

EcoCash

HOLDINGS ZIMBABWE LIMITED

(Incorporated in Zimbabwe on 29 March 2012 under Company Registration Number 2487/2012)
ZSE Alpha Code: EHZL.zw ISIN ZW0009012437

Audited Abridged Consolidated Financial Statements

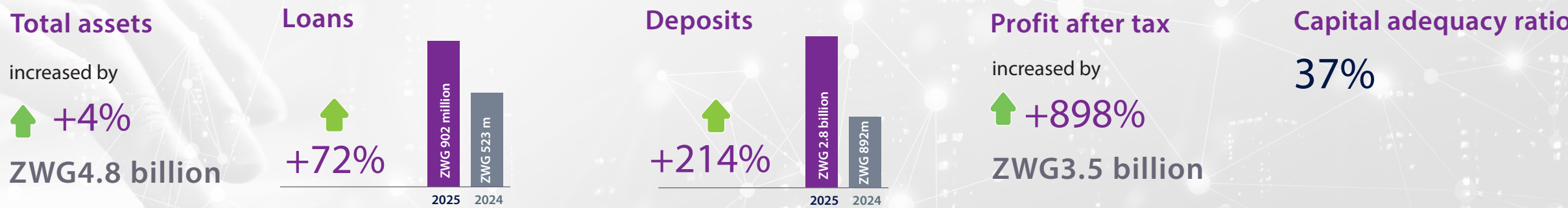
for the year ended 28 February 2025



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HIGHLIGHTS

Key Performance Indicators



Group Chairman’s Statement

Introduction

I am honoured to be presenting to you my maiden statement on the performance of EcoCash Holdings Zimbabwe Limited (EHZL) for the financial year ended 28 February 2025. We have four Statements accompanying the consolidated Financial Statements of EHZL and TN CyberTech Bank Limited, (formerly Steward Bank Limited). This, my Statement, shall deal with the changes that have taken place at the Holding Company level and the progress made on the rebranding of the Holding Company. The Statement by the Group Chief Executive Officer shall deal with the future of the Group at a strategic level. The Statement by the Chairman of the Bank shall focus on Corporate Governance issues. Finally, the statement by the Acting Chief Executive Officer of the Bank shall present, explain and analyse the Financial Statements for the reporting period ended 28 February 2025.

Scheme of Reconstruction

During the year under review, the company successfully concluded a scheme of reconstruction on 17 April 2024, whereby the Financial Technology businesses, namely EcoCash (Private) Limited, Vaya Technologies Zimbabwe (Private) Limited, Econet Insurance (Private) Limited, Econet Life (Private) Limited, and MARS Zimbabwe (Private) Limited, were transferred to Econet Wireless Holdings Zimbabwe Limited. As a result of the re-organisation, EcoCash Holdings Zimbabwe Limited retained the status of a bank holding company with Steward Bank Limited as its only subsidiary. The purchase consideration for the transfer of the technology businesses to Econet was distributed to qualifying shareholders pro rata to the shares that they owned in EHZL on the record date of the Scheme.

Board Changes

Following the successful completion of the scheme of reconstruction and the subsequent changes in the shareholder profile of the company, the boards of EcoCash Holdings Zimbabwe Limited and Steward Bank Limited were reconfigured to reflect the new shareholding structure. The table below shows the list of directors of EHZL who have resigned as part of the reorganisation of the board.

Director Name	Position
Mrs. Sherree G Shereni	Chairperson Independent Non-Executive Director
Dr. Zienzile Dillon	Independent Non-Executive Director
Mr. Hardy Pemhiwa	Non-Executive Director
Mr. Darlington T Mandivenga	Non-Executive Director
Mr. Michael L Bennett	Independent Non-Executive Director
Mr. Christopher Maswi	Independent Non-Executive Director
Mr. Eddie Chibi	Executive Director
Mrs. Theresa Nyemba	Executive Director

On behalf of the shareholders, directors, management and staff, I wish to extend my heartfelt gratitude for Mrs. Shereni’s stewardship of the company during her tenure as Board Chairperson. The Board also acknowledges the service of the outgoing Directors and wishes to acknowledge and appreciate their immense contribution to the success of the company. Mr Dominic Musengi and Ms. Elizabeth T. Masiyiwa have been retained as non-executive directors on the new EHZL board.

I also welcome newly appointed non-executive directors, Mrs N G Levy, Mr M Mufowo, Mr E Mudhikwa, Mr R Chidembo, and Mr R. Chimanikire to the Board. The Board shall be served by the same Committees that shall serve the Bank. Details of these committees shall be set out in the report by the Chairman of the Bank. It suffices to say that save for only a few of the new appointments that are still pending, the new Board appointments at both the Holding Company and the Bank levels have all passed the vetting and scrutiny of the Reserve Bank of Zimbabwe.

Executive Appointments

I am pleased to announce the following executive appointments of the company.

- Mr. Tawanda Nyambirai has been appointed Group Chief Executive Officer of EcoCash Holdings Zimbabwe Limited.
- Mr Courage Mashavave has been transferred from Steward Bank Limited to EcoCash Holdings Zimbabwe Limited and promoted to the position of Deputy Group Chief Executive Officer.

- Mr. Godknows Mudzingwa has also been appointed Executive Director of EcoCash Holdings Zimbabwe Limited responsible for Properties & Channel Strategy.

Rebranding

Under the new shareholders, the bank’s channel strategy will evolve to focus on the development and use of its OMNI platform as the main channel through which banking services will be delivered to its customers. In order to align to the new strategic thrust, the board shall direct a rebranding exercise which shall include the change of the name of EcoCash Holdings Zimbabwe Limited to TN CyberTech Investments Holdings Limited. A circular to this effect has been drafted and is pending the approval of its publication by the Zimbabwe Stock Exchange. The change of the name of Steward Bank Limited to TN CyberTech Bank Limited has been effected and a Certificate of Change of Name has already been issued by the Registrar of Companies and other Business Entities. The Reserve Bank of Zimbabwe has been requested to publish the change of name.

Endorsement of the Accompanying Reports and the Audited Consolidated Financial Statements of EHZL and TN CyberTech Bank Limited:

The consolidated Financial Statements will be presented, explained and analysed in the accompanying Report of the Acting Chief Executive Officer of the Bank. My Board and I have read the report and we hereby endorse and associate ourselves with it together with the Reports of the Group Chief Executive Officer and the Report of the Chairman of the Bank.

Reverend T. Murefu
EcoCash Holdings Zimbabwe Limited Chairman

30 May 2025

Audited Abridged Consolidated Financial Statements for the year ended 28 February 2025

Group Chief Executive Officer’s Statement

Our Vision

Our vision is to be the Zimbabwean platform of choice through which natural and corporate persons anywhere in the world can create value for themselves and for others using our banking products and services. By projecting ourselves as a platform, our vision emphasizes our intermediation role as an enabler to our customers. We exist for our customers. We must enable them to realise their financial dreams.

Our mission

The African Continent as a whole is still faced with the problem of the unbanked. Traditional banking models are ill-equipped to solve the problem of the unbanked and to deliver convenience to the banking population. Our Mission is to use cyber technologies to deliver banking services to corporates where they operate, and to people where they work, where they play, and where they live, without limitations on time or place.

We will transform our branches into digital customer service centers where machines will be substituted for humans. The humans will be redeployed into the expansion of our Agency Banking network as Agency Banking entrepreneurs that will also use machines to deliver banking services to the hitherto unbanked. This approach will reduce staff costs significantly while creating opportunities for our former staff members to be entrepreneurs. At the close of the financial year, the Group had scaled its agency banking network by onboarding more than 160 agents across the country onto its Agent Banking Portal, thereby enabling them to perform both primary and secondary branch related activities remotely and digitally. The Group will continue to pursue this mission as it seeks to address the 2030 Agenda for Sustainable Development that was adopted by all United Nations Members in 2025, particularly Sustainable Development Goals 1 & 8 which are largely tied to poverty eradication, job creation and economic growth.

We will further develop our internet banking channel to offer more convenience to our customers right from the point of onboarding.

Our Values

Our values will be customer-centric. They are represented by the acronym, IDIFOH, which stands for Innovation, Dignity, Industry, Faith, Originality and Humility. We will innovate to deliver solutions that will improve the financial well being of our customers. We will preserve our own dignity and that of all our stakeholders. Our Faith in God will keep us focused on our goals in the face of any challenges we may encounter.

Staff Rationalisation

The Bank was top-heavy. We have already completed the first phase of staff rationalisation which resulted in mutual termination agreements with Senior Executives. The benefits of this first phase of staff rationalisation will be seen in the Financial Year 2025-2026. Strategies to manage the change have already been effectively deployed. The next phase of staff rationalisation will be implemented through the conversion of traditional banking branches into high technology customer service centers and the conversion of former branch staff into Banking Agents. Our target is to reduce the ratio of staff costs to revenue to below 10% in the medium term.

Outlook of the Group

TN CyberTech Bank Limited will be a Neobank. Our channel strategy will be in three parts. The first will be the conversion of our traditional banking branches into centers where the role hitherto played by people will be played by machines to deliver even better banking services. The second will be the remodelling of our Banking Agency Network into a network that uses machines instead of humans to deliver banking services. This will enable our Agents to operate multiple sites without incurring a huge staff costs bill. The third will be the use of our technology platforms to enable our customers to conduct their banking transactions where they work, where they live, and where they play, whenever they decide to, without time restrictions.

Endorsement of the Accompanying Reports and the Audited Consolidated Financial Statements of EHZL and TN CyberTech Bank Limited:

The consolidated Financial Statements will be presented, explained and analysed in the accompanying Report of the Acting Chief Executive Officer of the Bank. I have read the report and I hereby endorse and associate myself with it together with the Reports of the Chairman of the Holding Company and of the Chairman of the Bank.



T. Nyambirai
Group Chief Executive Officer

30 May 2025

Bank’s Chairman’s Statement

Board and Executive Management Changes

I am the new Chairman of the Bank Board. I would like to extend my gratitude to Mr B T R Chidzero, our previous Board Chair for guiding the Bank over the past eight years. I also express my gratitude to Mr C Mashavave our outgoing CEO for his leadership of the Bank over the past five years.

Mr C. Kadzimu is now the Acting Chief Executive Officer of the Bank. I would like to thank Mr C Kadzimu for the role that he played when he was the Chief

Operations Officer of the Bank, and Mrs G Zhakata our former Chief Finance Officer for the role she played when she was an executive Director of the Bank. Mrs. N G Levy, Mr. R Chidembo, and Mr. M Mufowo stepped down from the Bank Board and became Non Executive Directors of the Bank Holding Company. I also express my gratitude to them. When the Bank Board was initially configured, Dr T I Murefu was also announced as a member of the Bank Board. However, after Regulatory consultations, it became apparent that he would cease to be regarded as an Independent Chairman of the Holdings Company Board if he remained a Director of the Bank. Therefore, he resigned from the Bank Board and remained an Independent Chairman of EcoCash Holdings Zimbabwe Limited. I would like to thank him for the short time he served on the Board of the Bank.

I also welcome to the Board the following members who have been tasked with steering the Bank through its transformation to a Neobank, Mr G I Agu, Mr. T Nyambirai, Mr Z Katiyo, Mrs. C T Mugwira–Jowa, Mrs E Mujaya, Dr N M Nyangulu and Mr. D A Rhodes.

Corporate Governance Structures:

The Bank and the Holding Company will have the following Board Committees in common. This arrangement is intended to save costs as the Bank is the only subsidiary of EHZL:

Name of Director	Committee Member	Designation
Audit Committee	E Mujaya	Chairperson
	G I Agu	Member
	CT Mugwira -Jowa	Member
	N M Nyangulu	Member
	D Musengi	Member
Risk Compliance and Capital Management	C T Mugwira -Jowa	Chairperson
	Z Katiyo	Member
	N M Nyangulu	Member
	N G Levy	Member
Remuneration and Nominations Committee	N M Nyangulu	Chairperson
	J A K Mushore	Member
	R Chimanikire	Member
	T Nyambirai	Member
	D Musengi	Member
Credit Committee	D A Rhodes	Chairperson
	R Chimanikire	Member
	T Nyambirai	Member
	E Mudhikwa	Member
Loans Review Committee	E Mujaya	Chairperson
	J A K Mushore	Member
	Z Katiyo	Member
	Dr Murefu	Member
IT and Strategy Committee	G I Agu	Chairperson
	R Chimanikire	Member
	T Nyambirai	Member
	D A Rhodes	Member
	E Masiyiwa	Member
	E Mudhikwa	Member
	M. Mufowo	Member

Appreciation of Employees and other Stakeholders

My gratitude goes to the Steward Bank employees who continue to work diligently for the Bank’s success. I would also like to thank our customers, partners and regulators who are an important construct within our value chain.

Endorsement of the Accompanying Reports and the Audited Consolidated Financial Statements of EHZL and TN CyberTech Bank Limited:

The consolidated Financial Statements of EHZL and the Steward Bank Limited financial statements will be presented, explained and analysed in the Report of the Acting Chief Executive Officer of the Bank. My Board and I have read the report and we hereby endorse and associate ourselves with it together with the Reports of the Chairman of the Holding Company and the Group Chief Executive Officer.



J.A. Mushore
Steward Bank Limited Chairman

30 May 2025

Acting Bank Chief Executive Officer’s Statement

Performance Summary

The analysis below presents an overview of the financial performance of EHZL and Steward Bank Limited for the year ended 28 February 2025. The results reflect a year of structural transformation following the EHZL’s strategic decision to dispose non-banking operations.

The disposal of six non-banking subsidiaries— EcoCash (Private) Limited, Vaya Technologies Zimbabwe (Private) Limited, Econet Insurance (Private) Limited, Econet Life (Private) Limited, and MARS Zimbabwe (Private) Limited to Econet Wireless Zimbabwe, was successfully completed on 1 March 2024. This restructuring significantly reshaped the Group’s financial position and performance, with Steward Bank Limited now remaining as the sole operating subsidiary.

These disposals generated substantial fair value gains and once-off income items that materially influenced profit and loss, cash flow, and equity movements. Accordingly, the analysis separates the impact of these non-operational gains from Steward Bank’s ongoing operating performance.

Zimbabwe remains hyperinflationary, and these financial statements were prepared under IAS 29 (hyperinflation accounting). Users are advised to interpret

the ZWG results with caution, as limitations in the accuracy and reliability of Consumer Price Index (CPI) data may distort inflation-adjusted figures, making meaningful trend analysis challenging.

Consolidated Financial Performance Analysis

Income Statement

- Revenue: Declined by 17% to ZWG892 million (FY2024: ZWG1.1 billion), largely due to distortions from inflation accounting. Our separate tracking in real terms indicates a revenue growth of 1% from the prior year.
- Profit Before Tax (PBT): Increased more than sevenfold to ZWG3.6 billion, largely attributable to gains of ZWG3.5 billion (Other income), primarily from the disposal of subsidiaries. Excluding these non-recurring gains and once-off foreign exchange losses related to debenture repayments under the restructuring process, operational profit before tax from Steward Bank was at ZWG213 million, up from ZWG178 million achieved in FY2024.
- Net Profit: Increased to ZWG3.5 billion from ZWG352 million, again reflecting the disposal gains. Profit from continuing operations (i.e., Steward Bank) was ZWG 159 million, compared to ZWG84 million in FY2024, reflective of cost containment measures that were implemented by the Bank during the year under review.

Earnings per Share (EPS)

- Basic and diluted EPS increased to ZWG0.839 (2024: ZWG0.084), while headline EPS was ZWG 0.687 (2024: ZWG 0.084). These movements mainly reflect the once-off gains, not operational income growth.

Financial Position

- Total Assets: Slightly increased by 4% to ZWG4.8 billion as at 28 February 2025. This growth was primarily underpinned by Steward Bank, the group’s sole operating subsidiary, which recorded increases in loans and advances to customers, investment property, and cash balances. Notably, the prior year’s total assets included ZWG 1.9 billion classified as non-current assets held for sale, relating to the divested subsidiaries. With the sale completed at the beginning of the current financial year, these assets were derecognized, and the balance sheet now reflects a leaner structure centered on banking operations.
- Deposits: Increased significantly by 214% to ZWG2.8 billion, reflecting strong deposit mobilization by Steward Bank.
- Equity: Declined from ZWG1.8 billion to ZWG1.5 billion due to the derecognition of subsidiaries and associated reserves, and the ZWG3.7 billion dividend payout, which was funded from disposal proceeds.

