FIDELITY LIFE
ASSURANCE OF ZIMBABWE

2025 ANNUAL REPORT
Expanding Reach, Deepening Impact!

FIDELITY LIFE

ASSURANCE OF ZIMBABWE

Seeking an **investment** that **safeguards** your **savings?**

Choose Vaka Yako and build a secure future today.

VISION, MISSION AND VALUES

Our Vision

A life partner to a great financial legacy.

Our Mission

We deliver value to our stakeholders through:

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

Our Values

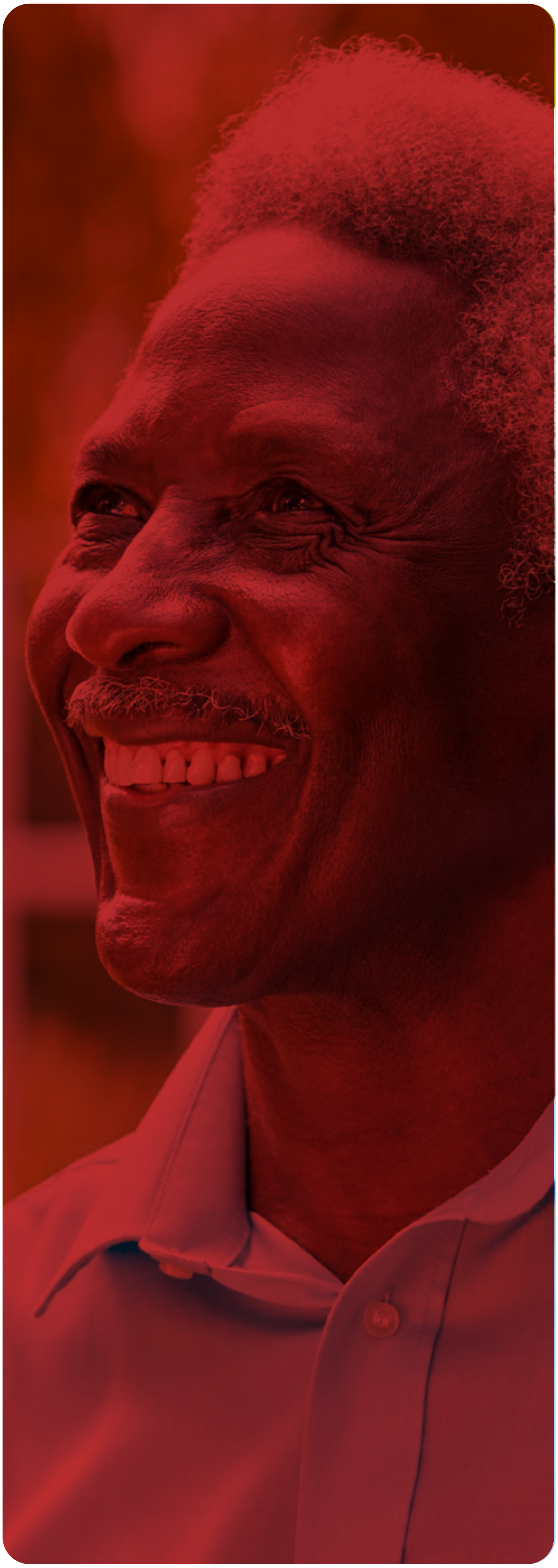
Teamwork
We win together.

Integrity
Right things all the time.

Commitment
Exceeding expectations.

Empathy
Understanding and fulfilling.

Recognition
Rewarding excellence.



ABOUT THIS REPORT

Fidelity Life Assurance of Zimbabwe Limited (FLA) proudly presents its Annual Report for the year ended 31 December 2025. FLA is a financial service group of companies formed in 1936 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 seeks to partner 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 24:3]
- GRI Standards
- IFRS S1 and S2 Standards
- United Nations (UN) Sustainable Development Goals (SDGs)

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 60 of the report.

To ensure compliance with the GRI Standards (2021), the sustainability information was validated by a team of consultants who are sustainability experts. A GRI Content Index is provided on pages 246 to 250. The sustainability data provided in this report has not been externally assured.

Reporting Currency

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

Restatement of Prior Year Sustainability Information

During the year, the Group enhanced its Environmental, Social and Governance (ESG) data management processes, reporting methodologies and internal controls to improve the completeness, consistency and accuracy of sustainability information. In addition, Fidelity Life Assurance received regulatory approval for the Asset Separation Exercise, resulting in the transfer of the micro-lending and asset management businesses to the shareholder in exchange for an immovable asset. Consequently, the Group's reporting boundaries were revised to reflect the updated operational structure.

As a result of these improvements, certain comparative sustainability metrics for the prior reporting period have been restated to align with updated reporting methodologies and data validation processes.

These restatements do not reflect changes in the Group's underlying sustainability performance but rather improvements in data quality and reporting accuracy. The revised disclosures provide a more reliable basis for year-on-year comparison.

The Group remains committed to continuously strengthening its Environmental, Social and Governance (ESG) data governance and reporting practices in line with evolving international sustainability reporting standards.

