ANNUAL REPORT 2024

EMPOWERING CHOICES, SECURING TOMORROW

FIDELITY LIFE

ASSURANCE OF ZIMBABWE

FIDELITY LIFE

ASSURANCE OF ZIMBABWE

We invest your **RETIREMENT SAVINGS** Differently.

From your first savings to your final farewell, FLA guides you through every financial decision.

VISION, MISSION AND VALUES

VISION

A life partner to a great financial legacy.

MISSION

We deliver value to our stakeholders through:

- Responsive financial solutions.
- Superior customer experience.
- Consistent and superior stakeholder returns.

VALUES

Teamwork - We win together.

Integrity - Right things all the time.

Commitment - Exceeding expectations.

Empathy - Understanding and fulfilling needs.

Recognition - Rewarding excellence.

ABOUT THIS REPORT

Fidelity Life Assurance of Zimbabwe Limited (FLA) proudly presents its Annual Report for the year ended 31 December 2024. FLA is a financial service group of companies formed in 1977 and listed on the Zimbabwe Stock Exchange (ZSE) in 2007. Through this report, FLA seeks to showcase its commitment to merging sustainable practices with strong financial performance. Through our strategy, which partners our clients from cradle to the grave, we strive to create value for all our stakeholders championing ethical business practices, environmental stewardship and considered social responsibility.

Reporting Scope

This report contains information about Fidelity Life Assurance of Zimbabwe Limited, a Group with its core operations domiciled in Zimbabwe and one life assurance subsidiary in Malawi. Throughout this report, unless stated otherwise, any references to 'our', 'we', 'us', 'the business', 'FLA', 'Fidelity', and 'the Group' refer to Fidelity Life Assurance of Zimbabwe Limited.

Reporting Frameworks

In developing this report, the reporting standards, frameworks and guidelines outlined below were considered:

- Insurance Act [Chapter 24:07]
- Securities and Exchange Act [Chapter 24:25]
- Medical Services Act [Chapter 15:13]
- Insurance and Pensions Commission of Zimbabwe
- (IPEC) Directive on Systems of Governance and Risk Management
- Companies and Other Business Entities Act [Chapter 24:31]

SI. 134 of 2019 Securities and Exchange (Zimbabwe Stock Exchange Listing Requirements) Rules.

Global Reporting Initiative (GRI) Standards (2021).

International Financial Reporting Standards (IFRS) Accounting Standards

Sustainability Data and Assurance

The report integrates both qualitative and quantitative data collected from multiple sources, including but not limited to company policy documents, records, and internal reports as well as accounts from individuals responsible for sustainable data collection. To align with our business activities, estimations were made in certain instances and subsequently verified. This methodology guarantees coherence and ensures that the report accurately portrays our operations. The financial statements were audited by Grant Thornton Zimbabwe in accordance with the International Accounting Standards (IAS) as issued by the International Accounting Standards Board (IASB). For the independent auditors' report refer to page 70 of the report.

To ensure compliance with the GRI Standards (2021), the sustainability information was validated by the Institute for Sustainability Africa (INSAF), an independent subject matter expert. A GRI Content Index is provided on pages 243 to 245 The sustainability data provided in this report has not been externally assured.

Reporting Currency

This report contains annual financials statements presented both in United States Dollars (USD) and Zimbabwe Gold (ZWG).

Restatements

Fidelity made restatements on previously published sustainability data. The information presented in this report reflects the most up-to-date and accurate data available at the time of its preparation.

Report Declaration

The Directors affirm their responsibility in confirming that this report has been prepared in reference with the GRI Standards.

Forward Looking Statements

The report might contain forward-looking statements that rely on current estimates and projections from Fidelity. These statements provide no guarantee of future outcomes as they may be affected by various anticipated and unanticipated risks, events and uncertainties. Stakeholders are advised not to overly rely on these forward-looking statements. Any revisions to these statements will be publicly disclosed to reflect changes in circumstances or events after the report's publication, which will be communicated through trading updates and website revisions.

Feedback on the Report

The Group appreciates the input and feedback of all stakeholders regarding ways to enhance its operations and reporting. We welcome any suggestions or inquiries you may have. To share your valuable feedback, please reach out to our Group Company Secretary, via email on: marketing@fidelitylife.co.zw

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INSIGHTS INTO OUR PERFORMANCE

PERFOMANCE HIGHLIGHTS

FINANCIAL HIGHLIGHTS

PROFIT BEFORE TAX (USD)

144%

USD6,6 million in FY2024
USD2,7 million in FY2023

TOTAL ASSETS (USD)

38%

USD91,4 million in FY2024
USD66,4 million in FY2023

INSURANCE CONTRACTS REVENUE (USD)

45%

USD11,4 million in FY2024
USD7,9 million in FY2023

SUSTAINABILITY & ENVIRONMENTAL HIGHLIGHTS

GRID ELECTRICITY (KwH)

4%

172,755 KwH in FY2024
165,529 KwH in FY2023

WATER CONSUMPTION (m3)

30%

3,306 m3 in FY2024
2,543 m3 in FY2023

WASTE (Tons)

28%

1,71 tons in FY2024
1,34 tons in FY2023

SOCIAL HIGHLIGHTS

TOTAL EMPLOYEES (Headcount)

12%

164 employees in FY2024
146 employees in FY2023

AVERAGE EMPLOYEE TRAINING HOURS

Male: 0.91 and Female: 1.35 in FY2024

Male: 0.97 and Female: 1.42 in FY2023

FIDELITY LIFE PENSION (USD)

167%

USD446,445 in FY2024
USD167,382 in FY2023

CHAIRMAN'S STATEMENT

For the year ended 31 December 2024

Introduction

It is my pleasure to present you with the financial statements for Fidelity Life Assurance of Zimbabwe Limited ("FLA" or "the Company" or "the Group") for the period ended 31 December 2024.

Operating Environment

Zimbabwe's economic growth slowed down to 2% in 2024 as agricultural output slumped due to the El Nino induced drought, and underwhelming performances in the mining and manufacturing sectors. The first half of the year was characterized by rapid depreciation of the local currency, coupled with skyrocketing inflation. By the end of Q1 2024, year-on-year inflation had surged to 55.3% from 26.5% at the end of 2023. During the same period, the Zimbabwean Dollar suffered depreciation of 72% on the interbank market prompting the Reserve Bank of Zimbabwe ("RBZ") to retire the currency and introduce a structured currency called the Zimbabwe Gold ("ZWG") in April 2024. Although the ZWG gained widespread acceptance, with its share in domestic transactions rising from 20% to 40% between April and August 2024, it depreciated significantly on the informal market. By September 2024, the parallel market premium had breached 100% and, in response, RBZ devalued the ZWG by 43.8%. The devaluation was meant to, amongst other objectives, restore retail sector viability and stimulate exchange rate flexibility. The September 2024 devaluation was supported by further tightening of the monetary policy through increases in interest rates and statutory reserves. These measures stabilized the exchange rate and operating environment. Despite the relative stability that characterized the last quarter of 2024, the economy witnessed business closures in the retail sector, retrenchments in the mining and financial services sectors, and some manufacturing entities going under corporate rescue. In a welcome development, Government requested for a Staff Monitored Program with the International Monetary Fund ("IMF"), a testament of the authorities' commitment to sustainable macroeconomic stability. The multiple currency regime has yielded a silver lining for businesses in Zimbabwe as the predominance of foreign currency revenue has introduced a layer of predictability and easier planning. Zimbabwe's housing shortage presents a compelling investment opportunity for private sector players to tap into the housing market and to address the existing demand gap. This insight inspired the creation of our Vaka Yako offering.The Government's support and flexibility in awarding Prescribed Asset status to private sector development projects aligned with the country's economic blueprint enabled the life assurance business to improve its Prescribed Asset compliance. The business invested in the Eagle Real Estate Investment Trust (REIT)

Change In Functional Currency

These financial results are presented in United States Dollars ("USD"). This follows a decision by the Board of Directors to change the functional and reporting currency from the discontinued ZWL to USD. The decision was based on an assessment of the Group's business trends against the requirements of International Accounting Standards ("IAS") 21. This decision was motivated by the fact that +80% of the Group's revenue was now in USD. The change in the Group's functional currency was implemented with effect from 1 January 2024. The comparative figures have been translated in accordance with IAS 21, which directs entities operating in hyperinflationary economies to translate their last reported inflation adjusted financial statements using the closing official exchange rate at the reporting date, to derive and present comparative financial statements under a newly assessed functional currency. While the Group has applied the guidance of IAS 21 to present comparative financial information, attention is brought to the following deviation from IAS 21 with a view to reduce distorted comparative financial statements brought about by the change in functional currency. Foreign currency transactions in the Statement of Profit or Loss and Other Comprehensive Income were included in the prior year comparatives in USD and the ZWG transactions were translated into the functional currency using the spot exchange rates. The investment property as well as property and equipment opening balances in the Statement of Financial Position were carried in USD, based on the property valuation reports in USD as at 31 December 2023. The respective fair value gains were derived from the reconciled movements between opening balances as at 31 December 2022. Share Capital and Share Premiums have been carried in USD reflecting the balances contained in the share certificates held.

Group Financial Performance Overview

Insurance Contract Revenue grew by 45% compared to prior year from USD7.9 million to USD11.4 million in the year under review. The Group's customized service approach continues to drive uptake of the Company's products offering on the market. The Vaka Yako product performed very well and contributed significantly to the Gross Premium Written (GPW) at 85% of the premium inflows. On the premium inflows, the Zimbabwean operation contributed 68% for the year under review compared to 62% in 2023 whilst for the year under review 32% was attributable to the Malawi operation which contributed 38% in 2023. Insurance service result declined by 174% owing to higher insurance service expenses incurred compared to the earned revenue. The Insurance Service Expenses increased by 66% compared to the growth in Insurance Contract Revenue of 45%, thereby contributing to the positive performance in the Insurance Service Result. Net investment income grew by 55% compared to prior year from USD5.6 million to USD9.0 million. The Group profit for the period increased by 174% from USD2.3

million in the prior year to USD6.4 million in the current year. The positive profit growth was driven by the increase in insurance contract revenue, investment income, and other income.

Business Operations Overview

The Fidelity Life Company as the main operating unit of the Fidelity Life Group continued to record strong performance. Continuous innovation resulted in its products remaining relevant and demand being consistent in its chosen market segments. Vanguard Life Assurance of Malawi ("VLA") continued to scale up its operations under new management. In order to diversify its revenue streams, the unit has entered the funeral services and asset management markets. VLA has also entered into strategic partnerships both in Malawi and South Africa which are anticipated to have a significant positive impact on its revenues in the medium term.

Locally, our Funeral Services business remained firmly on course with its turn-around strategy bolstered by the acquisition of a brand-new fleet, expansion of branches, launching of new products and conclusion of strategic partnerships locally, in South Africa and beyond. The performance of the Asset Management Company was buoyed by the spectacular success of the Eagle REIT.

ZAC Global made considerable progress in its great trek into the region. Our focus on digitalization and financial inclusion has enabled the Company to continue to expand its customer base, improve operational efficiency and to drive business growth. During the year under review, the Company introduced micro-insurance products that cater to low-income individuals and the informal sector. We have partnered with various stakeholders, to expand our reach and provide insurance services to underserved communities within our markets. We intend to implement a mobile-based insurance platform to enable customers to purchase and manage their insurance policies with just their mobile phones.

The Brand

Despite the challenges posed by economic fluctuations and the changing regulatory environment, the FLA brand maintained a strong and consistent presence in the market, showcasing resilience and adaptability. At the heart of the FLA brand and subsidiaries, lies a deep commitment to our most valued asset – our people. We recognize that our success is not solely measured by financial performance but also by the trust and relationships we build with our customers, employees, and communities. Our people-driven approach is integral to how we operate, package our products and services as well as differentiate ourselves in an evolving market. Our product mantra 'Yako' loosely translates to 'Yours', encapsulates FLA's dedication to the provision of market driven practical solutions aimed at addressing some of the most basic individual needs.

Regulatory Asset Separation Exercise

The Asset Separation exercise is close to completion and is set to be concluded in Q1 2025. The business is now wrapping up the paperwork required to fully execute the exercise. The exercise brings added transparency and protections to both policyholders and shareholders especially noting Zimbabwe's fluid policy environment. For policyholders, the separation of assets will unlock more, in terms of quantum and value, investment opportunities, sustainable growth and profitability.

Directorate

There have been no changes to the Company's Directorate during the period under review, in the wake of the reconstitution of the Board in 2022. The stability and continuity have given the Board time to fully integrate with the business and to make meaningful inroads into the Company's long-term strategic plan.

Dividend

FLA has always been clear and resolute in its desire to create and preserve value for all its stakeholders and competitively reward its Policyholders, Employees and Shareholders. In light of this drive and following a series of bold strategic moves, innovative product development and adoption of a results driven culture, I am pleased to advise of the Board's decision to recommend the declaration of a dividend of USD300,000 or 0.002754 cents per share. The dividend is in accordance with the Company's Dividend Policy of 40% on realized cash shareholder profit. The dividend is an acknowledgement of shareholders' continued support during the challenging years and is a testament to the Company's journey to sustainable profitability. A separate dividend notice will be published to this effect in accordance with the Company's Articles of Association and the Zimbabwe Stock Exchange (ZSE) Listing Requirements.

Sustainability

At FLA, we embrace our role as a responsible corporate citizen, committed to creating lasting value for our customers, employees, shareholders, and broader stakeholders. Sustainability is at the heart of our business strategy, with Environmental, Social, and Governance (ESG) principles shaping our decision-making processes and operations. We recognize the interconnection between economic growth, social progress, and environmental stewardship, ensuring that our business remains resilient, inclusive, and resource efficient. In pursuit of environmental sustainability, we have invested in solar energy, ensuring uninterrupted ICT operations, whilst the adoption of fuel-efficient hybrid vehicles has reduced emissions and operational costs. Additionally, our transition to energy efficient lighting has significantly cut energy consumption across our facilities.

Our waste management initiatives extend into the communities we serve, with refuse bins placed in high-traffic areas such as Julius Nyerere Way and Mereki in Warren Park, thus promoting cleaner urban spaces the planting of lawns in key urban areas to aid carbon sequestration.

As climate risks evolve, we remain committed to embedding sustainability into our policies, products, and services, driving long-term environmental and social resilience. Our governance framework upholds transparency, accountability, and ethical leadership, reinforcing trust and sustainable business practices. Looking ahead, we will continue to align with global best practices, ensuring that our operations drive long-term value creation for all stakeholders.

Outlook

The World Bank has forecasted global growth of 3.3% for 2025 and 2026, a forecast that is below the historical (2000–19) average of 3.7%. It is at such times that the FLA Group has proven itself, providing almost 5 decades of award winning, relevant and consistent service. Leveraging on the ZHL ecosystem and the Company's significant investment in digitalization, data mining and analytics, the Company is expected to drive product innovation and enhance customer experience. We anticipate a continued upward trend in premium growth anchored by our investment product Vaka Yako, also being launched in Malawi, as people search for secure long-term saving options in volatile currency environments. As the life insurance market is poised for growth, with an increased demand for bespoke insurance solutions, FLA specifically intends to tailor make products aimed at the diaspora market and the local informal sector. Our strategic focus remains enhancing customer experience, creating value for our policyholders and shareholders while positively impacting our communities particularly by making financial inclusion and protections accessible.

Appreciation

I would like to extend my appreciation to our shareholders and policyholders for their continued support. I would also like to thank my fellow Board members, Management and Staff of FLA for their enduring commitment and concerted efforts in producing these commendable results.

LIVINGSTONE T. GWATA

CHAIRMAN

28 MARCH 2025

MANAGING DIRECTOR'S STATEMENT

For the year ended 31 December 2024

Trading Environment

In 2024, the global economy experienced modest growth amid lingering geopolitical tensions, tight financial conditions, and the continued effects of climate change. Slower expansion in major economies and subdued global demand had ripple effects on emerging markets, including Zimbabwe. Domestically, Zimbabwe's economy grew by approximately 2%, a deceleration largely attributed to a severe El Niño-induced drought that significantly disrupted agricultural output. A major development during the year was the introduction of the Zimbabwe Gold (ZWG) currency in April 2024 as a successor to the Zimbabwe Dollar that was facing imminent collapse after suffering 80% depreciation in the first 4 months of the year. Despite being backed by gold and foreign reserves, the ZWG faced market pressures and was devalued in September 2024 to better reflect prevailing exchange rate dynamics. Inflation remained elevated throughout the year, though it began to ease following fiscal and monetary interventions. The mining sector provided some resilience, with moderate gains in gold and lithium production contributing to the sector's 2.3% growth. The continued use of the US Dollar under the extended multi-currency regime which offered a degree of stability for businesses, even as high public debt and limited investment inflows continued to constrain broader economic recovery.

FINANCIAL PERFORMANCE OVERVIEW

Summary of Performance

Fidelity Life Assurance (FLA, The Company)

The Company reported a remarkable total revenue of USD17.73 million for the current year, representing a 56% increase compared

	Fidelity Life Assurance		Vanguard Life Assurance		Fidelity Life Financial Services		Other Operating Subsidiaries		Adjustments		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Insurance contract revenue	8.77	4.86	2.66	3.02	-	-	-	-	-	-	11.43	7.88
Other Income	8.96	6.52	2.77	1.56	1.52	0.75	3.50	2.60	(2.14)	(1.14)	14.61	10.29
Total Income	17.73	11.38	5.43	4.58	1.52	0.75	3.50	2.60	(2.14)	(1.14)	26.04	18.17
Profit for the year	7.08	3.18	1.05	0.04	(0.03)	(0.36)	(0.36)	(0.13)	(1.34)	(0.39)	6.40	2.34

to the previous year. This significant growth was driven by an 80% rise insurance contracts revenue, supported by expanded distribution channels and strong performance from the Company's property investments. The strategic use of both traditional and digital platforms enhanced client convenience and streamlined business processes, contributing to the overall growth.

In addition to revenue growth, the Company's profit for the year saw an impressive increase of 123% from USD3.18 million in the prior year to USD7.08 million this year. This substantial profit growth underscores the ongoing success and increased adoption of Fidelity Life's product offerings.

Vanguard Life Assurance Company (VLA) – MALAWI

The regional life and pensions business in Malawi achieved a robust total revenue of USD5.43 million reflecting a 19% increase from USD4.58 million the previous year. This impressive growth significantly contributed to the profit for the year of USD1.05 million for 2024, compared to USD0.04 million in the previous year. The key drivers behind this positive performance were solid insurance service results and fair value gains from listed equities. Despite operating in a challenging environment characterised by macroeconomic instability, inflationary pressures, and fiscal constraints, VLA demonstrated resilience and concluded the year with commendable results.

Fidelity Life Financial Services (FLFS)

The micro lending business experienced significant growth in total revenue, increasing by USD1.52 million, representing a 103% growth from USD0.75 million in the previous year. This growth was supported by interest income as the business continued to unlock additional credit lines to support the expanding loan book, which grew by 75% year-over-year. As a result of these efforts, the company substantially reduced its loss position by 92% from USD0.36 million in the prior year, bringing it close to breakeven in the current year, at a loss of USD0.03 million. To further mitigate risks and foster sustainable growth, the business unit aims to diversify disbursements into new segments, which is considered vital for expanding the portfolio and ensuring long-term stability.

Other Non-Insurance Subsidiaries

The Group's non-insurance subsidiaries, comprising of ZAC Global Actuaries, Fidelity Life Asset Management (FLAM), Fidelity Life Medical Services Company (FLIMESCO), and Fidelity Funeral Services (FFS), contributed 13% to the total revenue for the Group and recorded a 35% increase from the year 2023. These units continue to play a vital role in the Group's strategic vision. They are essential in delivering a comprehensive suite of products and services under one umbrella, thereby enhancing overall value and boosting client satisfaction. This integrated approach helps the Group meet diverse customer needs and strengthens its competitive position in the market.

Operations

Customer Experience

The business continues to strive to enhance customer value proposition through continuous innovation and product development to meet customers at their point of need. Key focus is introducing USD-denominated products and expanding product offerings including those tailored for new market segments. The recent addition of a new fleet for FFS underscores FLA's commitment to delivering exceptional service and enhancing the overall client experience. These strategic initiatives demonstrate Fidelity Life's dedication to staying responsive to market demands and reinforcing its position as a trusted provider in the insurance and funeral service sectors.

Outlook

According to the 2025 National Budget, a 6% real GDP growth According to Zimbabwe's 2025 National Budget, the country aims for a 6% real Gross Domestic Product (GDP) growth trajectory. This optimistic outlook relies on a strong agricultural sector, supported by favourable weather conditions and government support measures. Furthermore, the expansion of electricity generation capacity is expected to reduce supply chain constraints and unlock additional productive potential across the economy.

Notwithstanding the stable economic forecast, the FLA Group's transformational strategy, anchors itself on its superior teams and digitisation. 2025 will see an intentional thrust to bring to market innovative people driven products, optimise the cash generated therefrom and invest for growth and profitability in all our Strategic Business Units (SBUs). It is our aim to transform the investment made by our clients, policyholders and shareholders from value preserving to dynastic wealth.

I wish to express my sincere gratitude to the Board of Directors, management, and staff of FLA for their unwavering dedication and commitment to serving our clients throughout the year. Your hard work and professionalism are the backbone of our ongoing success and our ability to serve our diverse and valued stakeholders effectively. I would also like to extend a special note of appreciation to our policyholders and shareholders. Your continued support and trust over the years have been instrumental in enabling us to fulfil our responsibilities and pursue our mission with confidence. As we look to the future, we are excited about the prospects that lie ahead. We remain committed to excellence and to strengthening our relationships with all our stakeholders, ensuring a brighter and more prosperous future for us all.

REGINALD S. CHIHOTA

MANAGING DIRECTOR

10 APRIL 2025

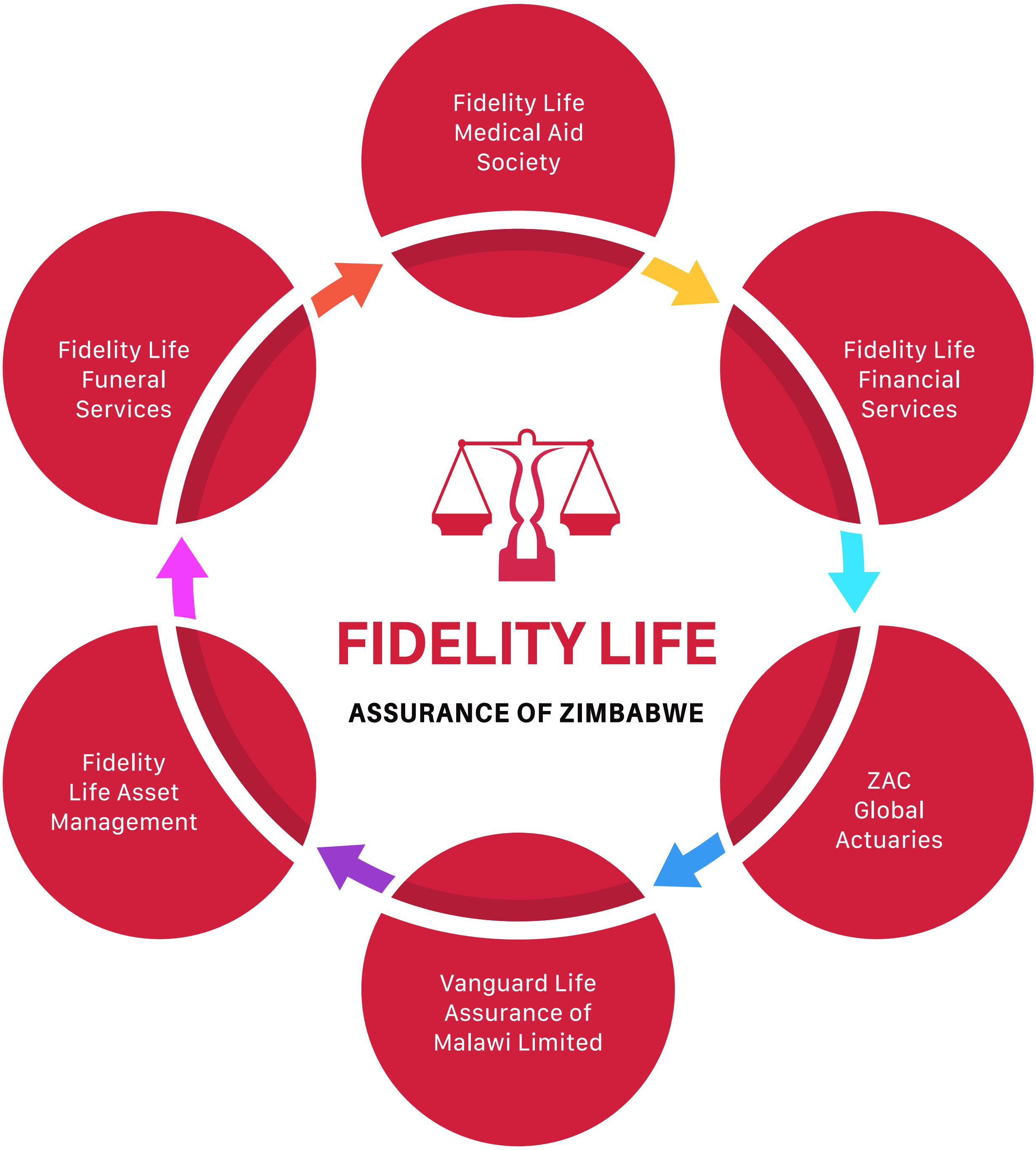
GROUP OVERVIEW

WHO WE ARE

FLA is a financial services Group, dedicated to supporting individuals throughout their financial journey. We provide essential assistance at every stage of financial planning, through tailor made services spanning life assurance, medical insurance, funeral services, asset management, acturial services and pension fund administration.

Our mission is to empower individuals, enhance their financial security, and foster long-term prosperity. Based in Zimbabwe, we offer our services nationwide. In 1999 FLA opened its flagship operation in Malawi, Vanguard Life Assurance of Malawi Limited. The company offers financial security through life assurance and long term investment solutions to the people of Malawi.

FLA is also part of the greater Zimre Holdings Limited (ZHL) ecosystem enabling it to draw on a wider array of technologies and expertise that has enabled it to develop integrated products that provide customers with a seamless experience.



WHAT WE OFFER

FLA is a financial services Group, dedicated to supporting individuals throughout their financial journey. We provide essential Our integrated services form a powerful ecosystem designed to meet our clients' evolving financial needs today, tomorrow and for a lifetime.

LIFE ASSURANCE

- Whole Life Plan
- Group Pension Schemes
- Group Life Assurance Schemes
- Endowment and Educational Policies
- Group Funeral Schemes and Assurance
- Group Mortgage and Loan Protection
- Annuity and Funeral Cash Plans
- Preservation Fund

MEDICAL AID SERVICES

- Deluxe Health Package
- Grand Health Package
- Access Health Package
- Foundation Health Package
- FLIMAS Elite
- Express Health Package
- FLIMAS Health Partner
- FLIMAS Managed Healthcare

FINANCIAL SERVICES

- Individual Loans
- Salary Based Loans
- Farmers Loans

ASSET AND PROPERTY MANAGEMENT

- Portfolio Management
- Unit Trust
- Money Market Funds
- Equity Funds
- Balanced Funds
- Advisory Services
- Fidelity South View Park
- Preservation Fund

ACTUARIAL SERVICES

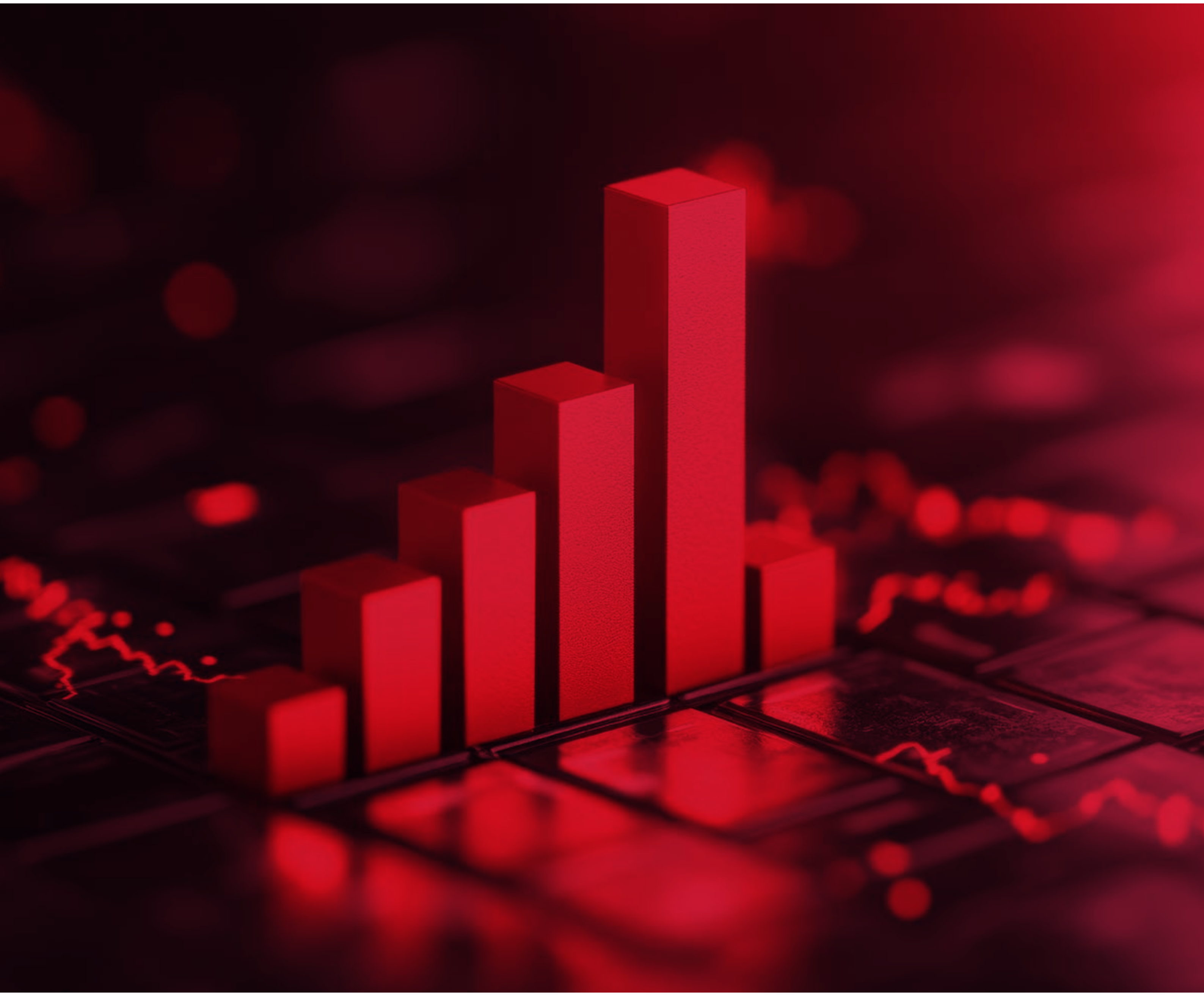
- Delictual Claims
- Pension and Employee Benefits
- Life and Funeral Assurance
- Health and General Insurance
- Investments and Finance
- IFRS 17
- Data Analytics

FUNERAL SERVICES

- Funeral Services

MEMBERSHIP TO BUSINESS ASSOCIATIONS

- Zimbabwe Association of Micro Finance Institutions (ZAMFI).
- Institute of Chartered Accountants of Zimbabwe (ICAZ).
- Chartered Governance and Accountancy Institute of Zimbabwe.
- Institute of Chartered Secretaries and Administrators Zimbabwe.
- Zimbabwe Association of Pension Funds (ZAPF).
- Life Offices Association (LOA).
- Insurance Institute of Zimbabwe (IIZ).
- Zimbabwe Association of Funeral Assurers (ZAFA).
- Actuarial Society of Zimbabwe (ASZ).
- Association of Health Care Funders Zimbabwe (AFHoZ).



OUR JOURNEY

1896
Legal and General in UK established.

1936
A Branch in Bulawayo is opened.

1937
A Branch in Harare is opened.

1977
Legal and General incorporated in Zimbabwe.

1988
A local consortium, including ZIMRE, buys the long-term assurance division of Legal and General and its name is changed to Fidelity Life Assurance of Zimbabwe (Private) Limited.

1996
ZAC Global Actuaries formed as a shelf company called Neasden.

1998
Fidelity Life Asset Management formed.

1999
Vanguard Life Assurance Company is established in Malawi.

The Neasden Board changes company name to Zimbabwe Actuarial Consultants.

OUR JOURNEY (CONTINUED)

2002

Fidelity Life Medical Aid Society (FLIMAS) changes from a closed to an open Society.

Fidelity Life Medical Services Company (FLIMESCO) is formed.

2003

Fidelity Life Assurance is listed on the Zimbabwe Stock Exchange.

2004

Fidelity Life Assurance takes over Kubatana Ukubambana (KU) Financial Services (Private) Limited, a microfinance company to develop consumer facing business.

2005

Fidelity Life Assurance attains ISO 9001: 2008 certification, becoming the first life assurance company with ISO certification in Zimbabwe.

Fidelity Life Premium Finance is formed.

2006

A Fidelity Life Financial Services is formed as an amalgamation of Fidelity Life Premium Finance, KU and FLIMAS.

2007

Fidelity Funeral Assurance Company is formed to spearhead funeral services provision

2010

Fidelity Life Assurance is ISO 9001: 2008 recertified.
Fidelity Financial Services unbundles and releases FLIMAS.

2011

The Fidelity Life Park, Manresa, housing project is started.

OUR JOURNEY (CONTINUED)

2013
Fidelity Funeral Assurance unbundles with the Assurance business being transferred to Fidelity Life Assurance resulting in the funeral services business becoming a standalone company.

2014
The Fidelity Life Southview Park housing project, started in 2012, is commissioned.

2015
Fidelity Life Assurance acquires 81% of Langford Estates (1962) (Private) Limited.

2020
The Fidelity Life Assurance forms the Fidelity Life Bureau de Change.

Fidelity Life Assurance becomes a subsidiary of ZIMRE Holdings Limited (ZHL).

2022
FLIMAS opened its first pharmacy bringing added convenience and affordability to its members.

2022
Fidelity Funeral Assurance commissioned a USD10 million water and sewer reticulation plant for its Southview Park residents. The plant consisted of a 10 megalitre ground reservoir and 1 megalitre elevated reservoir fed by a 9km pipe.

2023
Fidelity Funeral Assurance launched the Vaka Yako investment product aimed at making land ownership a reality for all Zimbabweans. The product earned FLA the Alternative Risk Transfer Award from the Insurance Survey Awards.

2024
Fidelity Funeral Services spread its branch network to Kadoma, Epworth and Victoria Falls.

LEADERSHIP AND GOVERNANCE

LEADERSHIP AND GOVERNANCE

DIRECTORATE

Livingstone Gwata
Non-Executive Chairman (Independent)
Tenure: 3 years
Key Skills: Leadership and Investment Banking
Qualifications: Bachelor of Administration
Other Directorships: ABC Holdings Limited, Tanganda Tea Company Limited

Takudzwa Chitsike
Non- executive
(Non- Independent)
Tenure: 3 years
Key Skills: Legal, Compliance and Governance
Qualifications: Master of Laws
Other Directorships: Nil

Garikai Dhombo
Non- executive
(Independent)
Tenure: 8 years
Key Skills: Insurance and Risk Management
Qualifications: Master of Business Administration
Other Directorships: Eskom Insurance, GrowthHouse (Private) Limited (SA)

Francis Dzanya
Non- executive
Tenure: 8 years
Key Skills: Corporate Finance and Risk Management
Qualifications: Bachelor of Arts (Banking, Insurance and Finance)
Other Directorships: DBF Capital Partners (Private) Limited

Stanley Kudenga
Non- Executive Director
Tenure: 9 years
Key Skills: Financial Structuring and Insurance
Qualifications: Master of Business Leadership, CA(Z)
Other Directorships: ZimRe Holdings Limited and Emeritus Reinsurance (Private)

Langton Mabhanga
Non-Executive
(Independent)
Tenure:3 years
Key Skills: Governance and Strategy
Qualifications: PHD in Business Administration
Other Directorships: Rainbow Tourism Group

Ignatius Mvere
Non- Executive Director
Tenure: 9 years
Key Skills: Accounting and Public Finance
Qualifications: Bachelor of Commerce
Other Directorships: ZimRe Holdings Limited

Henry Nemaire
Non- Executive Director
(Independent)
Tenure: 7 years
Key Skills: Audit and Tax
Qualifications: Chartered Accountant (Zimbabwe)
Other Directorships: Tanganda Tea Company Limited

Reginald Chihota
Managing Director-
(Executive)
Tenure: **3 years**
Key Skills: Life Assurance and Marketing
Qualifications: Master's in Business Administration
Other Directorships: FLIMAS, FFS and ZAC Global

CORPORATE GOVERNANCE STATEMENT

Introduction
As a life partner in the financial journey of our clients, FLA is committed to upholding the principles of good corporate governance. Of particular importance are the principles of transparency and accountability. FLA takes great pride in being a trusted haven of both policyholders and shareholders funds and is committed to growing the same and unlocking financial wellness to its stakeholders. To this end, the FLA Group primarily abides by the National Code on Corporate Governance of Zimbabwe (ZIMCODE). Through the wider Zimre Holdings Limited (ZHL) Ecosystem and regional spread, the Group endeavors to align with the King IV (as amended). The Board confirms that for the year under review, it has not departed from any of the principles of the ZIMCODE and the King Code and where it has, corrective measures were put in place.

Communication with Shareholders and Stakeholders
The Board seeks to continuously engage with the investing public to maintain a mutual understanding of the Group's objectives beyond the bottom line. Relations with shareholders, policyholders and potential investors are managed principally by the Managing Director with the assistance of the Board Chairman as and when necessary. Platforms utilized for engagement this year included the AGM, press announcements of year-end and interim results, trading updates, complaints register located at all our branches, and town halls both with internal stakeholders and external stakeholders.

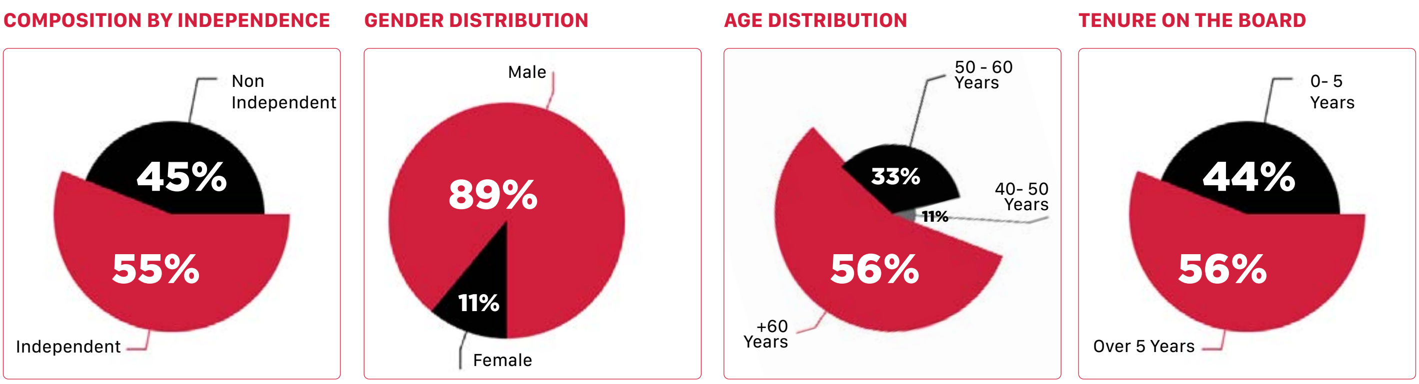
In addition to the above, shareholders and the general public are welcome to direct any communication through the Group Company Secretary or the Transfer Secretaries.

Declaration of Directors' and Employee Interests
The FLA Board believes in exemplary leadership. Accordingly, it is the custodian of the Group's ethical values, standards and practices. Accordingly, members sign annual declarations of interest and provide quarterly updates of any changes thereto. During the year under review, no directors had any material interests which could cause significant conflict of interest with the Group's objectives. The beneficial interest of directors and/or their families in the Company's shares are disclosed in the Directors Report. For transparency, and preservation of fair and equitable trading practices, the FLA Group adheres to the principal of the "closed period". That is, the Group's directors' and employees are strictly prohibited from trading in the shares of the Company for the period from the end of the Company's financial year end to the date of earliest publication of its abridged report financial statements; or the period from the expiry of the first six months of the Company's financial year to the date of publication of the Company's interim results. The Company Secretary circulates a memo at the beginning and end of the closed period to all directors and employees of the prohibition to trade in the shares of the Company. During the year under review no directors or employees acquired any material interests which could cause significant conflict of interest with the Group's objectives.

In addition to the prohibition to trade during a "closed period", the Directors and employees of the FLA Group may not deal directly or indirectly in the shares of ZHL during a period when they are aware of any information, negotiations or details which may affect the share price of both entities.

The role and functioning of the Board
The FLA Board is made up of 9 members, comprising of 1 executive, 8 non-executive members , 50% are independent including the chairman.

Board Diversity and Inclusion



The FLA Board is a collection of skills and expertise ranging from Accounting, Governance, Insurance, Investment Banking, Law, Strategy and Tax. These skills and expertise enable the Board to meet its responsibilities which include but are not limited to:-

- Adoption of strategic plans;
- Monitoring operational performance and management;
- Determination of key policies and processes to ensure the Company operates with integrity;
- Ensure appropriate risk management and internal controls are in place;

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

- Select, orient and evaluate directors;
- Appoint relevant committee members
- Select, appoint and appraise the Managing Director; and
- Ensure the Company has a live succession plan

The FLA Board continues to abide by the requirements of the Insurance and Pensions Commission of Zimbabwe (IPEC) Directive on Systems of Governance and Risk Management in terms of composition and skills matrix.

Board Committees

While retaining overall responsibility, the Board has assigned some of its duties to the following committees:

Audit Committee

The Audit Committee comprises of three non-executive directors and is chaired by an independent director. It is tasked with ensuring financial discipline within the Group, sound corporate values and financial procedures. This Committee is further tasked with reviewing and recommending for adoption by the Board the interim and annual financial statements of the Group. The Committee also recommends the appointment and reviews the fees of the independent auditor.

Human Resources and Nominations Committee

The Committee is mandated to deal with employee development and formulate remuneration policies as well as approve remuneration packages for non-executive directors and senior executives. The Committee acts as a Nominations Committee on the boards of the subsidiaries of the Group.

Investments Committee

The Committee formulates investments strategy and policy, reviews the performance of investments within the Group and recommends new investment opportunities for approval by the Board.

Risk and Compliance Committee

The Committee reviews the Group's overall risk and compliance strategy, current risk exposures as well as risk governance. In addition, the Committee advises the Board on the risks associated with proposed transactions.

The Committee composition is as below:

AUDIT COMMITTEE	INVESTMENTS COMMITTEE	HUMAN RESOURCES AND CORPORATE GOVERNANCE COMMITTEE	RISK AND COMPLIANCE COMMITTEE
Henry Nemaire - Chairman	**Stanley Kudenga - Chairman**	**Ignatius Mvere - Chairman**	**Francis Dzanya - Chairman**
• Langton Mabhanga	• Garikai Dhombo	• Takudzwa Chitsike	• Takudzwa Chitsike
• Ignatius Mvere	• Langton Mabhanga	• Stanley Kudenga	• Garikai Dhombo
• Francis Dzanya	• Livingstone Gwata	• Livingstone Gwata	

BOARD STRUCTURE AND RESPONSIBILITIES

Board Meetings and Attendance

In accordance with the Company's Articles of Association and Board Charter, the Board convenes quarterly meetings. These meetings serve as a platform for the Board to provide guidance on critical aspects such as corporate strategy and operational performance. Board members are also invited to attend the Group's Strategy retreat to further orient directors on the Group's operations, cement strategic alignment between Management and the Board and enable effective performance monitoring. The Board and Committee attendance register is below:

Board Attendance Register	Board Attendance	Audit Committee	Human Resources and Corporate Governance Committee	Investments Committee	Risk and Compliance Committee
Livingstone Gwata	4/4		3/4	4/4	
Takudzwa Chitsike	4/4		4/4		4/4
Garikai Dhombo	4/4			4/4	4/4
Francis Dzanya	4/4	2/4			2/4
Stanley Kudenga	4/4		4/4	4/4	
Langton Mabhanga	4/4	3/3 (joined the committee Q2 2024)		4/4	
Ignatius Mvere	4/4	3/4	3/4		
Henry Nemaire	4/4	4/4			
Reginald Chihota *(Executive)*	4/4	3/4	4/4	3/4	4/4

Remuneration of Directors

The FLA Group strives to be an employer of choice both at employee and board level. The remuneration packages for the Group's executives and non-executive directors is conducted by the Human Resources and Corporate Governance Committee, often pursuant to an industry wide survey and an analysis if the Group's cashflows. This Committee establishes appropriate packages for executives which includes a guaranteed salary and performance initiatives which foster a culture of performance and build alignment to shareholder and policyholder needs.

A detailed remuneration report is available for inspection on request at the Company's Registered office until the date of the AGM.

Sustainability Governance

The sustainability efforts at Fidelity are split between two committees. The Investment Committee ensures that all projects undertaken are carried out with sustainable practices at their core. The Risk and Compliance Committee verifies that these practices are implemented and adhered to throughout the project's lifespan. The Risk and Compliance Committee also ensures that the Group complies with its sustainability ethos and regulatory protocols. Additionally, sustainability champions within the Group actively promote and advocate for sustainable initiatives across the business.

All these matters, including the leadership of the Board and the contributions of sustainability champions, are reported during the main board meeting.

SENIOR MANAGEMENT

FLA EXECUTIVE MANAGEMENT

Reginald Chihota
Managing Director

Blessing Mushori
Finance Manager

Primrose Chiwocha
Technical Manager

Takaenda Matambo
General Manager, Life and Pensions

SHARED SERVICES TEAM

Zvenyika Zvenyika
Group Chief Financial Officer

Ruvimbo Chidora
Group Company Secretary/ Legal Executive

Noleen Moyo
Group Head of Sustainability, Data Management and Analytics

Nickson Vamwe
Group Human Capital Manager

Valarie Ndudzo
Group Head of Marketing and Public Relations

Claudius Chikundura
Group Head of Risk and Compliance

Chipo Matongo
Group Head of Internal Audit

Fadzanayi Mupandenyama
Group Head of ICT

SUBSIDIARY MANAGEMENT TEAM

Bevin Ngara
Managing Director Fidelity Life Asset Management (FLAM)

Brighton Wesley
Managing Director Fidelity Life Financial Services (FLFS)

Lovemore Madzinga
Managing Director Fidelity Life Medical Aid Society (FLIAMS)

Sonwell Mudzengi
Managing Director ZAC Global Actuaries

Nomore Matigimu
Managing Director Fidelity Funeral Services

Dr Lillian Moyo
Managing Director Vanguard Life Assurance of Malawi

COMPLIANCE STATEMENT

The Group's directorate and management maintain a steadfast commitment to uphold legal, regulatory, and industry standards. We ensure transparency and accountability across all facets of our operations. Throughout the year, we made efforts to comply with and adhere to the following laws and regulations:

- The Companies and Other Business Entities Act [Chapter 24:31];
- SI 134 of 2019 Securities and Exchange (Zimbabwe Stock Exchange Listing Requirements) Rules;
- Insurance and Pension Commission of Zimbabwe ("IPEC") Directive on Systems of Governance and Risk Management;
- Collective Investments Schemes Act [Chapter 24:19];
- Medical Services Act [Chapter 15:13];
- Insurance Act [Chapter 28:07];
- Consumer Protection Act [Chapter 14:44];
- Exchange Control Act [Chapter 22:05];
- Finance Act [Chapter 23:04];
- Labour Act [Chapter 28:01];
- Public Accountants and Auditors Board Zimbabwe [PAABZ];
- Securities and Exchange Act [Chapter 24:25]; and
- All other applicable laws, regulations, and directives.

BUSINESS CONDUCT AND VALUES

Ethics and Compliance Commitment

Combating Corruption

Human Rights

Building an Inclusive Culture

Cybersecurity and Data Privacy

Enterprise Risk Management

> "We are guided by a strong ethical framework and a commitment to integrity, transparency, accountability and compliance with regulatory requirements."

Ethics and Compliance Commitment

Business ethics and compliance is integral to fostering a responsible and sustainable corporate culture. We adhere to all Anti-Money laundering (AML) regulations, and our approach continues to ensure compliance across all our operations. Complying with regulations builds a better and stronger relationship with our regulators, which enhances our ability to be involved in regulatory discussions relating to our industry. Below is our compliance framework.

Measures	Impacts
▪ Anonymous Tip-Off system.	▪ Encourage employees to report unethical behaviour without fear of retribution.
▪ Whistleblowing Policy.	▪ Protecting whistleblowers.
▪ Regular training sessions on the FLA Code of Conduct.	▪ Reinforce ethical behaviour.
▪ Taking disciplinary action against violations to the FLA Code of Conduct.	▪ Ensure accountability and eliminates non-alignment

Oversight of the framework is delegated to senior management. The framework is further strengthened by internal audits which evaluate the compliance of the Group in specific areas throughout the year.

Combating Corruption

The Group's commitment to anti-corruption promotes a transparent and ethical business environment. Our approach to anti-corruption is embedded into our daily operations through segregation of duties especially in cash handling process and wide spread secuirty camera coverage. These measures contribute to mitigating corruption activities at every level of our operations. We believe these measures reduce the risk of legal penalties and fines. Our reputation is enhanced by avoiding activities that attract negative press coverage and criminal scrutiny associated with corruption. Inefficient monitoring of third-party activities may inadvertently link us to corrupt practices, hence we apply strict Know Your Client practices for our partners.

Measures	Impacts
▪ Anti-fraud training and awareness programmes.	▪ Informs employees on the implications of corruption.
▪ Mandatory criminal vetting of all employees prior to joining the group.	▪ Ensures that the Group employees only upstanding individuals.
▪ Established protocols for reporting corrupt service providers to regulators.	▪ Identification of business processes that maybe susceptible to corruption.
▪ Public disclosures of identified corrupt practices and disciplinary measures against employees involved.	▪ Transparency with our stakeholders.
▪ Regularly review customer feedback and complaints.	
▪ Analysis of incident and whistleblowing reports.	

BUSINESS CONDUCT AND VALUES (CONTINUED)

FLA ensures that all employees are well-informed of the importance of compliance with the Anti-Corruption Commission Act [Chapter 9:22] and the Group's operational codes and ISO 31000:2018 Risk Management.

Goal	Target	KPI	Highlight
▪ Corruption free operational environment.	▪ Zero incidents of corruption.	▪ Zero corruption accusations or charges. ▪ Zero employee dismissals due to corruption.	▪ We monitor corruption cases, particularly those involving service providers within our respective industries.

Human Rights

The Group upholds human rights by implementing policies that recognise human liberties such as right to life, freedom of expression, work and education. We have several policies that look to preserve the human rights of our employees, prescribe corrective actions whenever violations occur and conduct research on human rights matters to establish mitigation measures. We regularly assess the effectiveness of our compliance with our human rights policies through internal audits.

Building an Inclusive Culture

Diversity and inclusion is important for allowing uniqueness into the work environment. A diverse and inclusive working environment enhances our business in the following ways:

- Forms a cross section of our customer base, which allows for better understanding and responsiveness to diverse market needs.
- Improves employee retention, as a supportive environment encourages loyalty and satisfaction.
- Better financial performance.

We uphold an Equal Opportunity Employment Policy, ensuring that all individuals receive fair employment opportunities regardless of race, ethnicity, gender or age. Our Non-discrimination Policy governs all aspects of employment, including hiring, promotion, training, and compensation. Senior management actively champions diversity and inclusion initiatives, holding themselves accountable for cultivating an inclusive culture. The Group encourages our employees to engage in social activities together to build stronger work relationships and a more cohesive workplace culture.

Goals	Targets	KPIs	Progress
▪ Foster a workplace that values, respects and includes individuals from diverse backgrounds.	▪ 50/50 employee gender representation by 2030.	▪ Women representation in senior management.	▪ At least one woman in a management position in all departments.

Relevant SDGs:

Cybersecurity and Data Privacy

FLA's cybersecurity approach enhances Group data security, customer data protection and prevention of cyber-attacks protecting the reputation of the Group in the process. Effective data protection tools provide confidence to our clientele base over our ability to protect their data and industry secrets. The implementation and maintenance of a cybersecurity framework can be costly, requiring significant investments in tools, infrastructure and training. In the events of failure to protect data there can be unintended consequences such as lawsuits by affected customers.

Measures	Impacts
▪ Regularly updating Cybersecurity Policy. ▪ 24/7 Security Information and Event Management (SIEM) systems. ▪ Implementation of a Data Privacy Framework. ▪ Communicate security protocols and responsibilities to all employees. ▪ Regular cybersecurity awareness training for all employees. ▪ Quarterly Vulnerability Assessment and Penetration Testing (VAPT). ▪ Regular incident response drills and tabletop exercises.	▪ Secure use of Information Technology (IT) systems. ▪ Ensure compliance with local and international data protection regulations. ▪ Enhanced skills to identify phishing attempts and maintain strong passwords. ▪ Identification and mitigation of potential threats. ▪ Ensure real-time response.

We conduct internal audits that review key areas such as data protection practices, system security, access controls, incident response readiness, and compliance with data privacy regulations. We utilise a checklist of controls to compare our current practices against industry standards, internal policies, and regulatory requirements. Key Performance Indicators, such as the outcomes of penetration testing (Pen Testing), help us assess the effectiveness of our cybersecurity measures.

ENTERPRISE RISK MANAGEMENT

1

RISK IDENTIFICATION

The first step in our risk management framework is identifying the types of risks that could impact the business. These risks can broadly be classified into, underwriting risk, investment risk, operational risk, liquidity risk, regulatory and compliance risk, reputational risk and cyber risk.

2

RISK ASSESSMENT

Risk assessment involves establishing the possibility vs probability of the identified risk. The risks are then ranked according to severity. This quantification of risk helps determine appropriate responses to the identified risks.

3

RISK MITIGATION AND CONTROL

Following the quantification of the risk, appropriate mitigations are applied to each ensuring business continuity.

4

RISK MONITORING AND REPORTING

Risks are continuously monitored to assess the effectiveness of the mitigation measures and ensure the Group's resilience.

ENTERPRISE RISK MANAGEMENT (CONTINUED)

The Group's Top Risks are detailed below:-

RISK CATEGORY	RISK DESCRIPTION	MITIGATING ACTIONS
MONEY LAUNDERING	The increase in USD denominated transactions within the domestic economy has also flowed through the Group. The Group is recording over 70% of its revenue in USD. A USD economy is vulnerable to its formal enterprises becoming a conduit for money laundering and terrorism financing activities.	• Mandatory Know Your Client exercises on all new engagements with regular updates. • Suspicious transaction reporting procedures. • Customer Acceptance Policy. • Institutional risk assessment procedures. • Regular AML/CFT training for employees.
CYBERSECURITY	The digitalization of information and processes although more secure has vulnerabilities to hacking creating a threat to the Group's digital assets such as data, systems and networks.	• Regular cyber security training and awareness. • Cyber Security Policy, Disaster Recovery Plan, up-to-date antivirus and firewalls. • Regular penetration and vulnerability testing, and patch management for systems.
COMPLIANCE	Significant changes are occurring in the regulatory sphere especially as regards compensation frameworks, sustainability, AML/CFT and ease of doing business.	• A stand-alone compliance function which tracks all regulatory and industry requirements. • Increase engagement with respective regulators.
FRAUD	Deceptive practices intended to secure an unfair or unlawful gain.	• Whistleblowing Policy. • Fraud awareness training. • Enhance surveillance protocols. • Ensure segregation of duties especially on vulnerable operations.
LIQUIDITY	Both Zimbabwe and Malawi are experiencing limited availability of funds which impacts the uptake of the Group's products and services. The limited liquidity also affects the rate at which it can liquidate assets to meet its liabilities.	• Formulation of bespoke products and services to services different demographics. • Operational Efficiency and Cost Control.
MARKET	Market needs are evolving at an exponential rate.	• Introduction of a standing innovation hub.

SUSTAINABILITY AT THE CENTRE

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG)

"At Fidelity Life Assurance, our sustainability strategy is grounded in the belief that long-term financial security must be matched by long-term environmental and social stewardship. We are embedding Environmental, Social, and Governance (ESG) principles into the fabric of our operations to drive shared value for our clients, communities, employees, and shareholders"

STRATEGIC SUSTAINABILITY OBJECTIVES

1.Environmental Stewardship

- Promote digital transformation to reduce our operational footprint.
- Incorporate climate risk considerations into life and funeral product development.
- Support green investments through our pension portfolios, aligned with sustainable development priorities.
- Intergrate sustainable practices in facilities management (e.g. water, energy use, and paper reduction).

2.Social Impact

- Expand financial inclusion through accessible microinsurance and funeral assurance products.
- Strengthen community investment through health, education, and wellness initiatives.
- Promote employee well-being, professional development, and diversity in our workforce.
- Deliver educational outreach on financial literacy, estate planning, medical aid and life cover benefits.

3.Strong Governance

- Uphold ethical conduct and compliance through a robust internal control environment.
- Establish ESG accountability within leadership and operational teams.
- Ensure data privacy and cyber security to protect policyholders and beneficiaries.
- Maintain full compliance with ZSE sustainability guidelines and the IFRS S1 & S2 disclosure standards.

Our Approach to Implementation

We are developing business unit-specific sustainability frameworks that align with both group-wide principles and the operational realities of our sector. This will enable FLA to:

- Define material ESG topics through stakeholder engagement and impact assessment.
- Establish clear targets and metrics using global sustainability standards (GRI and IFRS).
- Build internal capacity for ESG compliance and disclosure.
- Align our reporting with regulatory expectations and investor requirements.

Engaging Our Valued Stakeholders

At Fidelity Life Assurance, stakeholder engagement is an integral part of our sustainability and business strategy. The Group actively engages stakeholders to gain a better understanding of their evolving needs, expectations, and concerns in a dynamic economic and regulatory environment. These engagements are help us adapt to market changes, inform product innovation and foster resilience within the Group. Stakeholder engagement enhances our decision making and product development initiatives by ensuring alignment with stakeholder priorities.

In addition, it serves as the foundation for long-term, trust-based relationships with key groups including shareholders, employees, customers, regulators, communities, and industry peers.. This is essential for promoting accountability, transparency and shared value creation. A recent example is the Vaka Yako product, which was developed in close consultation with both regulators and clients, demonstrating how collaborative engagement can shape inclusive and impactful financial solutions.

Stakeholder engagement provides valuable insights leading to innovation and improved service delivery. We recognise that ongoing stakeholder engagement is not just a one-time effort but a continuous dialogue. Through consistent and targeted interactions with stakeholders we are better equipped to respond to emerging risks, societal needs and market shifts.

Stakeholders

- Employees
- Government and Regulators
- Suppliers
- Communities
- Shareholders
- Customers
- Industry

SUSTAINABILITY AT THE CENTRE

Engaging Our Valued Stakeholders

Our stakeholder engagement for the period under review was as follows:

Employees

Concerns
Job security amid digital disruption and industry shifts.

Our Response
Strengthened employee value proposition through allowances, training, digital skills development, and internal mobility programs.

Engagement Methods
Surveys, Townhalls,
Staff meetings.

Frequency
Monthly, Quarterly

Regulators

Concerns
Regulatory compliance, policyholder protection, AML/CFT adherence, and industry resilience.

Our Response
Completed IFRS 17 readiness, enhanced AML policies, and continued alignment with industry reforms.

Engagement Methods
Compliance filings, Policy workshops, Technical working groups

Frequency
Ad hoc, quarterly

Shareholders & investors

Concerns
Currency instability and its impact on ROI.

Our Response
Maintained quarterly reporting and investor briefings. Focused on sustainable USD-denominated .

Engagement Methods
Annual General Meeting, Financial Reports, Meetings with investors

Frequency
Quarterly, Annually

Policyholders/ Clients

Concerns
Product accessibility, financial inclusion, and trust in insurance providers.

Our Response
Expanded access to products like Vaka Yako and enhanced claims turnaround..

Engagement Methods
Call centres, SMS outreach, Online portals

Frequency
Ongoing

Communities

Concerns
Community engagement. Financial Literacy, inclusive insurance

Our Response
Participation in IPEC insurance awareness campaigns and supported outreach initiatives focused on insurance education.

Engagement Methods
Roadshows, Social Media, Partnerships

Frequency
Ad hoc

Industry

Concerns
Responsible competition, collaboration and industry resilience

Our Response
Contributed to actuarial training forums, participated in joint funeral insurance projects.

