

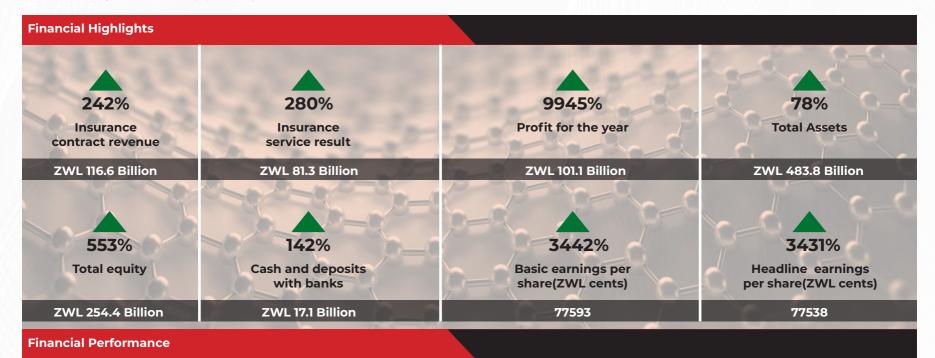
Abridged Audited Consolidated Financial Results

FOR THE YEAR ENDED 31 DECEMBER 2023

SHORT-FORM FINANCIAL ANNOUNCEMENT

Issued in terms of practice Note 13 of the Zimbabwe Stock Exchange (ZSE)

The Board of Directors of Fidelity Life Assurance of Zimbabwe Limited (the "Company") present summarized audited financial information of the Company and its subsidiaries (together the "Group") for the year ended 31 December 2023.



	INFLATION ADJUSTED HISTORICAL			
	31 December 2023 % change		31 December 2023	% change
	ZWL(Billion)		ZWL(Billion)	
	116.6	242%	48.5	962%
	81.3	280%	23.8	1598%
	101.1	9945%	243.4	541%
	483.8	78%	479.5	760%
	254.4	553%	253.3	947%
vith banks	17.1	142%	17.1	1063%
er share (ZWL cents)	77,593	3442%	194,971	510%
ngs per share (ZWL cents)	77,538	3431%	194,912	510%

Dividend

Due to the need to strengthen the capital position of the company, the Board resolved not to recommend the declaration of a dividend for the period ended 31 December 2023.

Independent Auditor's Statement

This short form financial announcement derived from the audited consolidated inflation adjusted financial statements of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries "the Group" for the financial year ended 31 December 2023, should be read together with the complete set of audited consolidated inflation adjusted financial statements of the Group, for the year ended 31 December 2023, which have been audited by Grant Thornton Chartered Accountants (Zimbabwe). The auditor's report was signed by Farai Chibisa, Registered Public Auditor 0547. An adverse opinion has been issued on the audited consolidated inflation adjusted financial statements of the Group regarding the upgrade of its accounting, administration and information technology infrastructure to align with the requirements of IFRS 17 - Insurance contracts, non-compliance with International Accounting Standard (IAS) 29 - Financial Reporting in Hyperinflationary Economies, misstatement of fair value gains recognised in comparative consolidated inflation adjusted statement of profit or loss and other comprehensive income for the year ended 31 December 2022 and inclusion of the unaudited financial statements of Vanguard Life Assurance Limited in the consolidated inflation adjusted financial statements.

The auditors determined that there were no key audit matters to be communicated in their report. The auditor's report has been lodged with the Zimbabwe Stock Exchange.

This Short-Form Financial Announcement is the responsibility of the Directors of Fidelity Life Assurance of Zimbabwe Limited and is only a summary of the information contained in the full announcement and does not contain full or complete details. Any investment decisions by investors or shareholders should be based on consideration of the full announcement.

A copy of the full set of the financial statements will be shared with shareholders using the latest e-mail addresses provided by the shareholders and will be available upon request, and for inspection at the Company's registered office at 66 Julius Nyerere Avenue, Harare. The full set of financial statements is also available at no cost on the Zimbabwe Stock Exchange **website**: www.zse.co.zw and the company **website**: www.fidelitylife.co.zw

Livingstone T. Gwata Chairman 24 April 2024



FOR THE YEAR ENDED 31 DECEMBER 2023

CHAIRMAN'S STATEMENT



Livingstone T. Gwata

lam pleased to present to you the audited financial statements for Fidelity Life Assurance of Zimbabwe Limited ("FLA") or the ("Company") together with its subsidiaries ("the Group") for the year ended 31 December 2023.

Climbabwe's economy is estimated to have registered growth of 5.5% in 2023, which represents a slowdown from the 6.5% growth achieved in 2022. The marginal growth was anchored by Agriculture which registered growth of 11.1% and contributed 12.6% to economic growth. The mining sector was hampered by depressed commodity prices thereby achieving a 4.8% growth against expected growth of 10.4%. Despite the subdued growth, the mining sector remained the highest contributor to GDP at 13.2%.

The macroeconomic environment was highly volatile particularly in the first half of the year. The local currency rapidly depreciated and prices of goods and services sky-rocketed. The preference and use of foreign currency further grew as businesses sought refuge in the stability of the United States Dollar. The increased use of foreign currency was reflected in the Group's revenue for the year. The proportion of foreign currency revenue grew to over 80% from the prior year of 25%. The economy witnessed a relatively stable second half following fiscal and monetary policy interventions that slowed down the deprecation of the ZWL.

Government extended the multiple currency regime to 2030 through. SI 218 of 2023. The move ended the uncertainty that had gripped the market as government buttressed the need for a mono-currency as a precursor for economic development. The extension of the multiple currency regime in an environment that is predominantly transacting in foreign currency eased business planning.

The pronouncements by several Western governments indicating some easing of restrictive measures/sanctions on Zimbabwe and their call for foreign businesses and financial institutions to have a new look at Zimbabwe's markets are causes for optimism. Although the proposed reconfigurations fall short of the desired full, unconditional litting of restrictive measures, to gones no apportunity for further engagement with the global community.

ment projects that economic growth will slow down to 3.5% due to depressed agriculture output arising from the El-Nino phenomenon. The economic slowdown and resultant decline in mineral commodity prices is also expected to take a toll on the Zimbabwe economy. Demand for a currency is set to increase as the country imports grain to supplement local production. We expect the use of foreign currency in domestic ctions to remain on upward trajectory despite government efforts to stabilise the exchange rate and introduction of a new currency. Our essess are however geared to grow the proportion of foreign currency revenue for sustainability and profitability.

IFHS 17 REPORTING
The Group has adopted IFRS 17 Insurance Contracts from 1 January 2023 replacing IFRS 4 Insurance Contracts. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts and investment contracts with discretionary participation features. It introduces a model that measures groups of contracts based on the Group's estimates of the present value of future cash flows that are expected to arise as the Group fulfils the contracts, an explicit risk adjustment for non-financial risk and a Contract Service Margin (CSM).

Inflation adjusted insurance contract revenue recorded a strong growth of 242% compared to prior year from ZWL34.1 billion to ZWL116.6 billion. Historical cost insurance contract revenue grew by 962% compared to prior year from ZWL4.6 billion from Insurance contract revenue was on the back of the Group's innovative product development belaning fruits and increased uptake of the company's products offering on the market. Significant growth in premium initiows was waterested through the Vaka Yako product contributing 38% of the Individual life premiums. The Zimbabwe operation contributed 62% (2022-56%) of the Individual side of the Indiv

Insurance service result increased by 280% on an inflation adjusted basis and increased by 1598% under historical cost underpinned by real grov insurance contract revenue. This is despite an increase in insurance service expenses propelled by the increase in claims and directly attributable due to the inflationary environment prevailing in Zlimbabwe and the regional business operation.

Net investment income grew by 91% compared to prior year from ZWL37.0 billion to ZWL70.8 billion on an inflation adjusted basis. Historical cost net investment income grew by 241% compared to prior year from ZWL20.8 billion to ZWL71.0 billion. The major drivers being fair value gains from investment property, equities and interest income from money market investments.

The Group profit for the period increased by 9945% on an inflation adjusted basis from ZWL1.0 billion to ZWL1011 billion. Under historical cost, profit for the period grew by 547% from ZWL38 billion to ZWL243.4 billion. The positive profit growth was driven by the increase in insurance contract revenue and investment income.

Business Operations Overview
Notwithstanding the challenges in the operating environment, the business witnessed yet another year of growth anchored by organic growth of the existing book as well as acquisition of new business. The Group also expanded its distribution channels through both traditional and digital means to provide convenience and enable ease of doing business with its various stakeholders. Products for the policyholders continued to be improved and enhanced in response to evolving policyholder expectations as well as a conditions obtaining in the environment.

The Brand
The FLA brand continues to diligently uphold its commitment to providing market driven products to meet customer's needs. Through innovation and an unwavering dedication, we have strengthened our position as a trusted partner. With over 80 years' experience in the business, the FLA brand stands as a beacon of stability and integrity in an ever-evolving industry landscape.

As we continue to adapt to changing market dynamics and embrace emerging technologies, we have embarked on a Group wide digitalization and systems upgrade aimed at enhancing convenience at all our customer touch points.

We continue to seek both private and public partnerships with market players that align to our brand ethos of exceptional service delivery and value. This is in line with our dedication to offer relevant, all-inclusive products which cut across peak and bottom of the market spectrum.

ouring the reporting period, the FLA brand received several accolades including 1st Runner up—Best Governance and Best Internal Audit and ompliance from the Chartered Governance and Accountancy Institute of Zimbabwe. Our 'Vaka Yako' product was the Corporate Shared Value (CSV vestment) 2023 Best Product winner. This recognition bears testimony to the brand's commitment to providing unmatched service quality and eople-driven solutions in all our operations.

Regulatory Asset Separation Exercise
On the 27th of March 2024, the Regulator, the Insurance and Pensions Commission of Zimbabwe (IPEC) granted its approval for our asset separation proposal, and we are now proceeding to operationalize the approved proposal.

Having regard to the Group's dividend policy, the board resolved not to recommend a final dividend for the year ended 31 December 2023 on account the Group's capital requirements position

Delivering positive impacts on society, economy, and the environment for a better world is an imperative and reality for the insurance sector. As FLA, we have a responsibility to ensure sustainability anchors our business value chains and the services we offer. Our goal is to leverage on building and delivering sustainable insurance products and services to our clients and stakeholders. The Company remains committed to integrate environmental, social, and governance excellence in our strategy, policies, products, and services.

DirectorateThere were no changes to the Board of Directors during the reporting period.

The global space is likely to remain characterized by the two major ongoing conflicts, the Russia-Ukraine and Israel-Palestine wars. These current epicenters of geopolitical tensions have the potential to cause far reaching adverse effects in terms of food shortages, supply hain disruptions and rise in global petroleum products which in turn can cause an increase in production cost and cause volatility in international markets globally.

The central government remains committed to the attainment of the vision 2030 goals under NDSI and NDS2 through various projects which include among others infrastructure projects in road and dam construction and rehabilitation, as well as irrigation projects. This is commendable given aggregate demand created in the value chain and beneficiation in the steel and chrome mining sector.

Given the above, the business remains on high alert to these activities and will continue to monitor and carefully adapt to these changing circumstant to deliver value to its key stakeholders. The business will be preserving its cash wallet through responsible spending and targeted investment in products that survive the test of time. Innovation will be key in also driving the products that create and preserve shareholder and policyholder value.

Appreciation
Lextend my sincere gratitude to management and staff for their great commitment to the call of duty and wish them well in steering our great business
in a turbulent operating environment. Our stakeholders and my fellow directors have demonstrated an unwavering support and commitment to the
success of the business and for this we are all truly thankful.