Steward Bank Financial Performance Analysis

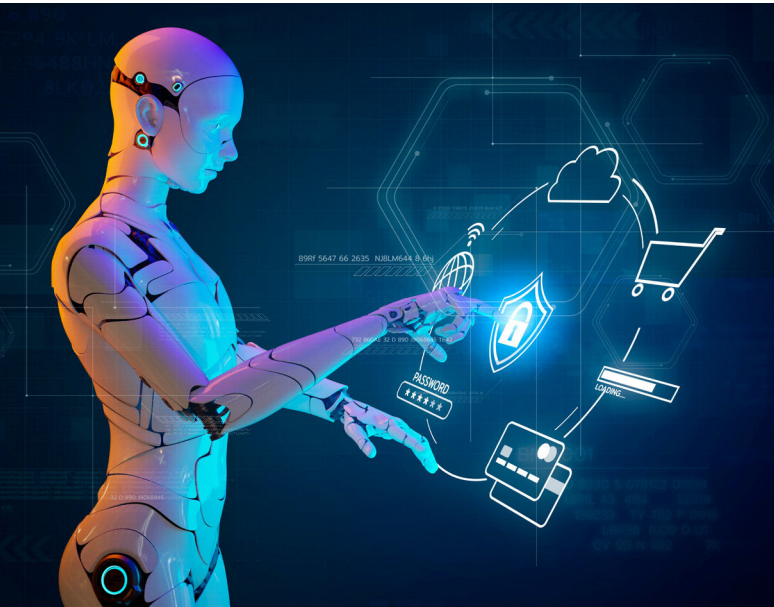
At a snapshot, the bank recorded a Profit before Tax (PBT) of ZWG213 million, which was 20% ahead of prior year performance. The improvement in PBT was mainly driven by cost optimisation initiatives that were employed across the organisation to lower overheads at staff, technology and process levels. This included the adoption of automation which led to staff rationalisation, further lowering staff related costs. The bank also leveraged its technological competencies and internally developed digital solutions which undercut costs associated with licensing, staffing and outsourcing the ICT function for solution development. This improved our various efficiency ratios with the Staff Costs to Income ratio improving downwards by 7% when compared to the prior year while the Cost to Income ratio improved by 6%.

Net Operating Income of ZWG2.3 billion declined by 21% in comparison to the prior year. The decline is tied to undermined traditional banking activities that saw the Bank fall short of its budget on lines such as remittance revenue. Net Interest Income for the year was ZWG 142 million, 30% below the prior year comparative period. The decline in Net Interest Income was attributed to retracted funded income, largely tied to liquidity constraints. Despite missing the mark on the digital lending side of things, the Bank saw its Nano loans revenue improve by 200%. To improve its overall Net Interest Income in the coming year, the Bank will look to accelerate lines of credit and expand its structured finance activities to grow the funded income line under its traditional banking arm. On the contrary to undermined traditional banking income, digital bank revenue performed exceptionally well, recording ZWG236 million, showing a 64% positive variance when weighed against the prior comparative period.



C. Kadzimu
Acting Chief Executive Officer

30 May 2025



Audited Abridged Consolidated Financial Statements for the year ended 28 February 2025

Abridged Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 28 February 2025

	Notes	INFLATION ADJUSTED		HISTORICAL COST*	
		2025 ZWG '000	2024 ZWG '000	2025 ZWG '000	2024 ZWG '000
Continuing Operations					
Revenue		892 281	1 072 735	647 651	72 931
- Interest income calculated using the effective interest method		183 298	245 374	134 615	16 660
- Non-interest income		708 983	827 361	513 036	56 271
Cost of sales and external services rendered		(87 703)	(102 567)	(61 252)	(7 580)
Expected credit loss allowances on loans and advances to bank customers		(63 325)	(40 831)	(63 325)	(13 324)
Gross profit		741 253	929 337	523 074	52 027
Other income*		3 883 917	154 669	3 018 689	245 845
Other expenses		(233 197)	(488 816)	(156 540)	(20 238)
General administrative expenses		(772 559)	(1 041 069)	(532 046)	(81 096)
Marketing expenses		(49 887)	(73 643)	(34 285)	(4 701)
Net foreign exchange gains/ (losses)		189 809	(994 529)	(33 753)	(3 153)
Monetary (loss)/ gain		(187 031)	2 049 367	-	-
Profit before net finance costs from operations		3 572 305	535 316	2 785 139	188 684
Finance costs		(7 017)	(37 256)	(3 641)	(1 441)
Profit before tax from operations		3 565 288	498 060	2 781 498	187 243
Income tax expense		(46 663)	(94 047)	(79 018)	(18 884)
Profit for the year from operations		3 518 625	404 013	2 702 480	168 359
Discontinued operations					
Loss for the year from discontinued operations net of tax		-	(51 622)	-	(15 698)
Profit for the year		3 518 625	352 391	2 702 480	152 661
Other comprehensive income for the year					
Items that may not be reclassified to profit or loss		44 866	73 973	206 368	214 033
Gain arising on revaluation of property and equipment		60 440	100 693	277 936	286 198
Taxation effect on other comprehensive income		(15 574)	(26 720)	(71 568)	(72 165)
Total comprehensive income for the year		3 563 491	426 364	2 908 848	366 694
Profit / (loss) for the year attributable to:		3 518 625	352 391	2 702 480	152 661
Equity holders of parent		3 518 625	360 156	2 702 480	148 612
Non-controlling interest		-	(7 765)	-	4 049
Other comprehensive income attributable to:		44 866	73 973	206 368	214 033
Equity holders of parent		44 866	73 353	206 368	211 971
Non-controlling interest		-	620	-	2 062
Total comprehensive income for the year		3 563 491	426 364	2 908 848	366 694
Earnings per share attributable to owners of the parent in the financial statements					
Basic and diluted earnings per share (ZWG)	7	0.839	0.084	0.644	0.036
Headline earnings per share (ZWG)	7	0.687	0.084	0.586	0.036

* Other income for 2025 includes an extraordinary fair value gain amounting to ZWG 3.5 billion on the proceeds received from the scheme of reconstruction.

Abridged Consolidated Statement of Financial Position

As at 28 February 2025

	Notes	INFLATION ADJUSTED		HISTORICAL COST*	
		2025 ZWG '000	2024 ZWG '000	2025 ZWG '000	2024 ZWG '000
ASSETS					
Intangible assets		214 821	205 176	9 807	1 674
Property and equipment		447 123	413 161	382 837	114 942
Right of use assets		7 380	20 433	1 431	278
Investment property		724 845	485 126	724 845	158 310
Inventories		39 819	31 377	3 272	694
Current tax assets		10 513	19 928	10 513	6 503
Amounts owed by related party companies		95 173	1 916	95 173	625
Trade and other receivables		393 129	203 179	385 240	45 802
Loans and advances to bank customers		901 607	523 429	901 607	170 809
Treasury bills and government bonds		474 200	194 109	474 200	63 344
Financial assets at fair value through profit or loss	8	85 078	203 277	85 078	57 591
Cash and cash equivalents		1 405 750	431 397	1 405 750	140 780
Total Assets from Continuing operations		4 799 438	2 732 507	4 479 753	761 350
Assets in disposal group classified as held for sale	9	-	1 888 334	-	483 246
Total assets		4 799 438	4 620 841	4 479 753	1 244 596
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital and share premium		202 054	202 054	62 487	62 487
(Accumulated losses) / Retained earnings		178 885	(21 138)	837 195	149 069
Other reserves		1 091 600	1 606 831	290 170	225 119
Equity attributable to owners of parent		1 472 539	1 787 747	1 189 852	436 675
Non-controlling interest		-	23 469	-	6 494
Total equity		1 472 539	1 811 216	1 189 852	443 169
Liabilities					
Deferred tax liabilities		183 788	150 727	146 790	25 379
Lease liabilities		6 055	8 485	6 055	2 769
Loans and borrowings		664	1 489	664	486
Amounts owed to related party companies		15 409	99 067	15 409	32 329
Trade and other payables		315 303	284 858	315 303	92 957
Deposits due to banks and customers		2 805 680	892 225	2 805 680	291 157
Total Liabilities from Continuing operations		3 326 899	1 436 851	3 289 901	445 077
Liabilities in disposal group classified as held for sale	9	-	1 372 774	-	356 350
Total liabilities		3 326 899	2 809 625	3 289 901	801 427
Total equity and liabilities		4 799 438	4 620 841	4 479 753	1 244 596

Abridged Consolidated Statement of Changes in Equity

For the year ended 28 February 2025

	INFLATION ADJUSTED					
	Share capital and share premium ZWG '000	Retained earnings ZWG '000	Other reserves ZWG '000	Attributable to equity holders of the entity ZWG '000	Non-controlling interest ZWG '000	Total ZWG '000
Balance at 28 February 2023	10 570	(381 294)	1 536 607	1 165 883	30 614	1 196 497
Profit/ (loss) for the year	-	360 156	-	360 156	(7 765)	352 391
Other comprehensive income	-	-	73 353	73 353	620	73 973
Revaluation of property and equipment net of tax	-	-	73 353	73 353	620	73 973
Total comprehensive income	-	360 156	73 353	433 509	(7 145)	426 364
Transfers within and out of reserves	191 484	-	(3 129)	188 355	-	188 355
Issue of shares	191 484	-	-	191 484	-	191 484
Purchase of treasury shares	-	-	(3 129)	(3 129)	-	(3 129)

Balance at 29 February 2024	202 054	(21 138)	1 606 831	1 787 747	23 469	1 811 216
Profit for the year	-	3 518 625	-	3 518 625	-	3 518 625
Other comprehensive income	-	-	44 866	44 866	-	44 866
Revaluation of property and equipment net of tax	-	-	44 866	44 866	-	44 866
Total comprehensive income	-	3 518 625	44 866	3 563 491	-	3 563 491
Transfers within and out of reserves	-	(3 318 602)	(560 097)	(3 878 699)	(23 469)	(3 902 168)
Disposal of subsidiary	-	415 559	(560 097)	(144 538)	(23 469)	(168 007)
Dividend paid	-	(3 734 161)	-	(3 734 161)	-	(3 734 161)
Balance at 28 February 2025	202 054	178 885	1 091 600	1 472 539	-	1 472 539

	HISTORICAL COST					
	Share capital and share premium ZWG '000	Retained earnings ZWG '000	Other reserves ZWG '000	Attributable to equity holders of the entity ZWG '000	Non-controlling interest ZWG '000	Total ZWG '000
Balance at 28 February 2023	1	457	13 943	14 401	383	14 784
Profit for the year	-	148 612	-	148 612	4 049	152 661
Other comprehensive income	-	-	211 971	211 971	2 062	214 033
Revaluation of property and equipment net of tax	-	-	211 971	211 971	2 062	214 033
Total comprehensive income	-	148 612	211 971	360 583	6 111	366 694
Transfers within and out of reserves	62 486	-	(795)	61 691	-	61 691
Issue of shares	62 486	-	-	62 486	-	62 486
Purchase of treasury shares	-	-	(795)	(795)	-	(795)
Balance at 29 February 2024	62 487	149 069	225 119	436 675	6 494	443 169
Profit for the year	-	2 702 480	-	2 702 480	-	2 702 480
Other comprehensive income	-	-	206 368	206 368	-	206 368
Revaluation of property and equipment net of tax	-	-	206 368	206 368	-	206 368
Total comprehensive income	-	2 702 480	206 368	2 908 848	-	2 908 848
Transfers within and out of reserves	-	(2 014 354)	(141 317)	(2 155 671)	(6 494)	(2 162 165)
Disposal of subsidiary	-	101 854	(141 317)	(39 463)	(6 494)	(45 957)
Dividend paid	-	(2 116 208)	-	(2 116 208)	-	(2 116 208)
Balance at 28 February 2025	62 487	837 195	290 170	1 189 852	-	1 189 852



Audited Abridged Consolidated Financial Statements for the year ended 28 February 2025

Abridged Consolidated Statement of Cash Flows

For the year ended 28 February 2025

	INFLATION ADJUSTED		HISTORICAL COST*	
	2025 ZWG '000	2024 ZWG '000	2025 ZWG '000	2024 ZWG '000
Operating activities				
Cash generated from operations	4 098 294	191 852	3 486 752	178 813
Income tax paid	(37 931)	(77 314)	(33 185)	(24 779)
Net cash flows generated from operating activities	4 060 363	114 538	3 453 567	154 034
Investing activities				
Investment income received	7 204	9 194	7 012	446
Acquisition of investment property	(6 491)	(44 844)	(5 794)	(2 757)
Acquisition of intangible assets	(11 872)	(18 545)	(8 507)	(1 425)
Net acquisition of financial assets at fair value through profit or loss	248 092	(1 026)	158 339	(335)
Proceeds from disposal of assets held for sale	1 152 971	-	376 245	-
Acquisition treasury bills and government bonds	(403 465)	(202 791)	(403 465)	(66 176)
Purchase of property and equipment	(32 219)	(181 584)	(20 018)	(11 997)
Proceeds on disposal of property and equipment	3 501	-	3 501	-
Net cash utilised in investing activities	957 721	(439 596)	107 313	(82 244)
Financing activities				
Proceeds from rights issue	-	1 239 042	-	66 334
Repayment of debenture liability	-	(1 155 823)	-	(61 879)
Rights offer expenses	-	(83 219)	-	(4 455)
Proceeds from loans and borrowings	25	-	13	-
Repayment of loans and borrowings	(288 143)	-	(163 798)	-
Dividend paid	(3 734 161)	-	(2 116 208)	-
Finance costs paid	(5 323)	(34 961)	(2 514)	(1 301)
Lease principal repayments	(8 748)	(10 108)	(6 022)	(647)
Net cashflows utilised in financing activities	(4 036 350)	(45 069)	(2 288 529)	(1 948)
Net increase /(decrease) in cash and cash equivalents	981 734	(370 127)	1 272 351	69 842
Cash and cash equivalents at the beginning of the year	431 397	802 191	140 780	71 156
Expected Credit Losses (ECL)	(7 381)	(667)	(7 381)	(218)
Cash and cash equivalents at the end of the year	1 405 750	431 397	1 405 750	140 780

*The unaudited historical financial results have been presented as supplementary information, in line with the PAAB's recommendation set out in Pronouncement 01/2019. The audited inflation adjusted results represent the primary financial information required by IAS 29 and in respect of which the auditors have expressed their opinion.

Abridged Consolidated Segment Information

For the year ended 28 February 2025

	INFLATION ADJUSTED			Total ZWG '000
	Digital Banking ZWG '000	Holding Company ZWG '000	Adjustment Journal & Eliminations ZWG '000	
For the year ended 28 February 2025				
Interest income	183,298	-	-	183,298
Non interest income	708,983	-	-	708,983
Finance costs	(1,694)	(5,323)	-	(7,017)
Fair value adjustments on financial assets	148,503	(4,481)	-	144,022
Depreciation, amortisation and impairment	(62,467)	-	-	(62,467)
Segment profit / (loss)	159,238	3,241,249	118,138	3,518,625
Segment assets	4,747,314	793,783	(741,659)	4,799,438
Segment liabilities	3,319,189	7,710	-	3,326,899
Analysis of additions during the year				
Additions to property and equipment	32,219	-	-	32,219
Additions to intangible assets	11,872	-	-	11,872
Additions to investment properties	6,491	-	-	6,491
For the year ended 29 February 2024				
Interest income	245,374	-	-	245,374
Non interest income	827,361	-	-	827,361
Finance costs	(2,295)	(34,961)	-	(37,256)
Fair value adjustments on financial assets	87,635	109,849	-	197,484
Depreciation, amortisation and impairment	(114,955)	-	-	(114,955)
Segment profit / (loss)	84,012	400,415	(80,414)	404,013
Segment assets	2,639,985	1,470,958	(1,378,436)	2,732,507
Segment liabilities	1,415,879	191,974	(171,002)	1,436,851
Analysis of additions during the year				
Additions to property and equipment	181,584	-	-	181,584
Additions to intangible assets	18,545	-	-	18,545
Additions to investment properties	44,844	-	-	44,844

Abridged Consolidated Segment Information (continued)

For the year ended 28 February 2025

	HISTORICAL COST			Total ZWG '000
	Digital Banking ZWG '000	Holding Company ZWG '000	Adjustment Journal & Eliminations ZWG '000	
For the year ended 28 February 2025				
Interest income	134 615	-	-	134 615
Non interest income	513 036	-	-	513 036
Finance costs	(1 127)	(2 514)	-	(3 641)
Fair value adjustments on financial assets	232 125	6 111	-	238 236
Depreciation, amortisation and impairment	(25 828)	-	-	(25 828)
Segment profit / (loss)	659 531	2 169 851	(126 902)	2 702 480
Segment assets	4 464 862	15 733	(842)	4 479 753
Segment liabilities	3 282 184	7 717	-	3 289 901
Analysis of additions during the year				
Additions to property and equipment	20 018	-	-	20 018
Additions to intangible assets	8 507	-	-	8 507
Additions to investment properties	5 794	-	-	5 794
For the year ended 29 February 2024				
Interest income	16 660	-	-	16 660
Non interest income	61 713	-	(5 442)	56 271
Finance costs	(139)	(1 302)	-	(1 441)
Fair value adjustments on financial assets	41 763	23 143	-	64 906
Depreciation, amortisation and impairment	(5 754)	-	-	(5 754)
Segment profit / (loss)	221 477	(97 852)	44 734	168 359
Segment assets	757 272	17 023	(12 945)	761 350
Segment liabilities	440 468	62 646	(58 037)	445 077
Analysis of additions during the year				
Additions to property and equipment	11 997	-	-	11 997
Additions to intangible assets	1 425	-	-	1 425
Additions to investment properties	2 757	-	-	2 757

~ The adjustment journal and elimination amounts relates to intercompany transactions.

