



Your Life Partner



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.

Financial Highlights			
<p>242% Insurance contract revenue</p> <p>ZWL 116.6 Billion</p>	<p>280% Insurance service result</p> <p>ZWL 81.3 Billion</p>	<p>9945% Profit for the year</p> <p>ZWL 101.1 Billion</p>	<p>78% Total Assets</p> <p>ZWL 483.8 Billion</p>
<p>553% Total equity</p> <p>ZWL 254.4 Billion</p>	<p>142% Cash and deposits with banks</p> <p>ZWL 17.1 Billion</p>	<p>3442% Basic earnings per share (ZWL cents)</p> <p>77593</p>	<p>3431% Headline earnings per share (ZWL cents)</p> <p>77538</p>

	INFLATION ADJUSTED		HISTORICAL	
	31 December 2023	% change	31 December 2023	% change
	ZWL(Billion)		ZWL(Billion)	
Insurance contract revenue	116.6	242%	48.5	962%
Insurance service result	81.3	280%	23.8	1598%
Profit for the period	101.1	9945%	243.4	541%
Total assets	483.8	78%	479.5	760%
Total equity	254.4	553%	253.3	947%
Cash and deposits with banks	17.1	142%	17.1	1063%
Basic earnings per share (ZWL cents)	77,593	3442%	194,971	510%
Headline earnings 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](http://www.zse.co.zw) and the company [website: www.fidelitylife.co.zw](http://www.fidelitylife.co.zw)

Livingstone T. Gwata
Chairman
24 April 2024



FIDELITY LIFE
ASSURANCE OF ZIMBABWE



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Audited Financial Results

FOR THE YEAR ENDED 31 DECEMBER 2023

Condensed Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2023

INFLATION ADJUSTED

GROUP	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										
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	-	-	-	-	-	-	-	-	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	-	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	-	-	-	-	-	-	-	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	-	-	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
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

HISTORICAL COST

GROUP	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										
Balance 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	-	1,238,029,296
Impact on initial application of IFRS 17	-	-	-	-	-	-	-	-	(656,950,767)	(656,950,767)
Restated 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)	581,078,529
Profit for the year	-	-	-	34,471,762,908	-	-	34,471,762,908	3,512,537,889	-	37,984,300,797
Other 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)
Comprehensive 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)	22,861,072,611
Non controlling interest on acquisition of subsidiary	-	-	-	-	-	-	-	763,057,859	-	763,057,859
Balance 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)	24,205,208,998
Year ended 31 December 2023										
Balance 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)	24,205,208,998
Profit for the year	-	-	-	210,411,551,679	-	-	210,411,551,679	32,958,126,634	-	243,369,678,314
Other 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)	(9,577,008,833)
Comprehensive 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)	233,792,669,480
Non controlling interest on disposal of subsidiary	-	-	-	-	-	-	-	(4,666,920,043)	-	(4,666,920,043)
Balance at 31 December 2023	1,089,233	671,409	(10,037)	245,040,942,033	33,901,166,537	8,142,265,947	287,086,125,123	38,078,478,833	(71,833,645,519)	253,330,958,436

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

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Audited Financial Results

FOR THE YEAR ENDED 31 DECEMBER 2023

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	INFLATION ADJUSTED — GROUP		HISTORICAL COST	
	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
CASH FLOWS FROM OPERATING ACTIVITIES				
BEFORE INCOME TAX				
Profit before income tax	108 556 861 062	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	(20 775 174 360)	(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)	(3 317 705 234)
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	46 849 377	103 054 580	77 061 399	21 445 699
Finance costs	1 407 220 592	919 885 588	1 082 599 785	155 872 503
Depreciation of property and equipment	417 859 273	240 128 354	270 860 138	22 814 948
Changes in insurance contract assets	1 697 204 955	(3 355 531 191)	(4 242 421 707)	(1 309 931 367)
Changes in insurance contract liabilities	(11 080 606 222)	75 673 856 405	143 565 872 269	12 576 296 834
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)	(1 651 975)
Changes in working capital	(14 316 834 913)	8 557 902 670	(17 939 932 922)	1 551 554 336
Increase in trade and other receivables	(19 668 481 428)	(5 058 038 669)	(24 248 238)	(2 122 261)
(Decrease)/increase in inventories	(54 011 005)	3 199	(27 534 684 684)	(1 809 649 600)
(Decrease)/increase in trade and other payables	5 405 637 520	13 615 938 140	20 418 993 000	3 363 326 197
Cash (utilised)/ generated from operations	(1 147 110 374)	5 461 713 641	6 819 044 018	700 595 568
Income taxes paid	(1 758 002 816)	(215 862 542)	(888 416 758)	(124 515 181)
Net cash (utilised)/ generated from operations	(1 905 113 190)	5 245 851 099	5 930 627 260	576 080 387
Cash flows from investing activities				
Additions to and replacement of property and equipment	(1 784 414 383)	(264 674 228)	(1 340 688 141)	(79 377 250)
Additions and improvements to investment property	(1 121 351 356)	-	(921 127 999)	-
Additions to intangible assets	(1 744 004 080)	(92 465 988)	(35 808 010)	(19 242 202)
Acquisition of subsidiary	-	(3 218 521 007)	-	(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 property and equipment	-	3 647 626	-	759 072
Additions to debt securities held at amortised cost	-	(2 122 597 977)	-	(44 713 350)
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	(1 407 220 592)	(919 885 588)	(1 082 599 785)	(155 872 503)
Repayments lease obligations	(11 870 762)	(172 286 921)	(11 870 762)	(35 852 966)
Repayments of borrowings	(2 981 854 766)	(1 285 999 772)	(1 136 825 595)	(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	1 582 434 954
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