Livingstone T. Gwata

A member of the ZML Group

Condensed Consolidated Statement of Financial Position

		INFLA	ATION ADJUSTE	GRO		STORICAL COST	
		31-Dec-23	31-Dec-22	31-Dec-21	31-Dec-23	31-Dec-22	31-Dec-2
		ZWL	ZWL	ZWL	ZWL	ZWL	zw
ASSETS	Notes						
Property and equipment	5	38 039 526 906	19 791 238 399	13 126 837 331	36 437 590 923	3 897 472 350	774,216,1
Right of use asset		866 635 315	436 867 614	457 414 926	562 523 249	90 912 297	27,690,3
Investment property	6	296 952 282 425	173 458 227 447	100 208 718 136	296 952 282 425	36 096 715 231	6,066,289,0
Intangible assets		1 866 206 514	1638 044 745	1 491 226 866	1154 406 120	236 804 436	70,405,5
Other non current assets		924 537 008	230 370 554	-	924 537 008	47 940 190	
Insurance Contract Assets	11	5 803 273 861	7 500 478 817	4 144 947 626	5 803 273 861	1 560 852 154	250,920,
Inventories		1 663 760 577	1 609 749 572	1 609 752 780	29 129 901	4 881 663	2,759,4
Other receivables	8	29 601 051 417	10 058 670 451	5 126 784 200	29 601 051 417	2 093 212 689	309,811,8
Financials assets at fair value through other comprehensive income		107 371 060		-	107 371 060	•	
Financial assets at fair value through profit or loss	9	67 383 303 831	26 844 390 175	19 494 633 647	67 383 303 831	5 586 326 587	1,180,137,6
Debt securities at amortised cost		23 002 612 402	22 427 114 814	10 321 065 727	23 002 612 402	4 667 090 105	624,801,6
Biological assets		462 478 523	-	-	462 478 523		
Cash and deposits with banks	10	17 101 678 476	7 064 912 754	7 432 286 308	17 101 678 476	1 470 210 710	449 923
otal assets		483 774 718 315	271 060 065 342	163 413 667 547	479 522 239 196	55 752 418 412	9 756 956
OUITY AND LIABILITIES							
quity attributable to equity holders of the parent							
sued share capital		805 843 111	805 843 111	805 843 111	1 089 233	1 089 233	1089
ihare premium		496 725 957	496 725 957	496 725 957	671 409	671 409	671
reasury shares		(7 425 638)	(7 425 638)	(7 425 638)	(10 037)	(10 037)	(10
Retained earnings		84 523 648 176	793 435 568	3 299 178 163	245 040 942 033	34 629 390 353	157 627
Revaluation reserve		24 045 452 722	7 378 572 463	1 088 544 451	33 901 166 537	3 279 856 229	100 464
oreign currency translation reserve	_	10 966 813 479	3 541 152 947	140 583 583	8 142 265 947	1132 049 077	125 436
otal ordinary shareholder's equity		120 831 057 807	13 008 304 408	5 823 449 627	287 086 125 122	39 043 046 265	385 278
Non-controlling interests	1 1 W	35 449 914 325	23 260 344 452	14 196 196 203	38 078 478 833	5 456 386 127	852 750
nsurance reserve		98 130 363 607	2 671 794 124	14 252 376 266	(71 833 645 519)	(20 294 223 394)	(656 950
otal Equity	- W T	254 411 335 739	38 940 442 984	34 272 022 096	253 330 958 436	24 205 208 998	581 078
iabilities							
nsurance contract liabilities	n	163 659 007 584	174 739 613 807	99 065 757 401	163 659 007 584	20 093 135 315	7 516 838
nvestment contract liabilities	11.3	19 500 810 198	26 861 144 769	15 711 995 367	19 500 810 198	5 589 813 223	951149
orrowings	12	4 592 510 981	968 501 832	1099 085 813	4 592 510 981	201 545 556	66 534
orrowings referred tax liabilities	12	12 745 685 337	7 585 789 241	4 490 937 292	12 345 435 160	1665 264 441	270 868
eterred tax liabilities ease obligations		12 745 685 337 875 311 354	7 585 789 241 116 863 517	4 490 937 292 308 815 114	12 345 435 160 875 311 354	1 665 264 441 24 319 335	270 868
ease obligations rade and other payables	13	27 140 490 836	21 734 853 316	7 908 474 285	24 368 639 197	24 319 335 3 949 646 197	18 694 318 097
rade and other payables ncome tax liability	15	27 140 490 836 849 566 286	21 734 853 316 112 855 876	7 908 474 285 556 580 179	24 368 639 197 849 566 286	3 949 646 197 23 485 346	318 097
	_				2.222300	22 .22 70	
otal liabilities	1 1 1 1 <u>-</u>	229 363 382 576	232 119 622 358	129 141 645 451	226 191 280 760	31 547 209 413	9 175 877
Total equity and liabilities		483 774 718 315	271 060 065 342	163 413 667 547	479 522 239 196	55 752 418 412	9 756 956 (

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income FOR THE YEAR ENDED 31 DECEMBER 2023

		31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-2
	L	ZWL	ZWL	ZWL	zw
nsurance contract revenue	Notes 11.4	116.576.468.962	34.127.052.963	48.484.115.679	4.567.050.0
nsurance service expenses	11.4	(34,143,338,424)	(12,090,119,086)	(24,081,034,989)	(3,063,115,7
nsurance service result from insurance contracts issued		82,433,130,538	22,036,933,877	24,403,080,690	1,503,934,3
llocation of reinsurance paid		(1,599,484,555)	(1,157,614,214)	(903,280,948)	(158,298,5)
mount recoverable from reinsurers for incurred claims		495,363,611	513,311,442	331,586,569	57,777,3
surance service result	11.4	81,329,009,594	21,392,631,105	23,831,386,311	1,403,413,0
terest revenue from financial instruments not measured at ir value through profit or loss		3,105,324,620	183,181,280	3,075,257,982	66,276,
et income from other financial instruments at fair value rough profit or loss		24,084,809,034	(5,518,291,162)	20,158,432,294	816,719
let gains from fair value adjustments to investment properties		46,504,042,931	15,396,682,085	72,667,916,500	8,438,984,0
et change in investment contract liabilities		(81,298,770,261)	(4,868,058,299)	(29,339,218,800)	(3,852,114,5
ther net investment revenue		76,790,579,004	31,800,879,586	2,675,702,809	15,337,941,
et gain from foreign exchange		1,652,092,657		1,713,530,551	
et Investment Income	_	70,838,077,986	36,994,393,490	70,951,621,336	20,807,806,
surance finance expenses for insurance contracts issued		(20,976,426,906)	(3,833,264,586)	(8,120,944,832)	(625,076,4
einsurance finance income for reinsurance contracts held	_	-	-		
et insurance finance expenses et insurance and investment result	-	(20,976,426,906) 131,190,660,674	(3,833,264,586) 54,553,760,009	(8,120,944,832) 86,662,062,815	(625,076,4 21,586,143,
et income from other financial instruments at fair value		(368,606,341)	(432,811,858)	730,308,463	103,323,
rough profit or loss et gains from fair value adjustments to investment properties		2,651,004,929	42,234,306,714	184,895,610,000	19,444,249
ther investment income		435,837,234	45,605,077	137,554,285	8,272,
terest income from micro - lending		5,407,928,288	2,545,425,490	3,469,511,590	346,712
her income		2,607,369,939	7,703,930,932	1,779,924,132	1,112,193
erating and administrative expenses expenses		(29,358,322,262)	(7,156,340,094)	(22,297,039,574)	(3,271,702,
owance for expected credit losses on receivables		(126,080,462)	(126,152,421)	(26,845,956)	(26,248,
nance costs		(1,407,220,592)	(919,885,588)	(1,082,599,785)	(155,872,
et monetary gain/(loss)		(2,575,710,345)	(94,428,950,215)		
rofit before income tax expense		108,456,861,062	4,018,888,046	254,268,485,970	39,147,070,
come tax expense	_	(7,323,293,829)	(3,012,092,753)	(10,898,807,656)	(1,162,769,
rofit for the year	_	101,133,567,233	1,006,795,293	243,369,678,314	37,984,300,
THER COMPREHENSIVE INCOME					
ems that will not be reclassified to profit or loss:		16,666,880,259	6,296,932,594	30,621,310,308	2,931,609,
ins on property, plant and equipment revaluations					
ovement in insurance reserve		95,458,569,483	(11,580,582,142)	(51,539,422,125)	(19,637,272,6
come tax relating to components of other comprehensive income	-	112,125,449,742	(6,904,583) (5,290,554,131)	(20,918,111,817)	(16,705,663,
		12,013,668,408	5,278,496,535	11,341,102,984	1,582,434,
change differences on translating foreign operations	/		-		
ems that may be reclassified subsequently to profit or loss change differences on translating foreign operations come tax relating to components of other comprehensive income	/	12,013,668,408	5,278,496,535	11,341,102,984	1,582,434,
change differences on translating foreign operations		12,013,668,408 124,139,118,150	5,278,496,535	11,341,102,984	1,582,434;
change differences on translating foreign operations come tax relating to components of other comprehensive income the comprehensive income the comprehensive income for the period net of tax					
change differences on translating foreign operations come tax relating to components of other comprehensive income the comprehensive income the comprehensive income for the period net of tax		124,139,118,150	(12,057,596)	(9,577,008,833)	(15,123,228,
change differences on translating foreign operations ome tax relating to components of other comprehensive income her comprehensive income for the period net of tax TTAL COMPREHENSIVE INCOME FOR THE PERIOD offic for the period attributable to:		124,139,118,150 225,272,685,384	(12,057,596) 994,737,696	(9,577,008,833) 233,792,669,480	(15,123,228,
change differences on translating foreign operations ome tax relating to components of other comprehensive income her comprehensive income for the period net of tax TAL COMPREHENSIVE INCOME FOR THE PERIOD Office for the period attributable to: mes of the parent		124,139,118,150 225,272,685,384 83,730,212,608	(12,057,596) 994,737,696 (2,505,742,595)	(9,577,008,833) 233,792,669,480 210,411,551,679	(15,123,228, 22,861,072 34,471,762,
change differences on translating foreign operations ome tax relating to components of other comprehensive income on the comprehensive income for the period net of tax TAL COMPREHENSIVE INCOME FOR THE PERIOD Offit for the period attributable to: nness of the parent n-controlling interests		124,139,118,150 225,272,685,384	(12,057,596) 994,737,696	(9,577,008,833) 233,792,669,480	(15,123,228, 22,861,072 34,471,762, 3,512,537,
change differences on translating foreign operations ome tax relating to components of other comprehensive income on the comprehensive income for the period net of tax TAL COMPREHENSIVE INCOME FOR THE PERIOD Office for the period attributable to: ones of the parent n-controlling interests all profit for the period		124,139,118,150 225,272,685,384 83,730,212,608 17,403,354,625	(12,057,596) 994,737,696 (2,505,742,595) 3,512,537,888	(9,577,008,833) 233,792,669,480 210,411,551,679 32,958,126,634	(15,123,228, 22,861,072 34,471,762, 3,512,537,
change differences on translating foreign operations one tax relating to components of other comprehensive income one comprehensive income for the period net of tax TAL COMPREHENSIVE INCOME FOR THE PERIOD Offit for the period attributable to: mess of the parent —controlling interests ala profit for the period all comprehensive income attributable to:		124,139,118,150 225,272,685,384 83,730,212,608 17,403,354,625	(12,057,596) 994,737,696 (2,505,742,595) 3,512,537,888	(9,577,008,833) 233,792,669,480 210,411,551,679 32,958,126,634	22,861,077 22,861,077 34,471,762 3,512,537, 37,984,300
change differences on translating foreign operations come tax relating to components of other comprehensive income for the period net of tax TAL COMPREHENSIVE INCOME FOR THE PERIOD Joffs for the period attributable to: where of the parent. In-controlling interests tax and a comprehensive income attributable to: where of the parent tax and the period tax of the parent		124,139,118,150 225,272,685,384 83,730,212,608 17,403,354,625 101,133,567,233	(12,057,596) 994,737,696 (2,505,742,595) 3,512,537,888 1,006,795,293	(9,577,008,833) 233,792,669,480 210,411,551,679 32,9581,126,634 243,369,678,314	(15,123,228,
change differences on translating foreign operations come tax relating to components of other comprehensive income		124,139,118,150 225,272,685,384 83,730,212,608 17,403,354,625 101,133,567,233	(12,057,596) 994,737,896 (2,505,742,595) 3,572,537,888 1,006,795,283	(9,577,008,833) 233,792,669,480 210,411,551,679 32,5581,256,534 243,369,678,314	22,861,077 34,471,762, 3,512,537, 37,984,300, 38,657,767





FOR THE YEAR ENDED 31 DECEMBER 2023

Condensed Consolidated Statement of Changes in Equity

					INFLA	ATION ADJUSTED				
CROUP	Share capital	Share premium	Treasury shares	Retained earnings	Revaluation reserve	Foreign currency translation reserve	Attributable to shareholders of parent	Non-controlling interest	Insurance Reserve	"Total equity"
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Year ended 31 December 2022							17 //			
Balance at 1 January 2022 as previously stated	805 843 111	496 725 957	(7 425 638)	3 299 178 163	1 088 544 451	140 583 583	5 823 449 627	14 196 196 203	-	20 019 645 830
Impact on initial application of IFRS 17	-	-	-	///-	-	-	-	//2	14 252 376 266	14 252 376 266
Restated balance at 1 January 2022	805 843 111	496 725 957	(7 425 638)	3 299 178 163	1 088 544 451	140 583 583	5 823 449 627	14 196 196 203	14 252 376 266	34 272 022 096
Profit for the year	-	-	-	(2 505 742 595)	-		(2 505 742 595)	3 512 537 888	V	1 006 795 293
Other comprehensive income for the year			-	-	6 290 028 011	3 400 569 364	9 690 597 376	1 877 927 170	(11 580 582 142)	(12 057 596)
Comprehensive income for the year	-	-	-	(2 505 742 595)	6 290 028 011	3 400 569 364	7 184 854 781	5 390 465 058	(11 580 582 142)	994 737 697
Non controlling interest on acquisition of subsidiary	-	-	-	\ \	1 1 1 2	-		3 673 683 191	-	3 673 683 191
Balance at 31 December 2022	805 843 111	496 725 957	(7 425 638)	793 435 568	7 378 572 463	3 541 152 947	13 008 304 408	23 260 344 452	2 671 794 124	38 940 442 984
Year ended 31 December 2023										
Balance at 1 January 2023	805 843 111	496 725 957	(7 425 638)	793 435 568	7 378 572 463	3 541 152 947	13 008 304 408	23 260 344 452	2 671 794 124	38 940 442 984
Profit for the year	_	-	-	83 730 212 608	11/11/1	\\\\\ <u>.</u>	83 730 212 608	17 403 354 625		101 133 567 234
Other comprehensive income for the year	-	-	_	-	16 666 880 259	7 425 660 532	24 092 540 791	4 588 007 876	95 458 569 483	124 139 118 150
					ANN			111/1//		
Comprehensive income for the year	-	-	-	83 730 212 608	16 666 880 259	7 425 660 532	107 822 753 399	21 991 362 501	95 458 569 483	225 272 685 384
Non controlling interest on acquisition of subsidiary			-	-		-		(9 801 792 628)		(9 801 792 628)
Balance at 31 December 2023	805 843 111	496 725 957	(7 425 638)	84 523 648 176	24 045 452 722	10 966 813 479	120 831 057 807	35 449 914 325	98 130 363 607	254 411 335 739

The above consolidated statement of changes in equity should be read in conjunction with the accompanying