Notes to the Abridged Consolidated Financial Statements

For the year ended 28 February 2025

1. GENERAL INFORMATION

Corporate information

These consolidated financial statements comprise Ecocash Holdings Zimbabwe Limited (“EHZL” or “the Company”) and its subsidiary, (collectively “the Group” or the “Group companies”). The Group's sole subsidiary is Steward Bank Limited which is a digitally focused commercial bank.

The Company is a limited liability company, which is listed on the Zimbabwe Stock Exchange. The Company and its subsidiary are incorporated and domiciled in Zimbabwe.

Functional and Presentation Currency

These abridged consolidated financial statements are presented in Zimbabwe Gold (“ZWG”) which is the functional and presentation currency of the Group.

The historical results have been presented as supplementary information, in line with the Public Accountants and Auditors Board (“PAAB”) recommendation set out in Pronouncement 01/2019. The inflation adjusted results represent the primary financial information required by International Accounting Standard (“IAS”) 29, ‘Financial Reporting in Hyperinflationary Economies’, and these have been subjected to an audit by the auditors.

2. STATEMENT OF COMPLIANCE

The abridged consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board and interpretations developed by the IFRS Interpretations Committee. These consolidated financial statements have been prepared in accordance with the requirements of the Companies and Other Business Entities Act (Chapter 24:31) and the Zimbabwe Banking Act (Chapter 24:20) and the relevant regulations and guidelines issued by the Reserve Bank of Zimbabwe as well as the Securities and Exchange (Zimbabwe Stock Exchange Listings Requirements) Rules 2019.

These abridged consolidated financial statements do not include all the information and disclosures required to fully comply with IFRSs and should be read in conjunction with the Group's complete consolidated financial statements for the year ended 28 February 2025, which are available for inspection at the Company's registered office.

3. ACCOUNTING POLICIES

The principal accounting policies of the Group have been applied consistently in all material respects with those of the previous period, unless otherwise stated and except for the adoption of new standards and amendments that became effective for the year ended 28 February 2025.

4. BASIS OF PREPARATION

4.1 Application of IAS 29 - Financial Reporting in Hyperinflationary Economies

In July 2019, the Public Accountants and Auditors Board of Zimbabwe (“PAAB”) issued a pronouncement requiring entities to apply IAS 29 Financial Reporting in Hyperinflationary Economies for financial periods ending on or after 1 July 2019. In compliance with this directive, the Group has applied IAS 29 since then.

Following the introduction of the Zimbabwe Gold currency on 5 April 2024, the PAAB issued further guidance on 8 October 2024, advising that it is premature to conclude that Zimbabwe's economy is no longer hyperinflationary. Accordingly, the Group has continued to apply the requirements of IAS 29 in preparing its consolidated financial statements for the year ended 28 February 2025.

In order to account for the rapid loss in the purchasing power of the local currency, hyperinflation accounting principles require transactions and balances to be stated in terms of the measuring unit current at the end of the reporting period. To comply with IAS 29 accounting requirements, the Group continued to apply the movement in Total Consumption Poverty Line Index as it considered this to be the most appropriate index in the continued absence of a pure Zimbabwean Dollar (“ZWL”) Consumer Price Index up to 31 March 2024.

EcoCash HOLDINGS

(Incorporated in Zimbabwe on 29 March 2012 under Company Registration Number 2487/2012) ZSE Alpha Code: EHZL.zw ISIN ZW0009012437

Audited Abridged Consolidated Financial Statements for the year ended 28 February 2025

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Notes to the abridged consolidated financial statements (continued)

For the year ended 28 February 2025

4. BASIS OF PREPARATION (CONTINUED)

4.1 Application of IAS 29 - Financial Reporting in Hyperinflationary Economies (continued)

Following the change in currency, all the previously existing ZWL balances were converted into Zimbabwe Gold as at 5 April 2024 at the swap rate of ZWG 1: ZWL2 498.7242 as guided by the Reserve Bank of Zimbabwe. Transactions between 1 March 2024 and 5 April 2024 were inflation adjusted to the 5th of April 2024 using the CPI and TCPL applicable to ZWL in compliance with the requirements of IAS 29. These amounts were then converted to ZWG using the swap rate of ZWG 1: ZWL2 498.7242 before they were further adjusted to the 28th of February 2025 current terms using the CPI applicable to the new ZWG currency. Current results in the consolidated financial statements for the year ended 28 February 2025 are a combination of these transactions and transactions that occurred between 6 April 2024 and 28 February 2025 which have been restated using the CPI applicable to the ZWG currency.

The ZWL indices used in the restatement of consolidated financial statements are shown below:

Dates	Index	Conversion Factor
28-Feb-23	14,495.45	31.03
28-Feb-24	270,996.36	1.66
31-Mar-24	449,816.68	1.00

The ZWG indices used in the restatement of consolidated financial statements are shown below:

Dates	Index	Conversion Factor
31-Mar-24	100	1.85
28-Feb-25	184.6	1

A net monetary adjustment was recognised in the consolidated statement of profit or loss. All items in the consolidated statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

5. INTERPRETATION OF FINANCIAL STATEMENTS PREPARED UNDER HYPERINFLATIONARY CONDITIONS

While the Directors have exercised all reasonable care and attention to present information that is both meaningful and relevant to users of the consolidated financial statements, the rapidly changing economic environment during the reporting period has posed significant challenges. As a result, users are advised to exercise caution in interpreting the financial information, given the pace and volatility of the underlying economic variables.

6. INDEPENDENT AUDITOR’S OPINION

These abridged consolidated financial statements should be read in conjunction with the complete set of consolidated financial statements for the year ended 28 February 2025, which have been audited by BDO Zimbabwe Chartered Accountants, who have issued an unmodified opinion.

The auditor’s opinion contains key audit matters relating to;

- (i) Expected Credit Loss; and
- (ii) Completeness and accuracy of revenue.

The auditor’s report is available for inspection at the Ecocash Holdings Zimbabwe Limited’s registered offices. The engagement partner responsible for the audit was Mr. Davison Madhigi, PAAB Practice Certificate number 0610.

7. EARNINGS PER SHARE

	INFLATION ADJUSTED		HISTORICAL COST*	
	2025 ZWG '000	2024 ZWG '000	2025 ZWG '000	2024 ZWG '000
Continuing operations	3 518 625	404 013	2 702 480	168 359
Discontinued operations	-	(51 622)	-	(15 698)
Profit for the year attributable to ordinary shareholders	3 518 625	352 391	2 702 480	152 661
<i>Adjustment for capital items (net of tax):</i>				
Profit on disposal of subsidiaries	(637 411)	-	(247 615)	-
Loss/ (profit) on disposal of property and equipment	2 262	(792)	2 262	(33)
Headline earnings attributable to ordinary shareholders	2 883 476	351 599	2 457 127	152 628

7. EARNINGS PER SHARE (CONTINUED)

	INFLATION ADJUSTED		HISTORICAL COST*	
	2025 ZWG '000	2024 ZWG '000	2025 ZWG '000	2024 ZWG '000
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	4 194 797 929	4 194 797 929	4 194 797 929	4 194 797 929
Basic earnings per share (ZWG)	0.839	0.084	0.644	0.036
Headline earnings per share (ZWG)	0.687	0.084	0.5868	0.036
Diluted basic earnings per share (ZWG)	0.839	0.084	0.644	0.036
Diluted headline earnings per share (ZWG)	0.687	0.084	0.586	0.036

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial instruments are disclosed in the consolidated statement of financial position at their carrying amount which approximates their respective fair value.

Fair value hierarchy

The Group is guided by the following hierarchy as fair value measurement criteria for assets measured using the fair value model. The hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	INFLATION ADJUSTED			
	Total ZWG '000	Level 1 ZWG '000	Level 2 ZWG '000	Level 3 ZWG '000
At 28 February 2025				
Investment in financial assets	85 078	83 049	2 029	-
	85 078	83 049	2 029	-

At 29 February 2024				
Investment in financial assets	314 404	289 304	25 100	-
Transfers to disposal group held for sale	(111 127)	(101 323)	(9 804)	-
	203 277	187 981	15 296	-

	HISTORICAL COST			
	Total ZWG '000	Level 1 ZWG '000	Level 2 ZWG '000	Level 3 ZWG '000
At 28 February 2025				
Investment in financial assets	85 078	83 049	2 029	-
	85 078	83 049	2 029	-
At 29 February 2024				
Investment in financial assets	93 854	85 663	8 191	-
Transfers to disposal group held for sale	(36 263)	(33 064)	(3 199)	-
	57 591	52 599	4 992	-

9. DISPOSAL GROUP HELD FOR SALE

On 16 January 2024, the Group publicly announced the decision of its Board of Directors to sell EcoCash (Private) Limited (mobile money business), VAYA Technologies, Econet Insurance, Econet Life, MARS Zimbabwe and Maisha Health to Econet Wireless Zimbabwe. On 17 April 2024, the shareholders of the Company approved the plan to sell the subsidiaries and the sale was completed with an effective date of 1 March 2024.

10. GOING CONCERN

In assessing the ability of the Group to continue as a going concern, management carried out a sensitivity analysis on the cash flow assumptions to reflect a range of other reasonably possible outcomes and concluded that the Group will be able to continue as a going concern. The Directors have reviewed the cash flow forecasts, minimum capital requirements, performance and financial position of the Group up to the date of signing of these consolidated financial statements.

Based on the reviews, the Directors believe that the Group will have sufficient resources to continue to operate as a going concern for a period of at least 12 months from the date of approval of these financial statements and accordingly, the consolidated financial statements have been prepared on the going concern basis.

11. EVENTS AFTER THE REPORTING DATE

There were no material adjusting or non - adjusting events that occurred between the reporting date and the date of approval of the consolidated financial statements.

DIRECTORS

Independent Non-Executive Directors: Dr. T. Murefu (Chairperson), Mrs. N.G. Levy, Mr. E. Mudhikwa, Mr. M. Mufowo, Mr. D. Musengi. **Non-Executive Directors:** Mr. R. Chidembo, Mr. R. Chimanikire, Ms. E.T. Masiyiwa.

Executive Directors: Mr. T. Nyambirai (Group Chief Executive Officer), Mr C. Mashavave (Deputy Group Chief Executive Officer), Mr. G. Mudzingwa (Group Operations Officer - Properties and Channel Strategy).

Audited abridged financial statements
for the year ended 28 February 2025

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Directors:

J A K Mushore (Chairman); G I Agu; R Chimanikire, H Kapfunde, Z Katiyo, C T Mugwira -Jowa; E Mujaya; T Nyambirai; N M Nyangulu; D A Rhodes; C S Mashavave*; T G Zhakata*. * Executive

Registered Office:

79 Livingstone Avenue, Corner 7th Street Harare, Zimbabwe.

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Auditor’s Statement

These abridged financial results should be read in conjunction with the complete set of financial statements for the year ended 28 February 2025, which have been audited by BDO Zimbabwe Chartered Accountants, who have issued an unmodified opinion.

The auditor’s opinion contains key audit matters relating to;

- (i)

Expected Credit Loss; and
- (ii)

Completeness and accuracy of revenue.

The auditor’s report is available for inspection at the Steward Bank Limited’s registered offices. The engagement partner responsible for the audit was Mr. Davison Madhigi, PAAB Practice Certificate number 0610.

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 28 February 2025

	Notes	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
		28 February 2025 ZWG ‘000	29 February 2024 ZWG ‘000	28 February 2025 ZWG ‘000	29 February 2024 ZWG ‘000
Interest revenue calculated using the effective interest method	3	183,298	245,349	134,615	16,660
Interest expense	4	(40,980)	(43,269)	(28,134)	(3,298)
Net interest income		142,318	202,080	106,481	13,362
Non-interest income	5.1	708,983	915,675	513,036	61,833
Fair value adjustments	10, 15	381,780	13,638	792,865	188,008
Exchange gains	5.2	1,147,962	1,827,385	192,112	93,144
Impairment on financial assets					
- Expected credit loss allowances	6	(128,264)	(89,806)	(128,264)	(29,307)
Net operating income		2,252,779	2,868,972	1,476,230	327,040
Operating expenditure	7	(768,409)	(1,079,771)	(512,570)	(71,841)
Monetary losses		(359,566)	(1,064,543)	-	-
Exchange losses	5.2	(912,029)	(546,616)	(225,138)	(13,378)
Profit before tax		212,775	178,042	738,522	241,821
Income tax expense	8	(53,532)	(94,038)	(79,018)	(20,341)
Profit for the year		159,243	84,004	659,504	221,480
Other comprehensive income					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Gain arising on revaluation of property and equipment	16	60,385	(23,337)	277,935	105,358
Deferred tax arising on revaluation of property and equipment	25	(15,549)	6,009	(71,568)	(27,130)
Total comprehensive income for the year		204,079	66,676	865,871	299,708

Statement of Financial Position

As at 28 February 2025

	Notes	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
		28 February 2025 ZWG ‘000	29 February 2024 ZWG ‘000	28 February 2025 ZWG ‘000	29 February 2024 ZWG ‘000
ASSETS					
Cash and cash equivalents	9	1,404,295	425,594	1,404,295	138,897
Financial assets at fair value through profit or loss	10	71,676	156,622	71,676	51,115
Loans and advances to customers	11.1	901,607	532,320	901,607	173,728
Financial assets at amortised cost	12	474,200	194,089	474,200	63,342
Other receivables	13	488,271	193,311	480,382	47,792
Income tax receivable	13.1	10,513	19,926	10,513	6,503
Inventories	14	39,819	31,374	3,272	694
Investment property	15	724,845	485,077	724,845	158,310
Property and equipment	16	447,124	413,121	382,837	114,942
Intangible assets	17	177,586	167,924	9,804	1,671
Right of use assets	18.1	7,379	20,431	1,431	278
Total assets		4,747,315	2,639,789	4,464,862	757,272
EQUITY AND LIABILITIES					
EQUITY					
Share capital	19	21	21	-	-
Share premium	19	716,134	716,134	831	831
Revaluation reserves	20	316,141	271,305	290,100	83,733
Retained earnings		395,837	236,594	891,747	232,243
Total equity		1,428,133	1,224,054	1,182,678	316,807
LIABILITIES					
Deposits due to banks and customers	21	2,805,680	1,063,031	2,805,680	346,930
Provisions	23	6,852	3,118	6,852	1,017
Other liabilities	24	316,808	197,243	316,808	64,372
Lease liability	18.2	6,054	8,484	6,054	2,767
Deferred tax liability	25	183,788	143,859	146,790	25,379
Total liabilities		3,319,182	1,415,735	3,282,184	440,465
Total equity and liabilities		4,747,315	2,639,789	4,464,862	757,272

Statement of Changes in Equity

For the year ended 28 February 2025

		INFLATION ADJUSTED				Total ZWG ‘000
		Share capital ZWG ‘000	Share premium ZWG ‘000	Revaluation reserves ZWG ‘000	Retained earnings ZWG ‘000	
Balance as at 1 March 2023	21	716,134	288,633	153,987	1,158,775	
Total comprehensive income	-	-	(17,328)	84,004	66,676	
Profit for the year	-	-	-	84,004	84,004	
Other comprehensive income	-	-	(17,328)	-	(17,328)	
Dividends paid	-	-	-	(1,397)	(1,397)	
Balance as at 29 February 2024	21	716,134	271,305	236,594	1,224,054	
Total comprehensive income	-	-	44,836	159,243	204,079	
Profit for the year	-	-	-	159,243	159,243	
Other comprehensive income	-	-	44,836	-	44,836	
Balance as at 28 February 2025	21	716,134	316,141	395,837	1,428,133	
Balance as at 1 March 2023	-	831	5,505	11,218	17,554	
Total comprehensive income	-	-	78,228	221,480	299,708	
Profit for the year	-	-	-	221,480	221,480	
Other comprehensive income	-	-	78,228	-	78,228	
Dividends paid	-	-	-	(455)	(455)	
Balance as at 29 February 2024	-	831	83,733	232,243	316,807	
Total comprehensive income	-	-	206,367	659,504	865,871	
Profit for the year	-	-	-	659,504	659,504	
Other comprehensive income	-	-	206,367	-	206,367	
Balance as at 28 February 2025	-	831	290,100	891,747	1,182,678	