1 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

This abridged 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.

3 ACCOUNTING POLICIES

3.1 Basis of preparation

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.

3.2 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.

3.3 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, reinsurance 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

Transition

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 been applied;
- identified, recognised and measured any assets for insurance acquisition cash flows as if IFRS 17 had always been applied,
- 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.

3.4 Application of IAS 29 (Financial reporting in hyperinflationary Economies)

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 Hyperinflationary 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 December 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.



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Audited Financial Results

FOR THE YEAR ENDED 31 DECEMBER 2023

Notes to the condensed consolidated financial statements

FOR THE YEAR ENDED 31 DECEMBER 2023

4 EARNINGS PER SHARE

	INFLATION ADJUSTED		HISTORICAL COST	
	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
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	34,471,762,908
Add/(deduct) non recurring items				
Impairment of intangible assets	-	-	-	-
Profit on disposal of property	(79,232,649)	(8,276,714)	(83,613,358)	(1,651,975)
Taxation on headline earnings adjustable items	19,586,311	2,046,004	20,669,222	408,368
Headline earnings attributable to ordinary shareholders	83,670,566,270	(2,511,973,305)	210,348,607,544	34,470,519,301
Denominator				
Weighted number of ordinary shares in issue	108,923,291	108,923,291	108,923,291	108,923,291
Less: Shares purchased for the Employee Share Ownership Plan	(1,003,743)	(1,003,743)	(1,003,743)	(1,003,743)
Weighted average number of shares used in basic EPS	107,919,548	107,919,548	107,919,548	107,919,548
Less: Dilutive adjusting effects	-	-	-	-
Weighted average number of shares used in diluted EPS	107,919,548	107,919,548	107,919,548	107,919,548
Basic and diluted earnings per share (cents)	77,585.77	(2,321.86)	194,970.75	31,942.09
Headline earnings per share (cents)	77,530.50	(2,327.64)	194,912.42	31,940.94

Basic earnings per share

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

Headline earnings per share

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

Notes to the condensed consolidated financial statements

FOR THE YEAR ENDED 31 DECEMBER 2023

5 PROPERTY AND EQUIPMENT

GROUP

Net carrying amount at 1 January 2022

Gross carrying amount - cost/valuation
Accumulated depreciation

Additions

Exchange rate movement on foreign operations

Disposals

Gross carrying amount - cost/valuation
Accumulated depreciation

Depreciation charge for the year

Revaluation surplus
Gross carrying amount - cost/valuation
Accumulated depreciation

Net carrying amount at 31 December 2022

Gross carrying amount - cost/valuation
Accumulated depreciation

Additions

Exchange rate movement on foreign operations

Disposals

Gross carrying amount - cost/valuation
Accumulated depreciation

Depreciation charge for the year

Revaluation surplus
Gross carrying amount - cost/valuation
Accumulated depreciation