						ORICAL COST				
GROUP	Share capital	Share premium	Treasury shares	Retained earnings	Revaluation reserve	Foreign currency translation reserve	Attributable to shareholders of parent		Insurance Reserve	"Tot: equity
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	zw
ear ended 31 December 2022		1	'			1				
alance at 1 January 2022 as previously stated	1,089,233	671,409	(10,037)	157,627,445	100,464,382	125,436,207	385,278,639	852,750,657	-	1,238,029,29
npact on initial application of IFRS 17	-	-	-	-	-	-	-	-	(656,950,767)	(656,950,76
estated balance at 1 January 2022	1,089,233	671,409	(10,037)	157,627,445	100,464,382	125,436,207	385,278,639	852,750,657	(656,950,767)	581,078,52
ofit for the year	-	-	-	34,471,762,908	-	-	34,471,762,908	3,512,537,889	_	37,984,300,79
her comprehensive income for the year		-	-	-	3,179,391,847	1,006,612,870	4,186,004,717	328,039,723	(19,637,272,627)	(15,123,228,186
mprehensive income for the year	-	-	-	34,471,762,908	3,179,391,847	1,006,612,870	38,657,767,626	3,840,577,612	(19,637,272,627)	22,861,072,6
n controlling interest on acquisition of subsidiary	-	-	-	-	-	-	-	763,057,859	\ <u>-</u>	763,057,85
alance at 31 December 2022	1,089,233	671,409	(10,037)	34,629,390,353	3,279,856,229	1,132,049,077	39,043,046,265	5,456,386,127	(20,294,223,394)	24,205,208,99
ear ended 31 December 2023										
alance at 1 January 2023	1,089,233	671,409	(10,037)	34,629,390,353	3,279,856,229	1,132,049,077	39,043,046,265	5,456,386,127	(20,294,223,394)	24,205,208,99
ofit for the year	_	-	_	210,411,551,679	-	-	210,411,551,679	32,958,126,634	446	243,369,678,3
her comprehensive income for the year		-	-	-	30,621,310,308	7,010,216,870	37,631,527,178	4,330,886,115	(51,539,422,125)	(9,577,008,83
mprehensive income for the year	-	-	-	210,411,551,679	30,621,310,308	7,010,216,870	248,043,078,857	37,289,012,750	(51,539,422,125)	233,792,669,4
n controlling interest on disposal of subsidiary	-	-	-	-	-	-		(4,666,920,043)		(4,666,920,04
ance at 31 December 2023	1,089,233	671,409	(10,037)							

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SEE YOUR FUTURE TODAY















FOR THE YEAR ENDED 31 DECEMBER 2023

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

XXXX III / / <i>9</i> /14.1 P.H.	INFLATION AD	JUSTED -G	ROUP HISTO	DRICAL COST
	2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES	ZWL	ZWL	ZWL	ZWL
BEFORE INCOME TAX				
Profit before income tax	108 456 861 062	4 018 888 046	254 268 485 970	39 147 070 352
Adjustments:	(94 287 136 523)	(7 115 077 075)	(240 309 502 030)	(39 998 029 120)
Fair value gains on equities at fair value through profit or loss	(23 879 942 438)	4 009 493 419	(20 175 174 360)	(925 824 402)
Additions to financial assets at fair value through profit or loss	(11 983 747 538)	(3 590 879 669)	(9 568 652 318)	(317 705 234)
Disposals of financial assets at fair value through profit or loss	4 554 668 470	1 367 612 719	1 876 605 391	170 112 655
Fair value gains on investment property	(144 708 438 661)	(52 479 151 142)	(257 563 526 500)	(24 956 413 046)
Fair value gains from other non current assets	(342 326 624)	(30 680 401)	(685 275 802)	(9 478 822)
Amortisation of intangible assets	59 758 957	189 245 304	8 744 905	30 220 478
Depreciation of right of use asset Finance costs	46 849 377 1 407 220 592	103 054 580 919 885 588	17 061 399 1 082 599 785	21 445 699 155 872 503
Depreciation of property and equipment	417 859 273	240 128 354	270 860 138	22 814 948
	1697 204 955	(3 355 531 191)	(4 242 421 707)	(1309 93) 367)
Changes in insurance contract assets Changes in insurance contract liabilities	(1) 080 606 222)	75 673 856 405	143 565 872 269	12 576 296 836
Changes in investment contract liabilities	(7 360 334 571)	11 149 149 402	13 910 996 975	4 638 663 391
Interest income	(165 459 514)	(17 313 330)	(117 436 865)	(7 062 221)
Dividend income				
Effects of inflation	2 575 710 345	94 428 950 215		
Unrealised exchange gains/ (losses)	94 553 679 725	(135 714 620 614)	(108 606 141 994)	(30 085 388 560)
Projects development costs	-			-
equipment	(79 232 649)	(8 276 714)	(83 613 358)	(1651975)
Changes in working capital	(14 316 834 913)	8 557 902 670	(7139939922)	1 551 554 336
Increase in trade and other receivables	(19 668 461 428) (54 011 005)	(5 058 038 669)	(24 248 238)	(2 122 261)
(Increase)/decrease in inventories (Decrease)/increase in trade and other payables	5 405 637 520	3 199 13 615 938 140	(27 534 684 684) 20 418 993 000	(1 809 649 600) 3 363 326 197
(Decrease) increase in dade and order payables	3 403 637 320	13 613 936 140	20 418 593 000	3 303 320 157
Cash (utilised)/ generated from operations	(147 110 374)	5 461 713 641	6 819 044 018	700 595 568
Income taxes paid	(1758 002 816)	(215 862 542)	(888 416 758)	(124 515 186)
Net cash (utilised)/ generated from operations	(1905113190)	5 245 851 099	5 930 627 260	576 080 382
Cash flows from investing activities				
Additions to and replacement of property and equipment	(1784 414 383)	(264 674 228)	(1340 688 141)	(79 377 250)
Additions and improvements to investment property	(1121351366)	-	(921 127 999)	
Additions to intangible assets	(174 004 080)	(92 465 988)	(35 808 010)	(19 242 202)
Acquisition of subsidiary		(3 318 521 007)		(638 905 496)
Additions to other non current assets	(351 839 828)	(283 291 680)	(191 321 016)	(38 461 368)
Proceeds from sale of other non current assets		83 601 525		7 918 683
Interest income	165 459 514	17 313 330	117 436 865	7 062 221
Dividend income Proceeds from sale of investment property	1 271 366 027		1 220 594 516	
Proceeds from sale of investment property Proceeds from sale of property and equipment	12/1366 02/	3 647 626	1220 594 516	759 072
Additions to debt securities held at amortised cost		(2 122 597 977)		(441 713 350)
Maturities debt securities held at amortised cost	1 076 617 884	583 784 004	1 076 617 884	121 485 647
Net cash utilised from investing activities	(918 166 232)	(5 393 204 395)	(74 295 901)	(1 080 474 043)
Cash flows from financing activities				
Finance costs	(1407 220 592)	(919 885 588)	(1082 599 785)	(155 872 503)
Repayments lease obligations	(111 870 762)	(172 286 921)	(111 870 762)	(35 852 966)
Repayments of borrowings	(2 981 854 766)	(1285 999 772)	(1136 825 595)	(204 351 342)
Proceeds from borrowings	14 499 207 323	2 010 272 623	5 527 791 020	339 362 046
Net cash generated/ (utilised) from financing activities	9 998 261 203	(367 899 658)	3 196 494 878	(56 714 765)
Net (decrease)/increase in cash equivalents for the year	7 174 981 781	(515 252 954)	9 052 826 237	(561 108 426)
Cash and cash equivalents at the beginning of the year	6 824 063 822	6 587 172 336	1 420 089 967	398 763 439
Exchange differences on translation of a foreign operation	(861 893 452)	752 144 440	2 664 235 947	1582 434 954
Cash and cash equivalents at the end of the year	10 13 137 152 151	6 824 063 822	13 137 152 151	1 420 089 967

The above consolidated statements of cash flows should be read in conjunction with the accompanying notes

Notes to the condensed consolidated financial statements FOR THE YEAR ENDED 31 DECEMBER 2023

DIRECTORS'S RESPONSIBILITY STATEMENT

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

2 INDEPENDENT AUDITOR'S STATEMENT

statements of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries "the Group" for the financial year ended 31 December 2023, should be read together with the complete set of audited consolidated inflation adjusted financial statements of the Group, for the year ended 31 December 2023, which have been audited by Crant Thornton Chartered Accountants (Zimbabwe). The auditor's report was signed by Faria Chibisa, Registered Public Auditor 0547. An adverse opinion has been issued on the audited consolidated inflation adjusted financial statements of the Group regarding the upgrade of its accounting, administration and information technology infrastructure to align with the requirements of IFRS 17 - Insurance contracts, non-compliance with International Accounting Standard (IAS) 29 - Financial Reporting in Hyperinflationary Economies, misstatement of fair value gains recognised in comparative consolidated inflation adjusted statement of profit or loss and other comprehensive income for the year ended 31 December 2022 and inclusion of the unaudited financial statements of Vanguard Life Assurance Limited in the consolidated inflation adjusted financial statements.

The auditors determined that there were no key audit matters to be communicated in their report. The auditor's report has been lodged with the Zimbabwe Stock Exchange.

The Group's consolidated inflation adjusted financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), and in the manner required by the Zimbabwe Companies and Other Entities Act (Chapter 24:31) and the Zimbabwe Stock Exchange listing requirements. The financial statements are based on statutory records that are maintained under the historical cost convention basis, except for revaluation of investment properties, land and buildings and financial assets at fair value through profit or loss and insurance and investment contract liabilities that have been measured on a fair value basis. The consolidated inflation adjusted financial statements are the primary financial statements of the Group. Adjustments and reclassifications including the restatements to the changes in the general purchasing power of the Zimbabwe dollar for the purpose of fair presentation in accordance with IAS 29 have been made to the historical information. Notes to the condensed consolidated financial statements FOR THE YEAR ENDED 31 DECEMBER 2023

3.1 Basis of preparation (Continued)

Historical financial statements have been presented as supplementary information. The consolidated inflation adjusted financial statements do not include all the notes normally included in an annual financial report. The accounting policies applied in preparing these consolidated inflation adjusted financial statements are consistent with those of the previous financial year.

Functional Currency
The Group's condensed consolidated financial statements are expressed in the Zimbabwe dollar ("ZWL") which is the functional and the presentation currency of the Company.

5.3 Changes in significant accounting policies IFRS 17 Insurance Contracts

The Group has initially applied IFRS 17 from 1 January 2023. The standards have brought significant changes to the accounting for insurance and reinsurance contracts. As a result, the Group has restated comparative amounts linked to the insurance contracts and presented a third statement of financial position as at 1 January 2022. Except for the changes below, the Group has consistently applied the accounting policies as set out in Note 3 to all periods presented in these consolidated interim financial statements.

Recognition, measurement and presentation of insurance contracts

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts, rensurance contracts and investment contracts with discretionary participation features. It introduces a model that measures groups of contracts based on the Group's estimates of the present value of future cash flows that are expected to arise as the Group fulfils the contracts, an explicit risk adjustment for non-financial risk and a Contractual Service Margin (CSM). Under IFRS 17, insurance revenue in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the Group expects to receive consideration and an allocation of premiums that relate to recovering insurance acquisition cash flows. In addition, investment components are no longer included in insurance revenue and insurance service expenses.

The Group no longer applies shadow accounting to insurance-related assets and liabilities. Insurance finance income and expenses, disaggregated between profit or loss and Other Comprehensive Income OCI for life risk and life savings contracts, are presented separately from insurance revenue and insurance service expenses.

The Group applied either the General Measurement Model (GMM), Premium Allocation Approach (PAA), or Variable Fee Approach (VFA) measurement models to its groups of contracts. Contracts accounted for using the PAA model had to meet the eligibility test. The Group applied significant judgement in concluding the PAA approach for the reinsurance contracts and general insurance portfolios. These portfolios have contracts that have a duration of 12 months, however annually renewable. Significant judgement was applied in determining whether the renewal period cash flows fall within the contract boundary for these portfolios. Full consideration was given to facts and conditions at point of renewal including the factoring of insurance risk in the renewal price. The conclusion on this judgement has been to exclude the renewal period in the coverage period as it constitutes a new contract. This has an implication of the portfolios qualifying in the PAA measurement approach.

The PAA is similar to the Group's previous accounting treatment when measuring liabilities for remaining coverage. However, when measuring liabilities for incurred claims, the Group now discounts the future cash flows (unless they are expected to occur in one year or less from the date on which the claims are incurred) and includes an explicit risk adjustment for non-financial risk. Previously, all acquisition costs were recognised and presented as separate assets from the related insurance contracts ('deferred acquisition costs') until those costs were included in profit or loss and OCI. Under IFRS 17, only insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised as separate assets and are tested for recoverability. These assets are presented in the carrying amount of the related portfolio of contracts and are derecognised once the related contracts have been recognised. Income and expenses from reinsurance contracts other than insurance finance income and expenses are now presented as a single net amount in profit or loss. Previously, amounts recovered from reinsurers and reinsurance expenses were presented separately.

Summary of measurement approaches

Contracts issued	Product classification	Measurement model
Direct participating contracts	Insurance contracts with direct participation features	GMM
Investment contracts with DPF	Insurance contracts with direct participation features	GMM and VFA
Investment contracts without DPF	Financial instruments	Financial liabilities measured at fair value through profit and loss

Changes in accounting policies resulting from the adoption of IFRS 17 have been applied using a full retrospective approach to the extent practicable. Under the full retrospective approach, at 1 January 2022 the Group

- identified, recognised and measured each group of insurance and reinsurance contracts as if IFRS 17 had always
- identified, recognised and measured any assets for insurance acquisition cash flows as if IFRS 17 had always been
 - recognised any resulting net difference in equity.

The GMM was applied to insurance contracts that are not eligible for the PAA with a coverage period of greater than one year. The VFA was applied to insurance contracts with direct participating features where the Group holds the pool of underlying assets.

Application of IAS 29 (Financial reporting in hyperinflationary Econ

These condensed consolidated financial results have been prepared in accordance with IAS 29 which requires that the financial statements of any entity whose functional currency is the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the reporting date and that corresponding figures for the previous period also be restated in terms of the same measuring unit.

The Public Accountants and Auditors Board concluded in May 2019 on the conditions for applying International Accounting Standard 29 (IAS 29) "Financial Reporting in Hyperinflation Economies" had been met in Zimbabwe. The Ministry of Finance and Economic Development introduced a blended inflation rate based on a combination of the Zimbabwe dollar and American dollar inflation rates and stopped reporting ZWL inflation and Consumer Price Index (CPI) figures in February 2023. There was need for businesses to estimate the ZWL inflation index to continue complying with IAS 29 requirements. As a result, the estimated Consumer Price Index (CPI) for financial reporting purposes from February 2023 was calculated by adjusting the last published CPI based on the monthly movement of the Total Consumption Poverty Line (TCPL).