Statement of Cash Flows

For the year ended 28 February 2025

	Notes	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
		28 February 2025 ZWG ‘000	29 February 2024 ZWG ‘000	28 February 2025 ZWG ‘000	29 February 2024 ZWG ‘000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before taxation		212,775	178,042	738,522	241,821
Adjustments for:					
Change in operating assets		(1,073,686)	119,574	(1,697,106)	(291,308)
Change in operating liabilities		1,862,214	(380,566)	2,711,186	382,659
Change in provisions	23	3,734	(9,531)	5,835	797
Other non-cash items		(144,497)	183,439	(613,407)	(161,796)
Net cash (utilised in)/generated from operations		860,540	90,958	1,145,030	172,173
Income tax paid	13.1	(37,931)	(161,131)	(33,185)	(31,469)
Net cash (outflow)/inflow from operating activities		822,609	(70,173)	1,111,845	140,704
Purchase of property and equipment	16	(32,219)	(110,627)	(20,019)	(8,207)
Proceeds from disposal of property and equipment	16	3,501	-	3,498	-
Proceeds from disposal of financial assets	10	219,319		197,776	-
Purchase of intangible assets	17	(11,889)	(18,543)	(8,505)	(1,425)
Purchase of investment property	15	(6,491)	(44,839)	(5,794)	(2,758)
Net cash outflow from investing activities		172,221	(174,009)	166,956	(12,390)
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid		-	(1,397)	-	(455)
Lease repayments	18.2	(7,053)	(7,812)	(4,894)	(508)
Interest on lease liability	18.2	(1,695)	(2,295)	(1,128)	(139)
Net cash outflow from financing activities		(8,748)	(11,504)	(6,022)	(1,102)
Net (decrease)/increase in cash and cash equivalents		986,082	(255,686)	1,272,779	127,212
Expected Credit Losses (ECL)		(7,381)	(667)	(7,381)	(218)
Cash and cash equivalents at the beginning of the year		425,594	681,947	138,897	11,903
Cash and cash equivalents at the end of the year		1,404,295	425,594	1,404,295	138,897

Notes to the abridged financial statements

For the year ended 28 February 2025

1

GENERAL INFORMATION

Steward Bank Limited (“the Bank”) was incorporated according to the laws of Zimbabwe on 9 October 1970 and was registered as a commercial bank in March 2008. Its registered office and principal place of business is 79 Livingstone Avenue, Harare. The Bank’s holding company is EcoCash Holdings Zimbabwe Limited.

The principal business of the Bank is to provide retail and corporate banking services in the key economic centres of Zimbabwe.

Functional and Presentation Currency

Items included in the abridged financial statements are measured using the currency of the primary economic environment in which the entity operates (“functional currency”). The abridged financial statements are presented in Zimbabwe Gold (“ZWG”) which is the functional and presentation currency of the Bank.

2

ACCOUNTING POLICIES

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

	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	28 February 2025 ZWG '000	29 February 2024 ZWG '000	28 February 2025 ZWG '000	29 February 2024 ZWG '000
3	INTEREST REVENUE CALCULATED USING THE EFFECTIVE INTEREST METHOD			
Loans and advances to customers	152,670	131,260	114,802	9,472
Debt instruments measured at amortised cost	22,811	103,268	14,756	7,044
Other	7,817	10,821	5,057	144
	183,298	245,349	134,615	16,660
4	INTEREST EXPENSE			
Trading activities	(40,980)	(43,269)	(28,134)	(3,298)
5	NON-INTEREST INCOME			
5.1	Fees income earned from services that are provided over time:			
Account maintenance fees	35,914	61,711	23,713	3,845
Administration fees	195,075	265,081	141,359	7,580
Other	2,525	6,873	1,978	586
	233,514	333,665	167,050	12,011
Fees income from services that are provided at a point in time:				
International banking fees	285	240	161	13
Transactional processing fees	339,374	415,291	198,379	25,763
Mortgage sales	749	714	582	13
Dealing income	2,025	115,855	100,902	20,114
Commissions	63,046	44,408	44,759	3,561
Dealing gains	69,991	5,502	1,202	358
	475,470	582,010	345,985	49,822
Total revenue from contracts with customers	708,984	915,675	513,035	61,833
5.2	Net foreign exchange gains			
Foreign exchange gain	1,147,962	1,827,385	192,112	93,144
Foreign exchange loss	(1,018,800)	(546,616)	(331,907)	(13,378)
	129,162	1,280,769	(139,795)	79,766
6	IMPAIRMENT ON FINANCIAL ASSETS CHARGE			
Breakdown of ECL charges on financial instruments recognised in profit or loss				
Loans and advances to customers	63,325	40,827	63,325	13,324
Debt instruments measured at amortised cost	1,789	1,347	1,789	439
Other receivables	55,987	47,143	55,987	15,385
Cash and cash equivalents	7,163	489	7,163	159
Expected credit loss	128,264	89,806	128,264	29,307
7	OPERATING EXPENDITURE			
Administration expenses	371,193	462,196	258,842	34,703
Amortisation of intangible assets	2,227	1,412	372	60
Audit fees	4,946	8,408	3,522	711
- Current year	4,946	8,316	3,522	709
- Prior year overruns	-	92	-	2
Depreciation of property and equipment	52,934	105,542	24,296	5,643
Depreciation of right of use asset	7,309	7,988	1,182	51
Directors' remuneration - short-term benefits	4,078	5,401	1,670	411
- short-term benefits	4,078	5,401	1,670	411
Occupancy expenses	33,048	33,348	22,244	2,369
Professional expenses	639	1,899	512	111
Staff costs	292,035	453,577	199,930	27,782
- short term benefits	284,704	445,646	194,748	27,293
- post - employment benefits	7,331	7,931	5,182	489
	768,409	1,079,771	512,570	71,841
8	INCOME TAX EXPENSE			
The components of income tax expense are as follows:				
Current tax expense	29,175	72,842	29,175	23,773
Deferred tax expense	24,357	21,196	49,843	(3,432)
Total income tax expense	53,532	94,038	79,018	20,341
8.1	Income tax reconciliation			
Accounting profit before income tax	212,775	178,041	738,522	241,821
Taxation at normal rate of 25.75%	54,790	44,012	190,169	59,777
Effect of non-deductible expenses:				
- Donations expenses	7,885	14,464	5,087	611
- Exempt income	(102,171)	(5,976)	(204,881)	(252)
- Monetary adjustments	92,588	263,155	-	-
- Other adjustments (non taxable/ deductible items)	20,267	89,976	104,013	11,810
- Effects of income being taxed at different tax rates	(19,827)	(311,750)	(15,370)	(51,835)
- Effects of change in tax rate (25.75%-24.72%=1.03%)	-	157	-	230
	53,532	94,038	79,018	20,341

9

CASH AND CASH EQUIVALENTS

	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	28 February 2025 ZWG '000	29 February 2024 ZWG '000	28 February 2025 ZWG '000	29 February 2024 ZWG '000
Balances with the Reserve Bank of Zimbabwe	541,022	134,360	541,022	43,850
Balances with other banks	625,477	197,979	625,477	64,613
Cash balances	245,177	93,922	245,177	30,652
	1,411,676	426,261	1,411,676	139,115
Expected credit losses	(7,381)	(667)	(7,381)	(218)
Net cash and cash equivalents	1,404,295	425,594	1,404,295	138,897

9.1 An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to monetary instruments included in cash and cash equivalents, disclosed below, the reconciliation discloses the end position that the transactions incurred during the year and the respective stages the transactions are in at year end:

	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	28 February 2025 ZWG '000	29 February 2024 ZWG '000	28 February 2025 ZWG '000	29 February 2024 ZWG '000
As at 28 February 2025				
Gross carrying amounts				
Gross carrying amount as at 1 March 2024	426,261	426,261	139,114	139,114
New assets purchased	2,112,277	2,112,277	1,272,562	1,272,562
Monetary gain/ (loss)	(1,126,862)	(1,126,862)	-	-
Gross carrying amount as at 28 February 2025	1,411,676	1,411,676	1,411,676	1,411,676
ECL allowance				
ECL allowance as at 1 March 2024	667	667	218	218
New assets purchased	6,412	6,412	6,412	6,412
Transferred from Debt Instruments measured at Amortised Cost	751	751	751	751
Monetary loss	(449)	(449)	-	-
ECL allowance as at 28 February 2025	7,381	7,381	7,381	7,381
As at 29 February 2024				
Gross carrying amounts				
Gross carrying amount as at 1 March 2023	685,375	685,375	11,964	11,964
New assets purchased	7,426,290	7,426,290	129,639	129,639
Assets derecognised or matured (excluding write offs)	(7,628)	(7,628)	(2,489)	(2,489)
Monetary loss	(7,677,776)	(7,677,776)	-	-
Gross carrying amount as at 29 February 2024	426,261	426,261	139,114	139,114
ECL allowance				
ECL allowance as at 1 March 2023	3,329	3,329	58	58
New assets purchased	333,448	333,448	108,824	108,824
Assets derecognised or matured (excluding write offs)	(333,625)	(333,625)	(108,882)	(108,882)
Transferred from Debt Instruments measured at Amortised Cost	-	-	218	218
Monetary loss	(2,485)	(2,485)	-	-
ECL allowance as at 29 February 2024	667	667	218	218
10	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			
Opening balance	156,622	53,922	51,115	941
Additions	-	36,394	-	11,878
Disposals	(233,449)	(2,776)	(211,563)	(2,813)
Fair value adjustments	148,503	69,082	232,124	41,109
Closing balance	71,676	156,622	71,676	51,115
11	LOANS AND ADVANCES TO CUSTOMERS			
11.1	Total loans and advances			
Consumer & SME loans	70,534	159,399	70,534	52,022
Corporate loans	908,283	415,466	908,283	135,591
	978,817	574,865	978,817	187,613
Less: Allowance for Expected Credit Losses	(77,210)	(42,545)	(77,210)	(13,885)
	901,607	532,320	901,607	173,728
11.2	Maturity analysis			
Less than one month	207,620	62,535	207,620	20,409
1 to 3 months	698,657	2,422	698,657	790
3 to 6 months	2,478	114,706	2,478	37,435
6 months to 1 year	66,239	157,785	66,239	51,495
1 to 5 years	3,823	212,178	3,823	69,246
Over 5 years	-	25,239	-	8,238
Gross loans and advances	978,817	574,865	978,817	187,613

11.3



Sectorial analysis of utilisations

	INFLATION ADJUSTED				UNAUDITED HISTORICAL COST			
	28 February 2025 ZWG '000	%	29 February 2024 ZWG '000	%	28 February 2025 ZWG '000	%	29 February 2024 ZWG '000	%
Mining	1,958	0.2%	15,639	2.7%	1,958	0.2%	5,104	2.7%
Manufacturing	292,666	29.9%	377,662	65.7%	292,666	29.9%	123,253	65.7%
Agriculture	175,208	17.9%	53,373	9.3%	175,208	17.9%	17,419	9.3%
Distribution	118,437	12.1%	14,865	2.6%	118,437	12.1%	4,851	2.6%
Services and communication	128,225	13.1%	40,382	7.0%	128,225	13.1%	13,179	7.0%
Individuals	262,323	26.8%	72,944	12.7%	262,323	26.8%	23,807	12.7%
	978,817	100.0%	574,865	100.0%	978,817	100.0%	187,613	100.0%

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Notes to the abridged financial statements (continued)

For the year ended 28 February 2025

11. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

11.4 ECL Allowance for impairment of loans and advances

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Loans and Advances is, as shown below, the reconciliation discloses the end position that the transactions incurred during the year and the respective stages the transactions are in at year end:

	INFLATION ADJUSTED			Total
	Stage 1 ZWG'000	Stage 2 ZWG'000	Stage 3 ZWG'000	ZWG'000
Gross carrying amount				
Gross carrying amount as at 1 March 2024	569,196	1,226	4,443	574,865
New loans and advances originated	1,598,965	-	-	1,598,965
Loans and advances derecognised or repaid (excluding write offs)	(303,840)	(20,366)	(48,392)	(372,598)
Transfers to Stage 1	43,449	(26,702)	(16,747)	-
Transfers to Stage 2	(281,898)	284,677	(2,779)	-
Transfers to Stage 3	(74,421)	(116,580)	191,001	-
Monetary loss	(731,975)	(43,772)	(46,668)	(822,415)
Gross carrying amount as at 28 February 2025	819,476	78,483	80,858	978,817
ECL allowance				
ECL allowance as at 1 March 2024	41,516	237	792	42,545
New loans and advances originated	98,280	-	-	98,280
Loans and advances derecognised or repaid (excluding write offs)	(14,337)	(1,792)	(18,826)	(34,955)
Transfers to Stage 1	4,542	(2,791)	(1,751)	-
Transfers to Stage 2	(19,578)	19,686	(108)	-
Transfers to Stage 3	(52,313)	(8,027)	60,340	-
Monetary loss	(11,386)	(2,670)	(14,604)	(28,660)
ECL allowance as at 28 February 2025	46,724	4,643	25,843	77,210
	UNAUDITED HISTORICAL COST			
Gross carrying amount				
Gross carrying amount as at 1 March 2024	185,763	400	1,450	187,613
New loans and advances originated	1,031,590	-	-	1,031,590
Loans and advances derecognised or repaid (excluding write offs)	(196,026)	(13,139)	(31,221)	(240,386)
Transfers to Stage 1	28,031	(17,227)	(10,804)	-
Transfers to Stage 2	(181,869)	183,662	(1,793)	-
Transfers to Stage 3	(48,013)	(75,213)	123,226	-
Gross carrying amount as at 28 February 2025	819,476	78,483	80,858	978,817
ECL allowance as at 1 March 2024	13,549	78	258	13,885
New loans and advances originated	85,876	-	-	85,876
Loans and advances derecognised or repaid (excluding write offs)	(9,250)	(1,156)	(12,145)	(22,551)
Transfers to Stage 1	2,930	(1,801)	(1,129)	-
Transfers to Stage 2	(12,631)	12,701	(70)	-
Transfers to Stage 3	(33,750)	(5,179)	38,929	-
ECL allowance as at 28 February 2025	46,724	4,643	25,843	77,210
	INFLATION ADJUSTED			
Gross carrying amount				
Gross carrying amount as at 1 March 2023	652,920	15,638	4,281	672,839
New loans and advances originated	10,826,179	-	-	10,826,179
Loans and advances derecognised or repaid (excluding write offs)	(714,779)	(24,952)	(12,033)	(751,764)
Transfers to Stage 1	2,675	(1,014)	(1,661)	-
Transfers to Stage 2	(60,842)	32,651	28,191	-
Transfers to Stage 3	(64,879)	607	64,272	-
Monetary loss	(10,072,078)	(21,704)	(78,607)	(10,172,389)
Gross carrying amount as at 29 February 2024	569,196	1,226	4,443	574,865
ECL allowance				
ECL allowance as at 1 March 2023	29,688	814	1,608	32,110
New loans and advances originated	38,735	-	-	38,735
Loans and advances derecognised or repaid (excluding write offs)	1,473	76	543	2,092
Transfers to Stage 2	(146)	100	46	-
Transfers to Stage 3	(211)	24	187	-
Monetary loss	(28,023)	(777)	(1,592)	(30,392)
ECL allowance as at 29 February 2024	41,516	237	792	42,545

11. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

11.4 ECL Allowance for impairment of loans and advances (continued)

	UNAUDITED HISTORICAL COST			Total
	Stage 1 ZWG'000	Stage 2 ZWG'000	Stage 3 ZWG'000	ZWG'000
Gross carrying amount				
Gross carrying amount as at 1 March 2023	11,398	273	75	11,746
New loans and advances originated	188,990	-	-	188,990
Loans and advances derecognised or repaid (excluding write offs)	(12,478)	(436)	(209)	(13,123)
Transfers to Stage 1	116,687	(44,230)	(72,457)	-
Transfers to Stage 2	(117,701)	117,209	492	-
Transfers to Stage 3	(1,133)	(72,416)	73,549	-
Gross carrying amount as at 29 February 2024	185,763	400	1,450	187,613
ECL allowance				
ECL allowance as at 1 March 2023	518	15	28	561
New loans and advances originated	12,641	-	-	12,641
Loans and advances derecognised or repaid (excluding write offs)	481	25	177	683
Transfers to Stage 1	25	(2)	(23)	-
Transfers to Stage 2	(47)	32	15	-
Transfers to Stage 3	(69)	8	61	-
ECL allowance as at 29 February 2024	13,549	78	258	13,885