Net carrying amount at 31 December 2023

Gross carrying amount - cost/valuation
Accumulated depreciation

INFLATION ADJUSTED

	Land and buildings ZWL	Motor vehicles 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	15 464 857 725
(100 824 864)	(1 052 657 811)	(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	
-	-	-	-	-	
-	(7 913 974)	(1 706 344)	-	(9 620 318)	
-	7 913 974	1 706 344	-	9 620 318	
(40 910 075)	(7 119 416)	(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	22 319 990 534
19 324 879 651	1 267 328 482	1 280 119 226	447 663 175	22 319 990 534	
(101 958 644)	(1 115 941 253)	(1 032 590 894)	(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)	
15 637 461 704	949 401 589	50 918 232	29 098 734	16 666 880 259	
15 637 461 704	949 401 589	50 918 232	29 098 734	16 666 880 259	
-	-	-	-	-	
34 942 170 607	1 507 424 961	1 139 617 131	450 314 206	38 039 526 906	40 756 461 399
35 044 142 626	2 531 755 969	2 405 328 656	775 234 146	40 756 461 399	
(101 972 019)	(1 024 331 008)	(1 265 711 525)	(324 919 940)	(2 716 934 493)	

HISTORICAL COST

GROUP

Net carrying amount at 1 January 2022

Gross carrying amount - cost/valuation
Accumulated depreciation

Additions

Exchange rate movement on foreign operations

Disposals

Gross carrying amount - cost/valuation
Accumulated depreciation

Depreciation charge for the year

Revaluation surplus
Gross carrying amount - cost/valuation
Accumulated depreciation

Net carrying amount at 31 December 2022

Gross carrying amount - cost/valuation
Accumulated depreciation

Additions

Exchange rate movement on foreign operations

Disposals

Gross carrying amount - cost/valuation
Accumulated depreciation

Depreciation charge for the year

Revaluation surplus
Gross carrying amount - cost/valuation
Accumulated depreciation

Net carrying amount at 31 December 2023

Gross carrying amount - cost/valuation
Accumulated depreciation

	Land and buildings ZWL	Motor vehicles ZWL	Equipment and computers ZWL	Furniture and fittings ZWL	Total ZWL
759,509,840	2,901,102	9,968,192	1,837,015	774,216,149	785,379,761
759,765,657	2,940,521	18,773,538	3,900,045	785,379,761	
(255,817)	(39,419)	(8,805,346)	(2,063,030)	(11,163,612)	
-	15,732,827	57,060,594	6,583,829	79,377,250	
97,910,010	10,974,989	23,450,075	3,378,829	135,713,903	
-	-	(629,491)	-	(629,491)	
-	(1,646,901)	(984,582)	-	(2,631,483)	
-	1,646,901	355,091	-	2,001,992	
(235,939)	(4,282,700)	(15,701,044)	(2,595,265)	(22,814,948)	
2,931,609,487	-	-	-	2,931,609,487	
2,931,609,487	-	-	-	2,931,609,487	
-	-	-	-	-	
3,788,793,398	25,326,218	74,148,326	9,204,408	3,897,472,350	3,929,448,918
3,789,285,154	28,001,436	98,299,625	13,862,703	3,929,448,918	
(491,756)	(2,675,218)	(24,151,299)	(4,658,295)	(31,976,568)	
8,449,392	500,493,862	624,600,377	207,144,510	1,340,688,141	
550,811,352	312,729,048	215,132,564	50,576,176	1,129,249,140	
-	(278,408,890)	(1,063,944)	(796,044)	(280,268,878)	
-	(317,978,046)	(1,785,524)	(1,950,551)	(321,714,121)	
-	39,569,156	721,580	1,154,507	41,445,243	
(13,375)	(121,371,948)	(126,725,624)	(22,749,191)	(270,860,138)	
29,576,623,848	949,401,589	30,766,551	64,518,320	30,621,310,308	
29,576,623,848	949,401,589	30,766,551	64,518,320	30,621,310,308	
-	-	-	-	-	
33,924,664,615	1,388,169,879	816,858,250	307,898,180	36,437,590,923	36,698,982,386
33,925,169,746	1,472,647,889	967,013,593	334,151,158	36,698,982,386	
(505,131)	(84,478,010)	(150,155,343)	(26,252,979)	(261,391,463)	

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.



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Audited Financial Results

FOR THE YEAR ENDED 31 DECEMBER 2023

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

6 INVESTMENT PROPERTY

	INFLATION ADJUSTED		HISTORICAL COST	
	2023 ZWL	2022 ZWL	2023 ZWL	2022 ZWL
Balance at the beginning of the year	173,458,227,447	100,208,718,136	36,096,715,231	6,066,289,056
Additions	1,035,447,873	8,741,323,181	835,224,505	1,819,072,282
Improvements	85,903,494	-	85,903,494	-
Disposals	(23,879,591,131)	(157,216,950)	(5,693,597,147)	(31,942,857)
Exchange rate movement on foreign operations	1,543,856,081	12,186,251,938	8,064,509,842	3,286,883,704
Fair value gains through profit or loss	144,708,438,661	52,479,151,142	257,563,526,500	24,956,413,046
Balance at 31 December	296,952,282,425	173,458,227,447	296,952,282,425	36,096,715,231

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.