The indices and adjustment factors used to restate the financial statements at 31 Decmber 2023 are as given below:

	Index	Conversion factor
CPI as at 31 December 2020	2474.51	26.5521
CPI as at 31 December 2021	3977.46	16.5189
CPI as at 31 December 2022	13672.91	4.8054
CPI as at 31 December 2023	65703.44	1.0000

The financial statements of the subsidiary in Malawi which does not report in the currencies of hyper-inflationary economies were dealt with in accordance with IAS 21. The items included in statement of profit or loss and comprehensive income were translated using average exchange rates and statement of financial position items were translated at the closing rates.





FOR THE YEAR ENDED 31 DECEMBER 2023

Notes to the condensed consolidated financial statements

FOR THE YEAR ENDED 31 DECEMBER 2023

	INFLATION A	DJUSTED	HISTORICAL COST		
	2023	2022	2023	202	
EARNINGS PER SHARE	ZWL	ZWL	ZWL	zw	
Reconciliation of total earnings to headline earnings attributable to shareholders					
Numerator					
Profit/ (Loss) for the year attributable to owners of the parent and profit used in EPS	83,730,212,608	(2,505,742,595)	210,411,551,679	34,471,762,90	
Add/(deduct) non recurring items					
Impairment of intangible assets		-	-		
Profit on disposal of property	(79,232,649)	(8,276,714)	(83,613,358)	(1,651,97	
Taxation on headline earnings adjustable items	19,586,311	2,046,004	20,669,222	408,36	
Headline earnings attributable to ordinary shareholders	83,670,566,270	(2,511,973,305)	210,348,607,544	34,470,519,30	
Denominator					
Weighted number of ordinary shares in issue	108,923,291	108,923,291	108,923,291	108,923,25	
Less: Shares purchased for the Employee Share Ownership Plan	(1,003,743)	(1,003,743)	(1,003,743)	(1,003,74	
Weighted average number of shares used in basic EPS	107,919,548	107,919,548	107,919,548	107,919,54	
Less: Dilutive adjusting effects	-	-	-		
Weighted average number of shares used in diluted EPS	107,919,548	107,919,548	107,919,548	107,919,54	
Basic and diluted earnings per share (cents)	77,585.77	(2,321.86)	194,970.75	31,942.0	
Headline earnings per share (cents)	77,530.50	(2,327.64)	194,912.42	31,940.9	

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

Headline earnings per share

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



Notes to the condensed consolidated financial statements FOR THE YEAR ENDED 31 DECEMBER 2023

5 PROPERTY AND EQUIPMENT

Net carrying amount at 1 January 2022 Gross carrying amount - cost/valuation Accumulated depreciation

Gross carrying amount - cost/valuation Accumulated depreciation

Accumulated depreciation Net carrying amount at 31 December 2022

Gross carrying amount - cost/valuation

Additions

Exchange rate movement on foreign operations

Gross carrying amount - cost/valuation

Depreciation charge for the year

Gross carrying amount - cost/valuation

Net carrying amount at 31 December 2023

Accumulated depreciation

INFLATION ADJUSTED

Land and buildings ZWL		Equipment and computers ZWL	Furniture and fittings ZWL	Total ZWL
12 765 888 619	31 213 608	150 651 459	179 083 645	13 126 837 331
12 866 713 483	1 083 871 419	1 090 512 493	423 760 330	15 464 857 725
(100 824 864)	(1052657811)	(939 861 034)	(244 676 685)	(2 338 020 394)
	82 868 001	158 203 783	23 602 444	264 674 228
201 009 874	108 503 036	33 109 289	300 401	342 922 600
		/////\\\ <u>.</u>		
-	(7 913 974)	(1706 344)		(9 620 318)
	7 913 974	1706 344		9 620 318
(40 910 075)	(71 197 416)	(94 436 204)	(33 584 659)	(240 128 354)
6 296 932 594				6 296 932 594
6 296 932 594		-	-	6 296 932 594
-				
19 222 921 007	151 387 229	247 528 332	169 401 831	19 791 238 399
19 324 879 651	1 267 328 482	1 280 119 226	447 663 175	22 319 990 534
(101 958 644)	(1115 941 253)	(1032 590 894)	(278 261 344)	(2 528 752 135)
	559 747 286	963 356 297	261 310 800	1 784 414 383
81 801 271	73 275 329	111 796 574	37 161 437	304 034 611
	(88 983 640)	(197 833)		(89 181 473)
-	(317 996 717)	(861 673)	-	(318 858 389)
-	229 013 077	663 840		229 676 916
(13 375)	(137 402 832)	(233 784 471)	(46 658 595)	(417 859 273)

HISTORICAL COST

50 918 232

1 139 617 131

29 098 734 16 666 880 259

450 314 206 38 039 526 906

(324 919 940) (2 716 934 493)

949 401 589

(101 972 019) (1 024 331 008) (1 265 711 525)

34 942 170 607 1 507 424 961

GROUP Net carrying amount at 1 January 2022 2,901,102 1,837,015 774,216,149 18,773,538 (8,805,346) Accumulated depreciation (255,817) (39,419) (2,063,030) (11,163,612) Additions 15,732,827 57,060,594 6,583,829 79,377,250 Exchange rate movement on foreign operations (629,491) (629,491) (2,631,483) (984,582) Gross carrying amount - cost/valuation (1,646,901) Accumulated depreciation 1,646,901 355,091 2,001,992 (15,701,044) (235,939) (4,282,700) (22,814,948) Depreciation charge for the year 2,931,609.487 Gross carrying amount - cost/valuation 2,931,609,487 2,931,609,487 Accumulated depreciation 9,204,408 3,897,472,350 Net carrying amount at 31 December 2022 3,788,793,398 25,326,218 74,148,326 3,929,448,918 Accumulated depreciation (491,756) (2,675,218) (24,151,299) (31,976,568) (4,658,295) 500,493,862 624,600,377 207,144,510

15 637 461 704

Exchange rate movement on foreign operations 550,811,352 312,729,048 215,132,564 (278,408,890) (1,063,944) Gross carrying amount - cost/valuation (317.978.046) (1,785,524) 721,580 Depreciation charge for the year

Gross carrying amount - cost/valuation Accumulated depreciation

Revaluation surplus

Gross carrying amount - cost/valuation

29,576,623,848	949,401,589	30,766,551	64,518,320 64,518,320	30,621,310,30
-	-		- 1,-1-1,	,,,
33,924,664,615	1,388,169,879	816,858,250	307,898,180	36,437,590,92
33,925,169,746	1,472,647,889	967,013,593	334,151,158	36,698,982,38
(505,131)	(84,478,010)	(150,155,343)	(26,252,979)	(261,391,463

50,576,176

(1,950,551)

1,129,249,140

(280,268,878)

(321,714,121)

Land and buildings are carried at fair value determined on an open market value basis by independent professional valuers. The latest fair values were estimated as at 31 December 2023. There were no buildings pledged as collateral as at 31 December 2023.The value of land and buildings is categorised as a level 3 recurring fair value measurement.





FOR THE YEAR ENDED 31 DECEMBER 2023

Notes to the condensed consolidated financial statements FOR THE YEAR ENDED 31 DECEMBER 2023

6 INVESTMENT PROPERTY

	2023	2022	2023	2022
	ZWL	ZWL	ZWL	ZWL
the beginning of the year	173,458,227,447	100,208,718,136	36,096,715,231	6,066,289,056
	1075 / /5057	0.5(1.727.10)	075 227 505	1 010 052 202
nts	1,035,447,873 85.903.494	8,741,323,181	835,224,505 85,903,494	1,819,072,282
	(23,879,591,131)	(157,216,950)	(5,693,597,147)	(31,942,857)
ovement on foreign operations	1,543,856,081	12,186,251,938	8,064,509,842	3,286,883,704
ough profit or loss	144,708,438,661	52,479,151,142	257,563,526,500	24,956,413,046
ember	296,952,282,425	173,458,227,447	296,952,282,425	36,096,715,231

IFLATION ADJUSTED HISTORICAL COST

The Group's fair values of investment properties are based on property valuations performed by an independent professional property valuer. Gains and losses arising from a change in fair value of investment properties are recognised in the profit or loss statement.

As at 31 December 2023, the fair values of the properties are based on valuations performed by Homelux Real Estate an accredited independent valuer. Homelux Real Estate 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. Valuation models in accordance with recommendations by the International Valuation Standards Committee have been applied.

There were no transfers between Levels 1 or 2 to Level 3 during the year. The fair value of investment properties is categorised as level 3. Significant judgements and assumptions were applied for the Group's Investment property portfolio. Land banks and residential properties were valued in Zimbabwe dollar using the market comparison method and the income capitalisation method was used to value commercial properties.

5 SEGMENT INFORMATION

7.1 Information about products and services

The Group is organised into four operating segments by major product lines. The Group reports information about operating segments that meet a quantitative threshold or where disclosure results in useful information. There were four reportable segments as at 31 December 2023 and 2022.

			INFLATION ADJUSTED				
December 2023	Insurance	Microlending	Property Investment	Other	Consolidation adjustments	Total	
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	
Insurance contract revenue	116,576,468,962	-	-	-	-	116,576,468,962	
Insurance service expenses	(34,143,338,424)	-	-	-	-	(34,143,338,424)	
Insurance service result from insurance contracts issued	82,433,130,538	-	-	-	-	82,433,130,538	
Allocation of reinsurance paid	(1,599,484,555)	-	-	-	-	(1,599,484,555)	
Amount recoverable from reinsurers for incurred claims	495,363,611	-				495,363,611	
Insurance service result	81,329,009,594	-	-	-	-	81,329,009,594	
Interest revenue from financial instruments not measured at fair value through profit or loss	3,105,324,620		-			3,105,324,620	
Net income from other financial instruments at fair value through profit or loss	24,084,809,034		-	-	-	24,084,809,034	
Net gains from fair value adjustments to investment properties	46,504,042,931			-	-	46,504,042,931	
Net change in investment contract liabilities	(81,298,770,261)			-	-	(81,298,770,261)	
Other net investment revenue	76,790,579,004			-	-	76,790,579,004	
Net gain from foreign exchange	1,652,092,657		•	-		1,652,092,657	
Net Investment Income	70,838,077,986	-	· ·	-	-	70,838,077,986	
Insurance finance expenses for insurance contracts issued	(20,976,426,906)	-		-	-	(20,976,426,906)	
Net insurance finance expenses	(20,976,426,906)	-		-		(20,976,426,906)	
Net insurance and investment result	131,190,660,674	-	-	-	-	131,190,660,674	
Other investment income			95,553,390,801	1,133,516,420	(96,251,069,987)	435,837,234	
Interest income from micro - lending		5,407,928,288		-	-	5,407,928,288	
Other income	(17,926,050,278)	2,538,778,430		19,172,213,507	(1,177,571,720)	2,607,369,939	
Operating and administrative expenses expenses	(11,682,872,069)	(5,890,021,045)	(552,132,912)	(13,274,092,751)	2,040,796,515	(29,358,322,262)	
Allowance for expected credit losses on receivables	(126,080,462)		-	-	-	(126,080,462)	
Finance costs	(235,689,822)	(1,171,530,770)	-		-	(1,407,220,592)	
Segment assets	422,154,336,503	8,983,909,810	202,751,200,000	11,584,113,707	(161,698,841,705)	483,774,718,315	
Segment liabilities	204,269,182,218	8,193,868,601	10,360,669,497	6,114,086,895	425,575,366	229,363,382,576	

Notes to the condensed consolidated financial statements FOR THE YEAR ENDED 31 DECEMBER 2023

_	
7	SEGMENT INFORMATION

7.1	Information about products and services (Continued)	INFLATION ADJUSTED

December 2022	Insurance	Microlending	Property Investment	Other	Consolidation adjustments	Total
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Insurance contract revenue	34,127,052,963	-	-	-		34,127,052,963
Insurance service expenses	(12,090,119,086)			-	-	(12,090,119,086)
######################################	<u> </u>	1/09/09///-	-	- / / -	-	
Insurance service result from insurance contracts issued	22,036,933,877	1///-	-	·/////////		22,036,933,877
Allocation of reinsurance paid	(1,157,614,214)		-	///		(1,157,614,214)
Amount recoverable from reinsurers for incurred claims	513,311,442	-	-	//		513,311,442
	-	-	-/-	/ N N -	-	<u> </u>
Insurance service result	21,392,631,105					21,392,631,105
Interest revenue from financial instruments not measured at fair value through profit or loss	183,181,280	-		-	-	183,181,280
Net income from other financial instruments at fair value through profit or loss	(5,518,291,162)		- //-		-	(5,518,291,162)
Net gains from fair value adjustments to investment properties	15,396,682,085	-	-			15,396,682,085
Net change in investment contract liabilities	(4,868,058,299)	-				(4,868,058,299)
Other net investment revenue	31,800,879,586	-	-			31,800,879,586
Net gain from foreign exchange						
Net Investment Income	36,994,393,490	-	-	-	-	36,994,393,490
Insurance finance expenses for insurance contracts issued	(3,833,264,586)	-				(3,833,264,586)
Net insurance finance expenses	(3,833,264,586)	-	-	-	-	(3,833,264,586)
	-	-	-	-	-	-
Net insurance and investment result	54,553,760,009			•		54,553,760,009
Other investment income		151,352,329	41,289,251,018	406,496,586	(41,801,494,856)	45,605,077
Interest income from micro - lending	-	2,545,425,490				2,545,425,490
Other income	34,289,032	1,062,591,552		5,924,857,638	682,192,711	7,703,930,932
Operating and administrative expenses expenses	(11,258,254,664)	(2,298,851,555)	(254,091,438)	(3,378,625,838)	10,033,483,401	(7,156,340,094)
Property operating costs						
Allowance for expected credit losses on receivables		(120,458,754)			(5,693,667)	(126,152,421)
Finance costs	(71,145,964)	(825,808,007)	\\.		(22,931,617)	(919,885,588)
Segment assets	234,889,890,533	4,353,748,716	129,723,900,510	7,100,134,045	(105,007,608,462)	271,060,065,342
Segment liabilities	223,309,679,579	3,481,635,384	11,041,537,379	1,429,518,108	(7,142,748,092)	232,119,622,358