Report Declaration

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

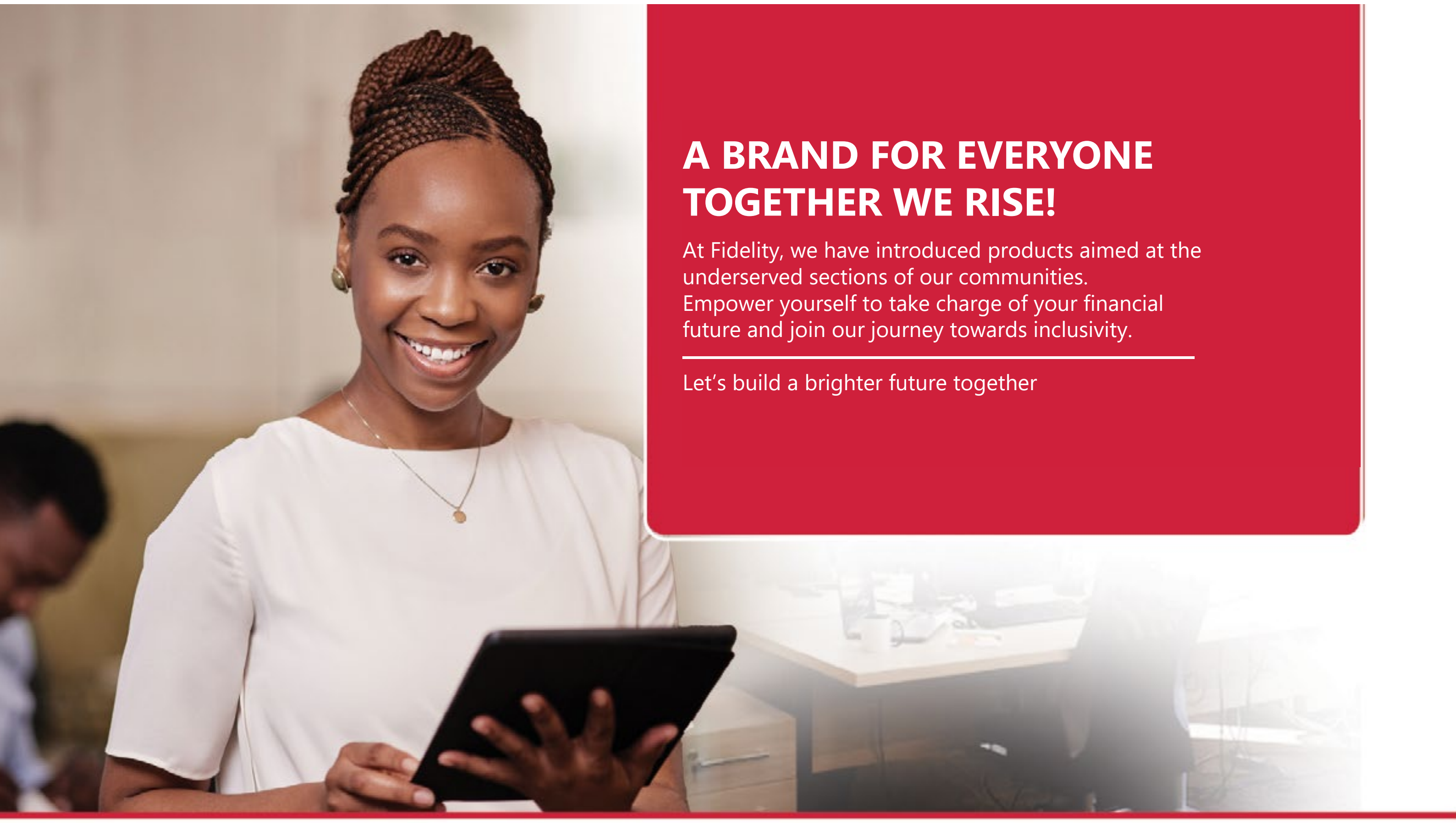
Forward Looking Statements

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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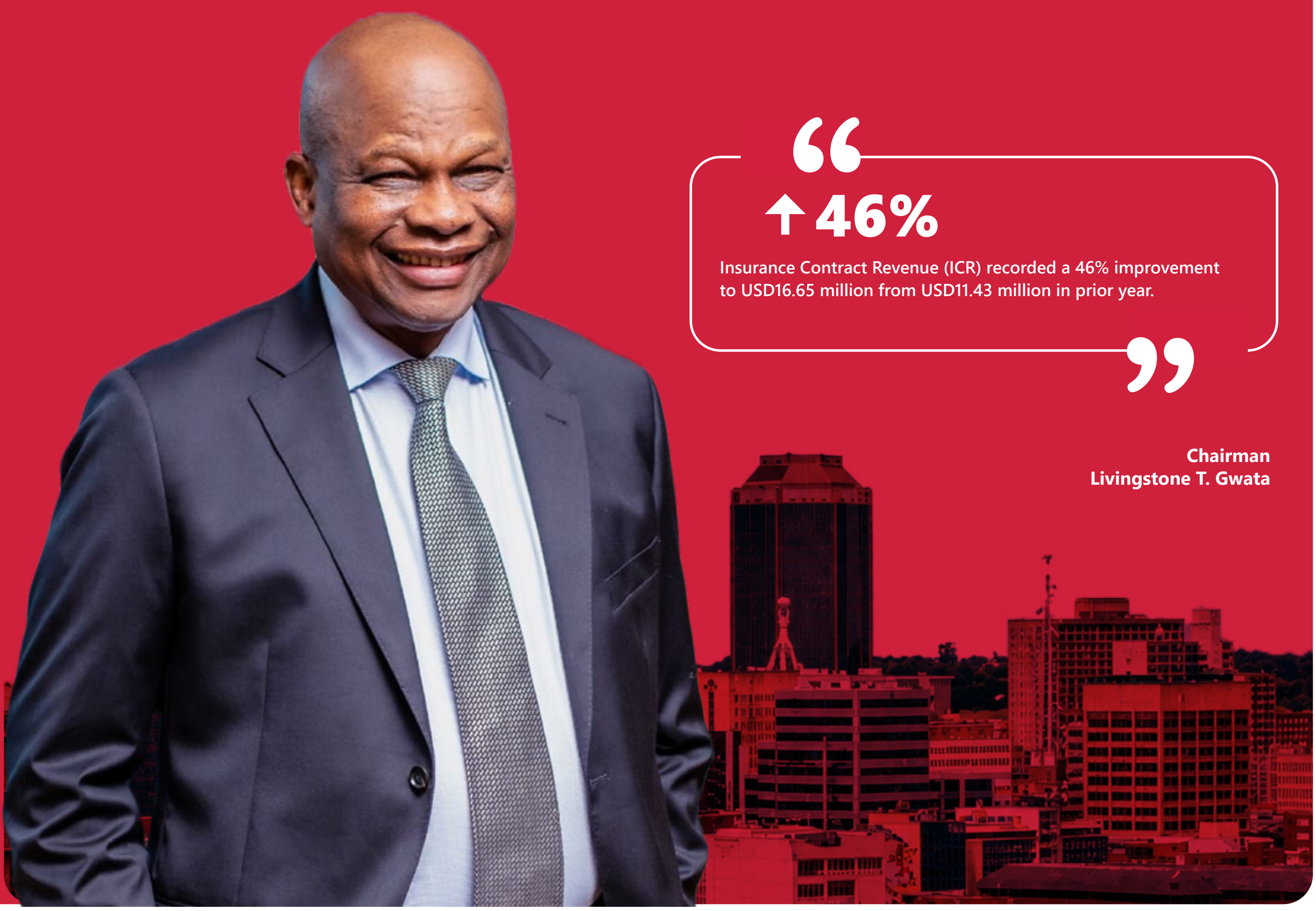
INSIGHTS INTO OUR PERFORMANCE

01

CHAIRMAN'S STATEMENT



↑46%

Insurance Contract Revenue (ICR) recorded a 46% improvement to USD16.65 million from USD11.43 million in prior year.

Chairman
Livingstone T. Gwata

INTRODUCTION

I am pleased to present you with the financial statements for Fidelity Life Assurance of Zimbabwe Limited ("FLA" or "the Company" or "the Group") for the year ended 31 December 2025.

OPERATING ENVIRONMENT

Zimbabwe

Zimbabwe's economy registered a strong rebound in 2025, registering a Gross Domestic Product (GDP) growth of 6.6% up from the drought induced slowdown of 2024. The recovery was primarily driven by a resurgence of the agricultural sector following improved rainfall conditions. Key crops including maize, wheat and tobacco recorded above-average harvest with tobacco achieving a record- breaking 355 million kilograms. Complementing the agricultural upturn was the high gold output of 46.7 tonnes, supported by sustained high global gold prices and improved policy measures that helped bolster export earnings and strengthened foreign currency inflows.

Inflation eased significantly in 2025 from a peak of 95.8% in July 2025 to 15% in December 2025 as a result of a tight and coordinated monetary policy stance maintained by the Reserve Bank of Zimbabwe. The monetary discipline, underpinned by high interest rates and constrained liquidity growth, helped stabilise the Zimbabwe Gold (ZiG) currency, thereby anchoring inflation expectations and reducing exchange rate volatility.

Encouragingly, multilateral institutions noted Zimbabwe's improved macroeconomic stability and greater predictability in the operating environment. Chief among these institutions was the World Bank which recognized the continued easing of inflation and the resilience of the country's external business driven by mineral exports and remittances. Similarly, the International Monetary Fund (IMF) acknowledged the improved macroeconomic stability and accredited it to, in part, better climatic conditions and stronger commodity prices.

While the overall economic environment reflected notable progress, fiscal and structural pressures persisted. Rising domestic expenditure arrears and increased reliance on Treasury Bills contributed to the growth of the country's domestic debt raising concerns around fiscal sustainability. The IMF cautioned that these imbalances risked crowding out private sector credit. Additionally, long

CHAIRMAN'S STATEMENT (CONTINUED)

standing structural constraints such as infrastructure gaps, intermittent energy supply and fragile investor confidence continued to weigh on the country's medium-term growth prospects.

Malawi

Malawi's economy was marked by weak overall performance in 2025, with real GDP growth estimated to be modest at around 2.4% as persistent macroeconomic imbalances, elevated inflation, foreign exchange shortages, weather-related shocks and subdued investment activity continued to constrain momentum. This followed an already soft outturn in 2024, when growth was estimated at only 1.8%. Inflation eased slightly toward the end of the year, falling to 26.0% in December 2025 according to the National Statistics Office but remained high with an annual average of 28.4%, driven by food supply constraints and broad-based price pressures.

The Malawi Kwacha traded broadly stable through much of 2025, though the currency faced continued pressure due to acute forex scarcity and a large current account deficit. Reserves hovered around USD 530 million, providing only 2.1 months of import cover—well below recommended adequacy. Underlying foreign exchange pressures were driven by limited export receipts, a persistently high fiscal deficit, and the lapse of the IMF's Extended Credit Facility which automatically terminated in May 2025 after no program review was completed, thereby weakening external financing access and heightening investor caution. Fiscal conditions deteriorated further as rising debt service obligations absorbed more than half of domestic revenues and losses in energy related State-Owned Enterprises added significant quasi fiscal pressures.

The insurance services sector showed resilience in nominal terms, registering approximately 28% premium growth in 2025, aided by inflation linked adjustments and increased uptake. However, the sector faced liquidity and solvency pressures, driven by delayed premium remittances, rising claims costs and slow reinsurance recoveries. The newly implemented Insurance Act and risk-based supervision framework are expected to strengthen discipline and improve liquidity going forward. Despite structural challenges, Malawi retains medium term potential, particularly through mining. The World Bank notes that critical mineral projects could generate USD 200–500 million annually by the early 2030s, though delays, weak institutional capacity and profit shifting risks limit near term fiscal benefit.