7 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.

December 2023	INFLATION ADJUSTED					Total ZWL
	Insurance ZWL	Micro-lending ZWL	Property Investment ZWL	Other ZWL	Consolidation adjustments 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	(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)

December 2022	INFLATION ADJUSTED					Total ZWL
	Insurance ZWL	Micro-lending ZWL	Property Investment ZWL	Other ZWL	Consolidation adjustments ZWL	
Insurance contract revenue	34,127,052,963	-	-	-	-	34,127,052,963
Insurance service expenses	(12,090,119,086)	-	-	-	-	(12,090,119,086)
Insurance service result from insurance contracts issued	22,036,933,877	-	-	-	-	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
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	(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

December 2023	HISTORICAL COST					Total ZWL
	Insurance ZWL	Micro-lending ZWL	Property Investment ZWL	Other ZWL	Consolidation adjustments 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	(9,544,525,547)	(3,803,283,330)	(200,171,096)	(8,975,014,811)	225,955,210	(22,927,039,574)
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
Segment liabilities	201,493,667,159	8,167,583,296	10,360,669,497	6,118,136,770	51,224,038	226,191,280,760

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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

December 2022	HISTORICAL COST					Total ZWL
	Insurance ZWL	Micro-lending ZWL	Property Investment ZWL	Other ZWL	Consolidation adjustments 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	-	-	-	-	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

7.3 Geographical Information

December 2023	INFLATION ADJUSTED			
	Zimbabwe ZWL	Malawi ZWL	Consolidation adjustments ZWL	Total ZWL
Insurance revenue	116,576,468,962	6,528,415,472	(6,528,415,472)	116,576,468,962
Insurance service expenses	(34,143,338,424)	(4,296,531,552)	4,296,531,552	(34,143,338,424)
Insurance service result from insurance contracts issued	82,433,130,538	2,231,883,919	(2,231,883,919)	82,433,130,538
Allocation of reinsurance paid	(1,599,484,555)	(326,524,105)	326,524,105	(1,599,484,555)
Amount recoverable from reinsurers for incurred claims	495,363,611	21,184,040	(21,184,040)	495,363,611
Insurance service result	81,329,009,594	1,926,543,854	(1,926,543,854)	81,329,009,594
Interest revenue from financial instruments not measured at fair value through profit or loss	3,105,324,620	2,638,152,295	(2,638,152,295)	3,105,324,620
Net income from other financial instruments at fair value through profit or loss	24,084,809,034	11,460,454,233	(11,460,454,233)	24,084,809,034
Net gains from fair value adjustments to investment properties	46,504,042,931	467,296,499	(467,296,499)	46,504,042,931
Net change in investment contract liabilities	(81,298,770,261)	(11,993,179,821)	11,993,179,821	(81,298,770,261)
Other net investment revenue	76,790,579,004	1,893,508,799	(1,893,508,799)	76,790,579,004
Net gain from foreign exchange	1,652,092,657	-	-	1,652,092,657
Net Investment Income	70,838,077,986	4,466,232,006	(4,466,232,006)	70,838,077,986
Insurance finance expenses for insurance contracts issued	(20,976,426,906)	(199,926,892)	199,926,892	(20,976,426,906)
Net insurance finance expenses	(20,976,426,906)	(199,926,892)	199,926,892	(20,976,426,906)
Net insurance and investment result	131,190,660,674	6,192,848,968	(6,192,848,968)	131,190,660,674
Other investment income	-	-	435,837,234	435,837,234
Interest income from micro - lending	-	-	5,407,928,288	5,407,928,288
Other income	(17,926,050,278)	85,137,061	20,448,283,156	2,607,369,939
Operating and administrative expenses expenses	(11,682,872,069)	(5,759,978,627)	(11,915,471,567)	(29,358,322,262)
Allowance for expected credit losses on receivables	(126,080,462)	-	-	(126,080,462)
Finance costs	(235,689,821)	-	(1,171,530,771)	(1,407,220,592)
Segment assets	532,114,105,627	113,359,454,393	(161,698,841,705)	483,774,718,315
Segment liabilities	118,298,632,463	110,639,174,747	425,575,366	229,363,382,576