12 FINANCIAL ASSETS AT AMORTISED COST

	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	28 February 2025 ZWG'000	29 February 2024 ZWG'000	28 February 2025 ZWG'000	29 February 2024 ZWG'000
Opening Balance	195,849	267,239	63,916	4,664
Net additions/(disposals)	403,465	1,137,783	403,465	57,584
Accrued interest	17,138	32,966	9,182	1,668
Net monetary adjustment	(139,889)	(1,242,139)	-	-
	476,563	195,849	476,563	63,916
Less: Allowance for ECL	(2,363)	(1,760)	(2,363)	(574)
Closing balance	474,200	194,089	474,200	63,342

12.1 ECL allowance for financial assets at amortised cost

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Financial assets at amortised cost is, as shown below, the reconciliation discloses the end position that the transactions incurred during the year and the respective stages the transactions are in at year end:

	INFLATION ADJUSTED			Total
	Stage 1 ZWG'000	Stage 2 ZWG'000	Stage 3 ZWG'000	ZWG'000
Gross carrying amounts				
Gross carrying amount as at 1 March 2024	195,925	-	-	195,925
New assets purchased	420,603	-	-	420,603
Monetary loss	(139,889)	-	-	(139,889)
Gross carrying amount as at 28 February 2025	476,639	-	-	476,639
ECL allowance				
ECL allowance as at 1 March 2024	1,760	-	-	1,760
New assets purchased	1,983	-	-	1,983
Assets derecognised or matured (excluding write offs)	(194)	-	-	(194)
Monetary loss	(1,186)	-	-	(1,186)
ECL allowance as at 28 February 2025	2,363	-	-	2,363
	UNAUDITED HISTORICAL COST			
Gross carrying amount				
Gross carrying amount as at 1 March 2024	63,917	-	-	63,917
New assets purchased	412,647	-	-	412,647
Gross carrying amount as at 28 February 2025	476,564	-	-	476,564
ECL allowance				
ECL allowance as at 1 March 2024	574	-	-	574
New assets purchased	1,983	-	-	1,983
Assets derecognised or matured (excluding write offs)	(194)	-	-	(194)
ECL allowance as at 28 February 2025	2,363	-	-	2,363

Notes to the abridged financial statements (continued)

For the year ended 28 February 2025

12FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

12.1ECL allowance for financial assets at amortised cost (continued)

	INFLATION ADJUSTED			
	Stage 1 ZWG'000	Stage 2 ZWG'000	Stage 3 ZWG'000	Total ZWG'000
Gross carrying amount				
Gross carrying amount as at 1 March 2023	267,317	-	-	267,317
New assets purchased	1,170,750	-	-	1,170,750
Monetary loss	(1,242,140)	-	-	(1,242,140)
Gross carrying amount as at 29 February 2024	195,927	-	-	195,927
ECL allowance				
ECL allowance as at 1 March 2023	7,732	-	-	7,732
New assets purchased	1,347	-	-	1,347
Monetary loss	(7,319)	-	-	(7,319)
ECL allowance as at 29 February 2024	1,760	-	-	1,760
	UNAUDITED HISTORICAL COST			
	28 February 2025 ZWG'000	29 February 2024 ZWG'000	28 February 2025 ZWG'000	29 February 2024 ZWG'000
Gross carrying amount				
Gross carrying amount as at 1 March 2023	4,665	-	-	4,665
New assets purchased	59,252	-	-	59,252
Gross carrying amount as at 29 February 2024	63,917	-	-	63,917
ECL allowance				
Gross carrying amount as at 1 March 2023	135	-	-	135
New assets purchased	439	-	-	439
ECL allowance as at 29 February 2024	574	-	-	574

13OTHER RECEIVABLES

Refundable deposits	93,307	58,666	93,307	19,146
Prepayments	42,661	57,786	34,772	3,562
Other receivables	329,664	106,864	329,664	34,876
Amounts due from related parties	95,173	20,697	95,173	6,755
	560,805	244,013	552,916	64,339
	(72,534)	(50,702)	(72,534)	(16,547)
	488,271	193,311	480,382	47,792

13.1INCOME TAX RECEIVABLE

Opening balance	19,926	(58,661)	6,503	(1,193)
Current tax expense	(29,175)	(72,842)	(29,175)	(23,773)
Payments during the year	37,931	161,131	33,185	31,469
Monetary loss	(18,169)	(9,702)	-	-
Closing balance	10,513	19,926	10,513	6,503

14INVENTORIES

Opening balance	31,374	21,782	694	95
Additions	10,046	13,185	3,541	828
Inventory utilised during the year	(1,601)	(3,593)	(963)	(229)
Closing balance	39,819	31,374	3,272	694

15INVESTMENT PROPERTY

Opening balance	485,077	495,682	158,310	8,653
Additions	6,491	44,839	5,794	2,758
Fair value adjustments	233,277	(55,444)	560,741	146,899
Closing balance	724,845	485,077	724,845	158,310

Investment property consists of commercial buildings and undeveloped residential stands.

Investment property is stated at fair value, which has been determined based on valuations performed by an accredited independent valuer, as at 28 February 2025. The professional independent valuer considered comparable market evidence based on lease and purchase transactions of similar buildings and residential stands.

The fair value measurements for all of the investment properties have been categorised as Level 2 fair value measurements in accordance to IFRS13.

Valuation technique		Significant observable inputs	Range (weighted average)	Interrelationship between significant observable inputs and fair value measurement
Office Property	Implicit investment approach (Refer below)	Comparable rentals per month	ZWG83.13 – ZWG472.24 per square meter for suburban office parks.	The estimated fair value would increase if expected market rental growth were higher.
Residential Stands	Market value of similar properties (Refer below)	Net land for disposal	ZWG92.96 – ZWG2656 per sqm	The estimated fair value would increase if expected market values were higher.

Implicit investment approach

In arriving at the market value for office property, the implicit investment approach was applied based on the capitalisation of income. This method is based on the principle that rentals and capital values are inter-related, hence, given the income produced by a property, its capital value can therefore be estimated. Comparable rentals inferred from properties within the locality of the property, based on use, location, size and quality of finishes were used. The rentals were then adjusted per square meter to the lettable areas, being rentals achieved for comparable properties as at 28 February 2025. The rentals are then annualised and a capitalisation factor is applied to arrive at a market value of the property, also inferring on comparable premises which are in the same category as regards the building elements.

Market value of similar properties

In assessing the market value for residential stands, values of various properties that had been recently sold or which are currently on sale and situated in comparable residential areas was used. Market evidence from other Estate Agents and local press was also taken into consideration.

16PROPERTY AND EQUIPMENT

	INFLATION ADJUSTED						
	Land and buildings ZWG'000	Leasehold improve-ments ZWG'000	Furniture and Fittings ZWG'000	Office equipment ZWG'000	Computer equipment ZWG'000	Motor Vehicles ZWG'000	Work in Progress ZWG'000
At Cost or Valuation:							
1 March 2023	25,770	183,243	25,145	3,849	168,061	11,560	33,781
Additions	-	-	2,896	96	-	-	107,635
Transfers from Work-in-Progress	34,701	1,157	5,434	1,221	23,185	1,984	(67,682)
Revaluation adjustment	42,639	(86,915)	(28,300)	(1,826)	(68,358)	(6,155)	-
29 February 2024	103,110	97,485	5,175	3,340	122,888	7,389	73,734
Additions	-	-	-	-	-	-	32,214
Transfers from Work-in-Progress	20,185	4,428	1,171	49	2,855	1,504	(30,192)
Disposals	-	-	(419)	-	(5,151)	(193)	-
Revaluation adjustment	(29,801)	(78,189)	(313)	387	112,205	3,163	-
28 February 2025	93,494	23,724	5,614	3,776	232,797	11,863	75,856

16PROPERTY AND EQUIPMENT (CONTINUED)

	INFLATION ADJUSTED						
	Land and buildings ZWG'000	Leasehold improve-ments ZWG'000	Furniture and Fittings ZWG'000	Office equipment ZWG'000	Computer equipment ZWG'000	Motor Vehicles ZWG'000	Work in Progress ZWG'000
Accumulated depreciation and impairment:							
1 March 2023	-	-	18,686	-	-	1,350	-
Depreciation charge for the year	6,986	31,418	489	1,828	61,892	2,929	-
Eliminated on revaluation	(6,986)	(31,418)	(19,175)	(1,828)	(61,892)	(4,279)	-
29 February 2024	-	-	-	-	-	-	-
Depreciation charge for the year	1,948	28,635	1,395	951	17,445	2,560	-
Eliminated on revaluation	(1,948)	(28,635)	(1,395)	(951)	(17,445)	(2,560)	-
28 February 2025	-	-	-	-	-	-	-
Net carrying amount:							
At 28 February 2025	93,494	23,724	5,614	3,776	232,797	11,863	75,856
At 29 February 2024	103,110	97,485	5,175	3,340	122,888	7,389	73,734

	UNAUDITED HISTORICAL COST						
	Land and buildings ZWG'000	Leasehold improve-ments ZWG'000	Furniture and Fittings ZWG'000	Office equipment ZWG'000	Computer equipment ZWG'000	Motor Vehicles ZWG'000	Work in Progress ZWG'000
Historical cost:							
At Cost or Valuation:							
1 March 2023	449	3,199	112	67	2,933	179	81
Additions	-	-	69	-	12	-	8,126
Transfer from Work-in-Progress	1,801	28	103	3	1,998	62	(3,995)
Revaluation adjustment	31,401	28,589	1,402	989	35,163	2,171	-
29 February 2024	33,651	31,816	1,686	1,059	40,106	2,412	4,212
Additions	-	-	-	-	-	-	20,019
Transfers from Work-in-Progress	8,688	485	313	1,163	1,996	17	(12,662)
Disposals	-	-	(419)	-	(5,151)	(193)	-
Revaluation adjustment	51,155	(8,577)	4,034	1,554	195,846	9,627	-
28 February 2025	93,494	23,724	5,614	3,776	232,797	11,863	11,569

Accumulated depreciation and impairment:							
1 March 2023	-	-	-	-	-	-	-
Depreciation charge for the year	104	1,830	19	38	3,511	141	-
Eliminated on revaluation	(104)	(1,830)	(19)	(38)	(3,511)	(141)	-
29 February 2024	-	-	-	-	-	-	-
Depreciation charge for the year	1,938	12,145	189	172	8,931	921	-
Eliminated on revaluation	(1,938)	(12,145)	(189)	(172)	(8,931)	(921)	-
28 February 2025	-	-	-	-	-	-	-
Net carrying amount:							
At 28 February 2025	93,494	23,724	5,614	3,776	232,797	11,863	11,569
At 29 February 2024	33,651	31,816	1,686	1,059	40,106	2,412	4,212

Property and equipment were revalued as at 28 February 2025 by an independent valuer.

The Bank's property and equipment is carried at revalued amounts. The fair values and valuation techniques are disclosed in the table below:

Asset Description	Fair Value February 2025 (ZWG'000)	Fair Value February 2024 (ZWG'000)	Hierarchy	Valuation technique	Significant unobservable inputs	Interrelationship between significant observable inputs and fair value measurement
Land and buildings	93,493	21,891	Level 2	Market comparison approach (adjusted market comparable)	In computing the Fair values, the following rentals were applied per sqm Banking: US\$10.50/sqm Offices: US\$7.00/sqm Yield: 11%	The estimated fair value would increase or decrease if: The expected market rentals were higher or lower and capitalisation rates were higher or lower
Leasehold improvements	23,723	42,358	Level 3	Cost approach	Estimated replacement cost of similar assets adjusted for remaining useful life.	The fair value estimates provided at a reporting date based on level 3 inputs are sensitive to movements in replacement cost as at the reporting date, either up or down. Adopted useful life, expended useful and remaining useful life are considered to be generally stable inputs and would not be subject to sensitivity unless the Bank revised its policy with respect to the useful life of a particular asset class.
Furniture and Fittings	5,614	1,689	Level 3			
Office Equipment	3,776	1,059	Level 3			
Computer equipment	232,797	40,106	Level 3			
Motor vehicles	11,863	2,411	Level 3		Sales of similar vehicles	

17INTANGIBLE ASSETS

	INFLATION ADJUSTED		
	Computer software ZWG'000	Current work in progress ZWG'000	Total ZWG'000
Cost:			
As at 1 March 2023	191,375	18,973	210,348
Additions	-	18,543	18,543
As at 29 February 2024	191,375	37,516	228,891
Additions	-	11,889	11,889
Transfer from Work In Progress	8,970	(8,970)	-
As at 28 February 2025	200,345	40,435	240,780
Accumulated amortisation and impairment:			
As at 1 March 2023	59,555	-	59,555
Amortisation charge for the year	1,412	-	1,412
As at 29 February 2024	60,967	-	60,967
Amortisation charge for the year	2,227	-	2,227
As at 28 February 2025	63,194	-	63,194
Net carrying amount:			
At 28 February 2025	137,151	40,435	177,586
At 29 February 2024	130,408	37,516	167,924

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Notes to the abridged financial statements (continued)

For the year ended 28 February 2025

17 INTANGIBLE ASSETS (CONTINUED)

	UNAUDITED HISTORICAL COST		
	Computer software ZWG '000	Current work in progress ZWG '000	Total ZWG '000
As at 1 March 2023	206	133	339
Additions	269	1,156	1,425
As at 29 February 2024	475	1,289	1,764
Additions	-	8,505	8,505
Transfer from Work-In-Progress	4,236	(4,236)	-
As at 28 February 2025	4,711	5,558	10,269
Accumulated amortisation and impairment:			
As at 1 March 2023	33	-	33
Amortisation charge for the year	60	-	60
As at 29 February 2024	93	-	93
Amortisation charge for the year	372	-	372
As at 28 February 2025	465	-	465
Net carrying amount:			
At 28 February 2025	4,246	5,558	9,804
At 29 February 2024	382	1,289	1,671

18. LEASE

18.1 RIGHT OF USE ASSETS

	INFLATION ADJUSTED		
	Bank Branches ZWG '000	Office Buildings ZWG '000	Total ZWG '000
Cost:			
As at 1 March 2023	31,041	6,794	37,835
Additions	17,462	2,132	19,594
Expired leases	(989)	-	(989)
As at 29 February 2024	47,514	8,926	56,440
Additions	4,088	-	4,088
Expired leases	(4,183)	(8,926)	(13,109)
As at 28 February 2025	47,419	-	47,419
Accumulated depreciation and impairment:			
As at 1 March 2023	25,666	3,342	29,008
Depreciation charge for the year	7,789	200	7,989
Expired leases	-	(988)	(988)
As at 29 February 2024	33,455	2,554	36,009
Depreciation charge for the period	7,309	-	7,309
Expired leases	(724)	(2,554)	(3,278)
As at 28 February 2025	40,040	-	40,040
Net carrying amount:			
At 28 February 2025	7,379	-	7,379
At 29 February 2024	14,059	6,372	20,431

	UNAUDITED HISTORICAL COST		
	Bank Branches ZWG '000	Office Buildings ZWG '000	Total ZWG '000
Cost:			
As at 1 March 2023	95	5	100
Additions	240	68	308
Expired leases	-	(51)	(51)
As at 29 February 2024	335	22	357
Additions	2,341	-	2,341
Expired leases	(6)	(22)	(28)
As at 28 February 2025	2,670	-	2,670
Accumulated depreciation and impairment:			
As at 1 March 2023	24	4	28
Depreciation charge for the year	33	18	51
Expired lease depreciation	-	-	-
29 February 2024	57	22	79
Depreciation charge for the year	1,182	-	1,182
Expired lease depreciation	-	(22)	(22)
As at 28 February 2025	1,239	-	1,239
Net carrying amount:			
At 28 February 2025	1,431	-	1,431
At 29 February 2024	278	-	278

18.2 LEASE LIABILITIES

	INFLATION ADJUSTED		
	Bank Branches ZWG '000	Office Buildings ZWG '000	Total ZWG '000
As at 1 March 2023	13,112	79	13,191
Additions	17,462	2,132	19,594
Expired leases	-	(6,522)	(6,522)
Interest expense	1,639	656	2,295
Repayments	(8,012)	(2,095)	(10,107)
Exchange loss	7,421	1,992	9,413
Monetary loss	(24,473)	5,093	(19,380)
As at 29 February 2024	7,149	1,335	8,484
Additions	4,088	-	4,088
Expired leases	(465)	(1,820)	(2,285)
Interest expense	1,256	439	1,695
Repayments	(7,191)	(1,557)	(8,748)
Exchange loss	10,210	3,264	13,474
Monetary gain or loss	(8,993)	(1,661)	(10,654)
As at 28 February 2025	6,054	-	6,054

