratio of USD to ZWL bank deposits rose to 80%:20% in the first half of 2023 compared to a ratio of 64%:36% last year.

As the local economy increasingly dollarised, FMHL continued to expand its USD based product portfolio to maintain product relevance. In addition, the Group maintained its stance of diversifying its pool of investment assets with a skew towards real assets to minimise the impact of the volatility i in the macro-economic environment. Save for the VFEX listed equities, there was a positive real return on the remaining components of the investment portfolio, including ZSE listed shares, investment property and alternative investments.

FIRST MUTUAL LIFE FORENSIC INVESTIGATION

During 2022, the Insurance and Pensions Commission (IPEC) instituted a forensic investigation on First Mutual Life Assurance Company (FML), a subsidiary of FMHL. The forensic investigation related to the separation of assets between the policyholders and shareholder during the period 1 February 2009 and 31 December 2021. The investigation formally commenced on 26 August 2022 following the appointment of BDO Zimbabwe to conduct the exercise. On 10 May 2023, FML received a copy of the forensic investigation report from IPEC. At the direction of IPEC, FML submitted its response to the forensic investigation report to the Ministry of Finance on 8 June 2023.

As at the date of issuing these results, the half year audit review of the Group interim financial statements is incomplete pending the finalisation of the forensic investigation and, consequently, the Group will not be in a position to publish audit reviewed financial statements in line with the Zimbabwe Stock Exchange listings requirements and approved timelines. In the interim, the board of directors, in consultation with the ZSE, has decided to publish the financial information in the form of a preliminary report.

IFRS 17 REPORTING

The International Financial Reporting Standard IFRS17 – Insurance Contracts (IFRS 17) was issued by the International Reporting Standards Board in May 2017. This standard replaced IFRS 4 on accounting for insurance contracts effective 1 January 2023. IFRS 17 requires a company to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and any uncertainty relating to insurance contracts. This requirement will provide more transparent reporting on the financial position and risk of insurance entities. The Group financial highlights and performance have been analysed in line with the requirements of this new standard.

FINANCIAL HIGHLIGHTS

In October 2019 the Public Accountants and Auditors Board concluded that the conditions for applying International Accounting Standard IAS 29 - Financial Reporting in Hyperinflation teconomies had been met in Zimbabwe. The historical cost financial results have been restated to consider changes in the purchasing power of the local currency during the year. Effective February 2023, the Zimbabwe National Statistics Agency (ZimStat) ceased the publication of the ZWL Consumer Price Indices (CPIs) and replaced them with the weighted average consumer price index also known as blended indices in line with the Statutory Instrument 27 of 2023 which requires the inflation rate to be calculated as the weighted average of the ZWL and USD rates. This created challenges for financial reporting purposes as the weighted average consumer price index does not comply with the International Accounting Standard (IAS) 29 which requires the use of a General Price Index (GPI) of the hyperinflationary currency (ZVL) as a basis of restatement. FMHL has continued to apply IAS 29 for the half-year ended 30 June 2023 with the CPI estimated using the Total Consumption Poverty Line (TCPL) movement. The inflation adjusted financial results therefore represent the main financial statements with historical cost financials provided as supplementary information:

Comprehensive income highlights

	Inflation a	adjusted	Historical cost		
	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22	
	ZWL000	ZWL000	ZWL000	ZWL000	
Insurance contract revenue	199,509,637	97,329,185	106,413,926	12,519,290	
Insurance service result	11,294,327	31,909,264	(37,014,490)	2,878,488	
Rental income	7,993,506	3,689,916	3,715,096	489,923	
Net Investment return	109,275,636	6,046,006	159,347,140	8,809,483	
Profit/(loss) after tax	386.377.001	(2.000.981)	486.668.413	34.039.943	

cial position and Cashflow highlight

	Inflation adjusted Historical cost										
	30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22							
	ZWL000	ZWL000	ZWL000	ZWL000							
Total assets	1,367,311,128	606,413,469	1,341,292,649	193,725,861							
Total equity	585,942,075	237,668,168	543,165,432	100,197,445							
Investment contract liabilities											
without DPF	23,163,505	10,110,043	23,163,505	3,240,398							
Share performance											

Inflation adjusted

Rental income and Investment return

During the period under review, rental income grew by 117% to \$7.9 billion compared to the prior year (658% growth to \$3.7 billion compared to the prior year in historical cost terms). The prowth arose from a combination of factors which included a migration to the USD denominated leases as well as inflation driven adjustments on ZWL rentals. The occupancy levels stood a 88.10% compared to prior year of 89.99% and the average rental/square metre was \$4.02/ square metre compared to prior year of \$3.3/ square metre. The overall Group net investment returns amounted to \$109.3 billion (\$159.3 billion in historical cost terms) that was 1,701% above prior year. The positive investment outturn was mainly due to fair value gains on the ZSE and the ZWL depreciating at a faster rate than the USD fair value losses on the VFEX.

Profit for the period

The Group achieved a profit for the period of \$386.4 billion which represented a 19,409% increase relative to the prior year (a growth of 1,330% to \$486.7 billion compared to the prior year in historical cost terms). The increase is attributable to the increases rental income, net fair value gains in investment properties and listed equities.

STATEMENT OF FINANCIAL POSITION

The Group's total assets grew by 125% to \$1.4 trillion in inflation adjusted terms and 591% to \$1.3 trillion in historical cost terms compared to 31 December 2022. The growth in both inflation adjusted and historical cost terms was mainly driven by positive fair value adjustments on investment properties and the impact of the depreciation of the ZWL on USD denominated every target including balance with balance investment properties. current assets including balances with banks, insurance contract assets.

In recent periods, the investment properties have witnessed significant growth in Zimbabwe dollar values and this was the case for the period under review. The ZWL continued to decline in comparison to the USD for the period under review, which had an impact in the forwardof \$510.3 billion in inflation adjusted terms and \$746.6 billion in historical cost terms. The total investment property value grew by 147% compared to last year in inflation adjusted terms and 670% in historical cost terms.

SUSTAINABILITY

The Group has prioritised the sustainability agenda not only from a risk management perspective but also considering the various aspects in Group operations that include value creation and maximisation, potential growth and compliance with reporting requirements as well as fulfilling the good corporate citizenry mandate as a governance tool. The Group's objective to create sustainable economic value is a pillar of our corporate strategy and core values

In order to achieve the above, the Group makes an allowance for environmental, social and governance ("ESG") aspects in its strategy. FMHL has also laid out processes to ensure that the impact of sustainability is not only limited to core operations but also stretches to other areas of the business

FIRST MUTUAL IN THE COMMUNITY

First Mutual continues to actively support the communities in which we operate including the ongoing provision of educational support through the First Mutual Foundation to deserving students from disadvantaged backgrounds. This includes tuition fees, stationery, laptops, uniforms and other ancillary support as necessary. The recipients are spread across primary and secondary schools as well local universities.

As part of expanding the tertiary bursary programme, FMHL partnered with Africa University and established the First Mutual Scholarship Fund, which supports an additional 6 students under this initiative which is cognisant of the Group's diversity policy and incorporates students with vulnerabilities.

Additional community support was implemented through donations to charitable causes as well sponsorship of industry bodies as the Group believes that this is an integral part of thought leadership and capacitating industry to ensure a vibrant and sustainable business environment.

OUTLOOK

The strategic assumptions for the outturn of the economic environment have remained largely unchanged however policy fluidity may lead to temporary negative outcomes during the realignment period. With that background, the various business units within the Group will deploy their strategies accordingly and adjust as appropriate to new policy measures but maintaining the aim to achieve sustainable real growth into the future. FMHL will continue to pursue value enhancing initiatives such as investments in real assets to preserve and grow the net assets of the Group.

DIRECTORATE

There were no changes to the directorate during the period under review.

DIVIDEND

on 13 September 2023 the Board resolved that an interim dividend of 0.068 US cents per share amounting to USD500,000 be declared from the profits of the Company for the half year ended 30 June 2023. Further details on the payment of the dividend will be communicated in a separate dividend announcement.

APPRECIATION

APPRECIATION On behalf of the FMHL Board, I would like to thank our clients and stakeholders for their continued support. I also extend my appreciation and gratitude to FMHL employees and management for their commitment to serve our clients and ensuring that the Group continues to adapt to operate sustainably in a challenging environment. I would also like to extend my gratitude to my fellow board members for their continued support, including their valuable contributions, insight and quidance to management as we pursue the realisation of the Group's strategy.

Marule	
Amos Manzai	
Chairman	

This was despite its market capitalization rising due to new listings on the bourse.

The Botswana economy continues to be stable despite the BWP weakening against the USD. In Mozambique, the economy has maintained signs of growth as evidenced by a stable exchange rate and declining inflation.

OPERATIONS REVIEW

The commentary below relates to the unconsolidated performance of each business unit in both inflation adjusted and historical cost terms for the period ended 30 June 2023. All the figures are in ZWL except where another currency is indicated.

LIFE AND HEALTH CLUSTER

First Mutual Life Assurance Company (Private) Limited Insurance contract revenue ("ICR") for the period amounted to \$15.7 billion in inflation adjusted terms which was 343% above the prior year \$0.7 billion in historical terms representing a growth of 1,457% against the prior year). The year-on-year growth in the ICR was driven by the regular revisions in sums assured with the objective of retaining the value of policyholder benefits. Growth in premiums from the retail segment was largely due to significant growth in USD denominated premiums on the Eternal Life Plan and E-FML Gold Funeral products. In the CODE OF THE PLAN AND A CONTINUENCES OF THE PLAN AND E-FML Gold Funeral products. In the corporate segment, growth in premiums was attributable to growth in the Group Life Assurance portfolio arising from new business and organic growth. The organic growth stemmed from the effect of employee salary increases, as employers sought to attain the target financial security benefits of this product.

The business achieved a profit for the period of \$103.8 billion in inflation adjusted terms that reflected a growth of 202% compared to the prior year and a 1,257% growth in historical cost terms to \$132.8 billion. The profit after tax growth was driven by increases in premiums as noted above and net investment returns (investment property and quoted and unquoted equities).

First Mutual Health Company (Private) Limited For the period ended 30 June 2023, the business achieved an ICR of \$82.1 billion which represented a growth of 117% compared to prior year in inflation adjusted terms (in historical cost terms the ICR grew by 714% to \$40.3 billion). The growth in both inflation adjusted and in response to increased medical benefit costs in order to cushion members from the negative impact of shortfalls driven by price increases effected by medical service providers. There were also modest adjustments of USD premiums on account of rises in USD costs of medical benefits by service providers. There was a gradual growth in pure USD medical policies as members are miarating to a more stable product.

The unit generated a profit for the period ended 30 June 2023 amounting to \$33.1 billion in inflation adjusted terms representing a growth of 1,410% against prior year. In historical cost terms, the profit for the period amounted to \$41.8 billion, 2,319% higher than the prior year. The positive outturn arose from significant fair value gains on the equity portfolio and a positive operating result.

The business continues to roll-out medical services facilities (clinics, pharmacies, dental and optometry services) as a long-term strategic priority. Our objective in this space is to complement government efforts to provide greater access to Zimbabweans to quality healthcare at affordable prices

GENERAL INSURANCE CLUSTER NicozDiamond Insurance Limited

The ICR grew by 35% to \$44.1 billion in inflation adjusted terms and 465% to \$23.2 billion in historical cost terms. The revenue increase was primarily a function of increased migrations to USD denominated policies, organic growth as well as the continued review of statutory covers in line with exchange rate linked reviews.

The business recorded a profit for the period ended 30 June 2023 in inflation adjusted terms of \$49.6 billion which represented a growth of 78% against the prior year. The historical cost terms profit for the period amounted to \$23.9 billion a 3,003% rise above the prior year. The improved performance was mainly driven by a notable growth in the ICR as well as growth in net fair value gains in equities and investment properties.