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

7 SEGMENT INFORMATION

7.3 Geographical Information (Continued)

December 2022	INFLATION ADJUSTED			Total ZWL
	Zimbabwe ZWL	Malawi ZWL	Consolidation adjustments ZWL	
Insurance revenue	33,385,541,789	741,511,774	-	34,127,053,563
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	-	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	HISTORICAL COST			Total ZWL
	Zimbabwe ZWL	Malawi ZWL	Consolidation adjustments ZWL	
Insurance revenue	41,955,700,207	6,528,415,472	-	48,484,115,679
Insurance service expenses	(20,134,882,310)	(4,296,531,552)	350,378,873	(24,081,034,989)
Insurance service result from insurance contracts issued	21,820,817,898	2,231,883,919	350,378,873	24,403,080,690
Allocation of reinsurance paid	(576,756,843)	(326,524,105)	-	(903,280,948)
Amount recoverable from reinsurers for incurred claims	310,402,529	21,184,040	-	331,586,569
Insurance service result	21,554,463,584	1,926,543,854	350,378,872	23,831,386,311
Interest revenue from financial instruments not measured at fair value through profit or loss	437,105,687	2,638,152,295	-	3,075,257,982
Net income from other financial instruments at fair value through profit or loss	8,697,978,060	11,460,454,233	-	20,158,432,294
Net gains from fair value adjustments to investment properties	101,787,996,506	467,296,499	(29,587,376,506)	72,667,916,500
Net change in investment contract liabilities	(17,346,038,979)	(11,993,179,821)	-	(29,339,218,800)
Other net investment revenue	144,226,120,154	1,893,508,799	(143,443,926,144)	2,675,702,809
Net gain from foreign exchange	1,713,530,551	-	-	1,713,530,551
Net Investment Income	239,516,691,979	4,466,232,006	(173,031,302,649)	70,951,621,336
Insurance finance expenses for insurance contracts issued	(7,921,017,940)	(199,926,892)	-	(8,120,944,832)
Net insurance finance expenses	(7,921,017,940)	(199,926,892)	-	(8,120,944,832)
Net insurance and investment result	253,150,137,623	6,192,848,968	(172,680,923,777)	86,662,062,815
Other investment income	182,538,545,520	-	(182,400,991,235)	137,554,285
Interest income from micro - lending	3,469,511,590	-	-	3,469,511,590
Other income	2,392,557,174	85,137,061	(697,770,102)	1,779,924,132
Operating and administrative expenses expenses	(16,763,016,157)	(5,759,978,627)	225,955,210	(22,297,039,574)
Allowance for expected credit losses on receivables	(26,845,956)	-	-	(26,845,956)
Finance costs	(1,082,599,786)	-	-	(1,082,599,786)
Segment assets	529,448,854,618	113,359,454,325	(163,286,069,747)	479,522,239,196
Segment liabilities	115,500,881,974	110,639,174,747	51,224,038	226,191,280,760

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7 SEGMENT INFORMATION

7.4 Geographical Information (Continued)

December 2022	HISTORICAL COST			
	Zimbabwe	Malawi	Consolidation adjustments	Total
	ZWL	ZWL	ZWL	ZWL
Insurance revenue	4,567,050,088	741,511,174	(741,511,174)	4,567,050,088
Insurance service expenses	(3,063,115,770)	(690,943,515)	690,943,515	(3,063,115,770)
Insurance service result from insurance contracts issued	1,503,934,318	50,567,659	(50,567,659)	1,503,934,318
Allocation of reinsurance paid	(158,298,570)	(48,328,705)	48,328,705	(158,298,570)
Amount recoverable from reinsurers for incurred claims	57,777,334	7,208,998	(7,208,998)	57,777,334
Insurance service result	1,403,413,082	9,447,952	-	1,403,413,082
Interest revenue from financial instruments not measured at fair value through profit or loss	27,467,105	38,809,588	-	66,276,692
Net income from other financial instruments at fair value through profit or loss	313,791,542	502,927,820	-	816,719,361
Net gains from fair value adjustments to investment properties	8,363,013,998	75,970,031	-	8,438,984,029
Net change in investment contract liabilities	(3,429,298,258)	(422,815,295)	-	(3,852,114,553)
Other net investment revenue	14,869,058,114	468,883,064	-	15,337,941,178
Net investment income	20,144,031,500	663,775,207	-	20,807,806,707
Insurance finance expenses for insurance contracts issued	(843,067,695)	217,991,243	-	(625,076,452)
Net insurance finance expenses	(843,067,695)	217,991,243	-	(625,076,452)
Net insurance and investment result	20,694,928,936	891,214,402	-	21,586,143,337
Other investment income	591,972,985	-	(583,700,977)	8,272,008
Interest income from micro - lending	346,712,607	-	-	346,712,607
Other income	1,282,899,685	34,289,032	(204,994,750)	1,112,193,967
Operating and administrative expenses	(2,249,787,935)	(963,362,835)	(58,552,221)	(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	63,406,784,962	14,873,058,090	(22,527,424,641)	55,752,418,412
Segment liabilities	16,742,223,699	14,137,329,510	667,656,204	31,547,209,413