Engagement Methods
Forums, Association meetings

Frequency
Quarterly

SUSTAINABILITY AT THE CENTRE

Sustainability Materiality Assessment

We recognise that long-term value creation depends on identifying, understanding, and proactively managing the Environmental, Social, Economic, and Governance (ESG) issues most material to our stakeholders and operations. In 2024, we undertook a formal sustainability materiality assessment to determine the ESG topics that have the greatest influence on our business success and societal impact.

Our assessment was guided by the principles of double materiality in line with the Global Reporting Initiative (GRI) Standards (2021). This means we evaluated both:

- How our operations impact the environment, economy, and society; and
- How ESG-related risks and opportunities affect the Group's financial and operational performance.

The assessment drew on multiple inputs, including:

- Engagement with internal and external stakeholders (see Stakeholder Engagement section),
- Industry benchmarking against peers in the insurance and financial services sector,
- Reference to the Sustainability Accounting Standards Board (SASB) standards for insurance and asset management, and
- Review of regulatory, investor, and sustainability disclosure trends across the region.

This approach enables us to embed ESG into strategy, risk management, product innovation, and reporting, and to focus our efforts on the areas where we can deliver the most meaningful impact.

Topic Identification	Topic Prioritisation	Topic Validation and Selection
We review prior year material topics,engage stakeholders, analyse industry trends, and benchmark against peers to identify current and emerging ESG issues.	Topics are assessed based on their relevance to business strategy and operations, and their potential ESG impact on stakeholders and society.	A cross-functional team validates the prioritised topics to ensure they align with our strategy, risks, and stakeholder expectations. Approved topics guide our sustainability focus.

Material Topic Categorisation

Our material topics were categorised into economic, environmental, social and governance topics as presented below:

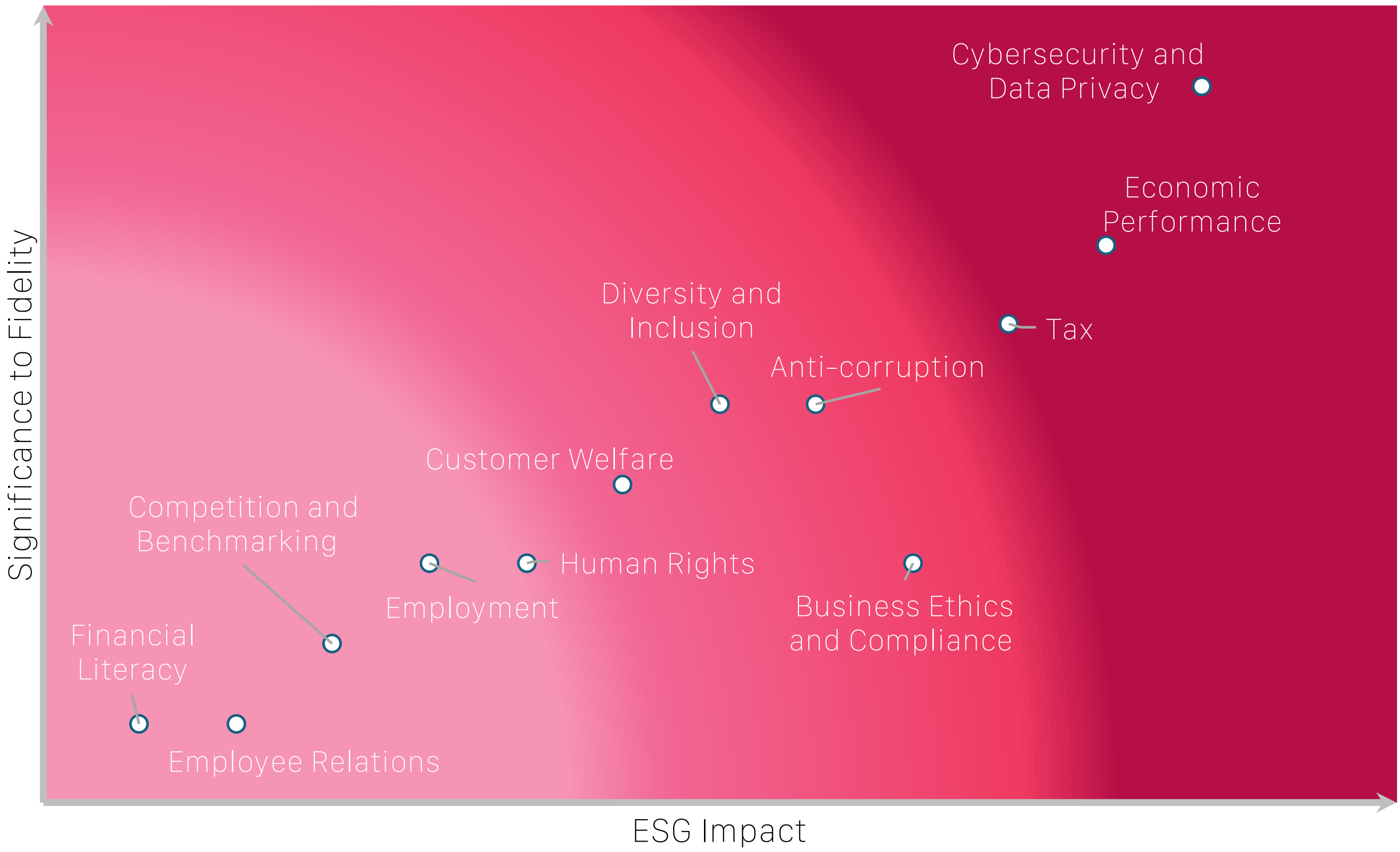
Economic	Environmental	Social	Governance
• Supply Chain and Responsible Sourcing • Financial Literacy • Financial Performance • Tax	• Climate Change • Energy • Water • Waste	• Corporate Social Investments • Employment • Diversity and Inclusion • Occupational Health and Safety • Employee Relations • Human Rights • Customer Welfare • Access and Affordability	• Cybersecurity and Privacy Protection • Innovation and Digitalisation • Business Ethics and Compliance • Anti-corruption • Competition and Benchmarking • Business Model Resilience

MATERIALITY MATRIX

The matrix presented below visualises the top twelve (12) ESG issues identified through our stakeholder survey and internal risk prioritisation exercise. These issues were assessed based on:

- Significance to Fidelity Life Assurance's strategic and operational performance, and
- Level of ESG impact on stakeholders, environment, and society.

This prioritisation helps direct resources, set strategic goals, and enhance transparency in our sustainability disclosures.



Very High	Reflects those regarded to be of significant interest and present both risks and opportunities for the business.
High	Reflects those where measures have been implemented to manage the impacts while improvements continue to be implemented.
Moderate	Reflects those where significant effort was made to address them.

For the reporting period the following, topics had the highest ESG Impact and of greatest significance to Fidelity:

- Cybersecurity and Data Privacy.
- Economic Performance.
- Tax.
- Anti-corruption.
- Business Ethics and Compliance.

SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES

Sustainability-related Risks and Opportunities

Approach to Managing Sustainability Related Risks and Opportunities

The Group employs a strategic approach to managing sustainability risks by aligning profitability goals with our environmental, social, and governance (ESG) objectives. We begin by identifying potential ESG risks and opportunities that may impact the business, followed by a thorough assessment of the potential impacts and the probability of these risks materialising.

To effectively mitigate these risks, we implement targeted measures aimed at reducing or eliminating identified ESG challenges. Continuous monitoring and review of the effectiveness of our risk mitigation strategies are integral to our process, ensuring that we remain responsive to evolving conditions. Further, we are committed to transparency by providing clear information on our ESG risk exposure and mitigation efforts to both internal and external stakeholders, reinforcing our dedication to sustainable business practices and responsible governance.
For the reporting period, the significant sustainability related risks and opportunities identified are summarised below:

EMPLOYEE RIGHTS

Opportunities

- Focusing on employee safety, fair wages, and a positive workplace culture to improve employee retention, reduce turnover, and enhance productivity.

Financial Implications

- Legal costs associated with litigation and regulatory fines, which can strain financial resources.
- Reputational damage can result in decreased consumer trust and loyalty, leading to reduced sales and revenue.
- When employees feel valued and safe, the quality of their work improves, leading to better products and services that can attract more customers

Risk

- Poor working conditions, labour exploitation, and human rights violations may result in severe reputational damage that undermines stakeholder trust and brand integrity.
- Such issues may also trigger legal action, leading to costly litigation and regulatory scrutiny.

REGULATORY COMPLIANCE

Opportunities

- Compliance with regulatory standards can open doors to grants, subsidies, and investments.
- Differentiation which aids in gaining a competitive advantage.
- and enhance productivity.

Financial Implications

- Non-compliance can lead to fines, penalties, and legal fees, which can strain financial resources.
- A strong compliance record can attract new customers and markets, driving overall revenue increases.
- Compliance-driven innovation can lead to new products or services that meet market demands, generating additional revenue streams.

Risk

- Changing regulations, such as new or evolving environmental and social standards (such as emissions limits, and labour requirements), may present compliance challenges.

SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES

REPUTATIONAL

Opportunities

- Improved investor confidence and access to capital.
- Attracting and retaining top talent.
- Building trust and loyalty with customers.

Financial Implications

- Legal costs associated with Strong customer loyalty and trust can lead to higher sales and repeat business, boosting overall revenue.
- Improved investor confidence can result in better financing terms and lower interest rates on loans, reducing overall capital costs.

Risk

- Misleading claims about sustainability practices can erode trust with consumers, investors, and regulatory bodies, leading to backlash, legal challenges, or loss of market share

CORRUPTION

Opportunities

- Demonstrating a strong anti-corruption stance can facilitate entry into markets where ethical business practices are valued, enhancing growth opportunities.
- Positive media coverage and goodwill, which can translate into increased customer trust.

Financial Implications

- Engaging in corrupt practices can lead to lawsuits, fines, and legal fees, significantly impacting income.
- Contract terminations, loss of clients, and decreased sales, resulting in immediate revenue declines.
- Implementing anti-corruption measures can reduce the likelihood of financial losses.

Risk

- The potential for unethical behaviours, such as bribery and fraud which can undermine operational integrity and lead to significant financial losses. These risks can result in legal consequences, damaged reputations, and loss of trust among stakeholders.

SUSTAINABLE FINANCIAL ACCESS

Affordability of Products and Services

Driving Financial Literacy Growth

Putting Customers First

SUSTAINABLE FINANCIAL ACCESS

"Sustainable financial access ensures affordable, inclusive financial services today while safeguarding long-term economic, social, and environmental well-being.''

Affordability of Products and Services

Fidelity Life Assurance is committed to delivering inclusive insurance solutions that promote financial security, reduce inequality, and support national development goals. Our focus is on making insurance accessible and affordable—particularly for underserved and vulnerable populations.

We offer tailored products such as group funeral cover, savings plans, and medical aid schemes, often distributed through affinity groups, community associations, and satellite offices in marginalised areas. Application forms are readily available online, ensuring ease of access and convenience.

However, challenges persist. Economic hardship, high unemployment, and inflationary pressures in Zimbabwe limit customers' ability to pay premiums. Increased risk profiles can also drive up premiums, affecting affordability across broader segments. Additionally, balancing affordability with financial sustainability remains a key concern, especially in maintaining solvency and fulfilling obligations.

Driving Financial Literacy Growth

We believe that financial literacy is foundational to building inclusive economic participation and improving the quality of life. Empowering individuals with knowledge of budgeting, saving, borrowing and investment, enhances financial stability, productivity and efficiency.

Fidelity promotes financial education through outreach campaigns such as Global Money Week, workplace training sessions, and community-based programmes. These initiatives aim to bridge knowledge gaps, promote responsible financial behaviour, and support our clients in meeting personal and family financial goals.

We monitor the impact of these efforts through stakeholder feedback, survey insights, and data from our digital tools. While digital channels expand our reach, disparities in internet access and the high cost of programme delivery remain constraints we actively work to overcome.

Goals	Key Initiatives
• Equip clients with a solid understanding of fundamental financial concepts. • Enhancing the application of financial skills. • Reducing financial risk exposure.	• Targeted outreach programmes targeted at financial literacy, for instance, The Global Money Week. • Customer feedback and programme monitoring

Putting Customers First

At the heart of our brand is a commitment to customer welfare. We strive to offer responsive, high-quality services that foster trust, loyalty, and long-term satisfaction.

Our approach includes:

- Fast and accessible communication via WhatsApp, Social media platforms and online portals
- Clear and timely complaint resolution processes
- Customer-centric product design and continuous service improvements

Customer care is not only a reputational imperative—it is essential to operational efficiency and long-term success. Poor service can lead to higher costs and client attrition, which is why we continuously invest in support systems and service delivery enhancements.

Goals And Targets	Actions
• Value creation through inclusive finance. • Net asset growth of 5% annually. • Having responsible investments. • Improve the quality of products and services.	• Product innovation and diversification • Compliance with applicable rules and regulations. • Ongoing Customer engagement.

COMPETING WITH INTEGRITY

Our Resilient Business Model

Our Approach to Competition

> "We foster innovation through fair, transparent, and sustainable business rivalry that benefits the Group, its consumers, and the society"

Our Resilient Business Model

As FLA, we believe that our business model is the epitome of resilience. Founded in 1977, the business looks at every stage of one's life and provides appropriate financial planning services. The key to the business model' success is people. FLA understands that its employees are its first line customers and this an ensured that the Group's product and service offerings remain affordable, appropriate to the times and innovative.

Our Approach to Competition

FLA appreciates that it operates in a saturated market and its product and service offering is both a grudge buy and at the bottom of individuals' priorities list. This has not deterred the Group. Instead it harnesses its resilient business model and culture of innovation to remain competitive and offer tailored financial planning products and services.

We adhere to relevant regulations and guidelines from the Reserve Bank of Zimbabwe (RBZ), Competition and Tariffs Commission and the Anti-trust Board, ensuring compliance in all aspects of competition and benchmarking. Our policies emphasise responsible advertising, conscientious research and development, and the delivery of quality products and services.

Goal	Target	KPI	Progress
▪ Promote ethical benchmarking practices and a culture of fair competition while increasing growth.	▪ 5% market share growth by 2027.	▪ Revenue growth. ▪ Customer satisfaction and collection rates.	▪ 2.3% market share as of December 2024. ▪ Our portfolio at risk (PaR) stands at 7%.

To track our market position we use third-party reviews, external audits, regulatory monitoring, surveys and feedback mechanisms that provide valuable insights into our market position. Engagement with stakeholders further enriched our approach, enabling us to align our pricing strategies with market conditions and continuously enhance our product offerings, thereby driving progress toward our strategic goals.

OUR PEOPLE AND CULTURE

Our People, Our Strength

Employee Relations

Caring Beyond Employment

Freedom of Association and Collective Bargaining

Occupational Health and Safety (OHS)

Building a Learning Culture

EMPLOYEE HIRE

47% ↓

26 in FY2024
49 in FY2023

TOTAL EMPLOYEES

12% ↑

164 in FY2024
146 in FY2023

COLLECTIVE BARGAINING AGREEMENTS

23% ↑

102 in FY2024
83 in FY2023

OUR PEOPLE AND CULTURE

"Our people and culture embody the shared values and collaborative spirit that make the business unique, productive, and resilient"

Our People, Our Strength

We recognise that our people are the foundation of our long term success. Our approach to employment is guided by a commitment to fostering inclusive growth, professional development, and socioeconomic progress. Employment not only provides income and self-reliance, but also strengthens community resilience and national productivity.

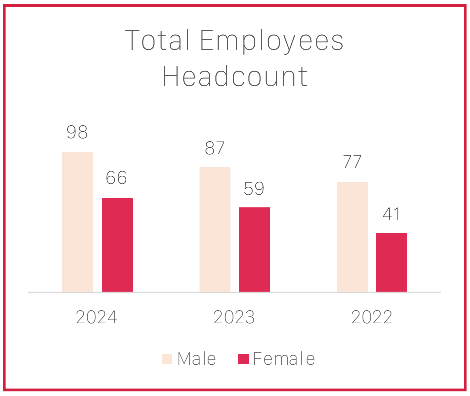
We aim to create a workplace that is empowering, collaborative, and values-driven. We offer meaningful career opportunities while ensuring employee well-being and satisfaction remain at the core of our culture.

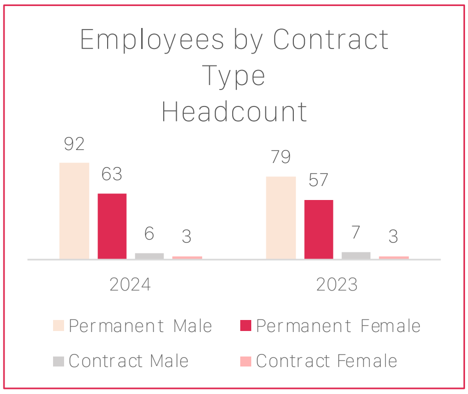
Measures	Impacts
▪ Internal and external training programmes.	▪ Development of personal and career related knowledge and skills.
▪ Timely remunerations and rewards.	▪ Increased motivation and reduced turnover.
▪ Recognising and rewarding employee achievements.	▪ Loyal and motivated employees.
▪ Open communication and sharing of diverse perspectives.	▪ Conducive and innovative working environment.

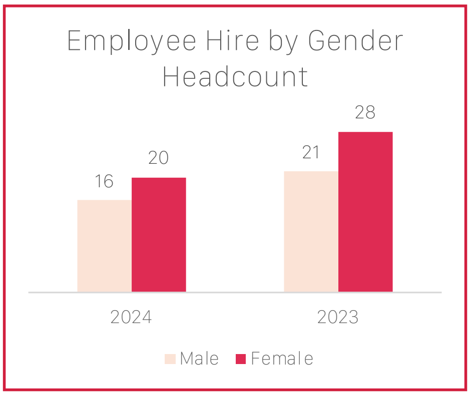
Our Recruitment and Selection Policy emphasises the importance of internal promotions and development. We strive to create a nurturing working environment, foster collaboration, support mentorship opportunities and provide the necessary resources our teams need to thrive.

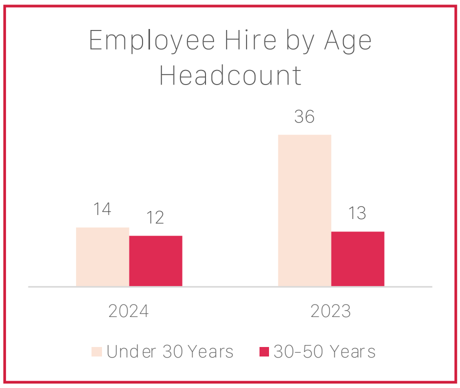
OUR PEOPLE AND CULTURE (CONTINUED)

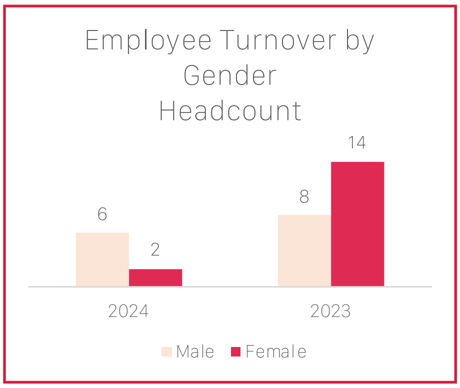
Our employee movement for the period under review was as follows:

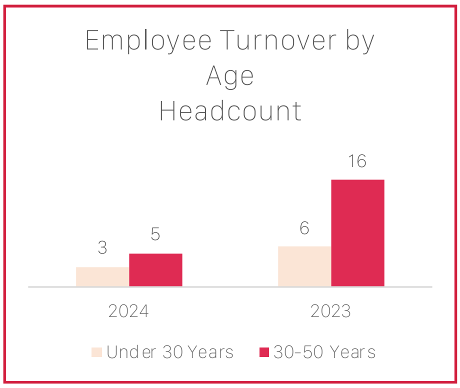




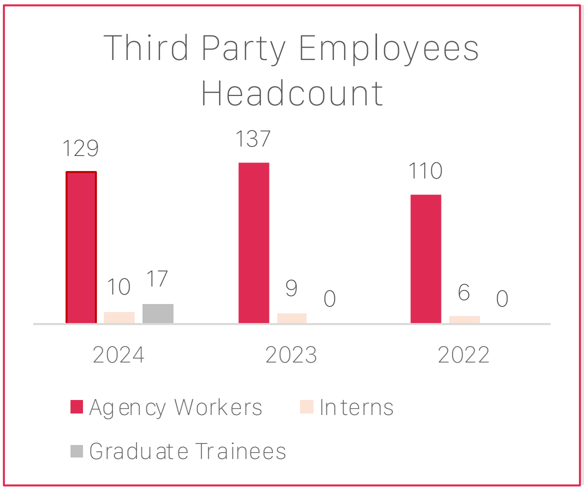








The Group recorded a 12% increase in total employees, attributed to normal staff movements, including contract completions and new appointments. This reflects our ongoing commitment to talent renewal and strengthening capacity in key areas.



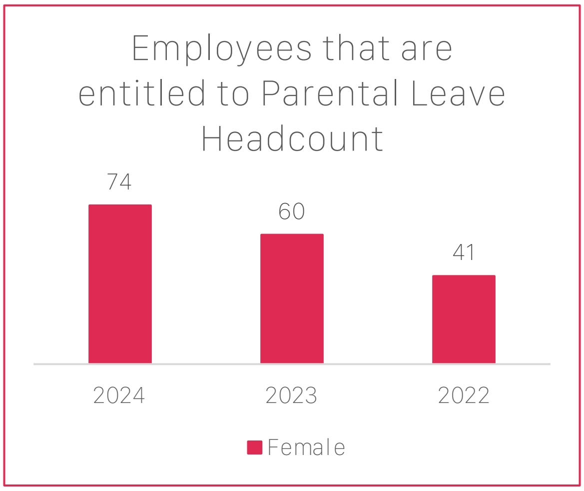
We also expanded our third-party workforce by 7%, including the introduction of a graduate trainee programme to support youth employment and future skills development.

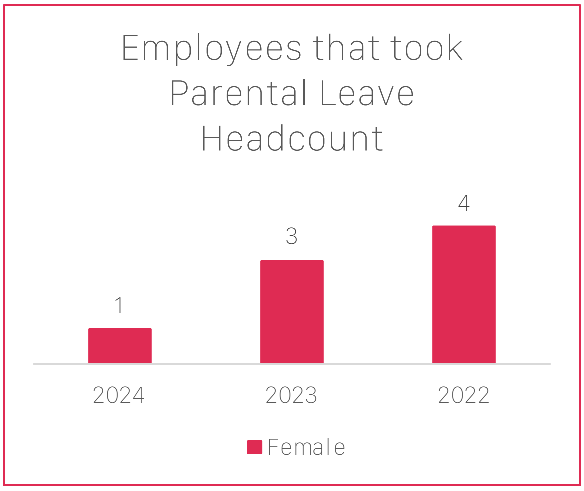
OUR PEOPLE AND CULTURE (CONTINUED)

Third-party employees for the period under review were as follows:

Parental Leave

In line with the Labour Act [Chapter 28:01], all female employees are entitled to parental leave. During the reporting period, employees who took leave successfully returned to work, affirming our support for work-life balance and parental rights.





Employee Relations and Compensation

We understand that a fair and competitive compensation framework is vital for attracting and retaining top talent. Our compensation strategy is shaped by market analysis, Group policies ratified by the Board and Management, and constructive engagement with statutory bodies such as the National Employment Council (NEC).

We align our compensation structure with economic realities while ensuring it remains sustainable and impactful. This includes salary reviews, allowances, and performance-based rewards that foster engagement and accountability.

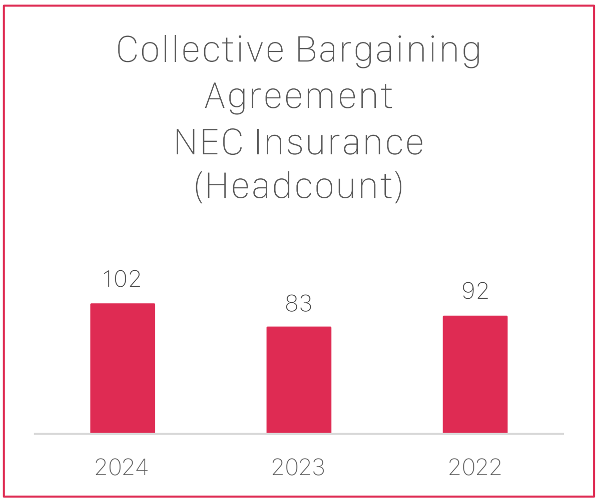
Caring Beyond Employment

We go beyond salaries to ensure post-employment security for our staff. The Group maintains its steadfast commitment to employee welfare through pension contributions, which form the foundation of a reliable retirement income framework. These investments are not merely financial obligations, they reflect our commitment to lifelong financial well-being.

Freedom of Association and Collective Bargaining

We adhere to policies and Collective Bargaining Agreements (CBAs) in full compliance with the Labour Act [28:01]. We strive to position ourselves as an employer of choice by offering a competitive, sustainable, and cost-effective reward framework that delivers tangible value to our employees.

For the period under review, our Collective Bargaining Agreement (CBA) was as follows:



OUR PEOPLE AND CULTURE (CONTINUED)

Occupational Health and Safety (OHS)

Occupational Health and Safety (OHS) plays an essential role in shaping the workplace safety and overall corporate performance. Our OHS impacts significantly influence our operations, employee well-being, and community engagement. We achieved reduced risks of accidents and injuries, resulting in improved efficiency, productivity, and employee morale to foster a healthier workplace culture and enhance our service delivery. However, we acknowledge that there may be increased healthcare costs as a result of general stress emanating from economic challenges contributing to a higher cost of living.

In compliance with SI68/90, our Occupational Health and Safety Policy is endorsed by the Managing Director and the Chairperson of the workers' committee, ensuring commitment and accountability. This policy is distributed across all operational sites to maintain healthy and safe working conditions for all employees. Management is actively engaged in enforcing safety regulations and compliance, participating in OHS meetings, and providing essential resources such as personnel, financial support, and technology for OHS initiatives.

Our Occupational Health and Safety (OHS) Management System aligns with ISO 45001:2018 Occupational Health and Safety Management System (OHS) and ISO 14001:2015 Environmental Management Systems (EMS) standards, ensuring adherence to international best practices. Quarterly programmes are held to address major non-work-related health risks, including chronic disease prevention, healthy lifestyle choices, personal hygiene, and food safety standards. We aim to achieve 100% participation in defensive driving training by the end of 2025. We monitor incident and injury rates to identify areas of concern and assess the impact of safety measures.

Hazard Identification and Risk Assessment (HIRA)

Our Hazard Identification and Risk Assessment (HIRA) process is designed to systematically identify and assess work-related hazards on routine and non-routine basis, ensuring that potential risks are effectively managed. This involves a thorough evaluation of hazards, followed by the application of the hierarchy of controls to eliminate and minimise risks. Employees are encouraged to report all work-related hazards by notifying their Head of Department (HOD) either verbally or in writing, after which the details are recorded and followed up to ensure appropriate corrective measures are implemented. To protect employees from reprisals, our OHS Policy includes provisions for their legal right to refuse dangerous work, in accordance with the Labour Act [Chapter 28.01], enforced by line managers and worker representatives.

Measures	Actual and Potential Impacts
▪ Regular health assessments and training on the use of Personal Protective Equipment (PPE). ▪ Collaboration between Risk and Compliance with health professionals. ▪ Education on workplace safety (3 Es' evaluation, education, and enforcement). ▪ Regular spot checks, workplace inspections of processes and equipment audits. ▪ Provision of Medical Aid Cover.	▪ Enhance awareness and safety culture. ▪ Improved physical and mental well-being. ▪ Strengthened safety culture ▪ Risk identification and process improvement ▪ Reduced employee health-related absenteeism

Building a Learning Culture

At Fidelity Life Assurance, we view learning and development as a cornerstone of our organisational growth and sustainability. A robust learning culture drives innovation, productivity, and employee engagement—ensuring that our teams are equipped with the knowledge and skills to meet current demands and future challenges.

We believe in a bottom-up approach to capacity building, empowering individuals, teams, and departments to take charge of their professional development. Our training and education programmes are designed not only to enhance technical competence but also to inspire personal growth and team effectiveness.

Our learning initiatives are embedded within the General Conditions Of Employment Policy Framework, which promotes continuous improvement and the of development high-performance teams. All employees are trained on this framework to ensure alignment and compliance with our policy framework on Human Capital Development. We are committed to providing structured and well-resourced learning opportunities that support both internal progression and external upskilling.

OUR PEOPLE AND CULTURE (CONTINUED)

Goals	Targets	KPIs
Create an environment that promotes continued Human Capital development.	Attain 100% compliance on adherence to Human Capital development targets and standards.	Number of identified successors. Number of promotions.
Build future ready teams through targeted learning pathways	Expand training access across all staff levels	Training hours per employee

Training Programmes and Impact

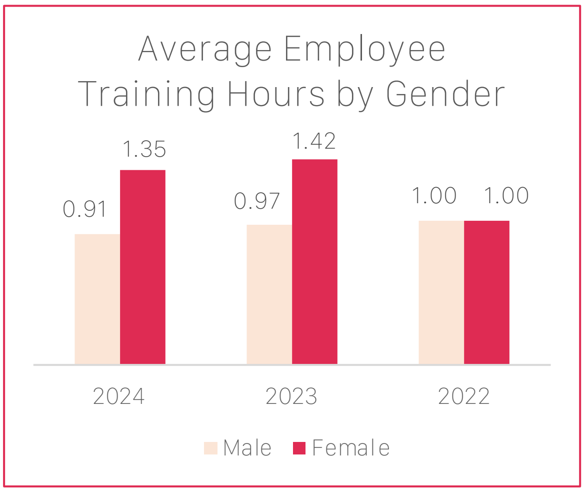
In the 2024 reporting period, the Group implemented a variety of training programmes to support workforce development across key areas:

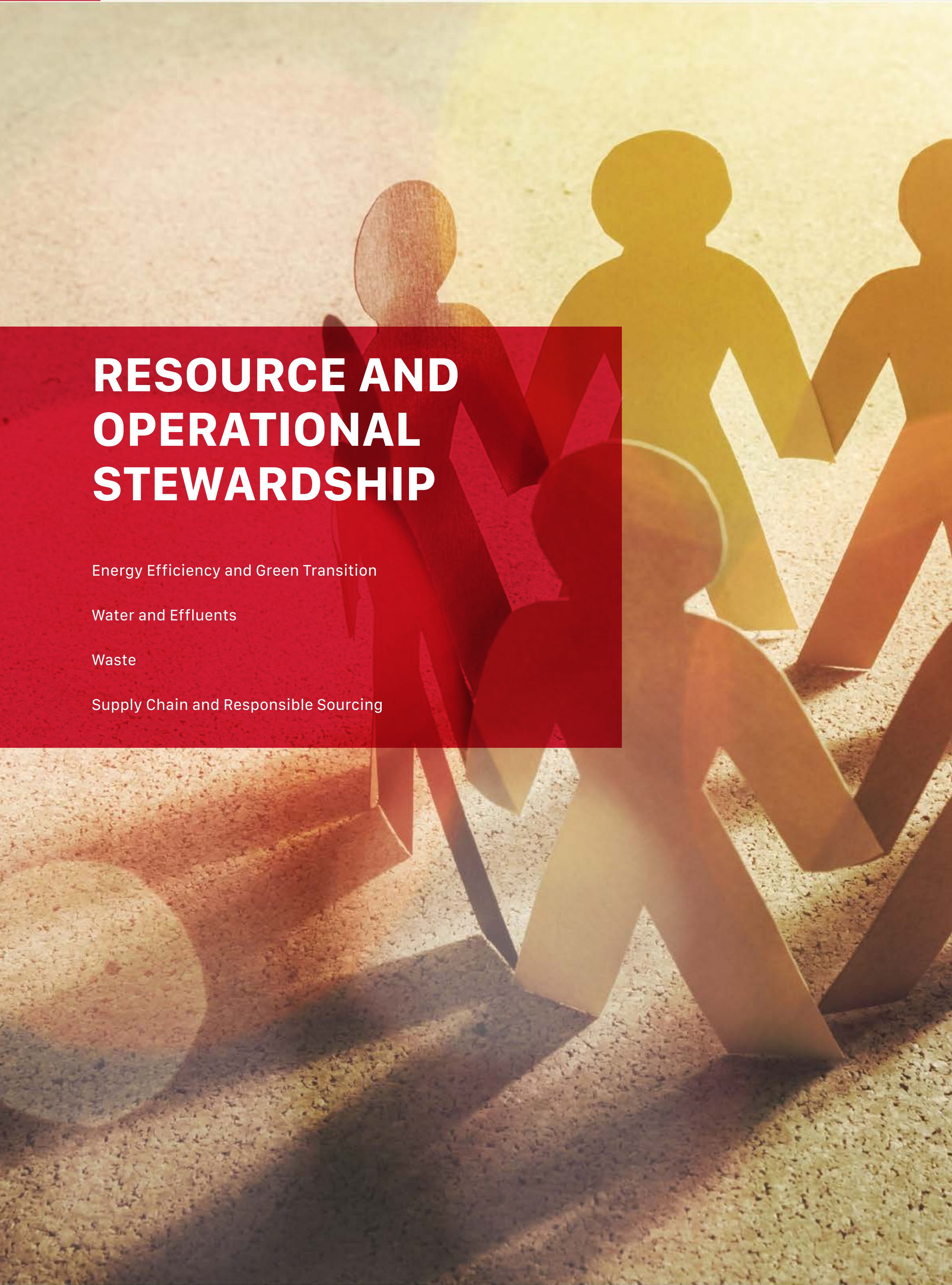
- Executive and Management Development: Strengthening leadership capacity for senior and middle managers.
- Workplace Culture Change Training: Delivered to all employees, aimed at fostering collaboration, accountability, and innovation.
- Technical and Systems Training: Focused on staff with system access to improve operational efficiency and data literacy.
- The number of employees trained and the depth of learning required contributed to a notable increase in total training hours.

We evaluate training effectiveness using multiple metrics, including:

- Pre- and post-training assessments
- Behavioural change observations
- Performance tracking
- Employee feedback surveys

These insights inform the refinement of our learning strategies and support our positioning as a forward-looking, knowledge-based organisation.





RESOURCE AND OPERATIONAL STEWARDSHIP

Energy Efficiency and Green Transition

Water and Effluents

Waste

Supply Chain and Responsible Sourcing

RESOURCE AND OPERATIONAL STEWARDSHIP

"Responsible and sustainable management of natural resources to create long-term value and uphold ethical accountability."

Fidelity Life Assurance is committed to responsible resource management and operational efficiency as part of our broader environmental sustainability strategy. By minimising our environmental footprint and adopting greener practices, we contribute to climate action, ensure long-term cost savings, and align with our stakeholders' expectations for ethical and forward-looking operations.

Energy Efficiency and Green Transition

We have begun transitioning our operations towards cleaner energy use through targeted investments in energy-efficient technologies and renewable systems. These efforts are essential in addressing our reliance on grid electricity and reducing fossil fuel consumption.

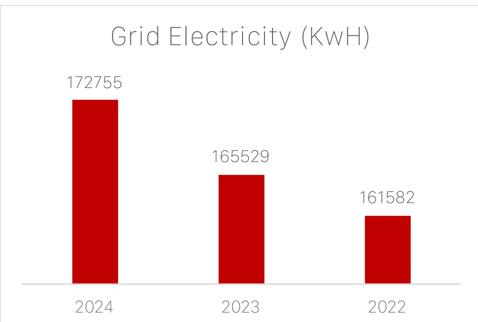
Key initiatives include:

- Installation of solar energy systems across operational sites
- Upgrades to energy-efficient lighting and HVAC infrastructure
- Procurement of hybrid vehicles for company use
- Provision of concessionary loans for clients investing in clean energy equipment

While upfront costs have placed pressure on operational budgets, the long-term benefits—such as reduced emissions and improved energy security—are core to our sustainability vision.
Despite these advances, grid electricity still accounts for approximately 70% of our energy mix, posing a carbon intensity challenge and reinforcing the need for accelerated renewable energy adoption.

Goal	Target	KPIs	Progress
▪ Reducing electricity usage fossil fuel reliance. ▪ Adopting green energy system.	▪ Sourcing 50% of total energy needs from renewables by 2027.	▪ Electricity and fossil fuel consumption. ▪ Percentage of energy sourced from renewables.	▪ Installed back up solar system at some of our operations. ▪ Purchased hybrid vehicles. ▪ Offering concessionary rates on loans for clean energy equipment.

Energy consumption within operating office premises



2024 Energy Performance

- **Electricity Consumption:** Increased slightly due to reduced national load-shedding and improved grid reliability, which concurrently decreased reliance on diesel generators.
- **Renewable Energy Contribution:** Continued with incremental installations of solar systems across sites.

RESOURCE AND OPERATIONAL STEWARDSHIP (CONTINUED)

Water and Effluents

Effective management of water and effluents is essential for the Group's sustainable operations and plays a vital role in preserving water resources, supporting the economy in production, and protecting health. Our efforts focus on conservation, compliance, and reducing pollution risks associated with our operations, including those arising from funeral assurance services. The Group adheres to effluent disposal guidelines, collaborates with certified waste disposal companies, implements regular inspections of water infrastructure and complying with the Environmental Management Agency (EMA). We also track and analyse our water usage through billing trends and on-site inspections to ensure transparency and operational improvement.

Goal	Target	KPIs	Progress
▪ Improving waste water management. ▪ Reducing water consumption.	▪ 100% compliance with local waste water regulations by 2026. ▪ 25% reduction in water usage within three years.	▪ Compliance audit results. ▪ Water consumption reduction rate. ▪ Number of disease outbreaks.	▪ Installed water efficient fixtures.

Waste

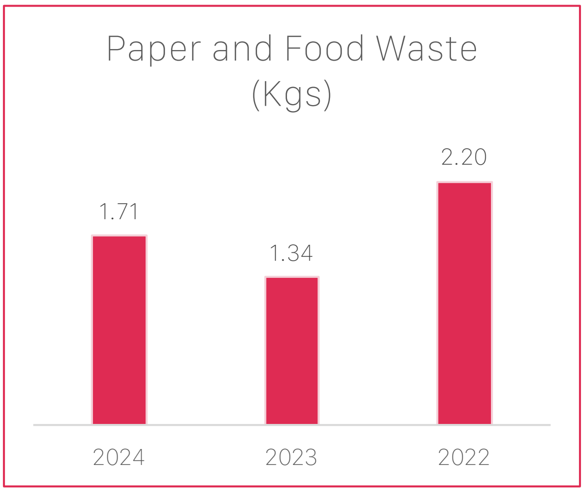
Fidelity Life Assurance recognises that effective waste management is a crucial aspect of its corporate responsibility, influencing environmental sustainability and enhancing overall health. The Group conducts regular Environmental and Social Impact Assessments to identify and address waste related risks and opportunities.

Measures	Impacts
▪ Adhere to the principles of "Reduce, Reuse, Recycle". ▪ Collaborating with Environmental Management Agency (EMA). ▪ Transitioning to digital documentation for loan applications and internal communications. ▪ Providing employee training on proper waste disposal.	▪ Conservation of natural resources. ▪ Reduced waste disposal fines. ▪ Staying abreast of best practices and emerging opportunities in waste management. ▪ Reducing paper usage.

Goal	Target	KPIs	Progress
▪ Becoming a paperless entity.	▪ 50% paperless operations by 2027. ▪ 30% of all services to utilise biodegradable options within one year.	▪ Percentage reduction in paper-based documents for loan application forms, cash registers, requisition forms and refund forms.	▪ Transitioned 25% of our operations to digital formats.

RESOURCE AND OPERATIONAL STEWARDSHIP (CONTINUED)

Waste generated during the reporting period was as follows:



Supply Chain and Responsible Sourcing

Sustainability in procurement is critical to maintaining ethical, efficient, and resilient operations. At Fidelity, we are integrating responsible sourcing practices into our supply chain to minimise environmental harm and uphold labour standards.

Key initiatives include:

- Progressively engaging certified, ESG-compliant suppliers through competitive bidding processes
- Conducting regular supplier audits and assessments aligned with our Responsible Sourcing Policy
- Training procurement staff on sustainable sourcing practices and stakeholder collaboration

We also aim to support local SMEs, youth-led, and women-owned businesses, contributing to inclusive economic growth and supplier diversity.

Goal	Target	KPIs	Progress
▪ Engage with suppliers committed to sustainable practices.	▪ 90% of our suppliers meet sustainability standards by 2027.	▪ Results from supply audits.	▪ Bidding process resulted in 100% of supplies being sourced from approved suppliers.

BUIDING A CLIMATE-RESILIENT FUTURE

Managing Climate-related Risks

Our Emissions Footprint

Leading Climate Action

"Strategic adaptation to climate change with sustainable growth"

Managing Climate-related Risks

Physical Risk

Natural Disasters

Risk

Natural disasters increase claims from clients which may strain financial resources.

Mitigation

- Capitalisation of Fidelity Funeral services.

Cost of the Action

- In excess of US$ 1.5 million.

Financial Implication

- Minimal cashflows.
- Higher premiums resulting in reduced business net income.

Transition Risk

Greenhouse Gas (GHG) Emissions

Risk

The transition towards a low-carbon economy will impact insurers' balance sheets as insurers must match the assets they hold to their underwriting liabilities. In order to meet these increased underwriting liabilities, insurers will rely upon their invested assets.

Mitigation

- Avoiding investing in stranded or devalued assets to reduce transition risks.

Cost of the Action

- Less than US$5, 000.

Financial Implication

- Asset Devaluation.
- Increased Liabilities.

BUIDING A CLIMATE-RESILIENT FUTURE (CONTINUED)

Our Emissions Footprint

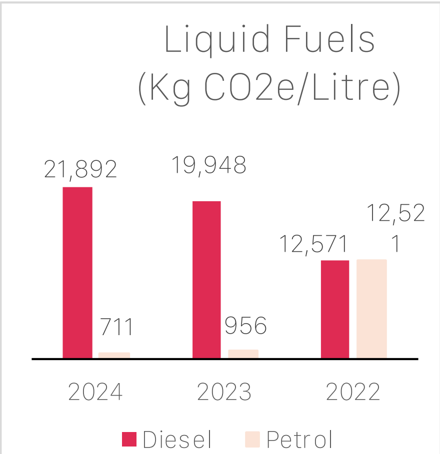
We track emissions across both stationary and mobile sources, prioritising the reduction of hydrocarbon fuel consumption throughout our operations.

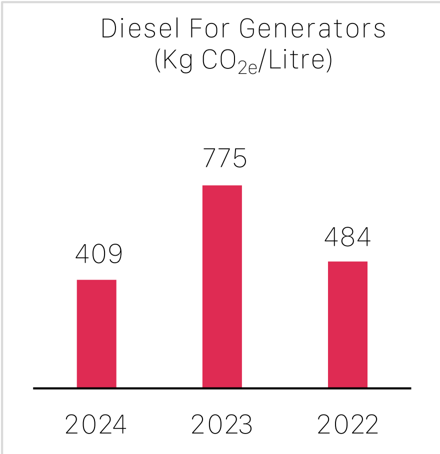
- **Scope 1 Emissions (Direct):** Originating from Fidelity's owned or controlled assets, these include on-site fuel combustion (e.g., generators) and fleet vehicles.
- **Scope 2 Emissions (Indirect):** Associated with purchased electricity for our facilities, excluding upstream generation emissions from third-party suppliers.

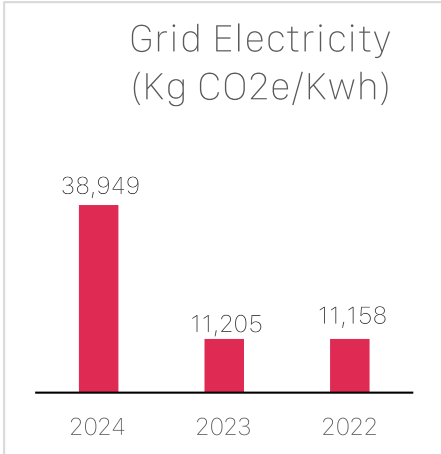
Methodology:

Aligned with the GHG Protocol, we derive our carbon footprint by applying localised emission factors to energy consumption data.
To reflect Zimbabwe's unique context:

- Petrol emissions were adjusted downward by 5% to account for ethanol blending.
- Grid electricity emissions were uplifted by 10% to incorporate the thermal and hydro generation mix.







Leading Climate Action

Climate change pose challenges that may impact various aspects of our business operations, thereby, FLA seeks to capitalise on opportunities associated with climate change. The Group offers biodegradable materials for burial and cremation to enhance sustainable practices. We acknowledge the significant upfront capital investment required for transitioning to sustainable practices which can strain our budgets. Our operations may indirectly contribute to negative climate impacts, for instance, deforestation linked to raw material sourcing for casket production.

Measures	Impacts
▪ Adherence to the Environmental Management Act [Chapter 20:27]. ▪ Advocating for green burials and promoting cremation methods. ▪ Community engagement and training programmes to enhance climate change awareness.	▪ Avoidance of non-compliance fines. ▪ Open new income streams from utilising cremation methods and cultural change. ▪ Enhance reputation and awareness.

BUIDING A CLIMATE-RESILIENT FUTURE (CONTINUED)

We employ expert and peer reviews, cost-benefit analysis, and stakeholder consultations through surveys to track the effectiveness of our actions. Our recent initiatives, such as engaging new suppliers for sustainable caskets and forming partnerships with green burial sites, have resonated with environmentally conscious clients, demonstrating the effectiveness of our actions.

Goal	Target	KPIs	Progress
▪ Increasing climate-friendly loans.	▪ 80% of the total loan book consisting of climate-friendly loans by 2027. ▪ Offer at least five climate conscious service options by 2030. ▪ Host three community events each year focused on climate change education.	▪ Composition of our loan portfolio. ▪ Number of sustainable service options available. ▪ Number of community engagement events held.	▪ 30% clean energy related financing.

SOCIAL AND ECONOMIC IMPACTS

Creating Shared Value

Financial Performance

Tax

SOCIAL AND ECONOMIC IMPACTS

"Measurable value creation for our communities and stakeholders through business activities that drive equitable growth and societal well-being"

Creating Shared Value

Corporate Social Responsibility is a fundamental aspect of our business strategy, reflecting our commitment to ethical practices and community engagement. While corporate social responsibility initiatives may provide immediate benefits to current beneficiaries, these initiatives often fail to address long-term sustainability and may increase operational costs associated with implementing CSR strategies for the Group.

Measures	Impacts
▪ Allocating 5% of our revenue for CSR initiatives. ▪ Participating in the All-University Games and clean-up campaigns.	▪ Attracting CSR conscious investors. ▪ Customer loyalty and enhanced brand reputation. ▪ Community development from financial knowledge. ▪ Gauging CSR needs.

Goal	Target	KPI	Progress
▪ Generating business linked to CSR activities.	▪ 50% business growth through CSR initiatives by 2027.	▪ Business growth post CSR activities. ▪ Content analysis of Group reports and media mentions.	▪ Approximately 10% of our business growth from CSR.

SOCIAL AND ECONOMIC IMPACTS (CONTINUED)

Presented below is the impact map of our CSR activities during the reporting period.

Education
We empower students and teachers through education, mentorship, and skills development—opening pathways to work, entrepreneurship, and stronger communities.

Beneficiaries
Kadoma School children

Items Donated
School fees

Amount
$20 000

Philanthropy
We invest in meaningful initiatives that uplift communities, promote inclusion, and create lasting social impact.

Beneficiaries
Kadoma villages

Items Donated
Chicks for rearing

Amount
ZWG 200 000

Philanthropy
Through strategic philanthropy, we support initiatives that build inclusive, resilient communities and drive positive, long-term change.

Beneficiaries
Malawi Cyclone Idai victims

Items Donated
Clothes and household goods

Amount
ZWG 300 000

Environmental Mindfulness
We promote environmental mindfulness by encouraging sustainable practices that protect and preserve the environment.

Beneficiary
Harare City Council

Items Donated
Bins and maintenance of streets

Amount
ZWG 50 000

Wellness and Nutrition
We promote wellness and nutrition to support healthier lifestyles, prevent disease, and enhance overall well-being in our communities.

Beneficiary
Harare Institute of Technology (HIT)

Items Donated
Free medical screening and wellness

Amount
ZWG 32 000

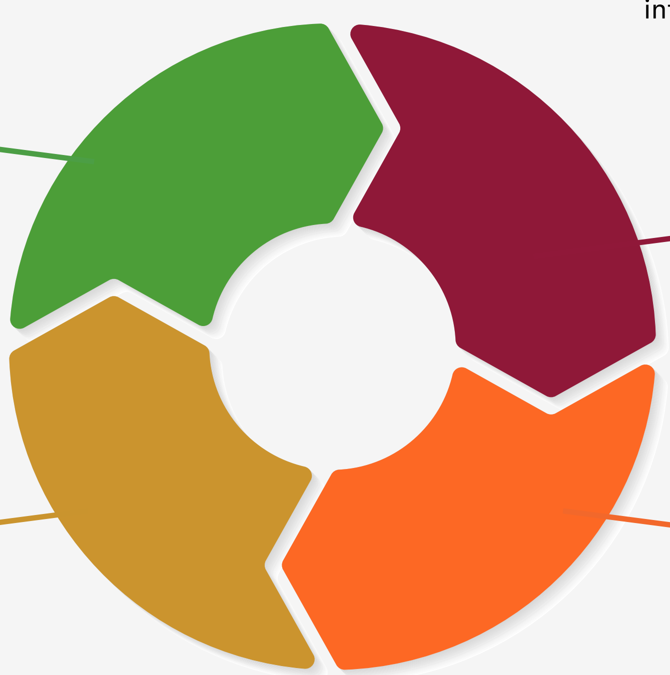
SOCIAL AND ECONOMIC IMPACTS (CONTINUED)

Sustainable Development Goals (SDGs)

Fidelity Life Assurance prioritises its Sustainable Development Goals (SDGs) through a focused, impact-driven process that aligns with the Group's core mandate of improving livelihoods through life insurance, retirement planning, funeral services, and health protection. The process is structured as follows:

Materiality Assessment:
We conduct regular materiality assessments to identify and prioritise SDGs.

Product and Service Impact Mapping:
Flagship products like Vaka Yako are evaluated to understand their contributions to inclusive financial protection, community resilience, and intergenerational wealth creation.



Risk-Benefit Analysis:
Each SDG is assessed for both potential business risks (e.g., climate-related mortality impacts, rising healthcare costs) and opportunities to deliver positive social or environmental outcomes through our products, outreach, and partnerships.

Stakeholder Engagement:
We engage clients, employees, regulators, community beneficiaries, and internal teams to understand social needs, healthcare trends, and financial vulnerabilities. This ensures our SDG priorities reflect real-world challenges.

Our priority SDGs for the period under review were as follows:

SOCIAL AND ECONOMIC IMPACTS (CONTINUED)

During the reporting period, Fidelity contributed to the following SDGs and impacts:

SDG 1: No Poverty

Risk: Economic instability may erode value of benefits and uptake.

Impacts: Products like Vaka Yako promote financial inclusion and long-term wealth creation, reducing vulnerability in low-income households.

SDG 3: Good Health and Well-being

Risk: Risk of healthcare inflation and pandemic exposure affecting claims and coverage adequacy.

Impacts: Medical Aid, funeral services, and life assurance products directly support access to healthcare, reduce financial burdens, and promote family well-being.

SDG 13: Climate Action

Risk: Climate change impacts on asset values and underwriting risks.

Impacts: Advancing climate resilience through responsible investing, ESG integration, and promoting green infrastructure projects.

SDG 9: Industry, Innovation and Infrastructure

Risk: Infrastructure deficits hindering economic growth and asset value
.

Impacts: Development of products that support affordable housing like the Vaka Yako product as well as residential developments such as Southview.

SDG 8: Decent Work and Economic Growth

Risk: Macroeconomic volatility could affect income security for clients and agents.

Impacts: Job creation, agent networks, and financial literacy contribute to inclusive economic participation.

SDG 4: Quality Education

Risk: Rising education costs and inflation may challenge product sustainability.

Impacts: Fidelity offers savings and education-oriented benefits that support school fees and long-term learning outcomes.

SOCIAL AND ECONOMIC IMPACTS (CONTINUED)

Financial Performance

The Group has economic performance policies that ensure compliance with all relevant laws and regulations. Our responsibilities to economic performance include making responsible investments that benefit Fidelity and the community while creating value through making progress towards achieving our goals and targets.

Goal	Value creation.
Target	Net asset growth of 5% annually.
KPIs	Asset Growth. Growth in green energy investments.
Progress Made	Increase in uptake of business products. Significant asset growth. Support for the business projects.
Lessons	Products tailored to customers tastes.
Stakeholder engagement	The business managed to get insights and developed new products.

Tax

Tax management is an essential component of corporate governance and financial strategy, influencing operational efficiency and the economy. Effective tax management practices ensure compliance with regulations and enhance the Group's reputation. We foster transparency and ethical conduct in our tax affairs. However, challenges such as compliance costs may emanate from unethical tax practices.

Our Approach	How we do it
Tax affairs management	The business is compliant by ensuring all taxes have been paid on time and return submitted. Participation in tax compliance. The executive management body formally reviews and makes approaches based on the tax strategy. We conduct our reviews annually. Our approach to regulatory tax compliance includes tax compliance dashboards and the risk-based approach. We have an approach which seek to ensure a proactive rather than reactive approach to risk and tax management.
Stakeholder engagement on Tax matters	We conduct workshops. Send out formal letters. Technical papers.
Our Actions	Adherence to tax manual on all tax heads. Tracking of tax dashboard. Performance scoreboard metrics. Active engagement of tax authorities on grey areas. Attending tax authorities organised workshops.

FINANCIAL REPORTS

DIRECTORS' REPORT

The Directors present their report together with the Audited Financial Statements of the Group for theyear ended 31 December 2024.

Functional And Presentation Currency
These financial results are presented in United States Dollars (USD). This follows a decision by the Board of Directors to change the functional and reporting currency from the discontinued ZWL to USD. However, in accordance with the Technical Paper on Financial Reporting and Auditing issued by the Public Accountants and Auditors Board (PAAB) in March 2025, Zimbabwe Gold (ZWG) results have also been included.

Share Capital
The share capital of the Company remains 108 923 291. The full capital structure is detailed below.

	December 2024	December 2023
Authorized shares	200 000 000	200 000 000
Issued shares	108 923 291	108 923 291
Unissued shares	91 076 709	91 076 709

Dividends
FLA remains resolute in its desire to create and preserve value for all its stakeholders and competitively reward its Policyholders, Employees and Shareholders. In light of this drive, the Board recommended a dividend declaration of USD300 000 or 0.002754 cents per share. The dividend is in accordance with the Company's Dividend Policy of 40% on realized cash profit and was paid out on or about 20 June 2025. Per the AGM Notice, members will be asked to confirm payment of the same.

Going Concern
The life assurance sector, being the anchor of the Group, is experiencing significant changes driven by demographic shifts, technological advancements and evolving consumer expectations. Fortunately, the Group's resilient business model which carries individuals throughout their financial journey, from cradle to grave, has been augmented to withstand these shocks. The Group's strategy, underpinned by digital transformation, product innovation, continuous risk management and adoption of sustainability practices ensures, according to the Directors' that, the Group is able to continue operating into the foreseeable future and therefore, the Directors have continued to adopt the going concern basis in preparing the annual financial statements. The Directors are satisfied that the Group is in a sound financial position and has access to facilities and resources which enable it to meet its cash requirements.

Directorate
Notwithstanding the turbulent macro-economic environment, the Group maintained stable foundations while adapting to the rapid changes. Accordingly, there were no changes to the Board of Directors during the reporting period.

In accordance with Articles 77 and 78 of the Company's Articles of Association, Ms Takudzwa Chitsike and Messers Garikai Dhombo and Francis Dzanya retire and being eligible offers themselves for re-election at the AGM. Their profiles are detailed in the Notice of AGM.

Director's Remuneration
A resolution will be proposed at the AGM to approve the Directors' Remuneration amounting to USD133 879.97 (2023:ZWL 994 063 765 or USD121 732) for the year ended 31 December 2024.

Directors' Shareholding
The following directors' indirectly hold shares in the Company as at 31 December 2024:-

		Number of Shares	%
S Kudenga	Zimre Holdings Limited	72 925 578	66.95
F Dzanya	TN Asset Management	24 980 900	22.93

External Auditor
Shareholders will be requested to approve the remuneration paid to the external auditor amounting to USD181 369.55 for (2023:ZWL1 611 463 382 or USD183 590) for the financial year ended 31 December 2024 at the AGM.

Grant Thornton Zimbabwe will also be seeking re-appointment as the Company's external auditor for the ensuing year. In terms of section 4.11.5 of the Insurance and Pension Commission of Zimbabwe (IPEC) Directive on Systems of Governance and Risk Management insurers are required to change their audit firm every five years. Grant Thornton Zimbabwe have been the Company's External Auditor since 2022 and are therefore eligible for re-appointment.

Annual General Meeting
The 46th Annual General Meeting of members of the Company will be held virtually on 28 July 2025 through the link below at 10:00 hours.

Meeting ID: 351 393 353 136 0

By order of the Board

R Chidora
Group Company Secretary/ Legal Executive
28 March 2025

DIRECTORS' STATEMENT OF RESPONSIBILITY

Responsibilities of Management and Those Charged with Governance for the Financial Statements for the year ended 31 December 2024

It is the Directors' responsibility to ensure that the financial statements fairly present the state of affairs of the Group. The external auditors are responsible for independently reviewing and reporting on the financial statements.

The Directors have assessed the ability of the Group to continue as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate. However, the Directors believe that under the current economic environment a continuous assessment of the ability of the Group to continue to operate as a going concern will need to be performed to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements.

The financial statements set out in this report have been prepared by management in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), which includes standards and interpretations approved by the IASB and Standing Interpretations Committee (SIC) interpretations issued under previous constitutions.

The Group's accounting and internal control systems are designed to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability of its assets. Such controls are based on established written policies and procedures and all employees are required to maintain the highest ethical standards in ensuring that the Group's business practices are conducted in a manner which in all reasonable circumstances is above reproach. Issues that come to the attention of the Directors have been addressed and the Directors confirm that the system of accounting and internal control is operating in a satisfactory manner.

The Group's financial statements which are set out on pages 76 to 239 were, in accordance with their responsibilities, approved by the Board of Directors on 28 March 2025 and are signed on its behalf by:

LT. GWATA
CHAIRMAN

R. CHIHOTA
MANAGING DIRECTOR

INDEPENDENT ACTUARIES & CONSULTANTS

Prepared by:

INSURANCE ACT 1987 (Sections 24 and 30)

INSURANCE REGULATIONS, 1989 (Sections 3 and 8)

CERTIFICATE AS TO SOLVENCY OF A LIFE INSURANCE COMPANY

I hereby certify that, to the best of my knowledge and belief, the value of the assets, including shareholders' funds, in respect of all classes of insurance business carried on at **31 December 2024,** of **FIDELITY LIFE ASSURANCE Limited** exceed the amount of **USD2,000,000** in respect of those classes of insurance business, based on audited financial information and data and estimates supplied by management.

The laws and regulations of Zimbabwe have been applied in the calculation of the solvency of **FIDELITY LIFE ASSURANCE Limited**.

My primary regulator is the Actuarial Society of South Africa.

Robert Oketch
FASSA
For and on behalf of
Independent Actuaries &
Consultants
16 April 2025

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Grant Thornton

INDEPENDENT AUDITOR'S REPORT

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To the members of Fidelity Life Assurance of Zimbabwe Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of Fidelity Life Assurance of Zimbabwe Limited set out on pages **8** to **80**, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of the Group's significant accounting policies.

In our opinion, except for the matters described in the Basis for Qualified Opinion section of our report, the consolidated financial statements present fairly, in all material respects, the financial position of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Financial Reporting Standard (IAS) 21 – The Effects of Changes in Foreign Exchange Rates

Change in functional currency

The Group changed its functional currency from Zimbabwe Dollars (ZWL) to United Stated Dollars (USD) effective 1 January 2024. The change in functional currency entails all amounts, including comparatives being translated from ZWL to USD in accordance with IAS 21 – The Effects of Changes in Foreign Exchange Rates. The Group's previous functional currency (ZWL) was a currency of a hyperinflationary economy, as such IAS 21 requires that the ZWL inflation adjusted amounts for the period prior to the change in functional currency and the previously stated comparative consolidated inflation adjusted financial statements, be translated to USD at the closing exchange rate at the date of change in functional currency.

In preparing the USD comparative financial information for the year ended 31 December 2023, management translated ZWL transactions to USD by separating the USD and ZWL components of the transactions. The USD components of the transactions were then maintained as if the USD had always been the functional currency of the Group, and the ZWL components of the transactions were translated to USD using the translation methods disclosed in note **2.2** to these consolidated financial statements.