18.2 LEASE LIABILITIES (CONTINUED)

	UNAUDITED HISTORICAL COST		
	Bank Branches ZWG '000	Office Buildings ZWG '000	Total ZWG '000
As at 1 March 2023	229	1	230
Additions	239	68	307
Expired leases	-	(149)	(149)
Interest expense	98	41	139
Exchange loss	2,276	611	2,887
Repayments	(510)	(137)	(647)
As at 29 February 2024	2,332	435	2,767
Additions	2,302	-	2,302
Expired leases	(465)	(1,820)	(2,285)
Interest expense	845	283	1,128
Exchange loss	6,058	2,106	8,164
Repayments	(5,018)	(1,004)	(6,022)
As at 28 February 2025	6,054	-	6,054

19 SHARE CAPITAL AND SHARE PREMIUM

	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	28 February 2025 No. of Shares	29 February 2024 No. of Shares	28 February 2025 ZWG '000	29 February 2024 ZWG '000
Share capital:				
Authorised				
Ordinary shares of ZWG0.0000001 each	70,000,000,000	70,000,000,000	-	-
10% Irredeemable non-cumulative preference shares of ZWG1 each	10,000	10,000	-	-
Issued				
Ordinary shares of ZWG0.0000001 each	472,444,546	472,444,546	-	-
10% Irredeemable non-cumulative preference shares of ZWG1 each	4,030	4,030	-	-
Share premium			831	831

	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	Share Capital ZWG '000	Share Premium ZWG '000	Share Capital ZWG '000	Share Premium ZWG '000
Movements in share capital and share premium				
As at 1 March 2023	21	716,134	-	831
Share Issue	-	-	-	-
As at 29 February 2024	21	716,134	-	831
Share Issue	-	-	-	-
As at 28 February 2025	21	716,134	-	831

20 REVALUATION RESERVES

	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	28 February 2025 ZWG '000	29 February 2024 ZWG '000	28 February 2025 ZWG '000	29 February 2024 ZWG '000
Opening balance	271,305	288,633	83,733	5,505
Gain on revaluation	60,385	(23,337)	277,935	105,358
Deferred tax effect on revaluation and impairment	(15,549)	6,009	(71,568)	(27,130)
Closing Balance	316,141	271,305	290,100	83,733

Revaluation surplus
This reserve represents the surplus arising from the revaluation of owner occupied property and equipment.

21 DEPOSITS DUE TO BANKS AND CUSTOMERS

	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	28 February 2025 ZWG '000	29 February 2024 ZWG '000	28 February 2025 ZWG '000	29 February 2024 ZWG '000
Due to customers				
Current accounts	2,599,784	1,062,048	2,599,784	346,609
Term deposits	205,896	983	205,896	321
	2,805,680	1,063,031	2,805,680	346,930
21.1 Maturity analysis of deposits				
Less than one month	2,610,079	1,062,007	2,610,079	346,596
1 to 3 months	195,601	1,024	195,601	334
	2,805,680	1,063,031	2,805,680	346,930

21.2 Sectoral analysis of deposits

	INFLATION ADJUSTED				UNAUDITED HISTORICAL COST			
	28 February 2025 ZWG '000	%	29 February 2024 ZWG '000	%	28 February 2025 ZWG '000	%	29 February 2024 ZWG '000	%
Financial	339,487	12.1%	85,962	8.1%	339,487	12.1%	28,055	8.1%
Transport and telecommunications	1,432,158	51.0%	555,274	52.2%	1,432,158	51.0%	181,219	52.2%
Mining	89,782	3.2%	2,527	0.2%	89,782	3.2%	825	0.2%
Manufacturing	5,050	0.2%	14,428	1.4%	5,050	0.2%	4,709	1.4%
Agriculture	33,668	1.2%	15,025	1.4%	33,668	1.2%	4,904	1.4%
Distribution	29,460	1.1%	13,999	1.3%	29,460	1.1%	4,569	1.3%
Services	269,345	9.6%	123,306	11.6%	269,345	9.6%	40,242	11.6%
Government and parastatals	13,187	0.5%	5,989	0.6%	13,187	0.5%	1,955	0.6%
Individuals	590,978	21.1%	245,166	23.1%	590,978	21.1%	80,012	23.1%
Other	2,565	0.1%	1,355	0.1%	2,565	0.1%	440	0.1%
	2,805,680	100.0%	1,063,031	100.0%	2,805,680	100.0%	346,930	100.0%

Notes to the abridged financial statements (continued)

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22 FAIR VALUE MEASUREMENT

The following table provides the fair value measurement hierarchy of the Bank's assets and liabilities.

Quantitative disclosures: fair value measurement hierarchy for assets and liabilities as at 28 February 2025:					
		Fair value measurement using			
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs		
	Date of Valuation	(Level 1) ZWG '000	(Level 2) ZWG '000	(Level 3) ZWG '000	Total ZWG '000
Assets measured at fair value:					
Investment property (note 16) :					
Residential stands	28 February 2025	-	406,560	-	406,560
Office buildings	28 February 2025	-	245,850	-	245,850
Land	28 February 2025	-	72,435	-	72,435
Revalued properties					
Land and buildings	28 February 2025	-	93,494	-	93,494
Leasehold improvements	28 February 2025	-	23,724	-	23,724
Furniture & fittings	28 February 2025	-	-	5,614	5,614
Office equipment	28 February 2025	-	-	3,776	3,776
Computer equipment	28 February 2025	-	-	232,797	232,797
Motor vehicles	28 February 2025	-	-	11,863	11,863
Total		-	842,063	254,050	1,096,113

Quantitative disclosures: fair value measurement hierarchy for assets and liabilities as at 29 February 2024:					
		Fair value measurement using			
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
	Date of Valuation	(Level 1) ZWG '000	(Level 2) ZWG '000	(Level 3) ZWG '000	ZWG '000
Assets measured at fair value:					
Investment property (note 16):					
Residential stands	29 February 2024	-	35,814	-	35,814
Office buildings	29 February 2024	-	62,417	-	62,417
Land	29 February 2024	-	53,639	-	53,639
Revalued properties					
Land & buildings	29 February 2024	-	33,651	-	33,651
Leasehold improvements	29 February 2024	-	31,816	-	31,816
Furniture & fittings	29 February 2024	-	-	1,686	1,686
Office equipment	29 February 2024	-	-	1,059	1,059
Computer equipment	29 February 2024	-	-	40,106	40,106
Motor vehicles	29 February 2024	-	-	2,412	2,412
Total		-	217,337	45,263	262,600

There have been no transfers between Level 1 and Level 2 during the period.

Fair value hierarchy
The Bank uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

22.1 Fair values of financial instruments

Hierarchy	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	28 February 2025	29 February 2024	28 February 2025	29 February 2024
	ZWG '000	ZWG '000	ZWG '000	ZWG '000
Financial assets				
Cash and cash equivalents	Level 1	1,404,295	425,594	1,404,295
Financial assets at fair value through profit or loss	Level 1	71,676	156,622	71,676
Loans and advances to customers	Level 2	901,607	532,320	901,607
Financial assets at amortised cost	Level 2	474,200	194,089	474,200
Other receivables	Level 2	518,144	186,228	518,144
		3,369,922	1,494,853	3,369,922
Financial liabilities				
Deposits due to banks and customers	Level 1	2,805,680	1,063,031	2,805,680
Other liabilities	Level 2	319,240	197,243	319,240
Lease liability	Level 2	6,054	8,484	6,054
Provisions	Level 2	6,852	3,118	6,852
		3,137,826	1,271,876	3,137,826

Note: Other receivables balance only includes related party receivable balances and refundable deposits and excludes suspense accounts and prepayments

FAIR VALUES OF FINANCIAL INSTRUMENTS

- The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale, the carrying amount of financial assets and liabilities approximate their fair values. The following methods and assumptions were used to estimate the fair values:
- Cash and cash equivalents, deposits and other liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
 - Loans and advances excluding mortgages to staff approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of mortgage facilities to employees is estimated considering (i) current or quoted prices for identical instruments in the financial services sector and (ii) a net present value calculated from the average market yield rates with similar maturities and credit risk factors.
 - Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Bank based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. As at 28 February 2025, the carrying amounts of such receivables, net of allowances, are not materially different from their calculated fair values.
 - Fair value of quoted notes and bonds is based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities and obligations under finance leases are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

23 PROVISIONS

	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	28 February 2025	29 February 2024	28 February 2025	29 February 2024
	ZWG '000	ZWG '000	ZWG '000	ZWG '000
Provisions	6,852	3,118	6,852	1,017

INFLATION ADJUSTED				
	Leave pay provision	Bonus provision	Other provisions	Total
	ZWG '000	ZWG '000	ZWG '000	ZWG '000
As at 1 March 2023	3,315	8,543	791	12,649
Current provision	1,429	1,152	2,177	4,758
Amount utilised	-	(1,609)	(689)	(2,298)
Monetary loss	(3,137)	(8,086)	(768)	(11,991)
As at 29 February 2024	1,607	-	1,511	3,118
Current provision	3,392	7,394	4,784	15,570
Amount utilised	(1,083)	(7,394)	(3,359)	(11,836)
As at 28 February 2025	3,916	-	2,936	6,852

UNAUDITED HISTORICAL COST				
As at 1 March 2023	58	149	14	221
Current provision	466	376	710	1,552
Amount utilised	-	(525)	(231)	(756)
As at 29 February 2024	524	-	493	1,017
Current provision	3,392	7,394	4,784	15,570
Amount utilised	-	(7,394)	(2,341)	(9,735)
As at 28 February 2025	3,916	-	2,936	6,852

24 OTHER LIABILITIES

	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	28 February 2025	29 February 2024	28 February 2025	29 February 2024
	ZWG '000	ZWG '000	ZWG '000	ZWG '000
Amounts due to related parties	15,408	14,468	15,408	4,722
Sundry creditors	301,400	182,775	301,400	59,650
Sundry creditors	316,808	197,243	316,808	64,372

The Bank's sundry creditors comprise accruals, suspense accounts and other staff related statutory obligations as at 28 February 2025.

25 DEFERRED TAX LIABILITY

	INFLATION ADJUSTED					
	Property and Equipment	Investment Property	Right of use & lease liability	Provisions	Unrealised gains	Other
	ZWG '000	ZWG '000	ZWG '000	ZWG '000	ZWG '000	ZWG '000
As at 1 March 2023	85,857	39,571	(1,079)	(3,127)	7,429	47
(Credit)/ charge to profit for the period	(18,416)	(5,456)	6,340	2,283	(10,037)	46,482
Credit to other comprehensive income	(6,009)	-	-	-	-	-
Monetary gain	-	-	-	-	-	(26)
As at 29 February 2024	61,432	34,115	5,261	(844)	(2,608)	46,503
(Credit)/ charge to profit for the period	(9,246)	48,097	(4,920)	(921)	(1,090)	(7,563)
Credit to other comprehensive income	15,549	-	-	-	-	-
Monetary loss	-	-	-	-	-	23
As at 28 February 2025	67,735	82,212	341	(1,765)	(3,698)	38,963

UNAUDITED HISTORICAL COST						
As at 1 March 2023	944	691	(39)	(55)	130	9
(Credit)/ charge to profit for the period	(13,145)	10,443	110	(221)	(981)	362
Charge to other comprehensive income	27,130	-	-	-	-	-
As at 29 February 2024	14,929	11,134	71	(276)	(851)	371
(Credit)/ charge to profit for the period	(18,762)	71,078	305	(1,489)	(2,847)	1,559
Charge to other comprehensive income	71,568	-	-	-	-	-
As at 28 February 2025	67,735	82,212	376	(1,765)	(3,698)	1,930

26 RELATED PARTY DISCLOSURES

	INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	28 February 2025	29 February 2024	28 February 2025	29 February 2024
	ZWG '000	ZWG '000	ZWG '000	ZWG '000
a) Loans and advances balances owing from Directors				
Balance of loans issued to directors and entities related to directors	47,595	18,141	47,595	5,920
b) Compensation of key management personnel of the Bank	27,737	44,037	19,805	2,919
Short-term benefits	27,584	43,704	19,693	2,902
Post-employment benefits	153	333	112	17
c) Transactions with Related Parties:				
Transactions with members of the Econet Wire-less Zimbabwe Limited Group ("Econet")				
Sale of services to Econet subsidiaries	122,737	87,378	79,185	5,818
Purchase of goods and services from Econet subsidiaries	(2,686)	(17,549)	(1,733)	(1,218)
d) Balances with Related Parties:				
Amounts receivable from Econet subsidiaries	95,173	20,697	95,173	6,755
Amounts owed to Econet subsidiaries	(15,409)	(14,468)	(15,409)	(4,722)
Net amount receivable	79,764	6,229	79,764	2,033

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27 RISK MANAGEMENT

Risk is inherent in the Bank's activities, but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities. The Bank is exposed to the following risks:

- Credit risk;
- Liquidity risk;
- Market risks;
- Operational risks; and
- Strategy risk.

In order to avoid excessive concentrations of risk, the Bank's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

27.1 Credit Risk

Credit risk is the risk that the Bank will incur a loss because its customers or counterparties fail to discharge their contractual obligations. This risk arises principally from the Bank's loans and advances to customers and placements with Government and other banks. The Bank manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

27.2 Credit quality analysis

The table below shows the credit quality of the Bank's financial instruments and the maximum exposure to credit risk, based on the Bank's internal credit rating system and year end stage classification.

	INFLATION ADJUSTED AND UNAUDITED HISTORICAL COST						
	Grade A High grade	Grade B Standard grade	Grade C Sub-standard		Individually impaired		Total
	Stage 1 ZWG '000	Stage 1 ZWG '000	Stage 2 ZWG '000	Stage 2 ZWG '000	Stage 3 ZWG '000	Stage 3 ZWG '000	ZWG '000
At 28 February 2025:							
<i>Loans and advances to customers:</i>							
Retail portfolio - Consumer and							
Mortgage loans	46,119	24,833	1,496	805	4,836	2,604	80,693
Corporate and SME portfolio	481,278	259,150	55,903	30,101	46,530	25,162	898,124
	527,397	283,983	57,399	30,906	51,366	27,766	978,817
<i>Debt instruments measured at amortised cost:</i>							
Exposure to banks	7,148	-	-	-	-	-	7,148
Government debt securities	469,415	-	-	-	-	-	469,415
	476,563	-	-	-	-	-	476,563
Other receivables	445,610	-	-	-	-	72,534	518,144
<i>Contingent liabilities, commitments</i>							
Financial guarantees	-	-	-	-	-	-	-
Commitments to lend	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	1,449,570	283,983	57,399	30,906	51,366	100,300	1,973,524
	INFLATION ADJUSTED						
	Grade A High grade	Grade B Standard grade	Grade C Sub-standard		Individually impaired		Total
	Stage 1 ZWG '000	Stage 1 ZWG '000	Stage 2 ZWG '000	Stage 2 ZWG '000	Stage 3 ZWG '000	Stage 3 ZWG '000	ZWG '000
At 29 February 2024:							
<i>Loans and advances to customers:</i>							
Retail portfolio - Consumer and							
Mortgage loans	91,102	49,055	2,955	1,590	9,553	5,144	159,399
Corporate and SME portfolio	222,636	119,881	25,860	13,925	21,524	11,640	415,466
	313,738	168,936	28,815	15,515	31,077	16,784	574,865
<i>Debt instruments measured at amortised cost:</i>							
Exposure to banks	2,938	-	-	-	-	-	2,938
Government debt securities	192,911	-	-	-	-	-	192,911
	195,849	-	-	-	-	-	195,849
Other receivables	158,762	-	-	-	-	27,466	186,228
<i>Contingent liabilities, commitments</i>							
Financial guarantees	-	-	-	-	-	-	-
Commitments to lend	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	668,349	168,936	28,815	15,515	31,077	44,250	956,942
	UNAUDITED HISTORICAL COST						
	Grade A High grade	Grade B Standard grade	Grade C Sub-standard		Individually impaired		Total
	Stage 1 ZWG '000	Stage 1 ZWG '000	Stage 2 ZWG '000	Stage 2 ZWG '000	Stage 3 ZWG '000	Stage 3 ZWG '000	ZWG '000
At 29 February 2024:							
<i>Loans and advances to customers:</i>							
Retail portfolio - Consumer and							
Mortgage loans	29,732	16,010	964	519	3,118	1,679	52,022
Corporate and SME portfolio	72,659	39,124	8,440	4,544	7,025	3,799	135,591
	102,391	55,134	9,404	5,063	10,143	5,478	187,613
<i>Debt instruments measured at amortised cost:</i>							
Exposure to banks	961	-	-	-	-	-	961
Government debt securities	63,916	-	-	-	-	-	63,916
	64,877	-	-	-	-	-	64,877
Other receivables	44,230	-	-	-	-	16,547	60,777
<i>Contingent liabilities, commitments</i>							
Financial guarantees	-	-	-	-	-	-	-
Commitments to lend	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	211,498	55,134	9,404	5,063	10,143	22,025	313,267

27 RISK MANAGEMENT (CONTINUED)

27.3 Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

27.3.1 Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Board has established limits on the non-trading interest rate gaps for stipulated periods. The Bank's policy is to monitor positions on a daily basis and strategies are formulated to ensure positions are maintained within the established limits.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Bank's statement of comprehensive income.