7.2 Information about products and services

7.2 Information about products and serv	rices		OST			
December 2023	Insurance	Microlending	Property Investment	Other	Consolidation adjustments	Total
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Insurance contract revenue	48,484,115,679			-	-	48,484,115,679
Insurance service expenses	(24,081,034,989)	•				(24,081,034,989)
Insurance service result from insurance contracts issued	24,403,080,690	-	-	-	-	24,403,080,690
Allocation of reinsurance paid	(903,280,948)					(903,280,948)
Amount recoverable from reinsurers for incurred claims	331,586,569					331,586,569
Insurance service result	23,831,386,311	-	-	-	-	23,831,386,311
Interest revenue from financial instruments not measured at fair value through profit or loss	3,075,257,982	-			-	3,075,257,982
Net income from other financial instruments at fair value through profit or loss	20,158,432,294			-		20,158,432,294
Net gains from fair value adjustments to investment properties	72,667,916,500	-				72,667,916,500
Net change in investment contract liabilities	(29,339,218,800)	-	-			(29,339,218,800)
Other net investment revenue	2,675,702,809	-	-			2,675,702,809
Net gain from foreign exchange	1,713,530,551	-	-	-	-	1,713,530,551
Net investment income	70,951,621,336	-	-		-	70,951,621,336
Insurance finance expenses for insurance contracts issued	(8,120,944,832)		-	-	-	(8,120,944,832)
Net insurance finance expenses	(8,120,944,832)		-	-	-	(8,120,944,832)
Net insurance and investment result	86,662,062,815	-		-	-	86,662,062,815
Other investment income			180,443,300,000	2,095,245,520	(182,400,991,235)	137,554,285
Interest income from micro - lending		3,469,511,590			-	3,469,511,590
Other income	(8,357,191,444)	499,628,409		10,335,257,270	(697,770,102)	1,779,924,132
Operating and administrative expenses expenses	(9,544,525,547)	(3,803,283,330)	(200,171,096)	(8,975,014,811)	225,955,210	(22,297,039,574)
Allowance for expected credit losses on receivables	(26,845,956)	- /-		-	-	(26,845,956)
Finance costs	(218,732,030)	(863,867,755)				(1,082,599,785)
Segment assets	420,168,020,732	8,957,558,631	202,751,200,000	10,931,529,580	(163,286,069,747)	479,522,239,196

201,493,667,159 8,167,583,296 10,360,669,497

SEE YOUR FUTURE TODAY



ASSET MANAGEMENT



FINANCIAL SERVICES





Segment liabilities





6,118,136,770

51,224,038 226,191,280,760





FOR THE YEAR ENDED 31 DECEMBER 2023

Notes to the condensed consolidated financial statements FOR THE YEAR ENDED 31 DECEMBER 2023

7 SEGMENT INFORMATION

7.2 Information about products and services

HISTORICAL COST

December 2022	Insurance	Microlending	Property Investment	Other	Consolidation adjustments	Total
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Insurance contract revenue	4,567,050,088	-	-	-	-	4,567,050,088
Insurance service expenses	(3,063,115,770)			= •		(3,063,115,770)
Insurance service result from insurance contracts issued	1,503,934,318	-	-	٠.	-	1,503,934,318
Allocation of reinsurance paid	(158,298,570)				-	(158,298,570)
Amount recoverable from reinsurers for incurred claims	57,777,334	-				57,777,334
Insurance service result	1,403,413,082	-	-	-	-	1,403,413,082
Interest revenue from financial instruments not measured at fair value through profit or loss	66,276,692	-	-	-	-	66,276,692
Net income from other financial instruments at fair value through profit or loss	816,719,361	-		-	-	816,719,361
Net gains from fair value adjustments to investment properties	8,438,984,029		-		-	8,438,984,029
Net change in investment contract liabilities	(3,852,114,553)	-	-	-	-	(3,852,114,553)
Other net investment revenue	15,337,941,178		•		-	15,337,941,178
Net Investment Income	20,807,806,707	-	-	-	-	20,807,806,707
Insurance finance expenses for insurance contracts issued	(625,076,452)	-		-	-	(625,076,452)
Net insurance finance expenses	(625,076,452)	-	-	-	-	(625,076,452)
Net insurance and investment result	21,586,143,337	-	-	-	-	21,586,143,337
Other investment income		142,233,251	18,963,871,710	449,739,734	(19,547,572,687)	8,272,008
Interest income from micro - lending	-	346,712,607	-		-	346,712,607
Other income	34,289,032	204,994,750	-	1,077,904,935	(204,994,750)	1,112,193,967
Operating and administrative expenses expenses	(2,117,266,213)	(341,603,612)	(52,876,513)	(754,280,945)	(5,675,708)	(3,271,702,991)
Allowance for expected credit losses on receivables	-	(25,063,907)	-	-	(1,184,853)	(26,248,760)
Finance costs	(12,872,917)	-			(142,999,586)	(155,872,503)
Segment assets	48,455,855,391	904,407,172	27,000,806,513	1,918,773,977	(22,527,424,641)	55,752,418,412
Segment liabilities	26,191,360,444	724,529,490	3,629,860,345	333,802,929	667,656,204	31,547,209,413

73 Geographical Information

December 2023
Insurance revenue
Insurance service expenses
Insurance service result from insurance contracts issued
Allocation of reinsurance paid
Amount recoverable from reinsurers for incurred claims
Insurance service result
9////
Interest revenue from financial instruments not measured at fair value through profit or loss
Net income from other financial instruments at fair value through profit or loss
Net gains from fair value adjustments to investment properties
Net change in investment contract liabilities
Other net investment revenue
Net gain from foreign exchange
Net investment income
Insurance finance expenses for insurance contracts issued
Net insurance finance expenses
Net insurance and investment result
Other investment income
Interest income from micro - lending
Other income
Operating and administrative expenses expenses

Segment assets Segment liabilities

	aujustilielits		
ZWL ZWL	ZWL	ZWL	ZWL
5,472) 116,576,468,962	(6,528,415,472)	6,528,415,472	116,576,468,962
(34,143,338,424)	4,296,531,552	(4,296,531,552)	(34,143,338,424)
82,433,130,538	(2,231,883,919)	2,231,883,919	82,433,130,538
24,105 (1,599,484,555)	326,524,105	(326,524,105)	(1,599,484,555)
4,040) 495,363,611	(21,184,040)	21,184,040	495,363,611
3,854) 81,329,009,594	(1,926,543,854)	1,926,543,854	81,329,009,594
3,105,324,620	(2,638,152,295)	2,638,152,295	3,105,324,620
4,233) 24,084,809,034	(11,460,454,233)	11,460,454,233	24,084,809,034
6,499) 46,504,042,931	(467,296,499)	467,296,499	46,504,042,931
79,821 (81,298,770,261)	11,993,179,821	(11,993,179,821)	(81,298,770,261)
8,799) 76,790,579,004	(1,893,508,799)	1,893,508,799	76,790,579,004
- 1,652,092,657	-		1,652,092,657
2,006) 70,838,077,986	(4,466,232,006)	4,466,232,006	70,838,077,986
(20,976,426,906)	199,926,892	(199,926,892)	(20,976,426,906)
(20,976,426,906)	199,926,892	(199,926,892)	(20,976,426,906)
B,968) 131,190,660,674	(6,192,848,968)	6,192,848,968	131,190,660,674
37,234 435,837,234	435,837,234	-	() () () ·
28,288 5,407,928,288	5,407,928,288	-	•
83,156 2,607,369,939	20,448,283,156	85,137,061	(17,926,050,278)
71,567) (29,358,322,262)	(11,915,471,567)	(5,759,978,627)	(11,682,872,069)
- (126,080,462)	-	-	(126,080,462)
30,771) (1,407,220,592)	(1,171,530,771)		(235,689,821)
483,774,718,315	(161,698,841,705)	113,359,454,393	532,114,105,627
75,366 229,363,382,576	425,575,366	110,639,174,747	118,298,632,463

Notes to the condensed consolidated financial statements FOR THE YEAR ENDED 31 DECEMBER 2023

SEGMENT INFORMATION

Geographical Information (Continued)

TRUE	LATI	ON	ADT	LICT	ED

December 2022	Zimbabwe	Malawi	Consolidation adjustments	Total
	ZWL	ZWL	ZWL	ZWL
Insurance revenue	33,385,541,789	741,511,174	-	34,127,052,963
Insurance service expenses	(11,399,175,571)	(690,943,515)		(12,090,119,086)
Insurance service result from insurance contracts issued	21,986,366,218	50,567,659	-	22,036,933,877
Allocation of reinsurance paid	(1,109,285,509)	(48,328,705)		(1,157,614,214)
Amount recoverable from reinsurers for incurred claims	506,102,443	7,208,998	1	513,311,442
Insurance service result	21,383,183,153	9,447,952		21,392,631,105
Interest revenue from financial instruments not measured at fair value through profit or loss	144,371,692	38,809,588		183,181,280
Net income from other financial instruments at fair value through profit or loss	(6,021,218,982)	502,927,820		(5,518,291,162)
Net gains from fair value adjustments to investment properties	15,320,712,054	75,970,031	////	15,396,682,085
Net change in investment contract liabilities	(4,445,243,004)	(422,815,295)		(4,868,058,299)
Other net investment revenue	31,331,996,521	468,883,064		31,800,879,586
Net Investment Income	36,330,618,282	663,775,208	-	36,994,393,490
Insurance finance expenses for insurance contracts issued	(4,051,255,828)	217,991,243		(3,833,264,586)
Net insurance finance expenses	(4,051,255,828)	217,991,243	-	(3,833,264,586)
Net insurance and investment result	53,662,545,606	891,214,403		54,553,760,009
Other investment income	41,847,099,933		(41,801,494,856)	45,605,077
Interest income from micro - lending	2,545,425,490			2,545,425,490
Other income	6,987,449,190	34,289,032	682,192,711	7,703,930,932
Operating and administrative expenses expenses	(16,226,460,660)	(963,362,835)	10,033,483,401	(7,156,340,094)
Allowance for expected credit losses on receivables	(120,458,754)		(5,693,667)	(126,152,421)
Finance costs	(896,953,971)	-	(22,931,617)	(919,885,588)
Segment assets	304,597,062,792	71,470,611,011	(105,007,608,462)	271,060,065,342
Segment liabilities	171,327,210,648	67,935,159,802	(7,142,748,092)	232,119,622,358

7.4 Geographical Information (Continued)

December 2023	Zimbabwe	Malawi	Consolidation adjustments	To
	ZWL	ZWL	ZWL	z
Insurance revenue	41,955,700,207	6,528,415,472		48,484,115,6
Insurance service expenses	(20,134,882,310)	(4,296,531,552)	350,378,873	(24,081,034,9
		-		
Insurance service result from insurance contracts issued	21,820,817,898	2,231,883,919	350,378,873	24,403,080,6
Allocation of reinsurance paid	(576,756,843)	(326,524,105)	-	(903,280,9
Amount recoverable from reinsurers for incurred claims	310,402,529	21,184,040	-	331,586,5
	· \		-	
Insurance service result	21,554,463,584	1,926,543,854	350,378,872	23,831,386
Interest revenue from financial instruments not measured at fair value through profit or loss	437,105,687	2,638,152,295		3,075,257,9
Net income from other financial instruments at fair value through profit or loss	8,697,978,060	11,460,454,233		20,158,432,2
Net gains from fair value adjustments to investment properties	101,787,996,506	467,296,499	(29,587,376,506)	72,667,916,5
Net change in investment contract liabilities	(17,346,038,979)	(11,993,179,821)		(29,339,218,8
Other net investment revenue	144,226,120,154	1,893,508,799	(143,443,926,144)	2,675,702,8
Net gain from foreign exchange	1,713,530,551		-	1,713,530,
Net investment income	239,516,691,979	4,466,232,006	(173,031,302,649)	70,951,621,3
Insurance finance expenses for insurance contracts issued	(7,921,017,940)	(199,926,892)		(8,120,944,8
Net insurance finance expenses	(7,921,017,940)	(199,926,892)		(8,120,944,8
	-	-	-	(=,==,= : :,=
Net insurance and investment result	253,150,137,623	6,192,848,968	(172,680,923,777)	86,662,062,
Other investment income	182,538,545,520		(182,400,991,235)	137,554,2
Interest income from micro - lending	3,469,511,590			3,469,511,5
Other income	2,392,557,174	85,137,061	(697,770,102)	1,779,924,
Operating and administrative expenses expenses	(16,763,016,157)	(5,759,978,627)	225,955,210	(22,297,039,5
Allowance for expected credit losses on receivables	(26,845,956)		// /	(26,845,9
Finance costs	(1,082,599,786)	/////	-	(1,082,599,7
Segment assets	529,448,854,618	113,359,454,325	(163,286,069,747)	479,522,239,

SEE YOUR FUTURE TODAY













110,639,174,747

51,224,038 226,191,280,760



FOR THE YEAR ENDED 31 DECEMBER 2023

Notes to the condensed consolidated financial statements FOR THE YEAR ENDED 31 DECEMBER 2023

Notes to the condensed consolidated financial statements FOR THE YEAR ENDED 31 DECEMBER 2023