Diamond Seguros - Mozambique

Diamond Seguros recorded an ICR of \$4.2 billion which was 133% above the prior year in inflation adjusted terms (55% growth to \$0.6 billion in historical cost terms). The growth was mainly driven by contract growernents in broker business reflecting increasing market confidence. In Mozambican Metical (MZN) terms, an ICR growth of 57% to MZN99.9 million was recorded compared to prior year

REINSURANCE CLUSTER

FINSURANCE CLUSTER FMRE Property and Casualty (Proprietary) Limited - Botswana The ICR for the period went up by 169% to \$40.4 billion in inflation adjusted terms and 977% to \$22.6 billion in historical cost terms. In Botswana Pula (BWP), the year-on-year growth was 16% at BWP134.4 million compared to BWP116.3 million in the prior year. The double-digit growth was partly attributable to improved local and international treaty participation and growth of perioditis frame functional under the survey to the two the survey of the double-digit growth was partly attributable to improve local and international treaty participation and growth of

- use parality status and the casualty segment. The BWP stood at USD1:BWP12.9 to the USD at the beginning of the year, closing at USD1: BWP13.5 as at 30 June 2023, shedding almost
- So of its total value against the USD. However, this movement in the exchange rate was lower than the growth in the ICR in both BWP and ZWL terms.

First Mutual Reinsurance Company Limited - Zimbabwe

The business recorded an increase of 447% to \$20.4 billion in the ICR in inflation adjusted terms and 1,936% to \$11.1 billion in historical cost terms for the period ended 30 June 2023. The increase in ICR was attributed to the significant increases in demand for USD policies by clients, which consequently led to more business for reinsurers as there was limited USD underwriting capacity at local direct insurers

The business achieved an inflation adjusted profit for the period of \$28.2 million, 727% above the profit for the same period in prior year and \$34.5 million which represented a growth of

	30-Jun-23	30-Jun-22
Market price per share (ZWL)	141	24
Basic earnings per share (ZWL)	305	(14)
Headline earnings per share (ZWL)	305	(14)

FINANCIAL PERFORMANCE

STATEMENT OF COMPREHENSIVE INCOME

Insurance contract revenue

During the period under review, Insurance Contract Revenue (ICR) at \$199.5 billion, grew by 105% compared to prior year (a growth of 750% to \$106.4 billion compared to the prior year in historical cost terms). The growth in comparison to the same period last year was largely driven by the continued revaluation of ZWL insurance policy values to ensure adequate cover for clients as well as a migration of more policies to the USD for value restoration in case of the occurrence of an insured event. The proportion of the USD business being written by the Group constituted 74% of the total ICR at USD 45.8 million.

Insurance service result

The Insurance service result declined by 65% to \$11.2 billion compared to the prior year (1,379% to a negative insurance service result of \$37.1 billion compared to prior year negative result of \$2.9 billion in historical cost terms). The deterioration was as a result of increases in direct insurance expenses despite the growth in ICR as well as significant foreign denominated business written mostly in Q1 2023 and translated to ZWL at a lower exchange rate against the claims expenses that were settled at a higher exchange rate during the course of the period as the ZWL rapidly depreciated. The underlying pure USD business was profitable.

30-Jun-23 30-Jun-22 Chairman 24 13 September 2023 26

26

Historical cost

141

358

GROUP CHIEF EXECUTIVE OFFICER'S REVIEW OF OPERATIONS

The operating environment continued to be volatile with high inflation and a depreciating local currency during the review period. The country experienced significant Zimbabwe dollar exchange rate depreciation between May and June 2023 driven by both demand and supply factors. The demand factors mainly reflected elevated demand for foreign currency for purposes of value preservation. The effect of the high demand for foreign currency on the economy was coupled with the sudden decline in the demand for local currency. The measures instituted by the Reserve Bank of Zimbabwe (RBZ), which included further liberalisation of the exchange rate, tighter monetary policy and the introduction of gold-backed digital tokens bore fruit as evidenced by the recovery of the ZWL and relatively stable exchange rate. As at 30 June 2023, the exchange rate stood at USD1:2WL5,739 compared to USD1:2WL5,749 compared to USD1:2WL5,739 compared to USD1:2WL5,719 the exchange rate with a steep increase from 15.7% in May 2023 to 74.5% in June 2023 followed by a significant reversal in July 2023 to minus 15.3%. Similarly, the blended annual inflation, which had risen from 86.5% ín May 2023 to 175.8% in June 2023, fell to 101.3% in July 2023.

During the first half of the year 2023 the Zimbabwe Stock Exchange (ZSE) registered nominal gains which tended to track money supply dynamics rather than fundamental corporate performance. The ZSE registered a return of 779.3% which was behind both official and alternative market exchange rate movements for H1 2023. The Victoria Falls Stock Exchange of TDV Alternative market exchange the therein the performance to return the rest due to the during the tention of the performance. (VFEX) All Share Index was characterized by bearish sentiments during the period and declined by 23.1% in the first 6 months of the year

6,225% in historical cost terms. The growth in profit was driven by increases in ICR and exchange gains.

INVESTMENTS CLUSTER

First Mutual Properties Limited

Rental income for the period ended 30 June 2023 grew by 121% to \$7.9 billion in inflation adjusted terms and 668% to \$3.6 billion in historical cost terms. The growth compared to prior year is largely attributed to the migration to USD foreign denominated leases with those maintained in the local currency being adjusted for inflation linked reviews. This growth in revenues occurred despite a decrease in the occupancy rate to 88.10% in 2023 compared to \$6.61% in 2022. Independent investment property valuations as at 30 June 2023 resulted in net fair value gains of \$744.4 billion.

First Mutual Microfinance (Private) Limited

The interest income grew by 304% to \$4.2 billion for the period ended 30 June 2023 in inflation adjusted terms and 1,697% to \$2.4 billion in historical cost terms. The growth was principally due to increases in the USD loan book which was 92% of the total loan book as at 30 June 2023. The corresponding interest costs amounted to \$1.3 million in inflation adjusted terms, 214% above prior year and \$0.7 billion in historical costs terms which represented an increase of 1,157%. The business turned a corner and attained critical mass leading to a profit for the period ended 30 June 2023 of \$1.9 billion 1,161% above the prior year in inflation adjusted terms and 7,069% growth to \$2.4 billion in historical cost terms.

Directors: A R T Manzai (Chairman), D Hoto* (Group Chief Executive Officer), W M Marere* (Group Finance Director) G Baines, F Mabena, M Mangoma, A Masiiwa, E Mkondo, E K Moyo, M Mukondomi, I P Z Ndlovu, S V Rushwaya (* Executive Director) 1 FIRST MUTUAL HOLDINGS LIMITED, First Mutual Park, 100 Borrowdale, Barare, Zimbabwe | P O Box BW 178, Borrowdale, Harare | Tel: +263 (242) 886 000 - 17 | E-mail: info@firstmutualholdings.co.zw | Website: www.firstmutual.co.zw I Control of Contr

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The business recorded investment management fees of \$982.6 million, 170% above the prior period in inflation adjusted terms and 221% growth to \$526.6 million in historical cost terms. This growth was mainly driven by higher funds under management. Funds under management for the period ended 30 June 2023 grew by 888% to ZWL368 billion partly as a result of increased support from third party contributions, growth on the ZSE and fair value gains on investment property.

HUMAN CAPITAL

Since our Group is involved in the provision of financial and investment services, we consider employees to be a key success factor in navigating a volatile and complex operating environment. Amidst these challenges, our employees have demonstrated commitment and resilience to serve our clients and other stakeholders, including the implementation of our consensus driven strategy. We will ensure that investment in human capital retention and development programs is prioritised on a Group-wide scale to improve the skills of our staff to align towards future requirements.

APPRECIATION

On behalf of First Mutual, I would like to thank all our stakeholders for their continued trust in the Group. We will continue to be reliable partner and remain focused on our customers as we strive to exceed your expectations.



Douglas Hoto Group Chief Executive Officer 13 September 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 JUNE 2023

		INFLATION	ADJUSTED	HISTORICAL COST		
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	
		30- J un-23	30-Jun-22	30-Jun-23	30- J un-22	
	Note	ZWL000	ZWL000	ZWL000	ZWL000	
INCOME						
Insurance contract revenue	21	199 509 637	97 329 185	106 413 926	12 519 290	
Insurance service expenses from insurance contracts issued	23	(309 784 346)	(98 895 987)	(230 124 355)	(14386530)	
Insurance service result before reinsurance		(110 274 709)	(1566802)	(123 710 429)	(1867240)	
Net expenses from reinsurance contracts held		140 249 416	34 058 154	105 376 319	4 864 279	
Movement in premium credit adjustment		(18 680 380)	(582 088)	(18 680 380)	(118 551)	
Insurance service result		11 294 327	31 909 264	(37 014 490)	2 878 488	
Insurance finance result		(269 945 114)	(153 052 253)	(366 580 208)	(23 387 147)	
Net insurance & reinsurance performance		(258 650 787)	(121 142 989)	(403 594 698)	(20 508 659)	
Net investment return	22	109 275 636	6 046 006	159 347 140	8 809 483	
Net gains/losses from fair value adjustments to investment properties		510 342 668	141 016 240	746 662 662	55 996 725	
Net change in investment contract liabilities		(13 761 036)	7 533 795	(20205742)	(1627540)	
Movement in shareholder risk reserve		(1970821)	668 896	(2616901)	(110519)	
Net insurance & reinsurance performance after investment return		345 235 660	34 121 948	479 592 461	42 559 490	
Rental income		7 993 506	3 689 916	3 715 096	489 923	
Property expenses		(5 857 957)	(2 289 158)	(3 170 256)	(345 871)	
Other income		15 908 033	8 818 262	7 799 396	1 643 654	
Foreign currency exchange gains		67 786 322	7 856 172	77 093 952	1 513 340	
Other administration expenses		(47 529 875)	(24 079 469)	(23 579 890)	(2 785 495)	
Movement in allowance for credit losses		(1752382)	(264229)	(1752382)	(53814)	
Inflation adjustment monetary gain		25 921 895	1 224 706	-	-	
Profit before share of (loss)/profit of associate		407 705 202	29 078 149	539 698 377	43 021 226	
Share of profit/(loss) of associate		2 439 827	(40 095)	2 530 784	152 658	
Profit before income tax		410 145 029	29 038 054	542 229 161	43 173 884	
Income tax expense		(23 768 028)	(31 039 035)	(55 560 747)	(9 133 941)	
Profit/(loss) for the period		386 377 001	(2000981)	486 668 414	34 039 943	
Other comprehensive income/(loss)						
Other comprehensive income/(loss) to be reclassified to statement of comprehensive income in subsequent period						
Exchange (loss)/gain on translating foreign operations		(2 902 526)	1 851 985	(15 614 687)	3 547 586	
Share of other comprehensive profit		459 679	170 397	807 963	34 704	
Other comprehensive (loss)/income to be reclassified to statement of comprehensive income in subsequent periods		(2 442 847)	2 022 382	(14806724)	3 582 290	