The balances as at 31 December 2024 for retained earnings, property and equipment, investment property, inventories, revaluation reserve, foreign currency translation reserve, insurance reserve and insurance contract liabilities contain material amounts carried forward from 31 December 2023. As a result, the balances may contain misstatements arising from the translation of ZWL balances as at 1 January 2024 to USD on change of the functional currency of the Group.

The accounting treatment adopted in the translation of the comparative information constitutes a departure from the requirements of IAS 21.

Implementation of new information technology systems to align with the requirements of International Financial Reporting Standard (IFRS) 17 – Insurance Contracts

As more fully disclosed in note **40** to these consolidated financial statements, during the financial year ended 31 December 2024, the Group implemented new information technology systems to align with the requirements of IFRS 17 – Insurance Contracts.

From our review of the system implementation, we noted that there is need for further enhancement of the modelling approaches and data outputs in the new systems. This may result in adjustments being made to the amounts recognised in these consolidated financial statements with respect to the insurance contract liabilities, and the related insurance contract revenue and service expenses.

The effects of the above matters have been determined as material but not pervasive to the consolidated financial statements, taken as a whole.

Emphasis of Matter

We draw attention to Note **14** to these consolidated financial statements, which describes the restatement of prior year comparatives to reflect the audited position of the annual financial statements for Vanguard Life Assurance Limited for the year ended 31 December 2023. Our opinion is not modified in respect of this matter.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for* *the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

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

Other information

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

Grant Thornton

Farai Chibisa
Partner

Registered Public Auditor (PAAB No: 0547)

Grant Thornton **15 April 2025**
Chartered Accountants (Zimbabwe)
Registered Public Auditors

HARARE

FINANCIAL RESULTS USD

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	NOTES	GROUP Audited 2024 USD	GROUP Restated 2023* USD
ASSETS			
Property and equipment	5	6 740 743	5 161 070
Right of use asset	7	105 224	141 961
Investment property	6	47 075 151	36 806 252
Intangible assets	3	175 296	413 805
Other non current assets	4	170 020	151 447
Insurance contract assets		337 153	950 620
Inventories	10	33 754	272 536
Income tax asset	18.2	428 031	-
Trade and other receivables	9	7 813 473	4 848 877
Financial assets at fair value through other comprehensive income		21 582	17 588
Financial assets at fair value through profit or loss	11.1	20 313 922	11 037 898
Debt securities at amortised cost	11.2	4 331 448	3 768 003
Biological assets		98 280	75 758
Cash and deposits with banks	12	3 771 350	2 801 386
Total assets		**91 415 427**	**66 447 201**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Issued share capital	13	1 089 233	1 089 233
Share premium		671 409	671 409
Treasury shares		(10 037)	(10 037)
Retained earnings		18 846 436	12 817 463
Revaluation reserve		2 208 836	1 656 325
Foreign currency translation reserve		(31 939 147)	(31 987 686)
Insurance reserve		1 100 111	13 042 195
Total ordinary shareholder's equity		**(8 033 159)**	**(2 721 098)**
Non-controlling interests		8 996 366	8 525 042
Total equity		**963 207**	**5 803 944**
Liabilities			
Insurance contract liabilities	15	61 078 420	42 928 406
Investment contract liabilities	15.5	16 669 824	10 038 882
Borrowings	16	3 180 610	752 288
Deferred tax liabilities	18	2 114 713	2 087 215
Lease liability	17	91 825	143 383
Trade and other payables	19	7 316 828	4 553 917
Income tax liability	18.2	-	139 166
Total liabilities		**90 452 220**	**60 643 257**
Total equity and liabilities		**91 415 427**	**66 447 201**

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

*The comparative statement of financial position as at 31 December 2023 which was previously presented in Zimbabwe Dollar (ZWL), was translated to United States Dollars (USD), being the new functional and presentation currency.

LT. GWATA

CHAIRMAN

R. CHIHOTA

MANAGING DIRECTOR

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	NOTES	GROUP Audited 2024 USD	GROUP Restated 2023* USD
Insurance contracts revenue	15.6	11 430 560	7 875 974
Insurance service expenses	15.6	(8 941 428)	(5 257 415)
Insurance service result from insurance contracts issued		**2 489 132**	**2 618 559**
Allocation of reinsurance paid		(354 078)	(305 814)
Amount recoverable from reinsurers for incurred claims		202 318	223 325
Insurance service result		**2 337 372**	**2 536 070**
Interest revenue from financial instruments not measured at fair value through profit or loss		1 862 288	1 731 724
Net income from other financial instruments at fair value through profit or loss		4 676 191	6 501 813
Net gains from fair value adjustments to investment properties		6 109 929	8 523 677
Net change in investment contract liabilities		(3 751 688)	(11 365 291)
Other net investment revenue	20	131 935	459 572
Net gain from foreign exchange		33 282	-
Net Investment Income		**9 061 937**	**5 851 495**
Insurance finance expenses for insurance contracts issued		1 004 828	(2 259 201)
Reinsurance finance income for reinsurance contracts held		-	-
Net insurance finance expenses		**1 004 828**	**(2 259 201)**
Net insurance and investment result		**12 404 137**	**6 128 364**
Rental income from investment property		381 166	349 692
Profit or loss on disposal of investment property		-	1 248 937
Interest income from micro - lending		637 405	532 005
Other income	21	4 525 657	2 305 473
Operating and administrative expenses	22	(10 635 723)	(7 621 673)
Allowance for expected credit losses on receivables		(297 597)	(30 259)
Finance costs	23	(446 771)	(177 435)
Profit before income tax expense		**6 568 274**	**2 735 104**
Income tax expense	24	(171 193)	(398 523)
Profit for the year		**6 397 081**	**2 336 581**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss:			
Gains on property, plant and equipment revaluations		651 733	603 869
Share of revaluation gains on property		-	-
Finance income/finance expenses from insurance contracts		2 252 085	-
		2 903 818	**603 869**
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		48 539	396 906
Investments in equity instruments		3 994	-
		52 533	**396 906**
Other comprehensive income for the period net of tax		**2 956 351**	**1 000 775**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**9 353 432**	**3 337 356**
Profit for the period attributable to:			
Owners of the parent		6 028 973	2 327 710
Non-controlling interests		368 108	8 871
Total profit for the period		**6 397 081**	**2 336 581**
Total comprehensive income attributable to:			
Owners of the parent		8 882 108	3 172 275
Non-controlling interests		471 324	165 081
Total comprehensive income for the period		**9 353 432**	**3 337 356**
Basic and diluted earnings per share (cents)		**5.59**	**2.16**

*The comparative statement of profit or loss and other comprehensive income as at 31 December 2023 which was previously presented in Zimbabwe Dollar (ZWL), was translated to United States Dollars (USD), being the new functional and presentation currency

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

GROUP

Year ended 31 December 2023*	Share capital USD	Share premium USD	Treasury shares USD	Retained earnings USD	Revaluation reserve USD	Foreign currency translation reserve USD	Insurance reserve USD	Attributable to shareholders of parent USD	Non-controlling interest USD	Total equity USD
Balance at 1 January 2023	**1 089 233**	**671 409**	**(10 037)**	**129 971**	**1 208 666**	**580 068**	**437 660**	**4 106 970**	**3 810 221**	**7 917 191**
Impact of change in functional currency				-	-	(32 964 660)		(32 964 660)	6 155 348	**(26 809 312)**
Restated balance at 1 January 2023	**1 089 233**	**671 409**	**(10 037)**	**129 971**	**1 208 666**	**(32 384 592)**	**437 660**	**(28 857 690)**	**9 965 569**	**(18 892 121)**
Profit for the year	-	-	-	2 327 710	-	-	-	2 327 710	8 871	**2 336 581**
Other comprehensive income for the year	-	-	-	-	447 659	396 906	-	844 565	156 210	**1 000 775**
Bonus Smoothing Reserve	-	-	-	10 359 782	-	-	12 604 535	22 964 317	-	**22 964 317**
Non controlling interest on disposal of subsidiary	-	-	-	-	-	-	-	-	(1 605 608)	**(1 605 608)**
Restated balance at 31 December 2023	**1 089 233**	**671 409**	**(10 037)**	**12 817 463**	**1 656 325**	**(31 987 686)**	**13 042 195**	**(2 721 098)**	**8 525 042**	**5 803 944**
Year ended 31 December 2024										
Balance at 1 January 2024	**1 089 233**	**671 409**	**(10 037)**	**12 817 463**	**1 656 325**	**(31 987 686)**	**13 042 195**	**(2 721 098)**	**8 525 042**	**5 803 944**
Transfer to bonus smoothing reserve	-	-	-	-	-	-	(14 194 169)	(14 194 169)		**(14 194 169)**
Profit for the year	-	-	-	6 028 973	-	-	-	6 028 973	368 108	**6 397 081**
Other comprehensive income for the year	-	-	-	-	552 511	48 539	2 252 085	2 853 135	103 216	**2 956 351**
Comprehensive income for the year	**-**	**-**	**-**	**6 028 973**	**552 511**	**48 539**	**(11 942 084)**	**(5 312 061)**	**471 324**	**(4 840 737)**
Balance at 31 December 2024	**1 089 233**	**671 409**	**(10 037)**	**18 846 436**	**2 208 836**	**(31 939 147)**	**1 100 111**	**(8 033 159)**	**8 996 366**	**963 207**

*The comparative statement of changes in equity as at 31 December 2023 which was previously presented in Zimbabwe Dollar (ZWL), was translated to United States Dollars (USD), being the new functional and presentation currency.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	NOTES	GROUP Audited 2024 USD	GROUP Restated 2023* USD
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INCOME TAX			
Profit before income tax		**6 568 274**	**2 735 104**
Adjustments:		**(4 439 491)**	**(6 145 039)**
Fair value gains on equities at fair value through profit or loss	**11.1**	(4 676 191)	(6 501 813)
Fair value gains on investment property	**6**	(6 109 929)	(8 523 677)
Fair value gains on non current assets	**4**	(18 573)	(28 799)
Amortisation of intangible assets	**3**	64 517	89 194
Depreciation of right of use asset	**7**	78 427	57 578
Finance costs		446 771	177 435
Depreciation of property and equipment	**5**	301 140	61 359
Changes in insurance contract assets		613 467	552 120
Insurance service result		(2 337 372)	(2 536 070)
Premiums received	**15.6**	12 028 666	5 580 471
Claims and other directly attributable expenses paid		(5 797 163)	(4 036 184)
Insurance acquisition cash flows		(1 392 616)	(2 185 819)
Changes in investment contract liabilities		6 630 942	11 365 291
Insurance finance expenses for insurance contracts issued		(1 004 828)	2 259 201
Interest income		(1 862 288)	(1 731 724)
Dividend income		(131 935)	(459 572)
Unrealised exchange (losses)/gains		(1 561 939)	915 481
Allowance for expected credit losses on receivables		297 597	30 259
Profit on disposal of investment property		-	(1 248 937)
(Loss)/profit on disposal of property and equipment		(8 184)	19 167
Changes in working capital		**37 097**	**5 168 273**
Decrease in inventories		238 782	358 173
(Increase)/decrease in trade and other receivables		(2 964 596)	3 814 162
Increase in trade and other payables		2 762 911	995 938
Cash (utilised)/ generated from operations		**2 165 880**	**1 758 338**
Income taxes paid		(518 354)	(287 974)
Net cash generated from operations		**1 647 526**	**1 470 364**
Cash flows from investing activities			
Additions to and replacement of property and equipment	**5**	(352 682)	(111 417)
Additions to intangible assets	**3**	-	(2 343)
Additions to financial assets	**11**	(4 447 755)	(1 963 029)
Additions to other non current assets	**4**	-	(54 568)
Proceeds from sale of financial assets		129 290	1 268 104
Interest income		1 862 288	1 731 724
Dividend income		131 935	459 572
Net cash generated from in investing activities		**(2 676 924)**	**1 328 043**
Cash flows from financing activities			
Finance costs		(446 771)	(177 435)
Repayments of lease obligations		(34 422)	(18 325)
Repayments of borrowings	**16**	(174 774)	(558 389)
Proceeds from borrowings	**16**	2 655 329	516 296
Net cash generated/(utilised) from financing activities		**1 999 362**	**(237 853)**
Net increase in cash and cash equivalents for the year		**969 964**	**2 560 554**
Cash and cash equivalents at the beginning of the year		2 801 386	240 832
Cash and cash equivalents at the end of the year	**12**	**3 771 350**	**2 801 386**

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

*The comparative statement of cashflows for the year ended 31 December 2023 which was previously presented in Zimbabwe Dollar (ZWL), was translated to United States Dollars (USD), being the new functional and presentation currency.

SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Notes	COMPANY Audited 2024 USD	Restated 2023* USD
ASSETS			
Investment in subsidiaries	8	28 057 229	27 044 201
Property and equipment	5	825 887	632 950
Investment property	6	24 361 000	13 694 607
Intangible assets	3	-	108 106
Other non current assets	4	170 020	149 046
Insurance contract assets		337 153	237 653
Inventories	10	21 227	27 227
Trade and other receivables	9	4 633 251	1 054 681
Financial assets at fair value through profit or loss	11.1	6 869 970	2 540 895
Debt securities at amortised cost	11.2	213 877	139 866
Biological assets		98 280	75 758
Cash and deposits with banks	12	673 227	396 928
Total assets		**66 261 121**	**46 101 918**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Issued share capital		1 089 233	1 089 233
Share premium		671 409	671 409
Treasury shares		(10 037)	(10 037)
Retained earnings		(1 389 667)	7 054 393
Revaluation reserve		652 243	525 403
Foreign currency translation reserve		3 732 830	260 843
Total ordinary shareholders' equity		**4 746 011**	**9 591 244**
Insurance reserve		-	(4 599 255)
Total equity		**4 746 011**	**4 991 989**
Liabilities			
Insurance contract liabilities	15	48 249 831	35 985 183
Investment contract liabilities	15.5	7 119 433	3 194 381
Borrowings	16	1 100 401	-
Trade and other payables	19	5 037 685	1 930 871
Income tax liability	18.2	7 760	120
Total liabilities		**61 515 110**	**41 109 929**
Total equity and liabilities		**66 261 121**	**46 101 918**

*The comparative statement of financial position as at 31 December 2023 which was previously presented in Zimbabwe Dollar (ZWL), was translated to United States Dollars (USD), being the new functional and presentation currency.

LT. GWATA
CHAIRMAN

R. CHIHOTA
MANAGING DIRECTOR

SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

		COMPANY	
		Audited	Restated
		2024	2023
	NOTES	USD	USD
Insurance contracts revenue	15.6	8 772 180	4 854 208
Insurance service expenses	15.6	(6 878 625)	(2 847 978)
Insurance service result from insurance contracts issued		**1 893 555**	**2 006 230**
Allocation of reinsurance paid		(290 482)	(174 799)
Amount recoverable from reinsurers for incurred claims		132 151	20 308
Net expenses from reinsurance contracts held		**(158 331)**	**(154 491)**
Insurance service result		**1 735 224**	**1 851 739**
Interest revenue from financial instruments not measured at fair value through profit or loss		62 574	72 351
Net income from other financial instruments at fair value through profit or loss		475 392	871 525
Net gains from fair value adjustments to investment properties		6 530 679	8 489 279
Net change in investment contract liabilities		(300 982)	(4 947 367)
Other net investment revenue	20	852 756	559 150
Net gain from foreign exchange		(140 008)	-
Net Investment Income		**7 480 411**	**5 044 938**
Insurance finance expenses for insurance contracts issued		1 004 828	(2 259 201)
Reinsurance finance income for reinsurance contracts held		-	-
Net insurance finance expenses		**1 004 828**	**(2 259 201)**
Net insurance and investment result		**10 220 463**	**4 637 476**
Rental income from investment property		249 500	195 044
Profit on disposal of investment property		-	1 248 937
Other income	21	1 234 053	34 412
Operating and administrative expenses	22	(4 467 570)	(2 875 031)
Property operating costs		-	-
Allowance for expected credit losses on receivables		(54 675)	(4 398)
Finance costs		(70 036)	(36 461)
Profit/(loss) before share of profit of associates accounted for using the equity method		**7 111 735**	**3 199 979**
Profit before income tax expense		**7 111 735**	**3 199 979**
Income tax expense	24	(27 513)	(18 673)
Profit for the year		**7 084 222**	**3 181 306**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss:			
Gains on property and equipment revaluations		126 840	369 533
Finance income from insurance contracts		2 252 085	-
		2 378 925	**369 533**
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		48 539	-
Other comprehensive income for the period net of tax		**2 427 464**	**369 533**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**9 511 686**	**3 550 839**
Profit for the period attributable to:			
Owners of the parent		7 084 222	3 181 306
Non-controlling interests		-	-
Total profit for the period		**7 084 222**	**3 181 306**

The comparative statement of profit or loss and other comprehensive income for the year ended 31 December 2023 which was previously presented in Zimbabwe Dollar (ZWL), was translated to United States Dollars (USD), being the new functional and presentation currency.

SEPARATE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

COMPANY

	Share capital	Treasury shares	Share premium	Retained earnings	Revaluation Reserve	Insurance reserve	Foreign currency translation reserve	Total equity
	USD	USD	USD	USD	USD		USD	USD
Balance at 1 January 2023	**1 089 233**	**(10 037)**	**671 409**	**3 873 087**	**155 870**	**(4 599 255)**	**260 843**	**1 441 150**
Profit for the year	-	-	-	3 181 306	-	-	-	3 181 306
Other comprehensive income for the year	-	-	-	-	369 533	-	-	369 533
Comprehensive income for the year	**-**	**-**	**-**	**3 181 306**	**369 533**	**-**	**-**	**3 550 839**
Balance at 31 December 2023	**1 089 233**	**(10 037)**	**671 409**	**7 054 393**	**525 403**	**(4 599 255)**	**260 843**	**4 991 989**
Year ended 31 December 2024								
Balance at 1 January 2024	**1 089 233**	**(10 037)**	**671 409**	**7 054 393**	**525 403**	**(4 599 255)**	**260 843**	**4 991 989**
Impact on initial application of IFRS 17	-	-	-	(10 929 027)	-	-	1 219 902	(9 709 125)
Adjusted balance at 1 January 2024	**1 089 233**	**(10 037)**	**671 409**	**(3 874 634)**	**525 403**	**(4 599 255)**	**1 480 745**	**(4 717 136)**
Profit for the year	-	-	-	7 084 222	-	2 252 085	-	7 084 222
Other comprehensive income for the year	-	-	-		126 840	2 252 085	2 252 085	2 378 925
Comprehensive income for the year	**-**	**-**	**-**	**7 084 222**	**126 840**	**-**	**2 252 085**	**9 463 147**
Transfer within reserves	-	-	-	(4 599 255)	-	4 599 255	-	-
Balance at 31 December 2024	**1 089 233**	**(10 037)**	**671 409**	**(1 389 667)**	**652 243**	**-**	**3 732 830**	**4 746 011**

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

*The comparative statement of changes in equity as at 31 December 2023 which was previously presented in Zimbabwe Dollar (ZWL), was translated to United States Dollars (USD), being the new functional and presentation currency.

The following describes the nature and purpose of each reserve within equity.

Reserve	**Description and purpose**
Share premium	Amount subscribed for share capital in excess of nominal value
Treasury shares	Cost of own shares held in treasury
Revaluation reserve	Gains/losses arising on the revaluation of property (other than investment property)
Foreign currency translation reserve	Gains/losses arising on retranslating the net assets of foreign operations into United States Dollars.
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	NOTES	COMPANY Audited 2024 USD	Restated 2023* USD
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INCOME TAX			
Profit before income tax		**7 111 735**	**3 199 979**
Adjustments:		**(18 658)**	**(4 658 473)**
Fair value gains on equities at fair value through profit or loss	11.1	(475 392)	(871 525)
Fair value gains on investment property	6	(6 530 679)	(8 489 279)
Fair value gains on non current assets	4	(20 974)	(26 398)
Finance costs		70 036	36 461
Depreciation of property and equipment	5	151 054	11 925
Insurance service result		(1 735 224)	(1 851 739)
Changes in insurance contract assets		(99 500)	(171 428)
Claims and other directly attributable expenses paid	15.6	(1 604 396)	(1 904 390)
Insurance acquisition cash flows	15.6	(1 102 988)	(943 588)
Insurance finance expenses for insurance contracts issued	15.6	(1 004 828)	2 259 201
Premiums received	14	11 228 666	5 565 672
Changes in investment contract liabilities		300 982	4 947 367
Interest income		(62 574)	(72 351)
Dividend income		(852 756)	(559 150)
Unrealised exchange gains/ (losses)		1 724 225	(1 339 596)
Profit on disposal of investment property		-	(1 248 937)
Profit on disposal of property and equipment		(4 310)	(718)
Changes in working capital		**(465 756)**	**690 586**
Decrease/ (increase) in inventories		6 000	233 548
(Increase)/decrease in trade and other receivables		(3 578 570)	588 697
Increase/(decrease) in trade and other payables		3 106 814	(131 659)
Cash (utilised)/ generated from operations		**6 627 321**	**(767 908)**
Income taxes paid		(19 873)	(18 496)
Net cash generated/(utilised) from operations		**6 607 448**	**(786 404)**
Cash flows from investing activities			
Additions to and replacement of property and equipment	5	(343 991)	(66 611)
Interest income		62 574	72 351
Dividend income		852 756	559 150
Additions to financial assets	11.1	(4 000 067)	(1 208 168)
Additions to investment property	6	(4 135 714)	-
Additions to intangible assets	3	-	(2 343)
Proceeds from sale of property and equipment		146 384	75 420
Proceeds from sale of property and equipment		4 310	21 877
Proceeds from sale of investment property		-	1 248 937
Net cash generated from in investing activities		**(7 413 748)**	**700 613**
Cash flows from financing activities			
Finance costs		(70 036)	(36 461)
Repayments of borrowings	15.5	(34 865)	-
Proceeds from borrowings	15.5	1 187 500	-
Net cash generated/(utilised) from financing activities		1 082 599	(36 461)
Net increase/(decrease) in cash and cash equivalents for the year		**276 299**	**(122 252)**
Cash and cash equivalents at the beginning of the year		**396 928**	**519 180**
Cash and cash equivalents at the end of the year	12	**673 227**	**396 928**

The above separate statement of cash flows should be read in conjunction with the accompanying notes.

*The comparative statement of cashflows for the year ended 31 December 2023 which was previously presented in Zimbabwe Dollar (ZWL), was translated to United States Dollars (USD), being the new functional and presentation currency.

1. GENERAL INFORMATION

1.1 Nature of business

The consolidated financial statements (the "Group financial statements") of Fidelity Life Assurance of Zimbabwe Limited (the "Company") and its subsidiaries (together, the "Group"), and the separate financial statements of Fidelity Life Assurance of Zimbabwe Limited alone (the "Company financial statements"), (together, the "financial statements"), for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on 07 April 2025. Fidelity Life Assurance of Zimbabwe is a limited company incorporated and domiciled in Zimbabwe and is listed on the Zimbabwe Stock Exchange. It has subsidiaries which are domiciled in Zimbabwe and Malawi. The Group provides life assurance, funeral assurance, asset management, actuarial consultancy and micro – financing services.

1.2 Corporate information

The ultimate parent of the Group is Zimre Holdings Limited (''ZHL'') with direct shareholding of 66, 95% as at 31 December 2024 (2023: 66.95%). ZHL is listed on the Zimbabwe Stock Exchange.

2 ACCOUNTING POLICIES

2.1 Basis of preparation

The Group Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the Zimbabwe Stock Exchange listing requirements, except for non-compliance with IAS 21 and 29. The financial statements are based on statutory records that are maintained under the historical cost convention basis, except for revaluation of investment properties, land and buildings and financial assets at fair value through profit or loss and insurance and investment contract liabilities that have been measured on a fair value basis.

International Accounting Standards Board ('IASB"), and in the manner required by the Zimbabwe Companies and other Business Entities Act (Chapter 24:31) except for non-compliance with IAS 21 'The effects of changes in foreign exchange rates.

The financial statements are based on statutory records that are maintained under the historical cost convention basis, except for revaluation of investment properties, land and buildings and financial assets at fair value through profit or loss and insurance and investment contract liabilities that have been measured on a fair value basis.

2.2 Functional and reporting currency

a) Functional and presentation currency

The Group's functional currency changed from Zimbabwe Gold (ZWG) formerly the Zimbabwe Dollar (ZWL) to United States Dollars (USD) following the significant change in the percentage of USD transactions compared to local currency. In light of these developments, the Directors conducted an assessment as required by International Accounting Standard (IAS) 21, The Effects of Changes in Foreign Currency Exchange Rates to determine whether the use of the Zimbabwe Gold as the functional currency remained appropriate and this assessment led to the conclusion that a change in functional currency from Zimbabwe Gold (''ZWG'') to United States Dollars (USD) was necessary effective 1 January 2024.

The Directors considered the following provisions of IAS 21 when determining the Group's functional currency:
i. The currency that mainly influences sales prices for goods or services
ii. The currency used by its competitive forces and regulations that mainly determine the sale price of its goods and service
iii. The currency that mainly influence labour materials and other costs of providing goods or services
iv. The currency in which funds from financing activities (i.e issuing debt and equity instruments), are generated
v. The currency in which receipts from operating activities are usually retained

2 ACCOUNTING POLICIES (continued)

2.2 Functional and reporting currency (continued)

In accordance with International Accounting Standard 29, Financial Reporting in Hyperinflation economies and International Accounting Standard 21, Effects of Changes in Foreign Exchange Rates, the Group prospectively applied the relevant translation procedures on the adoption of the new functional currency and the 31 December 2023 inflation adjusted figures were translated to USD using the prevailing official exchange rate except for investment property, property and equipment which are based on the USD fair values as at 1 January 2024 determined by an independent valuer as the IAS 21 converted numbers were materially different from the IFRS 13 Fair Value Measurement determined values. The resultant balances were adopted as the opening USD balances for the current year. The income statement comparative numbers were based on the currency in which they were transacted in with the ZWL transactions translated to USD using the spot exchnage rate on the day on which the transactions were incurred. Share capital and treasury shares were maintained at the historical figures adopted on a 1:1 basis during currency changes in 2018.

a) Functional and presentation currency (continued)
To present a true and fair financial performance and position of the Group in the current reporting year, the following conversion methods were adopted:
(a) Transactions that were consummated in USD are reported as USD;
(b) Transactions that were consummated in ZWG are reported as ZWG were converted to USD based on the spot rate which existed on the date of the transaction;
(c) The exchange gains/losses on the ZWG transactions and balances were established then recorded in the statement of profit or loss and other comprehensive income.
(d) An independent valuer determined the USD investment properties and property and equipment valuations as at 31 December 2024.

The annual financial statements are presented in United States Dollar ("USD") which is both the functional and presentation currency of the Group.

The annual financial statements of the regional foreign subsidiary was dealt with in accordance with IAS 21. The items included in statement of profit or loss and comprehensive income were translated using average exchange rates and statement of financial position items were translated at the closing rates.

2.3 Changes in accounting policy and disclosures

There were no significant accounting policies changes applicable to the current reporting year.

2.4 Basis of consolidation

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The consolidated financial statements present the results of the Company and its subsidiaries together ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date such that control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra group balances, income and expenses, unrealised gains and losses and dividends resulting from intra-group transactions are eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of profit or loss and other comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

2 ACCOUNTING POLICIES (continued)

2.4.1 Non-controlling interests

For business combinations completed prior to 1 January 2010, the Group initially recognised any subsidiary non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets. For business combinations completed on or after 1 January 2010 the Group has the choice, on a transaction by transaction basis, to initially recognise any non-controlling interest in the acquiree which is a present ownership interest and entitles its holders to a proportionate share of the net assets in the event of liquidation at either acquisition date fair value or, at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. Other components of non-controlling interest such as outstanding share options are generally measured at fair value. The Group has not elected to take the option to use fair value in acquisitions completed to date.
From 1 January 2010, the total profit or loss and other comprehensive income of non-wholly owned subsidiaries is attributed to owners of the parent and to the non- controlling interests in proportion to their relative ownership interests. Before this date, unfunded losses in such subsidiaries were attributed entirely to the Group. In accordance with the transitional requirements of IAS 27 (2008), the carrying value of non-controlling interests at the effective date of the amendment has not been restated.

2.4.1.1 Separate financial statements of the Company

In the Company's separate financial statements, investments in subsidiaries are accounted for using the equity method of accounting. Under the equity method of accounting, the investments are initially recognised at historical cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit or loss, and the Company's share of movements in other comprehensive income of the investee in other comprehensive income. After initial recognition, subsidiaries are recognised at cost.

2.5 Summary of significant accounting policies for insurance contracts

Summary of measurement approaches

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

2.6.1 Definition and classification

Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Group uses judgement to assess whether a contract transfers insurance risk (i.e. if there is a scenario with commercial substance in which the Group has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Group to financial risk are classified as investment contracts and follow financial instruments accounting under IFRS 9. Some investment contracts without DPF issued by the Group fall under this category.

Some investment contracts issued by the Group contain DPF, whereby the investor has the right and is expected to receive, as a supplement to the amount not subject to the Group's discretion, potentially significant additional benefits based on the return of specified pools of investment assets. The Group accounts for these contracts under IFRS 17.

The Group issues certain insurance contracts that are substantially investment-related service contracts where the return on the underlying items is shared with policyholders. Underlying items comprise specified portfolios of investment assets that determine amounts payable to policyholders. The Group's policy is to hold such investment assets.

2 ACCOUNTING POLICIES (continued)

2.6.1 Definition and classification (continued)

An insurance contract with direct participation features is defined by the Group as one which, at inception, meets the following criteria:
• the contractual terms specify that the policyholders participate in a share of a clearly identified pool of underlying items;
• the Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
• the Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

Investment components in Savings and Participating products comprise policyholder account values less applicable surrender fees.

The Group uses judgement to assess whether the amounts expected to be paid to the policyholders constitute a substantial share of the fair value returns on the underlying items.

Insurance contracts with direct participation features are viewed as creating an obligation to pay policyholders an amount that is equal to the fair value of the underlying items, less a variable fee for service. The variable fee comprises the Group's share of the fair value of the underlying items, which is based on a fixed percentage of investment management fees (withdrawn annually from policyholder account values based on the fair value of underlying assets and specified in the contracts with policyholders) less the FCF that do not vary based on the returns on underlying items. The measurement approach for insurance contracts with direct participation features is referred to as the VFA.

The VFA modifies the accounting model in IFRS 17 (referred to as the GMM) to reflect that the consideration an entity receives for the contracts is a variable fee.

Direct participating contracts issued by the Group are contracts with direct participation features where the Group holds the pool of underlying assets and accounts for these groups of contracts under the VFA.

All other insurance contracts originated by the Group are without direct participation features.

In the normal course of business, the Group uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.
All references to insurance contracts in these consolidated financial statements apply to insurance contracts issued or acquired, reinsurance contracts held and investment contracts with DPF, unless specifically stated otherwise.

2.6.2 Unit of account

The Group manages insurance contracts issued by product lines within an operating segment, where each product line includes contracts that are subject to similar risks. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year(annual cohorts) and are (i) contracts that are onerous at initial recognition; (ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or (iii) a group of remaining contracts. These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are not subsequently reconsidered.

2 ACCOUNTING POLICIES (continued)

2.6.2 Unit of account (continued)

For each portfolio of contracts, the Group determines the appropriate level at which reasonable and supportable information is available to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous. This level of granularity determines sets of contracts. The Group uses significant judgement to determine at what level of granularity the Group has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment.

For Life Risk and Savings product lines, sets of contracts usually correspond to policyholder pricing groups that the Group determined to have similar insurance risk and that are priced within the same insurance rate ranges. The Group monitors the profitability of contracts within portfolios and the likelihood of changes in insurance, financial and other exposures resulting in these contracts becoming onerous at the level of these pricing groups with no information available at a more granular level.

Contracts issued within participating product lines are always priced with high expected profitability margins, and thus, such contracts are allocated to groups of contracts that have no significant possibility of becoming onerous as at initial recognition.

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Group aggregates reinsurance contracts held concluded within a calendar year (annual cohorts) into groups of (i) contracts for which there is a net gain at initial recognition, if any; (ii) contracts for which at initial recognition there is no significant possibility of a net gain arising subsequently; and (iii) remaining contracts in the portfolio, if any.

Reinsurance contracts held are assessed for aggregation requirements on an individual contract basis. The Group tracks internal management information reflecting historical experiences of such contracts' performance. This information is used for setting pricing of these contracts such that they result in reinsurance contracts held in a net cost position without a significant possibility of a net gain arising subsequently.

Before the Group accounts for an insurance contract based on the guidance in IFRS 17, it analyses whether the contract contains components that should be separated. IFRS 17 distinguishes three categories of components that have to be accounted for separately:
- cash flows relating to embedded derivatives that are required to be separated;
- cash flows relating to distinct investment components; and
- promises to transfer distinct goods or distinct non-insurance services.

The Group applies IFRS 17 to all remaining components of the contract. The Group does not have any contracts that require further separation or combination of insurance contracts.

2.6.3 Recognition and derecognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:
- the beginning of the coverage period;
- the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Group determines that a group of contracts becomes onerous.

Insurance contracts acquired in a business combination or a portfolio transfer are accounted for as if they were entered into at the date of acquisition or transfer.

Investment contracts with DPF are initially recognised at the date the Group becomes a party to the contract.
A group of reinsurance contracts held that covers the losses of separate insurance contracts on a proportionate basis (proportionate or quota share reinsurance) is recognised at the later of:
- the beginning of the coverage period of the group; or
- the initial recognition of any underlying insurance contract.

The Group does not recognise a group of quota share reinsurance contracts held until it has recognised at least one of the underlying insurance contracts.

2.6.3 Recognition and derecognition

A group of reinsurance contracts held that covers aggregate losses from underlying contracts in excess of a specified amount (non-proportionate reinsurance contracts, such as excess of loss reinsurance) is recognised at the beginning of the coverage period of that group.

Only contracts that meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, subject to the annual cohorts' restriction. Composition of the groups is not reassessed in subsequent periods

2.6.4 Accounting for contract modification and derecognition

An insurance contract is derecognised when it is:
• extinguished (i.e. when the obligation specified in the insurance contract expires or is discharged or cancelled); or
• the contract is modified and certain additional criteria are met.

When an insurance contract is modified by the Group as a result of an agreement with the counterparties or due to a change in regulations, the Group treats changes in cash flows caused by the modification as changes in estimates of the FCF, unless the conditions for the derecognition of the original contract are met. The Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:
a. if the modified terms had been included at contract inception and the Group would have concluded that the modified contract:
i. is not in scope of IFRS 17;
ii. results in different separable components;
iii. results in a different contract boundary; or
iv. belongs to a different group of contracts;
b. the original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or
c. the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

When an insurance contract not accounted for under the PAA is derecognised from within a group of insurance contracts, the Group:
a. Adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the group.
b. Adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the LRC of the group) in the following manner, depending on the reason for the derecognition:
i. If the contract is extinguished, in the same amount as the adjustment to the FCF relating to future service.
ii. If the contract is transferred to a third party, in the amount of the FCF adjustment in (a) less the premium charged by the third party.

If the original contract is modified resulting in its derecognition, in the amount of the FCF adjustment in a. adjusted for the premium the Group would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

When recognising the new contract in this case, the Group assumes such a hypothetical premium as actually received.

c. Adjusts the number of coverage units for the expected remaining coverage to reflect the number of coverage units removed.

When an insurance contract accounted for under the PAA is derecognised, adjustments to the FCF to remove relating rights and obligations and account for the effect of the derecognition result in the following amounts being chargedm immediately to profit or loss:
a. if the contract is extinguished, any net difference between the derecognised part of the LRC of the original contract and any other cash flows arising from extinguishment;
b. if the contract is transferred to the third party, any net difference between the derecognised part of the LRC of the original contract and the premium charged by the third party;
c. if the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LRC and the hypothetical premium the entity would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

2 ACCOUNTING POLICIES (continued)

2.6.5 Measurement

Fulfilment cash flows

Fulfilment cash flows within contract boundary

The FCF are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:
a. are based on a probability weighted mean of the full range of possible outcomes;
b. are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables; and
c. reflect conditions existing at the measurement date.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the LIC.

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation.

Risk of the Group's non-performance is not included in the measurement of groups of insurance contracts issued.

In the measurement of reinsurance contracts held, the probability weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.
The Group estimates certain FCF at the portfolio level or higher and then allocates such estimates to groups of contracts.
The Group uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

2.6.6 Contract boundary

The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts. This assessment is reviewed every reporting period.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance coverage or other services. A substantive obligation ends when:

a. the Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or

b. both of the following criteria are satisfied:

i. the Group has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and

ii. the pricing of premiums related to coverage to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the Group, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and expense risk, are not included.

Riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, that are issued together with the main insurance contracts form part of a single insurance contract with all the cash flows within its boundary.

2 ACCOUNTING POLICIES (continued)

2.6.6 Contract boundary (continued)

Some insurance contracts issued by the Group provide policyholders with an option to buy an annuity upon the initially issued policies maturity. The Group assesses its practical ability to reprice such insurance contracts in their entirety to determine if annuity-related cash flows are within or outside of the insurance contract boundary. As a result of this assessment, non-guaranteed annuity options are not measured by the Group until they are exercised. Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

Cash flows are within the boundaries of investment contracts with DPF if they result from a substantive obligation of the Group to deliver cash at a present or future date.

2 ACCOUNTING POLICIES (continued)

2.6.6 Contract boundary

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive services from the reinsurer.

The Group's quota share life reinsurance agreements held have an unlimited duration but are cancellable for new underlying business with a one-year notice period by either party. Thus, the Group treats such reinsurance contracts as a series of annual contracts that cover underlying business issued within a year. Estimates of future cash flows arising from all underlying contracts issued and expected to be issued within one-year's boundary are included in each of thereinsurance contracts' measurement.

The excess of loss reinsurance contracts held provides coverage for claims incurred during an accident year. Thus, all cash flows arising from claims incurred and expected to be incurred in the accident year are included in the measurement of the reinsurance contracts held. Some of these contracts may include mandatory or voluntary reinstatement reinsurance premiums, which are guaranteed per the contractual arrangements and are thus within the respective reinsurance contracts' boundaries.

Cash flows that are not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognised in other operating expenses as incurred.

2.6.7 Insurance acquisition costs

The Group includes the following acquisition cash flows within the insurance contract boundary that arise from selling, underwriting and starting a group of insurance contracts and that are:

a. costs directly attributable to individual contracts and groups of contracts; and

b. costs directly attributable to the portfolio of insurance contracts to which the group belongs, which are allocated on a reasonable and consistent basis to measure the group of insurance contracts.

Before a group of insurance contracts is recognised, the Group could pay directly attributable acquisition costs to originate them. When such prepaid costs are refundable in case of insurance contracts termination, they are recorded as a prepaid insurance acquisition cash flows asset within other assets and allocated to the carrying amount of a group of insurance contracts when the insurance contracts are subsequently recognised.

2.6.8 Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows and reflects the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

Methods and assumptions used to determine the risk adjustment for non-financial risk are discussed in note 2.1.12

2.6.9 Initial measurement - Groups of contracts not measured under the PAA

Contractual service margin

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued

2 ACCOUNTING POLICIES (continued)

2.6.9 Initial measurement - Groups of contracts not measured under the PAA (continued)

representing the unearned profit that the Group will recognise as it provides coverage in the future. At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous) arising from:

a. the initial recognition of the FCF;

b. the derecognition at the date of initial recognition of any asset or liability recognised for insurance acquisition cash flows; and

c. cash flows arising from the contracts in the group at that date.

A negative CSM at the date of inception means the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately with no CSM recognised on the balance sheet on initial recognition.

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Group recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Group will recognise as a reinsurance expense as it receives reinsurance coverage in the future.

For insurance contracts acquired, at initial recognition, the CSM is an amount that results in no income or expenses arising from:

a. the initial recognition of the FCF; and

b. cash flows arising from the contracts in the group at that date, including the fair value of the groups of contracts acquired as at the acquisition date as a proxy of the premiums received. No contracts acquired were assessed as onerous at initial recognition.

2.6.10 Subsequent measurement - Groups of contracts not measured under the PAA

The carrying amount at the end of each reporting period of a group of insurance contracts issued at the is the sum of:

a. the LRC, comprising:

i. the FCF related to future service allocated to the group at that date; and

ii. the CSM of the group at that date; and

b. the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

2.6.11 Changes in fulfilment cash flows

The FCF are updated by the Group for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates.

The FCF are updated by the Group for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates.

The way in which the changes in estimates of the FCF are treated depends on which estimate is being updated:

a. changes that relate to current or past service are recognised in profit or loss; and

b. changes that relate to future service are recognised by adjusting the CSM or the loss component within the LRC asper the policy below.

2 ACCOUNTING POLICIES (continued)

2.6.11 Changes in fulfilment cash flows

For insurance contracts under the GMM, the following adjustments relate to future service and thus adjust the CSM:

a. experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;

b. changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;

c. differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period; and

d. changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments a.-c. are measured using the locked-in discount rates as described in the section Interest accretion on the CSM below.

For insurance contracts under the GMM, the following adjustments do not relate to future service and thus do not adjust the CSM:

a. changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereof;

b. changes in the FCF relating to the LIC; and

c. experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

investment contracts with DPF that are measured under the GMM and provide the Group with discretion as to the timing and amount of the cash flows to be paid to the policyholders, a change in discretionary cash flows is regarded as relating to future service and accordingly adjusts the CSM. At inception of such contracts, the Group specifies its commitment as crediting interest to the policyholder's account balance based on the return on a pool of assets less a spread. The effect of discretionary changes in the spread on the FCF adjusts the CSM while the effect of changes in assumptions that relate to financial risk on this commitment are reflected in insurance finance income or expenses.

When no commitment is specified, the effect of all changes in assumptions that relate to financial risk and changes thereof on the FCF is recognised in insurance finance expenses. For insurance contracts under the VFA, the following adjustments relate to future service and thus adjust the CSM:

a. changes in the Group's share of the fair value of the underlying items; and

b. changes in the FCF that do not vary based on the returns of underlying items:

i. changes in the effect of the time value of money and financial risks including the effect of financial guarantees;

ii. experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;

iii. changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;

iv. differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period; and

v. changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments ii.-v. are measured using the current discount rates.

For insurance contracts under the VFA, the following adjustments do not relate to future service and thus do not adjust
the CSM:

a. changes in the obligation to pay the policyholder the amount equal to the fair value of the underlying items;

2 ACCOUNTING POLICIES (continued)

2.6.11 Changes in fulfilment cash flows (continued)

b. changes in the FCF that do not vary based on the returns of underlying items:

i. changes in the FCF relating to the LIC; and

ii. experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

The Group does not have any products with complex guarantees and does not use derivatives to economically hedge the risks.

2.6.12 Changes to the contractual service margin

For insurance contracts issued, at the end of each reporting period (which the Group defines as three-month interim), the carrying amount of the CSM is adjusted by the Group to reflect the effect of the following changes:

a. The effect of any new contracts added to the group.

b. For contracts measured under the GMM, interest accreted on the carrying amount of the CSM.

Changes in the FCF relating to future service are recognised by adjusting the CSM. Changes in the FCF are recognised in the CSM to the extent the CSM is available. When an increase in the FCF exceeds the carrying amount of the CSM, the CSM is reduced to zero, the excess is recognised in insurance service expenses and a loss component is recognised within the LRC. When the CSM is zero, changes in the FCF adjust the loss component within the LRC with correspondence to insurance service expenses. The excess of any decrease in the FCF over the loss component reduces the loss component to zero and reinstates the CSM.

c. The effect of any currency exchange differences.

d. The amount recognised as insurance revenue for services provided during the period determined after all other adjustments above.

For a group of reinsurance contracts held, the carrying amount of the CSM at the end of each reporting period is adjusted to reflect changes in the FCF in the same manner as a group of underlying insurance contracts issued, except that when underlying contracts are onerous and thus changes in the underlying FCF related to future service are recognised in insurance service expenses by adjusting the loss component, respective changes in the FCF ofreinsurance contracts held are also recognised in the insurance service result.

2.6.13 Interest accretion on the CSM

Under the GMM, interest is accreted on the CSM using discount rates determined at initial recognition that are applied to nominal cash flows that do not vary based on the returns of underlying items (locked-in discount rates). If more contracts are added to the existing groups in the subsequent reporting periods, the Group revises the lockedin discount curves by calculating weighted-average discount curves over the period that contracts in the group are issued. The weighted-average discount curves are determined by multiplying the new CSM added to the group and their corresponding discount curves over the total CSM. Adjusting the CSM for changes in the FCF relating to future service

The CSM is adjusted for changes in the FCF measured applying the discount rates as specified above in the Changesin fulfilment cash flows section.

2 ACCOUNTING POLICIES (continued)

2.6.14 Release of the CSM to profit or loss

The amount of the CSM recognised in profit or loss for services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the group of insurance contracts based on coverage units.

For contracts issued, the Group determines the coverage period for the CSM recognition as follows:

a. for term life and universal life insurance contracts, the coverage period corresponds to the policy coverage for mortality risk;

b. for direct participating contracts and for investment contracts with DPF, the coverage period corresponds to the period in which insurance or investment management services are expected to be provided; and

c. for automobile insurance contracts acquired in the run-off period, management estimates the expected timeframe over which the ultimate cost of the claims is expected to be determined.

The total number of coverage units in a group is the quantity of coverage provided by the contracts in the group over the expected coverage period. The coverage units are determined at each reporting period-end prospectively by considering:

a. the quantity of benefits provided by contracts in the group;

b. the expected coverage duration of contracts in the group; and

c. the likelihood of insured events occurring, only to the extent that they affect the expected duration of contracts in the group.

The Group uses the amount that it expects the policyholder to be able to validly claim in each period if an insured event occurs as the basis for the quantity of benefits.

The Group determines coverage units as follows:

a. for term life and universal life insurance contracts, coverage units are determined based on the policies' face values that are equal to the fixed death benefit amounts;

b. for direct participating contracts, coverage units are based on the fixed death benefits amounts (during the insurance coverage period) plus policyholders' account values;

c. for investment contracts with DPF, coverage units are based on policyholders' account values;

d. for automobile insurance contracts acquired in the run-off period, coverage units are based on the expected amount of claims covered in the period and the expected amount of claims remaining to be covered in future periods.

The Group reflects the time value of money in the allocation of the CSM to coverage units except for the automobile insurance contracts acquired in the run-off period.

For reinsurance contracts held, the CSM is released to profit or loss as services are received from the reinsurer in the period.

Coverage units for the proportionate term life reinsurance contracts are based on the insurance coverage provided by the reinsurer and are determined by the ceded policies' fixed face values taking into account new business projected within the reinsurance contract boundary.

The coverage period for these contracts is determined based on the coverage of all underlying contracts whose cash flows are included in the reinsurance contract boundary.

2 ACCOUNTING POLICIES (continued)

2.6.15 Onerous contracts - Loss component

When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous and the Group recognises the excess in insurance service expenses and records it as a loss component of the LRC.
When a loss component exists, the Group allocates the following between the loss component and the remaining component of the LRC for the respective group of contracts, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

a. expected incurred claims and expenses for the period;

b. changes in the risk adjustment for non-financial risk for the risk expired; and
c. finance income (expenses) from insurance contracts issued.

The amounts of loss component allocation in a. and b. above reduce the respective components of insurance revenue and are reflected in insurance service expenses.
Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

2.6.16 Initial and subsequent measurement - Groups of contracts measured under the PAA

The Group uses the PAA for measuring contracts with a coverage period of one year or less. This approach is used for originated automobile insurance contracts as each of these contracts has a coverage period of one year or less. IFRS 17(B5) The portfolio of the automobile insurance contracts in the run-off period acquired in 20X4 is considered protection against adverse ultimate loss development with a coverage period of more than one year. The respective groups of
acquired contracts do not meet the PAA eligibility criteria and have been measured under the GMM.

The excess of loss reinsurance contracts held provide coverage on the automobile insurance contracts originated for claims incurred during an accident year and are accounted for under the PAA.

For insurance contracts issued, insurance acquisition cash flows are deferred and recognised over the coverage period of contracts in a group.

For insurance contracts issued, on initial recognition, the Group measures the LRC at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the prepaid acquisition cash flows asset.

For reinsurance contracts held, on initial recognition, the Group measures the remaining coverage at the amount of ceding premiums paid. The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

a. the LRC; and

b. the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

a. the remaining coverage; and

b. the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

a. increased for premiums received in the
period;

b. decreased for insurance acquisition cash flows paid in the period;

c. decreased for the amounts of expected premiums received recognised as insurance revenue for the services provided in the period; and

2 ACCOUNTING POLICIES (continued)

2.6.16 Initial and subsequent measurement - Groups of contracts measured under the PAA (continued)

d. increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses.
For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:
a. increased for ceding premiums paid in the period; and
b. decreased for the amounts of ceding premiums recognised as reinsurance expenses for the services received in the period.

The Group does not adjust the LRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money as insurance premiums are due within the coverage of contracts, which is one year or less.

For contracts measured under the PAA, the LIC is measured similarly to the LIC's measurement under the GMM. Future cash flows are adjusted for the time value of money since automobile insurance contracts issued by the Group and measured under the PAA typically have a settlement period of over one year
.
If a group of contracts becomes onerous, the Group increases the carrying amount of the LRC to the amounts of the FCF determined under the GMM with the amount of such an increase recognised in insurance service expenses. Subsequently, the Group amortises the amount of the loss component within the LRC by decreasing insurance service expenses. The loss component amortisation is based on the passage of time over the remaining coverage period of contracts within an onerous group. If facts and circumstances indicate that the expected profitability of the onerous group during the remaining coverage has changed, then the Group remeasures the FCF by applying the GMM and reflects changes in the FCF by adjusting the loss component as required until the loss component is reduced to zero.

2.7.1 Amounts recognised in comprehensive income

Insurance service result from insurance contracts issued

Insurance revenue

As the Group provides services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services
at an amount that reflects the portion of consideration the Group expects to be entitled to in exchange for those services.

For contracts not measured under the PAA, insurance revenue comprises the following:

• Amounts relating to the changes in the LRC:

a. insurance claims and expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:

- amounts related to the loss component;
- repayments of investment components;
- amounts of transaction-based taxes collected in a fiduciary capacity; and
- insurance acquisition expenses;

b. changes in the risk adjustment for non-financial risk, excluding:

- changes included in insurance finance income (expenses);

2 ACCOUNTING POLICIES (continued)

2.7.1 Amounts recognised in comprehensive income (continued)

- changes that relate to future coverage (which adjust the CSM); and

- amounts allocated to the loss component;

c. amounts of the CSM recognised in profit or loss for the services provided in the period; and

d. experience adjustments arising from premiums received in the period that relate to past and current service and related cash flows such as insurance acquisition cash flows and premium-based taxes.

• Insurance acquisition cash flows recovery is determined by allocating the portion of premiums related to the recovery of those cash flows on the basis of the passage of time over the expected coverage of a group of contracts.

For groups of insurance contracts measured under the PAA, the Group recognises insurance revenue based on the passage of time over the coverage period of a group of contracts.

2.7.2 Insurance service expenses

Insurance service expenses include the following:

a. incurred claims and benefits excluding investment components;

b. other incurred directly attributable insurance service expenses;

c. amortisation of insurance acquisition cash flows;

d. changes that relate to past service (i.e. changes in the FCF relating to the LIC); and

e. changes that relate to future service (i.e. losses/reversals on onerous groups of contracts from changes in the loss components).

For contracts not measured under the PAA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue as described above.

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time.

Other expenses not meeting the above categories are included in other operating expenses in the consolidated statement of profit or loss.

2.7.3 Insurance service result from reinsurance contracts held

Net income (expenses) from reinsurance contracts held

The Group presents financial performance of groups of reinsurance contracts held on a net basis in net income (expenses) from reinsurance contracts held, comprising the following amounts:

a. reinsurance expenses;

b. incurred claims recovery;

c. other incurred directly attributable insurance service expenses;

d. effect of changes in risk of reinsurer non-performance;

2 ACCOUNTING POLICIES (continued)

2.7.3 Insurance service result from reinsurance contracts held

Net income (expenses) from reinsurance contracts held

adjust the CSM for the group of underlying insurance contracts); and f. changes relating to past service (i.e. adjustments to incurred claims).

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received services at an amount that reflects the portion of ceding premiums the Group expects to pay in exchange for those services. For contracts not measured under the PAA, reinsurance expenses comprise the following amounts relating to changes in the remaining coverage:

a. insurance claims and other expenses recovery in the period measured at the amounts expected to be incurred at the beginning of the period, excluding repayments of investment components;
b. changes in the risk adjustment for non-financial risk, excluding:
- changes included in finance income (expenses) from reinsurance contracts held; and
- changes that relate to future coverage (which adjust the CSM);
c. amounts of the CSM recognised in profit or loss for the services received in the period; and
d. ceded premium experience adjustments relating to past and current service.

For groups of reinsurance contracts held measured under the PAA, the Group recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts. Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses.

2.7.4 Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts

arising from:
a. the effect of the time value of money and changes in the time value of money; and
b. the effect of financial risk and changes in financial risk.
For contracts measured under the GMM, the main amounts within insurance finance income or expenses are:
a. interest accreted on the FCF and the CSM;
b. the effect of changes in interest rates and other financial assumptions; and
c. foreign exchange differences arising from contracts denominated in a foreign currency.
For contracts measured under the VFA, the main amounts within insurance finance income or expenses are:
a. changes in the fair value of underlying items;
b. interest accreted on the FCF relating to cash flows that do not vary with returns on underlying items; and
c. the effect of changes in interest rates and other financial assumptions on the FCF relating to cash flows that do not vary with returns on underlying items.
For contracts measured under the PAA, the main amounts within insurance finance income or expenses are:
a. interest accreted on the LIC; and
b. the effect of changes in interest rates and other financial assumptions.

The Group disaggregates changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

For the contracts measured under the GMM and the PAA, the Group includes all insurance finance income or expenses for the period in profit or loss (i.e. the profit or loss option (the PL option) is applied).

For the contracts measured using the VFA, the OCI option is applied. As the Group holds the underlying items for these contracts, the use of the OCI option results in the elimination of accounting mismatches with income or expenses included in profit or loss on the underlying assets held. The amount that exactly matches income or expenses recognised in profit or loss on underlying assets is included in finance income or expenses from insurance contracts issued. The remaining amount of finance income or expenses from insurance contracts issued for the period is recognised in OCI.

2 ACCOUNTING POLICIES (continued)

2.7.5 Judgements

Areas of potential judgement	Applicable to the Group
Definition and classification - Whether contracts are in the scope of IFRS 17 and, for contracts determined to be in scope of IFRS 17, what measurement model is applicable:	
Whether a contract issued accepts significant insurance risk and, similarly, whether a reinsurance contract held transfers significant insurance risk	Applicable to the Group in determining the classification of contracts issued in Participating product lines as insurance or investment contracts. Refer to note 2.6.1.
Whether a contract issued that does not transfer significant insurance risk meets the definition of an investment contract with DPF.	The Group issues investment contracts with DPF. In assessing whether these are in the scope of IFRS 17, the Group assessed if the discretionary amount is a significant amount of the total benefits. Refer to note 2.6.1.
Whether contracts that were determined to be in the scope of IFRS 17 meet the definition of an insurance contract with direct participation features, particularly: a. whether the pool of underlying items is clearly identified; b. whether amounts that an entity expects to pay to the policyholders constitute a substantial share of the fair value returns on the underlying items; and c. whether the Group expects the proportion of any change in the amounts to be paid to the policyholders that vary with the change in fair value of the underlying items to be substantial.	An assessment is performed for universal life contracts and direct participating contracts issued by the Group to determine whether the proportion to be paid to the policyholders is substantial.For investment contracts with DPF, the Group applied judgement and concluded that these contracts do not meet the definition of an insurance contract with direct participation features. Refer to note 2.6.1.
For insurance contracts with a coverage period of more than one year and for which the entity applies the PAA, the eligibility assessment as required by IFRS 17(53)(a),(54),(69)(a),(70) and may involve significant judgement.	All contracts measured by the Group under the PAA have a coverage period of one year or less. Thus, no assessment for the PAA is separately required and no judgement was involved.
Combination of insurance contracts - whether the contracts with the same or related counterparty achieve or are designed to achieve an overall commercial effect and require combination.	No respective judgement is applicable to the Group.
Separation - whether components in IFRS 17(11)-(12) are distinct (i.e. meet the separation criteria).	No respective judgement is applicable to the Group.
Separation of contracts with multiple insurance coverage - whether there are facts and circumstances where the legal form of an insurance contract does not reflect the substance and separation is required.	No respective judgement is applicable to the Group.
Judgements involved in the identification of portfolios of contracts as required by IFRS 17(14) (i.e. having similar risksand being managed together).	Not an area of significant judgement for the Group. The Group is a multi-line insurer where each product line is managed independently. Life Risk and Savings product lines each have one portfolio

2 ACCOUNTING POLICIES (continued)

2.7.5 Judgements (continued)

Areas of potential judgement	Applicable to the Group
	lines, the portfolio of direct participating contracts is clearly different from the portfolio of investment contracts with DPF because of different risks.
Aggregation of insurance contracts issued on initial recognition into groups of onerous contracts, groups of contracts with no significant possibility of becoming onerous and groups of other contracts.	Refer to note 2.6.2 for a description of judgements applied by the Group.
Similar grouping assessment for reinsurance contracts held. Areas of potential judgements include: a. IFRS 17(17) - the determination of contract sets within portfolios and whether the Group has reasonable and supportable information to conclude that all contracts within a set would fall into the same group as required by IFRS 17(16); and b. IFRS 17(18)-(19) - judgements may be applied on initial recognition to distinguish between non-onerous contracts (those having no significant possibility of becoming onerous and other contracts).	
For contracts not measured under the PAA, the assessment of the likelihood of adverse changes in assumptions that may result in contracts becoming onerous is an area of potential judgement.	
For contracts measured under the PAA, the assessment of the likelihood of adverse changes in applicable facts and circumstances is an area of potential judgement.	

2.7.6 Financial performance

The determination of what constitutes an investment component might be an area of judgement significantly affecting amounts of recognised insurance revenue and insurance service expenses as investment components should be excluded from those.	No respective judgement is applicable to the Group.
Insurance revenue and reinsurance expenses - methods and assumptions used in the determination of the CSM to be recognised in profit or loss for the services provided or received in the period. Areas of potential judgement are: a. the determination of the coverage units provided or received in the current period and expected to be provided	The Group applied significant judgements in the following aspects of the determination of the CSM amounts that were recognised in profit or loss in 2024 and 2023: a. for direct participating contracts, coverage units are based on the fixed death benefits amounts (during the insurance coverage period) plus policyholders' account values; the coverage period corresponds to the period in which

2 ACCOUNTING POLICIES (continued)

2.7.6 Financial performance

in future periods, particularly when multiple services are provided under the same insurance contract; b. factoring in the time value of money when determining the equal allocation of the CSM to the coverage units provided or received; and c. the determination of the expected coverage period over which the CSM is allocated into profit or loss for the services provided or received.	insurance or investment management services are expected to be provided; b. for investment contracts with DPF, coverage units are based on policyholders' account values; the coverage period corresponds to the period in which investment management services are expected to be provided; and c. for automobile insurance contracts acquired in the run-off period, coverage units are based on the expected amount of claims covered in the period and the expected amount of claims remaining to be covered in future periods; the coverage period for the CSM allocation is based on the expected timeframe over which the ultimate cost of the claims is expected to be determined. In performing the above determination, management applied judgement that might significantly impact the CSM carrying values and amounts of the CSM allocation recognised in profit or loss for the period.
For contracts measured under the GMM in which the Group has discretion over the cash flows to be paid to the policyholders, judgement might be involved in the determination of what the Group considers its commitment on initial recognition of such contracts. Further, judgement might be required to distinguish subsequent changes in the FCF resulting from changes in the Group's commitment and those resulting from changes in assumptions that relate to the financial risk on that commitment.	In applying its judgement, the Group specifies what it regards as its commitment for the investment contracts with DPF. The Group does not use judgement to further distinguish changes in the FCF as discussed on the left.
For contracts measured under the GMM, the OCI option to disaggregate finance income or expenses between profit or loss and OCI requires assessment of whether amounts payable to the policyholders are significantly affected by	No respective judgement is applicable to the Group as it does not apply the OCI option under IFRS 17(88)(b) for contracts measured under the GMM.

2 ACCOUNTING POLICIES (continued)

2.7.6 Financial performance

assumptions that relate to financial risk, which is a potential area of judgement. Further, if amounts payable are considered to be substantially affected by changes in such assumptions, further guidance is provided on how disaggregation should be performed, which might also involve management judgement.	
For contracts measured under the VFA, the OCI option todisaggregate finance income or expenses between profit or loss and OCI requires an entity to assess investment returns on underlying items included in profit or loss for the period and to recognise matching amounts of insurance finance income or expenses in profit or loss. The assessment of investment returns is an area of potential judgement.	The Group applies the OCI option for contracts measured under the VFA under IFRS 17(89)(b). No significant judgement is involved in investment returns assessment.
For contracts measured under the VFA to which an entity applies the risk mitigation solution, an entity might apply judgements to assess whether an economic offset exists between the insurance contracts and the derivative and whether credit risk does not dominate this economic offset.	No respective judgement is applicable to the Group as it does not apply the risk mitigation solution provided by IFRS 17(B115).