> **"The improvement in ICR reflected the Group's enduring ability, honed over nine decades of operation, to intuitively read market shifts and respond with innovative products and solutions that remain relevant to evolving customer needs."**

GROUP FINANCIAL PERFORMANCE REVIEW

Insurance Contract Revenue (ICR) recorded a 46% improvement to USD16.65 million from USD11.43 million in prior year. The growth was on the back of organic growth, and the continued performance of innovative insurance products. The Life and Pension unit in Zimbabwe contributed 78% (2024:76%) to the ICR while the Malawi operation contributed 22% down from 24% in 2024. The improvement in ICR reflected the Group's enduring ability, honed over nine decades of operation, to intuitively read market shifts and respond with innovative products and solutions that remain relevant to evolving customer needs. This performance underscored the effectiveness of the Group's long established market insight and its capacity to translate sector experience into sustained revenue growth.

Insurance service result increased to USD5.48 million from USD2.34 million, a 134% growth from the prior year driven by ICR growth outpacing insurance services expense 20% growth. Net investment income increased significantly to USD22.07 million from USD8.92 million, representing a 147% uplift compared to the prior year. This strong performance was primarily driven by substantial fair value gains on financial assets notably from listed equities in Malawi where elevated inflation and associated currency dynamics led to upward revaluations of the listed equities. This performance is evidence of the Group's disciplined investment approach in navigating inflation-driven markets.

Profit for the year increased by 358% to USD7.87 million from USD1.72 million in the prior year. The positive profit growth was driven by the strong increase in ICR and investment income.

BUSINESS OPERATIONS OVERVIEW

Heightened global geopolitical tensions continued to reshape consumer behaviour, with households increasingly prioritising financial products that provide certainty, security and long-term protection in an unpredictable environment. In this context, the Life and Pensions business, guided by its Cradle to Grave philosophy, strategically positioned itself to meet the growing demand for solutions that offer comfort and assurance for the future.

Complementing this, the funeral services business remained a critical anchor of stability within the Group. As death is the only unavoidable certainty in the life cycle, it provided a dependable revenue base while simultaneously driving cash generation through the creation of new market segments. The funeral services business has elevated the standard of a dignified burial into a baseline expectation, while offering optional premium enhancements for customers seeking more elaborate arrangements.

This combined positioning enabled both units to capitalise on shifting consumer priorities and reinforce the Group's relevance in a rapidly evolving risk landscape. The actuarial function continued to strengthen its strategic contribution to the Group following its significant investment in technology aimed at enhancing operational efficiency, analytical capability and turnaround times. Leveraging these advancements, the unit accelerated its expansion into continental African markets, with the aim of benefiting from synergies created through the ZHL Group's reinsurance cluster, which provides a natural pipeline for regional business development and cross market penetration. In addition to geographic expansion, the actuarial function broadened its service offering beyond traditional statutory work, diversifying into banking related actuarial services and specialised advisory mandates. This diversification strategy is set not only to improve revenue resilience but also position the unit to capture emerging opportunities in sectors seeking data driven risk assessment, capital optimisation and actuarial based decision-making solutions.

THE BRAND

The Fidelity Life Assurance of Zimbabwe Limited brand voice remains rooted in trust, empathy and innovation. The brand promise is defined by its commitment to financial security, innovation and long-term value creation. The brand's strategic intent is premised on a holistic product approach which seeks to provide practical, innovative solutions through the circle of life, hence 'Cradle to Grave' mantra.

CHAIRMAN'S STATEMENT (CONTINUED)

In 2025, in line with the brand voice, promise and strategic intent, the Group launched the Fidelity Flexi Combo, an affordable assurance product with a cash benefit in lieu of traditional funeral services. Major considerations in the Fidelity Flexi Combo product development process were issues of affordability and convenience. This latest product innovation further demonstrates the Group's alertness to evolving social demands, providing an accessible and practical solution that also enhances financial comfort for pensioners who require dependable protection in their later years.

Going forward, the FLA's flagship offerings such as life and pension products and innovative solutions like housing-linked investment plans will remain at the core of the Group's product offering, underpinned by consistent innovation and growth.

REGULATORY ASSET SEPARATION EXERCISE

Post the reporting period, the Company received regulatory approval to conclude the Asset Separation Exercise, which will result in the transfer of the micro-lending and asset management businesses to the shareholder in exchange for an immovable asset. This development represents a significant milestone in strengthening the Group's governance architecture by ensuring clearer ring fencing of policyholder assets and enhancing transparency for both policyholders and shareholders. The separation will allow policyholders to fully exercise and benefit from their investment rights, thereby supporting long-term capital formation and improved asset liability alignment. In the context of prevailing global geopolitical uncertainty, the exercise provides an important safeguard by reinforcing balance sheet resilience, reducing structural conflicts of interest, and positioning the core insurance business to operate with greater strategic focus and regulatory clarity.

DIRECTORATE

There were no changes to the Company's Directorate during the period under review, following the reconstitution of the Board in 2022. The resulting stability has enabled the Board to consolidate its oversight role and support the execution of the Company's long-term strategic objectives. Looking ahead, the Company remains committed to upholding strong corporate governance standards by ensuring the orderly rotation of Directors in line with best practice tenure guidelines, while strategically infusing new skills and perspectives to maintain an effective and well balanced Board.

DIVIDEND

FLA remains steadfast in its commitment to delivering sustainable value to both its policyholders and shareholders. In line with this commitment and reflecting the Group's strengthened financial performance and improved cash generation capacity, the Board is pleased to recommend the declaration of a final dividend of USD450 000 or 0.0041 USD cents per share. This represents a 50% increase from the prior year's distribution, signaling the Group's emergence as a consistent dividend paying entity. The proposed dividend is fully aligned with the Company's Dividend Policy, which provides for the distribution of 40% of realized cash profit from the Shareholder Fund, and affirms the Board's confidence in the resilience of the business, the quality of earnings, and the Group's capacity to continue honouring its obligations to policyholders while delivering competitive returns to shareholders. A dividend notice will be published in accordance with the Company's Articles of Association and the Zimbabwe Stock Exchange Listing Requirements.

SUSTAINABILITY

The business is committed to integrating sustainability principles within its strategy and operations and continues to implement initiatives that contribute to community development, environmental stewardship and social well-being in the areas in which it operates. During the year under review, FLA strengthened its community engagement through partnerships and initiatives focused on health, environmental conservation, financial empowerment and community infrastructure development.

Key initiatives included support for national sporting and conservation events such as the Zimbabwe Open Golf Tournament and the Kariba International Tiger Fish Tournament. These events contribute respectively to charitable fundraising for cancer treatment and environmental conservation while strengthening stakeholder engagement.

The Group also supported community development initiatives, healthcare and social welfare programmes through various partnerships. In addition, the business continued to promote financial inclusion and economic empowerment through financial literacy and business management workshops for small and medium-sized enterprises. Looking ahead, FLA will continue to strengthen the integration of Environmental, Social and Governance (ESG) considerations across its operations, investments and stakeholder engagements.

OUTLOOK

The business looks forward to another year of success leveraging on the turbulent geo-political and uncertain economic climates to reinforce its core mandate of improving financial assurance and long-term security. The growth of the business will hinge on deepening its value proposition by offering solutions that address the rising demand for security. Central to this strategy is the opening of new markets, namely underserved and marginalized sections of the economy, for whom security and planning are luxuries. Through customer-centric innovation that speaks directly to emerging risk and evolving expectations, the Company will also penetrate the diaspora and existing markets in both its jurisdictions. This strategic direction will allow FLA to transform uncertainty into a catalyst for growth, security and sustained profitability for its policy and shareholders alike.

APPRECIATION

I wish to extend my sincere appreciation to our shareholders and policyholders for their continued confidence in the Group. I also wish to acknowledge my fellow Board members, Management, and all Staff of FLA for their unwavering dedication and collective effort throughout the year.

Livingstone T. Gwata

Chairman
27 March 2026

MANAGING DIRECTOR'S STATEMENT

> **We expanded our digital platforms to enable our clients to interact with us real-time and bring much needed ease to our operations and engagement with stakeholders**

Reginald S. Chihota

Trading environment

The global economy showed signs of gradual stabilization, with easing inflationary pressures and a modest recovery in trade activity, notwithstanding the far-reaching adverse effects of the US-Iran war and other geo-political tensions. Domestically, Zimbabwe's economic landscape improved significantly, achieving the projected 6% real Gross Domestic Product (GDP) growth outlined in the 2025 National Budget.