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023 INFLATION ADJUSTED HISTORICAL COST INFLATION ADJUSTED HISTORICAL COST UNAUDITED Note UNAUDITED UNAUDITED UNAUDITED UNAUDITED UNAUDITED UNAUDITED UNAUDITED GROUP GROUP GROUP COMPANY COMPANY COMPANY COMPANY GROUP ASSETS 30-Jun-23 31-Dec-22 30-Jun-23 31-Dec-22 30-Jun-23 31-Dec-22 30-Jun-23 31-Dec-22 ZWL000 ZWL000 ZWL000 ZWL000 ZWL000 ZWL000 ZWL000 ZWL000 Property, plant and equipment 10816229 7 325 745 2 405 654 708 321 77 830 66 756 18 558 2861 5 858 141 901 347 676 985 858 141 901 111 434 931 5810000 3 684 096 5810000 1 180 800 Investment property 6 Right of use of assets 374 503 149 100 374 503 87 183 - IFRS 16 47 789 923711 1 085 460 102 449 Goodwill 1 542 098 472 248 1 542 098 151 362 Other intangible assets 97 867 136 907 6 353 6757 Investment in 329 957 358 106 243 229 253 643 725 31 824 110 subsidiaries Investment in associates- other 73 598 73 598 7 2 07 companies 9 532 269 5 033 767 6527110 1061625 7 2 0 7 Financial assets: Equity securities at fair value through 181 679 749 profit or loss 181 629 249 55 139 158 17 672 807 5 258 959 1666500 5 258 959 534 135 9 - Debt securities at 7844821 168 237 583 439 53 922 amortised cost 10 37 752 294 37 752 294 2 514 366 583 439 Investment in aold 863 029 3 216 744 coins 3216744 276 612 Deferred tax asset 11 985 818 2 298 080 7766829 702 885 19 Non current assets held for sale 280 000 119 808 280 000 38 400 Income tax asset 153 909 36 3 47 153 909 11650 1 043 823 1970 Inventory 1 666 600 508 435 170 615 56 0 33 38 6 18 10 995 Reinsurance contract 37 967 311 11 117 723 671 112 527 507 110 355 956 assets Rental receivables 12 3 765 510 1 540 785 3765510 493 841 10 107 10 107 Other receivables 16990014 12 186 695 1 323 589 246 097 12 15 223 650 3 793 940 767 822 1 323 589 Cash and cash 111 642 452 52 018 664 111 642 452 16 672 649 393 187 1968774 126 022 equivalents 13 1968774 **1 367 311 128** 606 413 469 **1 341 292 647** 193 725 861 **346 043 398** 114 187 503 **268 722 536** 34 079 573 TOTAL ASSETS EQUITY AND LIABILITIES Equity attributable to equity holders of the parent 54 878 54878 Share capital 1 292 762 1 292 762 54878 1 292 762 1 292 762 54878 25 925 742 25 925 742 39 417 Share premium 25 925 742 39 417 39 417 25 925 742 39 417 Non-distributable (25 829 878) (2099191) (29 821 193) 2 589 976 460 426 460 426 345 345 reserves IFRS 17 adoption 26 000 516 34 271 787 26 000 516 34 271 787 reserve 294 117 496 84 690 244 Retained profits 310 482 580 89 650 558 34 273 565 264 940 420 33 402 136 314 676 992 Total equity attributable to equity holders of the parent 337 871 722 140 770 387 298 662 385 71 229 623 342 355 922 112 369 174 265 035 060 33 496 776 Non-controlling 248 070 353 96 897 781 244 503 047 28 967 822 interests Total equity **585 942 075** 237 668 168 **543 165 432** 100 197 445 **342 355 922** 112 369 174 **265 035 060** 33 496 776 Liabilities Investment contract 10 110 043 liabilities without DPF 14 23 163 505 23 163 505 3 240 398 Shareholder risk 2 921 655 950 834 2 921 655 304 754 reserves 15 Member assistance 9041 9041 28 207 9041 fund

Total comprehensive profit for the period	383 934 154	21 401	471 861 690	37 622 233	parties		20 918 657	5 243 231	20 918 657	1 680 523	-	-	-	-
	505751151	21.101		51 022 255	Put option liability	20	31 240 253	10 051 246	31 240 253	3 221 553	-	-	-	-
Profit/(loss) attributable to:					Insurance contract liabilities	16	513 518 043	253 171 082	530 994 374	56 411 984	-	-	-	-
Non-controlling interest	164 683 937	8 085 845	226 639 786	15 230 635	Investment contract									
Equity holders of the parent	221 693 064	(10 086 826)	260 028 628	18 809 308	liabilities with DPF	17	61 819 262	23 997 163	61 819 262	7 682 170	-	-	-	-
Profit/(loss) for the period	386 377 001	(2000981)	486 668 414	34 039 943	Share based payment liabilities		1 242 908	677 678	1 242 908	217 205	383 637	219 081	383 637	70 2 18
Total Comprehensive income attributable to:					Other payables	18	44 500 716	16 776 164	43 608 078	5 262 258	1 057 010	802 643	1 057 010	257 257
Non-controlling interest	165 877 015	7 947 364	226 521 600	15 092 154	Deferred tax liability	19	73 414 165	46 093 933	73 588 634	14 971 056	-	-	-	-
Equity holders of the parent	218 057 139	(7 925 963)	245 340 090	22 530 079	Current income tax									
Total comprehensive income for the period	383 934 154	21 401	471 861 690	37 622 233	liabilities		7 404 586	1 257 642	7 404 586	403 090	-	-	-	-
					Total liabilities		781 369 053	368 745 301	798 127 215	93 528 416	3 687 476	1 818 329	3 687 476	582 797
Basic earnings per share (cents)	30 523	(1389)	35 801	2 590										
Diluted earnings per share (cents)	30 523	(1389)	35 801	2 590	total equity and Liabilities		367 311 128	606 413 469	1341292647	193 725 861	346 043 398	114 187 503	268722536	34079573

Lease liabilities

Borrowings- from third

1216262

388 078

1216262

124 384

2 246 829

796 605

2 246 829

255 322

The Group has adopted IFRS 17- Insurance contracts, a new accounting standard that became effective on 1 January 2023. The adoption of the new standard has resulted in new financial statement lines as presented in the primary financial statements. Prior year numbers have been restated in accordance with the new standard & provisions of IAS 8 from 1 January 2022. The Group has adopted IFRS 17- Insurance contracts, a new accounting standard that became effective on 1 January 2023. The adoption of the new standard has resulted in new financial statement lines as presented in the primary financial statements. Prior year numbers have been restated in accordance with the new standard & provisions of IAS 8 from 1 January 2022.

Directors: A R T Manzai (Chairman), D Hoto* (Group Chief Executive Officer), W M Marere* (Group Finance Director) G Baines, F Mabena, M Mangoma, A Masiiwa, E Mkondo, E K Moyo, M Mukondomi, I P Z Ndlovu, S V Rushwaya (* Executive Director) FIRST MUTUAL HOLDINGS LIMITED, First Mutual Park, 100 Borrowdale, Harare, Zimbabwe | P 0 Box BW 178, Borrowdale, Harare | Tel: +263 (242) 886 000 - 17 | E-mail: info@firstmutualholdings.co.zw | Website: www.firstmutual.co.zw@ O @