2.8 Investment contract liabilities

Investment contracts are classified between contracts with and without Discretionary Participating Features (''DPF''). Investment contracts without DPF are determined by applying deposit accounting where the contributions, claims and benefits paid, investment income and related expenses are not accounted through profit or loss but are accounted as direct increases or decreases to the investment contract liability and the corresponding assets.

Investment contract liabilities without DPF are recognised when contracts are entered into and premiums are charged. These liabilities are initially recognised at fair value Subsequent to initial recognition, the investment contract liabilities are measured at fair value which represents the fair value of assets and liabilities backing the contracts, with fair value adjustments being recognised directly against the investment contract liabilities. Any other additions to the liabilities by contract holders are recorded directly against the liability.

The liability is derecognised when the contract expires, is discharged or is cancelled. For a contract that can be cancelled by the policyholder, the fair value of the contract cannot be less than the surrender value.

When contracts contain both a financial risk component and a significant insurance risk component and the cash flows from the two components are distinct and can be measured reliably, the underlying amounts are unbundled. Any premiums relating to the insurance risk component are accounted for on the same basis as insurance contracts and the remaining element is accounted for as a deposit through the statement of financial position.

2.9 Discretionary Participation Features (''DPF'')

In line with the profit-sharing arrangements between the shareholders and policyholders, 6% of the excess assets (surplus), is transferred to shareholders account and 94% is transferred to policyholder Bonus Stabilisation Reserve (BSR). The distribution of the BSR in the form of bonus to policyholders who hold with- profits contracts remains at the discretion of the Board in consultation with Statutory Actuary.

2 ACCOUNTING POLICIES (continued)

2.10 Property and equipment

Items of property and equipment are initially recognised at historical cost. The purchase price includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The assets residual values, useful lives and methods of depreciation are reviewed and adjusted if appropriate at each financial year end.

Items of property and equipment other than land and buildings are subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Land and buildings are subsequently carried at fair value, based on valuations by a professionally qualified valuer. These revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated in the revaluation reserve except to the extent that any decrease in value in excess of the credit balance on the revaluation reserve, or reversal of such a transaction, is recognised in profit or loss.

Land is not depreciated. Depreciation is provided on all other items of property and equipment so as to write off their carrying values over their expected useful economic lives. Depreciation is provided at the following rates on a straight line basis:-

Motor vehicles	5 years
Equipment and computers	3-4 years
Furniture and fittings	5-10 years
Buildings	50 years

At the date of revaluation, the accumulated depreciation on the revalued buildings is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus is included in the revaluation reserve until the asset is disposed or derecognised and the revaluation surplus balance is transferred to retained earnings.

An asset is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in profit or loss in the year the asset is derecognized.

The Group and Company assesses at each reporting date whether there is an indication that an item property and equipment may be impaired. If such indication exists, the Group and Company makes an estimate of its recoverable amount. Property and equipment's recoverable amount is the higher of the assets fair value less costs to sell or its value in use and is determined for an individual item of property, plant and equipment, unless it does not generate cash inflows that are largely independent of those from other items of property and equipment or groups of property and equipment.

Where the carrying amount of an item of property and equipment exceeds its recoverable amount, the property and equipment is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the property and equipment.

In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices of investments or other available fair value indicators. Impairment losses on continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired property and equipment except for property previously revalued where there valuation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group and Company makes estimates of recoverable amounts. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

If that is the case the carrying amount of property and equipment is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment been recognized for the property and equipment asset in prior years.

2 ACCOUNTING POLICIES (continued)

2.11 Investment property

Investment property comprises residential houses, commercial buildings and developed residential stands which are held to earn rentals and for capital appreciation. The Group and Company's investment property is initially recorded at cost and subsequently at fair value.

Transfers are made to Investment property when and only when there is a change in use, evidenced by the end of owner occupation or commencement of an operating lease. Undeveloped land that is initially recognised as investment property is transferred to inventory or property and equipment when the property ceases to meet the definition of investment property, and there is evidence of the change in use from holding such land for capital appreciation to either developing the land for sale as trading stock or to developing owner occupied building on such land.

Investment property is derecognised when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of investment property are recognised in the income statement in the year of retirement or disposal. Gains or losses on the disposal of investment property are determined as the difference between net disposal proceed and the carrying value of the assets in the previous full period financial statements.

2.12 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit or loss in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss (operating and administration expenses).

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

The significant intangibles recognised by the Group and Company, their useful economic lives and the methods used to determine the cost of intangibles acquired in a business combination are as follows:-

Computer software	4-10 years

An intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

The assets residual values, useful lives and methods of depreciation are reviewed and adjusted if appropriate at each financial year end.

2.13 Inventories

Inventories comprise developed stands and land under development for sale as stands, funeral services consumables such as caskets and other consumables such as fuel. Inventories are initially measured at cost and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, development, conversion and bringing the inventories to their present location and condition. Weighted average cost is used to determine the cost of ordinarily interchangeable items (such as funeral services consumables).

Net realisable value represents the estimated selling price less all estimated cost of completion to make the necessary sale.

2 ACCOUNTING POLICIES (continued)

2.14 Trade and other receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arose principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporated other types of contractual monetary assets. They were initially recognised at fair value plus transaction costs that were directly attributable to their acquisition or issue, and were subsequently carried at amortised cost using the effective interest method, less expected credit losses.

Insurance debtors were assessed to be outside the scope of IFRS 9's requirements. As such, the impairment allowance for insurance debtors continues to be measured on an incurred loss model. The Group elected to provide in full all insurance debtors in the 120+ days and 10% on all insurance debtors in the 60 to 90+ days category. There were therefore no changes in the measurement of the impairment allowance on insurance debtors.

2.15 Cash and deposits with banks

The Group and Company's cash and cash equivalents include cash in hand, other short term highly liquid investments readily convertible to known amounts of cash with original maturities of three months or less, and-for the purpose of the cash flow statement it includes bank overdraft. The cash and cash equivalents is subsequantly measured at armotised cost.

Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of less than three months and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are shown within borrowings.

2.16 Financial instruments

2.16.1 Financial assets

2.16.1.1 Classification

(a) Classification and measurement under IFRS 9
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group and Company's financial assets are classified as measured at:

- Financial assets at amortised cost
- Financial assets fair value through profit or loss (''FVPL'').

A financial asset is classified at amortised cost if it is held in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest on the principal amount owing. The Group and Company's debt instruments are currently classified as financial assets at amortised cost.

The equity securities are classified as financial assets at fair value through profit or loss by the Group and Company as management assess performance of the financial assets on a fair value basis. Dividend income from such assets is recorded in 'investment income' when the right to the payment has been established.

For an equity instrument that are held for reasons other than to generate investment returns that would otherwise be classified as assets at fair value through profit or loss, the Group and Company may make an irrevocable election at the time of initial recognition to account for the equity investment as an asset at fair value through other comprehensive income. When this election is made, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit and loss.

The Group has not taken this election on any of its assets.
(b) Classification of debt instruments
Debt instruments are contracts that entitle the Group and Company to fixed or determinable payments from another entity, such as loans, government and corporate bonds and trade receivables. The Group's debt instruments include trade, loan and other receivables, cash and deposits with banks, and bonds and other similar instruments.

Based on the factors indicated above, all of the debt instruments currently held by the Group and Company were classified as financial assets at amortised cost as they are all held in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest on the principal amount owing.

2 ACCOUNTING POLICIES (continued)

The Group and Company reclassifies debt instruments between amortised cost and fair value categories only if its business model for managing those assets changes.

2.16.1.2 Subsequent measurement

Financial assets at fair value through profit and loss are subsequently measured at fair value. Net gains and losses including any interest on dividend income are recognised in profit and loss.

Financial asset at amortised cost are subsequently measured at amortised cost using the effective interest method. Interest income, foreign exchange gain and losses and impairment are recognised in profit or loss.

2.16.1.3 Impairment

(a) Impairment of financial assets under IFRS 9

The Group and Company uses forward looking probability weighted expected credit loss models to determine the impairment allowance on the financial assets at amortised cost. The Group and Company recognises a separate loss allowance for such losses at each reporting date.

Refer notes 9.1 to 9.3 for the impairment methodology applied for each major class of financial assets.

2.16.2 Financial liabilities

The Group and Company's financial liabilities include borrowings and trade and other payables. These are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such liabilities are subsequently measured at amortised cost using the effective interest method, which ensures that any interest expense on the balance of the liability carried in the statement of financial position is at a constant rate over the period to the date of repayment. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.
There were no changes to the classification and measurement of the Group and Company's financial liabilities following the Group's adoption of IFRS 9 as at 1 January 2018.

2.16.3 Derecognition of financial assets and liabilities

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and Company has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

2.17 Fair value measurement

The Group and Company measures financial instruments and non-financial assets such as investment properties, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
(i) In the principal market for the asset or liability
Or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.
The principal or the most advantageous market must be accessible by the Group and Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

2.17 Fair value measurement

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Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
(i) In the principal market for the asset or liability
Or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group and Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets, liabilities and equity items for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are measured at fair value in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For all the significant assets such as properties each year, The Audit, Risk and Compliance Committee approves which external valuer to appoint to be responsible for the external valuations. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

2.18 Impairment of non-financial assets (excluding inventories, property, plant and equipment, investment property and deferred tax assets)

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows. Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill.

Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in profit or loss. An impairment loss recognised for goodwill is not reversed.

2.19 Income tax

2.19.1 Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date as per the Income Tax Act (Chapter 23:06)

Income tax assets arising from companies within the Group are not offset against liabilities in other entities within the Group. Income tax liabilities and assets are disclosed separately in the statement of financial position. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to setoff current tax assets against current income tax liabilities and the deferred tax assets relates to the same taxable entity and the same taxation authority.

2.19.2 Value added taxed (VAT)

Revenues, expenses and assets are recognised net of the amount of Value Added Taxes except:
(i) Where the Value Added Tax incurred on the purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
(ii) Receivables and payables that are stated with the amount of VAT included.
Outstanding net amounts of VAT recoverable from, or payable to, the taxation authority are included as part of receivables or payables in the statement of financial position.

2.19.3 Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences, except;
• when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
• in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint arrangements, except for deferred tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Only where there is an agreement in place that gives the Group and Company the ability to control the reversal of the temporary difference not recognised.
• deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and carry forward of unused tax credits and unused tax losses can be utilised except;
• when the deferred tax asset relating to deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss; and in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

The Group and Company applied the income tax rate of 24.72% (2023: 24.72%) for the purpose of recognising deferred tax for its investment properties with the exception of land, where the capital gains tax rate is applied.

2.20 Foreign currency

Transactions entered into by Group and Company in a currency other than the currency of the primary economic environment in which they operate (their "functional currency") are recorded at average rates for statement of income statement transactions. The exchange rates used are obtained from the Reserve Bank of Zimbabwe (''RBZ'') website.

Exchange gains and losses on non-monetary financial assets form part of the overall gain or loss recognised in respect of that financial instrument. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss.

On consolidation, the results of the subsidiary in Malawi are translated into USD at rates approximating those ruling when the transactions took place. All assets and liabilities arising on the acquisition of the foreign subsidiary were translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of the foreign subsidiary at actual rate are recognised in other comprehensive income and accumulated in the foreign exchange reserve.

On disposal of a foreign subsidiary, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are transferred to profit or loss.

2.21 Retirement benefits: Defined contribution schemes

Contributions to defined contribution pension schemes are charged to profit or loss in the year to which they relate.

2.22 Revenue

2.22.1 Revenue recognition

The Group and Company recognise revenue when the following conditions have been met as per IFRS 15;
• the contract has been approved by the parties to the contract;
• each party's rights in relation to the goods or services to be transferred can be identified;
• the payment terms for the goods or services to be transferred can be identified;
• the contract has commercial substance; and
• and it is probable that the consideration to which the Group and Company are entitled to in exchange for the goods or services will be collected.

The Group and Company do not expect to have any new contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds 12 months. The transaction price is there for not adjusted for the effects of a significant financing component. The property services income, sale of completed property and funeral services income follow the above conditions in line with IFRS 15.

2.22.2 Management fee income

Fees charged for investment management services provided in conjunction with an investment contract are recognised as revenue in the statement of comprehensive income as the services are provided per IFRS 15. Insurance contract policyholders are charged for policy administration services and other contract fees. These fees and charges are recognised as revenue over the period in which the related services are performed.

2.22.3 Funeral services income

Funeral services income comprises income received or receivable from provision of funeral services to clients. The income is recognised when the related services have been provided per IFRS 15, however, there is usually no material time lag between service provision and payment. Funeral services income will be generated from the following services:
• body embalming;
• hearse hire;
• church services; and
• bus hire.

2.22.4 Investment management fees

Fees charged for investment management services are recognised as revenue as the services are provided per IFRS 15. Initial fees which exceed the level of recurring fees and relate to the future provision of services are deferred and amortised over the anticipated period in which the services will be provided.

2.22.5 Investment income

Investment income is interest receivable on money market financial instruments, dividends from listed and unlisted companies and fair value gains on investment property. Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and effective interest rate applicable per IFRS 9.

2.22.6 Revenue from sale of stands

The Group develops and sells residential properties. Revenue is recognised when control over the property has been transferred to the customer. The properties have generally no alternative use for the Group due to contractual restrictions. However, an enforceable right to payment does not arise until legal title has passed to the customer. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer per IFRS 15. The revenue is measured at the transaction price agreed under the contract. The consideration is due upon signing the sale contract. Deferred payment terms may be agreed in some cases for periods up to 36 months. In such cases, the transaction price is adjusted for the effects of a significant financing component. The Group has contracts with customers where the period between signing of the sale contract and payment by the customer exceeds one year. As a consequence, the Group adjusts the transaction prices for the time value of money at the effective interest rate.

2.22.7 Deferred income

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

2.23 Borrowing costs

Interest incurred on bank loans used to fund acquisition of additional investment property or development of existing investment property and inventory developments is capitalised as part of the acquired or developed property or developed inventory. Interest on borrowings that were obtained for lending by micro–finance subsidiary and also for operations by the holding Group is recognised in profit or loss as an expense when incurred.

2.24 Dividends

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when approved by the directors. In the case of final dividends, this is when approved by the shareholders at the annual general meeting.

2.25 Leases

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement at the inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset (or assets) and the arrangement conveys a right to use the asset (or assets), even if that asset is (or those assets are) not explicitly specified in an arrangement.

2.25.1 Group as a lessee

A right of use asset and a corresponding lease liability are recognised on the Group's statement of financial position at the date the leased asset becomes available for use by the Group and Company.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and Company uses their incremental borrowing rate.

Subsequently, each rental payment is allocated between finance costs and a reduction of the lease liability over the term of the lease. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.The remaining lease term currently range from 13 to 53 months and the lease liabilities are measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate. The incremental borrowing rate applied on these leases was 21% per annum.

2.25.2 Leases assessed as short term or low-value leases

Lease agreements in Zimbabwe and a few other leases in Malawi were assessed as meeting the criteria for classification as short term. Short-term leases are leases with a lease term of 12 months or less. Rental payments on these leases continue to be recognised as an expense in the income statement on a straight-line basis.

2.26 Share capital

Financial instruments issued by the Group and Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Group and Company's ordinary shares are classified as equity instruments.

3 INTANGIBLE ASSETS

	GROUP		COMPANY	
	2024 USD	2023 USD	2024 USD	2023 USD
	Computer Software		Computer Software	
Net carrying amount at the beginning of the year	**413 805**	**340 964**	**108 106**	**105 763**
Gross carrying amount - cost	567 551	405 516	114 684	112 341
Accumulated amortisation	(153 746)	(64 552)	(6 578)	(6 578)
Additions	-	2 343	-	2 343
Exchange rate movement on foreign operations	(173 992)	159 692	-	-
Decomissioning of software system	-	-	(108 106)	-
Amortisation charge for the year	(64 517)	(89 194)	-	-
Net carrying amount at the end of the year	**175 296**	**413 805**	**-**	**108 106**
Gross carrying amount - Cost	393 559	567 551	-	114 684
Accumulated amortisation	(218 263)	(153 746)	-	(6 578)

4 OTHER NON CURRENT ASSETS

	GROUP 2024 USD	GROUP 2023 USD	COMPANY 2024 USD	COMPANY 2023 USD
Balance at the beginning of the year	**151 447**	**68 080**	**149 046**	**68 080**
Additions	-	54 568		54 568
Disposals	-	-	-	-
Fair value gains through profit or loss	18 573	28 799	20 974	26 398
Balance at the end of the year	**170 020**	**151 447**	**170 020**	**149 046**

5 PROPERTY AND EQUIPMENT

GROUP	Land And Buildings USD	Motor Vehicles USD	Equipment And Computers USD	Furniture And Fittings USD	Total USD
Net carrying amount at 1 January 2023	**3 148 860**	**24 798**	**40 547**	**27 750**	**3 241 955**
Gross carrying amount - cost/valuation	3 165 562	207 598	209 693	73 331	3 656 184
Accumulated depreciation	(16 702)	(182 800)	(169 146)	(45 581)	(414 229)
Additions	-	-	68 612	42 805	111 417
Exchange rate movement on foreign operations	21 220	12 004	18 313	6 087	57 624
Disposals	-	(85 882)	(32)	-	(85 914)
Gross carrying amount - cost/valuation	-	(123 396)	(141)	-	(123 537)
Accumulated depreciation	-	37 514	109	-	37 623
Depreciation charge for the year	(3 502)	(4 846)	(45 572)	(7 439)	(61 359)
Revaluation surplus	1 038 730	408 233	386 136	64 248	1 897 347
Gross carrying amount - cost/valuation	1 038 730	408 233	386 136	64 248	1 897 347
Accumulated depreciation	-	-	-	-	-
Net carrying amount at 31 December 2023	**4 205 308**	**354 307**	**468 004**	**133 451**	**5 161 070**
Gross carrying amount - cost/valuation	4 225 512	504 439	682 613	186 471	5 599 035
Accumulated depreciation	(20 204)	(150 132)	(214 609)	(53 020)	(437 965)
Additions	-	10 502	334 868	7 312	352 682
Exchange rate movement on foreign operations	23 363	13 084	19 961	6 635	63 043
Depreciation charge for the year	(2 068)	(107 128)	(150 643)	(41 301)	(301 140)
Revaluation surplus	500 000	965 088	-	-	1 465 088
Gross carrying amount - cost/valuation	500 000	965 088	-	-	1 465 088
Accumulated depreciation	-	-	-	-	-
Net carrying amount at 31 December 2024	**4 726 603**	**1 235 853**	**672 190**	**106 097**	**6 740 743**
Gross carrying amount - cost/valuation	4 748 875	1 493 113	1 037 442	200 418	7 479 848
Accumulated depreciation	(22 272)	(257 260)	(365 252)	(94 321)	(739 105)

Land and buildings are carried at fair value determined on an open market value basis by independent professional valuers. The latest fair values were estimated as at 31 December 2024. There were no buildings pledged as collateral as at 31 December 2024.The value of land and buildings is categorised as a level 3 recurring fair value measurement, as disclosed in Note 30.

5 PROPERTY AND EQUIPMENT

COMPANY

	Motor Vehicles	Equipment And Computers	Furniture And Fittings	Total
	USD	USD	USD	USD
Net carrying amount at 1 January 2023	**449**	**24 948**	**32 712**	**58 109**
Gross carrying amount - cost/valuation	85 671	151 925	52 371	289 967
Accumulated depreciation	(85 222)	(126 977)	(19 659)	(231 858)
Additions	23 586	43 025	-	66 611
Exchange rate movement on foreign operations	12 003	18 313	6 087	36 403
Disposals	-	(289)	(20 870)	(21 159)
Gross carrying amount - cost/valuation	-	(1 259)	(21 250)	(22 509)
Accumulated depreciation	-	970	380	1 350
Depreciation charge for the year	(2 990)	(7 750)	(1 185)	(11 925)
Revaluation surplus	173 555	200 107	131 249	504 911
Gross carrying amount - cost/valuation	173 555	200 107	131 249	504 911
Accumulated depreciation	-	-	-	-
Net carrying amount at 31 December 2023	**206 603**	**278 354**	**147 993**	**632 950**
Gross carrying amount - cost/valuation	294 815	412 111	168 457	875 383
Accumulated depreciation	(88 212)	(133 757)	(20 464)	(242 433)
Additions	149 628	164 494	29 869	343 991
Depreciation charge for the year	(47 340)	(83 894)	(19 820)	(151 054)
Net carrying amount at 31 December 2024	**308 891**	**358 954**	**158 042**	**825 887**
Gross carrying amount - cost/valuation	444 443	576 605	198 326	1 219 374
Accumulated depreciation	(135 552)	(217 651)	(40 284)	(393 487)

6 INVESTMENT PROPERTY

	GROUP		COMPANY	
	2024	2023	2024	2023
Balance at the beginning of the year	**36 806 252**	**28 282 575**	**13 694 607**	**5 205 328**
Additions	4 277 959	-	4 135 714	-
Improvements	-	-	-	-
Transfer from inventory	-	-	-	-
Reclassification from property and equipment	-	-	-	-
Disposals	(117 750)	-	-	-
Exchange rate movement on foreign operations	(1 239)	-	-	-
Fair value gains through profit or loss	6 109 929	8 523 677	6 530 679	8 489 279
Balance at the end of the year	**47 075 151**	**36 806 252**	**24 361 000**	**13 694 607**

Management determined that the investment properties consist of four classes of property – office and retail buildings, residential houses, developed residential stands, undeveloped land and developed commercial and institutional stands. Investment properties are held for long term rental yields and capital appreciation.

Class of property				
CBD offices	6 413 151	5 195 245	9 115 000	7 550 000
Residential properties	-	-	-	-
Land	40 662 000	31 611 007	15 246 000	6 144 607
	47 075 151	**36 806 252**	**24 361 000**	**13 694 607**

As at 31 December 2024, the fair values of the properties are based on valuations performed by Homelux Real Estate an accredited independent valuer. Homelux Real Estate is a specialist in valuing these types of investment properties and has recent experience in the location and category of the investment properties being valued. Valuation models in accordance with recommendations by the International Valuation Standards Committee have been applied.

There were no transfers between Levels 1 or 2 to Level 3 during the year. The fair value of investment properties is categorised as level 3 Refer to Note 30 for relevant fair values. Significant judgements and assumptions were applied for the Group's Investment property portfolio. Land banks and residential properties were valued in Zimbabwe dollar using the market comparison method and the income capitalisation method was used to value commercial properties .

7 RIGHT OF USE ASSET

The Group leases several offices in major towns and cities in Zimbabwe and Malawi and motor vehicles. Each lease is negotiated separately and will have terms and conditions that vary widely from those agreed for other lease arrangements. The lease agreements do not impose any covenants, and leased assets may not be used as security for borrowings. Lease contracts are usually signed for fixed periods of 1 to 5 years. The Group disclosed the office building under lease separately from property and equipment. In the 2020 year of assessement the Subsidiary in Malawi negotiated the lease from the five year period to one year resulting in the derecognition of the right of use asset as the lease is now being accounted as a short term lease.The motor vehicles lease periods approximated the estimated useful economic lives of the motor vehicles and the Group has a right to purchase the motor vehicles outright at the end of the minimum lease term by paying a nominal amount. The lease liability is disclosed on note 17.

	GROUP		
	Office Buildings	Motor Vehicles	Total
	USD	USD	USD
Net carrying amount at 1 January 2023	**-**	**155 128**	**155 128**
Cost	-	248 428	248 428
Accumulated armotisation	-	(93 300)	(93 300)
Additions	81 278	-	81 278
Exchange rate movement on foreign operations	-	(36 867)	(36 867)
Depreciation for the year	(7 674)	(49 904)	(57 578)
Net carrying amount at 31 December 2023	**73 604**	**68 357**	**141 961**
Cost	81 278	248 428	329 706
Accumulated amortization	(7 674)	(180 071)	(187 745)
Additions	-	-	-
Exchange rate movement on foreign operations	-	41 690	41 690
Depreciation for the year	(38 632)	(39 795)	(78 427)
Net carrying amount at 31 December 2024	**34 972**	**70 252**	**105 224**
Cost	81 278	290 118	371 396
Accumulated amortization	(46 306)	(219 866)	(266 172)

Set out below are the carrying amounts of lease liabilities and the movements during the period:

7.1 Movement analysis to 31 December 2024

Movements in right of use assets and lease liabilities as included in note 7.1 and note 16 during the year were as follows:

	2024 Right-Of-Use Asset	2023 Right-Of-Use Asset
	USD	USD
Balance as at 01 January	**141 961**	**155 128**
Additions	-	81 278
Depreciation for the year	(78 427)	(57 578)
Exchange rate movement on foreign operations	41 690	(36 867)
Balance at 31 December	**105 224**	**141 961**

7.2 The following amounts are recognised in profit and loss

	GROUP		COMPANY	
	2024	2023	2024	2023
	USD	USD	USD	USD
Depreciation of right of use assets	78 427	57 578	-	-
Interest expense on lease liabilities	7 340	1 713	-	-
Expense relating to short term leases	703 877	520 474	-	-

8 INVESTMENT IN SUBSIDIARIES

The Company accounts for Investment in subsidiaries applying the equity method. The share of losses in Fidelity Funeral Services Company (Private) Limited exceeded the Company's interest in the subsidiary resulting in the accounting of share of losses to the extent of profit made in the current year.

	GROUP 2024 USD	GROUP 2023 USD	COMPANY 2024 USD	COMPANY 2023 USD
Fidelity Life Asset Management Company (Private) Limited	-	-	650 364	658 660
Fidelity Funeral Services Company (Private) Limited	-	-	-	-
Fidelity Life Medical Services Company (Private) Limited	-	-	-	-
Fidelity Life Financial Services (Private) Limited	-	-	-	28 621
Zimbabwe Actuarial Consultants (Private) Limited	-	-	1 078 752	701 001
Langford Estates 1962 (Private) Limited	-	-	24 706 030	24 852 064
Vanguard Life Assurance Company Limited	-	-	1 622 083	803 855
	-	**-**	**28 057 229**	**27 044 201**

8.1 RECONCILIATION OF CARRYING AMOUNT

	GROUP 2024 USD	GROUP 2023 USD	COMPANY 2024 USD	COMPANY 2023 USD
Opening balance	-	-	27 044 201	30 733 760
Equity accounted earnings	-	-	846 257	(271 038)
Share of revaluation gains on property	-	-	118 231	144 749
Share of exchange differences arising on translation of foreign operations	-	-	48 540	107 646
Disposal of Zambezi Properties			-	(3670 916)
Dividends	-	-	-	-
Closing balance	**-**	**-**	**28 057 229**	**27 044 201**

9 TRADE AND OTHER RECEIVABLES

	GROUP 2024 USD	GROUP 2023 USD	COMPANY 2024 USD	COMPANY 2023 USD
Residential stand sales debtors	10 135	327	10 135	327
Micro-finance loans receivable	1 824 784	1 055 940	-	-
Other trade debtors	5 233 704	953 200	2 131 130	273 443
Trade receivables - gross	**7 068 623**	**2 009 467**	**2 141 265**	**273 770**
Expected credit loss	**(381 608)**	**(258 662)**	**(59 462)**	**(4 930)**
Expected credit loss on trade receivables- stand sales debtors	(315)	(11)	(315)	(11)
Expected credit loss on trade receivables- micro-finance loans receivable	(121 725)	(80 669)	-	-
Expected credit loss on trade receivables- other debtors	(259 568)	(177 982)	(59 147)	(4 919)
Trade receivables - net	**6 687 015**	**1 750 805**	**2 081 803**	**268 840**
Receivables from related parties, net of ECL (Note 32.3.1)	161 421	1 048 736	2 156 510	634 756
Loans to employees, net of ECL	584 709	146 830	394 938	150 943
Total receivables classified as financial assets at amortised cost	**7 433 145**	**2 946 371**	**4 633 251**	**1 054 539**
Prepayments	263 385	24 769	-	-
Other receivables, net of ECL	116 943	1 877 737	-	142
Total trade and other receivables	**7 813 473**	**4 848 877**	**4 633 251**	**1 054 681**
Non-current portion	442 678	657 723	442 678	657 723
Current portion	7 370 795	4 191 154	4 190 573	396 958
Total trade and other receivables	**7 813 473**	**4 848 877**	**4 633 251**	**1 054 681**

9 TRADE AND OTHER RECEIVABLES (continued)

There was a significant decline in stand debtors in the current period as most of the debtors settled their accounts and no new debtors were recognised as the Southview development project has reached its tail end. Included in other receivables balance are debtors arising from non core business activities such as rental debtors and debtors arising from disposal of non core assets from the Southview development project. Receivables from related parties , loans to employees and other receivables are shown net of expected credit losses. The amount of expected credit losses for these receivables are shown in the table below.

	GROUP		COMPANY	
	2024	2023	2024	2023
	USD	USD	USD	USD
Movements in expected credit losses were as follows:				
Opening credit loss allowance	**258 662**	**184 825**	**4 930**	**531**
Receivables written off during the year as uncollectable	-	-	-	-
Net (decrease)/ increase during the year through profit or loss	297 597	20 653	54 675	4 398
Impact on year end ECL exposures transferred between stages during the year	(174 651)	53 184	(143)	1
Balance at the end of the year	**381 608**	**258 662**	**59 462**	**4 930**

The increase in expected credit losses has been disclosed separately on the face of the statement of profit or loss and other comprehensive income. Reversal of unutilised amounts is included in other operating income.

9.1 Impairment - Expected Credit Loss Models

With the adoption of IFRS 9, the Group revised its impairment methodology for each class of assets held at amortised cost that bear similar credit risk characteristics. The IFRS 9 methodology requires the use of forward looking probability weighted expected credit loss models to determine the impairment allowance on the financial assets held at amortised cost. The impairment methodology applied for each material class of financial assets is indicated below.

(i) Trade receivables: micro-finance loans receivable

In determining impairment allowances for micro-finance loans and advances, the Group applies the full expected credit loss model under IFRS 9. This model starts with establishing a 3 stage loan grading model, which grades each loan based on whether there has been a significant increase in the credit risk and/or a default event observed since the initial recognition of that loan. Under the current model, credit risk of each loan is tracked using the ageing of the receivable. The loan is graded into stage 1, stage 2 or stage 3 based on the age of the oldest outstanding instalment. The grade into which the loan is categorised determines how the impairment loss on the loan is calculated. The stages are as defined below:

Stage 1 - Performing loans - all micro-finance loans advanced by the Group start off in this stage. In the absence of a significant deterioration in credit risk, the loans remain in Stage 1. For loans in Stage 1, ECL is estimated based on the loan's risk of default in the twelve months after the year end (12-month ECL).

Stage 2 - Non-performing loans - a micro-finance loan advances into Stage 2 if it experiences a significant increase in credit risk. For the Group, a micro-finance loan is assessed as having experienced a significant increase in credit risk when one or more instalment is overdue at the point of measuring the ECL. This is consistent with the rebuttable presumption in IFRS 9 that suggests that a debtor has experienced a significant increase in credit risk when it carries a balances that is 30 days overdue. For Stage 2 loans, the ECL represents losses expected over the remaining contractual life of the loan (lifetime expected credit loss).

Stage 3 - Loans in default - the loan reaches default when it carries an instalment older than 120days. IFRS 9 carries a rebuttable presumption that default does not occur later than when a financial asset is 90 days past due. The Group has rebutted this presumption. For the micro-finance loans, default occurs from the 121 days overdue mark as the Group's debt collection procedures indicate that it is at this point that the debtor would have failed to fulfil their obligations without reasonable doubt. For Stage 3 loans, the ECL represents losses expected over the remaining contractual life of the loan (lifetime expected credit loss).

After staging, the model then calculates the expected credit loss as a product of Probability of Default (PD), Loss Given Default (LGD), and Exposure At Default (EAD). The methods applied by the Group to determine these inputs are described below:

PD - Probability of default is the estimation of the likelihood of a loan reaching default state over a given time horizon. The determination of PD considers all reasonable and supportable information relating to the loan book that the Group can obtain without undue cost or effort. This includes information about past performance of the loan portfolio, current conditions and forecasts of future conditions that may affect the loans. This information is a combination of information that is internal and external to the Group. PDs were calculated for the 3 stages using Markov Chains. No adjustments for economic factors were made to the calculated PDs as no plausible correlation could be established between macro-economic factors and the probability of a person defaulting under this loan portfolio.

LGD - Loss given default is the financial loss that the Group could suffer when a borrower defaults on their loan. The Group used run-off triangles to model the progression of loans in default state from the year they were disbursed. The run-off triangles were tabulated starting with loans disbursed in 2012, tracking the ultimate loss on defaulted loans through to 2022. A weighted average LGD ratio was calculated for the entire portfolio, adjusted for macro-economic factors and discounted at the original effective interest rate applicable to the micro-finance loans.

9 TRADE AND OTHER RECEIVABLES (continued)

9.1 Impairment - Expected Credit Loss Models (continued)

(i) Trade receivables: microfinance loans receivable (continued)

A small percentage of the micro-finance loan book is secured. LGD for the secured loans was estimated separately for each loan, rather than at portfolio level. For secured loans, the LGD is defined as the expected ultimate loss on the loan expressed as a proportion of the outstanding loan balance at the point of default. The ultimate loss is the difference between outstanding loan balance at default and the amount recovered from sale of the security held. The fair value of the assets held as security is determined through management estimates. Where the estimated fair value of the asset equals or exceeds the outstanding loan amount, LGD is estimated as zero.

The calculated LGDs were adjusted for inflation based on the correlation that was established between LGD and inflation indices.

EAD - Exposure at default is an estimation of the expected financial exposure to the Group at the point a loan reaches default state. EAD has been calculated as the amortised cost of each loan at the end of the minimum number of months that would be required for the loan to reach default state from its current state, assuming no collections are made on the loan.

ECL is then calculated as a probability weighted average of a range of possible loss outcomes, with the key variables being PD and LGD.

The ECL calculated on the loans in the 3 stages is as follows:

As at 31 December 2024	**Stage 1 12-Month Ecl USD**	**Stage 2 Lifetime Ecl USD**	**Stage 3 Lifetime Ecl USD**	**Total USD**
Micro-finance loans receivable				
Performing	904 932	-	-	904 932
Overdue	-	33 304	-	33 304
Default	-	-	886 548	886 548
Gross carrying amount	**904 932**	**33 304**	**886 548**	**1 824 784**
Expected credit loss on micro-finance loans receivable	(20 472)	(7 924)	(93 329)	(121 725)
Net carrying amount	**884 460**	**25 380**	**793 219**	**1 703 059**

As at 31 December 2023	**Stage 1 12-Month Ecl USD**	**Stage 2 Lifetime Ecl USD**	**Stage 3 Lifetime Ecl USD**	**Total USD**
Micro-finance loans receivable				
Performing	537 547	-	-	537 547
Overdue	-	62 113	-	62 113
Default	-	-	456 280	456 280
Gross carrying amount	**537 547**	**62 113**	**456 280**	**1 055 940**
Expected credit loss on micro-finance loans receivable	(2 191)	(3 565)	(74 913)	(80 669)
Net carrying amount	**535 356**	**58 548**	**381 367**	**975 271**

Analysis of changes in the gross carrying amount in relation to micro-finance loans receivable is as follows:

9 TRADE AND OTHER RECEIVABLES (continued)

Analysis of changes in the gross carrying amount in relation to micro-finance loans receivable is as follows:

As at 31 December 2024	Stage 1 12-Month Ecl USD	Stage 2 Lifetime Ecl USD	Stage 3 Lifetime Ecl USD	Total USD
Gross carrying amount at beginning of the year	**540 057**	**62 379**	**453 499**	**1 055 935**
New receivables originated	861 544	1 317	116 037	978 898
Receivables derecognised or matured (excluding written off)	(193 214)	(65 448)	(73 105)	(331 767)
Receivables transferred between stages during the year	(183 201)	32 633	272 286	121 718
Gross loan and advances to customers at year end	**1 025 186**	**30 881**	**768 717**	**1 824 784**

As at 31 December 2023	Stage 1 12-month ECL USD	Stage 2 Lifetime ECL USD	Stage 3 Lifetime ECL USD	Total USD
Gross carrying amount at beginning of the year	**280 550**	**136 976**	**77 570**	**495 096**
New receivables originated	336 685	61 588	100 050	498 323
Receivables derecognised or matured (excluding written off)	(133 620)	(31 810)	(40 051)	(205 481)
Receivables transferred between stages during the year	56 208	(25 863)	237 652	267 997
Gross loan and advances to customers at year end	**539 823**	**140 891**	**375 221**	**1 055 935**

Movements in expected credit losses for micro-finance loans receivable were as follows:

9.1 Impairment - Expected Credit Loss Models

As at 31 December 2024	Stage 1 12-Month Ecl USD	Stage 2 Lifetime Ecl USD	Stage 3 Lifetime Ecl USD	Total USD
Balance at the beginning of the year	**8 055**	**14 594**	**58 020**	**80 669**
Allowances written off on uncollectable receivables	57 470	90	7 739	65 299
New allowances originated	(12 889)	(4 366)	(4 877)	(22 132)
Allowances derecognised or matured (excluding written off)	(32 165)	(2 392)	32 446	(2 111)
Balance at the end of the year	**20 471**	**7 926**	**93 328**	**121 725**

As at 31 December 2023	Stage 1 12-Month Ecl USD	Stage 2 Lifetime Ecl USD	Stage 3 Lifetime Ecl USD	Total USD
Balance at the beginning of the year	**623**	**4 426**	**19 417**	**24 466**
New allowances originated	14 187	33 517	27 911	75 615
Allowances derecognised or matured (excluding written off)	(22)	(11)	(4)	(37)
Impact on year end ECL of exposures transferred between stages during the year	(494)	(3 505)	(15 376)	(19 375)
Balance at the end of the year	**14 294**	**34 427**	**31 948**	**80 669**

9 TRADE AND OTHER RECEIVABLES (continued)

9.1 Impairment - Expected Credit Loss Models (continued)

(II) Trade Receivables: Residential Stand Sales

The stand sales debtors represent trade debtors with a significant financing component. The IFRS 9 practical expedient for trade debtors requires that for such debtors, a policy choice be taken to either apply the simplified approach under the practical expedient, or the full three-stage approach under the general model. The Group elected to apply the simplified approach on its stands sales debtors. Under this approach, lifetime expected credit losses are recognised from initial recognition of the receivables, on a portfolio basis. The residential stand debtors are secured by the respective residential stands sold, significantly reducing the risk of outright loss. Credit loss is however expected from delayed payment of instalments by these debtors.

The expected loss rate is a significant estimate and has been calculated as a probability weighted average of a range of possible loss outcomes estimated based on historic, current and forward looking internal and macro-economic information that is readily available without undue cost or effort. Each scenario was adjusted to factor in time value of money at the original effective interest rate of the debtors, and inflation based on its correlation with the performance of the debtors' book.

The residential stand sales debtors are analysed below:

As at 31 December 2024	Stage 2 Lifetime Ecl USD	Stage 3 Lifetime Ecl USD	Total USD
Performing	**9 801**	**-**	**9 801**
Overdue	13	-	13
Default	-	321	321
Gross carrying amount	**9 814**	**321**	**10 135**
Expected credit loss on residential stand sales debtors	(4)	(311)	(315)
Net carrying amount	**9 810**	**10**	**9 820**

As at 31 December 2023	Stage 2 Lifetime Ecl USD	Stage 3 Lifetime Ecl USD	Total USD
Overdue	6	-	6
Default	-	321	321
Gross carrying amount	**6**	**321**	**327**
Expected credit loss on residential stand sales debtors	(4)	(7)	(11)
Net carrying amount	**2**	**314**	**316**

Analysis of changes in the gross carrying amount in relation to stand sales receivables is as follows:

As at 31 December 2024	Stage 2 Lifetime Ecl USD	Stage 3 Lifetime Ecl USD	Total USD
Balance at the beginning of the year	**13**	**314**	**327**
Receivables derecognised or matured (excluding written off)	5 451	4 042	9 493
Balance at the end of the year	**5 464**	**4 356**	**9 820**

As at 31 December 2023	Stage 2 Lifetime Ecl USD	Stage 3 Lifetime Ecl USD	Total USD
Balance at the beginning of the year	**288**	**910**	**1 198**
Receivables derecognised or matured (excluding written off)	(58)	124	66
Impact on year end ECL of exposures transferred between stages during the year	(228)	(720)	(948)
Balance at the end of the year	**2**	**314**	**316**

9 TRADE AND OTHER RECEIVABLES (continued)

9.1 Impairment - Expected Credit Loss Models (continued)

(II) Trade receivables: residential stand sales (continued)

Further disclosures on the debtors impairment allowance are included in Note 9.

Movements in expected credit losses for stand sales receivables are as follows:

As at 31 December 2024	**Stage 2 Lifetime Ecl USD**	**Stage 3 Lifetime Ecl USD**	**Total USD**
Opening loss allowance as at 1 January 2023	**54**	**701**	**755**
New allowances originated	(43)	(555)	(598)
Impact on year end ECL of exposures transferred between stages during the year	(7)	165	158
Balance at the end of the year	**4**	**311**	**315**

As at 31 December 2023	**Stage 2 Lifetime Ecl USD**	**Stage 3 Lifetime Ecl USD**	**Total USD**
Opening loss allowance as at 1 January 2023			
New allowances originated	11	-	11
Balance at the end of the year	**11**	**-**	**11**

(III) Cash and short term deposits

The general expected credit loss model under the IFRS 9 also applies to the Group's cash and short term deposits. Credit risk associated with counterparties on short term and demand deposits is assessed based on credit ratings determined by the Global Credit Rating Company, which ratings are external to the Group. Were these ratings are not available, counterparty credit risk is assessed through internal mechanisms designed to assess the strength of the counterparty's capacity to meet their contractual cash obligations in the near term.

As the deposits are for periods less than 3 months, no significant increases in credit risk were noted as at 1 January 2022 and over the course of the year. As such, the cash and short term deposits were classified within Stage 1, prompting a 12 month expected credit loss assessment per IFRS 9. The probability of default on these instruments was assessed as insignificant due to their short tenure, resulting in an immaterial ECL which has not been recognised.

(IV) Debt securities at amortised cost

These are investments in prescribed assets with a long tenure, issued by both government and private entities. The assets pay fixed interest coupons at half yearly or quarterly intervals. The principal amount is settled on maturity of the investment. There has been no indication of a lack of capacity by the counterparties to settle the coupons and principal amounts as they fall due, particularly because of their prescribed asset status. As such, PD is estimated to approximate zero. No impairment allowance has been recognised on these instruments.

(V) Insurance debtors

Insurance debtors were assessed to be outside the scope of IFRS 9's requirements. As such, the impairment allowance for insurance debtors continues to be measured on an incurred loss model. The Group elected to provide in full all insurance debtors in the 120+ days and 10% on all insurance debtors in the 60 to 90+ days category. There were therefore no changes in the measurement of the impairment allowance on insurance debtors.

(VI) Related party receivables

Expected credit losses on related party receivables were assessed as immaterial.There has been no indication of lack of capacity by the related parties to settle the balances when they fall due. As such the PD is estimated to approximate zero. No impairment allowance has been recognised on these balances.

		GROUP		COMPANY	
		2024	2023	2024	2023
		USD	USD	USD	USD
10	**INVENTORIES**				
	Projects under development	-	-	-	-
	Land inventory	21 227	27 227	21 227	27 227
	Residential stands	-	-	-	-
	Consumables	12 527	245 309	-	-
		33 754	**272 536**	**21 227**	**27 227**
11.1	**Financial assets at fair value through profit or loss**				
	Balance at the beginning of the year	**11 037 898**	**1 807 218**	**2 540 895**	**568 996**
	Additions	4 091 066	1 963 029	4 000 067	1 208 168
	Fair value adjustments - through profit or loss	4 676 191	6 501 813	475 392	871 525
	Exchange gain/(loss)	615 329	1 511 927	-	(32 374)
	Disposals	(106 562)	(746 089)	(146 384)	(75 420)
	Balance at the end of the year	**20 313 922**	**11 037 898**	**6 869 970**	**2 540 895**

Financial assets at fair value through profit and loss relate to shares held in various listed counters. Refer to note 28 for relevant fair value hierarchy disclosures.

		GROUP 2024 USD	GROUP 2023 USD	COMPANY 2024 USD	COMPANY 2023 USD
11.2	**DEBT SECURITIES AT AMORTISED COST**				
	Balance at the beginning of the year	**3 768 003**	**3 673 732**	**139 866**	**68 080**
	Additions	356 689	-	-	-
	Accrued Interest	347 843	270 662	74 011	71 786
	Maturities	(141 087)	(176 391)	-	-
	Balance at the end of the year	**4 331 448**	**3 768 003**	**213 877**	**139 866**

Debt securities at amortised cost include development bonds and treasury bills that carry prescribed asset status. Interest rates on these instruments range from 5% to 16%. 99% of the bonds will have matured by 31 December 2025, and the remaining 1% extend as far as 2026. Further disclosure on prescribed assets is provided in Note 36.

		GROUP 2024 USD	GROUP 2023 USD	COMPANY 2024 USD	COMPANY 2023 USD
12	**CASH AND DEPOSITS WITH BANKS**				
	Money market investments	2 825 260	2 107 121	348 136	26 802
	Bank and cash	946 090	694 265	325 091	370 126
	Cash and deposits with banks	**3 771 350**	**2 801 386**	**673 227**	**396 928**
	Bank overdraft	-	-	-	-
	Cash and cash equivalents	**3 771 350**	**2 801 386**	**673 227**	**396 928**

The credit quality of cash and cash equivalents held is disclosed in note 28.

		GROUP 2024 USD	GROUP 2023 USD	COMPANY 2024 USD	COMPANY 2023 USD
13	**SHARE CAPITAL**				
	Authorised share capital				
	200 000 000 ordinary shares of USD0.01 each	**2 000 000**	**2 000 000**	**2 000 000**	**2 000 000**
	Issued and fully paid share capital				
	108 923 291 ordinary shares of USD0.01 each	**1 089 233**	**1 089 233**	**1 089 233**	**1 089 233**

91 076 709 Unissued shares and 1 003 743 treasury shares are under the control of the Directors subject to the limitations imposed by the Articles and Memorandum of Association of the Company, the Zimbabwe Companies and Business Entities Act (Chapter 24:31) and the Zimbabwe Stock Exchange Listing Requirements.

14 PRIOR PERIOD RESTATEMENT

14.1 CONSOLIDATION OF UNAUDITED RESULTS - MALAWI SUBSIDIARY

In the prior year, ended December 31, 2023, Fidelity Life Assurance Group consolidated unaudited results for the Malawi subsidiary. The group has restated prior year comparatives to reflect the audited position of the Malawi subsidiary annual financial statements for 2023. The effect of the change is an increase in profit for the year 2023 by USD252 337 with a corresponding increase in retained earnings by the same amount for the prior year results. Total assets decreased by USD312 586 and total liabilities decreased by USD2 865 914 which resulted in a corresponding increase in equity of USD2 553 328. The restatement is shown in the note below.

Impact on statement of profit or loss and other comprehensive income for the year ended 31 December 2023	**As Previously Stated**	**Effect Of Restatement**	**Restated**
	2023	**2023**	**2023**
	USD	**USD**	**USD**
Insurance service result	1 119 228	(248 223)	871 005
Total investment income	2 239 693	(422 444)	1 817 249
Insurance financial expense	(100 258)	(987 654)	(1 087 912)
Other income and expense	42 694	169 669	212 363
Finance Cost	-	(11 540)	(11 540)
Other operating expenses	(2 888 471)	1 716 110	(1 172 361)
Income tax expense	(237 098)	36 419	(200 679)
Impact on profit for the year	**175 788**	**252 377**	**428 125**
Impact on statement of financial position as at 31 December 2023			
Total assets	18 623 135	(312 586)	18 310 549
Total equity	(446 898)	(2 553 328)	(3 000 226)
Total liabilities	(18 176 236)	2 865 914	(15 310 322)
Impact on equity for the year	**(271 110)**	**(2 300 991)**	**(2 572 101)**

14.2 RESTATEMENT OF IFRS 17 RESULTS - FLA THE COMPANY

The IFRS 17 results for Fidelity Life Assurance Company for the year ended 31 December 2023 were based on actuarial models that performed calculations on an aggregated basis to calculate IFRS 17 numbers for the 2023 financial year. In response to recommendations from external auditors in the 2023 audit, the company implemented an actuarial engine that computes IFRS 17 numbers on a per policy basis during the 2024 financial year. The group has restated prior year audited annual financial statements to reflect these changes and the effect of the change is a decline in profit for the year 2023 by USD35 286 with a corresponding increase in retained earnings by the same amount for the prior year results. Insurance contract assets and liabilities had a net increase of USD275 922 which resulted in a corresponding increase of the same amount. The restatement is shown in the note below.

Impact on statement of profit or loss and other comprehensive income for the year ended 31 December 2023	**As Previously Stated**	**Effect Of Restatement**	**Restated**
	2023	**2023**	**2023**
	USD	**USD**	**USD**
Insurance contracts revenue	4 995 220	(141 011)	4 854 209
Allocation of reinsurance paid	(164 500)	173 949	9 449
Amount recoverable from reinsurers for incurred claims	88 532	(68 224)	20 308
Impact on profit for the year	**4 919 252**	**(35 286)**	**4 883 966**
Impact on statement of financial position as at 31 December 2023			
Insurance contract assets	198 422	39 232	237 654
Insurance contract liabilities	(35 748 492)	(236 691)	(35 985 183)
Impact on equity for the year	**35 550 070**	**197 459**	**35 747 529**

Note 14.2 should be read in conjuction with note 40 - IFRS 17 Implementation

15 INSURANCE CONTRACT ASSETS AND LIABILITIES

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

	GROUP						
	Direct Participating Contracts USD	Investment Contracts With Dpf USD	Investment Contracts Without Dpf USD	Total USD	Current Portion USD	Non Current Portion USD	Total USD
Balance as at 31 December 2024							
Insurance contract assets	(337 153)	-	-	**(337 153)**	(33 715)	(303 438)	**(337 153)**
Insurance contract liabilities	31 889 442	29 188 978		**61 078 420**	6 107 842	54 970 578	**61 078 420**
Investment contract liabilities	-	-	16 669 824	**16 669 824**	1 666 982	15 002 842	**16 669 824**
Balance as at 31 December 2023							
Insurance contract assets	(950 620)	-	-	**(950 620)**	(95 062)	(855 558)	**(950 620)**
Insurance contract liabilities	26 090 234	16 838 172	-	**42 928 406**	4 292 841	38 635 565	**42 928 406**
Investment contract liabilities	-	-	10 038 882	**10 038 882**	1 003 888	9 034 994	**10 038 882**

	COMPANY						
	Direct Participating Contracts USD	Investment Contracts With Dpf USD	Investment Contracts Without Dpf USD	Total USD	Current Portion USD	Non Current Portion USD	Total USD
Balance as at 31 December 2024							
Insurance contract assets	(337 153)	-	-	**(337 153)**	(33 715)	(303 438)	**(337 153)**
Insurance contract liabilities	19 060 853	29 188 978		**48 249 831**	4 824 983	43 424 848	**48 249 831**
Investment contract liabilities	-	-	7 119 433	**7 119 433**	711 943	6 407 490	**7 119 433**
Balance as at 31 December 2023							
Insurance contract assets	(237 653)	-	-	(237 653)	(23 765)	(213 888)	(237 653)
Insurance contract liabilities	19 147 011	16 838 172	-	**35 985 183**	3 598 518	32 386 665	**35 985 183**
Investment contract liabilities	-	-	3 194 381	**3 194 381**	319 438	2 874 943	**3 194 381**

15.2 Analysis of Insurance Contract Liability and Assets by participation

	GROUP					
	2024			2023		
	LFRC	LIC	TOTAL	LFRC	LIC	TOTAL
Direct Participating Contracts	31 625 984	263 458	31 889 442	26 187 672	(97 438)	26 090 234
Investment contracts with direct participating contracts	32 521 126	(3 332 148)	29 188 978	17 703 890	(865 718)	16 838 172
	64 147 110	**(3 068 690)**	**61 078 420**	**43 891 562**	**(963 156)**	**42 928 406**

	COMPANY					
Analysis of Insurance Contract Liability and Assets by participation	2024			2023		
	LFRC	LIC	TOTAL	LFRC	LIC	TOTAL
Direct Participating Contracts	18 797 395	263 458	19 060 853	19 147 011	-	19 147 011
Investment contracts with direct participating contracts	(3 101 910)	3 101 910	-	(1 405 092)	1 405 092	-
	15 695 485	**3 365 368**	**19 060 853**	**17 741 919**	**1 405 092**	**19 147 011**

15.3 Direct participating contracts issued

Reconciliation of the liability for the remaining coverage and liability for incurred claims

	GROUP							
	2024				2023			
	Liability for remaining coverage	Loss component	Liability for incurred claims	Total	Liability for remaining coverage	Loss component	Liability for incurred claims	Total
	USD	USD	USD	USD	USD	USD	USD	USD
Balance as at 01 January	**26 173 806**	**13 866**	**(97 438)**	**26 090 234**	**19 514 552**	**12 366**	**-**	**19 526 918**
Insurance contract revenue	**(2 447 424)**	**-**	**-**	**(2 447 424)**	**(1 008 177)**	**-**	**-**	**(1 008 177)**
Insurance service expenses								
Incurred claims	1 523 746	-	64 347	1 588 093	1 444 773	-	48 719	1 493 492
Directly attributable expenses	655 150	-	84 456	739 606	244 060	-	-	244 060
Losses on onerous contracts and reversal of those losses	-	(90 833)	-	(90 833)	-	-	-	-
Insurance acquisition cashflows amortisation	202 740	-	-	202 740	191 574	-	-	191 574
Insurance service expenses	**2 381 636**	**(90 833)**	**148 803**	**2 439 606**	**1 880 407**	**-**	**48 719**	**1 929 126**
Total net expenses from reinsurance contracts held	151 760	-	-	151 760	82 489	-	-	82 489
Insurance service result	**(85 972)**	**90 833**	**(148 803)**	**(143 942)**	**(954 719)**	**-**	**(48 719)**	**(1 003 438)**
Finance expenses from insurance contracts issued recognised in profit or loss	178 321	365 561	779 123	1 323 005	15 418	1 500	-	16 918
Finance expenses from insurance contracts issued recognised in OCI	96 772	-	(56 274)	40 498	-	-	-	-
Finance expenses from insurance contracts issued	**275 093**	**365 561**	**722 849**	**1 363 503**	**15 418**	**1 500**	**-**	**16 918**
Total amounts recognised in comprehensive income	**189 121**	**456 394**	**574 046**	**1 219 561**	**(939 301)**	**1 500**	**(48 719)**	**(986 520)**
Investment components	4 681 180	-	-	4 681 180	9 249 758	-	-	9 249 758
Other changes	-	-	-	-	-	-	-	-
Cashflows								
Premiums received	2 293 776	-	-	2 293 776	37 630	-	-	37 630
Claims and other directly attributable expenses paid	(2 178 896)	-	(148 803)	(2 327 699)	(1 688 833)	-	(48 719)	(1 737 552)
Insurance acquisition cash flows	(3 263)	-	(64 347)	(67 610)	-	-	-	-
Total cash flows	**111 617**	**-**	**(213 150)**	**(101 533)**	**(1651 203)**	**-**	**(48 719)**	**(1 699 922)**
Balance as at 31 December	**31 155 724**	**470 260**	**263 458**	**31 889 442**	**26 173 806**	**13 866**	**(97 438)**	**26 090 234**

15.3 Direct participating contracts issued

Reconciliation of the liability for the remaining coverage and liability for incurred claims

	COMPANY							
	2024				2023			
	Liability For Remaining Coverage	Loss Component	Liability For Incurred Claims	Total	Liability For Remaining Coverage	Loss Component	Liability For Incurred Claims	Total
	USD	USD	USD	USD	USD	USD	USD	USD
Balance as at 01 January	**19 230 583**	**13 866**	**(97 438)**	**19 147 011**	**16 755 951**	**12 366**	**-**	**16 768 317**
Insurance contract revenue	**(2 335 166)**	**-**	**-**	**(2 335 166)**	**(57 981)**	**-**	**-**	**(57 981)**
Insurance service expenses								**-**
Incurred claims	368 840	-	64 347	433 187	65 620	-	48 719	114 339
Other directly attributable expenses	568 834	-	84 456	653 290	152 275	-	-	152 275
Losses on onerous contracts and reversal of those losses	-	(90 833)	-	(90 833)	-	-	-	-
Insurance acquisition cashflows amortisation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Insurance service expenses	**937 674**	**(90 833)**	**148 803**	**995 644**	**217 895**	**-**	**48 719**	**266 614**
Total net expenses from reinsurance contracts held	158 331	-	-	158 331	154 491	-	-	154 491
Insurance service result	**1 239 161**	**90 833**	**(148 803)**	**1 181 191**	**(314 405)**	**-**	**(48 719)**	**(363 124)**
Finance expenses from insurance contracts issued recognised in profit or loss	178 321	365 561	779 123	1 323 005	15 418	1 500	-	16 918
Finance expenses from insurance contracts issued recognised in OCI	110 556	-	(56 274)	54 282	-	-	-	-
Finance expenses from insurance contracts issued	**288 877**	**365 561**	**722 849**	**1 377 287**	**15 418**	**1 500**	**-**	**16 918**
Total amounts recognised in comprehensive income	**1 528 038**	**456 394**	**574 046**	**2 558 478**	**(298 987)**	**1 500**	**(48 719)**	**(346 206)**
Investment components	(3 048 672)	-	-	(3 048 672)	2 968 683	-	-	2 968 683
Other changes	-	-	-	-	-	-	-	-
Cashflows								
Premiums received	1 493 776	-	-	1 493 776	22 831	-	-	22 831
Claims and other directly attributable expenses paid	(937 674)	-	(148 803)	(1 086 477)	(217 895)	-	(48 719)	(266 614)
Insurance acquisition cash flows	(3 263)	-	-	(3 263)	-	-	-	-
Total cash flows	**552 839**	**-**	**(148 803)**	**404 036**	**(195 064)**	**-**	**(48 719)**	**(243 783)**
Balance as at 31 December	**18 262 788**	**470 260**	**327 805**	**19 060 853**	**19 230 583**	**13 866**	**(97 438)**	**19 147 011**

15.4 Investment contract liabilities with DPF

Reconciliation of the liability for remaining coverage and the liability for incurred claims

	GROUP				
	2024				
	Liability for remaining coverage USD	Loss component USD	Total USD	Loss component USD	Total USD
Balance as at 01 January	**17 643 254**	**60 636**	**16 838 172**	**56 841**	**8 945 440**
Insurance contract revenue	**(8 983 136)**	**-**	**(8 983 136)**	**-**	**(6 867 797)**
Insurance service expenses					**-**
Incurred claims	625 357	-	1 666 169	-	1 321 989
Directly attributable expenses	1 803 295	-	1 803 295	-	976 643
Losses on onerous contracts and reversal of those losses	-	1 842 482	1 842 482	-	-
Insurance acquisition cashflows amortisation	1 189 876	-	1 189 876	-	1 029 657
Insurance service expenses	3 618 528	1 842 482	6 501 822	-	3 328 289
Total net expenses from reinsurance contracts held	-	-	-	-	-
Insurance service result	**5 364 608**	**(1 842 482)**	**2 481 314**	**-**	**3 539 508**
Finance expenses from insurance contracts issued recognised in profit or loss	(2 262 090)	(65 743)	(2 327 833)	3 795	2 242 283
Finance expenses from insurance contracts issued recognised in OCI	2 211 587	-	2 211 587	-	-
Finance expenses from insurance contracts issued	**(50 503)**	**(65 743)**	**(116 246)**	**3 795**	**2 242 283**
Total amounts recognised in comprehensive income	**5 314 105**	**(1 908 225)**	**2 365 068**	**3 795**	**5 781 791**
Investment components	8 427 904	-	8 427 904	-	295 614
Other changes	-	-	-	-	-
Cashflows					
Premiums received	9 734 890	-	9 734 890	-	5 542 841
Claims and other directly attributable expenses paid	(2 428 652)	-	(3 469 464)	-	(1 541 695)
Insurance acquisition cash flows	(4 322 786)	-	(4 707 592)	-	(2 185 819)
Total cash flows	**2 983 452**	**-**	**1 557 834**	**-**	**1 815 327**
Balance as at 31 December	**34 368 715**	**(1 847 589)**	**29 188 978**	**60 636**	**16 838 172**

15.4 Investment contract liabilities with DPF (continued)
Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	COMPANY				
	2024				
	Liability for remaining coverage	Loss component	Total	Loss component	Total
	USD	USD	USD	USD	USD
Balance as at 01 January	**17 264 785**	**60 636**	**16 838 172**	**56 841**	**8 945 440**
Insurance contract revenue	**(6 437 014)**	**-**	**(6 437 014)**	**-**	**(4 796 227)**
Insurance service expenses					**-**
Incurred claims	130 397	-	1 171 209	-	702 370
Other directly attributable expenses	1 766 302	-	1 766 302	-	935 406
Losses on onerous contracts and reversal of those losses	-	1 842 482	1 842 482	-	-
Insurance acquisition cashflows amortisation	1 102 988	-	1 102 988	-	943 588
Insurance service expenses	2 999 687	1 842 482	5 882 981	-	2 581 364
Total net expenses from reinsurance contracts held	-	-	-	-	-
Insurance service result	**3 437 327**	**(1 842 482)**	**554 033**	**-**	**2 214 863**
Finance expenses from insurance contracts issued recognised in profit or loss	(2 262 090)	(65 743)	(2 327 833)	3 795	2 242 283
Finance expenses from insurance contracts issued recognised in OCI	2 211 587	-	2 211 587	-	-
Finance expenses from insurance contracts issued	**(50 503)**	**(65 743)**	**(116 246)**	**3 795**	**2 242 283**
Total amounts recognised in comprehensive income	**3 386 824**	**(1 908 225)**	**437 787**	**3 795**	**4 457 146**
Investment components	3 948 210	-	3 948 210	-	(1 180 744)
Other changes	-	-	-	-	-
Cashflows					
Premiums received	9 734 890	-	9 734 890	-	5 542 841
Claims and other directly attributable expenses paid	1 896 699	-	2 937 511	-	1 259 308
Insurance acquisition cash flows	(4 322 786)	-	(4 707 592)	-	(2 185 819)
Total cash flows	**7 308 803**	**-**	**7 964 809**	**-**	**4 616 330**
Balance as at 31 December	**31 908 622**	**(1 847 589)**	**29 188 978**	**60 636**	**16 838 172**

15.5 Investment contract liabilities without DPF

Reconciliation of investment contract liabilities

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

	GROUP		COMPANY	
	2024	2023	2024	2023
	USD	USD	USD	USD
Opening balance 1 January 2024	**10 038 882**	**5 607 893**	**3 194 381**	**915 654**
Contributions received	5 139 799	575 654	4 093 760	31 485
Benefits paid	(2 161 354)	(7 020 354)	(467 967)	(2 342 033)
Investment return from underlying assets	3 751 688	11 365 291	300 982	4 947 367
Asset management fees charged	(99 191)	(489 602)	(1 723)	(358 092)
Closing balance	**16 669 824**	**10 038 882**	**7 119 433**	**3 194 381**

15.6 Insurance contract revenue and expenses

An analysis of insurance revenue, insurance service expensive and net expenses from insurance contracts held by product line for 2024 and 2023 is included in the following tables

December 2024	GROUP			COMPANY		
	Direct participating contracts USD	Investment contracts with DPF USD	Total USD	Direct participating contracts USD	Investment contracts with DPF USD	Total USD
Insurance contract revenue						
Amounts relating to the changes in the Liability for remaining coverage (LRC)						
Expected incurred claims and other expenses after loss component allocation	1 211 971	2 671 734	3 883 705	1 035 091	2 447 393	3 482 484
Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation	56 536	396 014	452 550	(108 743)	282 273	173 530
CSM recognised in profit or loss for the services provided	556 995	4 972 286	5 529 281	124 965	3 247 898	3 372 863
Insurance acquisition cash flow recovery	67	(877 846)	(877 779)	81	35 248	35 329
Insurance revenue from contracts not measured under the PAA	1 825 569	7 162 188	8 987 757	1 051 394	6 012 812	7 064 206
Insurance revenue from contracts measured under the PAA	-	1 820 948	1 820 948	1 283 772	-	1 283 772
Insurance revenue from contracts measured under VFA	621 855	-	621 855		424 202	424 202
Total insurance revenue	**2 447 424**	**8 983 136**	**11 430 560**	**2 335 166**	**6 437 014**	**8 772 180**
Insurance service expenses						
Incurred claims	1 588 093	1 666 169	3 254 262	433 187	1 171 209	1 604 396
Directly attributable expenses	739 606	1 803 295	2 542 901	653 290	1 766 302	2 419 592
Losses on onerous contracts and reversal of those lossess	(90 833)	1 842 482	1 751 649	(90 833)	1 842 482	1 751 649
Insurance acquisition cashflows amortisation	202 740	1 189 876	1 392 616	-	1 102 988	1 102 988
Total insurance service expenses	**2 439 606**	**6 501 822**	**8 941 428**	**995 644**	**5 882 981**	**6 878 625**
Reinsurance expenses-contracts measured under the PAA	354 078	-	354 078	290 482	-	290 482
Claims recovered	(202 318)	-	(202 318)	(132 151)	-	(132 151)
Total net expenses from reinsurance contracts held	**151 760**	**-**	**151 760**	**158 331**	**-**	**158 331**
Total insurance service result	**(143 942)**	**2 481 314**	**2 337 372**	**1 181 191**	**554 033**	**1 735 224**

15.6 Insurance contract revenue and expenses

An analysis of insurance revenue, insurance service expensive and net expenses from insurance contracts held by product line for 2024 and 2023 is included in the following tables

December 2023			GROUP			COMPANY
	Direct participating contracts USD	Investment contracts with DPF USD	Total USD	Direct participating contracts USD	Investment contracts with DPF USD	Total USD
Insurance contract revenue						
Amounts relating to the changes in the Liability for remaining coverage (LRC)						
Expected incurred claims and other expenses after loss component allocation	234 977	2 208 682	2 443 659	24 591	1 970 998	1 995 589
Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation	(33 339)	422 158	388 819	(34 482)	124 014	89 532
CSM recognised in profit or loss for the services provided	630 930	4 037 342	4 668 272	67 872	2 072 777	2 140 649
Insurance acquisition cash flow recovery		(887 327)	(887 327)	-	24 959	24 959
Insurance revenue from contracts not measured under the PAA	832 568	5 780 855	6 613 423	57 981	4 192 748	4 250 729
Insurance revenue from contracts measured under the PAA	-	1 086 942	1 086 942	-	603 479	603 479
Insurance revenue from contracts measured under VFA	175 609	-	175 609	-	-	-
Total insurance revenue	**1 008 177**	**6 867 797**	**7 875 974**	**57 981**	**4 796 227**	**4 854 208**
Insurance service expenses						
Incurred claims	1 493 492	1 321 989	2 815 481	114 339	702 370	816 709
Directly attributable expenses	244 060	976 643	1 220 703	152 275	935 406	1 087 681
Losses on onerous contracts and reversal of those lossess	-	-	-	-	-	-
Insurance acquisition cashflows amortisation	191 574	1 029 657	1 221 231	-	943 588	943 588
Total insurance service expenses	**1 929 126**	**3 328 289**	**5 257 415**	**266 614**	**2 581 364**	**2 847 978**
Reinsurance expenses-contracts measured under the PAA	305 814	-	305 814	174 799	-	174 799
Claims recovered	(223 325)	-	(223 325)	(20 308)	-	(20 308)
Total net expenses from reinsurance contracts held	**82 489**	**-**	**82 489**	**154 491**	**-**	**154 491**
Total insurance service result	**(1 003 438)**	**3 539 508**	**2 536 070**	**(363 124)**	**2 214 863**	**1 851 739**

16 BORROWINGS

16.1 SHORT-TERM BORROWINGS

	GROUP		COMPANY	
	DEC-24 USD	DEC-23 USD	DEC-24 USD	DEC-23 USD
ZB Bank	568 565	752 288	-	-
Steward Bank	511 644	-	-	-
National Social Security Authority	1 000 000	-	330 566	-
Nedbank Limited	330 566	-	-	-
NBS Bank	769 835	-	769 835	-
	3 180 610	**752 288**	**1 100 401**	**-**

ZB Bank Limited

The loan facility with ZB was obtained in 2024 as a line of credit for the micro-finance business to increase the unit's lending capacity. The facility is denominated in USD and accrues interest at 18.6% per annum on a 18 month tenure expiring on 31 January 2026.