This recovery was driven by a strong agricultural rebound following the prior year's El Niño-induced drought, increased electricity generation capacity, and sustained activity in the mining sector. The Zimbabwe Gold (ZWG) currency demonstrated greater stability during the year while the use of the US Dollar (USD), under the multi-currency regime, continued to provide a reliable transactional foundation for businesses. Still requiring attention was the public debt and investment inflows, however, the overall business environment was notably more predictable than in previous years.

Financial performance overview

Summary of performance

	Fidelity Life Assurance		Vanguard life Assurance		Other subsidiaries		Consolidation adjustments		Total consolidated	
	2025 USD (million)	2024 USD (million)	2025 USD (million)	2024 USD (million)	2025 USD (million)	2024 USD (million)	2025 USD (million)	2024 USD (million)	2025 USD (million)	2024 USD (million)
Insurance contract revenue	11.92	8.77	4.73	2.66	-	-	-		16.65	11.43
Other income	19.64	8.96	45.04	2.77	2.49	3.50	(6.02)	(2.14)	61.16	14.61
Total income	31.56	17.73	49.77	5.43	2.49	3.50	(6.02)	(2.14)	77.81	26.04
Profit for the year	6.29	2.36	8.79	1.05	(1.7)	(0.36)	(5.54)	(1.34)	7.87	1.72

MANAGING DIRECTOR'S STATEMENT (CONTINUED)

Fidelity Life Assurance (FLA, the Company)

The FLA's total income was USD31.56 million, a growth of 78% from USD17.73 million in the prior year. The significant improvement in top-line performance was underpinned by stronger insurance contract revenue and improved investment income. Within insurance contract revenue, Individual Life accounted for 65% of the total contribution, while Employee Benefits contributed a further 22%. Product diversification through innovative offerings such as the Flexi Combo product is expected to further strengthen topline growth prospects going forward.

FLA has re-established itself as a profitable-generating organisation recording a profit for the year of USD6.29 million, a 167% increase from USD2.36 million. The uplift reflects disciplined cost management alongside sustained top-line momentum. The Company's long and distinguished history is testament to its resilience, and that enduring resilience is expected to continue to propel the Company forward as it delivers relevant and responsive products to the market.

Vanguard Life Assurance of Malawi (VLA)

VLA reported total income of USD49.77 million, an impressive 817% increase from USD5.43 million in the prior year. Profit for the period also grew from USD1.05 million in 2024 to USD8.70 million in 2025. This growth was driven by high insurance contract revenue and investment income, with investment income making a significant contribution due to the strong performance of the Malawi stock market during the year. The unit is also focusing on product diversification to strengthen its insurance revenue.

Other non-insurance subsidiaries

Following the conclusion of the asset separation exercise, the Group's non-insurance subsidiaries now comprise of ZAC Global, Fidelity Life Medical Services Company (FLIMESCO), and Fidelity Funeral Services (FFS). These non-insurance units contributed 3% to the Group's total income, amounting to USD 2.49 million and remain integral to the Group's strategy, providing essential services to both internal and external customers in line with the 'cradle to grave' approach.

Operations

Customer Experience

In 2025, we intensified our transformational strategy, anchored on superior product offering, innovation, digitization and digitalization. We launched products under the financial inclusion drive which includes among others, the Flexi Combo and Bury Now Pay Later Plan. We expanded our digital platforms to enable our clients to interact with us real-time and bring much needed ease to our operations and engagement with stakeholders. We are also on the verge of commissioning a world-class Customer Relationship Management (CRM) system which will further enhance Fidelity Life client experience.

The Group is also exploring the use of Artificial Intelligence (AI) to transform the way we do business, driving efficiency and scale. In terms of our investment thrust, we shifted from value preservation to dynastic wealth creation, with our assets delivering inflation hedging returns for both policyholders and shareholders.

Outlook

Looking ahead, Zimbabwe's economy is expected to continue on its recovery trajectory, supported by infrastructure investments and stable agricultural output under the NDS 2. The Group will build on the successes from previous years to grow its product offering and service excellence while expanding the net of financial inclusion to underserved markets. The business continues to embrace sustainability in its projects and day-to-day operations, recognising it as a strategic imperative for long-term value creation.

Appreciation

I extend my deepest gratitude to our Board of Directors, whose guidance remains steadfast. To management and staff, your professionalism and dedication are the bedrock of our success. Most importantly, to our policyholders and shareholders, thank you for your continued trust. Together, we are not just preserving value but building enduring wealth for our generations.

Reginald S. Chihota

Managing Director
27 March 2026

GROUP OVERVIEW

02

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 services, funeral services, actuarial services and pension fund administration.

Our mission is to empower individuals to 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 wide array of technologies and expertise that has enabled it to develop integrated products that provide customers with a seamless experience.

FIDELITY LIFE
ASSURANCE OF ZIMBABWE

- Fidelity Life Medical Services Company
- Fidelity Life Funeral Services
- ZAC Global Actuaries
- Vanguard Life Assurance of Malawi Limited
- Langford Estates 1962

GROUP OVERVIEW

What we offer

At FLA, we provide essential, integrated services that 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

ACTUARIAL SERVICES

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

MEDICAL SERVICE

- Administration of medical aid societies
- Scheme benefit design and premium alignment
- Claims processing
- Service provider management

FUNERAL SERVICES

- Funeral Services

GROUP OVERVIEW

Membership To Business Associations

- Insurance Institute of Zimbabwe
- Marketing Association of Zimbabwe
- Institute of Chartered Accountants of Zimbabwe
- Chartered Governance and Accountancy Institute of Zimbabwe
- Institute of Chartered Secretaries and Administrators Zimbabwe
- Zimbabwe Association of Pension Funds
- Life Offices Association
- Zimbabwe Association of Funeral Assurers
- Association of Health Care Funders Zimbabwe

GROUP OVERVIEW

Awards And Recognition

Entity	Award	Recognition
FLA	CXAZ Southern Region Service Excellence Awards	Service Excellence 2nd Runner-Up
FLA	Mega Fest Business Awards	Platinum Winner – Outstanding Brand of the Year 2025 (Northern Region)
FLA	Mega Fest Business Awards	Silver Winner – Outstanding Funeral Assurance Organisation of the Year 2025
FLIMAS	Zimbabwe CEO's Network Awards	Gold Winner – Outstanding Medical Health and Insurance
FLIMAS	Mega Fest Business Awards	Platinum Winner – Outstanding Health Insurance and Medical Aid Services of the Year 2025 (Northern Region)
FLIMAS	ZimBrands Awards	2nd Runner-Up – Leading Local Medical Aid Brand
Vanguard Life Assurance Malawi	Institute of Marketing in Malawi Superbrands Awards	3rd Position-Insurance Sector (Life Assurance)

These awards reflect the Group's continued focus on customer-centricity, innovation, service excellence and operational performance across its diverse portfolio of businesses

LEADERSHIP AND GOVERNANCE

03

LEADERSHIP AND GOVERNANCE

DIRECTORATE

Livingstone T. Gwata
Non-Executive Chairman (Independent)
Tenure: 4 years
Key Skills: Leadership and Investment Banking
Qualifications: Bachelor of Administration
Other Directorships: ABC Holdings Limited, Tanganda Tea Company Limited

Takudzwa Chitsike
Non- Executive Director (Independent)
Tenure: 4 years
Key Skills: Legal, Compliance and Governance
Qualifications: Master of Laws
Other Directorships: Nil

Garikai Dhombo
Non- Executive Director (Independent)
Tenure: 9 years
Key Skills: Insurance and Risk Management
Qualifications: Master of Business Administration
Other Directorships: Eskom Insurance, GrowthHouse (Private) Limited (SA)

Francis Dzanya
Non- Executive Director
Tenure: 9 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: 10 years
Key Skills: Financial Structuring and Insurance
Qualifications: Master of Business Leadership, CA(Z)
Other Directorships: Zimre Holdings Limited and Emeritus Reinsurance (Private) Limited

Langton Mabhanga
Non- Executive Director (Independent)
Tenure: 4 years
Key Skills: Governance and Strategy
Qualifications: PHD in Business Administration
Other Directorships: Rainbow Tourism Group

Ignatius Mvere
Non- Executive Director
Tenure: 10 years
Key Skills: Accounting and Public Finance
Qualifications: Bachelor of Commerce
Other Directorships: Zimre Holdings Limited

Henry Nemaire
Non- Executive Director(Independent)
Tenure: 8 years
Key Skills: Audit and Tax
Qualifications: Chartered Certified Accountant (UK)
Other Directorships: Tanganda Tea Company Limited

Reginald Chihota
Managing Director (Executive)
Tenure: 4 years
Key Skills: Life Assurance and Marketing
Qualifications: Master's in Business Administration, SEPA (Harvard USA)
Other Directorships: FLIMAS, FFS and ZAC Global

LEADERSHIP AND GOVERNANCE (CONTINUED)

Governance Statement

Introduction
The FLA Board is committed to the highest standards of corporate governance as a foundation for the long-term success and sustainability of its business. As the Board, we uphold responsible, ethical and transparent management practices that support sound decision-making, safeguard policyholder interests and create enduring value for all our stakeholders. In fulfilling our mandate, we place particular emphasis on fairness, accountability and the protection of the most vulnerable members of society. Through this approach, FLA seeks to maintain trust, strengthen resilience and deliver meaningful outcomes for policyholders, shareholders, employees, regulators and the communities we serve.