HOLDINGS LIMITED

Go Beyond

LIFE | HEALTH | INSURANCE | REINSURANCE | SAVINGS | PROPERTY

STATEMENT OF CHANGES IN EQUITY

FOR THE ENDED 30 JUNE 2023

Success is a provise is a provis									
bickeds at juncy 122762 5925712 502619 260516 669024 8173498 6128958 503585 6128959 503585 6128959 5035855 5035855 5035855	INFLATION ADJUSTED As at 1 January 2022	ZWL000	premium reserves ZWL000	distributable reserves ZWL000	Adoption reserve ZWL000	earnings ZWL000	equity for parent ZWL000	controlling interest ZWL000	equity ZWL000
cmme - - 2 100000 (1100000000000000000000000000000000000	Impact of adopting IFRS 17 Restated as at 1 January 2022 Profit for the year	1 292 762 -	- 25 925 742 -	8 026 103					
biologic biologi	Other comprehensive (loss)/ income	-	-	2 160 863	-	-	2 160 863	(138481)	2 022 382
Jackbols in high gapting somes - - - - - 25.8 258.8 Mielen ynold sine Mielen ynold sine Mielen ynold son Mielen yn Mielen ynold son Mielen ynold son Mielen yn Mie	Total comprehensive (loss)/income		-	2 160 863	-	(10 086 826)	(7925963)	7 947 364	21 401
betaskation 4700 ip in the comparison of 400 by his Marked advalad 1	Transactions with shareholders in their capacity as owners FMP redemption of shares	-	-	-	-	-	-		2 543
ten labily	Reclassification of NCI to put option liability	-	-	- 2755	-	2 909 369	2 9 12 324	. ,	(665 584)
is a Tyrney 2023 thif for the year thir or mpeterse corre 1292762 25 925 742 (2099 191) 26000516 89 650 552 100770337 96 897761 227 683 64 thir for the year the competensive corre (3655 925) - (3655 925) 1193 098 (242 847) to competensive corre (3655 925) - (21693 064 218 057 139 165 877 015 383 994 154 to competensive corre - (3655 925) - (21693 064 218 057 139 165 877 015 383 994 154 to competensive corre - (2004 520) - (20	option liability Dividend declared and paid	-	-	1 820 023 -	-	- (739708)		-	
with furtherser - - - 221633.064 164.883.97 365.377.017 with or complexise - - 6.055.925 - 23.655.925 1193.078 (242.847) abcalance periods in the impact of stars - - (3.655.925) 221.693.064 218.057.193 105.877.015 383.393.154 abcalance with impact of stars - - - - - 21.093.064 218.057.193 105.877.015 383.393.154 abcalance with impact of stars - - - - - 21.093.064 218.057.193 105.877.015 383.393.154 abcalance with impact of stars - - - - - (210.95.20) - (210.95.20) - (210.95.20) - (210.95.20) - (210.95.20) - (210.95.20) - (210.95.20) - (210.95.20) - (210.95.20) - (210.95.20) - (210.95.20) - (210.95.20) - (210.95.20) - (210.95.20) - (210.95.20) - (210.95.20) - (210.95.20) -	As at 30 June 2022	1 292 762	25 925 742	12 009 724	26 000 516	38 573 429	77 801 657	68 661 136	146 462 794
come -	As at 1 January 2023 Profit for the year Other comprehensive	1 292 762 -	25 925 742 -	(2099191) -	26 000 516				
Nome - (13 263 525) 221 693 064 218 057 139 165 877 015 383 934 154 aracchors with approdys sovness - - - - - - - - 111 419 -	income	-	-	(3 635 925)	-	-	(3635925)	1 193 078	(2 442 847)
Shareholss in their apachy as with Pressury shares by back Image and their Pressury shares by back Image and	income	-	-	(3635925)	-	221 693 064	218 057 139	165 877 015	383 934 154
attrassment of Li - - (20 094 520) - (20 094 520) - (20 094 520) - (20 094 520) - (20 094 520) - (13 264 826) (13 264 826) (13 264 826) (13 264 826) (13 264 826) (13 264 826) (13 264 826) (13 264 826) (13 264 826) (13 264 826) (13 264 826) (13 264 826) (13 264 826) (13 264 826) (14 37 46) (21 23 21) (13 264 826) (14 37 46) (21 23 21) (13 264 826) (14 37 46) (21 23 21) (13 264 826) (14 37 476) (21 23 21) (13 264 826) (14 37 476) (21 23 21) (13 264 826) (14 37 476) (21 23 21) (13 264 826) (14 37 476) (21 23 21) (14 37 476) (21 23 21) (14 37 476) (21 23 21) <td>Transactions with shareholders in their capacity as owners FMP redemption of shares</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>11 419</td> <td>11 419</td>	Transactions with shareholders in their capacity as owners FMP redemption of shares	-	-	-	-	-	-	11 419	11 419
isterilization to put option ability widerd declared and paid 1	FMP treasury shares buyback Remeasurement of Put	-	-		-	(2468)		2 710	-
Nucleard declared and paid - - - (838 575) (1453 74) (231232) As at 30 june 2023 1292 762 25925 742 (25 829 878) 26000 516 310 482 580 337 871 722 248070 353 585 942 075 ISIORCAL COST Share capital premium distibutable Adoption Retained equity controlling equity stat 1 january 2022 414 347 8 309 533 2572 469 24127 1787 - 34 271 787 - -	option liability Redassification to put option liability	-	-	(20094520)	-	-	(20094520)	-	
ISTORCAL COST Share capital premium (belinbutable preserves) Share reserves reserves ITSOR Adoption preserves Total premium (belinbutable preserves) Total preserves reserves Total preserves profits Non- for parent profits Total preprint for parent profits Non- for parent profits Total preprint for parent profits Non- for parent profits Total proprint profits Total proprint profits Non- for parent profits Total profits Non- for parent profits Non- for parent profits Non- for paren	Dividend declared and paid	-	-	-	-	(858 575)	(858 575)	· · · · · ·	·
Share capital reserves premium reserves Adoption reserves Retained reserves Retained reserves Retained reserves reserves profits reserves reserves profits reserves reserves profits reserves reserves profits reserves reserves profits reserves reserves profits reserves reserves	As at 30 June 2023	1 292 762	25 925 742	(25829878)	26 000 516	310 482 580	337 871 722	248 070 353	585 942 075
sa it January 2022 414347 8 309 533 2 572 469 - 14900 761 26 197 110 20 605 493 46 802 603 ippact of adopting FK 17 - - - 34 271 787 - 34 271 787 022 414347 8 309 533 2 572 469 34 271 787 14 900 761 60 468 897 20 605 493 81 074 390 0101 to the year - - - - 18 09 308 18 809 308 15 230 655 34 039 943 ther complehensive (css)/ - - 3720 771 - - 3720 771 (138 481) 3582 290 obal complehensive (css)/ - - 3720 771 - 18 809 308 22 530 079 15 092 154 37 622 233 arasections with apachides in their apachides and paid <th>HISTOPICAL COST</th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th>	HISTOPICAL COST								
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ansactions with hareholders in their apadity as owners - - - 518 518 MP treasmy shares - - - - 593 592 868 (592 868) - MP treasmy shares - - (870) - 593 738 592 868 (592 868) - uedasification of NQ to put pion lability - - - - - (404 269) (404 269) (404 269) (404 269) (404 269) (404 269) (115 003) - (1778 002) - - (115 003) - (115 003) - (115 003) - (115 003) - (115 003) - (115 003) - (115 003) - (115 003) - (115 03) - 100 197 445 486 684 140 116 01 97 486 684 140 166 486 684 140 166 <td< td=""><td>As at 1 January 2022 Impact of adopting IFRS 17 Restated as at 1 January 2022 Profit for the year</td><td>ZWL000 414 347</td><td>premium reserves ZWL000 8 309 533</td><td>distributable reserves ZWL000 2 572 469</td><td>Adoption reserve ZWL000 - 34 271 787</td><td>profits ZWL000 14 900 761 - 14 900 761</td><td>equity for parent ZWL000 26 197 110 34 271 787 60 468 897</td><td>controlling interest ZWL000 20 605 493 - 20 605 493</td><td>equity ZWL000 46 802 603 34 271 787 81 074 390</td></td<>	As at 1 January 2022 Impact of adopting IFRS 17 Restated as at 1 January 2022 Profit for the year	ZWL000 414 347	premium reserves ZWL000 8 309 533	distributable reserves ZWL000 2 572 469	Adoption reserve ZWL000 - 34 271 787	profits ZWL000 14 900 761 - 14 900 761	equity for parent ZWL000 26 197 110 34 271 787 60 468 897	controlling interest ZWL000 20 605 493 - 20 605 493	equity ZWL000 46 802 603 34 271 787 81 074 390
hareholders in their apacity as owners	As at 1 January 2022 Impact of adopting IFRS 17 Restated as at 1 January 2022 Profit for the year Other comprehensive (loss)/ income	ZWL000 414 347	premium reserves ZWL000 8 309 533	distributable reserves ZWL000 2 572 469 - 2 572 469 -	Adoption reserve ZWL000 - 34 271 787	profits ZWL000 14 900 761 - 14 900 761	equity for parent ZWL000 26 197 110 34 271 787 60 468 897 18 809 308	controlling interest ZWL000 20 605 493 - 20 605 493 15 230 635	equity ZWL000 46 802 603 34 271 787 81 074 390 34 039 943
MP treasury shares - - (870) - 593 738 592 868 (592 868) - edessification of NC1 to put pion liability - - - - - (404 269) (404 269) emeasurement of Put pion liability - - (778 002) - - (778 002) 115 003) (115 003) (115 003) As at 30 june 2022 414 347 8 309 533 5514 368 34 271 787 34 188 804 48 427 052 34 701 028 83 128 080 as at 1 january 2023 54 878 39 417 2 589 976 34 271 787 34 128 804 48 427 052 34 701 028 83 128 080 as at 1 january 2023 54 878 39 417 2 589 976 34 271 787 34 273 565 71 229 623 28 967 822 100 197 445 otal comprehensive norme - - 14 688 538) - - 14 688 538) (118 186) (14 806 724) otal comprehensive norme - - 14 688 538) - 260 028 628 245 340 090 225 21 600 471 861 690 ransactions with haredolders in their apacity as ownes - <td< td=""><td>As at 1 January 2022 Impact of adopting IFRS 17 Restated as at 1 January 2022 Profit for the year Other comprehensive (loss)/ income Total comprehensive (loss)/income</td><td>ZWL000 414 347</td><td>premium reserves ZWL000 8 309 533</td><td>distributable reserves ZWL000 2 572 469 - 2 572 469 - 3 720 771</td><td>Adoption reserve ZWL000 - 34 271 787</td><td>profits ZWL000 14 900 761 - 14 900 761 18 809 308</td><td>equity for parent ZWL000 26 197 110 34 271 787 60 468 897 18 809 308 3 720 771</td><td>controlling interest ZWL000 20 605 493 - 20 605 493 15 230 635 (138 481)</td><td>equity ZWL000 46 802 603 34 271 787 81 074 390 34 039 943 3 582 290</td></td<>	As at 1 January 2022 Impact of adopting IFRS 17 Restated as at 1 January 2022 Profit for the year Other comprehensive (loss)/ income Total comprehensive (loss)/income	ZWL000 414 347	premium reserves ZWL000 8 309 533	distributable reserves ZWL000 2 572 469 - 2 572 469 - 3 720 771	Adoption reserve ZWL000 - 34 271 787	profits ZWL000 14 900 761 - 14 900 761 18 809 308	equity for parent ZWL000 26 197 110 34 271 787 60 468 897 18 809 308 3 720 771	controlling interest ZWL000 20 605 493 - 20 605 493 15 230 635 (138 481)	equity ZWL000 46 802 603 34 271 787 81 074 390 34 039 943 3 582 290
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As at 30 june 2022 414 347 8 309 533 5 514 368 34 271 787 34 188 804 48 427 052 34 701 028 83 128 080 as at 1 january 2023 54 878 39 417 2 589 976 34 271 787 34 273 565 71 229 623 28 967 822 100 197 445 s at 1 january 2023 54 878 39 417 2 589 976 34 271 787 34 273 565 71 229 623 28 967 822 100 197 445 s at 1 january 2023 54 878 39 417 2 589 976 34 271 787 34 273 565 71 229 623 28 967 822 100 197 445 s at 1 january 2023 54 878 39 417 2 589 976 34 271 787 34 273 565 71 229 623 28 967 822 100 197 445 s at 1 january 2023 54 878 39 417 2 589 976 34 271 787 34 273 565 71 229 623 28 967 822 200 028 628 200 028 628 200 028 628 200 028 628 200 028 628 216 521 600 471 861 690 i ransactions with hareholders in their apacity as owners - 260 028 628 245 340 090 226 521 600 471 861 690 WP recentry is a sowners - - - - -	As at 1 January 2022 Impact of adopting IFRS 17 Restated as at 1 January 2022 Profit for the year Other comprehensive (loss)/ ncome Total comprehensive (loss)/income Iransactions with shareholders in their capacity as owners FMP redemption of shares FMP treasury shares Reclassification of NCI to put	ZWL000 414 347	premium reserves ZWL000 8 309 533	distributable reserves ZWL000 2 572 469 - 2 572 469 - 3 720 771 3 720 771	Adoption reserve ZWL000 - 34 271 787	profits ZWL000 14900761 - 14900761 18809308 - 18809308	equity for parent ZWL000 26 197 110 34 271 787 60 468 897 18 809 308 3 720 771 22 530 079	controlling interest ZWL000 20 605 493 - 20 605 493 15 230 635 (138 481) 15 092 154 518 (592 868)	equity ZWL000 46 802 603 34 271 787 81 074 390 34 039 943 3 582 290 37 622 233 518
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WP edemption of shares - - - - 5347 MP treasury shares buyback - - 12410 - 126382 138792 (138792) - Acclassification of NOI to put put pion liability -	As at 1 January 2022 Impact of adopting FRS 17 Restated as at 1 January 2022 Profit for the year Other comprehensive (loss)/ income Total comprehensive (loss)/ income Transactions with shareholders in their capacity as owners FMP redemption of shares FMP treasury shares Redasification of NQ to put option liability Remeasurement of Put option liability Dividend declared and paid As at 30 June 2022 As at 1 January 2023 Profit for the year Other comprehensive income	ZWL000 414 347 414 347 	premium reserves ZWL000 8 309 533 - - - - - - - - - - - - - - - - - -	distributable reserves ZWL000 2 572 469 - 3 720 771 3 720 771 3 720 771 (870) - (870) - (778 002) - 5 514 368 2 589 976 - (14 688 538)	Adoption reserve ZWL000 - 34 271 787 - - - - - - - - - - - - - - - - - -	profits ZWL000 14900761 18 809 308 - - 18 809 308 - - - 593 738 - - - (115 003) 34 188 804 34 273 565 260 028 628 -	equity for parent ZWL000 26 197 110 34 271 787 60 468 897 18 809 308 3 720 771 22 530 079 22 530 079 22 530 079 (175 002) (115 003) 48 427 052 71 229 623 260 028 628 (14 688 538)	controlling interest ZWL000 20 605 493 15 230 635 (138 481) 15 092 154 (138 481) 15 092 154 (138 481) 15 092 154 (138 481) (404 269) - - - - - - - - - - - - - - - - - - -	equity ZWL000 46 802 603 34 271 787 81 074 390 34 039 943 3 582 290 37 622 233 518 - (404 269) (178 002) (115 003) 83 128 080 486 668 414 (14 806 724)
ption liability (10.283.660) (10.283.660) temeasurement of Put ption liability (17.735.040) (17.735.040) - (17.735.040)	As at 1 January 2022 Impact of adopting FRS 17 Restated as at 1 January 2022 Profit for the year Other comprehensive (loss)// income Total comprehensive (loss)// income Total comprehensive (loss)/income Transactions with shareholders in their capacity as owners FWP treasury shares Reveasurement of Put option liability Remeasurement of Put option liability Remeasurement of Put option liability Dividend dedared and paid As at 30 June 2022 As at 1 January 2023 Profit for the year Other comprehensive income Total comprehensive income	ZWL000 414 347 414 347 	premium reserves ZWL000 8 309 533 - - - - - - - - - - - - - - - - - -	distributable reserves ZWL000 2 572 469 - 3 720 771 3 720 771 3 720 771 (870) - (870) - (778 002) - 5 514 368 2 589 976 - (14 688 538)	Adoption reserve ZWL000 - 34 271 787 - - - - - - - - - - - - - - - - - -	profits ZWL000 14900761 18 809 308 - - 18 809 308 - - - 593 738 - - - (115 003) 34 188 804 34 273 565 260 028 628 -	equity for parent ZWL000 26 197 110 34 271 787 60 468 897 18 809 308 3 720 771 22 530 079 22 530 079 22 530 079 (175 002) (115 003) 48 427 052 71 229 623 260 028 628 (14 688 538)	controlling interest ZWL000 20 605 493 15 230 635 (138 481) 15 092 154 (138 481) 15 092 154 (138 481) 15 092 154 (138 481) (404 269) - - - - - - - - - - - - - - - - - - -	equity ZWL000 46 802 603 34 271 787 81 074 390 34 039 943 3 582 290 37 622 233 518 - (404 269) (778 002) (115 003) 83 128 080 486 668 414 (14 806 724)
ption liability (17.735.040) (17.735.040) - (17.735.040)	As at 1 January 2022 Impact of adopting FRS 17 Restated as at 1 January 2022 Profit for the year Other comprehensive (loss)/ income Total comprehensive (loss)/ income Total comprehensive (loss)/income Transactions with shareholders in their capacity as owners FMP treasury shares Redasification of NQ1 to put option liability Remeasurement of Put option liability Dividend dedared and paid As at 30 June 2022 As at 1 January 2023 Profit for the year Other comprehensive income Total comprehensive income Transactions with shareholders in their capacity as owners FMP redemption of shares FMP treasury shares buyback	ZWL000 414 347 414 347 	premium reserves ZWL000 8 309 533 - - - - - - - - - - - - - - - - - -	distributable reserves ZWL000 2 572 469 - 3 720 771 3 720 771 3 720 771 - (870) - (870) - (778 002) - 5 514 368 2 589 976 - (14 688 538) (14 688 538)	Adoption reserve ZWL000 - 34 271 787 - - - - - - - - - - - - - - - - - -	profits ZWL000 14900761 18 809 308 - - 18 809 308 - - - - - - - - - - - - - - - - - - -	equity for parent ZWL000 26 197 110 34 271 787 60 468 897 18 809 308 3 720 771 22 530 079 22 530 079 22 530 079 (175 002) (175 002) (115 003) 48 427 052 71 229 623 260 028 628 (14 688 538) 245 340 090	controlling interest ZWL000 20 605 493 15 230 635 (138 481) 15 092 154 (138 481) 15 092 154 (138 481) (404 269) (404 269) (404 269) (404 269) (226 53 786 (118 186) 226 521 600	equity ZWL000 46 802 603 34 271 787 81 074 390 34 039 943 3 582 290 37 622 233 518 - (404 269) (778 002) (115 003) 83 128 080 486 668 414 (14 806 724) 471 861 690
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Preliminary Report - Abridged Financial Results For The Period Ended 30 June 2023