Steward Bank

The loan facility amounting to USD 500 000 was obtained in 2024 as a line of credit for the micro-finance business to increase the unit's lending capacity. The facility is denominated in USD and accrues interest at 25% per annum on a one year tenure expiring on 31 October 2025.

National Social Security Authority

A loan facility with the National Social Security Authority (''NSSA'') amounting to USD 1 000 000 was obtained as a line of credit to bolster the microlending business unit lending capacity. The facility accrues interest at 24% per annum on a one year tenure expiring on 31 May 2025 and is secured by a mortgage bond supported by Zimre Holdings Limited guarantee.

Nedbank Limited

Fidelity Life Assurance of Zimbabwe Limited obtained a loan amounting to USD 398 296 for asset financing. The facility accrues interest at the rate of 14% per annum and is repayable over 36 months. The loan is secured over the assets acquired.

NBS Bank

Fidelity Life Assurance of Zimbabwe Limited obtained an asset financing facility amounting to USD 837 488 from NBS Bank. The facility accrues interest at 18% per annum repayable in 24 months expiring on 31 October 2027. The loan is secured over the assets acquired.

16.2

Movements in borrowings during the period were as follows:	GROUP		COMPANY	
	DEC-24 USD	DEC-23 USD	DEC-24 USD	DEC-23 USD
Balance at 1 January	**752 288**	**794 381**	**-**	**-**
Net cash out flow on borrowings	2 428 322	(42 093)	1 100 401	-
Proceeds from borrowings	2 655 329	516 296	1 187 500	-
Repayment of borrowings	(174 774)	(558 389)	(34 865)	-
Finance costs capitalised	242 138	128 108	(69 438)	-
Finance costs paid	(294 371)	(128 108)	17 204	-
Balance at 31 December	**3 180 610**	**752 288**	**1 100 401**	**-**

17 LEASE OBLIGATIONS

The Group leased motor vehicles with a net carrying value of USD$70 252 (2023: USD$113 093). The transaction was generally classified as a lease liability in accordance with IFRS 16. The lease periods approximated the estimated useful economic lives of the motor vehicles and the Group has a right to purchase the motor vehicles outright at the end of the minimum lease term by paying a nominal amount.

Set out below are the carrying amounts of the lease liability and the movements during the year

	GROUP		COMPANY	
	2024 USD	2023 USD	2024 USD	2023 USD
Balance as at 1 January	**143 383**	**19 143**	**-**	**-**
Additions	-	42 152	-	-
Derecognition of right of use asset	-	-	-	-
Interest	7 340	1 713	-	-
Payments	(34 422)	(18 325)	-	-
Exchange rate movement on foreign operations	(24 476)	98 700	-	-
Balance as at 31 December	**91 825**	**143 383**	**-**	**-**

	Minimum lease payments USD	Interest payments USD	Present value USD
2024			
Not later than one year	42 081	13 806	28 275
Between one year and five years	67 323	3 773	63 550
Later than five years	-	-	-
	109 404	**17 579**	**91 825**
Current liabilities			28 275
Non-current liabilities			63 550
			91 825
2023			
Not later than one year	93 925	817	93 108
Between one year and five years	50 275	-	50 275
Later than five years	-	-	-
	144 200	817	143 383
Current liabilities			143 383
Non-current liabilities			-
			143 383

	GROUP		COMPANY	
	2024 USD	2023 USD	2024 USD	2023 USD
18 DEFERRED TAX LIABILITY				
Property and equipment	91 265	90 077	-	626
Investment property	2 006 829	1 980 734	-	-
Provisions	16 620	16 404	-	-
Total	2 114 714	2 087 215	-	626
Reconciliation				
Balance at the beginning of the year	2 087 215	1 242 610	626	626
Movement through profit or loss	27 498	790 332	(626)	-
Movement through other comprehensive income	-	-	-	-
Other temporary differences	-	-	-	-
IFRS 9 adjustment	-	54 273	-	-
Exchange rate movements	-	-	-	-
Balance at the end of the year	**2 114 713**	**2 087 215**	**-**	**626**
18.1 DEFERRED INCOME TAX IMPACT ON PROFIT OR LOSS				
Decrease/(Increase) in deferred tax asset through profit or loss	-	-	-	-
Increase in deferred tax liability through profit or loss	27 498	790 332	(626)	-
Deferred income tax charge/(credit) included in profit or loss	27 498	790 332	(626)	-
18.2 Income tax liability / (asset)				
Balance as at 1 January	139 166	18 487	120	(57)
Charge for the year	143 695	(391 809)	27 513	18 673
Paid during the year	(518 354)	(287 974)	(19 873)	(18 496)
Exchange rate movements	(192 538)	800 462	-	-
Balance as at 31 December	**(428 031)**	**139 166**	**7 760**	**120**

19 TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2024 USD	2023 USD	2024 USD	2023 USD
Trade payables	611 165	839 736	435 970	485 970
Related party payables	157 807	1 044 723	198 531	244 807
Statutory liabilities	271 752	457	41 867	196 712
Other payables	6 276 104	2 669 001	4 361 317	1 003 382
	7 316 828	**4 553 917**	**5 037 685**	**1 930 871**

Trade payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually due within 30 days of invoice or statement date.

Other payables mainly relate to accrued finance costs, accrued value added tax, accrued staff expenses and accrued audit fees.

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method. As these are mostly payable within twelve months of provision of the goods or services, the impact of discounting is not expected to be material. Their carrying amounts are considered to be the same as their fair values, due to their short-term nature.

20 OTHER INVESTMENT INCOME

Dividend income from tradable quoted equities	131 935	459 572	6 499	162 244
Share of Profits or Loss From Subsidiaries - Profit or Loss	-	-	846 257	396 906
	131 935	**459 572**	**852 756**	**559 150**

21 OTHER INCOME

Actuarial fees-recognised over time	458 732	153 091	-	-
Management fees-recognised at a point in time	3 428 852	1 623 808	1 210 451	26 057
Sale of funeral services- recognised at a point in time	251 394	279 223	-	-
Income recognised under IFRS 15	**4 138 978**	**2 056 122**	**1 210 451**	**26 057**
Rental and other property income	7 300	63 331	-	-
Profit on disposal of property and equipment	(3 089)	19 452	4 310	14 621
Sundry	382 468	166 568	19 292	(6 266)
	4 525 657	**2 305 473**	**1 234 053**	**34 412**

Sundry income includes land sale agreement withdrawal charges, charges for funeral services provided to parties not insured by the Group and other miscellaneous income.

	GROUP 2024 USD	GROUP 2023 USD	COMPANY 2024 USD	COMPANY 2023 USD
22 OPERATING AND ADMINISTRATIVE EXPENSES				
Staff costs	4 006 431	2 827 994	1 372 746	834 199
Auditors' remuneration	292 210	317 258	181 370	183 590
Directors' remuneration - fees	272 903	189 351	147 807	121 732
Depreciation of property and equipment	301 140	61 359	151 054	11 925
Computer and data expenses	691 554	532 110	171 417	138 766
Marketing expenses	384 941	217 776	219 854	129 195
Actuarial, legal and other professional fees	1 288 123	1 029 863	482 336	322 287
Motor vehicle maintenance costs	355 543	254 690	133 201	97 900
Amortisation and impairement of intangibles	64 517	89 194	-	-
Depreciation right of use asset	78 427	57 578	-	-
Allowance for credit losses	297 597	30 259	54 675	4 398
Rental from short term leases	703 877	520 474	275 390	169 577
Other operating expenses	1 898 460	1 493 767	1 277 720	861 462
	10 635 723	**7 621 673**	**4 467 570**	**2 875 031**

Other operating expenses comprise mainly of electricity charges, rates, telephone expenses, printing and stationery costs.

Net exchange losses on foreign translations arose from exchange differences on foreign denominated assets and liabilities held by the Group. Refer to Note 28(d).

	GROUP 2024 USD	GROUP 2023 USD	COMPANY 2024 USD	COMPANY 2023 USD
23 FINANCE COSTS				
Other interest expenses	446 771	177 435	70 036	36 461
Total finance costs	**446 771**	**177 435**	**70 036**	**36 461**
24 INCOME TAX EXPENSE/(CREDIT)				
Current	143 695	(391 809)	27 513	18 673
Deferred	27 498	790 332	-	-
	171 193	**398 523**	**27 513**	**18 673**
Tax rate reconciliation				
Profit for the year	**6 568 274**	**2 735 104**	**7 111 735**	**3 199 979**
Tax at Zimbabwe statutory rate of 24.72%	**1 691 331**	**676 118**	**1 758 021**	**791 035**
Tax effect of amounts not deductible/(taxable) in calculating taxable income:				
Items not deductible for tax:				
Allowance for credit losses	(404 780)	(1 603 702)	(77 503)	(52 601)
Other disallowable expenses	2 418 439	680 986	1 803 339	1 223 915
Non-taxable items:				
Differences arising from movements in unrealised fair value (gains)/losses	(8 741)	23 833	(1 674)	(1 136)
Other adjustments:	**(1 861 223)**	**507 073**	**(1 696 650)**	**(1 151 506)**
	143 695	**(391 809)**	**27 513**	**18 673**

	GROUP 2024 USD	GROUP 2023 USD	COMPANY 2024 USD	COMPANY 2023 USD
25 EARNINGS PER SHARE (EPS)				
Reconciliation of total earnings to headline earnings attributable to shareholders Numerator				
Profit/ (Loss) for the year attributable to owners of the parent and profit used in EPS	**6 028 973**	**2 327 710**	**7 084 222**	**3 181 306**
Add/(deduct) non recurring items				
Impairment of intangible assets	-	-	-	-
Profit on disposal of property	3 089	(19 452)	(4 310)	(14 621)
Headline earnings attributable to ordinary shareholders	**6 032 062**	**2 308 257**	**7 079 912**	**3 166 685**
Denominator				
Weighted number of ordinary shares in issue	108 923 291	108 923 291	108 923 291	108 923 291
Less: Shares purchased for the Employee Share Ownership Plan	(1 003 743)	(1 003 743)	(1 003 743)	(1 003 743)
Weighted average number of shares used in basic EPS	**107 919 548**	**107 919 548**	**107 919 548**	**107 919 548**
Less: Dilutive adjusting effects	-	-	-	-
Weighted average number of shares used in diluted EPS	**107 919 548**	**107 919 548**	**107 919 548**	**107 919 548**
25.1 Basic and diluted earnings per share (cents)	**5.59**	**2.16**	**6.56**	**2.95**
25.2 Headline earnings per share (cents)	**5.59**	**2.14**	**6.56**	**2.93**

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

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

26 CAPITAL EXPENDITURE COMMITMENTS

	GROUP 2024 USD	GROUP 2023 USD	COMPANY 2024 USD	COMPANY 2023 USD
Authorised and contracted for	1 209 436	455 645	691 572	270 336
Authorised but not contracted for	-	-	-	-
	1 209 436	**455 645**	**691 572**	**270 336**

Capital expenditure will be financed from the Group's own resources and borrowings.

27 MANAGEMENT OF CAPITAL

The Group's objective when managing capital is to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits to other stakeholders. The capital of the Group comprises of reserves and share capital. The Group's strategy has been to maintain capital that is higher than the minimum required by the regulatory authorities. The Group's compliance with the capital requirements as set out by the regulatory authorities is as follows :

31 December 2024	**Capital**	**Minimum capital requirement**	**Surplus / (Deficit)**
Fidelity Life Assurance of Zimbabwe Limited	4 745 385	2 000 000	2 745 385
Vanguard Life Assurance Company Limited	488 744	473 860	14 884
Fidelity Life Asset Management Company (Private) Limited	436 176	368 567	67 609
Fidelity Life Financial Services (Private) Limited	(30 823)	25 000	(55 823)

31 December 2023	**Capital**	**Minimum capital requirement**	**Surplus / (Deficit)**
Fidelity Life Assurance of Zimbabwe Limited	4 991 989	2 000 000	2 991 989
Vanguard Life Assurance Company Limited	2 932 259	473 860	2 458 399
Fidelity Life Asset Management Company (Private) Limited	437 789	368 567	69 222
Fidelity Life Financial Services (Private) Limited	1 514	25 000	(23 486)

The regulatory capital position for Fidelity Life Assurance, as defined in Section 24 of the Insurance Act (Chapter 24:07) (the "Insurance Act"), amended by Statutory Instrument 95 of 2017, Insurance (Amendment) Regulations, 2017 (No. 19) ("SI 95 of 2017") read with Instrument 59 of 2020, section (3) requires a provider of life and funeral assurance in Zimbabwe to maintain a minimum unencumbered statutory capital (as defined in the Statutory Instrument) of USD$75million. Due to the change in functional currency, the regulator, IPEC, issued circular 42 of 2022 which requires life assurance companies which include funeral assurance to have a proposed minimum capital requirement of USD2 000 000 or the equivalent in ZWL/ZWG terms at the prescribed exchange rate per Reserve Bank of Zimbabwe. Further disclosure on FLA's capital position is included in Note 37. The Company is fully compliant with the minimum capital requirements. The Company continues to pursue plans disclosed in Note 37 to improve the solveny position of the Company.

27 MANAGEMENT OF CAPITAL (continued)

The Group endeavours to preserve a strong cash base and achieve a debt to capital ratio of approximately 100%. The objective of this strategy is to secure access to finance at reasonable cost by maintaining a high credit rating. The Group also constantly scouts for opportunities that enable it to acquire strategic assets such as land banks. Such opportunities may entail an increase in the debt to capital ratio. Under such circumstances, the Group's cap on the debt to capital ratio will be 200%. The debt to capital ratios at 31 December were as follows:-

	GROUP		COMPANY	
	2024	2023	2024	2023
	USD	USD	USD	USD
Debt				
Borrowings	3 180 610	752 288	1 100 401	-
Equity				
Capital	963 207	5 803 944	4 746 011	4 991 989
Debt to capital ratio (%)	330%	5%	23%	0%

28 FINANCIAL INSTRUMENTS - RISK MANAGEMENT

The Group is exposed through its operations to the following financial risks:-

a. Credit risk
b. Fair value or cash flow interest rate risk
c. Liquidity risk
d. Foreign exchange risk
e. Equity price risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and methods used to measure them. Further quantitative information in respect of these risks is presented throughout these consolidated and separate financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from the previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments held by the Group, from which financial instrument risk arises, are as follows:-

i. Trade and other receivables (excluding prepayments and statutory assets)
ii. Debt securities at amortised
iii. Bank and cash
iv. Money market investments
v. Equities at fair value through profit or loss
vi. Trade and other payables (excluding deferred income and statutory liabilities)
vii. Borrowings

(i) Financial instruments by category

A summary of the financial instruments held by category is provided below:-

	GROUP		COMPANY	
	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Financial assets at fair value through profit or loss	Financial assets at amortised cost
Financial assets	USD	USD	USD	USD
2024				
Trade & other receivables (excluding prepayments and statutory assets)	-	7 550 088	-	4 633 251
Financial assets at fair value through profit or loss	20 313 922	-	6 869 970	-
Debt securities at amortised cost	-	4 331 448	-	52 323
Cash and deposits with banks	-	3 771 350	-	673 227
	20 313 922	**15 652 886**	**6 869 970**	**5 358 801**
2023				
Trade & other receivables (excluding prepayments and statutory assets)	-	4 824 108	-	1 054 681
Financial assets at fair value through profit or loss	11 037 898	-	2 540 895	-
Debt securities at amortised cost	-	3 768 003	-	139 866
Cash and deposits with banks	-	2 801 386	-	396 928
	11 037 898	**11 393 497**	**2 540 895**	**1 591 475**

28 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (Continued)

(i) Financial instruments by category (continued)

Financial liabilities	GROUP		COMPANY	
	2024	2023	2024	2023
	USD	USD	USD	USD
Trade and other payables (excluding statutory liabilities and deferred income)	70 45 076	45 53 460	48 40 973	17 34 159
Borrowings	31 80 610	7 52 288	11 00 401	-
	102 25 686	**53 05 748**	**59 41 374**	**17 34 159**

(ii) Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, debt securities at amortised cost , trade and other receivables (excluding prepayments and statutory assets), trade and other payables (excluding deferred income and statutory liabilities) and borrowings. Due to their nature, their carrying values approximate their fair values.

(iii) Financial instruments measured at fair value

Financial instruments were measured at fair value at 31 December using:-

	Level 1		Level 2		Level 3	
Group	2024	2023	2024	2023	2024	2023
	USD	USD	USD	USD	USD	USD
Financial assets						
Financial assets at fair value through other comprehensive income	-	-	21 582	17 588	-	-
Financial assets at fair value through profit or loss	20 043 772	10 536 231	270 150	501 667	-	-

	Level 1		Level 2		Level 3	
	2024	2023	2024	2023	2024	2023
Company	USD	USD	USD	USD	USD	USD
Financial assets						
Financial assets at fair value through profit or loss	6 744 243	2 368 045	125 727	172 850	-	-

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to Management. The Board receives quarterly reports from the Chief Executive Officer through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The Group's internal audit and risk and compliance departments also review the risk management policies and processes and report their findings to the Audit, Risk and Compliance Committee.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:-

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from trade and other receivables , debt securities at amortised cost and cash and deposits with banks.

Credit risk from trade and other receivables mainly emanates from residential stand sales debtors and microfinance loans receivable. The residential stand debtors are secured by the properties sold on credit by the Group to the respective customers. The microfinance loan book is predominantly comprised of customers in formal employment. A pre-condition of extending such loans is the establishment of an agreement with the employer wherein the employer is obliged to deduct the loans repayments through their monthly payroll process from any of their employees to whom such loans are extended. Further disclosures regarding the credit quality of trade and other receivables are provided in Note 9.

28 FINANCIAL INSTRUMENTS - RISK MANAGEMENT ((continued)

(a) Credit risk (continued)

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Credit quality of cash and cash equivalents is reflected in the table below, based on credit ratings determined by the Global Credit Rating Company:

Counterparties with external credit rating (Global Credit Rating Company):

	GROUP		COMPANY	
	2024 USD	2023 USD	2024 USD	2023 USD
A	-	-	-	-
A+	22 135	16 442	27 807	16 395
A-	37 960	28 197	47 825	28 197
AA	41 739	31 004	50 808	29 956
AA-	43 029	31 962	36 147	21 312
BBB	61 903	45 982	173	102
BBB+	-	-	-	-
Cash	61 451	45 646	64 765	38 185
Unrated	3 503 134	2 602 153	445 701	262 781
	3 771 350	**2 801 386**	**673 227**	**396 928**

Included in the unrated balance of USD3 771 350 is USD2 825 260 (USD2 801 386:USD2 107 121 in 2023) money market investments deposited with asset managers that are not rated.

The Group only trades with and receives service from banking institutions that meet regulatory requirements including minimum regulatory capital.
Key considerations include:-
- compliance with minimum capital requirements as set by the Reserve Bank of Zimbabwe ("RBZ"), and the Reserve Bank of Malawi ("RBM").
- RBZ and RBM periodic capital adequacy, asset quality, management, earnings, liquidity, and sensitivity ("CAMELS") ratings,
- total shareholder equity,
- total assets,
- ratios such as loan to deposit ratio, cost to income and non-performing loans ("NPLs") to total loans ratio,
- overall profitability and cash generation,
- historical performance and outlook,
- ability of the bank to provide financial support,

Quantitative disclosures of the risk exposure in relation to financial assets are set out below:-

	GROUP		COMPANY	
	Carrying value USD	Maximum exposure USD	Carrying value USD	Maximum exposure USD
At 31 December 2024				
Trade & other receivables (excluding prepayments and statutory assets)	7 550 088	7 550 088	4 633 251	1 054 681
Debt securities at amortised cost	4 331 448	4 331 448	213 877	213 877
Cash and cash equivalents	3 771 350	3 771 350	673 227	673 227
	15 652 886	**15 652 886**	**5 520 355**	**1 941 785**
At 31 December 2023				
Trade and other receivables (excluding prepayments and statutory assets)	4 824 108	4 824 108	1 054 681	1 054 681
Debt securities at amortised cost	3 768 003	3 768 003	139 866	139 866
Cash and cash equivalents	2 801 386	2 801 386	673 227	673 227
	11 393 497	**11 393 497**	**1 867 774**	**1 867 774**

28 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (continued)

(b) Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its borrowings. It is the risk that the Group will encounter difficulties in meeting its financial obligations as they fall due. In order to mitigate any liquidity risk that the Group faces, the Group's policy has been throughout the year ended 31 December 2024, to maintain substantial facilities and reserves as well as significant liquid resources. The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:-

GROUP	Between 3 and 12 months USD	Between 1 and 2 years USD	Over 2 years USD	Total USD
At 31 December 2024				
				-
Trade and other payables (excluding deferred Income and statutory liabilities)	7 045 076	-	-	-
Borrowings	-	1 511 644	1 668 966	769 835
	7 045 076	**1 511 644**	**1 668 966**	**769 835**
At 31 December 2023				
Trade and other payables (excluding deferred Income and statutory liabilities)	4 553 460	-	-	-
Borrowings	-	752 288	-	-
	4 553 460	**752 288**	**-**	**-**

GROUP	Between 1 and 12 months USD	Over 1 year USD	Total USD
At 31 December 2024			
ASSETS			
Inventories	12 527	21 227	33 754
Trade and other receivables	5 896 636	1 474 159	7 370 795
Financial Assets at fair value through profit or loss	-	20 313 922	20 313 922
Debt securities at amortised cost	4 331 448	-	4 331 448
Cash and deposits with banks	3 771 350	-	3 771 350
	14 011 961	**21 809 307**	**35 821 268**

	Between 1 and 12 months USD	Over 1 year USD	Total USD
LIABILITIES			
Insurance contract liabilities	6 107 842	54 970 578	61 078 420
Investment contracts without discretionary participation features	1 666 982	15 002 842	16 669 824
Borrowings	1 511 644	1 668 966	3 180 610
Deferred tax liabilities	-	2 114 713	2 114 713
Lease obligations	42 081	67 323	109 404
Trade and other payables	7 316 828	-	7 316 828
Income tax liability	-	-	-
	16 645 377	**73 824 422**	**90 469 799**

GROUP	Between 1 and 12 months USD	Over 1 year USD	Total USD
At 31 December 2023			
ASSETS			
Inventories	245 309	27 227	272 536
Trade and other receivables	657 723	4 191 154	4 848 877
Income tax asset	-	-	-
Deferred tax assets	-	-	-
Financial Assets at fair value through profit or loss	-	11 037 898	11 037 898
Debt securities at amortised cost	3 768 003	-	3 768 003
Cash and deposits with banks	2 801 386	-	2 801 386
	7 472 421	**15 256 279**	**22 728 700**

	Between 1 and 12 months USD	Over 1 year USD	Total USD
LIABILITIES			
Insurance contract liabilities	4 292 841	38 635 565	42 928 406
Investment contracts without discretionary participation features	1 003 888	9 034 994	10 038 882
Borrowings	-	752 288	752 288
Deferred tax liabilities	-	2 087 215	2 087 215
Lease obligations	-	143 383	143 383
Trade and other payables	4 553 917	-	4 553 917
Income tax liability	-	-	-
	9 850 646	**50 653 445**	**60 504 091**

28 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (continued)

(b) Liquidity risk (continued)

	Up to 3 months USD	Between 3 and 12 months USD	Between 1 and 2 years USD	Over 2 years USD	Total USD
At 31 December 2024					
Trade and other receivables (excluding prepayments and statutory assets)	1 389 975	3 243 276	-	-	4 633 251
Insurance contract liabilities	-	-	4 824 983	43 424 848	48 249 831
Investment contracts without discretionary participation features	-	-	711 943	6 407 490	7 119 433
Borrowings	-	-	330 566	769 835	1 100 401
	1 389 975	**3 243 276**	**5 867 492**	**50 602 173**	**61 102 916**
At 31 December 2023					
Trade and other receivables (excluding prepayments and statutory assets)	316 404	738 277	-	-	1 054 681
Insurance contract liabilities	-		3 598 518	32 386 665	35 985 183
Investment contracts without discretionary participation features	-	-	319 438	2 874 943	3 194 381
Borrowings	-	-	-	-	-
	316 404	**738 277**	**3 917 956**	**35 261 608**	**40 234 245**

(c) Market risk

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

Equity price risk

The Group holds some strategic equity investments in other companies these include development bonds and treasury bills that carry prescribed asset status. Directors believe that the exposure to market price risk from this activity is acceptable in the Group's circumstances. A 10% increase in value of the equity instruments held at the reporting date would, all other variables held constant, have resulted in an increase in profit before tax and net assets of USD6 626 112 (2023: USD4 610 192) for the Group and the Company. A 10% decrease in their value would on the same basis have decreased retained earnings and assets by the same amount.

(ci) Fair value or cash flow interest rate risk

The fair value risk is the risk of changes in the fair value assets and liabilities that are sensitive to changes in market interest rates. Cashflow interest risk is a risk that results when the cash flow timing or amount is altered due to interest rate changes. The Group seeks to manage this risk through the monitoring of adherence to established set of investment guidelines, which are reviewed and updated periodically by the Investments Committee. The Group's borrowings are at fixed interest rates.

(d) Foreign exchange risk

The risk that the fair value of the cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. Foreign exchange risks arise from recognised monetary financial assets and liabilities future commercial transactions, that are not denominated in the functional currency of the Group.

The Group also operates in Malawi and is exposed to foreign exchange risk arising from exposure to the fluctuation of the Malawian Kwacha (MWK), with respect to the United States Dollar (USD). Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

The following table details the Group's sensitivity to a 10% increase or decrease in the USD against the Malawian Kwacha and USD with all other variables held constant. 10% represents management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and is calculated by adjusting the translation of foreign currency amounts at the period end for a 10% change in foreign currency rates.

Consolidated foreign exchange gap analysis as at 31 December

	2024	2023	2024	2023
Base Currency	USD	USD	MWK	MWK
	USD Equivalent	USD Equivalent	USD Equivalent	USD Equivalent
Assets				
Cash and deposits with banks	2 754 419	396 928	4 776 195 048	668 175 219
Loans and receivables	1 462 151	1 054 681	2 535 387 087	1 775 414 453
Total assets	**4 216 570**	**1 451 609**	**7 311 582 135**	**2 443 589 672**
Liabilities				
Trade and other payables	970 019	1 930 871	1 682 024 392	3 250 363 171
Total liabilities	970 019	1 930 871	1 682 024 392	3 250 363 171
Net currency position	**3 246 551**	**(479 262)**	**5 629 557 743**	**(806 773 499)**
Exchange rates as at 31 December	1 734	1 734	1 734	1 734
Impact of 10% increase in exchange rates				
Assets	383 325	131 964	664 689 285	222 144 516
Liabilities	(88 184)	(175 534)	(152 911 308)	(295 487 561)
Net position	**295 141**	**(43 570)**	**511 777 977**	**(73 343 045)**

28 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (continued)

(d) Foreign currency exchange risk (continued)

	GROUP		COMPANY	
	2024	2023	2024	2023
Impact of change in exchange rates	10% increase	10% decrease	10% increase	10% decrease
	USD	USD	USD	USD
Impact of profit before tax	7 225 101	(2 461 594)	7 822 909	(2 879 981)
Impact on equity	7 036 789	(2 102 923)	7 792 644	(2 863 175)

This method used for deriving sensitivity information and significant variables did not change from previous period.

29 ASSURANCE RISK MANAGEMENT

29.1 Insurance Risk

Insurance risk is the risk that actual future underwriting, policyholder behaviour and expense experience will differ from that assumed in measuring policyholder liabilities and assets and in pricing products. Insurance risk arises due to uncertainty regarding the timing and amount of future cash flows from insurance contracts. This could be due to variations in mortality, morbidity, policyholder behaviour or expense experience in the case of life products, and claims incidence, claim severity or expense experience in the case of short-term insurance products. These could have adverse impacts on the Group'searnings and capital if different from those assumed.

The Group is exposed to insurance risk arising from its insurance contracts with policyholders and other beneficiaries. The main risk that the Group faces is that the actual claims and benefits payments or the timing thereof differ from expectations. The risk exposure is mitigated by the use of careful selection procedures and implementation of underwriting procedures, use of actuarial models which calculate premiums and monitor claims patterns, as well as the use of reinsurance arrangements.

The insurance risks that the Group is exposed to that have the greatest impact on the financial position and comprehensive income are covered below.

29.2 General mangement of insurance risk

The insurance subsidiaries are responsible for the day to day identification, monitoring and assessment of insurance risk. In addition to the management of risk by the subsidiary companies, the Group has the following insurance risk management controls:

29.3 Group Risk and Compliance Committee

The Committee advises Group's overall risk strategy, current risk exposures, and risk governance. The Committee considers and approves the remit of the risk management function and reviews reports on material breaches of risk limits, as well as the adequacy of remedial action. The Committee also advises the Board on the risks aspects of proposed strategic transactions.

29.4 Audit Committee

The audit committee deals with insurance companies within the Group. The committee serves to satisfy the Group and operational boards of directors that adequate internal and financial controls are in place and that material risks are managed appropriately. More specifically, this committee is responsible for reviewing the financial statements and accounting policies, the effectiveness of the management information and systems of internal control, compliance with statutory and regulatory requirements, including actuarial input thereon, interim and final reports, the effectiveness of the internal audit function, external audit plans and findings on their respective reports. This committee reports directly to the Group board of directors. The committee meetings are attended by the external and internal auditors and are held at least quarterly.

29.5 Statutory actuary

The statutory actuary of the insurance subsidiaries reports on the capital adequacy and the financial soundness at the year-end date and for the foreseeable future. All new premium rates or premium rates where changes are required are reviewed by the statutory actuary. Dividend declarations are recommended to the audit committee for approval by the statutory actuary prior to payment to ensure that the insurance subsidiaries remain financially sound thereafter.

29.6 Capital adequacy requirements

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

The main risks that the Group is exposed to are as follows:
- Mortality risk – risk of loss arising due to policyholder death experience being different than expected
  Morbidity risk – risk of loss arising due to policyholder health experience being different than expected
- Longevity risk – risk of loss arising due to the annuitant living longer than expected
- Investment return risk – risk of loss arising from actual returns being different than expected
- Expense risk – risk of loss arising from expense experience being different than expected
- Policyholder decision risk – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected

29.7 Mortality and morbidity risk

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

29.8 Pricing

Premium rates are differentiated by factors which historical experience has shown are significant determinants of mortality and morbidity claim experience. Prior to taking on individual risk policies, appropriate underwriting processes are conducted, which influence pricing on the policy prior to acceptance. The actual claims experience is monitored on a monthly basis so that deteriorating experience can be timeously identified. At the point of issuing new policies, consideration is given to update product pricing if the change in the experience, as evidenced by the commissioned periodic investigations, has become sustained and cannot be mitigated. Further, the valuation of liabilities is periodically updated with the new parameters arising from the periodic investigations. Detailed mortality and morbidity investigations are conducted on a bi-annual basis for key products. Allowance for special effects of specified medical conditions is made in product pricing as well as in the measurement of policyholder liabilities and assets.

29 ASSURANCE RISK MANAGEMENT (continued)

29.9 Terms and conditions

The policy terms and conditions contain exclusions for nonstandard and unpredictable risks that may result in severe financial loss. Terms are built into the policy contracts that permit risk premiums to be reviewed on expiry of a guarantee period. In particular:

- for individual risk business, most in-force risk premiums are subject to review; and
- for institutional risk business, the risk premiums can be reviewed annually.

29.10 Underwriting

Underwriting guidelines concerning authority limits and procedures to be followed in accepting new business are in place. For individual and institutional business, larger sums assured in excess of specified limits are subjected to underwriting and evaluated against established guidelines for accepting new business. The annually reviewable terms on institutional business enable premiums to keep pace with emerging claim experience. Part of the underwriting process involves assessing the health condition and family medical history of applicants. Terms and conditions are varied accordingly. Non-standard risks such as hazardous pursuits and medical conditions are assessed at underwriting stage. The expertise of reinsurers is used in the rating of non-standard risks. Financial underwriting is used where necessary to determine insurable interest.

29.11 Claims management

For mortality, claims are validated against policy terms and conditions. For morbidity, experienced claims assessors determine the merits of the claim in relation to the policy terms and conditions. In the case of disability annuitants, claim management ensures the continued eligibility for monthly income and includes interventions that may result in the full or partial medical recovery of the claimant. The actual disability experience is highly dependent on the quality of the claim assessment

29.12 Reinsurance

Reinsurance is used by the Group to reduce exposure to a particular line of business, a particular individual, a single event, and to benefit from the risk management support services and technical expertise offered by reinsurers. The Group has a centralised reinsurance function that works closely with business units and subsidiaries to optimise and monitor reinsurance at a group level and to ensure consistent governance and execution of the Group's reinsurance strategy. Regular reviews, which consider risk appetite, are conducted on reinsurance arrangements for new business. Given that large proportions of the Group's business is long term individual risk business, where the proportion of the risk that is reinsured is fixed for life at the inception of the policy, the Group's overall reinsurance result is heavily influenced by historical reinsurance arrangements. In some instances where underlying policyholder benefits are annually renewable, for example institutional business, reinsurance is annually renewable. Existing reinsurance arrangements include proportional reinsurance (quota share and surplus type arrangements) on both a treaty and facultative basis and catastrophe reinsurance which is renewed annually. Catastrophe reinsurance is consolidated across business units and is in place to reduce the risk of many claims arising from the same event. Various events are excluded from the catastrophe reinsurance (e.g. epidemics and radioactive contamination).

29.13 Longevity risks

Longevity risk is the risk of adverse financial impact due to actual annuitant mortality being lower than anticipated, that is annuitants living longer than expected. For life annuities, the loss arises as a result of the Group having undertaken to make regular payments to policyholders for their remaining lives, and possibly to the policyholders' spouses for their remaining lives.

The most significant risks on these liabilities are continued medical advances and improvements in social conditions that lead to longevity improvements being better than expected. The Group manages the longevity risk by:

- annually monitoring the actual longevity experience and identifying trends over time;
- making allowance for future mortality rates falling in the pricing of new business and the measurement of policyholder liabilities. This allowance will be based on the trends identified in experience investigations and external data; and
- regularly verifying annuitants are still alive

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

29.14 Life insurance contract liability sensitivity analysis

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis.

29 ASSURANCE RISK MANAGEMENT (continued)

Life insurance contract liability sensitivity analysis (continued)

It should be noted that movements in these assumptions are non-linear. Sensitivity information will also vary according to the current economic assumptions, mainly due to the impact of changes to both the intrinsic cost and time value of options and guarantees. When options and guarantees exist, they are the main reason for the asymmetry of sensitivities. The method used for deriving sensitivity information and significant assumptions made did not change from the previous period.

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

Base	Change in assumptions (increase decrease)	Impact on liabilities	Impact on profit before tax	Impact on profit after tax
2024				
Mortality	+10%	61 337	61 337	(15 794)
Lapse	-10%	123 632	123 632	(31 835)
Expense	+10%	768 124	768 124	(197 792)
Discount rate	+1%	(749 454)	(749 454)	192 984
2023				
Mortality	+10%	95 356	95 356	(24 554)
Lapse	-10%	65 625	65 625	(16 898)
Expense	+10%	195 535	195 535	(50 350)
Discount rate	+1%	(204 418)	(204 418)	52 638

The above risk exposure is mitigated by the following strategies:

(i) Underwriting strategy

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

(ii) Pricing strategy

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

Key assumptions

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

The key assumptions to which the estimation is particularly sensitive are as follows:

Mortality rates

Assumptions are based on standard tables, according to the type of contract written. An investigation into the actual mortality experience of the Company is used to compare the experience to the standard table. Adjustment to the standard table may be made where justified by the experience. An appropriate, but not excessive, prudent allowance is made for expected future improvements. Assumptions are differentiated by sex, underwriting class and contract type.

The valuation basis carries an extra mortality loading of 10% which is in line with the 10% Covid loading being used in the region. An increase in rates will lead to a larger number of claims (and claims could occur sooner than anticipated) which will increase the expenditure and reduce profits for the shareholders.

Longevity

Assumptions are based on standard industry and national tables, adjusted when appropriate to reflect the Company's own risk experience. An appropriate, but not excessive, prudent allowance is made for expected future improvements. Assumptions are differentiated by sex, underwriting class and contract type.

An increase in longevity rates will lead to an increase in the number on annuity payments to be made, which will increase the expenditure and reduce profits for the shareholders.

Investment return and inflation

Economic assumptions are based on the existing investment portfolio, and take account of the expected future medium to long-term economic environment. These estimates are based on current market returns as well as expectations about future economic and financial developments.

An increase in investment return would lead to an increase in profits for the shareholders.

Expenses

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

29 ASSURANCE RISK MANAGEMENT (continued)

29.15 Concentration risk

The Group's underwriting strategy is designed to ensure that risks are well diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and number of contracts written per product type. The following tables show the concentration of life insurance liabilities and investment contract liabilities by type of contract.

As at 31 December 2024	**Insurance contract liabilities with DPF**	**Investment contract liabilities with DPF**	**Investment contract liabilities without DPF**
Individual life business	**USD**	**USD**	**USD**
Conventional	17 349 916	-	-
Investments	-	13 821 537	-
Funeral	4 955 340	-	-
Group Life business			
Funeral	-	-	
Risk business	9 584 186	1 162 561	-
Deposit administration	-	14 204 880	16 669 824
Total	**31 889 442**	**29 188 978**	**16 669 824**
As at 31 December 2023			
Individual life business			
Conventional	16 373 211	-	-
Investments	-	5 437 604	-
Funeral	4 352 472	-	-
Group Life business			
Funeral	-	-	-
Risk business	5 364 551	1 109 807	-
Deposit administration	-	10 290 761	10 038 882
Total	**26 090 234**	**16 838 172**	**10 038 882**

29 ASSURANCE RISK MANAGEMENT (continued)

(ii) Pricing strategy (continued)

Lapse and surrender rates
Lapse relates rates to the termination of policies on premiums not paid up. Surrenders relate to the voluntary termination of policies by policyholders. Policy termination assumptions are determined using statistical measures based on the Company's experience and vary by product type, policy duration and sales trends. For lapses, the Company's actual lapse experience is investigated. The lapse assumption is set based on this assumption but at a level that is expected to be consistent from year to year.

An increase in lapse rates early in the life of the policy would tend to reduce profits for shareholders, but later increases are broadly neutral in effect.

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

A decrease in the discount rate will increase the value of the insurance liability and therefore reduce profits for the shareholders.

30 FAIR VALUE DISCLOSURES

The Group measures investment property, land and buildings, which are disclosed as part of property and equipment, and investments in listed equities at fair value.

Valuation process - listed equities
The Group obtains values of listed equities based on the prices quoted on the Zimbabwe Stock Exchange for counters listed in Zimbabwe and the Malawi Stock Exchange for counters listed in Malawi.

Valuation process - properties
The Group's properties (investment property, land and buildings) are valued by independent external valuers in order to determine their fair values. Valuations were performed by Homelux Real Estate an accredited independent valuer, as at 31 December 2022.

Valuations of the Group's commercial and industrial properties were based on comparative and investment methods .The investment method involves the capitalization of expected rental income by an appropriate yield. The comparative approach seeks to ascribe to the subject property a value similar to that achieved in transactions for comparable properties. The comparative method makes use of assessed rental value rates and capitalization rates for similar properties sold and after appropriate adjustments, such rates are applied to each property to determine its value. The valuation is based on market evidence.

Residential stands and small pieces of undeveloped stands were valued based on sales evidence on similar properties situated in comparable residential suburbs as those of the subject properties.

For large tranches of undeveloped land, the valuer adopted the development/residual value method. The assessment was based on the assumption that it is subdivided into smaller stands and fully serviced. The total estimated costs of development and disposal, which include servicing costs, agency fees, interest on servicing costs, contingency costs and the developer's profit, were then deducted from the value determined.

Depending on the valuation method applied, valuations are based upon assumptions that include transaction prices on similar properties, market related rental income and market yields.

Fair value hierarchy - Group	**Level 1 USD**	**Level 2 USD**	**Level 3 USD**	**Total USD**	**Total gain/(loss) for the period in statement of profit or loss and other comprehensive income USD**	**Total gain/ (loss) for the period in through investment contract liabilities USD**
31 December 2024						
Commercial	-	-	6 413 151	6 413 151	855 390	937 922
Residential	-	-	-	-	-	-
Land	-	-	40 662 000	40 662 000	5 254 539	2 626 182
Total investment properties	**-**	**-**	**47 075 151**	**47 075 151**	**6 109 929**	**3 564 104**
Financial Assets at fair value through profit or loss	**20 043 772**	**270 150**	**-**	**20 313 922**	**1 862 288**	**187 584**
Land and buildings	-	-	47 075 151	47 075 151	6 109 929	3 564 104
31 December 2023						
Commercial	-	-	5 195 245	5 195 245	1 193 315	2 841 323
Residential	-	-	-	-	-	-
Land	-	-	31 611 007	31 611 007	7 330 362	7 955 704
Total investment properties	-	-	36 806 252	36 806 252	8 523 677	10 797 026
Equities at fair value through profit or loss	**10 536 231**	**501 667**	**-**	**11 037 898**	**1 731 724**	**568 265**
Land and buildings	**-**	**-**	**36 806 252**	**36 806 252**	**8 523 677**	**10 797 026**

Gains recorded in the statement of profit or loss and other comprehensive income for recurring fair value measurements categorised within level 3 of the fair value hierarchy amount to USD 6 109 929 (December 2023: USD 8 523 677). Fair value gains of USD 3 751 688 (December 2023: USD 11 365 291) were recorded directly in investment contract liabilities.

All gains and losses recorded in the statement of profit or loss and other comprehensive income for recurring fair value measurements categorised within level 3 of the fair value hierarchy are attributable to changes in unrealised gains or losses relating to investment and other properties held at the end of the reporting period.

31 RETIREMENT BENEFITS

31.1 Fidelity Life Pension Fund

All eligible employees are members of the Fidelity Life Defined Contribution Pension Scheme which is administered by the Company. Employees in the subsidiary in Malawi are members of the Vanguard Life Assurance Pension Scheme which is administered by the Company.The fund is financed by Group and employee contributions.

Contributions were made as follows during the year:

	GROUP		COMPANY	
	2024 USD	2023 USD	2024 USD	2023 USD
Employer's contribution	90 018	87 418	35 578	27 475

31.2 National Social Security Scheme

The Group employees in Zimbabwe contribute to the National Social Security Scheme, a Defined Contribution Pension Scheme promulgated under the National Social Security Act of 1989. The obligation under the scheme is limited to specific contributions legislated from time to time.The contribution rates were reviewed following the gazetting of Statutory Instrument 108 and 109 of 2020 on 15 May 2020 increasing the contributions from 3.5% to 4.5% of basic salary per employee per month limited to USD 2 414 896.

Contributions were made as follows during the year:

	GROUP		COMPANY	
	2024 USD	2023 USD	2024 USD	2023 USD
Employer's contribution	28 482	20 425	11 056	6 704

32 RELATED PARTY INFORMATION

32.1 Related parties

The following are the related parties of the Company:

Related party	Nature of relationship
Fidelity Life Financial Services (Private) Limited	Wholly owned subsidiary
Zimbabwe Actuarial Consultants (Private) Limited	Wholly owned subsidiary
Vanguard Life Assurance Company Limited	Subsidiary
Fidelity Funeral Assurance (Private) Limited	Subsidiary
Fidelity Life Asset Management Company (Private) Limited	Subsidiary
Fidelity Life Medical Services Company (Private) Limited	Subsidiary
Langford Estates 1962 (Private) Limited	Subsidiary
Fidelity Life Medical Aid Society	Society managed by Fidelity Life Medical Services Company (Private) Limited
Zimre Holdings Limited	Shareholder
Turismo Investments (Private) Limited	Shareholder
Credsure	Common shareholder
Zimre Property Investments Limited	Common shareholder
Emeritus Reinsurance (Private) Limited	Common shareholder
WFDR Risk Services	Common shareholder
Zimre Property Investments	Common shareholder
Zimbabwe Insurance Brokers Limited	Common shareholder
L.T Gwata	Non Executive Chairman
Langton Mabhanga	Independent Non Executive Director
Takudzwa Chitsike	Independent Non Executive Director
S. Kudenga	Non Executive Director
I. Mvere	Non Executive Director
F. Dzanya	Non Executive Director
G. Dhombo	Independent Non Executive Director
H. Nemaire	Independent Non Executive Director
B. Wesley	Key management
S. Mudzengi	Key management
L.Moyo	Key management
R. Chihota	Managing Director
K. Dube	Key management
C. Matongo	Key management
C.Chikundura	Key management
Z.Zvenyika	Group Chief Finance Officer

32 RELATED PARTY INFORMATION (continued)

32.2 Related party transactions

The following represent transactions with related parties during the year:-

Related party	Nature of transaction
Income	
Vanguard Life Assurance Company Limited	Management fee income
Zimbabwe Insurance Brokers Limited	Pension contributions
Zimre Property Investments Limited	Pension contributions
Credisure	Pension contributions
WFDR	Pension contributions
Emeritus Reinsurance (Private) Limited	Pension contributions
Expenses	
Fidelity Life Medical Aid Society	Medical aid contributions
Zimbabwe Actuarial Consultants (Private) Limited	Actuarial fees
Fidelity Life Asset Management Company (Private) Limited	Management fees
Emeritus Reinsurance (Private) Limited	Reassurance premiums

32.3 Related party balances

32.3.1 Related party receivables

	GROUP		COMPANY	
	2024 USD	2023 USD	2024 USD	2023 USD
Included in trade and other receivables are the following balances:-				
Fidelity Life Asset Management Company (Private) Limited	-	-	4 553	554
Langford Estates 1962 (Private) Limited	-	-	181 124	146 727
Fidelity Life Financial Services (Private) Limited	-	-	404 773	272 766
Fidelity Funeral Services Company (Private) Limited	-	-	1 403 126	1 677
Fidelity Life Medical Aid Society	-	829 511	-	-
Fidelity Life Medical Services Company (Private) Limited	-	-	901	901
Zimbabwe Actuarial Consultants (Private) Limited	-	-	613	-
Zimre Holdings Limited	151 294	-	151 294	210 560
Credsure	837	1 032	837	1 032
WFDR Risk Services	-	-	-	-
Zimre Property Investments	-	218 193	-	-
CFI Holdings	9 289	-	9 289	539
Vanguard Life Assurance Company Limited	-	-		
	161 421	**1 048 736**	**2 156 510**	**634 756**

32 RELATED PARTY INFORMATION (continued)

32.4 Compensation to key management

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The compensation to key management was as follows during the year:-

	GROUP		COMPANY	
	2024 USD	2023 USD	2024 USD	2023 USD
Short term benefits	854 161	762 644	319 367	285 149
Post employment benefits	51 812	46 261	16 098	14 373
Total	**905 973**	**808 904**	**335 465**	**299 522**

The remuneration of directors and key management is determined by the Human Resources and Corporate Governance Committee of the Board having regard to the performance of the individuals and market trends.

32.5 Loans to key management

Included in trade and other receivables as at year end are loans to key management as follows:-

Loans receivable	**16 603**	**46 261**	**8 302**	**22 821**

The loans are payable over 5 years, attract interest at 6% per annum and are secured against the properties that were acquired by the employees.

35 SUBSIDIARIES

The principal business of each of the subsidiaries of Fidelity Life Assurance of Zimbabwe, all of which have been included in the consolidated financial statements, is as follows:-

Description	Business	Location
Fidelity Life Asset Management Company (Private) Limited	Asset management	Zimbabwe
Fidelity Life Medical Services Company (Private) Limited	Medical aid management	Zimbabwe
Vanguard Life Assurance Company Limited	Life assurance	Malawi
Zimbabwe Actuarial Consultants (Private) Limited	Actuarial consultants	Zimbabwe
Fidelity Life Financial Services (Private) Limited	Micro-lending	Zimbabwe
Fidelity Funeral Services Company (Private) Limited	Funeral services	Zimbabwe
Fidelity Life Medical Services Company (Private) Limited	Medical Management Services	Zimbabwe
Langford Estates 1962 (Private) Limited	Property development	Zimbabwe

The shareholding of the company in each of the subsidiaries is as follows:-

		Shareholding
Description	**2024**	**2023**
Fidelity Life Asset Management Company (Private) Limited	96%	96%
Vanguard Life Assurance Company Limited	62%	62%
Zimbabwe Actuarial Consultants (Private) Limited	100%	100%
Fidelity Life Financial Services (Private) Limited	100%	100%
Fidelity Funeral Services Company (Private) Limited	91%	91%
Fidelity Life Medical Services Company (Private) Limited	100%	100%
Langford Estates 1962 (Private) Limited	81%	81%

34 NON-CONTROLLING INTERESTS

	Vanguard Life		Langford Estates	
	2024	2023	2024	2023
For the year ended 31 December	**USD**	**USD**	**USD**	**USD**
Profit attributable to NCI	**403 193**	**15 096**	**(34 768)**	**(8 378)**
Other comprehensive income allocated to NCI	103 216	156 210	-	-
Total comprehensive income allocated to NCI	**506 409**	**171 306**	**(34 768)**	**(8 378)**
Cash flows from operating activities	2 478 424	714 005	-	-
Cash flows from investing activities	220 523	1 450 606	-	-
Cash flows from financing activities	55 472	49 727	-	-
Net cash flows attributable to NCI	**2 754 419**	**2 214 337**	**-**	**-**
Assets:				
Property and equipment	224 213	154 557	-	-
Right of use asset	70 252	113 093	-	-
Investment property	1 824 151	1 683 145	25 040 000	25 040 000
Intangible assets	175 296	178 394	-	-
Trade and other receivables	1 462 151	986 704	-	-
Financial assets at fair value through profit or loss	13 095 388	8 487 153	-	-
Debt securities at amortised cost	4 117 571	3 734 281	-	-
Cash and deposits with banks	2 754 419	2 214 337	-	-
	23 723 441	**17 551 664**	**25 040 000**	**25 040 000**
Liabilities:				
Insurance contract liabilities	12 828 589	6 943 223	-	-
Investment contract liabilities	9 550 391	6 844 501	-	-
Deferred tax liabilities	371 079	314 614	1 710 417	1 660 610
Lease Liability	56 063	79 230	-	-
Trade and other payables	970 019	844 555	181 124	50 188
Income tax liability	-	-		
	23 776 141	**15 026 123**	**1 891 541**	**1 710 798**

35 SEGMENT REPORTING

SEGMENT INFORMATION

The Group has three main reportable segments as follows:

Insurance

This segment is involved in life assurance and pensions. The segment accounts for 74% (2023: 74%) of the Group's external revenue.

Microlending

This segment is involved in consumer loans, business loans and loans to farmers. It accounts for 8% (2023: 6%) of the Group's external revenue. The segment has experienced steady growth since its formation in 2010.

Property Investment

This segment holds a land bank as investment property and the total revenue in this segment arises from fair value adjustments on property held.

Other

Included in this segment are the actuarial, asset management and funeral services units. These are individually immaterial and reported as other income.

Factors that management used to identify the Group's reportable segments

The Group's reportable segments are strategic business units that offer more or less similar services. The segment described as other comprises of business units that have combined income significantly less than 10% of the combined revenue of all operating segments.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the executive management team including the Chief Executive Officer and the Chief Finance Officer.