Corporate Governance Standard
As a listed company, FLA complies with the corporate governance standards prescribed by the Zimbabwe Stock Exchange (ZSE) Listing Requirements more fully set out in the Zimbabwe National Code on Corporate Governance. In addition, as part of the larger and regionally diverse Zimre Holding Limited (ZHL) Group, the Company also adopts relevant best practice standards reflected in the King Code, as updated from time to time. This combined approach enables FLA to align with local regulatory requirements while drawing on broader regional governance principles that promote excellence, integrity and accountability.

Governance Structure
FLA maintains a clear separation of authority within its governance structure, with distinct roles and responsibilities assigned to Management, the Board and Shareholders. This framework supports effective oversight, balanced decision-making and accountability at all levels of the Company. As part of a broader ZHL Group, the Chairman of the Board participates in the annual Group Board Strategy Retreat, while the Managing Director is a member of the Group Leadership Forum. These engagements help to ensure alignment of strategic initiatives and encourage economies of scale and support.

Communication with Stakeholders
The Board remains committed to maintaining open and constructive engagement with shareholders, policyholders, potential investors and the wider public in order to foster mutual understanding of the Company's strategic objectives and value creation priorities. Stakeholder relations are managed principally by the Managing Director, with the support of the Board Chairman where appropriate. As a custodian of policyholder funds, particularly those entrusted to the Company by pensioners, FLA places significant importance on continuous engagement with this stakeholder group to ensure that their concerns are understood and addressed in a timely and responsive manner, recognising the particular vulnerability of this demographic.

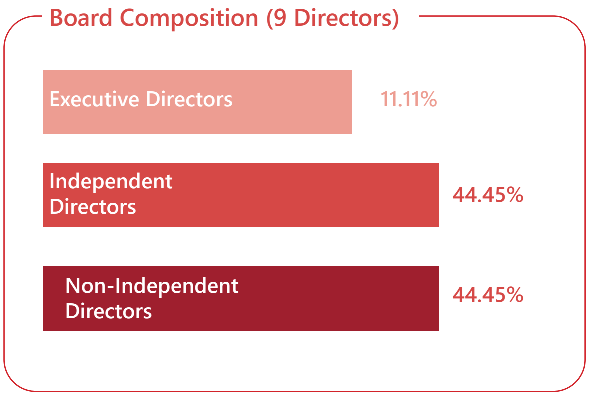
During the year, engagement was facilitated through a range of platforms, including the Annual General Meeting, press announcements on year-end and interim financial results, trading updates, branch-based complaints registers, and town hall meetings involving both internal and external stakeholders. In addition, shareholders and members of the public may direct communications to the Group Company Secretary or the Transfer Secretaries.

Declaration of Directors' and Employee Interests
The Board is committed to ethical leadership, transparency and the maintenance of fair trading practices. Our Board of Directors complete declarations of interest annually and are required to highlight any changes at each Board meeting to support the effective management of actual or potential conflicts. During the year under review, no material interests were identified.

The Company also maintains an active closed period policy, under which Directors and employees are prohibited from trading in the Company's shares during designated closed periods and at any time when in possession of unpublished price-sensitive information. No such trades were recorded during the year under review.

The Board

Composition
The FLA Board is composed of 9 members.
The composition is refined below:-



The composition reflects an appropriate balance of executive involvement, independence and non-executive oversight.

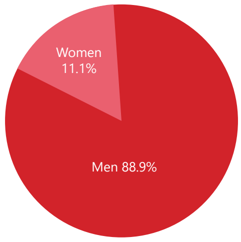
LEADERSHIP AND GOVERNANCE (CONTINUED)

Governance Statement (Continued)

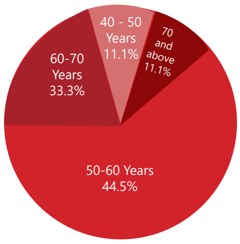
Diversity, Equity and Inclusion (DEI)

The Board recognises the importance of DEI and has incorporated these principles into its recruitment and succession planning processes. In addition to gender diversity, the Board also considers age, race, ethnicity and religious beliefs to ensure that its collective skills and experience remain aligned to the needs of the business and that the Board remains reflective of the market it serves. The Board's tenure profile is similarly managed to maintain an appropriate balance between fresh perspectives and institutional memory, while appointments continue to be made on merit and in support of a harmonious cycle of Board renewal. In this regard, the Board remains aligned to best practice models under the Insurance and Pensions Commission of Zimbabwe (IPEC) Directive on Systems of Governance and Risk Management and the Zimbabwe National Code on Corporate Governance.

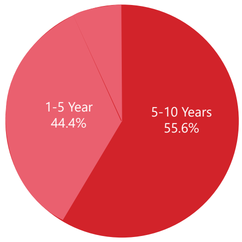
Board Gender Diversity



Board Age Profile



Board Tenure Profile



Board Committees

The FLA Board of Directors is responsible for the overall strategic direction of the Company and is accountable to you, the shareholders. The Board delegates some of its duties to the following Committees:-

Audit Committee

The Committee consists of H Nemaire (Chairman), F Dzanya, L Mabhanga and I Mvere.

The Audit Committee comprises of four non-executive directors and is chaired by an independent director. It is tasked with ensuring the integrity of the Company's financial reporting, assessing the Company's internal control and risk management systems while overseeing and evaluating the performance of the internal and external audit functions. 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 external auditor.

Human Resources and Corporate Governance Committee

The Committee consists of I Mvere (Chairman), T Chitsike, L T Gwata and S Kudenga.

The Committee comprises of four non -executive directors and is mandated to deal with human resource issues, board nominations (including FLA subsidiaries), remuneration policies and strategies as well as attend to corporate governance issues. The Committee also recommends packages for non-executive directors and senior executives.

Investments Committee

The Committee consists of S Kudenga (Chairman), G Dhombo, L T Gwata and L Mabhanga.

The Committee comprises of four non-executive directors and is responsible for the Company's investment policy and objectives, assessing the Company's investment performance and ensuring its compliance with the set objectives and regulations.

Risk and Compliance Committee

The Committee consists of F Dzanya (Chairman), T Chitsike and G Dhombo.

The Committee comprises of three non-executive directors and it assists the Board in fulfilling its corporate governance and oversight responsibilities in relation to the Company's risk appetite statement, risk management strategy, risk management framework and risk management.

Board Meetings and Attendance

In accordance with the Company's Articles of Association and Board Charter, the Board convenes quarterly meetings during the year. These meetings provide a structured forum for the Board to discharge its oversight responsibilities, monitor the execution of strategy, review financial and operational performance, and consider matters material to the Company's long-term sustainability, regulatory compliance and stakeholder interests.

Attendance at Board and Committee meetings remained an important indicator of director commitment, preparedness and effective participation in the Company's governance processes. The Board and Committee attendance register is set out below.