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 JUNE 2023				
	INFLATION ADJUSTED		HISTORIC	AL COST
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
	ZWL000	ZŴL000	ZWL000	ZWL000
Profit before income tax	410 145 029	29 038 054	542 229 161	43 173 884
Total non- cash and separately disclosed items	62 550 064	(133 320 533)	(888 028 375)	(63 482 384)
Operating cash flows before working capital changes	472 695 093	(104 282 479)	(345 799 214)	(20 308 500)
Working capital changes	(425 993 258)	114 387 445	425 500 367	25 886 398
Cash (utilised in)/generated from operations	46 701 835	10 104 966	79 701 153	5 577 898
Finance costs on lease liability	(187 451)	(34 889)	(150 230)	(4867)
Interest received	9 133 319	1 361 633	3 412 967	247 571
Tax paid	(1136634)	7 900 209	(446 615)	(661 230)
Net cash flows(utilised in)/generated from operating activities	54 511 069	19 331 919	82 517 275	5 159 372
Net cash flow generated from/(used in) investing activities	(82 192 754)	(11 289 351)	(44 522 333)	(1410306)
Net cash flow used in financing activities	6 752 833	(530 518)	3 719 987	(90 138)
Net increase/(decrease) in cash and cash equivalents	(20 928 852)	7 512 050	41 714 929	3 658 928
Cash and cash equivalents at the beginning of the year	52 018 664	32 837 615	16 672 649	3 053 838
Effects of exchange rate changes on cash and cash equivalents	139 908 163	11 161 595	53 254 874	2 273 237
Effects of inflation on cash and cash equivalents	(59 355 522)	(7389985)	-	-
Cash and cash equivalents at the end of the period	111 642 452	44 121 275	111 642 452	8 986 003

The Group has adopted IFRS 17- Insurance contracts, a new accounting standard that became effective on 1 January 2023. The adoption of the new standard has resulted in new financial statement lines as presented in the primary financial statements. Prior year numbers have been restated in accordance with the new standard & provisions of IAS 8 from 1 January 2022.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

1. Corporate information

The main business of First Mutual Holdings Limited ("the Company") and its subsidiaries (together the "Group") is that of provision of life and funeral assurance, health insurance, short term insurance, reinsurance, property management and development, wealth management, micro lending, funeral services and health services. First Mutual Holdings Limited is a public company, incorporated and domiciled in Zimbabwe whose shares are publicly traded on the Zimbabwe Stock Exchange. As at 13 September 2023, the Company's major shareholders were the National Social Security Authority ("MISSA") which owns 34.25% (2021: 65.33%) directly and an additional 5.33% (2021: 7.10%) indirectly through Capital Bank Limited (NSSA owns 84% (2021: 84%) of Capital Bank Limited) and (BZ Holdings Limited ("GRHL") after acquiring 31.22% shares from NSSA in a transaction that was concluded on 6 September 2023. The registered office is located at Second Floor, First Mutual Park, 100 Borrowdale Road, Borrowdale, Harare, Zimbabwe. The consolidated historical and inflation adjusted financial statements of the Company and the Group for the period ended 30 June 2023 were authorised for issue in accordance with a resolution of the Directors at a meeting held on 13 September 2023.

2.1 Statement of compliance

The Group's Abridged financial statements are an extract of the complete set of financial statements that have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting", as issued by the International Accounting Standards Board ("IASB"), International Financial Reporting Committee Interpretations ("IFRC") as issued by the International Financial Reporting Interpretations Committee ("IFRS IC") and in a manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31). The financial statements are based on statutory records that are maintained under the historical cost convention except for investment properties, equity securities at fair value through profit or loss and insurance and investment contract liabilities that have been measured on a fair value basis. For the purpose of fair presentation in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies", this historical cost information has been restated for changes in the general purchasing power of the Zimbabwe Dollar and appropriate adjustments and reclassifications have been made. Accordingly, the inflation adjusted financial statements represent the primary financial statements of the Group and Company and historical information is supplementary.

2.2 Accounting policies

The accounting policies applied in the reviewed abridged financial results are consistent with the accounting policies in the prior year financial statements except for the adoption of IFRS 17 – Insurance contracts which are detailed below:

2.2.1 IFRS 17 – Insurance contracts and transitional provisions

On 1 January 2023 the Group adopted International Financial Reporting Standard (IFRS) 17 - Insurance Contracts. IFRS 17 requires the Group to measure its insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and any uncertainty relating to those insurance contracts. These requirements are intended to provide uniformity across the industry as well as provide more transparent reporting on the financial position and risk of insurance businesses.

The Group is provided with various options of transition from IFRS 4 – Insurance contracts in reporting. Considering the various circumstances from both an operational and financial reporting perspective, the Group opted for the full retrospective transitional approach for all its insurance κ reinsurance contracts with the exception of growth annuities to which the fair value approach has been applied. The date of such transition is 1 January 2022 for practical purposes. The fair value transitional approach has been applied to growth annuities carried under the Variable Fee Approach (VFA) due to impracticability in determining the Contractual Service Margin (CSM) IFRS 17 at the date of transition as required by IFRS 17 for the full retrospective approach.

2.2.2 Measurement models

2.2.2.1 Premium Allocation Approach (PAA)

The majority of contracts issued by the Group are accounted for under the PAA measurement model, the eligibility criteria which has been met by the Group contracts for all of its short-term insurance contracts. The Group reasonably expects that such simplification (that is adoption of the PAA) will produce a measurement of the liability for remaining coverage (LRC) for the Group that would not differ materially from the one that would be produced by applying the requirements under other measurement models.

2.2.2.2 Variable Fee Approach (VFA)

The Group accounts for annuity contracts issued by its Life business contracts under the VFA measurement model.

2.2.3 Future cashflows and estimates

As at 30 June 2023 54 878 39 417 (29 821 193) 34 271 787 294 117 496 298 662 385 244 503 047 543 165 432

The Group has adopted IFRS 17- Insurance contracts, a new accounting standard that became effective on 1 January 2023. The adoption of the new standard has resulted in new financial statement lines as presented in the primary financial statements. Prior year numbers have been restated in accordance with the new standard & provisions of IAS 8 from 1 January 2022.

2.2.3.1 Best estimates of future cash flows

Best estimates of future cashflows refer to amounts expected to be collected from premiums and payouts for claims, benefits and expenses, and are projected using a range of scenarios and assumptions based on the Group's demographic and operating experience along with external mortality data where the Group's own experience data is not sufficiently large in size to be credible. The estimates of future cash flows are adjusted to reflect the effects of the time value of money and the financial risks to derive an expected present value.

2.2.3.2 Discount Rates

The discount rate is defined as the financial adjustment that is made to the future cashflows in order to determine their present value. Under IFRS 17, the discount rate is primarily used to adjust the estimates of future cash flows to reflect the time value of money and to accrete interest on the CSM. A bottom-up approach is used to determine the discount rate to be applied to a given set of expected future cash flows. For the period ended 30 June 2023, the Group has determined the risk-free rate by making reference to corporate bonds with an estimated range of between 10% to 12% and they are based on observable market data in addition to their other characteristics such as:

i. Covering a longer duration period compared to other instruments in the market. ii. Traded regularly in the market.

2.2.3.3 Risk adjustment for non-financial risk

The risk adjustment reflects the compensation required by the Group for bearing the uncertainty about the amount and timing of future cash flows (understated premiums and overstated claims) that arises from non-financial risk. The Group estimates these factors by reference to the business units' claims experiences. The Group does not disaggregate changes in the risk adjustment between insurance service result and insurance finance income or expenses as all adjustments are included in insurance service result through the election to present net finance costs/ income relating insurance and reinsurance contracts in the profit and loss.

Directors: A R T Manzai (Chairman), D Hoto* (Group Chief Executive Officer), W M Marere* (Group Finance Director) G Baines, F Mabena, M Mangoma, A Masiiwa, E Mkondo, E K Moyo, M Mukondomi, I P Z Ndlovu, S V Rushwaya (* Executive Director) 3 FIRST MUTUAL HOLDINGS LIMITED, First Mutual Park, 100 Borrowdale, Harare, Zimbabwe | P 0 Box BW 178, Borrowdale, Harare | Tel: +263 (242) 886 000 - 17 | E-mail: info@firstmutualholdings.co.zw | Website: www.firstmutual.co.zw () O

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Preliminary Report - Abridged Financial Results For The Period Ended 30 June 2023

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 IUNE 2023

For the period ended 30 June 2023, the following risk adjustments factors were adopted:

Business Unit	Direct Business/Reinsurance issued	Reinsurance/Retrocession held
NicozDiamond Insurance Limited	8%	11%
First Mutual Health	0.30%	n/a
FMRE P & C Botswana	11%	11%
First Mutual Reinsurance Zimbabwe	11%	11%
First Mutual Life	10%	11%

2.2.3.4 Contractual Service Margin (CSM)

The CSM represents the future profit that the Group expects to earn from the portfolio of annuity contracts and is deferred to the Statement of Financial Position, effectively not resulting in income or expense at initial recognition. The CSM is remeasured and adjusted at each subsequent reporting period for changes in fulfilment cash flows relating to future service. The CSM is systematically recognized in insurance contract revenue to reflect the insurance contract services provided, based on the coverage units of the group of contracts.

2.2.3.5 Onerous Contracts

An insurance contract is onerous at the date of initial recognition if the fulfilment cash flows allocated to the contract, any previously recognised insurance acquisition cash flows and any cash flows arising from the contract at the date of initial recognition in total are a net outflow and shall be immediately recognized on initial recognition in the Income Statement on day one.

2.2.3.6 Acquisition cashflows

Acquisition cashflows represent commissions on insurance & reinsurance business from intermediaries, these are deferred over a period in which the related premiums are earned. Management has however made an accounting policy choice as per IFRS 17 to expense upfront such costs (instead of reduction in liability for remaining coverage) when the coverage period is one year or less.

Inflation adjusted 2.3

IAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of a measuring unit current at the statement of financial position date, and that corresponding figures for previous periods be stated in the same terms to the latest statement of financial position date. To comply with IAS 29 requirements the Group estimated the inflation rate for February 2023 to June 2023 by adjusting the last published consumer price index (January 2023) based on the monthly movement using the Total Consumption Poverty Line (TCPL). The resultant CPIs and their corresponding conversion factors are as follows:

Period	CPI	Conversion factor	:
30 June 2023	8,707	4.91	÷
31 December 2022	13,673	3.20	÷
30 June 2022	42,711	1.00	÷

All items in the income statements are restated by applying the relevant monthly conversion factors.