35 SEGMENT REPORTING (continued)

35.1 SEGMENT INFORMATION

	HISTORICAL					
December 2024	**Insurance**	**Microlending**	**Property Investment**	**Other**	**Consolidation adjustments**	**Total**
	USD	**USD**	**USD**	**USD**	**USD**	**USD**
Insurance contract revenue	11 430 560	-	-	-	-	11 430 560
Insurance service expenses	(8 941 428)	-	-	-	-	(8 941 428)
Net expenses from reinsurance contracts held	(151 760)	-	-	-	-	(151 760)
Insurance service result	**2 337 372**	**-**	**-**	**-**	**-**	**2 337 372**
Net Investment Income	10 080 419	84 731	-	243 044	(1 346 257)	9 061 937
Net insurance finance expenses	1 004 828	-	-			1 004 828
Net insurance and investment result	**13 422 619**	**84 731**	**-**	**243 044**	**(1346 257)**	**12 404 137**
Non insurance income	1 656 717	1 432 272	-	3 254 610	-	6 343 599
Indirect expenses	(6 735 630)	(1 513 491)	(130 995)	(3 799 346)	-	(12 179 462)
Income tax expense	(204 833)	(35 847)	(49 808)	119 295	-	(171 193)
						-
Profit/(loss) for the year	**8 138 873**	**(32 335)**	**(180 803)**	**(182 397)**	**(1346 257)**	**6 397 081**
Segment assets	89 984 562	2 389 907	25 040 000	3 649 567	(29 648 609)	91 415 427
Segment liabilities	84 750 433	2 420 730	1 891 541	2 980 896	(1 591 380)	90 452 220

December 2023	**Insurance**	**Microlending**	**Property Investment**	**Other**	**Consolidation adjustments**	**Total**
	USD	**USD**	**USD**	**USD**	**USD**	**USD**
Insurance contract revenue	7 875 974	-	-	-	-	7 875 974
Insurance service expenses	(5 257 415)	-	-	-	-	(5 257 415)
Net expenses from reinsurance contracts held	(82 489)	-	-	-	-	(82 489)
Insurance service result	**2 536 070**	**-**	**-**	**-**	**-**	**2 536 070**
Net Investment Income	6 330 888	(89 444)	-	6 957	(396 906)	5 851 495
Net insurance finance expenses	(2 259 201)	-	-			(2 259 201)
Net insurance and investment result	**6 607 757**	**(89 444)**	**-**	**6 957**	**(396 906)**	**6 128 364**
Non insurance income	1 757 053	842 516	-	2 595 266	-	5 194 835
Indirect expenses	(4 927 842)	(1 108 134)	(43 565)	(2 508 554)	-	(8 588 095)
Income tax expense	(216 174)	-	-	(182 349)	-	(398 523)
						-
Profit/(loss) for the year	**3 220 794**	**(355 062)**	**(43 565)**	**(88 680)**	**(396 906)**	**2 336 581**
Segment assets	63 653 582	1 263 670	25 040 000	1 530 467	(25 040 518)	66 447 201
Segment liabilities	55 729 334	1 262 156	1 710 798	734 245	1 206 724	60 643 257

Measurement of operating segment profit or loss, assets and liabilities
"The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. The Group evaluates performance on the basis of profit or loss from operations but excluding non-recurring losses, such as goodwill impairment."

Inter-segment sales are priced along the same lines as sales to external customers, with an appropriate discount being applied to encourage use of Group resources at a rate acceptable to local tax authorities. This policy was applied consistently throughout the current and prior year.
The Group has no transactions with a single external customer that exceeds 10% of its total revenue

36 PRESCRIBED ASSETS

The Pension and Provident Funds Act (Chapter 24:09) as amended by the Government of Zimbabwe Statutory Instrument 206 of 2019 requires companies in the life assurance industry to hold 15% of their assets as investments in prescribed stocks and bonds. The Company's investment in such assets is summarised below:-

	2024	2023
Counterparty	**USD**	**USD**
Inventories-South View stands	21 227	27 227
Residential stand debtors	10 135	327
Other non current assets	170 020	149 046
REIT	5 981 627	1 046 322
Investment properties	7 589 000	5 673 000
Total assets	**66 261 121**	**46 101 918**
Percentage of total assets	**21%**	**15%**

The Company is fully compliant with the prescribed assets requirements in the current year.

37 COMPLIANCE WITH INSURANCE REGULATIONS 1989 (SECTION 3 AND 8)

Statutory Instrument 95 of 2017, Insurance (Amendment) Regulations 2017 (19)

The financial statements of the Company must comply with the provisions of Insurance Regulations 1989, promulgated as Statutory Instrument 95 of 2017 read with Instrument 59 of 2020, section (3).

The following are the details on compliance with the said provisions of the statute:

Section 3 (1) (a)

The minimum unencumbered capital requirement for an insurer for registration or ongoing operations shall be the equivalent of USD3 000 000 in the case of an insurer which carries on life assurance business including funeral assurance.

	2024	2023
	USD	**USD**
Investments	35 403 603	19 001 301
Allowance for inadmissible assets	30 857 518	27 100 617
Value of Assets	**66 261 121**	**46 101 918**
Actuarial values of policy liabilities	55 369 264	39 179 564
Other liabilities	6 145 846	1 930 365
Total	**61 515 110**	**41 109 929**
FLA statutory capital per IPEC circular 42 of 2022	**4 746 011**	**4 991 989**
Circular 42 of 2022 minimum statutory capital requirement	**2 000 000**	**2 000 000**
Statutory capital surplus /(deficit)	**2 746 011**	**2 991 989**

The Company is fully compliant with the minimum capital requirements. Although this solvency position is healthy by international standards in a normal economy, the economic instability in Zimbabwe demands even higher solvency levels. In order to improve underwriting capacity and strengthen financial soundness of the Company management are currently pursuing balance sheet restructuring initiatives through equity and property portfolios diversification to unlock value.

38 EVENTS AFTER THE REPORTING DATE

38.1 DIVIDEND DECLARATION

	AUDITED GROUP		AUDITED COMPANY	
	2024	2023	2024	2023
	USD	USD	USD	USD
As at 1 January	-	-	-	-
Dividends declared	300 000	-	-	-
Dividends paid	-	-	-	-
As at 31 December	**300 000**	-	-	-

The Board of Directors declared a final dividend payable of USD 300 000 or USD0.00028 per share for the year ended 31 December 2024.

38.2 Approval of the consolidated financial Statements

The consolidated financial statements were approved by the Board of Directors for issue on 11 April 2025 and the directors have power to amend and/or reissue the financial statements should circumstances requiring that arise.

38.3 Requirement from the Monetary Policy Statement to report in ZWG

Subsequent to the 31 December 2024 reporting date, on 6 February 2025 the Reserve Bank of Zimbabwe (RBZ) issued a Monetary Policy Statement (MPS), announcing a requirement for all entities to adopt a common presentation currency, ZWG, for reporting purposes with immediate effect, including for the 31 December 2024 and later period audited financial statements. Subsequently The Public Accountants and Auditors Board (PAAB) issued a statement to provide guidance on the compliance with International Financial Reporting Standards (IFRS) and the MPS 6 of 2025 RBZ directive. Companies are required to prepare two financial statements namely general purpose and special purpose financial statements. The general-purpose financial statements should comply fully with IFRS requirements for an entity to make an unreserved statement that their financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) Accounting Standards.

Management considers this to be a non-adjusting event to the current financial statements for general purpose prepared using the United States Dollars (USD) as the presentation currency. An additional special purpose report will be prepared to comply with requirements of MPS 6 of 2025. Management will continue to seek guidance from PAAB on preparation for later period financial statements.

39 CONTINGENCIES

39.1 Litigations against the Company

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

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

40 IFRS 17 IMPLEMENTATION

During the year 2024, the company successfully implemented an IFRS 17-compliant actuarial engine, facilitating contract-level calculations. This process has now reached completion, necessitating rigorous checks and validations to ensure accuracy and compliance with the standard.

In alignment with IFRS 17, the company has refined its policies and processes related to the calculations and reporting of insurance contracts. However, it is important to note that there is potential for further enhancements in the reporting and measurement of these contracts. Such improvements may have significant implications for both liabilities and revenues in future reporting periods.

Ongoing monitoring and adjustments will be essential as the company continues to navigate the complexities of IFRS 17 to optimize its financial reporting and risk management practices.

1.1 POLICYHOLDER AND SHAREHOLDER FUNDS

Fidelity Life Assurance of Zimbabwe conducted an asset separation between policyholders and shareholders in compliance with the requirements of the Insurance Act (Chapter 24:07) and the Pension and Provident funds Act (Chapter 24:09). Investments returns and assets allocation are disclosed as shown below on an IPEC approved basis of 94:6.

1.1.1 Assets and liabilities allocation

	2024	2024	2024
	USD	USD	USD
2024	**Policyholder**	**Shareholder**	**Total**
Assets			
Property and equipment	221 269	604 618	825 887
Intangible assets	-	-	-
Investment property	24 361 000	-	24 361 000
Inventories	21 227	-	21 227
Investments in subsidiaries	26 373 795	1 683 434	28 057 229
Other assets	3 393 554	1 845 150	5 238 704
Financial assets at fair value through profit or loss	6 852 043	17 927	6 869 970
Debt securities at amortised cost	136 069	77 808	213 877
Cash and deposits with banks	627 232	45 995	673 227
Total assets	**61 986 189**	**4 274 932**	**66 261 121**
Liabilities			
Borrowings	1 100 401	-	1 100 401
Trade and other payables	5 037 685	-	5 037 685
Total liabilities	**6 138 086**	**-**	**6 138 086**
Net assets value			**60 123 035**
Allocated closing fund balance	**55 848 103**	**4 274 932**	**60 123 035**

2023

Assets and liabilities allocation	2023	2023	2023
	USD	USD	USD
Assets	**Policyholder**	**Shareholder**	**Total**
Property and equipment	-	632 950	632 950
Intangible assets	108 106	-	108 106
Investment property	13 694 607	-	13 694 607
Inventories	27 227	-	27 227
Investments in subsidiaries	25 421 549	1 622 652	27 044 201
Other assets	1 388 133	129 005	1 517 138
Equities at fair value through profit or loss	2 388 441	152 454	2 540 895
Debt securities at amortised cost	131 474	8 392	139 866
Cash and deposits with banks	373 112	23 816	396 928
Total assets	**43 532 649**	**2 569 269**	**46 101 918**
Liabilities			
Borrowings	-	-	-
Trade and other payables	1 815 019	115 852	1 930 871
Total liabilities	**1 815 019**	**115 852**	**1 930 871**
Net assets value			**44 171 047**
Allocated closing fund balance	**41 717 631**	**2 453 416**	**44 171 047**

1.1.2 Investment returns allocation	2024 USD	2023 USD
Direct Revenue		
Insurance contracts revenue	8 772 180	4 854 208
Insurance service expenses	(6 878 625)	(2 847 978)
Net reinsurance paid	(158 331)	(154 491)
Net direct growth in fund	**1 735 224**	**1 851 739**
Fair value gains	475 392	871 525
Other investment income	2 097 901	(2 837 473)
Insurance finance expenses for insurance contracts issued	3 256 913	(2 259 201)
Other operating expenses	(4 522 245)	(2 879 429)
Finance costs	(70 036)	(36 461)
Income tax expense	(27 513)	(18 673)
Gains on property and equipment revaluations	126 840	369 533
Share of revaluation gains on property	6 530 679	8 489 279
Net gains from foreign exchange	(140 008)	-
Exchange differences arising on translation of foreign operations	48 539	-
Net investment returns	**7 776 462**	**1 699 100**
Net profit before change in policyholder liability	**9 511 686**	**3 550 839**
Allocation of profit (94:6)		
Policyholder	8 940 985	3 337 789
Shareholder	570 701	213 050

1.2 IPEC CURRENCY REFORM GUIDELINE COMPLIANCE

The Insurance and Pensions Commission (IPEC) issued currency reform guidelines in 2020 to compensate policyholders for the loss of value due to the change in currency from USD to ZWL. The following describe the steps taken by the Company to comply with the guideline for each product class and the split of assets and operating profits per each sub account thereof.

Insurance contract liabilities and investment contract liabilities with discretionary participation features

Policyholders who were present as at the determination date were identified and the policies have been made paid up as at the determination date. The paid-up values become the Sum Assured of the member as at 31 December 2018.

Assets were split into Sub Account 1 and Sub Account 2 in compliance with the IPEC Guideline. The paid-up members participate in Sub Account 1 and benefit from bonuses allocated to participants in Sub Account 1.

Contributions that were remitted post the Determination Date went towards purchasing a new policy at the policyholders' current age and the remaining term. The policyholders will benefit from bonuses allocated to Sub Account 2.

Policyholders who bought policies before the Determination Date will participate in both Sub Accounts whilst those who bought policies after the Determination Date participates only in Sub Account 2.

Insurance contract liabilities and investment contract liabilities without discretionary participation features

The investment products have been split between Sub Account 1 and Sub Account 2. The members who were participating in the Fund before the determination date participate in Sub Account 1 and benefit from interest awarded to Sub Account 1.
Contributions that were remitted post the Determination Date went invested in a separate Fund that is in Sub Account 2. The policyholders will benefit from interest awarded to Sub Account 2.

Below is an illustration of the split of assets into the respective sub-accounts	**Historical**			
	Sub- Account 1	**Sub- Account 2**	**Sub- Account 3**	**Total**
Assets	**USD**	**USD**	**USD**	**USD**
Prescribed assets	7 620 362	-	6 151 647	13 772 009
Property and Equipment	-	-	221 269	221 269
Investment property	9 833 000	-	6 939 000	16 772 000
Listed equities	295 906	864 478	259 620	1 420 004
Unlisted equities - Investment in Subsidiaries	25 048 457	1 325 338	-	26 373 795
Money market investments	30 582	86 666	18 821	136 069
Inventories(Land and projects)	-	-	-	-
Loans and receivables	-	-	-	-
Non current trade receivables	-	-	-	-
Other	-	-	3 291 043	3 291 043
Total	**42 828 307**	**2 276 482**	**16 881 400**	**61 986 189**

Below is an illustration of the split of profit into the respective sub-accounts

Operating profit

	Sub- Account 1	Sub- Account 2	Sub- Account 3	Total
	USD	USD	USD	USD
Premiums net of reinsurance	-	2 580 167	10 320 668	12 900 835
Fee and commission income	-	-	-	-
Interest income from residential stands receivables	-	-	-	-
Investment income	1 048 951	629 370	419 580	2 097 901
Fair value gains/(losses)	237 696	142 618	95 078	475 392
Income from sale of stands	-	-	-	-
Gains/losses on property revaluation	3 265 340	1 959 204	1 306 135	6 530 679
Other income	1 716 146	1 029 688	686 458	3 432 292
Income	**6 268 133**	**6 341 047**	**12 827 919**	**25 437 099**
Benefits and claims after reinsurance	(3 518 478)	(2 111 087)	(1 407 391)	(7 036 956)
Change in liabilities				
Policyholder benefits	**(3 518 478)**	**(2 111 087)**	**(1 407 391)**	**(7 036 956)**
Cost of sales of stands	-	-	-	-
Fee, commission and acquisition costs	-	(363 132)	(1 452 527)	(1 815 659)
Finance costs	-	(14 007)	(56 029)	(70 036)
Projects development	-	-	-	-
Operating expenses	(2 331 127)	(1 398 676)	(932 451)	(4 662 254)
Non-operating income	-	-	-	-
Other expenses	**(2 331 127)**	**(1 775 815)**	**(2 441 007)**	**(6 547 949)**
Profit before tax	**418 528**	**2 454 145**	**8 979 521**	**11 852 194**
Income tax	(13 757)	(8 254)	(5 502)	(27 513)
Profit after tax	**404 771**	**2 445 891**	**8 974 019**	**11 824 681**

FINANCIAL RESULTS ZWG

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Notes	GROUP Audited 2024 ZWG	Restated 2023* ZWG
ASSETS			
Property and equipment	**5**	173 901 058	133 147 864
Right of use asset	**7**	2 714 621	3 662 381
Investment property	**6**	1 214 468 283	949 546 092
Intangible assets	**3**	4 522 374	10 675 548
Other non current assets	**4**	4 386 261	3 907 105
Insurance contract assets		8 698 042	24 524 570
Inventories	**10**	870 803	7 031 020
Income tax asset	**18.2**	11 042 558	-
Trade and other receivables	**9**	201 575 883	125 093 753
Financial assets at fair value through other comprehensive income		556 783	453 744
Financial assets at fair value through profit or loss	**11.1**	524 068 717	284 761 212
Debt securities at amortised cost	**11.2**	111 744 861	97 208 825
Biological assets		2 535 477	1 954 443
Cash and deposits with banks	**12**	97 295 173	72 271 557
Total assets		**2 358 380 894**	**1 714 238 114**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Issued share capital	**13**	28 100 578	28 100 578
Share premium		17 321 345	17 321 345
Treasury shares		(258 940)	(258 940)
Retained earnings		486 209 779	330 671 319
Revaluation reserve		56 984 656	42 730 701
Foreign currency translation reserve		(823 982 084)	(825 234 317)
Insurance Reserve		28 381 214	336 469 068
Total ordinary shareholder's equity		**(207 243 452)**	**(70 200 246)**
Non-controlling interests		232 092 748	219 933 296
Total equity		**24 849 296**	**149 733 050**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

		GROUP	
		Audited	Restated
		2024	2023*
Liabilities		ZWG	ZWG
Insurance contract liabilities	**15**	1 575 731 618	1 107 488 482
Investment contract liabilities	**15.5**	430 056 454	258 988 097
Borrowings	**16**	82 054 967	19 407 902
Deferred tax liabilities	**18**	54 556 423	53 847 016
Lease liability	**17**	2 368 947	3 699 066
Trade and other payables	**19**	188 763 189	117 484 227
Income tax liability	**18.2**	-	3 590 274
Total liabilities		**2 333 531 598**	**1 564 505 064**
Total equity and liabilities		**2 358 380 894**	**1 714 238 114**

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

*The comparative statement of financial position as at 31 December 2023 which was previously presented in Zimbabwe dollar (ZWL) was translated to USD (functional currency) and thereafter ZWG (presentation currency).

LT. GWATA
CHAIRMAN

R. CHIHOTA
MANAGING DIRECTOR

SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

		COMPANY	
		Audited	Restated
		2024	2023*
	Notes	ZWG	ZWG
ASSETS			
Investment in subsidiaries	8	723 834 422	697 699 819
Property and equipment	5	21 306 646	16 329 161
Investment property	6	628 477 259	353 300 319
Intangible assets	3	-	2 788 973
Other non current assets	4	4 386 261	3 845 163
Insurance contract assets		8 698 042	6 131 091
Inventories	10	547 625	702 416
Trade and other receivables	9	119 530 926	27 209 188
Financial assets at fair value through profit or loss	11.1	177 234 921	65 551 280
Debt securities at amortised cost	11.2	5 517 706	3 608 333
Biological assets		2 535 477	1 954 443
Cash and deposits with banks	12	17 368 247	10 240 147
Total assets		**1 709 437 532**	**1 189 360 333**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Issued share capital		28 100 578	28 100 578
Share premium		17 321 345	17 321 345
Treasury shares		(258 940)	(258 940)
Retained earnings		(35 851 324)	181 992 758
Revaluation reserve		16 826 891	13 554 609
Foreign currency translation reserve		96 301 415	6 729 358
Total ordinary shareholders' equity		**122 439 965**	**247 439 708**
Insurance reserve		-	(118 653 880)
Total equity		**122 439 965**	**128 785 828**
Liabilities			
Insurance contract liabilities	15	1 244 773 265	928 363 744
Investment contract liabilities	15.5	183 670 692	82 410 238
Borrowings	16	28 388 695	-
Trade and other payables	19	129 964 719	49 813 577
Income tax liability	18.2	200 196	3 096
Total liabilities		**1 586 997 567**	**1 060 574 505**
Total equity and liabilities		**1 709 437 532**	**1 189 360 333**

*The comparative statement of financial position as at 31 December 2023 which was previously presented in Zimbabwe dollar (ZWL) was translated to USD (functional currency) and thereafter ZWG (presentation currency).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

		GROUP	
		Audited	**Restated**
		2024	**2023***
	Notes	**ZWG**	**ZWG**
Insurance contracts revenue	**15.6**	294 891 302	203 188 315
Insurance service expenses	**15.6**	(230 675 430)	(135 633 421)
Insurance service result from insurance contracts issued		**64 215 872**	**67 554 894**
Allocation of reinsurance paid		(9 134 681)	(7 889 542)
Amount recoverable from reinsurers for incurred claims		5 219 501	5 761 450
Net expenses from reinsurance contracts held		**(3 915 180)**	**(2 128 092)**
Insurance service result		**60 300 692**	**65 426 802**
Interest revenue from financial instruments not measured at fair value through profit or loss		48 044 237	44 675 882
Net income from other financial instruments at fair value through profit or loss		120 638 714	167 737 023
Net gains from fair value adjustments to investment properties		157 627 003	219 898 081
Net change in investment contract liabilities		(96 787 923)	(293 207 460)
Other net investment revenue	**20**	3 403 725	11 856 268
Net gain from foreign exchange		858 626	-
Net Investment Income		**233 784 382**	**150 959 794**
Insurance finance expenses for insurance contracts issued		25 923 055	(58 283 997)
Reinsurance finance income for reinsurance contracts held		-	-
Net insurance finance expenses		**25 923 055**	**(58 283 997)**
Net insurance and investment result		**320 008 129**	**158 102 599**
Rental income from investment property		9 833 511	9 021 529
Profit or loss on disposal of investment property		-	32 220 701
Interest income from micro - lending		16 444 093	13 724 931
Other income	**21**	116 755 162	59 477 745
Operating and administrative expenses	**22**	(274 385 700)	(196 627 731)
Allowance for expected credit losses on receivables		(7 677 556)	(780 637)
Finance costs	**23**	(11 526 022)	(4 577 557)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

		GROUP	
		Audited	Restated
		2024	2023*
	Notes	ZWG	ZWG
Profit before income tax expense		**169 451 617**	**70 561 580**
Income tax expense	**24**	(4 416 523)	(10 281 296)
Profit for the year		**165 035 094**	**60 280 284**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss:			
Gains on property, plant and equipment revaluations		16 813 734	15 578 914
Finance income/finance expenses from insurance contracts		58 100 415	-
		74 914 149	**15 578 914**
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		1 252 233	10 239 579
Investments in equity instruments		103 039	-
		1 355 272	**10 239 579**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**241 304 515**	**86 098 777**
Profit for the period attributable to:			
Owners of the parent		155 538 460	60 051 426
Non-controlling interests		9 496 634	228 858
Total profit for the period		**165 035 094**	**60 280 284**
Total comprehensive income attributable to:			
Owners of the parent		229 145 063	81 839 935
Non-controlling interests		12 159 452	4 258 842
Total comprehensive income for the period		**241 304 515**	**86 098 777**
Basic and diluted earnings per share (cents)		**144.12**	**55.64**

*The comparative statement of profit or loss and other comprehensive income for the year ended 31 December 2023 which was previously presented in Zimbabwe dollar (ZWL) was translated to USD (functional currency) and thereafter ZWG (presentation currency).

SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

		COMPANY	
		Audited	Restated
		2024	2023*
	Notes	ZWG	ZWG
Insurance contracts revenue	15.6	226 309 086	125 231 285
Insurance service expenses	15.6	(177 458 207)	(73 473 560)
Insurance service result from insurance contracts issued		**48 850 879**	**51 757 725**
Allocation of reinsurance paid		(7 494 000)	(4 509 552)
Amount recoverable from reinsurers for incurred claims		3 409 298	523 916
Net expenses from reinsurance contracts held		**(4 084 702)**	**(3 985 636)**
Insurance service result		**44 766 177**	**47 772 089**
Interest revenue from financial instruments not measured at fair value through profit or loss		1 614 315	1 866 547
Net income from other financial instruments at fair value through profit or loss		12 264 401	22 484 038
Net gains from fair value adjustments to investment properties		168 481 722	219 010 664
Net change in investment contract liabilities		(7 764 884)	(127 634 648)
Other net investment revenue	20	21 999 826	14 425 231
Net gain from foreign exchange		(3 611 996)	-
Net Investment Income		**192 983 384**	**130 151 832**
Insurance finance expenses for insurance contracts issued		25 923 055	(58 283 997)
Reinsurance finance income for reinsurance contracts held		-	-
Net insurance finance expenses		**25 923 055**	**(58 283 997)**
Net insurance and investment result		**442 777 283**	**225 441 172**
Rental income from investment property		6 436 726	5 031 843
Profit or loss on disposal of investment property		-	32 220 701
Other income	21	31 836 716	887 778
Operating and administrative expenses expenses	22	(115 256 606)	(74 171 487)
Allowance for expected credit losses on receivables		(1 410 533)	(113 462)
Finance costs		(1 806 824)	(940 639)
Profit/(loss) before share of profit of associates accounted for using the equity method		**183 472 095**	**82 554 658**
Share of (loss)/profit of associates		-	-
Profit before income tax expense		**183 472 095**	**82 554 658**
Income tax expense	24	(709 794)	(481 735)
Profit for the year		**182 762 301**	**82 072 923**

SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

	COMPANY	
	Audited 2024 ZWG	Restated 2023* ZWG
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss:		
Gains on property, plant and equipment revaluations	3 272 282	9 533 397
Finance income/finance expenses from insurance contracts	58 100 415	-
	61 372 697	**9 533 397**
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	**1 252 233**	**-**
	1 252 233	**-**
Other comprehensive income for the period net of tax	**62 624 930**	**9 533 397**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**245 387 231**	**91 606 320**
Profit for the period attributable to:		
Owners of the parent	**182 762 301**	**82 072 923**
Non-controlling interests	-	-
Total profit for the period	**182 762 301**	**82 072 923**
Total comprehensive income attributable to:		
Owners of the parent	245 387 231	91 606 320
Non-controlling interests	-	-
Total comprehensive income for the period	**245 387 231**	**91 606 320**
Basic and diluted earnings per share (cents)	**227.38**	**84.88**

*The comparative statement of profit or loss and other comprehensive income for the year ended 31 December 2023 which was previously presented in Zimbabwe dollar (ZWL) was translated to USD (functional currency) and thereafter ZWG (presentation currency).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

GROUP

Year ended 31 December 2023*	Share capital ZWG	Share premium ZWG	Treasury shares ZWG	Retained earnings ZWG	Revaluation reserve ZWG	Foreign currency translation reserve ZWG	Insurance Reserve ZWG	Attributable to shareholders of parent ZWG	Non-controlling interest ZWG	Total equity ZWG
Balance at 1 January 2023	**28 100 578**	**17 321 345**	**(258 940)**	**3 353 057**	**31 181 770**	**14 964 884**	**11 290 972**	**105 953 666**	**98 297 986**	**204 251 652**
Impact of change in functional currency		-	-	-	-	(850 438 780)	-	**(850 438 780)**	158 798 747	**(691 640 033)**
Restated balance at 1 January 2023	**28 100 578**	**17 321 345**	**(258 940)**	**3 353 057**	**31 181 770**	**(835 473 896)**	**11 290 972**	**(744 485 114)**	**257 096 733**	**(487 388 381)**
Profit for the year	-	-	-	60 051 426	-	-	-	**60 051 426**	228 858	**60 280 284**
Other comprehensive income for the year	-	-	-	-	11 548 931	10 239 579	-	**21 788 510**	4 029 983	**25 818 493**
Bonus Smoothing Reserve	-	-	-	267 266 836	-	-	325 178 096	**592 444 932**	-	**592 444 932**
Non controlling interest on disposal of subsidiary	-	-	-	-	-	-	-	**-**	(41 422 278)	**(41 422 278)**
Restated balance at 31 December 2023	**28 100 578**	**17 321 345**	**(258 940)**	**330 671 319**	**42 730 701**	**(825 234 317)**	**336 469 068**	**(70 200 246)**	**219 933 296**	**149 733 050**
Year ended 31 December 2024										
Balance at 1 January 2024	**28 100 578**	**17 321 345**	**(258 940)**	**330 671 319**	**42 730 701**	**(825 234 317)**	**336 469 068**	**(70 200 246)**	**219 933 296**	**149 733 050**
Transfer to Bonus Smoothing Reserve	-	-	-	-	-	-	(366 188 269)	**(366 188 269)**	-	**(366 188 269)**
Profit for the year	-	-	-	155 538 460	-	-	-	**155 538 460**	9 496 634	**165 035 094**
Other comprehensive income for the year	-	-	-	-	14 253 955	1 252 233	58 100 415	**73 606 603**	2 662 818	**76 269 421**
Comprehensive income for the year	**-**	**-**	**-**	**155 538 460**	**14 253 955**	**1 252 233**	**(308 087 854)**	**(137 043 206)**	**12 159 452**	**(124 883 754)**
Balance at 31 December 2024	**28 100 578**	**17 321 345**	**(258 940)**	**486 209 779**	**56 984 656**	**(823 982 084)**	**28 381 214**	**(207 243 452)**	**232 092 748**	**24 849 296**

*The comparative statement of changes in equity for the year ended 31 December 2023 which was previously presented in Zimbabwe dollar (ZWL) was translated to USD (functional currency) and thereafter ZWG (presentation currency).

SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

COMPANY

	Share capital ZWG	Treasury shares ZWG	Share premium ZWG	Retained earnings ZWG	Revaluation reserve ZWG	Insurance reserve ZWG	Foreign currency translation reserve ZWG	Total equity ZWG
Balance at 1 January 2023*	**28 100 578**	**(258 940)**	**17 321 345**	**99 919 835**	**4 021 212**	**(118 653 880)**	**6 729 358**	**37 179 508**
Profit for the year	-	-	-	82 072 923	-	-	-	82 072 923
Other comprehensive income for the year	-	-	-	-	9 533 397	-	-	9 533 397
Balance at 31 December 2023	**28 100 578**	**(258 940)**	**17 321 345**	**181 992 758**	**13 554 609**	**(118 653 880)**	**6 729 358**	**128 785 828**
Year ended 31 December 2024								
Balance at 1 January 2024	**28 100 578**	**(258 940)**	**17 321 345**	**181 992 758**	**13 554 609**	**(118 653 880)**	**6 729 358**	**128 785 828**
Impact on initial application of IFRS 17	-	-	-	(281 952 503)	-	-	31 471 642	(250 480 862)
Adjusted balance at 1 January 2024	**28 100 578**	**(258 940)**	**17 321 345**	**(99 959 746)**	**13 554 609**	**(118 653 880)**	**38 201 000**	**(121 695 034)**
Profit for the year	-	-	-	182 762 302	-	-	-	182 762 302
Other comprehensive income for the year	-	-	-	-	**3 272 282**	-	**58 100 415**	61 372 697
Transfer within reserves	-	-	-	**(118 653 880)**	-	**118 653 880**	-	-
Balance at 31 December 2024	**28 100 578**	**(258 940)**	**17 321 345**	**(35 851 324)**	**16 826 891**	**-**	**96 301 415**	**122 439 965**

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

*The comparative statement of changes in equity for the year ended 31 December 2023 which was previously presented in Zimbabwe dollar (ZWL) was translated to USD (functional currency) and thereafter ZWG (presentation currency).

SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

COMPANY

The following describes the nature and purpose of each reserve within equity

Reserve	Description and purpose
Share premium	Amount subscribed for share capital in excess of nominal value
Treasury shares	Cost of own shares held in treasury
Revaluation reserve	Gains/losses arising on the revaluation of property (other than investment property)
Foreign currency translation reserve	Gains/losses arising on retranslating the net assets of foreign operations into United States Dollars.
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

FIDELITY LIFE
ASSURANCE OF ZIMBABWE

Future of **Environmental, Social** and **Governance (ESG)**

Our GOAL is to enhance a Positive impact on the **Environment, Society** and **Governance** bodies by implementing frameworks for sustainable investing.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

		GROUP	
		Audited	Restated
		2024	2023
	Notes	ZWG	ZWG
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INCOME TAX			
Profit before income tax		**169 451 617**	**70 561 580**
Adjustments:		**(114 532 209)**	**(158 532 789)**
Fair value gains on equities at fair value through profit or loss	**11.1**	(120 638 714)	(167 737 023)
Fair value gains on investment property	**6**	(157 627 003)	(219 898 081)
Fair value gains on non current assets	**4**	(479 156)	(742 971)
Amortisation of intangible assets	**3**	1 664 442	2 301 071
Depreciation of right of use asset	**7**	2 023 299	1 485 426
Finance costs		11 526 022	4 577 557
Depreciation of property and equipment	**5**	7 768 960	1 582 970
Changes in insurance contract assets		15 826 528	14 243 868
Insurance service result		(60 300 692)	(65 426 802)
Premiums received	**15.6**	310 321 540	143 967 781
Claims and other directly attributable expenses paid		(149 558 110)	(104 127 493)
Insurance acquisition cash flows		(35 927 404)	(56 390 851)
Changes in investment contract liabilities		171 068 357	293 207 460
Insurance finance expenses for insurance contracts issued		(25 923 055)	58 283 997
Interest income		(48 044 237)	(44 675 882)
Dividend income		(3 403 725)	(11 856 268)
Unrealised exchange gains/ (losses)		(40 295 682)	23 618 036
Allowance for expected credit losses on receivables		7 677 556	780 637
Profit on disposal of investment property		-	(32 220 701)
Profit/(loss) on disposal of property and equipment		(211 135)	494 480
Changes in working capital		**957 047**	**133 333 693**
Decrease in inventories		6 160 217	9 240 326
Increase/(decrease) in trade and other receivables		(76 482 130)	98 399 658
Increase in trade and other payables		71 278 960	25 693 709
Cash (utilised)/ generated from operations		**55 876 455**	**45 362 484**
Income taxes paid		(13 372 756)	(7 429 297)
Net cash (utilised)/ generated from operations		**42 503 699**	**37 933 187**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Cash flows from investing activities			
Additions to and replacement of property and equipment	**5**	(9 098 667)	(2 874 391)
Additions to intangible assets	**3**	-	(60 446)
Additions to financial assets	**11**	(114 745 407)	(50 643 204)
Additions to other non current assets	**4**	-	(1 407 773)
Proceeds from sale of financial assets		3 335 488	32 715 181
Interest income		48 044 237	44 675 882
Dividend income		3 403 725	11 856 268
Net cash generated from in investing activities		**(69 060 624)**	**34 261 517**
Cash flows from financing activities			
Finance costs		(11 526 021)	(4 577 556)
Repayments of lease obligations		(888 036)	(472 758)
Repayments of borrowings	**16**	(4 508 907)	(14 405 599)
Proceeds from borrowings	**16**	68 503 505	13 319 662
Net cash (utilised)/ generated from financing activities		**51 580 541**	**(6 136 251)**
Net (decrease)/increase in cash equivalents for the year		**25 023 616**	**66 058 453**
Cash and cash equivalents at the beginning of the year		**72 271 557**	**6 213 104**
Cash and cash equivalents at the end of the year	**12**	**97 295 173**	**72 271 557**

SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	COMPANY Audited 2024 ZWG	Restated 2023 ZWG
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INCOME TAX			
Profit before income tax		**183 472 095**	**82 554 658**
Adjustments:		**(481 348)**	**(120 181 614)**
Fair value gains on equities at fair value through profit or loss	**11.1**	(12 264 401)	(22 484 038)
Fair value gains on investment property	**6**	(168 481 722)	(219 010 664)
Fair value gains on non current assets	**4**	(541 098)	(681 029)
Finance costs		1 806 824	940 639
Depreciation of property and equipment	**5**	3 896 967	307 647
Insurance service result		(44 766 176)	(47 772 089)
Changes in insurance contract assets		(2 566 951)	(4 422 585)
Claims and other directly attributable expenses paid	**15.6**	(41 391 010)	(49 130 405)
Insurance acquisition cash flows	**15.6**	(28 455 436)	(24 343 155)
Insurance finance expenses for insurance contracts issued	**15.6**	(25 923 055)	58 283 997
Premiums received	**14**	289 682 740	143 585 989
Changes in investment contract liabilities		7 764 884	127 634 648
Interest income		(1 614 315)	(1 866 547)
Dividend income		(21 999 826)	(14 425 231)
Unrealised exchange gains/ (losses)		44 482 419	(34 559 567)
Profit on disposal of investment property		-	(32 220 701)
Profit/(loss) on disposal of property, plant and equipment		(111 192)	(18 523)
Changes in working capital		**(1 2015 806)**	**17 816 083**
Decrease/ (increase) in inventories		154 791	6 025 188
Increase/(decrease) in trade and other receivables		(92 321 738)	15 187 500
Increase/(decrease) in trade and other payables		80 151 141	(3 396 605)
Cash (utilised)/ generated from operations		**170 974 941**	**(19 810 874)**
Income taxes paid		(512 694)	(477 169)
Net cash generated from operations		**170 462 247**	**(20 288 043)**
Cash flows from investing activities			
Additions to and replacement of property and equipment	**5**	(8 874 452)	(1 718 464)
Interest income		1 614 315	1 866 547
Dividend income		21 999 826	14 425 231
Additions to financial assets	**11.1**	(103 195 728)	(31 168 922)
Additions to investment property	**6**	(106 695 218)	-
Additions to intangible assets	**3**	-	(60 446)

SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Proceeds from sale of property and equipment		3 776 488	1 945 723
Proceeds from sale of property and equipment		111 192	564 394
Proceeds from sale of investment property		-	32 220 701
Net cash generated from in investing activities		**(191 263 577)**	**18 074 764**
Cash flows from financing activities			
Finance costs		(1 806 824)	(940 639)
Repayments of borrowings	**15.5**	(899 465)	-
Proceeds from borrowings	**15.5**	30 635 719	-
Net cash (utilised)/ generated from financing activities		**27 929 430**	**(940 639)**
Net (decrease)/increase in cash equivalents for the year		**7 128 100**	**(3 153 918)**
Cash and cash equivalents at the beginning of the year		10 240 147	13 394 065
Cash and cash equivalents at the end of the year	**12**	**17 368 2474**	**10 240 147**

3 INTANGIBLE ASSETS

	GROUP		COMPANY	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
		Computer software		Computer software
Net carrying amount at the beginning of the year	**10 675 548**	**8 796 360**	**2 788 973**	**2 728 526**
Gross carrying amount - cost	14 641 964	10 461 705	2 958 676	2 898 229
Accumulated amortisation	(3 966 416)	(1 665 345)	(169 703)	(169 703)
Additions	-	60 446	-	60 447
Exchange rate movement on foreign operations	(4 488 732)	4 119 813	-	-
Decomissioning of software system	-	-	(2 788 973)	-
Amortisation charge for the year	(1 664 442)	(2 301 071)	-	-
Net carrying amount at the end of the year	**4 522 374**	**10 675 548**	**-**	**2 788 973**
Gross carrying amount - cost	10 153 232	14 641 964	-	2 958 676
Accumulated amortisation	(5 630 858)	(3 966 416)	-	(169 703)

4 OTHER NON CURRENT ASSETS

Balance at the beginning of the year	**3 907 105**	**1 756 362**	**3 845 163**	**1 756 362**
Additions	-	1 407 772		1 407 772
Disposals	-	-	**-**	**-**
Fair value gains through profit or loss	479 156	742 971	541 098	681 029
Balance at the end of the year	**4 386 261**	**3 907 105**	**4 386 261**	**3 845 163**

5 PROPERTY AND EQUIPMENT

GROUP	Land and buildings ZWG	Motor vehicles ZWG	Equipment and computers ZWG	Furniture and fittings ZWG	Total ZWG
Net carrying amount at 1 January 2023	**81 235 864**	**639 751**	**1 046 052**	**715 909**	**83 637 576**
Gross carrying amount - cost/valuation	81 666 751	5 355 717	5 409 765	1 891 830	94 324 063
Accumulated depreciation	(430 887)	(4 715 966)	(4 363 713)	(1 175 921)	(10 686 487)
Additions	-	-	1 770 087	1 104 305	2 874 392
Exchange rate movement on foreign operations	547 444	309 685	472 448	157 035	1 486 612
Disposals	-	(2 215 627)	(826)	-	(2 216 453)
Gross carrying amount - cost/valuation	-	(3 183 432)	(3 638)	-	(3 187 070)
Accumulated depreciation	-	967 805	2 812	-	970 617
Depreciation charge for the year	(90 346)	(125 020)	(1 175 689)	(191 915)	(1 582 970)
Revaluation surplus	26 797 676	10 531 799	9 961 730	1 657 502	48 948 707
Gross carrying amount - cost/valuation	26 797 676	10 531 799	9 961 730	1 657 502	48 948 707
Accumulated depreciation	-	-	-	-	-
Net carrying amount at 31 December 2023	**108 490 638**	**9 140 588**	**12 073 802**	**3 442 836**	**133 147 864**
Gross carrying amount - cost/valuation	109 011 871	13 013 769	17 610 392	4 810 672	144 446 704
Accumulated depreciation	(521 233)	(3 873 181)	(5 536 590)	(1 367 836)	(11 298 840)
Additions	-	270 936	8 639 092	188 639	9 098 667
Exchange rate movement on foreign operations	602 730	337 548	514 964	171 172	1 626 414
Depreciation charge for the year	(53 351)	(2 763 742)	(3 886 363)	(1 065 504)	(7 768 960)
Revaluation surplus	12 899 250	24 897 823	-	-	37 797 073
Gross carrying amount - cost/valuation	12 899 250	24 897 823	-	-	37 797 073
Accumulated depreciation	-	-	-	-	-
Net carrying amount at 31 December 2024	**121 939 267**	**31 883 153**	**17 341 495**	**2 737 143**	**173 901 058**
Gross carrying amount - cost/valuation	122 513 851	38 520 076	26 764 448	5 170 483	192 968 858
Accumulated depreciation	(574 584)	(6 636 923)	(9 422 953)	(2 433 340)	(19 067 800)

Land and buildings are carried at fair value determined on an open market value basis by independent professional valuers. The latest fair values were estimated as at 31 December 2024. There were no buildings pledged as collateral as at 31 December 2024.The value of land and buildings is categorised as a level 3 recurring fair value measurement, as disclosed in Note 28.

5 PROPERTY AND EQUIPMENT

COMPANY	Motor vehicles ZWG	Equipment and computers ZWG	Furniture and fittings ZWG	Total ZWG
Net carrying amount at 1 January 2023	**11 583**	**643 621**	**843 920**	**1 499 124**
Gross carrying amount - cost/valuation	2 210 183	3 919 437	1 351 093	7 480 713
Accumulated depreciation	(2 198 600)	(3 275 816)	(507 173)	(5 981 589)
Additions	608 483	1 109 980	-	1 718 463
Exchange rate movement on foreign operations	309 659	472 448	157 038	939 145
Disposals	-	(7 455)	(538 415)	(545 870)
Gross carrying amount - cost/valuation	-	(32 480)	(548 218)	(580 698)
Accumulated depreciation	-	25 025	9 803	34 828
			-	
Depreciation charge for the year	(77 138)	(199 938)	(30 571)	(307 647)
Revaluation surplus	4 477 459	5 162 460	3 386 027	13 025 946
Gross carrying amount - cost/valuation	4 477 459	5 162 460	3 386 027	13 025 946
Accumulated depreciation	-	-	-	-
Net carrying amount at 31 December 2023	**5 330 046**	**7 181 116**	**3 817 999**	**16 329 161**
Gross carrying amount - cost/valuation	7 605 784	10 631 845	4 345 940	22 583 569
Accumulated depreciation	(2 275 738)	(3 450 729)	(527 941)	(6 254 408)
Additions	3 860 178	4 243 698	770 575	8 874 451
Depreciation charge for the year	(1 221 301)	(2 164 339)	(511 326)	(3 896 966)
Net carrying amount at 31 December 2024	**7 968 923**	**9 260 475**	**4 077 248**	**21 306 646**
Gross carrying amount - cost/valuation	11 465 962	14 875 543	5 116 515	31 458 020
Accumulated depreciation	(3 497 039)	(5 615 068)	(1 039 267)	(1 0151 374)

6 INVESTMENT PROPERTY

	GROUP		COMPANY	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Balance at the beginning of the year	**949 546 092**	**729 648 011**	**353 300 319**	**134 289 655**
Additions	110 364 925	-	106 695 218	-
Improvements	-	-	-	-
Transfer from inventory	-	-	-	-
Reclassification from property and equipment	-	-	-	-
Disposals	(3 037 773)	-	-	-
Exchange rate movement on foreign operations	(31 964)	-	-	-
Fair value gains through profit or loss	157 627 003	219 898 081	168 481 722	219 010 664
Balance at the end of the year	**1 214 468 283**	**949 546 092**	**628 477 259**	**353 300 319**

Management determined that the investment properties consist of four classes of property – office and retail buildings, residential houses, developed residential stands, undeveloped land and developed commercial and institutional stands. Investment properties are held for long term rental yields and capital appreciation.

	2024	2023	2024	2023
Class of property	ZWG	ZWG	ZWG	ZWG
CBD offices	165 449 676	134 029 528	235 153 328	194 778 675
Residential properties	-	-	-	-
Land	1 049 018 607	815 516 564	393 323 931	158 521 644
	1 214 468 283	**949 546 092**	**628 477 259**	**353 300 319**

6 INVESTMENT PROPERTY

As at 31 December 2024, the fair values of the properties are based on valuations performed by Homelux Real Estate, an accredited independent valuer. Homelux Real Estate is a specialist in valuing these types of investment properties and has recent experience in the location and category of the investment properties being valued. Valuation models in accordance with recommendations by the International Valuation Standards Committee have been applied.

There were no transfers between Levels 1 or 2 to Level 3 during the year. The fair value of investment properties is categorised as level 3 Refer to Note 28 for relevant fair values. Significant judgements and assumptions were applied for the Group's Investment property portfolio. Land banks and residential properties were valued in USD using the market comparison method and the income capitalisation method was used to value commercial properties.

7 RIGHT OF USE ASSET

The Group leases several offices in major towns and cities in Zimbabwe and Malawi and motor vehicles. Each lease is negotiated separately and will have terms and conditions that vary widely from those agreed for other lease arrangements. The lease agreements do not impose any covenants, and leased assets may not be used as security for borrowings. Lease contracts are usually signed for fixed periods of 1 to 5 years. The Group disclosed the office building under lease separately from property and equipment. In the 2020 year of assessement the Subsidiary in Malawi negotiated the lease from the five year period to one year resulting in the derecognition of the right of use asset as the lease is now being accounted as a short term lease.The motor vehicles lease periods approximated the estimated useful economic lives of the motor vehicles and the Group has a right to purchase the motor vehicles outright at the end of the minimum lease term by paying a nominal amount. The lease liability is disclosed in note 17.

	GROUP		
	Office buildings	Motor Vehicles	Total
	ZWG	ZWG	ZWG
Net carrying amount at 1 January 2023	-	4 002 070	4 002 070
Cost	-	6 409 070	6 409 070
Accumulated armotisation	-	(2 407 000)	(2 407 000)
Additions	2 096 850	-	2 096 850
Exchange rate movement on foreign operations	-	(951 113)	(951 113)
Depreciation for the year	(197 978)	(1 287 448)	(1 485 426)
Net carrying amount at 31 December 2023	**1 898 872**	**1 763 509**	**3 662 381**
Cost	2 096 850	6 409 070	8 505 920
Accumulated amortization	(197 978)	(4 645 561)	(4 843 539)
Additions	-	-	-
Exchange rate movement on foreign operations	-	1 075 539	1 075 539
Depreciation for the year	(996 648)	(1 026 651)	(2 023 299)
Net carrying amount at 31 December 2024	**902 224**	**1 812 397**	**2 714 621**
Cost	2 096 850	7 484 609	9 581 459
Accumulated amortization	(1 194 626)	(5 672 212)	(6 866 838)

7 RIGHT OF USE ASSET

Set out below are the carrying amounts of lease liabilities and the movements during the period:

7.1 Movement analysis to 31 December 2024

Movements in right of use assets and lease liabilities as included i**n note 7.1** and **note 16** during the year were as follows:

	2024 Right-Of-Use Asset ZWG	2023 Right-Of-Use Asset ZWG
Balance as at 01 January	**3 662 381**	**4 002 070**
Additions	-	2 096 850
Depreciation for the year	(2 023 299)	(1 485 426)
Exchange rate movement on foreign operations	1 075 539	(951 113)
Balance at 31 December	**2 714 621**	**3 662 381**

7.2 The following amounts are recognised in profit and loss

	GROUP		COMPANY	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Depreciation of right of use assets	2 023 299	1 485 426	-	-
Interest expense on lease liabilities	189 361	44 193	-	-
Expense relating to short term leases	18 158 971	13 427 448	-	-

8 INVESTMENT IN SUBSIDIARIES

The Company accounts for Investment in subsidiaries applying the equity method. The share of losses in Fidelity Funeral Services Company (Private) Limited , Fidelity Life Medical Services Company (Private) Limited and Fidelity Life Financial Services (Private) Limited exceeded the Company's interest in the subsidiary resulting in the accounting of share of losses to the extent of profit made in the current year.

	GROUP		COMPANY	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Fidelity Life Asset Management Company (Private) Limited	-	-	16 778 416	16 992 440
Fidelity Funeral Services Company (Private) Limited	-	-	-	-
Fidelity Life Medical Services Company (Private) Limited	-	-	-	-
Fidelity Life Financial Services (Private) Limited	-	-	-	738 379
Zimbabwe Actuarial Consultants (Private) Limited	-	-	27 830 183	18 084 774
Langford Estates 1962 (Private) Limited	-	-	637 378 515	641 145 973
Vanguard Life Assurance Company Limited	-	-	41 847 308	20 738 253
	-	**-**	**723 834 422**	**697 699 819**

8.1 RECONCILIATION OF CARRYING AMOUNT

	GROUP		COMPANY	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Opening balance	**-**	**-**	**697 699 819**	**792 884 907**
Equity accounted earnings	-	-	21 832 162	(6 992 374)
Share of revaluation gains on property	-	-	3 050 182	3 734 307
Share of Exchange differences arising on translation of foreign operations	-	-	1 252 259	2 777 105
Disposal of Zambezi Properties			-	(9 4704 126)
Dividends	-	-	-	-
Closing balance	**-**	**-**	**723 834 422**	**697 699 819**

9 TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Residential stand sales debtors	261 468	8 436	261 468	8 436
Micro-finance loans receivable	47 076 690	27 241 668	-	-
Other trade debtors	135 021 713	24 591 130	54 979 957	7 054 419
Trade receivables - gross	**182 359 871**	**51 841 234**	**55 241 425**	**7 062 855**
Expected credit loss	**(9 844 914)**	**(6 673 092)**	**(1 534 031)**	**(127 187)**
Expected credit loss on trade receivables-stand sales debtors	(8 127)	(284)	(8 127)	(284)
Expected credit loss on trade receivables-micro-finance loans receivable	(3 140 322)	(2 081 139)	-	-
Expected credit loss on trade receivables-other debtors	(6 696 465)	(4 591 669)	(1 525 904)	(126 903)
Trade receivables - net	**172 514 957**	**45 168 142**	**53 707 394**	**6 935 668**
Receivables from related parties, net of ECL **(Note 32.3.1)**	4 164 420	27 055 816	55 634 723	16 375 753
Loans to employees, net of ECL	15 084 615	3 787 994	10 188 808	3 894 103
Total receivables classified as financial assets at amortised cost	**191 763 992**	**76 011 952**	**119 530 925**	**27 205 524**
Prepayments	6 794 938	639 003	-	-
Other receivables, net of ECL	3 016 953	48 442 798	-	3 663
Total trade and other receivables	**201 575 883**	**125 093 753**	**119 530 925**	**27 209 187**
Non-current portion	11 420 428	16 968 267	11 420 428	16 968 267
Current portion	190 155 455	108 125 486	108 110 498	10 240 921
Total trade and other receivables	**201 575 883**	**125 093 753**	**119 530 926**	**27 209 188**

There was a significant decline in stand debtors in the current period as most of the debtors settled their accounts and no new debtors were recognised as the Southview development project has reached its tail end

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

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

9 TRADE AND OTHER RECEIVABLES (continued)

Movements in expected credit losses were as follows:

	GROUP		COMPANY	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Opening credit loss allowance	**6 673 092**	**4 768 208**	**127 187**	**13 699**
Receivables written off during the year as uncollectable	-	-	-	-
Net (decrease)/ increase during the year through profit or loss	7 677 556	532 816	1 410 533	113 462
Impact on year end ECL exposures transferred between stages during the year	(4 505 734)	1 372 068	(3 689)	26
Balance at the end of the year	**9 844 914**	**6 673 092**	**1 534 031**	**127 187**

The increase in expected credit losses has been disclosed separately on the face of the statement of profit or loss and other comprehensive income. Reversal of unutilised amounts is included in other operating income.

9.1 Impairment - Expected Credit Loss Models

With the adoption of IFRS 9, the Group revised its impairment methodology for each class of assets held at amortised cost that bear similar credit risk characteristics. The IFRS 9 methodology requires the use of forward looking probability weighted expected credit loss models to determine the impairment allowance on the financial assets held at amortised cost. The impairment methodology applied for each material class of financial assets is indicated below.

(i) Trade receivables: micro-finance loans receivable

In determining impairment allowances for micro-finance loans and advances, the Group applies the full expected credit loss model under IFRS 9. This model starts with establishing a 3 stage loan grading model, which grades each loan based on whether there has been a significant increase in the credit risk and/or a default event observed since the initial recognition of that loan. Under the current model, credit risk of each loan is tracked using the ageing of the receivable. The loan is graded into stage 1, stage 2 or stage 3 based on the age of the oldest outstanding instalment. The grade into which the loan is categorised determines how the impairment loss on the loan is calculated. The stages are as defined below:

Stage 1 - Performing loans - all micro-finance loans advanced by the Group start off in this stage. In the absence of a significant deterioration in credit risk, the loans remain in Stage 1. For loans in Stage 1, ECL is estimated based on the loan's risk of default in the twelve months after the year end (12-month ECL).

Stage 2 - Non-performing loans - a micro-finance loan advances into Stage 2 if it experiences a significant increase in credit risk. For the Group, a micro-finance loan is assessed as having experienced a significant increase in credit risk when one or more instalment is overdue at the point of measuring the ECL. This is consistent with the rebuttable presumption in IFRS 9 that suggests that a debtor has experienced a significant increase in credit risk when it carries a balances that is 30 days overdue. For Stage 2 loans, the ECL represents losses expected over the remaining contractual life of the loan (lifetime expected credit loss).

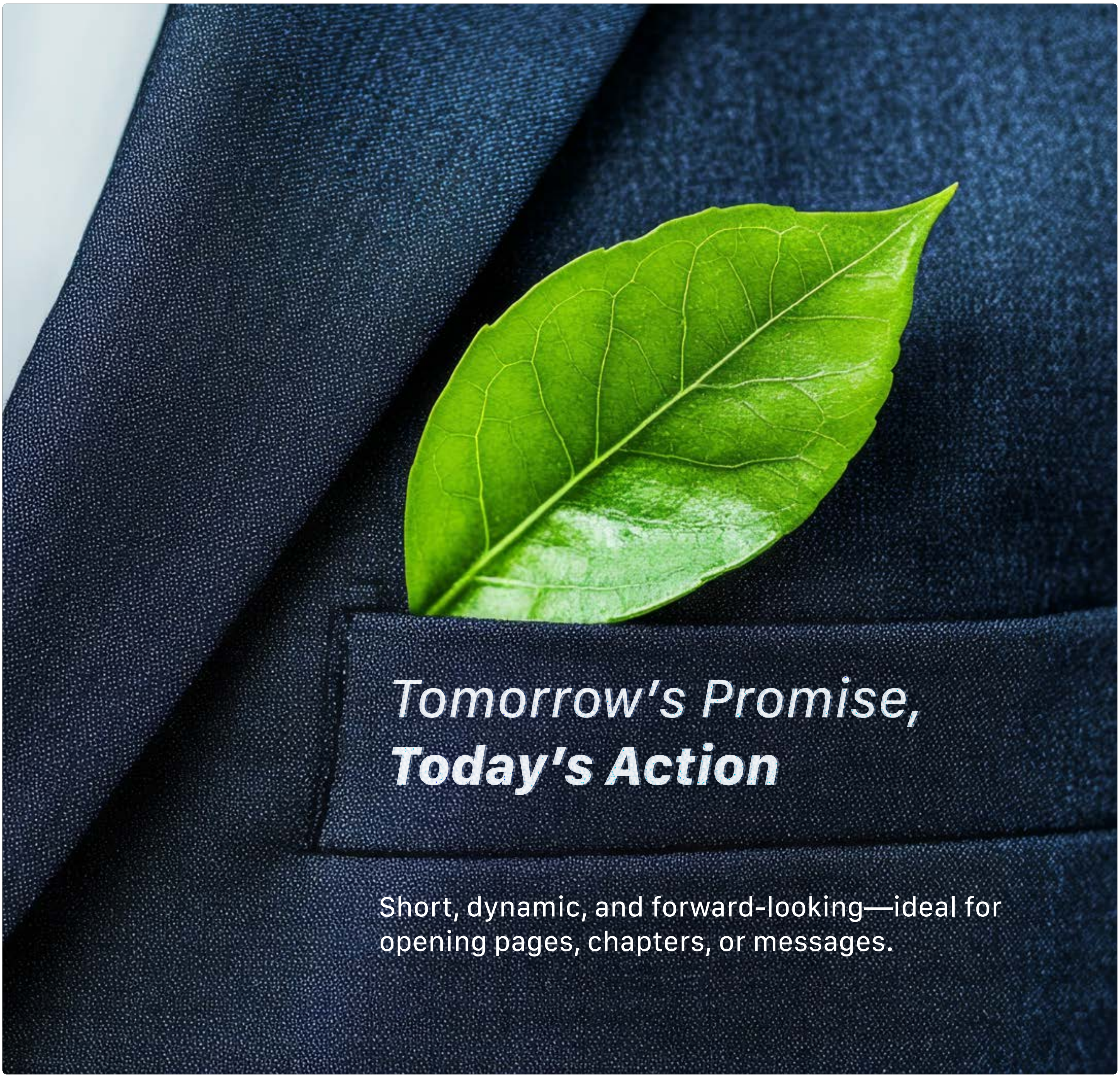
Stage 3 - Loans in default - the loan reaches default when it carries an instalment older than 120days. IFRS 9 carries a rebuttable presumption that default does not occur later than when a financial asset is 90 days past due. The Group has rebutted this presumption. For the micro-finance loans, default occurs from the 121 days overdue mark as the Group's debt collection procedures indicate that it is at this point that the debtor would have failed to fulfil their obligations without reasonable doubt. For Stage 3 loans, the ECL represents losses expected over the remaining contractual life of the loan (lifetime expected credit loss).

9 TRADE AND OTHER RECEIVABLES (continued)

After staging, the model then calculates the expected credit loss as a product of Probability of Default (PD), Loss Given Default (LGD), and Exposure At Default (EAD). The methods applied by the Group to determine these inputs are described below:

PD - Probability of default is the estimation of the likelihood of a loan reaching default state over a given time horizon. The determination of PD considers all reasonable and supportable information relating to the loan book that the Group can obtain without undue cost or effort. This includes information about past performance of the loan portfolio, current conditions and forecasts of future conditions that may affect the loans. This information is a combination of information that is internal and external to the Group. PDs were calculated for the 3 stages using Markov Chains. No adjustments for economic factors were made to the calculated PDs as no plausible correlation could be established between macro-economic factors and the probability of a person defaulting under this loan portfolio.

LGD - Loss given default is the financial loss that the Group could suffer when a borrower defaults on their loan. The Group used run-off triangles to model the progression of loans in default state from the year they were disbursed. The run-off triangles were tabulated starting with loans disbursed in 2012, tracking the ultimate loss on defaulted loans through to 2022. A weighted average LGD ratio was calculated for the entire portfolio, adjusted for macro-economic factors and discounted at the original effective interest rate applicable to the micro-finance loans.



9 TRADE AND OTHER RECEIVABLES (continued)

9.1 Impairment - Expected Credit Loss Models (continued)

(i) Trade receivables: microfinance loans receivable (continued)

A small percentage of the micro-finance loan book is secured. LGD for the secured loans was estimated separately for each loan, rather than at portfolio level. For secured loans, the LGD is defined as the expected ultimate loss on the loan expressed as a proportion of the outstanding loan balance at the point of default. The ultimate loss is the difference between outstanding loan balance at default and the amount recovered from sale of the security held. The fair value of the assets held as security is determined through management estimates. Where the estimated fair value of the asset equals or exceeds the outstanding loan amount, LGD is estimated as zero.

The calculated LGDs were adjusted for inflation based on the correlation that was established between LGD and inflation indices.

EAD - Exposure at default is an estimation of the expected financial exposure to the Group at the point a loan reaches default state. EAD has been calculated as the amortised cost of each loan at the end of the minimum number of months that would be required for the loan to reach default state from its current state, assuming no collections are made on the loan.

ECL is then calculated as a probability weighted average of a range of possible loss outcomes, with the key variables being PD and LGD.