The sensitivity of the statement of comprehensive income is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the variable rate financial assets and financial liabilities held. There is no other impact on equity apart from profit or loss impact.

Interest rate repricing and gap analysis

The table below analyses the Bank's interest rate risk exposure on assets and liabilities. The financial assets and liabilities are categorised by the earlier of contractual repricing or maturity dates.

	INFLATION ADJUSTED						
	Up to 1 month ZWG '000	1 month to 3 months ZWG '000	3 months to to 1 year ZWG '000	1 to 5 years ZWG '000	Over 5 years ZWG '000	Non - interest bearing ZWG '000	Total ZWG '000
TOTAL POSITION							
At 28 February 2025:							
<i>Assets:</i>							
Cash and cash equivalents	-	-	-	-	-	1,404,295	1,404,295
Loans and advances to customers	207,620	698,657	(8,493)	3,823	-	-	901,607
Financial assets at amortised cost	29,020	5,349	430,166	9,665	-	-	474,200
Financial assets at fair value through profit or loss	-	-	-	-	-	71,676	71,676
Other receivables	-	-	-	-	-	488,271	488,271
Income tax receivable	-	-	-	-	-	10,513	10,513
Inventories	-	-	-	-	-	39,819	39,819
Investment property	-	-	-	-	-	724,845	724,845
Property and Equipment	-	-	-	-	-	447,124	447,124
Intangible assets	-	-	-	-	-	177,586	177,586
Right of use asset	-	-	-	-	-	7,379	7,379
Total undiscounted assets	236,640	704,006	421,673	13,488	-	3,371,508	4,747,315
<i>Liabilities and equity</i>							
Deposits due to banks and customers	2,610,079	195,601	-	-	-	-	2,805,680
Provisions	-	-	-	-	-	6,852	6,852
Other liabilities	-	-	-	-	-	316,808	316,808
Deferred tax liability	-	-	-	-	-	183,788	183,788
Lease liabilities	-	-	1,853	4,201	-	-	6,054
Equity	-	-	-	-	-	1,428,133	1,428,133
	2,610,079	195,601	1,853	4,201	-	1,935,581	4,747,315
Interest rate repricing gap	(2,373,439)	508,405	419,820	9,287	-	1,435,927	-
Cumulative gap	(2,373,439)	(1,865,034)	(1,445,214)	(1,435,927)	(1,435,927)	-	-
UNAUDITED HISTORICAL COST							
	Up to 1 month ZWG '000	1 month to 3 months ZWG '000	3 months to to 1 year ZWG '000	1 to 5 years ZWG '000	Over 5 years ZWG '000	Non - interest bearing ZWG '000	Total ZWG '000
TOTAL POSITION							
At 28 February 2025							
<i>Assets:</i>							
Cash and cash equivalents	-	-	-	-	-	1,404,295	1,404,295
Right of use asset	-	-	-	-	-	1,431	1,431
Loans and advances to customers	207,620	698,657	(8,493)	3,823	-	-	901,607
Financial assets at amortised cost	29,020	5,349	430,166	9,665	-	-	474,200
Financial assets at fair value through profit or loss	-	-	-	-	-	71,676	71,676
Other receivables	-	-	-	-	-	480,382	480,382
Income tax receivable	-	-	-	-	-	10,513	10,513
Inventories	-	-	-	-	-	3,272	3,272
Investment property	-	-	-	-	-	724,845	724,845
Property and Equipment	-	-	-	-	-	382,837	382,837
Intangible assets	-	-	-	-	-	9,804	9,804
Total undiscounted assets	236,640	704,006	421,673	13,488	-	3,089,055	4,464,862
<i>Liabilities and equity</i>							
Deposits due to banks and customers	2,610,079	195,601	-	-	-	-	2,805,680
Provisions	-	-	-	-	-	6,852	6,852
Other liabilities	-	-	-	-	-	316,808	316,808
Tax liability	-	-	-	-	-	-	-
Deferred tax liability	-	-	-	-	-	146,790	146,790
Lease liabilities	-	-	1,853	4,201	-	-	6,054
Equity	-	-	-	-	-	1,182,678	1,182,678
	2,610,079	195,601	1,853	4,201	-	1,653,128	4,464,862
Interest rate repricing gap	(2,373,439)	508,405	419,820	9,287	-	1,435,927	-
Cumulative gap	(2,373,439)	(1,865,034)	(1,445,214)	(1,435,927)	(1,435,927)	-	-

Notes to the abridged financial statements (continued)

For the year ended 28 February 2025

27 RISK MANAGEMENT (CONTINUED)

27.3 Market Risk (continued)

27.3.1 Interest rate risk (continued)

	INFLATION ADJUSTED						Total ZWG'000
	Up to 1 month ZWG'000	1 month to 3 months ZWG'000	3 months to to 1 year ZWG'000	1 to 5 years ZWG'000	Over 5 years ZWG'000	Non - interest bearing ZWG'000	
TOTAL POSITION							
At 29 February 2024:							
Assets:							
Cash and cash equivalents	-	-	-	-	-	425,594	425,594
Loans and advances to cus- tomers	345,552	57,445	90,173	33,305	5,845	-	532,320
Financial assets at amortised cost	112,386	19,258	62,445	-	-	-	194,089
Financial assets at fair value through profit or loss	-	-	-	-	-	156,622	156,622
Other receivables	-	-	-	-	-	193,311	193,311
Income tax receivable	-	-	-	-	-	19,926	19,926
Inventories	-	-	-	-	-	31,374	31,374
Investment property	-	-	-	-	-	485,077	485,077
Property and Equipment	-	-	-	-	-	413,121	413,121
Intangible assets	-	-	-	-	-	167,924	167,924
Right of use asset	-	-	-	-	-	20,431	20,431
Total undiscounted assets	457,938	76,703	152,618	33,305	5,845	1,913,380	2,639,789
Liabilities and equity							
Deposits due to banks and customers	1,056,782	6,249	-	-	-	-	1,063,031
Provisions	-	-	-	-	-	3,118	3,118
Other liabilities	-	-	-	-	-	197,243	197,243
Deferred tax liability	-	-	-	-	-	143,859	143,859
Lease liabilities	-	-	340	8,144	-	-	8,484
Equity	-	-	-	-	-	1,224,054	1,224,054
	1,056,782	6,249	340	8,144	-	1,568,274	2,639,789
Interest rate repricing gap	(598,844)	70,454	152,278	25,161	5,845	345,106	-
Cumulative gap	(598,844)	(528,390)	(376,112)	(350,951)	(345,106)	-	-
	UNAUDITED HISTORICAL COST						Total ZWG'000
	Up to 1 month ZWG'000	1 month to 3 months ZWG'000	3 months to to 1 year ZWG'000	1 to 5 years ZWG'000	Over 5 years ZWG'000	Non - interest bearing ZWG'000	
TOTAL POSITION							
At 29 February 2024:							
Assets:							
Cash and cash equivalents	-	-	-	-	-	138,897	138,897
Financial assets at amortised cost	-	10,768	52,574	-	-	-	63,342
Loans and advances to customers	112,774	18,748	29,429	10,869	1,908	-	173,728
Financial assets at fair value through profit or loss	-	-	-	-	-	51,115	51,115
Other receivables	-	-	-	-	-	47,792	47,792
Income tax receivable	-	-	-	-	-	6,503	6,503
Inventories	-	-	-	-	-	694	694
Investment property	-	-	-	-	-	158,310	158,310
Property and Equipment	-	-	-	-	-	114,942	114,942
Intangible assets	-	-	-	-	-	1,671	1,671
Right of use asset	-	-	-	-	-	278	278
Total undiscounted assets	112,774	29,516	82,003	10,869	1,908	520,202	757,272
Liabilities and equity							
Deposits due to banks and customers	346,596	334	-	-	-	-	346,930
Provisions	-	-	-	-	-	1,017	1,017
Other liabilities	-	-	-	-	-	64,372	64,372
Tax liability	-	-	-	-	-	-	-
Deferred tax liability	-	-	-	-	-	25,379	25,379
Lease liabilities	2,537	-	18	212	-	-	2,767
Equity	-	-	-	-	-	316,807	316,807
	349,132	334	18	212	-	407,575	757,272
Interest rate repricing gap	(236,358)	29,182	81,984	10,657	1,908	112,627	-
Cumulative gap	(236,358)	(207,176)	(125,192)	(114,535)	(112,627)	-	-

27.4 Reserve Bank Ratings

The Reserve Bank of Zimbabwe conducted an onsite inspection of the Bank in June 2024 and the final ratings that were determined on the Bank are detailed below:

27.4.1 CAMELS* Ratings

CAMELS Component	RBS** Ratings 30/06/2024
Capital Adequacy	2 - Satisfactory
Asset Quality	3 - Fair
Management	3 - Fair
Earnings Performance	3 - Fair
Liquidity and Funds Management	2 - Satisfactory
Sensitivity to Market Risk	2 - Satisfactory
Overall Composite Rating	3 - Fair

*CAMELS is an acronym for Capital Adequacy, Asset Quality, Management, Earnings, Liquidity and Sensitivity to Market Risk. The CAMELS rating system uses a scale of 1-5, where “1” is “Strong”, “2” is “Satisfactory”, “3” is “Fair”, “4” is “Weak” and “5” is “Critical”.

** RBS is an acronym Risk Based Supervision.

27.4.2 Summary risk matrix – Steward Bank Risk Matrix 30 June 2024

Type of Risk	Level of Aggregate Inherent Risk	Adequacy of Risk Management Systems	Overall Composite Risk	Direction of Overall Composite Risk
Credit Risk	High	Acceptable	High	Stable
Liquidity	Moderate	Acceptable	Moderate	Stable
Interest Rate	Moderate	Acceptable	Moderate	Stable
Foreign Exchange	Low	Acceptable	Low	Stable
Operational	Moderate	Acceptable	Moderate	Stable
Legal	Low	Acceptable	Low	Stable
Compliance	Moderate	Acceptable	Moderate	Stable
Reputation	Low	Acceptable	Low	Stable
Strategic	Moderate	Acceptable	Moderate	Stable
Overall	Moderate	Acceptable	Moderate	Stable

27 RISK MANAGEMENT (CONTINUED)

27.4 Reserve Bank Ratings (continued)

27.4.2 Summary risk matrix – Steward Bank Risk Matrix 30 June 2024 (continued)

KEY

Level of Inherent Risk:

Low – reflects a lower than average probability of an adverse impact on a banking institution’s capital and earnings. Losses in a functional area with low inherent risk would have little negative impact on the banking institution’s overall financial condition.

Moderate – could reasonably be expected to result in a loss which could be absorbed by a banking institution in the normal course of business.

High – reflects a higher than average probability of potential loss. High inherent risk could reasonably be expected to result in significant and harmful loss to the banking institution.

Adequacy of Risk Management Systems:

Weak – risk management systems are inadequate or inappropriate given the size, complexity and risk profile of the banking institution. Institution’s risk management systems are lacking in important ways and therefore a cause of more than normal supervisory attention.

The internal control systems will be lacking in important aspects particularly as indicated by continued control exceptions or by the failure to adhere to written policies or procedures.

Acceptable – management of risk is largely effective but lacking to some modest degree. While the institution might be having some minor risk management weaknesses, these have been recognized and are being addressed. Management information systems are generally adequate.

Strong – management effectively identifies and controls all types of risk posed by the relevant functional areas or per inherent risk. The Board and senior management are active participants in managing risk and ensure appropriate policies and limits are put in place. The policies comprehensively define the bank’s risk tolerance, responsibilities and accountabilities are effectively communicated.

Overall Composite Risk:

Low – would be assigned to low inherent risk areas. Moderate risk areas may be assigned a low composite risk where internal controls and risk management systems are strong and effectively mitigate much of the risk.

Moderate – risk management systems appropriately mitigates inherent risk. For a given low risk area, significant weaknesses in the risk management systems may result in moderate composite risk assessment. On the other hand, a strong risk management system may reduce the risk so that any potential financial loss from the activity would have only a moderate negative impact on the financial condition of the organization.

High – risk management systems do not significantly mitigate the high inherent risk. Thus, the activity could potentially result in a financial loss that would have a significant impact on the bank’s overall condition.

Direction of Overall Composite Risk:

Increasing – based on the current information, risk is expected to increase in the next 12 months.

Decreasing – based on the current information, risk is expected to decrease in the next 12 months.

Stable – based on the current information, risk is expected to be stable in the next 12 months.

27.5 Strategic Risk

This is the risk that arises where the Bank’s strategy may be inappropriate to support its long term goals due to underlying inadequate strategic planning processes, weak decision making processes as well as weak strategic implementation programs. To mitigate this risk, the Bank’s Board and management team craft the strategy which is underpinned by the Group’s corporate goals. Approval of the strategy is the responsibility of the Board whilst implementation is carried out by management. On the other hand, strategy and goal congruency is reviewed monthly by management and quarterly by the Board.

28 CAPITAL MANAGEMENT

The objective of the Bank’s capital management is to ensure that it complies with the Reserve Bank of Zimbabwe (RBZ) requirements. In implementing the current capital requirements, the RBZ requires the Bank to maintain a prescribed ratio of total capital to total risk weighted assets. Risk weighted assets are arrived at by applying the appropriate risk factor as determined by the RBZ to the monetary value of the various assets as they appear on the Bank’s statement of financial position.

- Regulatory capital consists of:
- Tier 1 Capital (“the core capital”), which comprises of share capital, share premium, retained earnings (including the current year profit or loss), the statutory reserve and other equity reserves.
 - Tier 2 Capital (“supplementary capital”), which includes subordinated term debt, revaluation reserves and portfolio provisions.
 - Tier 3 Capital (“tertiary capital”), relates to an allocation of capital to meet market and operational risks

The core capital shall comprise not less than 50% of the capital base and portfolio provisions are limited to 1.25% of total risk weighted assets.

The Bank’s regulatory capital position as at 28 February 2025 was within the minimum Regulatory requirements of Tier 1 capital of US\$30 million and stood as follows:

	UNAUDITED HISTORICAL COST	
	28 February 2025 ZWG'000	29 February 2024 ZWG'000
Share capital	-	-
Share premium	831	831
Retained earnings	891,747	232,243
	892,578	233,074
Less: exposures to insiders	(95,173)	(6,755)
Tier 1 capital	797,405	226,319
Tier 2 capital		
Other reserves	290,100	83,733
	290,100	83,733
Total regulatory capital	1,087,505	310,052
Total risk weighted assets	2,955,572	756,225
Tier 1 ratio	27%	30%
Tier 2 ratio	10%	11%
Total capital adequacy ratio	37%	41%
RBZ minimum requirement	12%	12%

The Bank’s policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain the future development of the business. The impact of the level of capital on shareholders’ return is also recognised and the Bank recognises the need to maintain a balance between the higher returns that might be possible without greater gearing and the advantages and security offered by a sound capital position.

29 CAPITAL COMMITMENTS

	28 February 2025 ZWG'000	29 February 2024 ZWG'000
Capital expenditure authorised but not yet contracted for	20,863	11,103
	20,863	11,103

Capital commitments will be financed from the Bank’s own resources.

30 EXTERNAL CREDIT RATINGS

	May 2025	May 2024	October 2022
Rating Agent: Global Credit Rating (GCR):			
Long term issuer	BBB-zw	BBB-zw	BBB zw
Short term issuer	A3 zw	A3 zw	A3 zw

31 EVENTS AFTER THE REPORTING DATE

There were no material adjusting or non - adjusting events that occurred between the reporting date and the date of approval of the financial statements.

Corporate Governance Statement

The Board of Directors recognises the importance of good corporate governance and is committed to conducting the business of the Bank with integrity and in accordance with generally accepted corporate practices in order to safeguard stakeholders' interests.