CPI Estimation 2.3.1

Total Consumption Poverty Line (TCPL) data from ZIMSTAT has been considered to be appropriate for the purposes of estimating the movement in inflation for the period from February 2023 to June 2023 due to the following reasons: - There is correlation rate of 99% between TCPL and the previously published Consumer Price Indices (CPIs) based on a research carried

out by the Institute of Chartered Accountants of Zimbabwe Using The TCPL data as estimation of movement in inflation allows for comparability of the Group's financial results with the rest of

the market.

Functional and presentation currency 3.

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in the ZWL which is the Company and the Group's functional and presentation currency.

Audit review 4.

7

The audit review of the Group is incomplete pending the finalisation of the Insurance and Pension Commission forensic investigation currently underway at one of the Group's significant subsidiaries, First Mutual Life Assurance Company

	INFLATION	ADJUSTED	HISTORIC	AL COST	INFLATION	ADJUSTED	HISTORIC	AL COST
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	GROUP	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY	COMPANY
	30- J un-23	31-Dec-22	30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22
	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000
5 Property, vehicles and equipment								
At 1 January	7 325 745	5 146 212	708 321	140 853	66 756	72 737	2 861	2 210
Additions	4 631 667	3 459 562	1 819 908	610 928	46 330	3 460	17 839	747
Disposals	(19808)	(19478)	(3042)	(887)	-	-	-	-
Depreciation charge								
and disposal	(1121376)	(1260551)	(119 533)	(42573)	(35256)	(9441)	(2142)	(96)
Closing balance	10 816 229	7 325 745	2 405 654	708 321	77 830	66 756	18 558	2 861
6 Investment property								
At 1 January	347 676 985	241 562 593	111 434 931	22 506 950	3 684 096	-	1 180 800	-
Additions	122 248	468 821	44 308	82 790	-	5 261 558	-	1 074 138
Disposal or transfer to Subsidiaries	-	(679255)	-	(160 028)	(2717155)	(916531)	(1305500)	(272 000)
Transfer to Non-current asset held for sale	-	(119808)	-	(38 400)	-	-	-	-
Fair value adjustments	510 342 668	106 444 634	746 662 662	89 043 619	4 843 059	(660 931)	5 934 700	378 662
Closing balance	858 141 901	347 676 985	858 141 901	111 434 931	5 810 000	3 684 096	5 810 000	1 180 800

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

		INFLATION	ADJUSTED	HISTORIC	AL COST	INFLATION		HISTORIC	AL COST
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
		GROUP	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY	COMPANY
		30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22
		ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000
8	Investment in								
Ũ	subsidiaries								
	First Mutual								
	Microfinance (Private) Limited	-	-	-	-	2 689 100	492 520	2 609 524	104 603
	First Mutual Life								
	Assurance Company (Private) Limited	-	-		-	164 162 490	59 383 603	151 988 363	18 206 148
	First Mutual Health					104 102 470	57 505 005	191 200 505	10 200 140
	Company (Private)					10 500 071	15 704 400	27.022.774	
	Limited	-	-	-	-	48 590 074	15 701 100	37 922 776	4 427 245
	First Mutual Reinsurance Company (Private)								
	Limited	-	-	-	-	22 685 673	2 709 324	25 393 860	927 000
	FMRE Property & Casualty (Proprietary)								
	Limited	-	-	-	-	20 120 680	6 066 709	3 179 443	1 944 458
	First Mutual Wealth								
	Management (Private) Limited	-	-	_	-	3 235 901	722 308	3 173 941	213 764
	NicozDiamond								
	Insurance Limited	-	-	-	-	68 473 439	21 167 665	29 375 818	6 000 892
	Total	-	-	-	-	329 957 358	106 243 229	253 643 725	31 824 110
9	Financial assets at fair								
9	value through profit								
	or loss								
	At 1 January	55 139 158	65 830 730	17 672 807	6 133 603	1 666 500	3 335 448	534 135	310 771
	Purchases Disposals	25 655 809 (3 858 729)	13 264 459 (899 065)	9 765 669 (1 516 200)	2 342 385 (158 767)	39 236 (6 104)	6 109 (148 353)	15 156 (4 934)	1 349 (23 605)
	Fair value gain on	(3 0 0 1 2 3)	(899 000)	(1310200)	(100707)	(0 104)	(140 333)	(4 7)4)	(25005)
	unquoted investments	15 434 517	953 821	25 236 106	2 066 947	-	-	-	-
	Fair value gain on	00 250 405	(24.010.707)	120 470 977	7 200 7 20	2 550 227	(15)(704)	4714700	245 (20)
	quoted equities Closing balance	89 258 495 181 629 249	(24 010 786) 55 139 158	130 470 866 181 629 249	7 288 639 17 672 807	3 559 327 5 258 959	(1526704) 1666500	4 714 602 5 258 959	245 620 534 135
		101 027 247	33 137 130	101 027 247	11 012 001	5250757	1000 500	5230737	334 135
10	Debt securities at								
	amortised cost								
	At 1 January	7 844 821	2 003 341	2 514 366	186 656	168 237	253 672	53 922	23 635
	Purchases Maturities	57 852 958 (97 385)	13 735 689 (554 334)	35 276 194 (38 265)	2 425 600 (97 891)	1 141 232 (94 979)	130 010 (42 750)	566 837 (37 320)	37 540 (7 253)
	Monetary gain/loss	(20 76)	(554 554)	(38 203)	(97 691)	(94 979)	(42750)	(37 320)	(7255)
	adjustment	(27848099)	(7339875)			(631 050)	(172 695)	-	-
	Closing balance	37 752 294	7 844 821	37 752 294	2 514 366	583 439	168 237	583 439	53 922
11	Net Reinsurance								
	contract assets								
	Reinsurance contract								
	assests	154 493 207	147 530 890	154 493 207	46 062 987	-	-	-	-
	Reinsurance contract Liabilities	(36769536)	(35 003 383)	(11 137 251)	(8095676)		-		_
	Net reinsurance	(30 707 330)	(33 003 303)	(13/231)	(00)5010)				
	contract assets	117 723 671	112 527 507	110 355 956	37 967 311	-	-	-	-
12	Tenant and other receivables								
	Tenant receivables	3 765 510	1 540 785	3 765 510	493 841	10 107	-	10 107	-
	Amounts due from	0.00010		0.000.0		.0		10 107	
	Group companies	-	-	-	-	213 860	368 941	213 860	118 250
	Other receivables	16 990 014	12 186 695	15 223 650	3 793 940	1 109 729	398 881	1 109 729	127 847
	Total	20 755 524	13 727 480	18 989 160	4 287 781	1 333 696	767 822	1 333 696	246 097
13	Cash and balances								

13 Cash and balances with banks

The Group's fair values of its investment properties are based on valuations performed by Knight Frank Zimbabwe an accredited independent value Knight Frank is a specialist in valuing these types of investment properties and has recent experience in the location and category of the investment properties being valued. The valuations are based upon assumptions on future rental income, anticipated maintenance costs, future development costs and the appropriate discount rate. Where the market information is available, the valuers make use of market information from transactions of similar properties. Significant judgements were applied as at 30 June 2023 as a result of the uncertainties resulting from the hyperinflationary economic environment, currency shifts, excessive market volatility and lack of recent transactions conducted in ZWL.

Leases								
Right of use of assets								
As at 1 January	149 100	149 903	47 789	13 967	1 085 460	625 614	102 449	23 124
Additions	-	220 609	-	38 957		-		
Modification	-	-	-	-	-	705 276	-	102 489
Depreciation charge for								
the year	(441 749)	(96365)	(173 575)	(17017)	(161 749)	(245430)	(15266)	(23 164)
Exchange rate effects	667 151	(125 047)	500 290	11 882	-	-	-	-
Closing balance	374 503	149 100	374 503	47 789	923 711	1 085 460	87 183	102 449
Lease liability								
Current	194 565	5 343	194 565	1 713	456 789	13 399	456 789	4 295
Non-current	1 021 697	382 735	1 021 697	122 671	1 790 040	783 206	1 790 040	251 027
Closing balance	1 216 262	388 078	1 216 262	124 384	2 246 829	796 605	2 246 829	255 322

Money market investments with original maturities less								
than 90 days	25 449 000	27 248 545	25 449 000	8 733 508	1 025 832	121 582	1 025 832	38 969
Cash at bank and on hand	86 193 452	24 770 119	86 193 452	7 939 141	942 942	271 605	942 942	87 053
Cash and balances with banks	111 642 452	52 018 664	111 642 452	16 672 649	1 968 774	393 187	1 968 774	126 022
14 Investment contract liabilities without DPF								
At 1 January	10 110 043	18 024 541	3 240 398	1 679 388	-	-	-	-
Movement for the period	13 053 462	(7914498)	19 923 107	1 561 010	-	-	-	-
Closing balance	23 163 505	10 110 043	23 163 505	3 240 398	-	-	-	-
15 Shareholder risk reserve								
At 1 January	950 834	-	304 754	-	-	-	-	-
Movement	1 970 821	950 834	2 616 901	304 754	-	-	-	-
Closing balance	2 921 655	950 834	2 921 655	304 754	-	-	-	-

Directors: A R T Manzai (Chairman), D Hoto* (Group Chief Executive Officer), W M Marere* (Group Finance Director) G Baines, F Mabena, M Mangoma, A Masiiwa, E Mkondo, E K Moyo, M Mukondomi, I P Z Ndlovu, S V Rushwaya (* Executive Director) FIRST MUTUAL HOLDINGS LIMITED, First Mutual Park, 100 Borrowdale, Harare, Zimbabwe | P 0 Box BW 178, Borrowdale, Harare | Tel: +263 (242) 886 000 - 17 | E-mail: info@firstmutualholdings.co.zw | Website: www.firstmutual.co.zw © 🕐

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Preliminary Report - Abridged Financial Results For The Period Ended 30 June 2023