7 SEGMENT INFORMATION

7.4 Geographical Information (Continued)

	HISTORICAL COST		
Zimbabwe	Malawi	Consolidation adjustments	Total
ZWL	ZWL	ZWL	ZWL
4,567,050,088	741,511,174	(741,511,174)	4,567,050,088
(3,063,115,770)	(690,943,515)	690,943,515	(3,063,115,770)
1,503,934,318	50,567,659	(50,567,659)	1,503,934,318
(158,298,570)	(48,328,705)	48,328,705	(158,298,570)
57,777,334	7,208,998	(7,208,998)	57,777,334
1,403,413,082	9,447,952	-	1,403,413,082
27,467,105	38,809,588	-	66,276,692
313,791,542	502,927,820	-	816,719,361
8,363,013,998	75,970,031	-	8,438,984,029
(3,429,299,258)	(422,815,295)	-	(3,852,114,553)
14,869,058,114	468,883,064	-	15,337,941,178
20,144,031,500	663,775,207	-	20,807,806,707
(843,067,695)	217,991,243		(625,076,452)
(843,067,695)	217,991,243	-	(625,076,452)
20,694,928,936	891,214,402	-	21,586,143,337
591,972,985		(583,700,977)	8,272,008
346,712,607			346,712,607
1,282,899,685	34,289,032	(204,994,750)	1,112,193,967
(2,249,787,935)	(963,362,835)	(58,552,221)	(3,271,702,991)
(25,063,907)		(1,184,853)	(26,248,760)
(12,872,917)		(142,999,586)	(155,872,503)
63,406,784,962	14,873,058,090	(22,527,424,641)	55,752,418,412
16,742,223,699	14,137,329,510	667,656,204	31,547,209,413
	2WL 4,567,050,088 (3,063,115,770) - 1,503,934,318 (158,298,570) 57,777,334 1,403,413,082 27,467,105 313,791,542 8,363,013,998 (3,429,299,258) 14,869,058,114 20,144,031,500 (843,067,695) (843,067,695) (843,067,695) 20,694,928,936 51,72,2697 1,282,299,685 (2,249,787,935) (25,063,907) (12,872,917) 63,406,784,962	Zimbabwe Malawi ZWL ZWL 4,567,050,088 741,511,774 (3,063,115,770) (690,943,515) 1,503,934,318 50,567,659 (158,298,570) (48,328,705) 57,777,334 7,208,998 11,403,413,082 9,447,952 27,467,105 38,809,588 313,791,542 502,927,820 8,363,013,998 75,970,031 (3,429,299,258) (422,815,295) 14,869,058,114 468,883,064 20,144,031,500 663,775,207 (843,067,695) 217,991,243 (843,067,695) 217,991,243 20,694,928,936 891,214,402 591,972,985 - 346,712,607 - 1,282,899,685 34,289,032 (2,249,787,935) (963,362,835) (25,063,907) - (12,872,917) - 63,406,784,962 14,873,058,090	2WL 2WL 2WL 2WL 4,567,050,088 74,511,174 (74,511,174) (3,063,115,770) (690,943,515) 690,943,515

Total trade and other receivables

Dec-22	Dec-23	Dec-22	Dec-23
ZWL	ZWL	ZWL	ZWL
1,520,773	1,994,491	7,307,882	1,994,491
628,967,395	6,446,218,667	3,022,423,750	6,446,218,667
259,049,417	5,819,019,517	1,244,829,409	5,819,019,517
	-		
889,537,585	12,267,232,675	4,274,561,041	12,267,232,675
(234,752,598)	(1,579,057,048)	(1,128,074,096)	(1,579,057,048)
654,784,987	10,688,175,627	3,146,486,945	10,688,175,627
65,646,736	6,402,245,142	315,457,139	6,402,245,142
123,035,134	896,363,464	591,229,870	896,363,464
843,466,857	17,986,784,233	4,053,173,954	17,986,784,233
1,038,369,320	151,205,289	4,989,753,238	151,205,289
211,376,512	11,463,061,895	1,015,743,259	11,463,061,895
2,093,212,689	29,601,051,417	10,058,670,451	29,601,051,417

1,579,057,048 1,128,302,900 1,579,057,048 234,800,212

The carrying value of trade and other receivables classified as financial assets at amortised cost approximates their fair value.

Included in other receivables balance are debtors arising from non core business activities such as rental debtors and debtors arising from disposal of non core assets from the Southview Development Project

Receivables from related parties, loans to employees and other receivables are shown net of expected credit losses. The amount of expected credit losses for these receivables are as shown in the table below.

The total impairment allowance is made up of the following:	ZWL	ZWL	ZWL	ZWL
Allowance for expected credit loss on trade receivables	1,579,057,048	1,128,074,096	1,579,057,048	234,752,598
Allowance for expected credit loss on other receivables	-	228,804	-	47,614
	1,579,057,048	1,128,302,900	1,579,057,048	234,800,212
Movements in expected credit loss are as follows:				
	Dec-23	Dec-22	Dec-23	Dec-22
	ZWL	ZWL	ZWL	ZWL
Allowance for expected losses				
Balance at 1 January	1,128,302,900	697,574,542	234,800,212	42,228,750
Net decrease/(increase) during the period through profit or loss	126,080,462	126,152,419	26,845,956	26,248,760
Impact on period end ECL exposures transferred between stages during the period	324,673,686	304,575,939	1,317,410,880	166,322,702

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	INFLATION ADJUSTED		HISTORICAL COST	
	Dec-23	Dec-22	Dec-23	Dec-22
	ZWL	ZWL	ZWL	ZWL
Balance at the beginning of the year	26,844,390,175	19,494,633,647	5,586,326,587	1,180,137,666
dditions	11,983,747,538	3,590,879,669	9,568,652,318	317,705,234
air value adjustments - through profit or loss	23,879,942,438	(4,009,493,419)	20,175,174,360	925,824,402
xchange gains/ loss	9,229,892,149	9,135,982,997	33,929,755,957	3,332,771,939
sposals	(4,554,668,470)	(1,367,612,719)	(1,876,605,391)	(170,112,655)
nancial assets at fair value through profit or loss	67,383,303,831	26,844,390,175	67,383,303,831	5,586,326,587

Listed equities are the only financial instruments held by the Group that are measured at fair value. These are shown as equities at fair value through profit or loss in the statement of financial position. The fair values of the equities are determined as Level 1 fair values in the fair value hierarchy. Level 1 fair values are determined based on observable quoted prices in active markets for identical assets that the Group can access.

10 CASH AND DEPOSITS WITH BANKS

	Dec-23	Dec-22	Dec-23	Dec-22
	ZWL	ZWL	ZWL	ZWL
Money market investments	13,812,461,831	4,511,585,410	13,812,461,831	938,862,435
Bank and cash	3,289,216,645	2,553,327,344	3,289,216,645	531,348,275
Cash and deposits with banks	17,101,678,476	7,064,912,754	17,101,678,476	1,470,210,710
Bank overdraft	(3,964,526,325)	(240,848,932)	(3,964,526,325)	(50,120,743)
Cash and cash equivalents	13,137,152,151	6,824,063,822	13,137,152,151	1,420,089,967

Cash and cash equivalents

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



Balance at 31 December





FOR THE YEAR ENDED 31 DECEMBER 2023

Notes to the condensed consolidated financial statements FOR THE YEAR ENDED 31 DECEMBER 2023

II INSURANCE CONTRACT ASSETS AND LIABILITIES

An analysis of the amounts presented on the consolidated statement of financial position for insurance contracts, investment contracts with DPF and investment contracts without DPF is included in the table below along with the presentation of current and non-current portions of the balances:

INFLATION ADJUSTED
Group
Balance as at 31 December 202
Insurance contract assets
Insurance contract liabilities
Investment contract liabilities
Balance as at 31 December 2022
Insurance contract assets
Insurance contract liabilities
Investment contract liabilities

HISTORICAL COST
Group
Balance as at 31 December 2023
Insurance contract assets
Insurance contract liabilities
Investment contract liabilities
Balance as at 31 December 2022
Insurance contract assets

Analysis of Insurance Contrac	t Liability and Assets by pa
INFLATION ADJUSTED	
Investment contract liabilities	
insurance contract liabilities	

Direct Participating Contracts
Investment contracts with direct participating contracts

Analysis of Insurance Contract Liability and Assets by participation

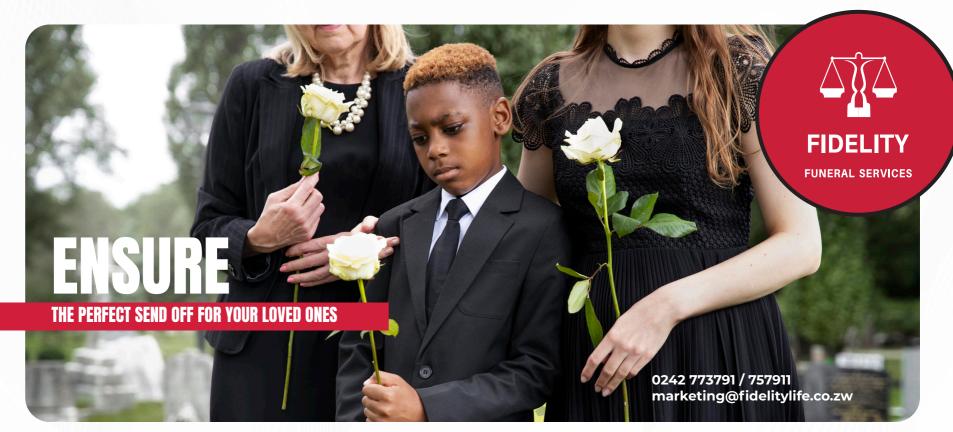
Direct Participating Contracts
Investment contracts with direct participating contracts

Total	Non current portion	Current portion		Investment contracts without DPF		Direct participating contracts
ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
5,803,273,861	17///	5,803,273,861	5,803,273,861	-	-	5,803,273,861
163,659,007,584	163,659,007,584	-	163,659,007,584	-	73,101,793,540	90,557,214,044
19,500,810,198	19,500,810,198	-	19,500,810,198	19,500,810,198		-
7,500,478,817		7,500,478,817	7,500,478,817	-	-	7,500,478,817
174,739,613,807	174,739,613,807	•	174,739,613,807	-	30,279,301,980	144,460,311,827
26,861,144,769	26,861,144,769	-	26,861,144,769	26,861,144,769	-	-

Direct participating contracts	Investment contracts with DPF	Investment contracts without DPF	Total	Current portion	Non current portion	Total
ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
5,803,273,861	-	-	5,803,273,861	5,803,273,861	-	5,803,273,861
90,557,214,044	73,101,793,540	_ =	163,659,007,584	-	163,659,007,584	163,659,007,584
-	-	19,500,810,198	19,500,810,198	-	19,500,810,198	19,500,810,198
1,560,852,154	-	-	1,560,852,154	1,560,852,154	-	1,560,852,154
13,752,773,820	6,340,361,495	-	20,093,135,315	-	20,093,135,315	20,093,135,315
-	-	5,589,813,223	5,589,813,223	-	5,589,813,223	5,589,813,223

		2022			2023
TOTAL	LIC	LFRC	TOTAL	LIC	LFRC
144,460,311,827	89,192,798	144,371,119,029	90,557,214,044	366,497,130	90,190,716,914
30,279,301,980	91,698,044	30,187,603,936	73,101,793,540	1,181,193,815	71,920,599,725
174,739,613,807	180,890,842	174,558,722,965	163,659,007,584	1,547,690,945	162,111,316,639

2023			2022		
2023			2022		
LFRC	LIC	TOTAL	LFRC	LIC	TOTAL
90,190,716,914	366,497,130	90,557,214,044	13,663,581,022	89,192,798	13,752,773,820
50,150,710,514	300,437,130	30,337,214,044	13,003,301,022	03,132,730	13,732,773,020
71,920,599,725	1,181,193,815	73,101,793,540	6,248,663,450	91,698,044	6,340,361,494
162,111,316,639	1,547,690,945	163,659,007,584	19,912,244,472	180,890,842	20,093,135,314







FOR THE YEAR ENDED 31 DECEMBER 2023

Notes to the condensed consolidated financial statements for the year ended 31 december 2023 $\,$

Direct participating contracts issued
Reconciliation of the liability for the remaining coverage and liability for incurred claims

2023

2022

INFLATION ADJUSTED	LFRC	Loss component	LIC	Total	LFRC	Loss component	LIC	Total
GROUP	ZWL	ZWL	ZWL	ZWL	zwL	ZWL	ZWL	ZWL
Opening insurance contract liabilities	144,371,119,029	-	89,192,798	144,460,311,827	23,291,506,033		14,297,309,547	37,588,815,580
Net balance as at 1 January	144,371,119,029	-	89,192,798	144,460,311,827	23,291,506,033	-	14,297,309,547	37,588,815,580
Insurance contract revenue	(14,558,088,951)	-	-	(14,558,088,951)	(6,292,005,223)	-	/////	(6,292,005,223)
Insurance service expenses								
Incurred claims and other directly attributable expenses	-	-	2,725,130,408	2,725,130,408	- 1		1,239,840,674	1,239,840,674
Changes that relate to past service	-	-	208,187,961	208,187,961	- 1		768,546,495	768,546,495
Losses on onerous contracts and reversal of those losses Insurance acquisition cashflows amortisation	- 562,873,913	-	-	- 562,873,913	280,324,447			- 280,324,447
Insurance service expenses	562,873,913	-	2,933,318,370	3,496,192,283	280,324,447	-	2,008,387,170	2,288,711,617
Total net expenses from reinsurance contracts held	-	-	-	-	-	-	-	-
Insurance service result	(13,995,215,038)	-	2,933,318,370	(11,061,896,668)	(6,011,680,775)	- I	2,008,387,170	(4,003,293,605)
Finance expenses from insurance contracts issued recognised in profit or loss	6,208,289,933	-		6,208,289,933	1,149,979,376	-		1,149,979,376
Finance expenses from insurance contracts issued recognised in OCI	-	-	-	- \	<u> </u>	-		
Finance expenses from insurance contracts issued	6,208,289,933	<u> </u>	-	6,208,289,933	1,149,979,376	-	<u> </u>	1,149,979,376
Total amounts recognised in comprehensive income	(7,786,925,105)	<u>.</u>	2,933,318,370	(4,853,606,735)	(4,861,701,399)	-	2,008,387,170	(2,853,314,230)
Investment components		-						
Other changes	(43,471,502,068)	-	5,242,439,168	(38,229,062,900)	169,546,929,766		(6,300,496,709)	163,246,433,057
	-	_	-	-				1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Cashflows								
Premiums received	47,004,157,140	-	-	47,004,157,140	6,320,516,710	-	////-//	6,320,516,710
Claims and other directly attributable expenses paid	(49,926,132,081)	-	(7,898,453,206)	(57,824,585,287)	(49,926,132,081)	-	(9,916,007,210)	(59,842,139,291)
Insurance acquisition cash flows	-	-	<u> </u>	-	-	-	-	-
Total cash flows	(2,921,974,941)	-	(7,898,453,206)	(10,820,428,147)	(43,605,615,371)	-	(9,916,007,210)	(53,521,622,581)
Balance as at 31 December 2023	90,190,716,914		366,497,130	90,557,214,044	144,371,119,029		89,192,798	144,460,311,827