8 OTHER RECEIVABLES

	INFLATION ADJUSTED		HISTORICAL COST	
	Dec-23 ZWL	Dec-22 ZWL	Dec-23 ZWL	Dec-22 ZWL
Residential stand sales debtors	1,994,491	7,307,882	1,994,491	1,520,773
Micro-finance loans receivable	6,446,218,667	3,022,423,750	6,446,218,667	628,967,395
Other trade debtors	5,819,019,517	1,244,829,409	5,819,019,517	259,049,417
Trade receivables - gross	12,267,232,675	4,274,561,041	12,267,232,675	889,537,585
Less: allowance for expected credit losses ("ECL")	(1,579,057,048)	(1,128,074,096)	(1,579,057,048)	(234,752,598)
Trade receivables - net	10,688,175,627	3,146,486,945	10,688,175,627	654,784,987
Receivables from related parties	6,402,245,142	315,457,139	6,402,245,142	65,646,736
Loans to employees, net of ECL	896,363,464	591,229,870	896,363,464	123,035,134
Total receivables classified as financial assets at amortised cost	17,986,784,233	4,053,173,954	17,986,784,233	843,466,857
Prepayments	151,205,289	4,989,753,238	151,205,289	1,038,369,320
Other receivables, net of ECL	11,463,061,895	1,015,743,259	11,463,061,895	211,376,512
Total trade and other receivables	29,601,051,417	10,058,670,451	29,601,051,417	2,093,212,689

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.

	Dec-23 ZWL	Dec-22 ZWL	Dec-23 ZWL	Dec-22 ZWL
The total impairment allowance is made up of the following:				
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 ZWL	Dec-22 ZWL	Dec-23 ZWL	Dec-22 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
Balance at 31 December	1,579,057,048	1,128,302,900	1,579,057,048	234,800,212

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

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

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



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11 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		Direct participating contracts	Investment contracts with DPF	Investment contracts without DPF	Total	Current portion	Non current portion	Total
Group		ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Balance as at 31 December 2023								
Insurance contract assets		5,803,273,861	-	-	5,803,273,861	5,803,273,861	-	5,803,273,861
Insurance contract liabilities		90,557,214,044	73,101,793,540	-	163,659,007,584	-	163,659,007,584	163,659,007,584
Investment contract liabilities		-	-	19,500,810,198	19,500,810,198	-	19,500,810,198	19,500,810,198
Balance as at 31 December 2022								
Insurance contract assets		7,500,478,817	-	-	7,500,478,817	7,500,478,817	-	7,500,478,817
Insurance contract liabilities		144,460,311,827	30,279,301,980	-	174,739,613,807	-	174,739,613,807	174,739,613,807
Investment contract liabilities		-	-	26,861,144,769	26,861,144,769	-	26,861,144,769	26,861,144,769

HISTORICAL COST		Direct participating contracts	Investment contracts with DPF	Investment contracts without DPF	Total	Current portion	Non current portion	Total
Group		ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Balance as at 31 December 2023								
Insurance contract assets		5,803,273,861	-	-	5,803,273,861	5,803,273,861	-	5,803,273,861
Insurance contract liabilities		90,557,214,044	73,101,793,540	-	163,659,007,584	-	163,659,007,584	163,659,007,584
Investment contract liabilities		-	-	19,500,810,198	19,500,810,198	-	19,500,810,198	19,500,810,198
Balance as at 31 December 2022								
Insurance contract assets		1,560,852,154	-	-	1,560,852,154	1,560,852,154	-	1,560,852,154
Insurance contract liabilities		13,752,773,820	6,340,361,495	-	20,093,135,315	-	20,093,135,315	20,093,135,315
Investment contract liabilities		-	-	5,589,813,223	5,589,813,223	-	5,589,813,223	5,589,813,223