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2023

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bolies513 S1800233 J710250 994376.4119246.4119247.306.4119247.30		liabilities	600 275 487	308 919 626	600 275 487	74 595 056	-	-	-	
biole10100 010100 010100 010100 010100 010100 010100 0biol10100 010100 010100 010100 010100 010100 010100 0biol10100 010100 010100 010100 010100 010100 010100 010100 000er paide10200 010200 010200 010200 010200 010100 010200 010100 010200 0Polars10200 010200 010200 010200 010200 010200 010200 010200 010200 010200 0Polars10200 0			513 518 043	253 171 082	530 994 374	56 411 984	-	-	-	-
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Iool 61819262 2397163 61819262 7692170 - - - - 8 Other payables 1528172 1010 12727 12720 12720 12720 12720 12720 12720 12720 12720 12720 12720 12720 12720 12720 12720 12720 12720 12721 12720 <td>17</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	17									
8 Other payables 44/23738 15/281/29 43/34/20 47/280.08 62/2570 565.42 67/2570 181/27 CM propables 19941 48 49/78/2 18/0166 136.446 119.491 44.838 119.491 44.688 119.491 44.688 119.491 44.688 119.491 44.688 119.491 44.688 119.491 44.688 119.491 44.688 119.491 44.688 119.491 44.688 119.491 44.688 119.491 44.688 119.491 44.688 119.491 44.688 119.791 44.888 149.729 33.614 10.221 33.614 10.221 33.614 10.221 33.614 10.221 33.614 10.721 2.722 35.440 7.603 7.603 10.621.491 7.603 10.621.491 7.603 10.7710 2.722 35.440 7.603 10.7710 2.722.572 10.5710 0.7603 10.7710 2.722.572 10.5710 0.7603 10.7710 2.772.57 10.5710 10.7710 2.772.571 <t< th=""><td></td><td></td><td></td><td></td><td></td><td></td><td>-</td><td>-</td><td>-</td><td>-</td></t<>							-	-	-	-
Image: bit state in the state in t		Total	61 819 262	23 997 163	61 819 262	7 682 170	-	-	-	-
Other psyches 1994 48 4527787 18 701 86 1936 98 199 991 43 885 199 491 4005 Prodit and Subfactors 296451 330552 2954561 109978 208271 481874 208271 441874 208271 441874 208271 441874 208273 330 166 32777 330 166 32777 330 166 3277 310 167 3277 167 3278 310 167 32778 310 167 327787	18	Other payables						-		-
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Indee payobles 4471 22 836 269 471 729 288 035 3.21 1.001 3.21 3.22 Property Laces 243 38 1.95 05 2.03 38 4/7 172 2.88 4.00 2.77 20 3.84 4.00 7.03 Felder laces 4.50 071 6.776 164 43 608 078 5.262 258 1057 010 802 643 107 010 2.77 20 Defend income tax 4.7397 853 3.403 4/0 142 88 171 3.154 960										48
elect billing ompanies 223 368 1495 035 233 368 479 178 334440 237 20 33440 76 33 Tool 44500 716 147 76 164 43 668 078 5 262 228 1057 010 802 643 1057 010 802 643 1057 010 802 643 1057 010 802 643 1057 010 802 643 1111 32 1										321
ornganies image		Property business	263 368		263 368	479 178	-	-	-	-
total 44500716 16776164 43608078 522258 1057010 802643 1057010 25725 19 Defensitionen tax At 1janary 4375583 34003476 1428171 3154960							384 440	727 770	384 440	76 022
Deferred income tax At 1 proxy 43 795 853 34 003 476 14 268 171 3 154 960 - - - Becognised finuigh statement of comprehensive income incompetents we income 17 632 494 9792 377 51 553 634 11 1113 211 - - - Total 61 428 347 43 795 853 65 821 805 14 268 171 - - - Deferred tax asset (11955 818) (2 280 080) (7705 829) (702 885) -		•	44 500 716	16 776 164	43 608 078	5 262 258				257 257
A11 privary 43 795 833 34 003 476 14 288 171 31 54 960 - - - Reconsider fronding statement of Deckeed is Deckeed is				2.01						
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organetensive income 17.632.494 9.792.377 51533.64 11113211 - - - Total 61.428.347 43.795 833 65.811805 12.68171 - - - Defened tax asset (11.985 818) (2.298.080) (776.822) (702.885) - - - Defened tax asset (11.985 818) (2.298.080) (776.822) (702.885) - - - - Defened tax asset (11.985 818) (2.298.080) (776.822) (702.885) -										
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Defend takibility 7341416 46.093933 73588.63 14971056 - - - Total 6128377 37588.53 65821805 14268171 - - - Volption lability A 3759583 65821805 14268171 - - - At 1 pruay 10051246 6097294 3221553 558099 - - - - Recessing from momont/endimiteres 1326480 (113108) 1028360 681724 - <th< th=""><td></td><td>Disclosed as</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></th<>		Disclosed as								
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20 Put option liability At 1 january initial recognition non-controlling interest Remeassurement gain Acrossing balance 10 051 246 (1 131 018) 13 264 826 6 097 294 (1 131 018) 10 283 660 (5 15 798 5 58 099 (1 97 294 -							-	-	-	-
At 1 january 10051246 6097294 3 221553 568 099 - - - Redeasification from non-criticaling interest 13 264 826 (1131 018) 10 283 660 681 724 -		lotal	61 428 347	43 /95 853	65 821 805	14 268 1/1	-	-	-	-
At 1 january 10051246 6097294 3 221553 568 099 - - - Redeasification from non-criticaling interest 13 264 826 (1131 018) 10 283 660 681 724 -	20	Put option liability								
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non-controlling interest 13 264 826 (1131 018) 10 283 660 681 724 - - - Remeassumment gain 20 094 520 6 151 798 17 735 040 1971 730 - - - Monetary gain/loss 712 170 333 (1066 828) - - - - - - Idesing balance 31 240 253 10 051 246 31 240 253 3221 553 - - - - If expense 15 714 593 9 128 799 10 580 600 984 874 - - - - Heatth insuarce 82 070 792 37 856 166 40 329 665 4954 663 - - - - Property and casulty 101 724 252 50 304 220 55 503 661 6 579 753 - - - - Dividend received 2078 769 63 756 816 805 7 999 - - - - - Dividend received 2078 769 63 756 816 805 7 999 - - - - - - - - - -			-	-	-	-	-	-	-	-
Remeassurement gain 20094 520 6 15 1798 17 735 040 1971 730 -										
Monetary gain/Los 12 12 70 339 (1066 828) -		2		. ,			-	-	-	-
adjustment (12 170 33) (10 66 828) - <th< th=""><td></td><td>2</td><td>20 094 520</td><td>6 151 798</td><td>17 735 040</td><td>1971730</td><td>-</td><td>-</td><td>-</td><td>-</td></th<>		2	20 094 520	6 151 798	17 735 040	1971730	-	-	-	-
21 Insurance contract revenue 15 714 593 9 128 799 10 580 600 984 874 - - - Health insurance 82 070792 37 896 166 40 329 655 4954 663 - - - Property and casualty 101724 252 50 304 200 755 -		adjustment	(12170339)	(1066828)	-	-	-	-	-	-
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Property and casuality 101 724 252 50 304 220 55 503 661 6 507 753								-		-
Total199 509 63797 329 185106 413 92612 519 29022Net investment income2078 76963 756816 8057 999Dividend received2078 76963 756816 8057 999Fair value gain on unquoted equities at fair value gain on quoted equities at fair value gain on quoted equities at fair value through profit3 957 79725 236 1061 576 142Investment expenses(8 983 179)(2 467 842)(3 529 736)(3 09 620)Provestment expenses(8 983 179)(2 467 842)130 470 8667 287 391Net Investment return from equities89 258 4953 130 662130 470 8667 287 391Net Investment return from equities97 788 6024 684 373152 994 0418 561 912Interest revenue from financial assets not measured at FVIPL9 133 3191 361 6333 412 967247 571Fair value gain/(loss) on gold coirs2 353 715-2 940 132Total net investmentImage: set sond gold coirs2 353 715-2 940 132Total net investment							-	-	-	-
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quoted equities at fair value through profit or loss 89 258 495 3 130 662 130 470 866 7 287 391 Net Investment return from equities 97 788 602 4 684 373 152 994 041 8 561 912 Interest revenue from financial assets not measured at PVTPL 9 133 319 1 361 633 3 412 967 247 571 Fair value gain/(loss) on gold coins 2 353 715 2 940 132 Total net investment Image: set and s			(8 983 179)	(2467842)	(3 529 736)	(309 620)	-	-	-	-
or loss 89 258 495 3 130 662 130 470 866 7 287 391 - - Net Investment return from equities 97 788 602 4 684 373 152 994 041 8 561 912 - - - Interest revenue from financial assets not measured at FVTPL 9 133 319 1 361 633 3 412 967 247 571 - - - Fair value gain/(loss) on gold coins 2 353 715 - 2 940 132 - - - - Total net investment Image: set the		quoted equities at fair								
return from equities 97 788 602 4 684 373 152 994 041 8 561 912 - - - Interest revenue from financial assets not measured at FVTPL 9 133 319 1 361 633 3 412 967 247 571 - <td< th=""><td></td><td>or loss</td><td>89 258 495</td><td>3 130 662</td><td>130 470 866</td><td>7 287 391</td><td>-</td><td>-</td><td>-</td><td>-</td></td<>		or loss	89 258 495	3 130 662	130 470 866	7 287 391	-	-	-	-
financial assets not measured at FVTPL 9 133 319 1 361 633 3 412 967 247 571 Fair value gain/(loss) on gold coins 2 353 715 - 2 940 132 - - Total net investment		return from equities	97 788 602	4 684 373	152 994 041	8 561 912	-	-	-	-
Fair value gain/(loss) on gold coins 2 353 715 2 940 132 - - Total net investment		financial assets not								
gold coins 2 353 715 - 2 940 132 - - - Total net investment Image: Color of the state o			9 133 319	1 361 633	3 412 967	247 571				
Total net investment			2 353 715	-	2 940 132	-	_	-	_	-
income 109 275 636 6 046 006 159 347 140 8 809 483		Total net investment								
		income	109 275 636	6 046 006	159 347 140	8 809 483	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

		INFLATION		HISTORIC		INFLATION		HISTORIC	
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
		GROUP	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY	COMPANY
		30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22
		ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000
		22000	22000	22000	22000	22000	2.112000	22000	2112000
23	Insurance service expenses								
	Incurred claims and other directly attributable expenses	257 351 556	75 824 674	192 385 200	11 213 496	-	-	-	-
	Changes that relate to past service - adjustments to the LIC	244 157	1 198 554	95 881	150 593		-		-
	Insurance acquisition cash flows amortisation	52 188 633	21 872 759	37 643 274	3 022 441	-	-	-	-
	Total insurance daims and loss adjustment								
	expenses	309 784 346	98 895 987	230 124 355	14 386 530	-	-	-	-
24	COBE (24.31) and IFRS mandatory disclosures								
	Staff costs	25 690 205	12 924 843	12 598 322	1 728 142	-	-	-	-
	Directors' fees - Holding company	539 622	100 614	264 628	13 453	-	-	-	-
	- Group companies	1 732 727	523 785	849 719	70 034	-	-	-	-
	Depreciation of property, vehicles and equipment	1 107 550	415 098	115 511	13 527		-		-
	Audit fees	649 520	587 001	318 521	78 486	-	-	-	-

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Directors: A R T Manzai (Chairman), D Hoto* (Group Chief Executive Officer), W M Marere* (Group Finance Director) G Baines, F Mabena, M Mangoma, A Masiiwa, E Mkondo, E K Moyo, M Mukondomi, I P Z Ndlovu, S V Rushwaya (* Executive Director) 5 FIRST MUTUAL HOLDINGS LIMITED, First Mutual Park, 100 Borrowdale, Barare, Zimbabwe | P 0 Box BW 178, Borrowdale, Harare | Tel: +263 (242) 886 000 - 17 | E-mail: info@firstmutualholdings.co.zw | Website: www.firstmutual.co.zw @ 🗙 🗗

HOLDINGS LIMITED

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Preliminary Report - Abridged Financial Results For The Period Ended 30 June 2023

SEGMENTAL	RESULTS	AND	ANALYSI	S
		r 2022		

(99 554 966)

33 709 685

(5921698)

5 021 708

270 117 461 225 555 915 55 752 012 350 421 775 139 130 343

146 711 141

(877 923) (23 765 273)

47 592 224

(10186)