Direct participating contracts issued Reconciliation of the liability for the remaining coverage and liability for incurred claims (Continued)

202

2022

	202				2022			
HISTORICAL COST	LFRC	Loss component	LIC	Total	LFRC	Loss component	LIC	Total
GROUP	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Opening insurance contract liabilities	13,663,581,022	-	89,192,798	13,752,773,820	3,630,713,121	-	1,297,309,547	4,928,022,668
Net balance as at 1 January	13,663,581,022	- -	89,192,798	13,752,773,820	3,630,713,121	-	1,297,309,547	4,928,022,668
Insurance contract revenue	(7,542,331,877)	-	-	(7,542,331,877)	(1,054,237,089)	-	-	(1,054,237,089)
Insurance service expenses								
Incurred claims and other directly attributable expenses	- ////	-	4,480,965,065	4,480,965,065	-	-	705,725,822	705,725,822
Changes that relate to past service	- / / / -	-	208,187,961	208,187,961	-	-	24,417,215	24,417,215
Losses on onerous contracts and reversal of those losses								
Insurance acquisition cashflows amortisation	256,698,118	<u>-</u>	=	256,698,118	182,210,891	-	///////	182,210,891
Insurance service expenses	256,698,118	-	4,689,153,026	4,945,851,144	182,210,891	-	730,143,037	912,353,928
Total net expenses from reinsurance contracts held								
Insurance service result	(7,285,633,759)		4,689,153,026	(2,596,480,733)	(872,026,198)	-///	730,143,037	(141,883,161)
Finance expenses from insurance contracts issued recognised in profit or loss	2,436,283,450	-	-	2,436,283,450	187,522,936	////		187,522,936
Finance expenses from insurance contracts issued recognised in OCI	<u>-</u>	-	-	-	<u>-</u>	//////-//	-	
Finance expenses from insurance contracts issued	2,436,283,450	-	-	2,436,283,450	187,522,936	- //////	-	187,522,936
		-	-	-	-		/// ·	•
Total amounts recognised in comprehensive income —	(4,849,350,310)	<u>-</u>	4,689,153,026	(160,197,284)	(684,503,263)		730,143,037	45,639,774
Investment components	-	-	-	-	-	//////////		1 11 11 11 1
Other changes	93,293,730,830	-	256,698,118	93,550,428,948	12,231,259,589	-	53,076,716	12,284,336,305
Cashflows								
Premiums received	34,857,969,846	-	-	34,857,969,846	1,513,888,426	////////		1,513,888,426
Claims and other directly attributable expenses paid	(46,775,214,473)	-	(4,668,546,812)	(51,443,761,285)	(3,027,776,852)	1///////////-	(1,991,336,502)	(5,019,113,354)
Insurance acquisition cash flows		-	-	-	// -/*	-		-
Total cash flows	(11,917,244,627)	-	(4,668,546,812)	(16,585,791,439)	(1,513,888,426)	-	(1,991,336,502)	(3,505,224,928)
Balance as at 31 December 2023	90,190,716,914		366,497,130	90,557,214,044	13,663,581,022	<u>.</u>	89,192,798	13,752,773,820





FOR THE YEAR ENDED 31 DECEMBER 2023

Notes to the condensed consolidated financial statements FOR THE YEAR ENDED 31 DECEMBER 2023

Investment contract liabilities with DPF
Reconciliation of the liability for remaining coverage and the liability for incurred claims

INFLATION ADJUSTED	LFRC	Loss component	LIC	Total	LFRC	Loss component	LIC	Total
GROUP	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Opening investment contract liabilities with DPF	30,187,603,936	-	91,698,044	30,279,301,980	43,678,532,675		17,798,409,147	61,476,941,822
Net balance as at 1 January	30,187,603,936	-	91,698,044	30,279,301,980	43,678,532,675	-	17,798,409,147	61,476,941,822
Insurance contract revenue	(102,018,380,011)	-	<u>-</u>	(102,018,380,011)	(27,835,047,741)	-	_///\	(27,835,047,741)
Insurance service expenses								
Incurred claims and other directly attributable expenses	-	-	20,571,892,926	20,571,892,926	-	F1111111111111111111111111111111111111	4,004,976,202	4,004,976,202
Changes that relate to past service	-	-	120,157,579	120,157,579		· · · · · · · · · · · · · · · · · · ·	1,279,467,522	1,279,467,522
Losses on onerous contracts and reversal of those losses	-	-	-	1111	N N N 1977 (1944)			- ,
Insurance acquisition cashflows amortisation	9,810,521,527	-	-	9,810,521,527	6,499,911,042	<u> </u>	-	6,499,911,042
Insurance service expenses	9,810,521,527	-	20,692,050,505	30,502,572,032	6,499,911,042	- 1	5,284,443,725	11,784,354,767
Total net expenses from reinsurance contracts held	-	-	-	1/-	1 1 1 / A / A / A / A / A / A / A / A /	IN 1000 II - II		
Insurance service result	(92,207,858,484)	-	20,692,050,505	(71,515,807,979)	(21,335,136,699)	-	5,284,443,725	(16,050,692,974)
Finance expenses from insurance contracts issued recognised in profit or loss	14,768,136,972	-		14,768,136,972	2,683,285,210			2,683,285,210
Finance expenses from insurance contracts issued recognised in OCI	<u>-</u>	-	<u>-</u>	-	<u> </u>	-	<u>- </u>	<u> </u>
Finance expenses from insurance contracts issued	14,768,136,972	-	-	14,768,136,972	2,683,285,210	-	-	2,683,285,210
Total amounts recognised in comprehensive income	(77,439,721,512)	-	20,692,050,505	(56,747,671,007)	(18,651,851,489)		5,284,443,725	(13,367,407,764)
							Marian	
Investment components	-	-	-	-		•		-
Other changes	87,051,497,410	-	(16,462,554,605)	70,588,942,805	(64,329,293,795)	-	(1,238,818,019)	(65,568,111,814)
Cashflows								
Premiums received	77,873,144,034	-		77,873,144,034	97,386,451,053	-	3,720,037,829	101,106,488,882
Claims and other directly attributable expenses paid	(45,751,924,144)	-	(3,140,000,128)	(48,891,924,272)	(27,896,234,509)		(25,472,374,638)	(53,368,609,147)
Insurance acquisition cash flows	-	-	-	-	1///-	-	-	-
Total cash flows	32,121,219,890	-	(3,140,000,128)	28,981,219,762	69,490,216,544	-	(21,752,336,809)	47,737,879,735
Balance as at 31 December 2023	71,920,599,725	-	1,181,193,815	73,101,793,540	30,187,603,936		91,698,044	30,279,301,980

2023 2022

HISTORICAL COST	LFRC	Loss component	LIC	Total	LFRC	Loss component	LIC	Total
GROUP	zwL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Opening investment contract liabilities	6,248,663,450	-	91,698,044	6,340,361,494	2,291,506,264	\-\	297,309,547	2,588,815,811
Net balance as at 1 January	6,248,663,450	-	91,698,044	6,340,361,494	2,291,506,264	-	297,309,547	2,588,815,811
Insurance contract revenue	(40,941,783,802)	-	-	(40,941,783,802)	(3,512,812,999)	-	-	(3,512,812,999)
Insurance service expenses								
Incurred claims and other directly attributable expenses	- ///////	-	14,786,727,834	14,786,727,834	-	-	1,494,443,185	1,494,443,185
Changes that relate to past service	- /// /	-	608,205,393	608,205,393	-	-	40,649,503	40,649,503
Losses on onerous contracts and reversal of those losses	_	-	_	-	-	-		J
Insurance acquisition cashflows amortisation	3,740,250,618	-	-	3,740,250,618	744,803,328	-	///////	744,803,328
Insurance service expenses	3,740,250,618	-	15,394,933,227	19,135,183,845	744,803,328	-	1,535,092,689	2,279,896,017
Total net expenses from reinsurance contracts held	-			-	-			
Insurance service result	(37,201,533,184)	-	15,394,933,227	(21,806,599,957)	(2,768,009,672)	-//	1,535,092,689	(1,232,916,983)
Finance expenses from insurance contracts issued recognised in profit or loss	5,684,661,382	-	-	5,684,661,382	437,553,517			437,553,517
Finance expenses from insurance contracts issued recognised in OCI	-	-	-	-	-	7/////-//	-	-
Finance expenses from insurance contracts issued	5,684,661,382	-	-	5,684,661,382	437,553,517		-	437,553,517
Total amounts recognised in comprehensive income	(31,516,871,801)	-	15,394,933,227	(16,121,938,574)	(2,330,456,155)		1,535,092,689	(795,363,466)
Investment components	_		-	-	-			
Other changes	73,097,893,159	-	(9,636,890,644)	63,461,002,515	(45,830,049,067)		14,573,548,416	(31,256,500,651)
Cashflows								
	E9 404 9E9 03E			E9 404 9E9 03E	77 070 979 200		2 700 029 771	75 920 966 661
Premiums received	58,404,858,025	-	-	58,404,858,025	73,039,838,290		2,790,028,371	75,829,866,661
Claims and other directly attributable expenses paid	(34,313,943,108)	-	(4,668,546,812)	(38,982,489,920)	(20,922,175,882)		(19,104,280,979)	(40,026,456,860)
Insurance acquisition cash flows		<u> </u>	-			<u>-</u>	-	
Total cash flows	24,090,914,918	·	(4,668,546,812)	19,422,368,106	52,117,662,408	·	(16,314,252,608)	35,803,409,801
Balance as at 31 December 2023	71,920,599,725	-	1,181,193,816	73,101,793,540	6,248,663,450	<u> </u>	91,698,044	6,340,361,494



FOR THE YEAR ENDED 31 DECEMBER 2023

Notes to the condensed consolidated financial statements FOR THE YEAR ENDED 31 DECEMBER 2023

11.3 Investment contract liabilities without DPF Reconciliation of investment contract liabilities

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

INFLATION A	DJUSTED	HISTORICA	L COST
Dec-23	Dec-22	Dec-23	Dec-22
ZWL	ZWL	ZWL	ZWL
26,861,144,769	15,711,995,367	5,589,813,223	951,149,833
504,180,052	23,265,942,572	192,204,764	1,858,386,773
(83,429,355,599)	(7,667,710,761)	(13,434,378,614)	(4,217,570)
81,298,770,261	4,868,058,299	29,339,218,800	3,852,114,553
(5,733,929,285)	(9,317,140,708)	(2,186,047,975)	(1,067,620,366)
19,500,810,198	26,861,144,769	19,500,810,198	5,589,813,223

11.4 Insurance contract revenue and expenses

An analysis of insurance contract revenue, insurance service expensive and net expenses from insurance contracts held by product line for 2023 and 2022 is included in the following tables