INFLATION ADJUSTED

Analysis of Insurance Contract Liability and Assets by participation

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

HISTORICAL COST

Analysis of Insurance Contract Liability and Assets by participation

	2023			2022		
	LFRC	LIC	TOTAL	LFRC	LIC	TOTAL
Direct Participating Contracts	90,190,716,914	366,497,130	90,557,214,044	13,663,581,022	89,192,798	13,752,773,820
Investment contracts with direct participating contracts	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

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

INFLATION ADJUSTED	2023				2022			
	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								
Incurring claims and other directly attributable expenses	-	-	2,725,130,408	2,725,130,408	-	-	1,239,840,674	1,239,840,674
Changes that relate to past service	-	-	208,187,961	208,187,961	-	-	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)	-	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	-	-	-	-	-	-	-	-
Finance expenses from insurance contracts issued	6,208,289,933	-	-	6,208,289,933	1,149,979,376	-	-	1,149,979,376
Total amounts recognised in comprehensive income	(7,786,925,105)	-	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
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	-	-	-	-	-	-	-	-
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

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

HISTORICAL COST	2023				2022			
	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								
Incurring 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	-	-	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	-	-	-	-	-	-	-	-
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)	-	4,689,153,026	(160,197,284)	(684,503,263)	-	730,143,037	45,639,774
Investment components	-	-	-	-	-	-	-	-
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)	-	(1,991,336,502)	(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	-	89,192,798	13,752,773,820



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

INFLATION ADJUSTED	2023				2022			
	LFRC	Loss component	LIC	Total	LFRC	Loss component	LIC	Total
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
GROUP								
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)	-	-	(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	-	-	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	-	-	-	-	-	-	-	-
Insurance acquisition cashflows amortisation	9,810,521,527	-	-	9,810,521,527	6,499,911,042	-	-	6,499,911,042
Insurance service expenses	9,810,521,527	-	20,692,050,505	30,502,572,032	6,499,911,042	-	5,284,443,725	11,784,354,767
Total net expenses from reinsurance contracts held	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-
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)
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	-	-	-	-	-	-	-	-
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

HISTORICAL COST	2023				2022			
	LFRC	Loss component	LIC	Total	LFRC	Loss component	LIC	Total
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
GROUP								
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	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-
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								
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	-	-	-	-	-	-	-	-
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	-	91,698,044	6,340,361,494



FIDELITY LIFE

ASSURANCE OF ZIMBABWE

Your Life Partner

Audited Financial Results

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 ADJUSTED		HISTORICAL COST	
	Dec-23 ZWL	Dec-22 ZWL	Dec-23 ZWL	Dec-22 ZWL
Opening balance 1 January 2023	26,861,144,769	15,711,995,367	5,589,813,223	951,149,833
Contributions received	504,180,052	23,265,942,572	192,204,764	1,858,386,773
Benefits paid	(83,429,355,599)	(7,667,710,761)	(13,434,378,614)	(4,217,570)
Investment return from underlying assets	81,298,770,261	4,868,058,299	29,339,218,800	3,852,114,553
Asset management fees charged	(5,733,929,285)	(9,317,140,708)	(2,186,047,975)	(1,067,620,366)
Closing balance	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 expense and net expenses from insurance contracts held by product line for 2023 and 2022 is included in the following tables