FOR THE PERIOD ENDED 30 JUNE 2023

INFLATION ADJUSTED

As at 30 June 2023

Fair value adjustments

on investment property

Net Investment income

Fees and other income

Intersegment revenue

Profit before income tax

Income tax expense

Insurance finance result

Total assets

Movement in investment contract liabilities

Total liabilities

Cash flows from operating activities

Cash flows generated from/(utilised in) investing activities

Cash generated from/ (utilised in) financing activities

As at 31 December 2022 Insurance contract

revenue

Rental income

Total income

Total expenses

Profit/(loss) before

Income tax expense

Insurance finance result (153 052 253)

incomè tax

Total assets

Fair value adjustments on investment property

Net Investment income

Fees and other income

Intersegment revenue

Insurance contract

Rental income

Total income

Total expenses

revenue

	30 JUNE 2023								FOR THE PERIOD ENDED								
	Life and Health		Reinsurance	Property	Other	Gross Figures	Consolidation Entries	Total Consolidated	HISTORICAL COST	Life and Health	General Insurance	Reinsurance	Property	Other	Gross Figures	Consolidation Entries	Total Consolidated
	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	As at 31 December 2023	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWLOOO
	97 785 384	44 038 920 886 974	60 816 823	7 874 869	193 769	202 641 127 8 955 612	(3 131 490) (962 106)	199 509 637 7 993 506	Insurance contract revenue Rental income	50 910 265	23 216 378 430 386	33 708 383	- 7 195 720	- 13 501	107 835 026 7 639 608	(1421100) (3924512)	106 413 926 3 715 096
y		36 584 992		512 076 067	9 368 323	558 029 382	(47686714)	510 342 668	Fair value adjustments							. ,	
e	380 925 201	10 370 264	21 224 940	1 827 066	277 166 983	691 514 454	(582 238 818)	109 275 636	on investment property	-	53 028 600	15 000 107	744 433 093	12 410 100	809 871 793	(63 209 131)	746 662 662
ŝ	13 568 600	20 793 136	30 870 572	6 787 293	13 759 028	85 778 629	(2084274)	83 694 355	Fee and other income	556 140 318 12 127 998	6 879 263 13 870 865	15 908 106 29 968 613	324 484 6 405 235	267 858 804 15 936 135	847 110 976 78 308 846	(687 763 836) (2 723 128)	159 347 140 75 585 718
-	492 279 185	112 674 286	112 912 335	528 565 295	300 488 103	1 546 919 204	(636 103 402)	910 815 802								. ,	
-									Total income	619 178 580	97 425 492	79 585 103	758 358 532	296 218 540	1 850 766 248	(759 041 706)	1 091 724 542
	299 023 879	47 874 695	5 010 382	53 513 702		636 103 403	(636 103 403)	-	Intersegment revenue	394 885 524	40 493 993	2 273 760	73 847 007	247 541 422	759 041 706	(759 041 706)	-
	. ,	(21 645 583)	(9 495 486)	. ,	(16 500 472)	(75 044 502)	1 223 908	(73 820 594)	Total expenses	(11565573)	(18 328 648)	(5915706)	(5436621)	(7 197 529)	(48 444 078)	1 261 170	(47 182 908)
X	(2,788,605)	61 110 112	41 738 098	(14 872 415)	286 113 004	1 048 323 383 (23 862 559)	(638 178 354) - 94 531	410 145 029	Profit before income tax	178 326 155	42 112 958	30 306 616	752 477 333	278 683 639	1 281 906 702	(739677541)	542 229 161
	. ,	x ,		· · · · ·	· · · ·	2 500 564 747	-	1 367 311 128	Income tax expense	(3614880)	(18 124 061)	6 888 672	(39 188 342)	(1647130)	(55685741)	124 993	(55 560 748)
						-	-		Total assets	689 569 711	269 957 693	164 035 869	868 494 803	366 525 217	2 358 583 293	(1 017 290 646)	1 341 292 647
t	(269 945 114)	-	-	-	-	(269 945 114) -	-	(269 945 114)	Insurance finance result	(366 580 208)	-	-	-	-	(366 580 208)		(366 580 208)
	(13 761 036)	-	-	-	-	(13 761 036) -	-	(13 761 036)	Movement in investment contract liabilities	(20205742)	-	-	-	-	(20205742)	-	(20 205 742)
	490 758 819	187 546 183	161 103 434	58 974 473	43 831 453	942 214 361 -	(160 845 308) -	781 369 053	Total liabilities	490 571 968	189 214 935	134 581 935	56 664 558	43 744 301	914 777 696	(116 650 481)	798 127 215
	8 043 350	37 902 584	57 553 936	(1635793)	98 482 640	200 346 717 -	(145 835 648) -	54 511 069	Cash flows from operating activities	27 870 645	40 900 491	36 520 494	(2 163 991)	79 637 352	182 764 991	(100 247 716)	82 517 275
,	(16803947)	428 720	(42 458 477)	(622368)	(68 746 459)	(128 202 531) -	46 009 777 -	(82 192 754)	Cash flows generated from/(utilised in) investing activities	(12 916 356)	21 639	(22 442 638)	(241379)	(44536358)	(80 115 092)	35 592 759	(44 522 333)
	(50 002)	(2 593 365)	3 643 049	(1632375)	1890631	1 257 939	5 494 894	6 752 833	Cash generated from/ (utilised in) financing activities	418 739	(846 951)	288 825	(611 475)	776 345	25 483	3 694 504	3 719 987
									As at 31 December 2022								
	47 024 965	32 705 929 1 324 141	18 750 217	3 556 823	46 997	98 481 111 4 927 961	(1151926) (1238045)	97 329 185 3 689 916	Insurance contract revenue Rental income	5 939 537	4 109 053 64 804	2 644 435	468 332	_	12 693 026 533 135	(173736) (43212)	12 519 290 489 923
y		20 971 838		145 895 994	862 935	167 730 767	(26714527)	141 016 240	Fair value adjustments							. ,	
e	44 783 250	3 634 900	310 104	293 767	42 578 584	91 600 604	(85 554 598)	6 046 006	on investment property	26 222 252	34 193	000 575	55 970 982	-	56 005 174	(8449) (44121562)	55 996 725
ē	2 955 849	3 064 171	446 114	2 916 127	10 518 830	19 901 090	(3226656)	16 674 434	Net Investment income Fee and other income	36 333 256 499 358	62 708 183 849	929 572 174 667	53 203 471 797	15 562 306 2 166 458	52 941 045 3 496 130	(44 131 562) (339 136)	8 809 483 3 156 994
-	94764064	61 700 979	19 506 435	152 662 710	54 007 347	382 641 534	(117 885 753)	264 755 781								(
-									Total income	42 772 152	4 454 607	3 748 674	56 964 313	17 728 764	125 668 510	(44 696 095)	80 972 415
	23 403 545	1 004 587	1843 082	30 747 830	60 886 709	117 885 753	(117 885 753)	-	Intersegment revenue	14 211 186	3 042 268	277 977	56 828	27 107 836	44 696 095	(44 696 095)	-
	(10780727)	(8347761)	(2065566)	(3330043)	(7523858)	(32 047 955)	4833012	(27 214 943)	Total expenses	(1467259)	(398090)	(180948)	(486 025)	(1280164)	(3812486)	508 754	(3 303 732)

SEGMENTAL RESULTS AND ANALYSIS

43 173 884

(9133941)

193 725 861

									Insurance finance result	(23 387 147)	-	-	-	-	(23 387 147)	-	(23 387 147)
Movement in investment contract liabilities	7 533 795	-	-	-	-	7 533 795	-	7 533 795	Movement in investment contract liabilities	(1627540)	-	-	-	-	(1627540)	-	(1627540)
Total liabilities	189 080 908	179 372 237	42 700 821	40 332 270	15 427 619	466 913 855	(98 168 554)	368 745 301	Total liabilities	60 584 706	29 899 622	13 981 441	12 765 617	4 728 958	121 960 344	(28 431 928)	93 528 416
Cash flows from operating activities	(18321662)	15 416 921	22 470 853	964 085	19 635 358	40 165 555	(20 833 636)	19331919	Cash flows from operating activities	5 820 672	2 267 036	7 319 686	168 132	3 457 845	19 033 371	(13873999)	5 159 372
Cash flows generated from/(utilised in) investing activities	(4411556)	362 816	(25767747)	(226 138)	(29647452)	(59690077)	48 400 726	(11 289 351)	Cash flows generated from/(utilised in) investing activities	(1396578)	3 591	(8675427)	(11317)	(11 473 836)	(21553567)	20 143 261	(1410306)
Cash generated from/ (utilised in) financing activities	(1648976)	(1344410)	(972 268)	(333 806)	1 064 746	(3234713)	2 704 195	(530 518)	Cash utilised in financing activities	(356 417)	(262 580)	(307 838)	(61 777)	356 783	(631830)	541 692	(90 138)

aredit

Total assets

Profit before income tax

Income tax (expense)/

(104 441 738)

(463 955)

(434 564 037)

133 479 792

(30 575 080)

1 040 977 506

(153 052 253)

29 038 054

(31 039 035)

606 413 469

(153 052 253)

11 522 989

1843688

(1070684)

86 375 538 71 418 505

905 176

(82254)

16 842 907

(69676)

43 954 175

56 478 288

(7931228)

18 085 325 111 918 346

87 593 049

(9153842)

331 751 887

19 901

(44 419 165)

(138 026 026)

Directors: A R T Manzai (Chairman), D Hoto* (Group Chief Executive Officer), W M Marere* (Group Finance Director) G Baines, F Mabena, M Mangoma, A Masiiwa, E Mkondo, E K Moyo, M Mukondomi, I P Z Ndlovu, S V Rushwaya (* Executive Director) 6 FIRST MUTUAL HOLDINGS LIMITED, First Mutual Park, 100 Borrowdale, Barrowdale, Harare, Zimbabwe | P 0 Box BW 178, Borrowdale, Harare | Tel: +263 (242) 886 000 - 17 | E-mail: info@firstmutualholdings.co.zw | Website: www.firstmutual.co.zw

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HOLDINGS LIMITED

Preliminary Report - Abridged Financial Results For The Period Ended 30 June 2023

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Supplementary information – United States Dollars Financial Statements

1. Background

Since 2018, Zimbabwe has undergone gone several changes in the economic and monetary policy framework including the re-introduction of the Zimbabwe dollar in a multi-currency environment. During the first half of the year, macroeconomic developments continued to be negatively impacted by price and exchange rate volatility, particularly in Q2 2023. Another trend was increasing dollarisation of economy. Significant policy interventions were implemented towards the end of the period aimed at slowing down the rate of local currency depreciation and resultant inflationary pressures. To curb against the risk of currency volatility and to maintain product relevance, most of our dients either migrated to the option of settling in USD currency or maintained ZVI. policies that adjusted in line with inflation trends. The above developments resulted in the Group earning approximately, 56% of its Insurance Contract Revenue (ICR) is in foreign currencies which included USD, BWP and MZN as shown below:

Table 1: Insurance contract revenue by region

Region	Original currency	USD equivalent	Contribution
	000	USD000	%
Zimbabwe	USD33,331	33,331	54%
Botswana	BWP143,192	10,934	18%
Mozambique	MZN 99,949	1,565	3%
Sub-total – ICR in foreign currencies		45,830	75%
Zimbabwe	ZWL51,872,506	16,206	25%
Consolidated Insurance Contract Revenue		62,036	100%
Percentage in USD and other foreign currencies		74%	

Over time, the ZWL inflation adjusted financial information has become less useful to users due to distortions arising from multiple exchange rates in the environment and the moderate correlation between inflation and exchange rate trends. Supplementary information has been added to provide a more complete picture of the performance of the Group to our stakeholders. To enhance usefulness of the supplementary information presented below, several assumptions which consider the various economic and policy developments that the country is currently experiencing, including but not limited to inflation and exchange rate movements.

2. Methodology

The following methodology was undertaken in preparing the financial information presented below:

- Segregate the pure USD transactions and balances (including all transactions denominated in other foreign currencies) from the pure ZWL transactions and balances.
- ii. For the Statement of profit or loss the historical ZWL transactions were translated using an average estimated economic rate and then combined with the pure USD transactions to determine at the USD equivalent amounts.
- iii. For the Statement of Financial Position, non-monetary items are converted at the estimated economic rate on the date of acquisition or disposal and for monetary items the estimated closing economic rate is used with resultant foreign exchange gain or losses arising from non-USD currencies.

Supplementary information - United States Dollars Financial Statements

Shown below is summarised information:

Consolidated Statement of Profit or Loss for the period ended 30 June 2023

	30-Jun-23	30-Jun-22	Growth
	USD000	USD000	%
Insurance contract revenue	62,036	53,884	15%
Insurance service result	8,803	9,738	-10%
Rental Income	2,968	2,206	35%
Net foreign exchange movements	228	(127)	279%
Net operating income	3,622	3,368	8%
Net investment return	4,963	(8,601)	158%
Profit before taxation	10,830	(694)	1659%
Profit for the period	9,211	(1,510)	710%

Consolidated Statement Financial Position as at 30 June 2023

	30-Jun-23		Growth
	USD000	USD000	%
ASSETS			
Other assets	42,334	36,761	15%
Investment property	122,727	117,163	5%
Reinsurance contract assets	3,911	2,434	61%
Cash and cash equivalents	32,724	31,019	5%
Total assets	201,696	187,377	8%
EQUITY AND LIABILITIES			
Shareholder equity	60,173	54,120	12%
Non-controlling interest	32,286	30,739	5%
Total equity	92,459	84,859	9%
Total liabilities	109,237	102,518	7%
Total equity and liabilities	201,696	187,377	8%

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