The ECL calculated on the loans in the 3 stages is as follows:

As at 31 December 2024	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	ZWG	ZWG	ZWG	ZWG
Micro-finance loans receivable				
Performing	23 345 888	-	-	23 345 888
Overdue	-	859 193	-	859 193
Default	-	-	22 871 609	22 871 609
Gross carrying amount	**23 345 888**	**859 193**	**22 871 609**	**47 076 690**
Expected credit loss on micro-finance loans receivable	(528 147)	(204 427)	(2 407 748)	(3 140 322)
Net carrying amount	**22 817 741**	**654 766**	**20 463 861**	**43 936 368**

As at 31 December 2023	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	ZWG	ZWG	ZWG	ZWG
Micro-finance loans receivable				
Performing	13 867 906	-	-	13 867 906
Overdue	-	1 602 422	-	1 602 422
Default	-	-	11 771 340	11 771 340
Gross carrying amount	**13 867 906**	**1 602 422**	**11 771 340**	**27 241 668**
Expected credit loss on micro-finance loans receivable	(56 524)	(91 972)	(1 932 643)	(2 081 139)
Net carrying amount	**13 811 382**	**1 510 450**	**9 838 697**	**25 160 529**

9 TRADE AND OTHER RECEIVABLES (continued)

9.1 Impairment - Expected Credit Loss Models (continued)

(i) Trade receivables: microfinance loans receivable (continued)

As at 31 December 2024	Stage 1 12-month ECL ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
Gross carrying amount at beginning of the year	**13 932 661**	**1 609 285**	**11 699 594**	**27 241 540**
New receivables originated	22 226 543	33 977	2 993 581	25 254 101
Receivables derecognised or matured (excluding written off)	(4 984 631)	(1 688 460)	(1 885 999)	(8 559 090)
Receivables transferred between stages during the year	(4 726 313)	841 882	7 024 570	3 140 139
Gross loan and advances to customers at year end	**26 448 260**	**796 684**	**19 831 746**	**47 076 690**

As at 31 December 2023	Stage 1 12-month ECL ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
Gross carrying amount at beginning of the year	**7 237 769**	**3 533 775**	**2 001 190**	**12 772 734**
New receivables originated	8 685 968	1 588 878	2 581 140	12 855 986
Receivables derecognised or matured (excluding written off)	(3 447 196)	(820 650)	(1 033 256)	(5 301 102)
Receivables transferred between stages during the year	1 450 084	(667 227)	6 131 065	6 913 922
Gross loan and advances to customers at year end	**13 926 625**	**3 634 776**	**9 680 139**	**27 241 540**

Movements in expected credit losses for micro-finance loans receivable were as follows:

9.1 Impairment - Expected Credit Loss Models (continued)

As at 31 December 2024	Stage 1 12-month ECL ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
Balance at the beginning of the year	**207 807**	**376 503**	**1 496 829**	**2 081 139**
Allowances written off on uncollectable receivables	1 482 640	2 322	199 655	1 684 617
New allowances originated	(332 517)	(112 636)	(125 819)	(570 972)
Allowances derecognised or matured (excluding written off)	(829 809)	(61 710)	837 057	(54 462)
Balance at the end of the year	**528 121**	**204 479**	**2 407 722**	**3 140 322**

9 TRADE AND OTHER RECEIVABLES (continued)

9.1 Impairment - Expected Credit Loss Models (continued)

	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Balance at the beginning of the year	ZWG	ZWG	ZWG	ZWG
New allowances originated	366 003	864 688	720 062	1 950 753
Allowances derecognised or matured (excluding written off)	(568)	(284)	(103)	(955)
Impact on year end ECL of exposures transferred between stages during the year	(12 744)	(90 424)	(396 676)	(499 844)
Balance at the end of the year	**368 763**	**888 164**	**824 212**	**2 081 139**

(ii) Trade receivables: residential stand sales

The stand sales debtors represent trade debtors with a significant financing component. The IFRS 9 practical expedient for trade debtors requires that for such debtors, a policy choice be taken to either apply the simplified approach under the practical expedient, or the full three-stage approach under the general model. The Group elected to apply the simplified approach on its stands sales debtors. Under this approach, lifetime expected credit losses are recognised from initial recognition of the receivables, on a portfolio basis. The residential stand debtors are secured by the respective residential stands sold, significantly reducing the risk of outright loss. Credit loss is however expected from delayed payment of instalments by these debtors.

The expected loss rate is a significant estimate and has been calculated as a probability weighted average of a range of possible loss outcomes estimated based on historic, current and forward looking internal and macro-economic information that is readily available without undue cost or effort. Each scenario was adjusted to factor in time value of money at the original effective interest rate of the debtors, and inflation based on its correlation with the performance of the debtors' book.

There was no material change in the impairment allowances on these debtors from prior year . However ,due to significant increases in inflation rates at the end of the year, there was a significant reduction in the expected loss rate due to the inverse relationship established between inflation and expected losses on the stand sales debtors' book.

The residential stand sales debtors are analysed below:

As at 31 December 2024	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	ZWG	ZWG	ZWG
Performing	252 851	-	252 851
Overdue	335	-	335
Default	-	8 282	8 281
Gross carrying amount	**253 186**	**8 282**	**261 468**
Expected credit loss on residential stand sales debtors	(103)	(8 023)	(8 127)
Net carrying amount	**253 083**	**259**	**253 341**

As at 31 December 2023	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	ZWG	ZWG	ZWG
Overdue	155	-	155
Default	-	8 281	8 281
Gross carrying amount	**155**	**8 281**	**8 436**
Expected credit loss on residential stand sales debtors	(103)	(181)	(284)
Net carrying amount	**52**	**8 100**	**8 152**

9 TRADE AND OTHER RECEIVABLES (continued)

9.1 Impairment - Expected Credit Loss Models (continued)

Analysis of changes in the gross carrying amount in relation to stand sales receivables is as follows:

As at 31 December 2024	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
Balance at the beginning of the year	**335**	**8 101**	**8 436**
Receivables derecognised or matured (excluding written off)	140 628	104 277	**244 905**
Balance at the end of the year	**140 963**	**112 378**	**253 341**

As at 31 December 2023	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
Balance at the beginning of the year	**7 430**	**23 477**	**30 907**
Receivables derecognised or matured (excluding written off)	(1 496)	3 199	**1 703**
Impact on year end ECL of exposures transferred between stages during the year	(5 882)	(18 576)	**(24 458)**
Balance at the end of the year	**52**	**8 100**	**8 152**

(ii) Trade receivables: residential stand sales (continued)

Further disclosures on the debtors impairment allowance are included in Note 9.
Movements in expected credit losses for stand sales receivables are as follows:

As at 31 December 2024	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
			-
Opening loss allowance as at 1 January 2023	**1 393**	**18 085**	**19 478**
New allowances originated	(1 109)	(14 318)	(15 427)
Impact on year end ECL of exposures transferred between stages during the year	(181)	4 257	4 076
Balance at the end of the year	**103**	**8 024**	**8 127**

As at 31 December 2023	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
Opening loss allowance as at 1 January 2023			
New allowances originated	284	-	284
Balance at the end of the year	**284**	**-**	**284**

(iii) Cash and short term deposits

The general expected credit loss model under the IFRS 9 also applies to the Group's cash and short term deposits. Credit risk associated with counterparties on short term and demand deposits is assessed based on credit ratings determined by the Global Credit Rating Company, which ratings are external to the Group. Were these ratings are not available, counterparty credit risk is assessed through internal mechanisms designed to assess the strength of the counterparty's capacity to meet their contractual cash obligations in the near term.

As the deposits are for periods less than 3 months, no significant increases in credit risk were noted as at 1 January 2022 and over the course of the year. As such, the cash and short term deposits were classified within Stage 1, prompting a 12 month expected credit loss assessment per IFRS 9. The probability of default on these instruments was assessed as insignificant due to their short tenure, resulting in an immaterial ECL which has not been recognised.

(iv) Debt securities at amortised cost

These are investments in prescribed assets with a long tenure, issued by both government and private entities. The assets pay fixed interest coupons at half yearly or quarterly intervals. The principal amount is settled on maturity of the investment. There has been no indication of a lack of capacity by the counterparties to settle the coupons and principal amounts as they fall due, particularly because of their prescribed asset status. As such, PD is estimated to approximate zero. No impairment allowance has been recognised on these instruments.

(v) Insurance debtors

Insurance debtors were assessed to be outside the scope of IFRS 9's requirements. As such, the impairment allowance for insurance debtors continues to be measured on an incurred loss model. The Group elected to provide in full all insurance debtors in the 120+ days and 10% on all insurance debtors in the 60 to 90+ days category. There were therefore no changes in the measurement of the impairment allowance on insurance debtors.

(vi) Related party receivables

Expected credit losses on related party receivables were assessed as immaterial.There has been no indication of lack of capacity by the related parties to settle the balances when they fall due. As such the PD is estimated to approximate zero. No impairment allowance has been recognised on these balances.

	GROUP		COMPANY	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
10 INVENTORIES				
Projects under development	-	-	-	-
Land inventory	547 625	702 416	547 625	702 416
Residential stands	-	-	-	-
Consumables	323 178	6 328 604	-	-
	870 803	**7 031 020**	**547 625**	**702 416**

	GROUP		COMPANY	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
11.1 Financial assets at fair value through profit or loss				
Balance at the beginning of the year	**284 761 212**	**46 623 514**	**65 551 280**	**14 679 243**
Additions	105 543 366	50 643 204	103 195 728	31 168 922
Fair value adjustments - through profit or loss	120 638 714	167 737 023	12 264 401	22 484 038
Exchange gain/(loss)	15 874 565	39 005 449	-	(835 201)
Disposals	(2 749 140)	(19 247 978)	(3 776 488)	(1 945 722)
Balance at the end of the year	**524 068 717**	**284 761 212**	**177 234 921**	**65 551 280**

Financial assets at fair value through profit and loss relate to shares held in various listed counters. Refer to note 28 for relevant fair value hierarchy disclosures.

11.2 DEBT SECURITIES AT AMORTISED COST				
Balance at the beginning of the year	**97 208 825**	**94 776 775**	**3 608 333**	**1 756 362**
Additions	9 202 041	-	-	-
Accrued Interest	8 973 828	6 982 674	1 909 373	1 851 971
Maturities	(3 639 833)	(4 550 624)	-	-
Balance at the end of the year	**111 744 861**	**97 208 825**	**5 517 706**	**3 608 333**

Debt securities at amortised cost include development bonds and treasury bills that carry prescribed asset status. Interest rates on these instruments range from 5% to 16%. 99% of the bonds will have matured by 31 December 2025, and the remaining 1% extend as far as 2026. Further disclosure on prescribed assets is provided in Note 36.

12 CASH AND DEPOSITS WITH BANKS

	GROUP		COMPANY	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Money market investments	72 887 470	54 360 561	8 981 387	691 451
Bank and cash	24 407 703	17 910 996	8 386 860	9 548 696
Cash and deposits with banks	**97 295 173**	**72 271 557**	**17 368 247**	**10 240 147**
Bank overdraft	-	-	-	-
Cash and cash equivalents	**97 295 173**	**72 271 557**	**17 368 247**	**10 240 147**

The credit quality of cash and cash equivalents held is disclosed in note 28.

13 SHARE CAPITAL

	GROUP		COMPANY	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Authorised share capital				
200 000 000 ordinary shares of ZWG0,26 each	**51 597 000**	**51 597 000**	**51 597 000**	**51 597 000**
Issued and fully paid share capital				
108 923 291 ordinary shares of ZWG0.26 each	**28 100 578**	**28 100 578**	**28 100 578**	**28 100 578**

91 076 709 Unissued shares and 1 003 743 treasury shares are under the control of the Directors subject to the limitations imposed by the Articles and Memorandum of Association of the Company, the Zimbabwe Companies and Business Entities Act (Chapter 24:31) and the Zimbabwe Stock Exchange Listing Requirements.

14 PRIOR PERIOD RESTATEMENT

14.1 CONSOLIDATION OF UNAUDITED RESULTS - MALAWI SUBSIDIARY

n the prior year, ended December 31, 2023, Fidelity Life Assurance Group consolidated unaudited results for the Malawi subsidiary. The group has restated prior year comparatives to reflect the audited position of the Malawi subsidiary annual financial statements for 2023. The effect of the change is an increase in profit for the year 2023 by ZWG6 509 895 with a corresponding increase in retained earnings by the same amount for the prior year results. Total assets decreased by ZWG8 064 240 and total liabilities decreased by ZWG73 936 282 which resulted in a coresponding increase in equity of ZWG65 872 032. The restatement is shown in the note below.

14 PRIOR PERIOD RESTATEMENT

Impact on statement of profit or loss and other comprehensive income for the year ended 31 December 2023	As previously stated	Effect of restatement	Restated
	2023	2023	2023
	ZWG	ZWG	ZWG
Insurance service result	28 874 416	(6 403 774)	22 470 642
Total investment income	57 780 712	(10 898 420)	46 882 292
Insurance financial expense	(2 586 502)	(25 479 996)	(28 066 498)
Other income and expense	1 101 439	4 377 202	5 478 641
Finance Cost	-	(297 725)	(297 725)
Other operating expenses	(74 518 221)	44 273 055	11 044 969
Income tax expense	(6 116 770)	939 553	(5 177 217)
Impact on profit for the year	**4 535 074**	**6 509 895**	**11 044 969**
Impact on statement of financial position as at 31 December 2023			
Total assets	480 448 937	(8 064 240)	472 384 697
Total equity	(11 529 298)	(65 872 032)	(77 401 330)
Total liabilities	(468 919 624)	73 936 282	(394 983 342)
Impact on equity for the year	**(6 994 224)**	**(59 362 137)**	**(66 356 361)**

14.2 RESTATEMENT OF IFRS 17 RESULTS - FLA THE COMPANY

The IFRS 17 results for Fidelity Life Assurance Company for the year ended 31 December 2023 were based on actuarial models that performed calculations on an aggregated basis to calculate IFRS 17 numbers for the 2023 financial year. In response to recommendations from external auditors in the 2023 audit, the company implemented an actuarial engine that computes IFRS 17 numbers on a per policy basis during the 2024 financial year. The group has restated prior year audited annual financial statements to reflect these changes and the effect of the change is a decline in profit for the year 2023 by ZWG910 326 with a corresponding increase in retained earnings by the same amount for the prior year results. Insurance contract assets and liabilities had a net increase of ZWG7 118 400 which resulted in a corresponding increase of the same amount. The restatement is shown in the note below.

Impact on statement of profit or loss and other comprehensive income for the year ended 31 December 2023	As previously stated	Effect of restatement	Restated
	2023	2023	2023
	ZWG	ZWG	ZWG
Insurance contracts revenue	128 869 183	(3 637 872)	125 231 311
Allocation of reinsurance paid	(4 243 853)	4 487 623	243 770
Amount recoverable from reinsurers for incurred claims	2 283 993	(1 760 077)	523 916
Impact on profit for the year	**126 909 323**	**(910 326)**	**125 998 997**
Impact on statement of financial position as at 31 December 2023			
Insurance Contract Assets	5 118 990	1 012 127	6 131 117
Insurance contract liabilities	(922 257 471)	(6 106 273)	(928 363 744)
Impact on equity for the year	**917 138 481**	**5 094 146**	**934 494 861**

Note 14.2 should be read in conjuction with note 40 - IFRS 17 Implementation

15 INSURANCE CONTRACT ASSETS AND LIABILITIES

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

	GROUP						
	Direct participating contracts	Investment contracts with DPF	Investment contracts without DPF	Total	Current portion	Non current portion	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Balance as at 31 December 2024							
Insurance contract assets	(8 698 042)	-	-	**(8 698 042)**	(869 804)	(7 828 238)	**(8 698 042)**
Insurance contract liabilities	822 699 769	753 031 849	-	**1 575 731 618**	157 573 161	1 418 158 457	**1 575 731 618**
Investment contract liabilities	-	-	430 056 454	**430 056 454**	43 005 645	387 050 809	**430 056 454**
Balance as at 31 December 2023							
Insurance contract assets	(24 524 570)	-	-	**(24 524 570)**	(2 452 457)	(22 072 113)	**(24 524 570)**
Insurance contract liabilities	673 088 902	434 399 580	-	**1 107 488 482**	110 748 848	996 739 634	**1 107 488 482**
Investment contract liabilities	-	-	258 988 097	**258 988 097**	25 898 809	233 089 288	**258 988 097**

15 INSURANCE CONTRACT ASSETS AND LIABILITIES

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

	COMPANY						
	Direct participating contracts	**Investment contracts with DPF**	**Investment contracts without DPF**	**Total**	**Current portion**	**Non current portion**	**Total**
	ZWG	**ZWG**	**ZWG**	**ZWG**	**ZWG**	**ZWG**	**ZWG**
Balance as at 31 December 2024							
Insurance contract assets	(8 698 042)	-	-	**(8 698 042)**	(869 804)	(7 828 238)	**(8 698 042)**
Insurance contract liabilities	491 741 416	753 031 849	-	**1 244 773 265**	124 477 326	1 120 295 939	**1 244 773 265**
Investment contract liabilities	-	-	183 670 692	**183 670 692**	18 367 069	165 303 623	**183 670 692**
Balance as at 31 December 2023							
Insurance contract assets	(6 131 091)	-	-	**(6 131 091)**	(613 109)	(5 517 982)	**(6 131 091)**
Insurance contract liabilities	493 964 163	434 399 580	-	**928 363 743**	92 836 375	835 527 369	**928 363 744**
Investment contract liabilities	-	-	82 410 238	**82 410 238**	8 241 024	74 169 214	**82 410 238**

15.2 Analysis of Insurance Contract Liability and Assets by participation

	COMPANY					
	2024			2023		
	LFRC	LIC	TOTAL	LFRC	LIC	TOTAL
Direct Participating Contracts	815 902 948	6 796 821	822 699 769	675 602 657	(2 513 755)	673 088 902
Investment contracts with direct participating contracts	838 996 268	(85 964 419)	753 031 849	456 733 807	(22 334 227)	434 399 580
	1654 899 216	**(79 167 598)**	**1 575 731 618**	1 132 336 464	(24 847 982)	1 107 488 482

Analysis of Insurance Contract Liability and Assets by participation

	COMPANY					
	2024			2023		
	LFRC	LIC	TOTAL	LFRC	LIC	TOTAL
Direct Participating Contracts	484 944 595	6 796 821	491 741 416	493 964 163	-	493 964 163
Investment contracts with direct participating contracts	(3101 910)	3 101 910	-	(1405 092)	1 405 092	-
	481 842 685	**9 898 731**	**491 741 416**	492 559 071	1 405 092	493 964 163

15.3 Direct participating contracts issued

Reconciliation of the liability for the remaining coverage and liability for incurred claims

	2024				2023			
	Liability for remaining coverage	Loss component	Liability for incurred claims	Total	Liability for remaining coverage	Loss component	Liability for incurred claims	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Balance as at 01 January	**675 244 935**	**357 722**	**(2 513 755)**	**673 088 902**	**503 446 170**	**319 024**	**-**	**503 765 194**
Insurance contract revenue	**(63 139 868)**	-	-	**(63 139 868)**	**(26 009 454)**	-	-	**(26 009 454)**
Insurance service expenses								
Incurred claims	39 310 361	-	1 660 056	**40 970 417**	37 272 976	-	1 256 877	**38 529 853**
Directly attributable expenses	16 901 887	-	2 178 838	**19 080 725**	6 296 382	-	-	**6 296 382**
Losses on onerous contracts and reversal of those losses	-	(2 343 355)	-	**(2 343 355)**	-	-	-	**-**
Insurance acquisition cashflows amortisation	5 230 388	-	-	**5 230 388**	4 942 323	-	-	**4 942 323**
Insurance service expenses	**61 442 636**	**(2 343 355)**	**3 838 894**	**62 938 175**	**48 511 681**	**-**	**1 256 877**	**49 768 558**
Total net expenses from reinsurance contracts held	3 915 180	-	-	**3 915 180**	2 128 092	-	-	**2 128 092**
Insurance service result	**(2 217 948)**	**2 343 355**	**(3 838 894)**	**(3 713 487)**	**(24 630 319)**	**-**	**(1 256 877)**	**(25 887 196)**
Finance expenses from insurance contracts issued recognised in profit or loss	4 600 414	9 430 925	20 100 205	**34 131 545**	397 761	38 698	-	**436 459**
Finance expenses from insurance contracts issued recognised in OCI	2 496 572	-	(1 451 785)	**1 044 788**	-	-	-	**-**
Finance expenses from insurance contracts issued	**7 096 986**	**9 430 925**	**18 648 420**	**35 176 333**	**397 761**	**38 698**	**-**	**436 459**
Total amounts recognised in comprehensive income	**4 879 038**	**11 774 280**	**14 809 526**	**31 462 846**	**(24 232 558)**	**38 698**	**(1 256 877)**	**(25 450 737)**
Investment components	120 767 422	-	-	**120 767 422**	238 629 881	-	-	**238 629 881**
Other changes	-	-	-	**-**	-	-	-	**-**
Cashflows								
Premiums received	59 175 980	-	-	**59 175 980**	970 798	-	-	**970 798**
Claims and other directly attributable expenses paid	(56 212 248)	-	(3 838 894)	**(60 051 142)**	(43 569 357)	-	(1 256 877)	**(44 826 234)**
Insurance acquisition cash flows	(84 181)	-	(1 660 056)	**(1 744 239)**	-	-	-	**-**
Total cash flows	**2 879 551**	**-**	**(5 498 950)**	**(2 619 401)**	**(42 598 559)**	**-**	**(1 256 877)**	**(43 855 436)**
Balance as at 31 December	**803 770 946**	**12 132 002**	**6 796 821**	**822 699 769**	**675 244 934**	**357 722**	**(2 513 754)**	**673 088 902**

15.3 Direct participating contracts issued

Reconciliation of the liability for the remaining coverage and liability for incurred claims

	COMPANY							
	2024				2023			
	Liability for remaining coverage	Loss component	Liability for incurred claims	Total	Liability for remaining coverage	Loss component	Liability for incurred claims	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Balance as at 01 January	**496 120 195**	**357 722**	**(2 513 754)**	**493 964 163**	**432 278 402**	**319 024**	**-**	**432 597 426**
Insurance contract revenue	**(60 243 781)**	-	-	**(60 243 781)**	**(1 495 823)**	-	-	**(1 495 823)**
Insurance service expenses								**-**
Incurred claims	9 515 519	-	1 660 056	**11 175 575**	1 692 898	-	1 256 877	**2 949 775**
Other directly attributable expenses	14 675 064	-	2 178 838	**16 853 902**	3 928 467	-	-	**3 928 467**
Losses on onerous contracts and reversal of those losses	-	(2 343 355)	-	**(2 343 355)**	-	-	-	**-**
Insurance acquisition cashflows amortisation	-	-	-	**-**	-	-	-	**-**
Insurance service expenses	**24 190 583**	**(2 343 355)**	**3 838 894**	**25 686 122**	**5 621 365**	**-**	**1 256 877**	**6 878 242**
Total net expenses from reinsurance contracts held	4 084 702	-	-	**4 084 702**	3 985 636	-	-	**3 985 636**
Insurance service result	**31 968 496**	**2 343 355**	**(3 838 894)**	**30 472 957**	**(8 111 178)**	**-**	**(1 256 877)**	**(9 368 055)**
Finance expenses from insurance contracts issued recognised in profit or loss	4 600 414	9 430 925	20 100 205	**34 131 544**	397 761	38 698	-	**436 459**
Finance expenses from insurance contracts issued recognised in OCI	2 852 179	-	(1 451 785)	**1 400 394**	-	-	-	**-**
Finance expenses from insurance contracts issued	**7 452 593**	**9 430 925**	**18 648 420**	**35 531 938**	**397 761**	**38 698**	**-**	**436 459**
Total amounts recognised in comprehensive income	**39 421 089**	**11 774 280**	**14 809 526**	**66 004 895**	**(7 713 417)**	**38 698**	**(1 256 877)**	**(8 931 596)**
Investment components	(78 651 163)	-	-	**(78 651 163)**	76 587 568	-	-	**76 587 568**
Other changes	-	-	-	**-**	-	-	-	**-**
Cashflows								
Premiums received	38 537 180	-	-	**38 537 180**	589 006	-	-	**589 006**
Claims and other directly attributable expenses paid	(24 190 583)	-	(3 838 894)	**(28 029 477)**	(5 621 364)	-	(1 256 877)	**(6 878 241)**
Insurance acquisition cash flows	(84 182)	-	-	**(84 182)**	-	-	-	**-**
Total cash flows	**14 262 415**	**-**	**(3 838 894)**	**10 423 521**	**(5 032 358)**	**-**	**(1 256 877)**	**(6 289 235)**
Balance as at 31 December	**471 152 536**	**12 132 002**	**8 456 878**	**491 741 416**	**496 120 195**	**357 722**	**(2 513 754)**	**493 964 163**

15.4 Investment contract liabilities with DPF

Reconciliation of the liability for remaining coverage and the liability for incurred claims

	GROUP							
	2024				2023			
	Liability for remaining coverage ZWG	Loss component ZWG	Liability for incurred claims ZWG	Total ZWG	Liability for remaining coverage ZWG	Loss component ZWG	Liability for incurred claims ZWG	Total ZWG
Balance as at 01 January	**455 169 488**	**1 564 318**	**(22 334 226)**	**434 399 580**	**229 312 521**	**1 466 413**	**-**	**230 778 934**
Insurance contract revenue	**(231 751 434)**	-	-	**(231 751 434)**	**(177 178 861)**	-	-	**(177 178 861)**
Insurance service expenses								**-**
Incurred claims	16 133 273	-	26 851 388	**42 984 661**	14 577 494	-	19 527 839	**34 105 333**
Directly attributable expenses	46 522 306	-	-	**46 522 306**	25 195 924	-	-	**25 195 924**
Losses on onerous contracts and reversal of those losses	-	47 533 272	-	**47 533 272**	-	-	-	**-**
Insurance acquisition cashflows amortisation	30 697 016	-	-	**30 697 016**	26 563 606	-	-	**26 563 606**
Insurance service expenses	**93 352 595**	**47 533 272**	**26 851 388**	**167 737 255**	**66 337 024**	**-**	**19 527 839**	**85 864 863**
Total net expenses from reinsurance contracts held	-	-	-	**-**	**-**	-	-	**-**
Insurance service result	**138 398 839**	**(47 533 272)**	**(26 851 388)**	**64 014 179**	110 841 836	**-**	**(19 527 839)**	**91 313 998**
Finance expenses from insurance contracts issued recognised in profit or loss	(58 358 529)	(1 696 071)	-	**(60 054 600)**	57 749 633	97 905	-	**57 847 538**
Finance expenses from insurance contracts issued recognised in OCI	57 055 627	-	-	**57 055 627**	**-**	-	-	**-**
Finance expenses from insurance contracts issued	**(1 302 902)**	**(1 696 071)**	**-**	**(2 998 973)**	**57 749 633**	**97 905**	**-**	**57 847 538**
Total amounts recognised in comprehensive income	**137 095 937**	**(49 229 343)**	**(26 851 388)**	**61 015 206**	**168 591 470**	**97 905**	**(19 527 839)**	**149 161 536**
Investment components	217 427 283	-	-	**217 427 283**	**7 626 398**	-	-	**7 626 398**
Other changes	-	-	-	**-**	**-**	-	-	**-**
Cashflows								
Premiums received	251 145 560	-	-	**251 145 560**	142 996 984	-	-	**142 996 984**
Claims and other directly attributable expenses paid	(62 655 579)	-	(26 851 388)	**(89 506 967)**	(39 773 418)	-	-	**(39 773 418)**
Insurance acquisition cash flows	(111 521 395)	-	(9 927 418)	**(121 448 813)**	(53 584 465)	-	(2 806 389)	**(56 390 854)**
Total cash flows	**76 968 586**	**-**	**(36 778 806)**	**40 189 780**	**49 639 101**	**-**	**(2 806 389)**	**46 832 712**
Balance as at 31 December	**886 661 294**	**(47 665 025)**	**(85 964 420)**	**753 031 849**	**455 169 490**	**1 564 318**	**(22 334 228)**	**434 399 580**

15.4 Investment contract liabilities with DPF (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	COMPANY							
	2024				2023			
	Liability for remaining coverage	Loss component	Liability for incurred claims	Total	Liability for remaining coverage	Loss component	Liability for incurred claims	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Balance as at 01 January	**445 405 556**	**1 564 318**	**(12 570 294)**	**434 399 580**	**229 312 521**	**1 466 413**	**-**	**230 778 934**
Insurance contract revenue	**(166 065 305)**	-	-	**(166 065 305)**	(123 735 462)	-	-	**(123 735 462)**
Insurance service expenses								**-**
Incurred claims	3 364 047	-	26 851 388	**30 215 435**	8 356 186	-	9 763 907	**18 120 093**
Other directly attributable expenses	45 567 942	-	-	**45 567 942**	24 132 072	-	-	**24 132 072**
Losses on onerous contracts and reversal of those losses	-	47 533 272	-	**47 533 272**	-	-	-	**-**
Insurance acquisition cashflows amortisation	28 455 436	-	-	**28 455 436**	24 343 153	-	-	**24 343 153**
Insurance service expenses	**77 387 425**	**47 533 272**	**26 851 388**	**151 772 085**	**56 831 411**	**-**	**9 763 907**	**66 595 318**
Total net expenses from reinsurance contracts held	-	-	-	**-**	-	-	-	**-**
Insurance service result	**88 677 880**	**(47 533 272)**	**(26 851 388)**	**14 293 220**	**66 904 051**	**-**	**(9 763 907)**	**57 140 144**
						-		
Finance expenses from insurance contracts issued recognised in profit or loss	(58 358 529)	(1 696 071)	-	**(60 054 600)**	57 749 633	97 905	-	**57 847 538**
Finance expenses from insurance contracts issued recognised in OCI	57 055 627	-	-	**57 055 627**	-	-	-	**-**
Finance expenses from insurance contracts issued	**(1 302 902)**	**(1 696 071)**	**-**	**(2 998 973)**	**57 749 633**	**97 905**	**-**	**57 847 538**
Total amounts recognised in comprehensive income	**87 374 978**	**(49 229 343)**	**(26 851 388)**	**11 294 247**	**124 653 684**	**97 905**	**(9 763 907)**	**114 987 682**
					-			
Investment components	101 857 897	-	-	**101 857 897**	(30 461 423)	-	-	**(30 461 423)**
Other changes	-	-	-	**-**	-	-	-	**-**
Cashflows								
Premiums received	251 145 560	-	-	**251 145 560**	142 996 984	-	-	**142 996 984**
Claims and other directly attributable expenses paid	48 931 990	-	26 851 388	**75 783 378**	32 488 255	-	-	**32 488 255**
Insurance acquisition cash flows	(111 521 395)	-	(9 927 418)	**(121 448 813)**	(53 584 465)	-	(2 806 387)	**(56 390 852)**
Total cash flows	**188 556 155**	**-**	**16 923 970**	**205 480 125**	**121 900 774**	**-**	**(2 806 387)**	**119 094 387**
Balance as at 31 December	**823 194 586**	**(47 665 025)**	**(22 497 712)**	**753 031 849**	**445 405 556**	**1 564 318**	**(12 570 294)**	**434 399 580**

15.5 Investment contract liabilities without DPF

Reconciliation of investment contract liabilities

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

	GROUP		COMPANY	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Opening balance 1 January 2024	**258 988 097**	**144 675 227**	**82 410 238**	**23 622 498**
Contributions received	132 599 104	14 851 010	105 612 868	812 266
Benefits paid	(55 759 691)	(181 114 603)	(12 072 847)	(60 420 938)
Investment return from underlying assets	96 787 923	293 207 460	7 764 884	127 634 648
Asset management fees charged	(2 558 979)	(12 630 997)	(44 451)	(9 238 236)
Closing balance	**430 056 454**	**258 988 097**	**183 670 692**	**82 410 238**

15.6 Insurance contract revenue and expenses

An analysis of insurance revenue, insurance service expensive and net expenses from insurance contracts held by product line for 2024 and 2023 is included in the following tables

December 2024	GROUP			COMPANY		
	Direct participating contracts	Investment contracts with DPF	Total	Direct participating contracts	Investment contracts with DPF	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Insurance contract revenue						
Amounts relating to the changes in the Liability for remaining coverage (LRC)						
Expected incurred claims and other expenses after loss component allocation	31 267 034	68 926 730	100 193 764	26 703 795	63 139 068	89 842 863
Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation	1 458 544	10 216 567	11 675 111	(2 805 406)	7 282 220	4 476 814
CSM recognised in profit or loss for the services provided	14 369 636	128 277 520	142 647 156	3 223 910	83 790 897	87 014 807
Insurance acquisition cash flow recovery	1 728	(22 647 110)	(22 645 382)	2 090	909 346	911 436
Insurance revenue from contracts not measured under the PAA	47 096 942	184 773 707	231 870 649	27 124 389	155 121 531	182 245 920
Insurance revenue from contracts measured under the PAA	-	46 977 727	46 977 727	33 119 392	-	33 119 392
Insurance revenue from contracts measured under VFA	16 042 926	-	16 042 926		10 943 774	10 943 774
Total insurance revenue	**63 139 868**	**231 751 434**	**294 891 302**	**60 243 781**	**166 065 305**	**226 309 086**
Insurance service expenses						
Incurred claims	40 970 417	42 984 661	83 955 078	11 175 575	30 215 435	41 391 010
Directly attributable expenses	19 080 725	46 522 306	65 603 031	16 853 902	45 567 942	62 421 844
Losses on onerous contracts and reversal of those lossess	(2 343 355)	47 533 272	45 189 917	(2 343 355)	47 533 272	45 189 917
Insurance acquisition cashflows amortisation	5 230 388	30 697 016	35 927 404	-	28 455 436	28 455 436
Total insurance service expenses	**62 938 175**	**167 737 255**	**230 675 430**	**25 686 122**	**151 772 085**	**177 458 207**
Reinsurance expenses-contracts measured under the PAA	9 134 681	-	9 134 681	7 494 000	-	7 494 000
Claims recovered	(5 219 501)	-	(5 219 501)	(3 409 298)	-	(3 409 298)
Total net expenses from reinsurance contracts held	**3 915 180**	**-**	**3 915 180**	**4 084 702**	**-**	**4 084 702**
Total insurance service result	**(3 713 487)**	**64 014 179**	**60 300 692**	**30 472 957**	**14 293 220**	**44 766 177**

15.6 Insurance contract revenue and expenses

December 2023	GROUP			COMPANY		
	Direct participating contracts	Investment contracts with DPF	Total	Direct participating contracts	Investment contracts with DPF	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Insurance contract revenue						
Amounts relating to the changes in the Liability for remaining coverage (LRC)						
Expected incurred claims and other expenses after loss component allocation	6 062 054	56 980 683	63 042 737	634 411	50 848 792	51 483 203
Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation	(860 096)	10 891 043	10 030 947	(889 584)	3 199 375	2 309 791
CSM recognised in profit or loss for the services provided	16 277 048	104 157 368	120 434 416	1 750 996	53 474 537	55 225 533
Insurance acquisition cash flow recovery	-	(22 891 706)	(22 891 706)	-	643 905	643 905
Insurance revenue from contracts not measured under the PAA	21 479 006	149 137 388	170 616 394	1 495 823	108 166 609	109 662 432
Insurance revenue from contracts measured under the PAA	-	28 041 473	28 041 473	-	15 568 853	15 568 853
Insurance revenue from contracts measured under VFA	4 530 449	-	4 530 449	-	-	-
Total insurance revenue	**26 009 455**	**177 178 860**	**203 188 315**	**1 495 823**	**123 735 462**	**125 231 285**
Insurance service expenses						
Incurred claims	38 529 853	34 105 333	72 635 186	2 949 775	18 120 092	21 069 867
Directly attributable expenses	6 296 382	25 195 924	31 492 306	3 928 467	24 132 072	28 060 539
Insurance acquisition cashflows amortisation	4 942 322	26 563 607	31 505 929	-	24 343 154	24 343 154
Total insurance service expenses	**49 768 558**	**85 864 864**	**135 633 421**	**6 878 242**	**66 595 318**	**73 473 560**
Reinsurance expenses-contracts measured under the PAA	7 889 542	-	7 889 542	4 509 552	-	4 509 552
Claims recovered	(5 761 450)	-	(5 761 450)	(523 916)	-	(523 916)
Total net expenses from reinsurance contracts held	**2 128 092**	**-**	**2 128 092**	**3 985 636**	**-**	**3 985 636**
Total insurance service result	**(25 887 194)**	**91 313 996**	**65 426 802**	**(9 368 055)**	**57 140 144**	**47 772 089**

16 BORROWINGS	GROUP		COMPANY	
	45 627	45 261	45 627	45 261
16.1 SHORT-TERM BORROWINGS	ZWG	ZWG	ZWG	ZWG
ZB Bank	14 668 124	19 407 902	-	-
Steward Bank	13 199 648	-	-	-
National Social Security Authority	25 798 500	-	8 528 107	-
Nedbank Limited	8 528 107	-	-	-
NBS Bank	19 860 588	-	19 860 588	-
	82 054 967	**19 407 902**	**28 388 695**	**-**

ZB Bank Limited

The loan facility with ZB was obtained in 2024 as a line of credit for the micro-finance business to increase the unit's lending capacity. The facility is denominated in USD and accrues interest at 18.6% per annum on a 18 month tenure expiring on 31 January 2026.

Steward Bank

The loan facility amounting to USD 500 000 was obtained in 2024 as a line of credit for the micro-finance business to increase the unit's lending capacity. The facility is denominated in USD and accrues interest at 25% per annum on a one year tenure expiring on 31 October 2025.

National Social Security Authority

A loan facility with the National Social Security Authority (''NSSA'') amounting to USD 1 000 000 was obtained as a line of credit to bolster the microlending business unit lending capacity. The facility accrues interest at 24% per annum on a one year tenure expiring on 31 May 2025 and is secured by a mortgage bond supported by Zimre Holdings Limited guarantee.

Nedbank Limited

Fidelity Life Assurance of Zimbabwe Limited obtained a loan amounting to USD 398 296 for asset financing. The facility accrues interest at the rate of 14% per annum and is repayable over 36 months. The loan is secured over the assets acquired.

NBS Bank

Fidelity Life Assurance of Zimbabwe Limited obtained an asset financing facility amounting to USD 837 488 from NBS Bank. The facility accrues interest at 18% per annum repayable in 24 months expiring on 31 October 2027. The loan is secured over the assets acquired.

	GROUP		COMPANY	
16.2	45 627	45 261	45 627	45 261
Movements in borrowings during the period were as follows:	ZWG	ZWG	ZWG	ZWG
Balance at 1 January	**19 407 902**	**20 493 839**	**-**	**-**
Net cash out flow on borrowings	62 647 065	(1 085 937)	28 388 695	-
Proceeds from borrowings	68 503 505	13 319 662	30 635 719	-
Repayment of borrowings	(4 508 907)	(14 405 599)	(899 465)	-
Finance costs capitalised	6 246 797	3 304 994	(1 791 396)	-
Finance costs paid	(7 594 330)	(3 304 994)	443 837	-
Balance at 31 December	**82 054 967**	**19 407 902**	**28 388 695**	**-**

17 LEASE OBLIGATIONS

The Group leased motor vehicles with a net carrying value of ZWG2 368 947 (2023: ZWG3 699 066). The transaction was generally classified as a lease liability in accordance with IFRS 16. The lease periods approximated the estimated useful economic lives of the motor vehicles and the Group has a right to purchase the motor vehicles outright at the end of the minimum lease term by paying a nominal amount.

Set out below are the carrying amounts of the lease liability and the movements during the year

	GROUP		COMPANY	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Balance as at 1 January	**3 699 066**	**493 861**	-	-
Additions	-	1 087 458	-	-
Derecognition of right of use asset	-	-	-	-
Interest	189 361	44 193	-	-
Payments	(888 036)	(472 758)	-	-
Exchange rate movement on foreign operations	(631 444)	2 546 312	-	-
Balance as at 31 December	**2 368 947**	**3 699 066**	-	-

	Minimum lease payments	Interest payments	Present value
	ZWG	ZWG	ZWG
2024			
Not later than one year	1 085 627	356 174	729 453
Between one year and five years	1 736 832	97 338	1 639 494
Later than five years	-	-	-
	2 822 459	**453 512**	**2 368 947**
Current liabilities			729 452
Non-current liabilities			1 639 495
			2 368 947
2023			
Not later than one year	2 423 124	21 078	2 402 046
Between one year and five years	1 297 020	-	1 297 020
Later than five years	-	-	-
	3 720 144	**21 078**	**3 699 066**
Current liabilities			3 699 066
Non-current liabilities			-
			3 699 066

		GROUP		COMPANY	
		2024	2023	2024	2023
		ZWG	ZWG	ZWG	ZWG
18	**DEFERRED TAX LIABILITY**				
	Property and equipment	2 354 500	2 323 851	-	16 150
	Investment property	51 773 178	51 099 966	-	-
	Provisions	428 771	423 199	-	-
	Total	**54 556 449**	**53 847 016**	**-**	**16 150**
	Reconciliation				
	Balance at the beginning of the year	**53 847 016**	**32 057 474**	**16 150**	**16 150**
	Movement through profit or loss	709 407	20 389 380	(16 150)	-
	Movement through other comprehensive income	-	-	-	-
	Other temporary differences	-	-	-	-
	IFRS 9 adjustment	-	1 400 162	-	-
	Balance at the end of the year	**54 556 423**	**53 847 016**	**-**	**16 150**
18.1	**DEFERRED INCOME TAX IMPACT ON PROFIT OR LOSS**				
	Decrease/(Increase) in deferred tax asset through profit or loss	-	-	-	-
	Increase in deferred tax liability through profit or loss	709 407	790 332	(16 150)	-
	Deferred income tax charge/(credit) included in profit or loss	**709 407**	**790 332**	**(16 150)**	**-**
18.2	**Income tax liability / (asset)**				
	Balance as at 1 January	3 590 274	476 936	3 096	(1 470)
	Charge for the year	3 707 116	(10 108 084)	709 794	481 735
	Paid during the year	(13 372 756)	(7 429 297)	(512 694)	(477 169)
	Exchange rate movements	(4 967 192)	20 650 719	-	-
	Balance as at 31 December	**(11 042 558)**	**3 590 274**	**200 196**	**3 096**

	GROUP 2024 ZWG	GROUP 2023 ZWG	COMPANY 2024 ZWG	COMPANY 2023 ZWG
19 TRADE AND OTHER PAYABLES				
Trade payables	15 767 140	21 663 929	11 247 372	12 537 297
Related party payables	4 071 184	26 952 286	5 121 802	6 315 653
Statutory liabilities	7 010 794	11 790	1 080 106	5 074 875
Other payables	161 914 071	68 856 222	112 515 439	25 885 752
	188 763 189	**117 484 227**	**129 964 719**	**49 813 577**

Trade payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually due within 30 days of invoice or statement date.

Other payables mainly relate to accrued finance costs, accrued value added tax, accrued staff expenses and accrued audit fees.

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method. As these are mostly payable within twelve months of provision of the goods or services, the impact of discounting is not expected to be material. Their carrying amounts are considered to be the same as their fair values, due to their short-term nature.

	GROUP 2024 ZWG	GROUP 2023 ZWG	COMPANY 2024 ZWG	COMPANY 2023 ZWG
20 OTHER INVESTMENT INCOME				
Dividend income from tradable quoted equities	3 403 725	11 856 268	167 665	4 185 652
Share of Profits or Loss From Subsidiaries - Profit or Loss	-	-	21 832 161	10 239 579
	3 403 725	**11 856 268**	**21 999 826**	**14 425 231**

	GROUP 2024 ZWG	GROUP 2023 ZWG	COMPANY 2024 ZWG	COMPANY 2023 ZWG
21 OTHER INCOME				
Actuarial fees-recognised over time	11 834 598	3 949 518	-	-
Management fees-recognised at a point in time	88 459 238	41 891 811	31 227 820	672 232
Sale of funeral services- recognised at a point in time	6 485 588	7 203 535	-	-
Income recognised under IFRS 15	**106 779 424**	**53 044 864**	**31 227 820**	**672 232**
Rental and other property income	188 329	1 633 845	-	-
Profit on disposal of property and equipment	(79 692)	501 832	111 192	377 200
Sundry	9 867 101	4 297 204	497 704	(161 654)
	116 755 162	**59 477 745**	**31 836 716**	**887 778**

Sundry income includes land sale agreement withdrawal charges, charges for funeral services provided to parties not insured by the Group and other miscellaneous income.

	GROUP		COMPANY	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
22 OPERATING AND ADMINISTRATIVE EXPENSES				
Staff costs	103 359 910	72 958 003	35 414 788	21 521 083
Auditors' remuneration	7 538 580	8 184 781	4 679 074	4 736 347
Directors' remuneration - fees	7 040 488	4 884 972	3 813 199	3 140 503
Depreciation of property and equipment	7 768 960	1 582 970	3 896 966	307 647
Computer and data expenses	17 841 056	13 727 640	4 422 301	3 579 955
Marketing expenses	9 930 900	5 618 294	5 671 903	3 333 037
Actuarial, legal and other professional fees	33 231 641	26 568 921	12 443 545	8 314 521
Motor vehicle maintenance costs	9 172 476	6 570 620	3 436 386	2 525 673
Amortisation and impairement of intangibles	1 664 442	2 301 071	-	-
Depreciation right of use asset	2 023 299	1 485 426	-	-
Allowance for credit losses	7 677 556	780 637	1 410 533	113 462
Rental from short term leases	18 158 971	13 427 448	7 104 649	4 374 832
Other operating expenses	48 977 421	38 536 948	32 963 262	22 224 427
	274 385 700	**196 627 731**	**115 256 606**	**74 171 487**

Other operating expenses comprise mainly of electricity charges, rates, telephone expenses, printing and stationery costs.

Net exchange losses on foreign translations arose from exchange differences on foreign denominated assets and liabilities held by the Group. Refer to Note 28(d).

23 FINANCE COSTS

	GROUP 2024 ZWG	GROUP 2023 ZWG	COMPANY 2024 ZWG	COMPANY 2023 ZWG
Other interest expenses	11 526 022	4 577 557	1 806 824	940 639
Total finance costs	**11 526 022**	**4 577 557**	**1 806 824**	**940 639**

24 INCOME TAX EXPENSE/(CREDIT)

	GROUP 2024 ZWG	GROUP 2023 ZWG	COMPANY 2024 ZWG	COMPANY 2023 ZWG
Current	3 707 115	(10 108 084)	709 794	481 735
Deferred	709 408	20 389 380	-	-
	4 416 523	**10 281 296**	**709 794**	**481 735**
Tax rate reconciliation				
Profit for the year	119 902 322	37 951 992	539 612 132	265 878 721
Tax at Zimbabwe statutory rate of 24.72%	30 874 848	9 381 732	133 392 119	65 725 220
Tax effect of amounts not deductible/ (taxable) in calculating taxable income:				
Items not deductible for tax:				
Allowance for credit losses	(10 442 721)	(41 373 116)	(1 999 458)	(1 357 020)
Other disallowable expenses	62 392 110	17 568 427	46 523 453	31 575 181
Non-taxable items:	-	-	-	-
Differences arising from movements in unrealised fair value (gains)/losses	(225 500)	614 864	(43 176)	(29 303)
Other adjustments:	(48 016 774)	13 081 741	(43 771 025)	(29 707 123)
	3 707 115	**(10 108 084)**	**709 794**	**481 735**

25 EARNINGS PER SHARE (EPS)

	GROUP		COMPANY	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Reconciliation of total earnings to headline earnings attributable to shareholders				
Numerator				
Profit/ (Loss) for the year attributable to owners of the parent and profit used in EPS	**155 538 460**	**60 051 426**	**182 762 302**	**82 072 923**
Add/(deduct) non recurring items				
Impairment of intangible assets	-	-	-	-
Profit on disposal of property	79 692	(501 832)	(111 192)	(377 200)
Headline earnings attributable to ordinary shareholders	**9 576 326**	**(272 975)**	**539 500 940**	**265 501 521**
Denominator				
Weighted number of ordinary shares in issue	108 923 291	108 923 291	108 923 291	108 923 291
Less: Shares purchased for the Employee Share Ownership Plan	(1 003 743)	(1 003 743)	(1 003 743)	(1 003 743)
Weighted average number of shares used in basic EPS	**107 919 548**	**107 919 548**	**107 919 548**	**107 919 548**
Less: Dilutive adjusting effects	-	-	-	-
Weighted average number of shares used in diluted EPS	**107 919 548**	**107 919 548**	**107 919 548**	**107 919 548**
25.1 Basic and diluted earnings per share (cents)	**144,12**	**55,64**	**169,35**	**76,05**
25.2 Headline earnings per share (cents)	**144,20**	**55,18**	**169,25**	**75,70**

Basic earnings per share

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

Headline earnings per share

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

26 CAPITAL EXPENDITURE COMMITMENTS

	GROUP		COMPANY	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Authorised and contracted for	31 201 635	11 754 952	17 841 520	6 974 267
Authorised but not contracted for		-	-	-
	31 201 635	**11 754 952**	**17 841 520**	**6 974 267**

Capital expenditure will be financed from the Group's own resources and borrowings.

27 MANAGEMENT OF CAPITAL

The Group's objective when managing capital is to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits to other stakeholders. The capital of the Group comprises of reserves and share capital. The Group's strategy has been to maintain capital that is higher than the minimum required by the regulatory authorities. The Group's compliance with the capital requirements as set out by the regulatory authorities is as follows :

31 December 2024	**Capital**	**Minimum capital requirement**	**Surplus / (Deficit)**
Fidelity Life Assurance of Zimbabwe Limited	122 423 815	77 395 500	45 028 315
Vanguard Life Assurance Company Limited	12 608 862	12 224 887	383 975
Fidelity Life Asset Management Company (Private) Limited	11 252 687	9 508 479	1 744 208
Fidelity Life Financial Services (Private) Limited	(795 187)	644 963	(1 440 150)

31 December 2023	**Capital**	**Minimum capital requirement**	**Surplus / (Deficit)**
Fidelity Life Assurance of Zimbabwe Limited	128 785 828	77 395 500	51 390 328
Vanguard Life Assurance Company Limited	75 647 884	12 224 887	63 422 997
Fidelity Life Asset Management Company (Private) Limited	11 294 300	9 508 479	1 785 821
Fidelity Life Financial Services (Private) Limited	39 059	644 963	(605 904)

The regulatory capital position for Fidelity Life Assurance, as defined in Section 24 of the Insurance Act (Chapter 24:07) (the "Insurance Act"), amended by Statutory Instrument 95 of 2017, Insurance (Amendment) Regulations, 2017 (No. 19) ("SI 95 of 2017") read with Instrument 59 of 2020, section (3) requires a provider of life and funeral assurance in Zimbabwe to maintain a minimum unencumbered statutory capital (as defined in the Statutory Instrument) of USD$75million. Due to the change in functional currency, the regulator, IPEC, issued circular 42 of 2022 which requires life assurance companies which include funeral assurance to have a proposed minimum capital requirement of USD2 000 000 or the equivalent in ZWL/ZWG terms at the prescribed exchange rate per Reserve Bank of Zimbabwe. Further disclosure on FLA's capital position is included in Note 37. The Company is fully compliant with the minimum capital requirements. The Company continues to pursue plans disclosed in Note 37 to improve the solvency position of the Company.

27 MANAGEMENT OF CAPITAL (continued)

The Group endeavours to preserve a strong cash base and achieve a debt to capital ratio of approximately 100%. The objective of this strategy is to secure access to finance at reasonable cost by maintaining a high credit rating. The Group also constantly scouts for opportunities that enable it to acquire strategic assets such as land banks. Such opportunities may entail an increase in the debt to capital ratio. Under such circumstances, the Group's cap on the debt to capital ratio will be 200%. The debt to capital ratios at 31 December were as follows:-

	GROUP		COMPANY	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Debt				
Borrowings	82 054 967	19 407 902	28 388 695	-
Equity				
Capital	24 849 296	149 733 050	122 439 965	128 785 828
Debt to capital ratio (%)	330%	13%	23%	0%

28 FINANCIAL INSTRUMENTS - RISK MANAGEMENT

The Group is exposed through its operations to the following financial risks:-

a. Credit risk
b. Fair value or cash flow interest rate risk
c. Liquidity risk
d. Foreign exchange risk
e. Equity price risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and methods used to measure them. Further quantitative information in respect of these risks is presented throughout these consolidated and separate financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from the previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments held by the Group, from which financial instrument risk arises, are as follows:-

i) Trade and other receivables (excluding prepayments and statutory assets)
ii) Debt securities at amortised
iii) Bank and cash
iv) Money market investments
v) Equities at fair value through profit or loss
vi) Trade and other payables (excluding deferred income and statutory liabilities)
vii) Borrowings

28 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (continued)

(i) Financial instruments by category

A summary of the financial instruments held by category is provided below:-

Financial assets	GROUP Financial assets at fair value through profit or loss ZWG	GROUP Financial assets at amortised cost ZWG	COMPANY Financial assets at fair value through profit or loss ZWG	COMPANY Financial assets at amortised cost ZWG
2024				
Trade and other receivables (excluding prepayments and statutory assets)	-	194 780 945	-	119 530 926
Financial assets at fair value through profit or loss	524 068 717	-	177 234 921	-
Debt securities at amortised cost	-	111 744 861	-	52 323
Cash and deposits with banks	-	97 295 173	-	17 368 247
	524 068 717	**403 820 979**	**177 234 921**	**136 951 496**
2023				
Trade and other receivables (excluding prepayments and statutory assets)	-	124 454 750	-	27 209 188
Financial assets at fair value through profit or loss	284 761 212	-	65 551 280	-
Debt securities at amortised cost	-	97 208 825	-	3 608 333
Cash and deposits with banks	-	72 271 557	-	10 240 147
	284 761 212	**293 935 132**	**65 551 280**	**41 057 668**

Financial liabilities	GROUP 2024 ZWG	GROUP 2023 ZWG	COMPANY 2024 ZWG	COMPANY 2023 ZWG
Trade and other payables (excluding statutory liabilities and deferred income)	181 752 395	117 472 437	124 889 844	44 738 702
Borrowings	82 054 967	19 407 902	28 388 695	-
	263 807 362	**136 880 339**	**153 278 539**	**44 738 702**

(ii) Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, debt securities at amortised cost , trade and other receivables (excluding prepayments and statutory assets), trade and other payables (excluding deferred income and statutory liabilities) and borrowings. Due to their nature, their carrying values approximate their fair values.

(iii) Financial instruments measured at fair value

Financial instruments were measured at fair value at 31 December using:-

GROUP	Level 1 2024 ZWG	Level 1 2023 ZWG	Level 2 2024 ZWG	Level 2 2023 ZWG	Level 3 2024 ZWG	Level 3 2023 ZWG
Financial assets						
Financial assets at fair value through other comprehensive income	-	-	556 783	453 744	-	-
Financial assets at fair value through profit or loss	517 099 252	271 818 955	6 969 465	12 942 256	-	-

COMPANY	Level 1 2024 ZWG	Level 1 2023 ZWG	Level 2 2024 ZWG	Level 2 2023 ZWG	Level 3 2024 ZWG	Level 3 2023 ZWG
Financial assets						
Financial assets at fair value through profit or loss	173 991 353	61 092 009	3 243 568	4 459 271	-	-

28 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (continued)

(i) Financial instruments by category (continued)

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to Management. The Board receives quarterly reports from the Chief Executive Officer through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The Group's internal audit and risk and compliance departments also review the risk management policies and processes and report their findings to the Audit, Risk and Compliance Committee.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:-

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from trade and other receivables , debt securities at amortised cost and cash and deposits with banks.

Credit risk from trade and other receivables mainly emanates from residential stand sales debtors and microfinance loans receivable. The residential stand debtors are secured by the properties sold on credit by the Group to the respective customers. The microfinance loan book is predominantly comprised of customers in formal employment. A pre-condition of extending such loans is the establishment of an agreement with the employer wherein the employer is obliged to deduct the loans repayments through their monthly payroll process from any of their employees to whom such loans are extended. Further disclosures regarding the credit quality of trade and other receivables are provided in Note 9.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Credit quality of cash and cash equivalents is reflected in the table below, based on credit ratings determined by the Global Credit Rating Company:

Counterparties with external credit rating (Global Credit Rating Company):

	GROUP		COMPANY	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
A+	571 048	424 179	717 391	422 966
A-	979 312	727 440	1 233 807	727 440
AA	1 076 803	799 857	1 310 775	772 820
AA-	1 110 075	824 572	932 542	549 818
BBB	1 597 005	1 186 267	4 463	2 631
Cash	1 585 335	1 177 598	1 670 848	985 116
Unrated	90 375 595	67 131 644	11 498 421	6 779 356
	97 295 173	**72 271 557**	**17 368 247**	**10 240 147**

Included in the unrated balance of ZWG97 295 173 is ZWG72 887 470 (USD72 271 557:USD2 107 121 in 2023) money market investments deposited with asset managers that are not rated.

The Group only trades with and receives service from banking institutions that meet regulatory requirements including minimum regulatory capital.

Key considerations include:-

- compliance with minimum capital requirements as set by the Reserve Bank of Zimbabwe ("RBZ"), and the Reserve Bank of Malawi ("RBM").
- RBZ and RBM periodic capital adequacy, asset quality, management, earnings, liquidity, and sensitivity ("CAMELS") ratings,
- total shareholder equity,
- total assets,
- ratios such as loan to deposit ratio, cost to income and non-performing loans ("NPLs") to total loans ratio,
- overall profitability and cash generation,
- historical performance and outlook,
- ability of the bank to provide financial support,

28 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (continued)

Quantitative disclosures of the risk exposure in relation to financial assets are set out below:-

	GROUP		COMPANY	
	Carrying value ZWG	Maximum exposure ZWG	Carrying value ZWG	Maximum exposure ZWG
At 31 December 2024				
Trade and other receivables (excluding prepayments and statutory assets)	194 780 945	194 780 945	119 530 926	27 209 188
Debt securities at amortised cost	111 744 861	111 744 861	5 517 706	5 517 706
Cash and cash equivalents	97 295 173	97 295 173	17 368 247	17 368 247
	403 820 979	**403 820 979**	**142 416 879**	**50 095 141**
At 31 December 2023				
Trade and other receivables (excluding prepayments and statutory assets)	124 454 750	124 454 750	27 209 188	27 209 188
Debt securities at amortised cost	97 208 825	97 208 825	3 608 333	3 608 333
Cash and cash equivalents	72 271 557	72 271 557	17 368 247	17 368 247
	293 935 132	**293 935 132**	**48 185 768**	**48 185 768**

(b) Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its borrowings. It is the risk that the Group will encounter difficulties in meeting its financial obligations as they fall due. In order to mitigate any liquidity risk that the Group faces, the Group's policy has been throughout the year ended 31 December 2024, to maintain substantial facilities and reserves as well as significant liquid resources. The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:-

COMPANY	Up to 3 months ZWG	Between 3 and 12 months ZWG	Between 1 and 2 years ZWG	Over 2 years ZWG	Total ZWG
At 31 December 2024					
Trade and other receivables (excluding prepayments and statutory assets)	35 859 278	83 671 648	-	-	119 530 926
Insurance contract liabilities	-	-	124 477 326	1 120 295 939	1 244 773 265
Investment contracts without discretionary participation features	-	-	18 367 069	165 303 623	183 670 692
Borrowings	-	-	8 528 107	19 860 588	28 388 695
	35 859 278	**83 671 648**	**151 372 502**	**1 305 460 150**	**1 576 363 578**
At 31 December 2023					
Trade and other receivables (excluding prepayments and statutory assets)	8 162 756	19 046 432	-	-	27 209 188
Insurance contract liabilities	-		92 836 375	835 527 369	928 363 744
Investment contracts without discretionary participation features	-	-	8 241 024	74 169 214	82 410 238
Borrowings	-	-	-	-	-
	8 162 756	19 046 432	101 077 399	909 696 583	1 037 983 170

(c) Market risk

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

Equity price risk

The Group holds some strategic equity investments in other companies these include development bonds and treasury bills that carry prescribed asset status. Directors believe that the exposure to market price risk from this activity is acceptable in the Group's circumstances. A 10% increase in value of the equity instruments held at the reporting date would, all other variables held constant, have resulted in an increase in profit before tax and net assets of ZWG170 943 750 (2023: ZWG$118 936 038) for the Group and the Company. A 10% decrease in their value would on the same basis have decreased retained earnings and assets by the same amount.

28 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (continued)

Quantitative disclosures of the risk exposure in relation to financial assets are set out below:-

	GROUP		COMPANY	
	Carrying value ZWG	Maximum exposure ZWG	Carrying value ZWG	Maximum exposure ZWG
At 31 December 2024				
Trade and other receivables (excluding prepayments and statutory assets)	194 780 945	194 780 945	119 530 926	27 209 188
Debt securities at amortised cost	111 744 861	111 744 861	5 517 706	5 517 706
Cash and cash equivalents	97 295 173	97 295 173	17 368 247	17 368 247
	403 820 979	**403 820 979**	**142 416 879**	**50 095 141**
At 31 December 2023				
Trade and other receivables (excluding prepayments and statutory assets)	124 454 750	124 454 750	27 209 188	27 209 188
Debt securities at amortised cost	97 208 825	97 208 825	3 608 333	3 608 333
Cash and cash equivalents	72 271 557	72 271 557	17 368 247	17 368 247
	293 935 132	**293 935 132**	**48 185 768**	**48 185 768**

Consolidated foreign exchange gap analysis as at 31 December

Impact of change in exchange rates	**2024 ZWG equivalent**	**2023 ZWG equivalent**	**2024 MWK**	**2023 MWK**
Assets				
Cash and deposits with banks	71 059 879	10 240 147	123 218 668 693	17 237 918 367
Loans and receivables	37 721 303	27 209 188	65 409 184 513	45 803 030 130
Total assets	**108 781 182**	**37 449 335**	**188 627 853 206**	**63 040 948 497**
Liabilities				
Trade and other payables	25 025 035	49 813 575	43 393 705 985	83 854 493 438
Total liabilities	**25 025 035**	**49 813 575**	**43 393 705 985**	**83 854 493 438**
Net currency position	**83 756 147**	**(12 364 240)**	**145 234 147 221**	**(20 813 544 941)**
Exchange rates as at 31 December	29.7985	29.7985	29.7985	29.7985
Impact of 10% increase in exchange rates				
Assets	9 889 210	3 404 473	17 147 986 655	5 730 995 318
Liabilities	(2 275 015)	(4 528 514)	(3 944 882 362)	(7 623 135 767)
Net position	**7 614 195**	**(1 124 041)**	**13 203 104 293**	**(1 892 140 449)**

28 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (continued)

(d) Foreign currency exchange risk (continued)

	GROUP		COMPANY	
	2024	2023	2024	2023
Impact of change in exchange rates	10% increase	10% decrease	10% increase	10% decrease
	ZWG	ZWG	ZWG	ZWG
Impact of profit before tax	131 892 554	(34 156 793)	593 573 345	(239 290 849)
Impact on equity	313 431 158	(88 409 049)	593 573 345	(239 290 849)

This method used for deriving sensitivity information and significant variables did not change from previous period.