LEADERSHIP AND GOVERNANCE (CONTINUED)

Governance Statement (Continued)

Board Member Name	Audit Committee	Investment Committee	Human Resources and Governance Committee	Risk and Compliance Committee	Main Board
Livingstone Gwata		4 out of 4	4 out of 4		4 out of 4
Francis Dzanya	2 out of 4			2 out of 4	0 out of 4
Henry Nemaire	4 out of 4				4 out of 4
Takudzwa Chistike			4 out of 4	4 out of 4	4 out of 4
Langton Mabhanga	4 out of 4	4 out of 4			4 out of 4
Ignatius Mvere	4 out of 4		2 out of 4		4 out of 4
Garikai Dhombo		4 out of 4		4 out of 4	4 out of 4
Stanley Kudenga		4 out of 4	3 out of 4		4 out of 4
Reginald Chihota	4 out of 4	4 out of 4	4 out of 4	4 out of 4	4 out of 4

Remuneration of Directors

The remuneration of the FLA Board of Directors is governed through a structured process designed to promote fairness, transparency and alignment with the Company's long-term strategic objectives. The Human Resources and Corporate Governance Committee oversees the remuneration framework and reviews relevant market benchmarks and industry surveys to ensure that director remuneration remains appropriate, responsible and commensurate with the level of oversight and stewardship expected of the Board. In this context, the Company seeks to attract, retain and motivate individuals with the requisite skills and experience to support sustainable value creation.

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

LEADERSHIP AND GOVERNANCE (CONTINUED)

FLA EXECUTIVE MANAGEMENT

Reginald Chihota
Managing Director

Blessing Mushori
Finance Manager

Takaedza Matambo
General Manager, Life and Pensions

David Humure
Head of ICT

SHARED SERVICES TEAM

Zvenyika Zvenyika
Group Chief Finance Officer

Ruvimbo Chidora
Group Company Secretary/ Legal Executive

Noleen Moyo
Head-Group of Sustainability Data Management and Analytics

Nickson Vamwe
Head-Group Human Capital Management

Valarie Ndudzo
Head-Group Marketing and Public Relations

Claudius Chikundura
Head-Group Risk and Compliance

Chipo Matongo
Head- Group Internal Audit and Assurance

SUBSIDIARY MANAGEMENT TEAM

Lovemore Madzinga
Managing Director Fidelity Life Medical Services Company

Sonwell Mudzengi
Managing Director ZAC Global Actuaries

Nomore Matigimu
Managing Director Fidelity Life Funeral Services

Dr Lillian Moyo
Managing Director Vanguard Life Assurance of Malawi

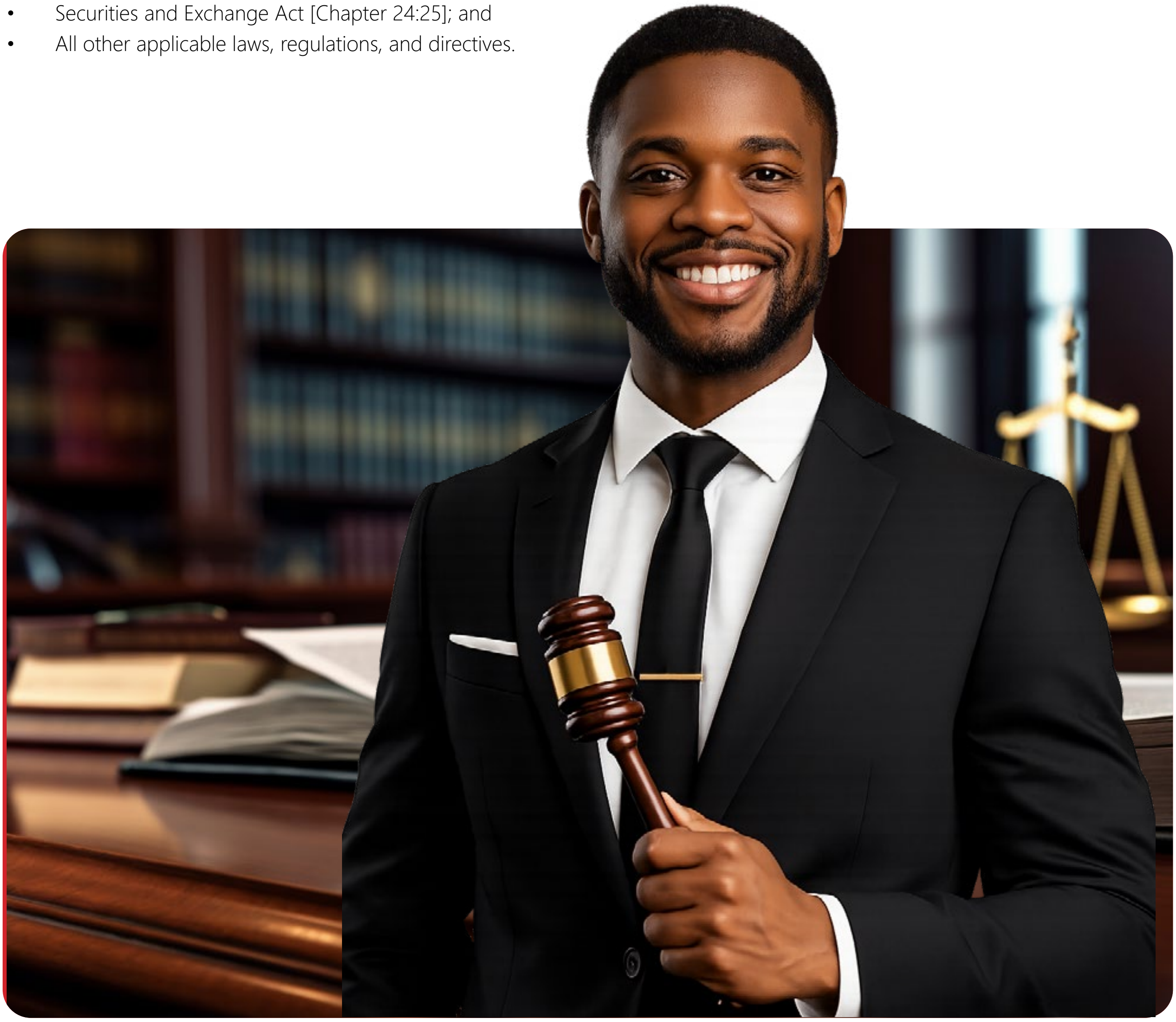
LEADERSHIP AND GOVERNANCE (CONTINUED)

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;
- 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.



FIDELITY LIFE

MEDICAL AID SOCIETY

Affordable

MEDICAL AID PACKAGES,
living noone behind

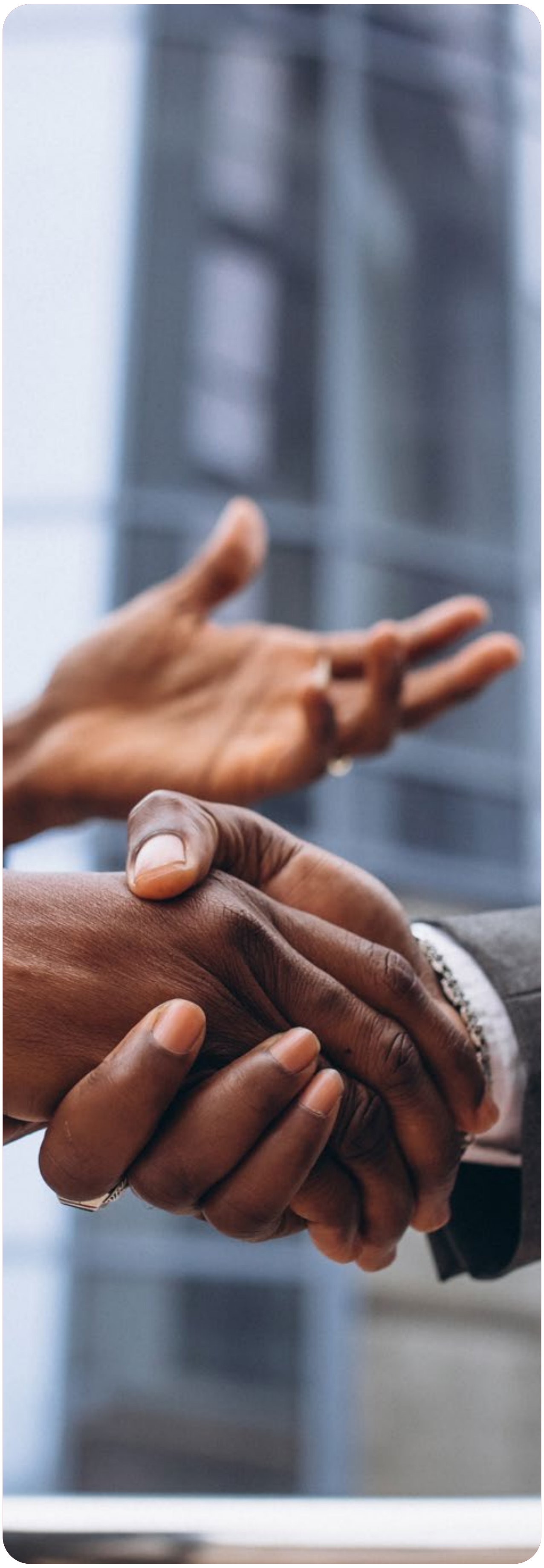
Medicare Lite | **Medicare** | **Medicare Plus**

$5 | $10 | $15

BUSINESS CONDUCT AND VALUES

04

BUSINESS CONDUCT AND VALUES



Innovation and Digital Transformation

Innovation remains a key driver of business growth and competitiveness. The Group continuously explores opportunities to enhance products, improve operational efficiency and strengthen customer experiences through technology and digital transformation.