The Board is committed to the creation and sustenance of shareholder value and is accountable to its shareholders as well as to all other stakeholders including the Bank's employees, customers, suppliers, regulatory authorities and the community from which it operates.

The Board of Directors is committed to upholding the highest standards of corporate governance by ensuring that business is conducted in a transparent, responsible and accountable manner as enshrined in the international and local corporate governance frameworks.

The Bank's structure, operations, policies, and procedures are continuously assessed and updated for compliance with national laws and generally accepted corporate governance practices. The Bank continues to align its corporate governance instruments with the Companies and Other Business Entities Act [Chapter 24:31], the Banking Act [Chapter 24:20] as amended and the National Code on Corporate Governance in Zimbabwe (ZIMCODE).

Board Responsibilities

The Board is the main decision making body, setting the strategic direction of the Bank and ensuring that risks are managed effectively.

The Board of Directors is responsible for the overall corporate governance of the Bank, major policies and risk tolerance levels. It ensures that appropriate controls, systems and policies are in place. The Board monitors the implementation of these policies through a structured approach to reporting and accountability. The Board is involved in setting measurable objectives to promote a healthy corporate culture that is aligned with strategy and the strong commitment to the Bank's stakeholders

The Board has a Charter that sets out its authority, duties, responsibilities and arrangements by which it operates. The Board Charter is also available to Directors for reference regarding their duties and obligations. The Charter also clearly establishes the relationship between the Board of Directors and management. The Board will regularly review its structure and policies in line with international best practice.

The non-executive directors proactively engage with management to improve strategy implementation, test and challenge the implementation of controls, processes and policies, which enable risk to be effectively assessed and managed.

The Bank's strategy has a strong focus on Digital Technology. The Chief Transformation and Strategy Officer provides guidance and assists the Board on both strategy and implementation in this area, as well as Data Protection and Cyber Security Risk mitigation.

Board Composition

The Board of Directors is led by an independent non - Executive Chairperson, ensuring constructive checks and balances between Executive management and the Board. Following recent configuration changes, the Board is currently made up of six (6) independent non-executive directors, four (4) non-executive director and two (2) Executive directors.

The Board members have a vast array of experience in areas that include accounting, law, risk management, corporate finance, IT and business administration.

The Board held six (6) meetings during the period to assess risk, review performance and provide guidance to management.

The Board and the Remunerations and Nominations Committee work together to ensure that the Board continues to have the appropriate balance of competencies, skills, experience, diversity, independence and depth of working knowledge of the business necessary to effectively fulfil its responsibilities. All Board appointments follow a transparent procedure and are subject to confirmation by Shareholders at the Annual General Meeting. Before appointment, potential Board appointees must undergo a Fitness and Probity Assessment in line with the Banking Act [Chapter 24:20] and the Reserve Bank of Zimbabwe (RBZ) Prudential Guidelines.

Board Capacity Development

The Company Secretary is responsible for the induction of new Directors. Newly appointed Directors go through an induction procedure where they receive the appropriate training.

The Bank also has in place a Board Training and Development Plan designed to enable the Directors to gain an appreciation of Steward Bank's strategic, financial, operational and risk management structures.

Board and Director Evaluation process

The institution carries out an annual Board and Director Evaluation process as required by the Reserve Bank of Zimbabwe Guideline No. 01-2004/BSD: Corporate Governance. The performance of the Board and individual Directors in the previous year is assessed by the Board. Areas of concern identified through this process are discussed in the Board meetings with a view to mitigate and rectify identified weaknesses. The Board and Director evaluations for FY2025 were duly and timeously conducted.

Cybersecurity and Data Privacy

The Bank continues to embrace technological advancement cognisant of the significant importance of cybersecurity and data privacy protection.

The Bank has invested in building and implementing data protection assurance systems. Ensuring the security and privacy of customer data from unauthorised access and data leakages boosts the Bank's reputation as a safe and trustworthy business for its customers and employees.

Sound cyber security practices also protect the business against financial losses associated with cybersecurity breaches. The system detects the slightest indicators of compromise, including suspicious activities, unauthorised access attempts and anomalous behaviour.

The Bank is committed to best practices on information and data security. Regular training is conducted for staff on ways to detect and report all actual and potential cyber security threats and incidents. Trainings are done based on the Bank's cybersecurity and data privacy management policies.

The Bank has invested in an Online Cybersecurity Awareness tool capable of tracking the risk matrix of each staff member. This Cyber Security and Data Protection training was extended to the Board.

Environmental, Social and Governance (ESG) Reporting

The Bank recognises the importance of the Environmental, Social and Governance (ESG) aspects for its business operations. The business is guided by the Global Reporting Initiative (GRI) Standards in measuring and assessing its sustainability performance and impacts.

The Bank aims to reduce its greenhouse gas emissions, water consumption and waste generation, while increasing use of renewable energy. The Bank upholds the highest standards of ethics, transparency, and accountability in its governance practices and stakeholder relations. By aligning the strategy with the United Nations Sustainable Development Goals, the Bank is contributing to the global efforts to address the pressing sustainability challenges.

The Bank adopted sustainability reporting to its responsible business values and this continues to drive future business strategy and practices.

Conflict of Interest

The Board has in place a policy that manages conflict of interest including situational and transactional conflict. Directors disclose their interests on joining the Board and at every meeting of the directors, they disclose any additional interests and confirm or update their declarations of interest accordingly.

Transparency

The Board has unrestricted access to Company information, records, documents and management. Efficient and timely procedures for briefing Board members before Board meetings have been developed and implemented. Management provides regular reports or additional information when requested timeously to ensure that the Board discharges its duties effectively. Directors are free to take independent professional advice, at the expense of the Bank, in the furtherance of their duties.

The Bank is a subscriber to an independently managed fraud hotline system.

Compliance

The Bank was penalised ZWG1,367,449 for delayed submission of regulatory information in breach of the Prudential Standard No.02/2023: Model Risk Management. The directors are not aware of any other material cases of non-compliance with regulations governing the operations of the Bank.

Board Committees

The Board has established and delegated specific roles and responsibilities to six (6) standing Committees, to assist it in discharging its mandate. Each Committee acts within written terms of reference approved by the Board and reviewed annually or as necessary. All Board Committees are chaired by Independent non-Executive Chairpersons.

Each Committee has unrestricted access to executive management, all employees and all Company records, tax and other financial advisers, legal advisers, and internal and external auditors, as required.

The Chair of each Committee (or a person nominated by the Chair of the Committee for that purpose), reports to the Board at the

Board's next meeting on any matters relevant to the Committee's duties and responsibilities. To assist the Board in the discharge of its responsibilities, the following Committees have been established namely:

i.

Board Audit and ESG Committee;

ii.

Board Risk, Compliance & Capital Management Committee;

iii.

Board Assets and Liabilities Committee;

iv.

Board IT Committee;

v.

Board Credit Committee; and

vi.

Board Remuneration and Nominations Committee.

Board Audit and ESG Committee

The Board Audit and ESG Committee consists of three independent non-executive directors of the Bank. The Committee meets quarterly.

The primary function of the Committee is to assist the Board in its evaluation and review of the adequacy and efficiency of the internal control systems, accounting practices, information systems and audit processes applied within the Bank. It also considers measures to enhance the credibility and objectivity of financial statements and reports prepared with reference to the affairs of the Bank. The Committee's objective is to provide oversight of Steward Bank's ESG Strategy, sustainability and responsible business practices. The Committee also monitors progress against key performance indicators and the external ESG Index result. The Board Audit & ESG Committee met five times.

The Internal Audit function of the Bank reports administratively to the Chief Executive Officer of the Bank and functionally to the Board Audit and ESG Committee. It comprises the Head of Internal Audit heading two (2) distinct functions namely IT Audit and Business Audit. Each department is resourced with 2 personnel reporting into the Head of Internal Audit.

Board Risk, Compliance and Capital Management Committee

The Board Risk, Compliance and Capital Management Committee comprises three non-executive directors. The Committee focuses on the effectiveness and appropriateness of the enterprise risk management framework, including risk strategy, risk tolerance and risk governance. The Committee also sets policy guidelines for ensuring and monitoring compliance with all regulatory laws and directives and internal policies and procedures. This Committee met three times.

Board Assets and Liabilities Committee

This Committee comprises 3 non-executive directors, meets quarterly and is responsible for formulating policies and procedures relating to control of cash flow, control of short-term borrowing capacity, management of liquid assets portfolio, monitoring and managing structural exposures. The Committee met three times.

Board Information Technology Committee

This Committee comprises of three non-executive directors, meets quarterly and formulates policies and strategic issues relating to information technology. The Committee makes recommendations to the Board with respect to the overall scope of the Digital Strategy. It provides the necessary governance over the direction and ongoing progress of the Digital Strategy as well as oversee the current cyber risk exposure and future cyber risk strategy. The Committee met three times during the period.

Board Credit Committee

This Committee comprises three non-executive directors, meets quarterly and is mainly responsible for considering and approving credit facilities as mandated by the Board. The Committee met three times during the period.

Remuneration and Nominations Committee

This Committee, which comprises of three non-executive directors, meets quarterly. The Committee considers all human resources issues including industrial relations, the recruitment and retention policy and remuneration for staff, management and Directors. The Committee met three times during the period.

Board Attendance

As at 28 February 2025, the Main Board held 6 meetings and the record of attendance of each director is as follows:

Name of Director	Designation	Meetings Held	Meetings Attended
*James Andrew Kufakunesu Mushore ***	Independent Non-Executive Director Chairman	6	1
Bernard Thomas Rugare Chidzero *****	Independent Non-Executive Director Chairman	6	2
Roy Chimanikire	Non-Executive Director	6	6
Rugare Chidembo**	Non-Executive Director	6	6
Nadine Gabi Levy	Non-Executive Director	6	6
Hazvinei Kapfunde	Independent Non-Executive Director	6	6
Morgen Mufowo	Independent Non-Executive Director	6	6
Courage Simbarashe Mashavave	Executive Director	6	6
Cleopas Kadzimu *****	Executive Director	6	5
Titus Murefu***	Independent Non-Executive Director	6	1
David Alexander Rhodes ****	Independent Non-Executive Director	6	1
George Ikechukwu Agu ***	Independent Non-Executive Director	6	1
Zvichapera Katiyo ****	Non-Executive Director	6	1
Tawanda Nyambirai ***	Non-Executive Director	6	1
Everisto Mudhikwa ***	Non-Executive Director	6	1
Tatenda Geeny Zhakata ***	Executive Director	6	1
*Chairperson			
** Acting Chairman			
***Appointed 27 January 2025			
****Appointed 20 February 2025			
*****Resigned 25 January 2025			

BOARD COMMITTEES

The record of attendance for the Bank's Board Committees is as follows:

Audit and ESG Committee

Name of Director	Designation	Meetings Held	Meetings Attended
* R Chidembo	Non-Executive Chairperson	5	5
N Levy	Non-Executive Director	5	5
H Kapfunde	Non-Executive Director	5	5
*Chairperson			

Risk, Compliance and Capital Management Committee

Name of Director	Designation	Meetings Held	Meetings Attended
*N Levy	Non-Executive Chairman	3	3
R Chimanikire	Non-Executive Director	3	3
R Chidembo	Non-Executive Director	3	3
*Chairperson			

Assets and Liabilities Committee

Name of Director	Designation	Meetings Held	Meetings Attended
* H Kapfunde	Non-Executive Chairman	3	3
R Chidembo	Non-Executive Director	3	3
R Chimanikire	Non-Executive Director	3	2
*Chairman			

IT Committee

Name of Director	Designation	Meetings Held	Meetings Attended
* M Mufowo	Non-Executive Chairman	3	3
H Kapfunde	Non-Executive Director	3	3
N Levy	Non-Executive Director	3	3
*Chairman			

Credit Committee

Name of Director	Designation	Meetings Held	Meetings Attended
* H Kapfunde	Non-Executive Chairman	3	3
R Chimanikire	Non-Executive Director	3	2
M Mufowo	Non-Executive Director	3	3
*Chairman			

Remuneration and Nominations Committee

Name of Director	Designation	Meetings Held	Meetings Attended
*N Levy	Non-Executive Chairman	4	1
B Chidzero**	Non-Executive Director	4	1
M Mufowo	Non-Executive Director	4	2
*Chairperson			
**Mr Chidzero was on leave on medical grounds.			



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REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF

ECOCASH HOLDINGS ZIMBABWE LIMITED

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying consolidated inflation adjusted financial statements of **ECOCASH HOLDINGS ZIMBABWE LIMITED** and its subsidiary (the Group) set out on pages 7 to 72, which comprise the consolidated statement of financial position as at 28 February 2025, the consolidated statement of profit or loss and consolidated other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of **ECOCASH HOLDINGS ZIMBABWE LIMITED** as at 28 February 2025, and the results of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to audits of financial statements of public interest entities in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated inflation adjusted financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report: -

Key audit matter	Audit response
Determination of Expected Credit Loss The group's expected credit loss (ECL) on advances and sundry receivables amounted to ZWG 159,488,000. The determination of expected credit loss is an inherently uncertain process involving various assumptions and factors including the financial condition of the counterparty, expected future cash flows, observable market prices and expected interest rates. The use of different modelling techniques and assumptions could produce significantly different estimates of provisions. The determination of the ECL is a key area of judgement for management.	We assessed and tested the design and operating effectiveness of the controls over individual and collective impairment calculations including the quality of underlying data and systems. For loans and advances provisions calculated on an individual basis we tested the assumptions underlying the impairment identification and quantification including forecasts of future cash flows, valuation of underlying collateral and estimates of recovery on default.

<p>We therefore considered the fair statement of expected credit losses as a key audit matter.</p>	<p>For provisions calculated on a collective basis we tested, with the assistance of our Financial Analyst, the underlying models including the model approval and validation process.</p> <p>We tested the appropriateness and accuracy of the inputs to those models, such as recovery and cure rates, and where available, compared data and assumptions made to external benchmarks.</p> <p>We tested the accuracy and completeness of the receivables aging analysis with regards to the sundry debtors and circulated confirmation letters to confirm balances owed to the Bank.</p> <p>We assessed the adequacy of the group's ECL disclosures.</p>
<p>Completeness and accuracy of revenue</p> <p>The group's sources of revenue are primarily interest income and non-interest income. These revenue streams are characterised by high volumes of transactional data which is generated in a highly automated environment. There are also different fee charges for the various service types, and these were subject to frequent changes during the year in response to the hyperinflationary operating environment.</p> <p>We therefore considered completeness and accuracy of revenue to be a key audit matter.</p>	<p>We performed the following procedures to address this matter:</p> <p>Obtained an understanding of the revenue cycle and our information systems auditors tested the design and operational effectiveness of general and application controls over the bank's digital platform.</p> <p>Extracted data from the group's core banking system and recomputed the service charges and interest income.</p> <p>Reviewed access logs to the standing data in the banking system and verified that all tariff changes were authorised, correct and timeously updated.</p> <p>Reviewed the revenue ledgers for unusual or unexpected entries. We also reviewed the exception reports which are generated by the banking system.</p> <p>Assessed the appropriateness of the revenue recognition criteria for compliance with the requirements of IFRS 15.</p> <p>Reviewed the group's financial statements for compliance with disclosure requirements applicable to revenue.</p>

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

Management is responsible for the preparation and fair presentation of the consolidated inflation adjusted financial statements (or the preparation of consolidated financial statements that give a true and fair view) in accordance with International Financial Reporting Standards as issued by the IASB and the requirements of the Companies and Business Entities Act (Chapter 24.31) and for such internal control as management determines is necessary to enable the preparation of the consolidated inflation adjusted financial statements that are free from material misstatement whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or 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 Consolidated Inflation Adjusted Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated inflation adjusted 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 International Auditing Standards (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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated inflation adjusted financial statements.

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

- Identify and assess risks of material misstatement of the consolidated inflation adjusted 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, misrepresentation, or the override of the internal controls.
- Obtain an understanding of the internal control relevant to the audit to design audit procedures in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of the 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 consolidated 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 consolidated inflation adjusted financial statements, including the disclosures, and whether the consolidated inflation adjusted financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated inflation adjusted 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

Companies and Other Business Entities Act (Chapter 24:31) and Banking Act (Chapter 24:20)

In fulfilment of the requirements of Section 193 of the Companies and Other Business Entities Act (Chapter 24:31), we report to the shareholders as follows:

In our opinion, the consolidated inflation adjusted financial statements are properly drawn up in accordance with the requirements of the Companies and Other Business Entities Act (Chapter 24:31).

The audit engagement partner on the audit resulting in this independent auditor's report is Davison Madhigi (PAAB Practicing Certificate Number 0610).



BDO Zimbabwe
Chartered Accountants

30 May 2025