	INFLAT	ION ADJUSTE		HISTORIC	AL COST	
DECEMBER 2023	Direct participating contracts	Investment contracts with DPF	Total	Direct participating contracts	Investment contracts with DPF	Total
Insurance contract revenue	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Amounts relating to the changes in the Liability for remaining coverage (LRC) Expected incurred claims and other expenses	12,996,100,858	36,048,755,742	49,044,856,601	6,548,412,738	14,333,518,690	20,881,931,428
after loss component allocation Change in the risk adjustment for non- financial risk for the risk expired after loss	463,968,584	311,599,026	775,567,610	224,765,699	174,813,858	399,579,557
component allocation CSM recognised in profit or loss for the services provided	498,474,511	47,427,658,381	47,926,132,892	498,474,511	18,098,668,668	18,597,143,180
Insurance acquisition cash flow recovery	599,544,998	1,043,017,179	1,642,562,177	270,678,929	399,351,096	670,030,026
Insurance revenue from contracts not meas- ured under the PAA	14,558,088,951	84,831,030,328	99,389,119,279	7,542,331,877	33,006,352,314	40,548,684,191
Insurance revenue from contracts measured under the PAA Insurance revenue from contracts measured		12,708,921,985	12,708,921,985		5,918,380,047	5,918,380,047
under the VFA Total insurance revenue	14,558,088,951	4,478,427,698	116,576,468,962	7,542,331,877	40,941,783,802	48,484,115,679
	14,550,000,551	102/010/000/011	110,570,400,502	7,5-12,551,677	40,541,705,002	40,404,110,075
Insurance service expenses						
Other directly attributable expenses	(2,725,130,408)	(20,571,892,926)	(23,297,023,335)	(4,480,965,065)	(15,319,154,398)	(19,800,119,463)
Changes that relate to past service -adjust- ments to the LIC		-	-		-	-
Changes Related to Past Services - IBNR	(208,187,962)	(71,319,798)	(279,507,759)	(208,187,962)	(71,319,798)	(279,507,759)
Changes Related to Past Services - Gross Oustanding Claims	(144,574,110)	(48,837,781)	(193,411,891)	(144,574,110)	(48,837,781)	(193,411,891)
Losses on onerous contracts and reversal of those lossess			-		-	-
Insurance acquisition cashflows amortisation Total insurance service expenses	(562,873,913)	(9,810,521,527) (30,502,572,032)	(10,373,395,440)	(256,698,118) (5,090,425,255)	(3,551,297,758)	(3,807,995,876)
Reinsurance expenses-contracts measured under the PAA	(610,680,130)	(988,804,425)	(1,599,484,555)	-	(903,280,948)	(903,280,948)
Claims recovered	-	495,363,611	495,363,611		331,586,569	331,586,569
Total net expenses from reinsurance contracts held	(610,680,130)	(493,440,814)	(1,104,120,944)		(571,694,379)	(571,694,379)
Total insurance service result	10,306,642,428	71,022,367,165	81,329,009,594	2,451,906,623	21,379,479,689	23,831,386,311
DECEMBER 2022						
Insurance contract revenue Amounts relating to the changes in the Liability for remaining coverage (LRC)						
Expected incurred claims and other expenses after loss component allocation	5,090,155,656	9,951,100,675	15,041,256,332	841,878,850	2,041,741,009	2,883,619,859
Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation	221,926,914	92,956,145	314,883,059	29,784,348	25,531,872	55,316,220
CSM recognised in profit or loss for the services provided	671,787,016	9,636,823,996	10,308,611,011	139,799,103	1,107,760,347	1,247,559,450
Insurance acquisition cash flow recovery Insurance revenue from contracts not meas-	308,135,636 6,292,005,222	558,477,218 20,239,358,035	866,612,855 26,531,363,257	42,774,787 1,054,237,089	64,270,605 3,239,303,833	107,045,392
ured under the PAA Insurance revenue from contracts measured	6,292,003,222	4,673,041,794	4,673,041,794	1,034,237,069	213,071,751	213,071,75
under the PAA Insurance revenue from contracts measured		2,922,647,913	2,922,647,913		60,437,416	60,437,416
under the VFA Total insurance revenue	6,292,005,222	27,835,047,741	34,127,052,963	1,054,237,089	3,512,812,999	4,567,050,088
Insurance service expenses						
Incurred claims and other directly attributable	(1,239,840,674)	(3,912,059,561)	(5,151,900,235)	(705,725,822)	(1,494,443,185)	(2,200,169,007)
expenses Changes that relate to past service -adjust-	-	-	-	-	-	
ments to the LIC Changes Related to Past Services - IBNR	(25,838,306)	(28,651,408)	(54,489,714)	(5,376,960)	(28,651,408)	(34,028,368)
Changes Related to Past Services - Gross Oustanding Claims	(91,495,552)	(11,998,096)	(103,493,648)	(19,040,255)	(11,998,096)	(31,038,350)
Losses on onerous contracts and reversal of those lossess	1	-			-	
Insurance acquisition cashflows amortisation	(280,324,447)	(6,499,911,042)	(6,780,235,489)	(53,076,716)	(744,803,328)	(797,880,044)
Total insurance service expenses Net income (expenses) from reinsurance	(1,637,498,979)	(10,452,620,107)	(12,090,119,086)	(783,219,753)	(2,279,896,017)	(3,063,115,770)
contracts held Reinsurance expenses-contracts measured	-	(1,157,614,214)	(1,157,614,214)	-	(158,298,570)	(158,298,570)
under the PAA Claims recovered		513,311,442	513,311,442		57,777,334	57,777,334
Total net expenses from reinsurance	-	(644,302,772)	(644,302,772)		(100,521,236)	(100,521,236)
contracts held Total insurance service result	4,747,422,886	16,645,208,220	21,392,631,105	271,017,336	1,132,395,746	1,403,413,082

12 BORROWINGS

SHORT-TERM BORRO

ZB Bank Limited

HISTORICAL	JUSTED	INFLATION AD
Dec-23	Dec-22	Dec-23
ZWL	ZWL	ZWL
4,592,510,981	968,501,832	4,592,510,981
4,592,510,981	968,501,832	4,592,510,981
	Dec-23 ZWL 4,592,510,981	Dec-22 Dec-23 ZWL ZWL 968,501,832 4,592,510,981

ZB Bank Limited

The overdraft facility with ZB was obtained as a line of credit for the micro-finance business to increase the unit's lending capacity. The facility is denominated in USD and ZWL. The USD facility accrues interest at 15% per annum on a one year tenure expiring on 31 March 2024 and the ZWL facility accrues interest at 195% (2022:205%) per annum

Notes to the condensed consolidated financial statements FOR THE YEAR ENDED 31 DECEMBER 2023

nts in borrowings during the period were as follows

Balance at 1 January
Net cash out flow on borrowings
Proceeds from borrowings
Repayment of borrowings
Finance costs capitalised
Finance costs paid
Exchange differences on foreign currency denominated loans
Reduction of borrowings due to inflation
Balance at 30 June

Dec-23	Dec-22	Dec-23
ZWL	ZWL	ZWL
201,545,556	1,099,085,813	968,501,832
4,390,965,425	724,272,851	11,517,352,558
5,527,791,020	2,010,272,623	14,499,207,323
(1,136,825,595)	(1,285,999,772)	(2,981,854,766)
828,323,936	919,885,587	1,407,220,592
(828,323,936)	(919,885,587)	(1,407,220,592)
-	- // -	-
-	(854,856,832)	(7,893,343,409)
4,592,510,981	968,501,832	4,592,510,981
	2WL 201,545,556 4,390,965,425 5,527,791,020 (1,136,825,595) 828,323,936 (828,323,936)	ZWL ZWL 1,099,085,813 201,545,556 724,272,851 4,390,965,425 2,010,272,623 5,527,791,020 (1,285,999,772) (1,136,825,595) 919,885,587 828,323,936 (919,885,587) (828,323,936) - (854,856,832)

INFLATION ADJUSTED

HISTORICAL COST

13 TRADE AND OTHER PAYABLES

South View offsite works liability

Related party payables Deferred income from sale of residential stands Statutory liabilities Other payables

Dec-23	Dec-22	Dec-23	Dec-22
ZWL	ZWL	ZWL	ZWL
5,126,356,850	12,204,471,200	5,126,356,850	2,539,754,545
2,966,711,226	1,726,263,534	2,966,711,226	359,236,020
6,377,744,657	1,032,062,782	6,377,744,657	214,772,610
2,776,465,488	2,776,465,488	4,613,849	4,399,338
2,789,551	6,142,851	2,789,551	1,278,329
9,890,423,064	3,989,447,461	9,890,423,064	830,205,355
27.140.490.836	21,734,853,316	24.368.639.197	3.949.646.197

14 CONTINGENCIES

Contingent liability

Fidelity Life Assurance of Zimbabwe Limited agreed to unconditionally guarantee ZWL37.5 million of the full debt owing to ZB Bank Limited on behalf of Fidelity Life Financial Services (Private) Limited in terms of the overdraft facility that was signed between Fidelity Life Financial Services (Private) Limited and ZB Bank Limited.

The guarantee covers part of the overdraft with the amount borrowed plus interest and any other charges and shall remain in place until the overdraft is fully paid. Fidelity Life Assurance of Zimbabwe as the Guarantor will duly pay to the Lender ZB Bank Limited the debt and liabilities in terms of the ZB Bank Limited overdraft facility agreement in the event of default by Fidelity Life Financial Services (Private) Limited up to the guaranteed amount.

Litigations against the Company

In 2015, Fidelity Life Assurance of Zimbabwe Limited, ("FLA") entered into a sale of shares agreement with CFI Holdings In 2015, Hidelity Life Assurance of Zimbabwe Limited, ("FLA") entered into a sale of sharers agreement with CFI Holdings Limited ("CFI") acquiring 80.77% shares in Langford Estates 1962 (Private) Limited, a company whose sole asset is land measuring 834 hectares. The purchase entailed the assumption of CFI Holdings' Limited USD16million debt owed to a consortium of banks by the Company. Subsequently a Debt Assumption and Compromise Agreement was signed between the Company, Langford Estates (1962) (Private) Limited, CFI Holdings, Crest Poultry (Private) Limited t/a Agrifoods, and FBC Bank Limited, Agricultural Bank of Zimbabwe Limited, Infrastructure Development Bank of Zimbabwe Limited, Standard Chartered Bank Zimbabwe Limited and CBZ Bank Limited. The Company assumed the CFI debt and ownership of 80.77% of Langford Estates and duly paid off the debt.

In March 2018, the Company received a letter from CFI contesting the Sale of Shares Agreement and Debt Assumption and Compromise Agreement. The parties failed to reach an amicable resolution and CFI instituted legal proceedings against the Company in the High Court and Arbitration for cancellation of the debt assumption agreement and setting aside of the agreement of sale of shares respectively. Both matters are pending resolution before the two forums. The directors have engaged external legal counsel to defend the interests of Fidelity Life.

15 EVENTS AFTER THE REPORTING DATE **New structured currency introduction**

The Reserve Bank of Zimbabwe (RBZ) introduced a structured currency, with effect from 5 April 2024 named the Zimbabwe Gold (ZiG) replacing the Zimbabwe dollar (ZWL). Zimbabwe Gold (Zig) currency is backed by a composite basket of foreign currency and precious metals held as reserves by RBZ. All Zimbabwe dollar balances shall be converted to the new currency at the rate of ZiGI: ZWL2,498.7242 obtained from a combination of the prevailing interbank exchange rate of US\$1:ZW\$33,903.9916 and gold price of US\$2,293.50 as at 5 April 2024. This implies an exchange rate of ZiGI3.56 per US\$1. The event does not warrant an adjustment on the current set of financial statements in accordance with IAS10 events after the reporting date .





Grant Thornton Camelsa Business Park

135 E.D. Mnangagwa Road PO Box CY 2619 Causeway, Harare Zimbabwe

T +263 (242) 442511-4 / +263 8677009063 F +263 (242) 442517 / 496985 E info@zw.gt.com www.grantthornton.co.zw

INDEPENDENT AUDITOR'S REPORT

To the members of Fidelity Life Assurance of Zimbabwe Limited

Report on the Audit of the Financial Statements

Adverse Opinion

We have audited the consolidated inflation adjusted financial statements of Fidelity Life Assurance of Zimbabwe Limited set out on pages 9 to 94, which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of the Group's significant accounting policies.

In our opinion, because of the significance of the matters described in the *Basis for Adverse Opinion* section of our report, the consolidated inflation adjusted financial statements do not present fairly, in all material respects, the financial position of Fidelity Life Assurance of Zimbabwe Limited as at 31 December 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

Implementation of IFRS 17 Insurance contracts - Group yet to align its accounting, administration and information technology infrastructure with the requirements of IFRS 17

As disclosed in **Note 3.3** to these consolidated inflation adjusted financial statements, the Group adopted IFRS 17 - *Insurance Contracts* with effect from 1 January 2023. The Group is still in the process of upgrading its accounting, administration and information technology infrastructure to

align with the requirements of IFRS 17. In preparing these consolidated inflation adjusted financial statements, the Group utilised simplified models in accounting for insurance contracts and these do not track onerous and profitable contracts at policy level. Once the upgrade of the accounting, administration and information technology infrastructure to align with the requirements of IFRS 17 is complete, significant adjustments may have to be made to the amounts recognised in these financial statements with respect to the Group's insurance contracts.

Accordingly, we were not able to determine the adjustments that might be necessary to the following financial statement line items:

- Insurance contract revenue;
- Insurance service expenses;
- Insurance finance expenses for insurance contracts issued;
- Insurance reserve; and
- Insurance contract liabilities.

Non-compliance with International Accounting Standard (IAS) 29 - Financial Reporting in Hyperinflationary Economies

The Group did not maintain monthly IFRS 17 financial reports given the ongoing upgrade to its accounting, administration and information technology infrastructure as described above. As a result, in applying IAS 29 – *Financial Reporting in Hyperinflationary Economies*, management used average inflation indices for the year ended 31 December 2023 to restate insurance contract revenue included in the consolidated inflation adjusted statement of profit or loss and other comprehensive income. This constitutes a departure from IAS 29, which requires that all amounts in the statement of profit or loss and other comprehensive income be restated by applying the change in the general price index from the dates when the items of income and expenses were initially recorded in the financial statements.

The financial effects of the non-compliance on these consolidated inflation adjusted financial statements have not been determined.

Valuation of investment property

The opening investment property balances of the Company as at 1 January 2022, recognised in the consolidated inflation adjusted financial statements for the year ended 31 December 2022 were misstated. Management could not provide sufficient appropriate audit evidence to support the valuator's assumptions applied in the valuation of the properties as at 31 December 2021. As a result of the misstatement of the opening balances, the fair value gains on properties recognised in the comparative consolidated inflation adjusted statement of profit or loss and other comprehensive income for the year ended 31 December 2022 are misstated.

The opinion for the year ended 31 December 2022 was modified in respect of this matter, and the misstatement has not been corrected in these consolidated inflation adjusted financial statements in

accordance with the requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

Inclusion of the unaudited financial statements of Vanguard Life Assurance Limited in the consolidated inflation adjusted financial statements of Fidelity Life Assurance of Zimbabwe Limited

The consolidated inflation adjusted financial statements include unaudited financial statements of Vanguard Life Assurance Limited, a significant component of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries. As a result, we were unable to satisfy ourselves that all necessary adjustments and disclosures have been made to the unaudited financial statements of Vanguard Life Assurance Limited for the year ended 31 December 2023. Accordingly, we were unable to determine the effect of this on the consolidated inflation adjusted financial statements of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries for the year ended 31 December 2023.

Key Audit Matters

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

Other information

The Directors are responsible for the other information. The other information comprises the 'Corporate information', 'Directors' report, 'Corporate governance', 'Chairman's report', and 'Managing Director's report', which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit
 procedures that are appropriate in the circumstances, but not for the purpose of expressing
 an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of
 accounting and, based on the audit evidence obtained, whether a material uncertainty
 exists related to events or conditions that may cast significant doubt on the Group's ability
 to continue as a going concern. If we conclude that a material uncertainty exists, we are

required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the
 entities or business activities within the Group to express an opinion on the financial
 statements. We are responsible for the direction, supervision and performance of Fidelity
 Life Assurance of Zimbabwe Limited audit. We remain solely responsible for our audit
 opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this Independent Auditor's Report is Farai Chibisa.

Grant Thorston

Farai Chibisa

Partner

Registered Public Auditor (PAAB No: 0547)

Grant Thornton
Chartered Accountants (Zimbabwe)
3 May 2024

Registered Public Auditors
HARARE