Digital innovation supports broader financial inclusion objectives by improving accessibility, convenience and responsiveness across our service offerings. It also enhances operational resilience by streamlining processes, improving data management capabilities and enabling more informed decision-making.

As technology continues to reshape the financial services sector, the Group remains committed to responsible innovation that delivers value to customers while maintaining appropriate governance and risk controls.

Business Ethics and Compliance

Ethical conduct is fundamental to maintaining stakeholder confidence and protecting the reputation of the Group.

The Group maintains policies, procedures and internal controls designed to promote ethical business practices and ensure compliance with applicable laws, regulations and industry standards. Employees are expected to conduct themselves with honesty, integrity, professionalism and accountability in all business activities.

The Group maintains a zero-tolerance approach to unethical conduct, corruption, fraud and bribery. Employees are encouraged to report suspected misconduct through established reporting channels, including confidential whistleblowing mechanisms.

During the reporting period, no material incidents relating to corruption, bribery or unethical business conduct were reported.

Data Privacy and Cyber Security

Protecting customer information and maintaining the security of digital assets remain strategic priorities for the Group.

The increasing digitisation of business operations and customer interactions creates opportunities for enhanced service delivery while also increasing exposure to cyber-related risks. To address these risks, the Group continues to strengthen its cyber security capabilities through appropriate policies, technical controls, employee awareness programmes and ongoing monitoring of emerging threats.

The Group is committed to safeguarding personal information and ensuring compliance with applicable data protection legislation and regulatory requirements.

INSIGHTS INTO OUR PERFORMANCE
GROUP OVERVIEW
LEADERSHIP AND GOVERNANCE
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SUSTAINABILITY AT THE CENTRE
SUSTAINABILITY RISKS AND OPPORTUNITIES
SUSTAINABLE FINANCIAL ACCESS
COMPETING WITH INTEGRITY
OUR PEOPLE AND CULTURE
RESOURCE AND OPERATIONAL STEWARDSHIP
SOCIAL AND ECONOMIC IMPACT
FINANCIAL REPORTS
Corporate Information

BUSINESS CONDUCT AND VALUES (CONTINUED)

Enterprise Risk Management

Risk management is integrated into strategic and operational decision-making throughout the organisation. The Group maintains an Enterprise Risk Management Framework that supports the identification, assessment, monitoring and mitigation of risks that could affect the achievement of business objectives.

The framework encompasses financial, operational, regulatory, strategic, technology, cyber security and sustainability related risks. Through regular risk assessments and monitoring activities, management and the Board maintain oversight of emerging risks and opportunities.

This proactive approach strengthens organisational resilience and supports sustainable value creation.

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 evaluating the nature of risks based on the likelihood and potential impact of the identified risks on the business units' objectives. The risks are then ranked according to probability and severity. This quantification of risk helps with the prioritization of risks, determination of appropriate responses, and effective allocation of resources to managing the identified risks.

3. RISK MITIGATION AND CONTROL:

Following the risk assessment process, management applies appropriate mitigation measures, strengthens internal controls, and promotes a risk awareness culture throughout the Group ensuring business continuity.

4. RISK MONITORING AND REPORTING:

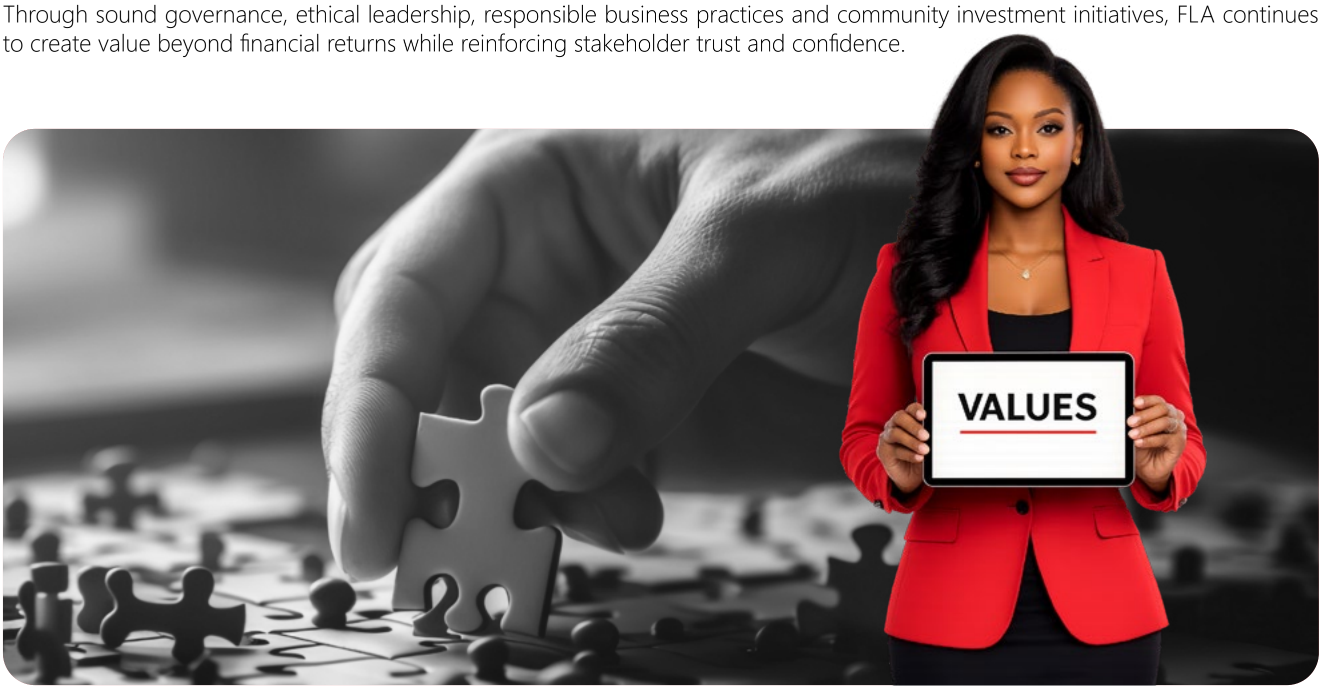
Risks are continuously monitored to assess the effectiveness of the mitigation measures and ensure the Group's resilience.

During the year, the Group enhanced its climate risk assessment process by evaluating climate-related risks and opportunities across key business units. The assessment identified potential exposures relating to extreme weather events, agricultural sector vulnerability, healthcare cost inflation and climate-related modelling uncertainty. At the same time, opportunities were identified in renewable energy financing, climate-responsive healthcare products and sustainable finance solutions. These considerations are increasingly being integrated into strategic planning, product development and enterprise risk management processes.

Responsible Corporate Citizenship

The Group recognises that long-term business success is dependent upon maintaining positive relationships with stakeholders and contributing meaningfully to society.

Through sound governance, ethical leadership, responsible business practices and community investment initiatives, FLA continues to create value beyond financial returns while reinforcing stakeholder trust and confidence.



SUSTAINABILITY AT THE CENTRE

05

SUSTAINABILITY AT THE CENTRE

OUR SUSTAINABILITY STRATEGY -CREATING SUSTAINABLE VALUE

At Fidelity Life Assurance of Zimbabwe Limited ("FLA"), sustainability is embedded within our purpose of partnering our customers throughout their financial journey and helping them build enduring financial legacies. We recognise that long-term business success depends on our ability to create sustainable value for all our stakeholders.

As a diversified financial services group operating across pension administration, funeral services, individual life assurance products, employee benefits and medical services, we play an important role in promoting financial resilience, economic inclusion and intergenerational wealth creation. Our flagship individual life product, Vaka Yako, continues to empower customers to build wealth and secure their financial futures through disciplined long-term savings and protection solutions. Our sustainability approach therefore extends beyond environmental stewardship to include the social and economic impacts of our products, services and investment decisions.