29 ASSURANCE RISK MANAGEMENT

29.1 Insurance Risk

Insurance risk is the risk that actual future underwriting, policyholder behaviour and expense experience will differ from that assumed in measuring policyholder liabilities and assets and in pricing products. Insurance risk arises due to uncertainty regarding the timing and amount of future cash flows from insurance contracts. This could be due to variations in mortality, morbidity, policyholder behaviour or expense experience in the case of life products, and claims incidence, claim severity or expense experience in the case of short-term insurance products. These could have adverse impacts on the Group'searnings and capital if different from those assumed.

The Group is exposed to insurance risk arising from its insurance contracts with policyholders and other beneficiaries. The main risk that the Group faces is that the actual claims and benefits payments or the timing thereof differ from expectations. The risk exposure is mitigated by the use of careful selection procedures and implementation of underwriting procedures, use of actuarial models which calculate premiums and monitor claims patterns, as well as the use of reinsurance arrangements.

The insurance risks that the Group is exposed to that have the greatest impact on the financial position and comprehensive income are covered below.

29.2 General mangement of insurance risk

The insurance subsidiaries are responsible for the day to day identification, monitoring and assessment of insurance risk. In addition to the management of risk by the subsidiary companies, the Group has the following insurance risk management controls:

29.3 Group Risk and Compliance Committee

The Committee advises Group's overall risk strategy, current risk exposures, and risk governance. The Committee considers and approves the remit of the risk management function and reviews reports on material breaches of risk limits, as well as the adequacy of remedial action. The Committee also advises the Board on the risks aspects of proposed strategic transactions.

29.4 Audit Committee

The audit committee deals with insurance companies within the Group. The committee serves to satisfy the Group and operational boards of directors that adequate internal and financial controls are in place and that material risks are managed appropriately. More specifically, this committee is responsible for reviewing the financial statements and accounting policies, the effectiveness of the management information and systems of internal control, compliance with statutory and regulatory requirements, including actuarial input thereon, interim and final reports, the effectiveness of the internal audit function, external audit plans and findings on their respective reports. This committee reports directly to the Group board of directors. The committee meetings are attended by the external and internal auditors and are held at least quarterly.

28 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (continued)

(d) Foreign currency exchange risk (continued)

Impact of change in exchange rates	GROUP		COMPANY	
	2024	2023	2024	2023
	10% increase	10% decrease	10% increase	10% decrease
	ZWG	ZWG	ZWG	ZWG
Impact of profit before tax	131 892 554	(34 156 793)	593 573 345	(239 290 849)
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29 ASSURANCE RISK MANAGEMENT

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29.5 Statutory actuary

The statutory actuary of the insurance subsidiaries reports on the capital adequacy and the financial soundness at the year-end date and for the foreseeable future. All new premium rates or premium rates where changes are required are reviewed by the statutory actuary. Dividend declarations are recommended to the audit committee for approval by the statutory actuary prior to payment to ensure that the insurance subsidiaries remain financially sound thereafter.

29.6 Capital adequacy requirements

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

- Mortality risk – risk of loss arising due to policyholder death experience being different than expected
- Morbidity risk – risk of loss arising due to policyholder health experience being different than expected
- Longevity risk – risk of loss arising due to the annuitant living longer than expected
- Investment return risk – risk of loss arising from actual returns being different than expected
- Expense risk – risk of loss arising from expense experience being different than expected
- Policyholder decision risk – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected

29.7 Mortality and morbidity risk

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

29.8 Pricing

Premium rates are differentiated by factors which historical experience has shown are significant determinants of mortality and morbidity claim experience. Prior to taking on individual risk policies, appropriate underwriting processes are conducted, which influence pricing on the policy prior to acceptance. The actual claims experience is monitored on a monthly basis so that deteriorating experience can be timeously identified. At the point of issuing new policies, consideration is given to update product pricing if the change in the experience, as evidenced by the commissioned periodic investigations, has become sustained and cannot be mitigated. Further, the valuation of liabilities is periodically updated with the new parameters arising from the periodic investigations. Detailed mortality and morbidity investigations are conducted on a bi-annual basis for key products. Allowance for special effects of specified medical conditions is made in product pricing as well as in the measurement of policyholder liabilities and assets.

29.9 Terms and conditions

The policy terms and conditions contain exclusions for nonstandard and unpredictable risks that may result in severe financial loss. Terms are built into the policy contracts that permit risk premiums to be reviewed on expiry of a guarantee period. In particular:

- for individual risk business, most in-force risk premiums are subject to review; and
- for institutional risk business, the risk premiums can be reviewed annually.

29.10 Underwriting

Underwriting guidelines concerning authority limits and procedures to be followed in accepting new business are in place. For individual and institutional business, larger sums assured in excess of specified limits are subjected to underwriting and evaluated against established guidelines for accepting new business. The annually reviewable terms on institutional business enable premiums to keep pace with emerging claim experience. Part of the underwriting process involves assessing the health condition and family medical history of applicants. Terms and conditions are varied accordingly. Non-standard risks such as hazardous pursuits and medical conditions are assessed at underwriting stage. The expertise of reinsurers is used in the rating of non-standard risks. Financial underwriting is used where necessary to determine insurable interest.

29.11 Claims management

For mortality, claims are validated against policy terms and conditions. For morbidity, experienced claims assessors determine the merits of the claim in relation to the policy terms and conditions. In the case of disability annuitants, claim management ensures the continued eligibility for monthly income and includes interventions that may result in the full or partial medical recovery of the claimant. The actual disability experience is highly dependent on the quality of the claim assessment

29.12 Reinsurance

Reinsurance is used by the Group to reduce exposure to a particular line of business, a particular individual, a single event, and to benefit from the risk management support services and technical expertise offered by reinsurers. The Group has a centralised reinsurance function that works closely with business units and subsidiaries to optimise and monitor reinsurance at a group level and to ensure consistent governance and execution of the Group's reinsurance strategy. Regular reviews, which consider risk appetite, are conducted on reinsurance arrangements for new business. Given that large proportions of the Group's business is long term individual risk business, where the proportion of the risk that is reinsured is fixed for life at the inception of the policy, the Group's overall reinsurance result is heavily influenced by historical reinsurance arrangements. In some instances where underlying policyholder benefits are annually renewable, for example institutional business, reinsurance is annually renewable. Existing reinsurance arrangements include proportional reinsurance (quota share and surplus type arrangements) on both a treaty and facultative basis and catastrophe reinsurance which is renewed annually. Catastrophe reinsurance is consolidated across business units and is in place to reduce the risk of many claims arising from the same event. Various events are excluded from the catastrophe reinsurance (e.g. epidemics and radioactive contamination.

29.13 Longevity risks

Longevity risk is the risk of adverse financial impact due to actual annuitant mortality being lower than anticipated, that is annuitants living longer than expected. For life annuities, the loss arises as a result of the Group having undertaken to make regular payments to policyholders for their remaining lives, and possibly to the policyholders' spouses for their remaining lives.
The most significant risks on these liabilities are continued medical advances and improvements in social conditions that lead to longevity improvements being better than expected. The Group manages the longevity risk by:

- annually monitoring the actual longevity experience and identifying trends over time;
- making allowance for future mortality rates falling in the pricing of new business and the measurement of policyholder liabilities. This allowance will be based on the trends identified in experience investigations and external data; and
- regularly verifying annuitants are still alive

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

29.14 Life insurance contract liability sensitivity analysis

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis.

29 ASSURANCE RISK MANAGEMENT (continued)

Life insurance contract liability sensitivity analysis (continued)

It should be noted that movements in these assumptions are non-linear. Sensitivity information will also vary according to the current economic assumptions, mainly due to the impact of changes to both the intrinsic cost and time value of options and guarantees. When options and guarantees exist, they are the main reason for the asymmetry of sensitivities. The method used for deriving sensitivity information and significant assumptions made did not change from the previous period.

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

Base	Change in assumptions (+, increase) (-, decrease)	ZWG Impact on liabilities	ZWG Impact on profit before tax	ZWG Impact on profit after tax
2024				
Mortality	+10%	1 582 413	1 582 413	(407 471)
Lapse	-10%	3 189 523	3 189 523	(821 302)
Expense	+10%	19 816 460	19 816 460	(5 102 738)
Discount rate	+1%	(19 334 797)	(19 334 797)	4 978 710
2023				
Mortality	+10%	2 460 042	2 460 042	(633 461)
Lapse	-10%	1 693 017	1 693 017	(435 952)
Expense	+10%	5 044 513	5 044 513	(1 298 962)
Discount rate	+1%	(5 273 684)	(5 273 684)	1 357 974

The above risk exposure is mitigated by the following strategies:

(i) Underwriting strategy

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

(ii) Pricing strategy

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

Key assumptions

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

29 ASSURANCE RISK MANAGEMENT (continued)

The key assumptions to which the estimation is particularly sensitive are as follows:

Mortality rates

Assumptions are based on standard tables, according to the type of contract written. An investigation into the actual mortality experience of the Company is used to compare the experience to the standard table. Adjustment to the standard table may be made where justified by the experience. An appropriate, but not excessive, prudent allowance is made for expected future improvements. Assumptions are differentiated by sex, underwriting class and contract type.

The valuation basis carries an extra mortality loading of 10% which is in line with the 10% Covid loading being used in the region. An increase in rates will lead to a larger number of claims (and claims could occur sooner than anticipated) which will increase the expenditure and reduce profits for the shareholders.

Longevity

Assumptions are based on standard industry and national tables, adjusted when appropriate to reflect the Company's own risk experience. An appropriate, but not excessive, prudent allowance is made for expected future improvements. Assumptions are differentiated by sex, underwriting class and contract type.

An increase in longevity rates will lead to an increase in the number on annuity payments to be made, which will increase the expenditure and reduce profits for the shareholders.

Investment return and inflation

Economic assumptions are based on the existing investment portfolio, and take account of the expected future medium to long-term economic environment. These estimates are based on current market returns as well as expectations about future economic and financial developments.

An increase in investment return would lead to an increase in profits for the shareholders.

Expenses

Operating expenses assumptions reflect the projected costs of maintaining and servicing in-force policies and associated overhead expenses. The current level of expenses is taken as an appropriate expense base, adjusted for expected expense inflation if appropriate.

An increase in the level of expenses would result in an increase in expenditure, thereby reducing profits for the shareholders.

29 ASSURANCE RISK MANAGEMENT (continued)

29.15 Concentration risk

The Group's underwriting strategy is designed to ensure that risks are well diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and number of contracts written per product type. The following tables show the concentration of life insurance liabilities and investment contract liabilities by type of contract.

As at 31 December 2024	Insurance contract liabilities with DPF	Investment contract liabilities with DPF	Investment contract liabilities without DPF
Individual life business	**ZWG**	**ZWG**	**ZWG**
Conventional	447 601 815	-	-
Investments	-	3 56 574 922	-
Funeral	127 840 331	-	-
Group Life business			
Funeral	-	-	-
Risk business	247 257 623	29 992 330	-
Deposit administration	-	366 464 597	4 30 056 454
Total	**822 699 769**	**753 031 849**	**430 056 454**
As at 31 December 2023			
Individual life business			
Conventional	422 404 289	-	-
Investments	-	140 282 027	-
Funeral	112 287 247	-	-
Group Life business			
Funeral	-	-	-
Risk business	138 397 366	28 631 355	-
Deposit administration	-	265 486 198	258 988 097
Total	**673 088 902**	**434 399 580**	**258 988 097**

29 ASSURANCE RISK MANAGEMENT (continued)

(ii) Pricing strategy (continued)

Lapse and surrender rates

Lapse relates rates to the termination of policies on premiums not paid up. Surrenders relate to the voluntary termination of policies by policyholders. Policy termination assumptions are determined using statistical measures based on the Company's experience and vary by product type, policy duration and sales trends. For lapses, the Company's actual lapse experience is investigated. The lapse assumption is set based on this assumption but at a level that is expected to be consistent from year to year.

An increase in lapse rates early in the life of the policy would tend to reduce profits for shareholders, but later increases are broadly neutral in effect.

Discount rate

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

A decrease in the discount rate will increase the value of the insurance liability and therefore reduce profits for the shareholders.

30 FAIR VALUE DISCLOSURES

The Group measures investment property, land and buildings, which are disclosed as part of property and equipment, and investments in listed equities at fair value.

Valuation process - listed equities

The Group obtains values of listed equities based on the prices quoted on the Zimbabwe Stock Exchange for counters listed in Zimbabwe and the Malawi Stock Exchange for counters listed in Malawi.

Valuation process - properties

The Group's properties (investment property, land and buildings) are valued by independent external valuers in order to determine their fair values. Valuations were performed by Homelux Real Estate an accredited independent valuer, as at 31 December 2024.

Valuations of the Group's commercial and industrial properties were based on comparative and investment methods .The investment method involves the capitalization of expected rental income by an appropriate yield. The comparative approach seeks to ascribe to the subject property a value similar to that achieved in transactions for comparable properties. The comparative method makes use of assessed rental value rates and capitalization rates for similar properties sold and after appropriate adjustments, such rates are applied to each property to determine its value. The valuation is based on market evidence.

Residential stands and small pieces of undeveloped stands were valued based on sales evidence on similar properties situated in comparable residential suburbs as those of the subject properties.

For large tranches of undeveloped land, the valuer adopted the development/residual value method. The assessment was based on the assumption that it is subdivided into smaller stands and fully serviced. The total estimated costs of development and disposal, which include servicing costs, agency fees, interest on servicing costs, contingency costs and the developer's profit, were then deducted from the value determined.

Depending on the valuation method applied, valuations are based upon assumptions that include transaction prices on similar properties, market related rental income and market yields.

30 FAIR VALUE DISCLOSURES (continued)

Fair value hierarchy - Group	Level 1	Level 2	Level 3	Total	Total gain/(loss) for the period in statement of profit or loss and other comprehensive income	Total gain/(loss) for the period in through investment contract liabilities
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
31 December 2024						
Commercial	-	-	165 449 676	165 449 676	22 067 780	24 196 981
Residential	-	-	-	-	-	-
Land	-	-	1 049 018 607	1 049 018 607	135 559 223	67 751 546
Total investment properties	**-**	**-**	**1 214 468 283**	**1 214 468 283**	**157 627 003**	**91 948 527**
Financial Assets at fair value through profit or loss	**517 099 252**	**6 969 465**	**-**	**524 068 717**	**48 044 237**	**4 839 396**
Land and buildings	**-**	**-**	**1 214 468 283**	**1 214 468 283**	**157 627 003**	**91 948 527**
31 December 2023						
Commercial	-	-	134 029 528	134 029 528	30 785 731	73 301 865
Residential	-	-	-	-	189 112 350	-
Land	-	-	815 516 564	815 516 564	189 112 350	205 245 222
Total investment properties	**-**	**-**	**949 546 092**	**949 546 092**	**219 898 081**	**278 547 087**
Equities at fair value through profit or loss	**271 818 955**	**12 942 256**	**-**	**284 761 211**	**44 675 882**	**14 660 373**
Land and buildings	**-**	**-**	**949 546 092**	**949 546 092**	**219 898 081**	**278 547 087**

Gains recorded in the statement of profit or loss and other comprehensive income for recurring fair value measurements categorised within level 3 of the fair value hierarchy amount to USD 6 109 929 (December 2023: USD 8 523 677). Fair value gains of USD 3 751 688 (December 2023: USD 11 365 291) were recorded directly in investment contract liabilities.

All gains and losses recorded in the statement of profit or loss and other comprehensive income for recurring fair value measurements categorised within level 3 of the fair value hierarchy are attributable to changes in unrealised gains or losses relating to investment and other properties held at the end of the reporting period.

31 RETIREMENT BENEFITS

31.1 Fidelity Life Pension Fund

All eligible employees are members of the Fidelity Life Defined Contribution Pension Scheme which is administered by the Company. Employees in the subsidiary in Malawi are members of the Vanguard Life Assurance Pension Scheme which is administered by the Company.The fund is financed by Group and employee contributions.

Contributions were made as follows during the year:

	GROUP		COMPANY	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Employer's contribution	2 322 329	2 255 253	917 859	708 814

31.2 National Social Security Scheme

The Group employees in Zimbabwe contribute to the National Social Security Scheme, a Defined Contribution Pension Scheme promulgated under the National Social Security Act of 1989. The obligation under the scheme is limited to specific contributions legislated from time to time.The contribution rates were reviewed following the gazetting of Statutory Instrument 108 and 109 of 2020 on 15 May 2020 increasing the contributions from 3.5% to 4.5% of basic salary per employee per month limited to USD 2 414 896.

Contributions were made as follows during the year:

	GROUP		COMPANY	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
Employer's contribution	734 793	526 934	285 228	172 953

32 RELATED PARTY INFORMATION

32.1 Related parties

The following are the related parties of the Company:

Related party	Nature of relationship
Fidelity Life Financial Services (Private) Limited	Wholly owned subsidiary
Zimbabwe Actuarial Consultants (Private) Limited	Wholly owned subsidiary
Vanguard Life Assurance Company Limited	Subsidiary
Fidelity Funeral Assurance (Private) Limited	Subsidiary
Fidelity Life Asset Management Company (Private) Limited	Subsidiary
Fidelity Life Medical Services Company (Private) Limited	Subsidiary
Langford Estates 1962 (Private) Limited	Subsidiary
Fidelity Life Medical Aid Society	Society managed by Fidelity Life Medical Services Company (Private) Limited
Zimre Holdings Limited	Shareholder
Turismo Investments (Private) Limited	Shareholder
Credsure	Common shareholder
Zimre Property Investments Limited	Common shareholder
Emeritus Reinsurance (Private) Limited	Common shareholder
WFDR Risk Services	Common shareholder
Zimre Property Investments	Common shareholder
Zimbabwe Insurance Brokers Limited	Common shareholder
L.T Gwata	Non Executive Chairman
Langton Mabhanga	Independent Non Executive Director
Takudzwa Chitsike	Independent Non Executive Director
S. Kudenga	Non Executive Director
I. Mvere	Non Executive Director
F. Dzanya	Non Executive Director
G. Dhombo	Independent Non Executive Director
H. Nemaire	Independent Non Executive Director
B. Wesley	Key management
S. Mudzengi	Key management
L.Moyo	Key management
R. Chihota	Managing Director
K. Dube	Key management
C. Matongo	Key management
C.Chikundura	Key management
Z.Zvenyika	Group Chief Finance Officer

32 RELATED PARTY INFORMATION (continued)

32.2 Related party transactions

The following represent transactions with related parties during the year:-

Related party	Nature of transaction
Income	
Vanguard Life Assurance Company Limited	Management fee income
Zimbabwe Insurance Brokers Limited	Pension contributions
Zimre Property Investments Limited	Pension contributions
Credisure	Pension contributions
WFDR	Pension contributions
Emeritus Reinsurance (Private) Limited	Pension contributions
Expenses	
Fidelity Life Medical Aid Society	Medical aid contributions
Zimbabwe Actuarial Consultants (Private) Limited	Actuarial fees
Fidelity Life Asset Management Company (Private) Limited	Management fees
Emeritus Reinsurance (Private) Limited	Reassurance premiums

32.3 Related party balances

32.3.1 Related party receivables

Included in trade and other receivables are the following balances:-

	GROUP		COMPANY	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Fidelity Life Asset Management Company (Private) Limited	-	-	117 461	14 292
Langford Estates 1962 (Private) Limited	-	-	4 672 728	3 785 337
Fidelity Life Financial Services (Private) Limited	-	-	10 442 536	7 036 954
Fidelity Funeral Services Company (Private) Limited	-	-	36 198 546	43 264
Fidelity Life Medical Aid Society	-	21 400 140	-	-
Fidelity Life Medical Services Company (Private) Limited	-	-	23 244	23 244
Zimbabwe Actuarial Consultants (Private) Limited	-	-	15 814	-
Zimre Holdings Limited	3 903 158	-	3 903 158	5 432 132
Credsure	21 620	26 624	21 594	26 624
WFDR Risk Services	-	-	-	-
Zimre Property Investments	-	5 629 052	-	-
CFI Holdings	239 642	-	239 642	13 906
Vanguard Life Assurance Company Limited	-	-		
	4 164 420	**27 055 816**	**55 634 723**	**16 375 753**

32 RELATED PARTY INFORMATION (continued)

32.3.2 Related party payables

	GROUP		COMPANY	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Included in related party payables				
Fidelity Life Medical Aid Society	-	22 320 217	1 010 553	6 527
Fidelity Life Medical Services Company (Private) Limited	-	-	-	-
Fidelity Funeral Services Company (Private) Limited	-	-	-	-
Fidelity Life Financial Services (Private) Limited	-	-	-	-
Fidelity Life Asset Management Company (Private) Limited	-	-	-	-
Langford Estates 1962 (Private) Limited	-	-	-	-
Vanguard Life Assurance Company Limited	-	-	106 677	118 673
WFDR Risk Services	369 744	77 524	-	-
Zimre Property Investments	148 245	3 312 011	3 522 992	3 312 011
Credsure	30 210	1 242 534	30 210	1 242 534
CFI	-	-	-	-
ZHL	3 522 985	-	-	-
Zimbabwe Actuarial Consultants	-	-	451 370	1 635 908
	4 071 184	**26 952 286**	**5 121 802**	**6 315 653**

The related party payables are interest free and have no fixed repayment terms. Related party payables are unsecured.

32.4 Compensation to key management

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The compensation to key management was as follows during the year:-

Short term benefits	22 036 070	19 675 063	8 239 183	7 356 413
Post employment benefits	1 336 668	1 193 454	415 310	370 813
Total	**23 372 738**	**20 868 517**	**8 654 493**	**7 727 226**

The remuneration of directors and key management is determined by the Human Resources and Corporate Governance Committee of the Board having regard to the performance of the individuals and market trends.

32.5 Loans to key management

Included in trade and other receivables as at year end are loans to key management as follows:-

Loans receivable	428 332	1 193 454	214 166	588 737

The loans are payable over 5 years, attract interest at 6% per annum and are secured against the properties that were acquired by the employees.

33 SUBSIDIARIES

The principal business of each of the subsidiaries of Fidelity Life Assurance of Zimbabwe, all of which have been included in the consolidated financial statements, is as follows:-

Description		
Fidelity Life Asset Management Company (Private) Limited	Asset management	Zimbabwe
Fidelity Life Medical Services Company (Private) Limited	Medical aid management	Zimbabwe
Vanguard Life Assurance Company Limited	Life assurance	Malawi
Zimbabwe Actuarial Consultants (Private) Limited	Actuarial consultants	Zimbabwe
Fidelity Life Financial Services (Private) Limited	Micro-lending	Zimbabwe
Fidelity Funeral Services Company (Private) Limited	Funeral services	Zimbabwe
Fidelity Life Medical Services Company (Private) Limited	Medical Management Services	Zimbabwe
Langford Estates 1962 (Private) Limited	Property development	Zimbabwe

The shareholding of the company in each of the subsidiaries is as follows:-

Description	**2024**	**2023**
Fidelity Life Asset Management Company (Private) Limited	96%	96%
Vanguard Life Assurance Company Limited	62%	62%
Zimbabwe Actuarial Consultants (Private) Limited	100%	100%
Fidelity Life Financial Services (Private) Limited	100%	100%
Fidelity Funeral Services Company (Private) Limited	91%	91%
Fidelity Life Medical Services Company (Private) Limited	100%	100%
Langford Estates 1962 (Private) Limited	81%	81%

34 NON-CONTROLLING INTERESTS

Vanguard Life Assurance Company Limited and Langford Estates 1962 (Private) Limited are the only subsidiaries of the Company that have material non-controlling interests (NCI). The NCI of all other subsidiaries that are not 100% owned by the group are considered to be immaterial.

Summarised financial information in relation to the NCI of Vanguard Life Assurance Company Limited and Langford Estates (Private) Limited before intra-group eliminations, is presented below:

	Vanguard Life		Langford Estates	
	2024	2023	2024	2023
For the period ended 31 December	**ZWG**	**ZWG**	**ZWG**	**ZWG**
Insurance contracts revenue	68 582 216	77 957 030	-	-
Insurance service expenses	(53 217 223)	(62 159 860)	-	-
	-	-	-	-
Insurance service result from insurance contracts issued	**15 364 993**	**15 797 170**	**-**	**-**
Allocation of reinsurance paid	(1 640 681)	(3 379 990)	-	-
Amount recoverable from reinsurers for incurred claims	1 810 203	5 237 534	-	-
Net expenses from reinsurance contracts held	**169 522**	**1 857 544**	**-**	**-**
	-	-	-	-
Insurance service result	**15 534 515**	**17 654 714**	**-**	**-**
Interest revenue from financial instruments not measured at fair value through profit or loss	46 051 406	42 762 046	-	-
Net income from other financial instruments at fair value through profit or loss	106 819 102	148 323 703	-	-
Net gains from fair value adjustments to investment properties	-	-	-	-
Net gain/(loss) from derecognition of financial assets measured at amortised cost	-	-	-	-
Net gain/(loss) from derecognition of financial assets measured at fair value through other comprehensive income	-	-	-	-
Impairment loss on financial assets	-	-	-	-
Net change in investment contract liabilities	(89 023 039)	(165 572 812)	-	-
Other net investment revenue	3 228 837	7 662 645	-	-
Net gain from foreign exchange	-	4 900	-	-
Net Investment Income	**67 076 306**	**33 180 482**	**-**	**-**

34 NON-CONTROLLING INTERESTS (continued)

Reinsurance finance income for reinsurance contracts held	-	-	-	-
Net insurance finance expenses	**-**	**-**	**-**	**-**
Net insurance and investment result	**82 610 821**	**50 835 196**	**-**	**-**
Rental income from investment property	3 065 533	3 902 823	-	-
Revenue from sale of inventory property	-	-	-	-
Profit or loss on disposal of investment property	-	-	-	-
Interest income from micro - lending	-	-	-	-
Other income	1 401 839	3 286 187	-	-
Operating and administrative expenses expenses	(54 358 962)	(52 973 737)	(3 379 475)	(1 123 912)
Property operating costs	-	-	-	-
Allowance for expected credit losses on receivables	(37 305)	1 366 108	-	-
Finance costs	(898 923)	(297 715)	-	-
	-	-	-	-
Profit/(loss) before share of profit of associates accounted for using the equity method	**31 783 003**	**6 118 862**	**(3 379 475)**	**(1 123 912)**
Profit before income tax expense	**31 783 003**	**6 118 862**	**(3 379 475)**	**(1 123 912)**
Income tax expense	(4 574 590)	(5 095 230)	(1 284 972)	-
Profit for the year	**27 208 413**	**1 023 632**	**(4 664 447)**	**(1 123 912)**

34 NON-CONTROLLING INTERESTS (continued)

	Vanguard Life		Langford Estates	
	2024	2023	2024	2 23
For the year ended 31 December	ZWG	ZWG	ZWG	ZWG
Profit attributable to NCI	10 401 775	389 454	(896 962)	(216 140)
Other comprehensive income allocated to NCI	2 662 818	4 029 984	-	-
Total comprehensive income allocated to NCI	**13 064 593**	**4 419 438**	**(896 962)**	**(216 140)**
Cash flows from operating activities	63 939 622	18 420 258	-	-
Cash flows from investing activities	5 689 163	37 423 459	-	-
Cash flows from financing activities	1 431 094	1 282 882	-	-
Net cash flows attributable to NCI	**71 059 879**	**57 126 598**	**-**	**-**
Assets:				
Property and equipment	5 784 359	3 987 339	-	-
Right of use asset	1 812 396	2 917 630	-	-
Investment property	47 060 360	43 422 616	645 994 440	645 994 440
Intangible assets	4 522 374	4 602 298	-	-
Trade and other receivables	37 721 303	25 455 483	-	-
Financial assets at fair value through profit or loss	337 841 367	218 955 817	-	-
Debt securities at amortised cost	106 227 155	96 338 848	-	-
Cash and deposits with banks	71 059 879	57 126 573	-	-
	612 029 193	**452 806 604**	**645 994 440**	**645 994 440**
Liabilities:				
Insurance contract liabilities	330 958 353	179 124 739	-	-
Investment contract liabilities	246 385 762	176 577 859	-	-
Deferred tax liabilities	9 573 282	8 116 569	44 126 193	42 841 247
Lease Liability	1 446 341	2 044 015	-	-
Trade and other payables	25 025 035	21 788 252	4 672 728	1 294 775
Income tax liability	-	-	-	-
	613 388 773	**387 651 434**	**48 798 921**	**44 136 022**

35 SEGMENT REPORTING

SEGMENT INFORMATION

The Group has three main reportable segments as follows:

Insurance

This segment is involved in life assurance and pensions. The segment accounts for 74% (2023: 74%) of the Group's external revenue.

Property Investment

This segment holds a land bank as investment property and the total revenue in this segment arises from fair value adjustments on property held.

Other

Included in this segment are the actuarial, asset management and funeral services units. These are individually immaterial and reported as other income.

Factors that management used to identify the Group's reportable segments

The Group's reportable segments are strategic business units that offer more or less similar services. The segment described as other comprises of business units that have combined income significantly less than 10% of the combined revenue of all operating segments.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the executive management team including the Chief Executive Officer and the Chief Finance Officer.

35 SEGMENT REPORTING (continued)

35.1 SEGMENT INFORMATION

	HISTORICAL					
December 2024	**Insurance**	**Microlending**	**Property Investment**	**Other**	**Consolidation adjustments**	**Total**
	ZWG	**ZWG**	**ZWG**	**ZWG**	**ZWG**	**ZWG**
Insurance contract revenue	294 891 302	-	-	-	-	294 891 302
Insurance service expenses	(230 675 430)	-	-	-	-	(230 675 430)
Net expenses from reinsurance contracts held	(3 915 180)	-	-	-	-	(3 915 180)
Insurance service result	**60 300 692**	**-**	**-**	**-**	**-**	**60 300 692**
Net Investment Income	260 059 690	2 185 933	-	6 270 171	(34 731 411)	233 784 383
Net insurance finance expenses	25 923 055	-	-			25 923 055
Net insurance and investment result	**346 283 437**	**2 185 933**	**-**	**6 270 171**	**(34 731 411)**	**320 008 130**
Non insurance income	42 740 814	36 950 469	-	83 964 056	-	163 655 339
Indirect expenses	(173 769 151)	(39 045 798)	(3 379 475)	(98 017 428)	-	(314 211 852)
Income tax expense	(5 284 384)	(924 799)	(1 284 972)	3 077 632	-	(4 416 523)
Profit/(loss) for the year	**209 970 716**	**(834 195)**	**(4 664 447)**	**(4 705 569)**	**(34 731 411)**	**165 035 094**
Segment assets	2 321 466 723	61 656 016	645 994 440	94 153 354	(764 889 640)	2 358 380 893
Segment liabilities	2 186 434 046	62 451 203	48 798 920	76 902 645	(41 055 216)	2 333 531 598

35 SEGMENT REPORTING continued)

35.1 SEGMENT INFORMATION

December 2023	Insurance	Microlending	Property Investment	Other	Consolidation adjustments	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Insurance contract revenue	203 188 315	-	-	-	-	203 188 315
Insurance service expenses	(135 633 421)	-	-	-	-	(135 633 421)
Net expenses from reinsurance contracts held	(2 128 092)	-	-	-	-	(2 128 092)
Insurance service result	**65 426 802**	**-**	**-**	**-**	**-**	**65 426 802**
Net Investment Income	163 327 414	(2 307 521)	-	179 480	(10 239 580)	150 959 793
Net insurance finance expenses	(58 283 997)	-	-			(58 283 997)
Net insurance and investment result	**170 470 219**	**(2 307 521)**	**-**	**179 480**	**(10 239 580)**	**158 102 598**
Non insurance income	45 329 332	21 735 649	-	66 953 970	-	134 018 951
Indirect expenses	(127 130 932)	(28 588 195)	(1 123 912)	(64 716 930)	-	(221 559 969)
Income tax expense	(5 576 965)	-	-	(4 704 331)	-	(10 281 296)
Profit/(loss) for the year	**83 091 654**	**(9 160 067)**	**(1 123 912)**	**(2 287 811)**	**(10 239 580)**	**60 280 284**
Segment assets	1 642 166 935	32 600 790	645 994 440	39 483 753	(646 007 804)	1 714 238 114
Segment liabilities	1 437 733 223	32 561 732	44 136 022	18 942 420	31 131 667	1 564 505 064

35 SEGMENT REPORTING (continued)

Measurement of operating segment profit or loss, assets and liabilities

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. The Group evaluates performance on the basis of profit or loss from operations but excluding non-recurring losses, such as goodwill impairment.

Inter-segment sales are priced along the same lines as sales to external customers, with an appropriate discount being applied to encourage use of Group resources at a rate acceptable to local tax authorities. This policy was applied consistently throughout the current and prior year.

The Group has no transactions with a single external customer that exceeds 10% of its total revenue.

36 PRESCRIBED ASSETS

The Pension and Provident Funds Act (Chapter 24:09) as amended by the Government of Zimbabwe Statutory Instrument 206 of 2019 requires companies in the life assurance industry to hold 15% of their assets as investments in prescribed stocks and bonds. The Company's investment in such assets is summarised below:-

Counterparty	2024 ZWG	2023 ZWG
Inventories-South View stands	547 625	702 416
Residential stand debtors	261 468	8 436
Other non current assets	4 386 261	3 845 163
REIT	154 317 004	26 993 538
Investment properties	195 784 817	146 354 891
	355 297 175	**177 904 444**
Total assets	**1 709 437 532**	**1 189 360 333**
Percentage of total assets	**21%**	**15%**

The Company is fully compliant with the prescribed assets requirements in the current year.

37 COMPLIANCE WITH INSURANCE REGULATIONS 1989 (SECTION 3 AND 8) STATUTORY INSTRUMENT 95 OF 2017, INSURANCE (AMENDMENT) REGULATIONS 2017 (19)

The financial statements of the Company must comply with the provisions of Insurance Regulations 1989, promulgated as Statutory Instrument 95 of 2017 read with Instrument 59 of 2020, section (3).

The following are the details on compliance with the said provisions of the statute:

Section 3 (1) (a)

The minimum unencumbered capital requirement for an insurer for registration or ongoing operations shall be the equivalent of USD2 000 000 in the case of an insurer which carries on life assurance business including funeral assurance.

37 COMPLIANCE WITH INSURANCE REGULATIONS 1989 (SECTION 3 AND 8) STATUTORY INSTRUMENT 95 OF 2017, INSURANCE (AMENDMENT) REGULATIONS 2017 (19) (continued)

	2024 ZWG	2023 ZWG
Investments	913 359 852	490 205 064
Allowance for inadmissible assets	796 077 678	699 155 268
Value of Assets	**1 709 437 530**	**1 189 360 332**
Actuarial values of policy liabilities	1 428 443 957	1 010 773 982
Other liabilities	158 553 608	49 800 521
Total	**1 586 997 565**	**1 060 574 503**
FLA statutory capital per IPEC circular 42 of 2022	**122 439 965**	**128 785 829**
Circular 42 of 2022 minimum statutory capital requirement	**51 597 000**	**51 597 000**
Statutory capital surplus /(deficit)	**70 842 967**	**77 188 830**

The Company is fully compliant with the minimum capital requirements. Although this solvency position is healthy by international standards in a normal economy, the economic instability in Zimbabwe demands even higher solvency levels. In order to improve underwriting capacity and strengthen financial soundness of the Company management are currently pursuing balance sheet restructuring initiatives through equity and property portfolios diversification to unlock value.

38 EVENTS AFTER THE REPORTING DATE

38.1 DIVIDEND DECLARATION

	AUDITED GROUP		AUDITED COMPANY	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
As at 1 January	-	-	-	-
Dividends declared	7 739 550	-		-
Dividends paid	-	-	-	-
	7 739 550	**-**	**-**	**-**

The Board of Directors declared a final dividend payable of USD 300 000 or USD0.00028 per share for the year ended 31 December 2024.

38.2 Approval of the consolidated financial Statements

The consolidated financial statements were approved by the Board of Directors for issue on 11 April 2025 and the directors have power to amend and/or reissue the financial statements should circumstances requiring that arise.

38.3 Requirement from the Monetary Policy Statement to report in ZWG

Subsequent to the 31 December 2024 reporting date, on 6 February 2025 the Reserve Bank of Zimbabwe (RBZ) issued a Monetary Policy Statement (MPS), announcing a requirement for all entities to adopt a common presentation currency, ZWG, for reporting purposes with immediate effect, including for the 31 December 2024 and later period audited financial statements. Subsequently The Public Accountants and Auditors Board (PAAB) issued a statement to provide guidance on the compliance with International Financial Reporting Standards (IFRS) and the MPS 6 of 2025 RBZ directive. Companies are required to prepare two financial statements namely general purpose and special purpose financial statements. The general-purpose financial statements should comply fully with IFRS requirements for an entity to make an unreserved statement that their financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) Accounting Standards.

Management considers this to be a non-adjusting event to the current financial statements for general purpose prepared using the United States Dollars (USD) as the presentation currency. An additional special purpose report will be prepared to comply with requirements of MPS 6 of 2025. Management will continue to seek guidance from PAAB on preparation for later period financial statements.

39 CONTINGENCIES

39.1 Litigations against the Company

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

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

40 IFRS 17 IMPLEMENTATION

During the year 2024, the company successfully implemented an IFRS 17-compliant actuarial engine, facilitating contract-level calculations. This process has now reached completion, necessitating rigorous checks and validations to ensure accuracy and compliance with the standard.

In alignment with IFRS 17, the company has refined its policies and processes related to the calculations and reporting of insurance contracts. However, it is important to note that there is potential for further enhancements in the reporting and measurement of these contracts. Such improvements may have significant implications for both liabilities and revenues in future reporting periods.

Ongoing monitoring and adjustments will be essential as the company continues to navigate the complexities of IFRS 17 to optimize its financial reporting and risk management practices.

1 POLICYHOLDER AND SHAREHOLDER FUNDS

Fidelity Life Assurance of Zimbabwe conducted an asset separation between policyholders and shareholders in compliance with the requirements of the Insurance Act (Chapter 24:07) and the Pension and Provident funds Act (Chapter 24:09). Investments returns and assets allocation are disclosed as shown below on an IPEC approved basis of 94:6.

1.1.1 Assets and liabilities allocation

	2024 ZWG	2024 ZWG	2024 ZWG
2024			
Assets	**Policyholder**	**Shareholder**	**Total**
Property and equipment	5 708 409	15 598 237	21 306 646
Intangible assets	-	-	-
Investment property	628 477 259	-	628 477 259
Inventories	547 625	-	547 625
Investments in subsidiaries	680 404 357	43 430 065	723 834 422
Other assets	87 548 593	47 602 113	135 150 706
Financial assets at fair value through profit or loss	176 772 431	462 490	177 234 921
Debt securities at amortised cost	3 510 376	2 007 330	5 517 706
Cash and deposits with banks	16 181 645	1 186 602	17 368 247
Total assets	**1 599 150 695**	**110 286 837**	**1 709 437 532**
			-
Liabilities			
Borrowings	28 388 695	-	28 388 695
Trade and other payables	129 964 719	-	129 964 719
Total liabilities	**158 353 414**	**-**	**158 353 414**
Net assets value			**1 551 084 118**
Allocated closing fund balance	**1 440 797 281**	**110 286 837**	**1 551 084 118**

Assets and liabilities allocation	**2023**	**2023**	**2023**
2023	**ZWG**	**ZWG**	**ZWG**
Assets	**Policyholder**	**Shareholder**	**Total**
Property and equipment	-	16 329 161	16 329 161
Intangible assets	2 788 973	-	2 788 973
Investment property	353 300 319	-	353 300 319
Inventories	702 416	-	702 416
Investments in subsidiaries	655 837 830	-	655 837 830
Other assets	35 811 742	3 328 143	39 139 885
Equities at fair value through profit or loss	61 618 203	3 933 077	65 551 280
Debt securities at amortised cost	3 391 833	216 500	3 608 333
Cash and deposits with banks	9 625 738	614 409	10 240 147
Total assets	**1 123 077 054**	**66 283 279**	**1 189 360 333**

1 POLICYHOLDER AND SHAREHOLDER FUNDS (continued)

Assets and liabilities allocation 2023	2023 ZWG Policyholder	2023 ZWG Shareholder	2023 ZWG Total
Liabilities			
Borrowings	-	-	-
Trade and other payables	46 824 762	2 988 815	49 813 577
Total liabilities	**46 824 762**	**2 988 815**	**49 813 577**
Net assets value			**1 139 546 757**
Allocated closing fund balance	**1 076 252 292**	**63 294 464**	**1 139 546 756**

1.1.2 Investment returns allocation

	2024	2023
Direct Revenue		
Insurance contracts revenue	226 309 086	125 231 285
Insurance service expenses	(177 458 207)	(73 473 560)
Net reinsurance paid	(4 084 702)	(3 985 636)
Net direct growth in fund	**44 766 177**	**47 772 089**
Fair value gains	12 264 401	22 484 038
Other investment income	54 122 699	(73 202 547)
Insurance finance expenses for insurance contracts issued	84 023 470	(58 283 997)
Other operating expenses	(116 667 138)	(74 284 949)
Finance costs	(1 806 824)	(940 639)
Income tax expense	(709 794)	(481 735)
Gains on property and equipment revaluations	3 272 282	9 533 397
Share of revaluation gains on property	168 481 722	219 010 664
Net gains from foreign exchange	(3 611 996)	-
Exchange differences arising on translation of foreign operations	1 252 233	-
Net investment returns	**200 621 055**	**43 834 232**
Net profit before change in policyholder liability	**245 387 232**	**91 606 321**
Allocation of profit (94:6)		
Policyholder	230 663 997	86 109 941
Shareholder	14 723 234	5 496 379

2 IPEC CURRENCY REFORM GUIDELINE COMPLIANCE

The Insurance and Pensions Commission (IPEC) issued currency reform guidelines in 2020 to compensate policyholders for the loss of value due to the change in currency from US$ to USD$. The following describe the steps taken by the Company to comply with the guideline for each product class and the split of assets and operating profits per each sub account thereof.

Insurance contract liabilities and investment contract liabilities with discretionary participation features

Policyholders who were present as at the determination date were identified and the policies have been made paid up as at the determination date. The paid-up values become the Sum Assured of the member as at 31 December 2018.

Assets were split into Sub Account 1 and Sub Account 2 in compliance with the IPEC Guideline. The paid-up members participate in Sub Account 1 and benefit from bonuses allocated to participants in Sub Account 1.

Contributions that were remitted post the Determination Date went towards purchasing a new policy at the policyholders' current age and the remaining term. The policyholders will benefit from bonuses allocated to Sub Account 2.

Policyholders who bought policies before the Determination Date will participate in both Sub Accounts whilst those who bought policies after the Determination Date participates only in Sub Account 2.

Insurance contract liabilities and investment contract liabilities without discretionary participation features

The investment products have been split between Sub Account 1 and Sub Account 2. The members who were participating in the Fund before the determination date participate in Sub Account 1 and benefit from interest awarded to Sub Account 1.

Contributions that were remitted post the Determination Date went invested in a separate Fund that is in Sub Account 2. The policyholders will benefit from interest awarded to Sub Account 2.

Below is an illustration of the split of assets into the respective sub-accounts

	Historical			
	Sub- Account 1	Sub- Account 2	Sub- Account 3	Total
Assets	ZWG	ZWG	ZWG	ZWG
Prescribed assets	196 593 909	-	158 703 265	355 297 174
Property and Equipment	-	-	5 708 408	5 708 408
Investment property	253 676 651	-	179 015 792	432 692 443
Listed equities	7 633 931	22 302 236	6 697 807	36 633 974
Unlisted equities - Investment in Subsidiaries	646 212 618	21 694 370	-	709 154 619
Money market investments	788 970	2 235 853	485 554	3 510 377
Inventories (land and projects)	-	-	-	-
Loans and receivables	-	-	-	-
Non current trade receivables	-	-	-	-
Other	-	-	84 903 969	84 903 969
Total	**1 104 906 079**	**58 729 821**	**435 514 795**	**1 599 150 695**

2 IPEC CURRENCY REFORM GUIDELINE COMPLIANCE (continued)

Below is an illustration of the split of profit into the respective sub-accounts

Operating profit

	Sub- Account 1 ZWG	Sub- Account 2 ZWG	Sub- Account 3 ZWG	Total ZWG
Premiums net of reinsurance	-	66 564 438	266 257 753	332 822 191
Fee and commission income	-	-	-	-
Interest income from residential stands receivables	-	-	-	-
Investment income	27 061 362	16 236 802	10 824 535	54 122 699
Fair value gains/(losses)	6 132 200	3 679 330	2 452 870	12 264 400
Income from sale of stands	-	-	-	-
Gains/losses on property revaluation	84 240 874	50 544 524	33 696 324	168 481 722
Other income	44 273 993	26 564 396	17 709 597	88 547 986
Income	**161 708 429**	**163 589 490**	**330 941 079**	**656 238 998**
Benefits and claims after reinsurance	(90 771 455)	(54 462 878)	(36 308 577)	(181 542 910)
Change in liabilities	-	-	-	-
Policyholder benefits	**(90 771 455)**	**(54 462 878)**	**(36 308 577)**	**(181 542 910)**
Cost of sales of stands	-	-	-	-
Fee, commission and acquisition costs	-	(9 368 261)	(37 473 018)	(46 841 279)
Finance costs	-	(361 360)	(1 445 464)	(1 806 824)
Projects development	-	-	-	-
Operating expenses	(60 139 567)	(36 083 740)	(24 055 827)	(120 279 134)
Non-operating income	-	-	-	-
Other expenses	**(60 139 567)**	**(45 813 361)**	**(62 974 309)**	**(168 927 237)**
Profit before tax	**10 797 407**	**63 313 251**	**231 658 193**	**305 768 851**
Income tax	(354 910)	(212 941)	(141 943)	(709 794)
Profit after tax	**10 442 497**	**63 100 310**	**231 516 250**	**305 059 057**

CORPORATE **INFORMATION**

Registered Office

Registered Office
Fidelity House,
66 Julius Nyerere Way, Harare

Directors

Livingstone Gwata (Chairman)
Takudzwa Chitsike
Garikai Dhombo
Francis Dzanya
Stanley Kudenga
Langton Mabhanga
Ignatius Mvere
Henry Nemaire
Reginald Chihota (Executive)

Group Company Secretary

Ruvimbo Chidora

Transfer Secretaries

ZB Transfer Secretaries (Private) Limited
21 Natal Road, Belgravia, Harare

Auditors

Grant Thornton Zimbabwe
Camelsa Park, 135 Enterprise Road, Highlands, Harare.

Lawyers

Dube Manikai and Hwacha
4 Fleetwood Road
Alexandra Park
Harare

Sustainability Advisors

Institute for Sustainability Africa (INSAF)
65 Whitewell Road, Borrowdale West, Harare

Main Bankers

CBZ Bank Limited, 60 Kwame Nkrumah Avenue, Harare
Nedbank Zimbabwe Limited, 99 Jason Moyo Avenue, Harare
Stanbic Bank Limited, 64 Nelson Mandela Avenue, Harare

Top 20 shareholders as at 31 December 2024	Shareholding	%
ZIMRE HOLDINGS LIMITED	72 925 578	66.95
TN ASSET MANAGEMENT NOMINEES	24 980 900	22.93
MEGA MARKET (PVT) LTD	1 443 566	1.33
SUMMERTON RHYS DRENNAN	1 355 077	1.24
STANBIC NOMINEES 110008040010	1 303 397	1.20
FARID EL-KHOURY PHILLPPE ELIAS	360 000	0.33
MORGAN AND COMPANY (PVT) LTD	304 388	0.28
STANBIC NOMINEES (PVT)LTD-AC 140043470003	238 288	0.22
KUNAKA ANDREW	227 139	0.21
OLD MUTUAL LIFE ASSURANCE OF ZIMBABWE LIMITED	204 392	0.19
CORPSERVE NOMINEES (PVT) LTD	138 315	0.13
ENG ASSET MANAGEMENT	112 836	0.10
NATIONAL INVESTMENT TRUST	101 152	0.09
REMO INVESTMENT BROKERS (PVT) LTD	88 317	0.08
MACHIWENYIKA LODY	88 056	0.08
KUNYONGANA LOICE	81 673	0.07
ZIMBABWE INSURANCE BROKERS LIMITED	79 438	0.07
STANBIC NOMINEES (PVT) LTD AC 110008040007	74 929	0.07
MATARANYIKA PHILLIP	69 760	0.06
ROOPUN SURENDER SHARMA	63 900	0.06
TOTAL HOLDING OF TOP SHAREHOLDERS	104 241 101	95.70
REMAINING HOLDING	4 682 190	4.30
TOTAL ISSUED SHARES	108 923 291	100

ANNEXURES

Analysis of Shareholding as at 31 December 2024

Trade Classifications				
	Number of Shareholders	%	Number of Issued Shares	%
CHARITABLE&TRUSTS	6	0.21	57 902	0.05
COMPANIES	496	18	7 693 w349	71
COMPANY FOREIGN	1	0.04	30 545	0.03
EMPLOYEE	1	0.04	697	0.00
ESTATES	1	0.04	546	0.00
FCDA RESIDENT AND NEW NON RESIDENT	2	0.07	8 067	0.01
FUND MANAGERS	2	0.07	5 485	0.01
INDIVIDUALS	2 242	79.56	4 635 586	4.26
INSURANCE COMPANIES	7	0.25	128 421	0.12
INVESTMENT, TRUST AND PROPERTY COMPANIES	6	0.21	54 718	0.05
NOMINEE COMPANY	39	1.38	27 053 935	24.84
NON RESIDENT TRANSFERABLE	1	0.04	0	0.00
PENSION FUNDS	14	0.50	13 894	0.01
Totals	2 818	100.00	108 923 291	100.00
Size of Shareholding	**Number of shareholders**	**%**	**Issued shares**	**%**
1-10000	2 705	95.99	2 358 762	2.166
10001-100000	100	3.55	2 869 501	2.634
100001-1000000	8	0.28	1 686 510	1.548
1000001-10000000	3	0.11	4 102 040	3.766
10000001-1000000000	2	0.07	97 906 478	89.886
Totals	2 818	100.00	108 923 291	100.00

GRI CONTENT INDEX

Statement of use	Fidelity Life Assurance of Zimbabwe Limited has reported the information cited in this GRI content index for the period from 01 January 2024 to 31 December 2024 in accordance with GRI Standards.
GRI used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (Page)	Omission	
			Part Omitted	Reason
GRI 2: General Disclosures 2021	2-1 Organisational details			
	2-2 Entities included in the organisation's sustainability reporting			
	2-3 Reporting period, frequency and contact point			
	2-4 Restatements of information			
	2-5 External assurance			
	2-6 Activities, value chain and other business relationships			
	2-7 Employees			
	2-8 Workers who are not employees			
	2-9 Governance structure and composition			
	2-10 Nomination and selection of the highest governance body			
	2-11 Chair of the highest governance body			
	2-12 Role of the highest governance body in overseeing the management of impacts			
	2-13 Delegation of responsibility for managing impacts			
	2-14 Role of the highest governance body in sustainability reporting			
	2-15 Conflicts of interest			
	2-16 Communication of critical concerns			
	2-17 Collective knowledge of the highest governance body			
	2-18 Evaluation of the performance of the highest governance body			
	2-19 Remuneration policies			
	2-20 Process to determine remuneration			
	2-21 Annual total compensation ratio			
	2-22 Statement on sustainable development strategy			
	2-23 Policy commitments			
	2-24 Embedding policy commitments			
	2-25 Processes to remediate negative impacts			
	2-26 Mechanisms for seeking advice and raising concerns			
	2-27 Compliance with laws and regulations			
	2-28 Membership associations			
	2-29 Approach to stakeholder engagement			
	2-30 Collective bargaining agreements			

GRI CONTENT INDEX

GRI 3: Material Topics 2021	3-1 Process to determine material topics			
	3-2 List of material topics			
	3-3 Management of material topics			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed			
	201-2 Financial implications and other risks and opportunities due to climate change			
	201-3 Defined benefit plan obligations and other retirement plans			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported			
	203-2 Significant indirect economic impacts			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers			
GRI 207: Tax 2019	207-1 Approach to tax			
	207-2 Tax governance, control, and risk management			
	207-3 Stakeholder engagement and management of concerns related to tax			
	207-4 Country-by-country reporting			
GRI 301: Materials 2016	301-1 Materials used by weight or volume			
	301-2 Recycled input materials used			
	301-3 Reclaimed products and their packaging materials			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation			
	302-2 Energy consumption outside of the organisation			
	302-3 Energy intensity			
	302-4 Reduction of energy consumption			
	302-5 Reductions in energy requirements of products and services			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource			
	303-2 Management of water discharge-related impacts			
	303-3 Water withdrawal			
	303-4 Water discharge			
	303-5 Water consumption			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas			
	304-2 Significant impacts of activities, products and services on biodiversity			
	304-3 Habitats protected or restored			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions			
	305-2 Energy indirect (Scope 2) GHG emissions			
	305-4 GHG emissions intensity			
	305-5 Reduction of GHG emissions			
	305-6 Emissions of ozone-depleting substances (ODS)			
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions			

GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts			
	306-2 Management of significant waste-related impacts			
	306-3 Waste generated			
	306-4 Waste diverted from disposal			
	306-5 Waste directed to disposal			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees			
	401-3 Parental leave			
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system			
	403-2 Hazard identification, risk assessment, and incident investigation			
	403-3 Occupational health services			
	403-4 Worker participation, consultation, and communication on occupational health and safety			
	403-5 Worker training on occupational health and safety			
	403-6 Promotion of worker health			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships			
	403-8 Workers covered by an occupational health and safety management system			
	403-9 Work-related injuries			
	403-10 Work-related ill health			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee			
	404-2 Programmes for upgrading employee skills and transition assistance programmes			
	404-3 Percentage of employees receiving regular performance and career development reviews			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk			

NOTICE

Notice is hereby given that the 46th Annual General Meeting of the Members of Fidelity Life Assurance of Zimbabwe will be held virtually:

Meeting ID: 351 393 353 136 0

on **Monday, 28 July 2025 at 10.00 hours,** for the purpose of transacting the following business:

ORDINARY BUSINESS

1. **Financial Statements**

   To receive, consider and adopt the Financial Statements for the year ended 31 December 2024 together with the Report of the Directors and Auditors thereon.

2. **Corporate Governance Statement**

   To receive, consider and approve the Corporate Governance Statement for the period 1 January 2024 to 31 December 2024.

3. **Dividend**

   To confirm payment of the final dividend for the year ended 31 December 2024 of USD300 000 translating to USD0.002754 per share.

   (Confirming that the final dividend was paid out on or about the 20th of June 2025).

4. **Directorate**

   a) To re-elect Ms. Takudzwa Chitsike who retires by rotation in terms of Article 77 and 78 of the Company's Articles of Association, and being eligible, offers herself for re-election.

   (Takudzwa Chitsike is a legal professional with over 20 years of corporate experience. She is well versed in legal advisory, legal drafting, commercial litigation, legal interpretation and property management. She is currently the General Manager of Thomas Meikles Properties in Zimbabwe. She holds a LLM in International Trade Law from Stellenbosch University, South Africa. Ms. Chitsike joined the FLA Board in February 2022 and sits on the Risk and Compliance Committee as well as the Human Resources and Corporate Governance Committee).

   b) To re-elect Mr. Garikai Dhombo who retires by rotation in terms of Article 77 and 78 of the Company's Articles of Association, and being eligible, offers himself for re-election.

   (Garikai Dhombo is a seasoned insurance professional with over 35 years' experience in the SADC Region. He has held senior positions for Allianz Group, Santam and Alexander Forbes and is currently the Managing Director of Growth House in South Africa. He hods a Masters in Business Administration (MBA) from the University of Natal, South Africa. Mr. Dhombo joined the FLA Board in September 2017 and sits on the Risk and Compliance Committee and the Investments Committee).

   c) To re-elect Mr. Francis Dzanya who retires by rotation in terms of Article 77 and 78 of the Company's Articles of Association, and being eligible, offers himself for re-election.

   (Francis Dzanya is banking and structured corporate finance expert with over 40 years of experience in the field. He has held senior positions at renowned banks in Zimbabwe and Botswana and is among the founding partners of DBF Capital a sector-agnostic Mauritius based investment holding company which specializes in private equity and advisory services for the SADC Region. He joined the FLA Board in September 2017 and chairs the Risk and Compliance Committee and is a member of the Audit Committee).

5. **Directors Remuneration**

   To approve the remuneration of the Directors amounting to USD133 879.97 for the year ended 31 December 2024.

   (In terms of Practice Note 4 issued by the Zimbabwe Stock Exchange on the 17th of January 2020, the FLA Directors Remuneration Report shall be available for inspection at the Company's registered from the date of this notice until the date of the Annual General Meeting).

6. **External Auditor's Fees**

   To approve the remuneration of the External Auditor, Grant Thornton Zimbabwe, amounting to USD181 369.55 for the year ended 31 December 2024.

7. **External Auditor's Appointment**

   To re-appoint Grant Thornton Zimbabwe as the External Auditor for the Company for the ensuing year until the conclusion of the next Annual General Meeting.

   (In terms of the Insurance and Pension Commission of Zimbabwe (IPEC) Guidelines insurers are required to change their audit firm every five years. Grant Thornton Zimbabwe have been the Company's External Auditor since 2022).

8. **To transact any other business that may be transacted at an Annual General Meeting.**

By order of the Board

Ruvimbo Chidora
Group Company Secretary
7 July 2025

PROXY
FORM

ANNUAL GENERAL MEETING PROXY FORMS

We, ... being a

member of.. holding

.... shares, hereby appoint ....

.... of .... Or failing

him/ .... of .... As my / our proxy to vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on 28th of July 2025 at 10:00 hours electronically via Microsoft Teams, and at any adjournment thereof.

Signed this ....day of 2025

Signature of member: ....

NOTE: In terms of the Companies and Other Business Entities Act [Chapter 24:31] a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend, vote a poll and speak in his stead. A proxy need not be a member of the Company.

	ORDINARY BUSINESS	Number of Votes		
		FOR	**AGAINST**	**ABSTAIN**
1.	To receive, consider and adopt the Financial Statements for the year ended 31 December 2024 together with the Report of the Directors and Auditors thereon.			
2.	To receive, consider and approve the Corporate Governance Statement for the period 1 January 2024 to 31 December 2024.			
3.	To confirm payment of the final dividend for the year ended 31 December 2024 of USD300 000 translating to USD0.002754 per share.			
4(a)	To re-elect Ms. Takudzwa Chitsike who retires by rotation in terms of Article 77 and 78 of the Company's Articles of Association, and being eligible, offers herself for re-election.			
4(b)	To re-elect Mr. Garikai Dhombo who retires by rotation in terms of Article 77 and 78 of the Company's Articles of Association, and being eligible, offers himself for re-election.			
4(c)	To re-elect Mr. Francis Dzanya who retires by rotation in terms of Article 77 and 78 of the Company's Articles of Association, and being eligible, offers himself for re-election.			
5.	To approve the remuneration of the Directors amounting to USD133 879.97 for the year ended 31 December 2024.			
6.	To approve the remuneration of the External Auditor, Grant Thornton Zimbabwe amounting to USD181 369.55 for the year ended 31 December 2024.			
7.	To re-appoint Grant Thornton Zimbabwe as the External Auditor for the Company for the ensuing year until the conclusion of the next Annual General Meeting.			

NOTES

(i) Members are encouraged to lodge their questions with the Company Secretary or Transfer Secretaries by the Wednesday, 16 July 2025 at 1000hours.

(ii) In terms of the Companies and Other Business Entities Act [Chapter 24:31], a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend, vote, poll and speak in his stead. A proxy need not be a member of the Company.

(iii) Proxy forms must be deposited at the registered office of the Company or at the office of the Transfer Secretaries (ZB Transfer Secretaries (Private) Limited, 21 Natal Road, Avondale, Harare, Zimbabwe) not less than 48 (forty-eight) hours before the time appointed for the holding of the meeting.