DECEMBER 2023	INFLATION ADJUSTED			HISTORICAL COST		
	Direct participating contracts ZWL	Investment contracts with DPF ZWL	Total ZWL	Direct participating contracts ZWL	Investment contracts with DPF ZWL	Total ZWL
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	12,996,100,858	36,048,755,742	49,044,856,601	6,548,412,738	14,333,518,690	20,881,931,428
Change in the risk adjustment for non-financial risk for the risk expired after loss component allocation	463,968,584	311,599,026	775,567,610	224,765,699	174,813,858	399,579,557
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 measured 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	-	12,708,921,985	12,708,921,985	-	5,918,380,047	5,918,380,047
Insurance revenue from contracts measured under the VFA	-	4,478,427,698	4,478,427,698	-	2,017,051,441	2,017,051,441
Total insurance revenue	14,558,088,951	102,018,380,011	116,576,468,962	7,542,331,877	40,941,783,802	48,484,115,679
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 - adjustments 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 Outstanding 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 losses	-	-	-	-	-	-
Insurance acquisition cashflows amortisation	(562,873,913)	(9,810,521,527)	(10,373,395,440)	(256,698,118)	(3,551,297,758)	(3,807,995,876)
Total insurance service expenses	(3,640,766,393)	(30,502,572,032)	(34,143,338,424)	(5,090,425,255)	(18,990,609,734)	(24,081,034,989)
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	INFLATION ADJUSTED			HISTORICAL COST		
	Direct participating contracts ZWL	Investment contracts with DPF ZWL	Total ZWL	Direct participating contracts ZWL	Investment contracts with DPF ZWL	Total ZWL
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	308,135,636	558,477,218	866,612,855	42,774,787	64,270,605	107,045,392
Insurance revenue from contracts not measured under the PAA	6,292,005,222	20,239,358,035	26,531,363,257	1,054,237,089	3,239,303,833	4,293,540,922
Insurance revenue from contracts measured under the PAA	-	4,673,041,794	4,673,041,794	-	213,071,751	213,071,751
Insurance revenue from contracts measured under the VFA	-	2,922,647,913	2,922,647,913	-	60,437,416	60,437,416
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 expenses	(1,239,840,674)	(3,912,059,561)	(5,151,900,235)	(705,725,822)	(1,494,443,185)	(2,200,169,007)
Changes that relate to past service - adjustments 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 Outstanding 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 losses	-	-	-	-	-	-
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	(1,637,498,979)	(10,452,620,107)	(12,090,119,086)	(783,219,753)	(2,279,896,017)	(3,063,115,770)
Net income (expenses) from reinsurance contracts held						
Reinsurance expenses-contracts measured under the PAA	-	(1,157,614,214)	(1,157,614,214)	-	(158,298,570)	(158,298,570)
Claims recovered	-	513,311,442	513,311,442	-	57,777,334	57,777,334
Total net expenses from reinsurance contracts held	-	(644,302,772)	(644,302,772)	-	(100,521,236)	(100,521,236)
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 BORROWINGS

	INFLATION ADJUSTED		HISTORICAL COST	
	Dec-23 ZWL	Dec-22 ZWL	Dec-23 ZWL	Dec-22 ZWL
ZB Bank Limited	4,592,510,981	968,501,832	4,592,510,981	201,545,556
	4,592,510,981	968,501,832	4,592,510,981	201,545,556

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 expiring on 31 March 2024.

Notes to the condensed consolidated financial statements

FOR THE YEAR ENDED 31 DECEMBER 2023

12.2 Movements in borrowings during the period were as follows:

Balance at 1 January

	Dec-23 ZWL	Dec-22 ZWL	Dec-23 ZWL	Dec-22 ZWL
Balance at 1 January	968,501,832	1,099,085,813	201,545,556	66,534,852
Net cash out flow on borrowings	11,517,352,558	724,272,851	4,390,965,425	135,010,704
Proceeds from borrowings	14,499,207,323	2,010,272,623	5,527,791,020	339,362,046
Repayment of borrowings	(2,981,854,766)	(1,285,999,772)	(1,136,825,595)	(204,351,342)
Finance costs capitalised	1,407,220,592	919,885,587	828,323,936	138,227,511
Finance costs paid	(1,407,220,592)	(919,885,587)	(828,323,936)	(138,227,511)
Exchange differences on foreign currency denominated loans	-	-	-	-
Reduction of borrowings due to inflation	(7,893,343,409)	(854,856,832)	-	-
Balance at 30 June	4,592,510,981	968,501,832	4,592,510,981	201,545,556

13 TRADE AND OTHER PAYABLES

Trade payables

	Dec-23 ZWL	Dec-22 ZWL	Dec-23 ZWL	Dec-22 ZWL
Trade payables	5,126,356,850	12,204,471,200	5,126,356,850	2,539,754,545
South View offsite works liability	2,966,711,226	1,726,263,534	2,966,711,226	359,236,020
Related party payables	6,377,744,657	1,032,062,782	6,377,744,657	214,772,610
Deferred income from sale of residential stands	2,776,465,488	2,776,465,488	4,613,849	4,399,338
Statutory liabilities	2,789,551	6,142,851	2,789,551	1,278,329
Other payables	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

14.1 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.

14.2 Litigations against the Company

In 2015, Fidelity Life Assurance of Zimbabwe Limited, ("FLA") entered into a sale of shares 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 Zig: ZWL2,498.7242 obtained from a combination of the prevailing interbank exchange rate of US\$1:ZWL33,903.9916 and gold price of US\$2,293.50 as at 5 April 2024. This implies an exchange rate of Zig13.56 per US\$1. The event does not warrant an adjustment on the current set of financial statements in accordance with IASIO events after the reporting date.



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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.

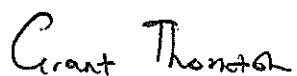
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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.



Farai Chibisa
Partner

Registered Public Auditor (PAAB No: 0547)

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors
HARARE

3 May 2024