Throughout 2025, we continued strengthening the integration of Environmental, Social and Governance (ESG) considerations into our strategy, risk management processes, governance structures and business operations. This approach enables us to identify emerging risks and opportunities, improve operational resilience, enhance stakeholder trust and support sustainable financial performance.

Our sustainability priorities are guided by three strategic pillars:

Environmental Stewardship

We seek to minimise the environmental impact of our operations through responsible resource utilisation, energy efficiency, waste management and the progressive integration of climate-related considerations into business decision-making.

Social Impact

We are committed to enhancing financial inclusion, improving customer wellbeing, investing in employee development, promoting diversity and inclusion and supporting the socio-economic development of the communities in which we operate.

Strong Governance

We uphold high standards of corporate governance, ethical conduct, regulatory compliance, risk management, data privacy and cyber security to safeguard stakeholder interests and maintain confidence in our business.

Sustainability Governance

The Board of Directors retains ultimate responsibility for sustainability oversight and ensuring that sustainability-related risks and opportunities are appropriately considered within the Group's strategic direction.

The Board provides oversight through its governance and risk management structures, while Executive Management is responsible for implementing sustainability initiatives, monitoring performance and embedding ESG considerations across business operations. Sustainability responsibilities are further integrated into functional and operational areas throughout the Group to ensure accountability and effective execution.

This governance approach enables sustainability considerations to be incorporated into strategic planning, capital allocation, enterprise risk management, product development and stakeholder engagement activities.

Alignment to Global and Local Frameworks

FLA's sustainability approach is aligned to applicable regulatory requirements and internationally recognised frameworks, including:

- Global Reporting Initiative (GRI) Standards.
- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information.
- IFRS S2 Climate-related Disclosures.
- Zimbabwe Stock Exchange Sustainability Reporting Guidelines.
- Insurance and Pensions Commission (IPEC) governance requirements.
- United Nations Sustainable Development Goals (SDGs).

These frameworks support transparency, comparability and accountability while enabling stakeholders to better understand how sustainability considerations influence the Group's strategy and performance.

Creating Long-Term Value

The Group believes that sustainability is not separate from business performance but is a key driver of long-term value creation. Through responsible governance, sound risk management, customer-centred innovation, investment in our people and prudent stewardship of resources, Fidelity Life continues to build a resilient organisation capable of delivering sustainable returns while contributing positively to society and the economy.

SUSTAINABILITY AT THE CENTRE (CONTINUED)

STAKEHOLDER ENGAGEMENT

FLA recognises that long-term success depends on maintaining strong and constructive relationships with stakeholders who influence, or are influenced by our activities. Stakeholder engagement enables us to better understand emerging risks and opportunities, align our products and services with stakeholder expectations, strengthen trust and inform strategic decision-making.

As a financial services organisation, we engage a diverse range of stakeholders whose interests are integral to the sustainability and success of our business. Through formal and informal engagement mechanisms, we continuously seek feedback that helps us improve our operations, enhance customer experiences and create long-term value.

Our stakeholder engagement process also forms a critical input into our materiality assessment, risk management processes and sustainability strategy.

Policyholders and Customers	Employees	Shareholders and Investors
Policyholders and customers are at the center of our business. Their trust and confidence underpin the sustainability of our operations and our ability to create long-term value.	Our employees drive business performance, innovation and customer service excellence. Their wellbeing, engagement and development remain critical to the achievement of our strategic objectives.	Shareholders provide capital and strategic support necessary for business growth and long-term sustainability.
Key Areas of Interest		
• Product affordability and accessibility. • Customer service and claims experience. • Financial security and wealth creation. • Product innovation and relevance. • Data privacy and cyber security.	• Career development opportunities. • Training and skills enhancement. • Fair remuneration and benefits. • Occupational health and safety. • Diversity, inclusion and employee well-being.	• Financial performance. • Dividend growth. • Governance and risk management. • Strategic execution. • Sustainability performance
How We Engage		
• Branch and customer service interactions. • Digital platforms and social media. • Customer complaints and feedback mechanisms. • Marketing campaigns and customer education initiatives.	• Employee engagement sessions. • Performance management processes. • Training programmes. • Internal communication platforms. • Staff surveys and feedback channels.	• Annual General Meetings. • Analyst briefings. • Annual and interim reports. • Investor presentations. • Regulatory disclosures.
Our Response		
We continued to enhance customer experience through digital innovation, customer-centric product development and continuous improvement of service delivery channels. Products such as Vaka Yako continue to provide customers with practical long-term savings and wealth creation opportunities.	The Group continued investing in employee development, leadership capabilities and workplace wellbeing. Training hours increased significantly during the year as part of our commitment to building a high-performing and future-ready workforce.	We remain committed to delivering sustainable returns through disciplined capital management, prudent risk management and transparent reporting.

SUSTAINABILITY AT THE CENTRE (CONTINUED)

Regulators and Industry Bodies	Business Partners and Service Providers	Communities
The Group operates within a highly regulated environment and maintains constructive relationships with regulators and industry associations to ensure compliance and industry development.	Our suppliers, service providers and strategic partners contribute significantly to operational effectiveness and customer service delivery.	Our ability to operate successfully is linked to the wellbeing and prosperity of the communities.
Key Areas of Interest		
• Regulatory compliance. • Policyholder protection. • Governance and risk management. • Sustainability disclosures. • Consumer protection.	• Fair procurement practices. • Timely payments. • Ethical business conduct. • Long-term partnerships.	• Community development. • Financial inclusion. • Education and health support. • Employment opportunities. • Environmental stewardship
How We Engage		
• Regulatory submissions. • Industry forums and working groups. • Compliance reviews. • Formal engagements and consultations.	• Supplier meetings. • Contract management processes. • Procurement engagements. • Performance reviews.	• Corporate social investment initiatives. • Community outreach programmes. • Sponsorships and partnerships. • Stakeholder consultations.
Our Response		
The Group continues to strengthen governance, compliance and reporting processes to align with evolving regulatory requirements and industry best practice.	We continue promoting ethical business practices and responsible supplier relationships while strengthening procurement governance processes.	The Group continued supporting initiatives in education, health, sport, environmental stewardship and community development thereby contributing to positive social and economic outcomes

SUSTAINABILITY AT THE CENTRE (CONTINUED)

MATERIALITY ASSESSMENT

FLA recognises that sustainable value creation depends on understanding and responding to the environmental, social, governance and economic issues that have the greatest potential to influence our ability to deliver long-term value to stakeholders.

The materiality assessment was informed by stakeholder engagements undertaken throughout the year, enterprise risk assessments, regulatory developments, strategic priorities and emerging sustainability trends.

The Group undertook a structured materiality assessment process to identify, evaluate and prioritise sustainability-related risks and opportunities. The assessment considered:

Materiality Assessment Process

- The strategic priorities of the Group.
- Enterprise risks and emerging trends.
- Regulatory developments and reporting requirements.
- Stakeholder expectations and concerns.
- Industry-specific sustainability considerations.
- Potential impacts on financial performance and business resilience.

The process draws on insights from stakeholder engagements conducted throughout the year, including interactions with policyholders, employees, shareholders, regulators, business partners, industry associations and community representatives.

Material Topics

The material topics identified during the reporting period are grouped under Environmental, Social and Governance themes.

Environmental

The Group identified the following environmental topics as material:

- Climate change and climate resilience.
- Energy Consumption and Efficiency.
- Greenhouse Gas Emissions.
- Water Stewardship.
- Waste Management.
- Sustainable Resource Utilisation.

As a financial services organisation, our most significant environmental exposure arises through climate-related risks affecting customers, investments, property assets and the broader economy. These risks have the potential to influence mortality, morbidity, investment performance, insurance claims experience and customer affordability.

SUSTAINABILITY AT THE CENTRE (CONTINUED)

Social

The Group identified the following social matters as material:

Social

- Financial inclusion and accessibility.
- Customer welfare and customer experience.
- Employee Wellbeing.
- Talent Development and Skills Enhancement.
- Diversity, Equity and Inclusion.
- Occupational Health and Safety.
- Community Investment and Social Impact.
- Financial Literacy and Consumer Education.

As a provider of life assurance, medical services, funeral services and financial products, FLA's ability to create positive social impact remains central to its business model. Expanding access to affordable financial protection solutions and supporting customer financial resilience remain key priorities.

Governance

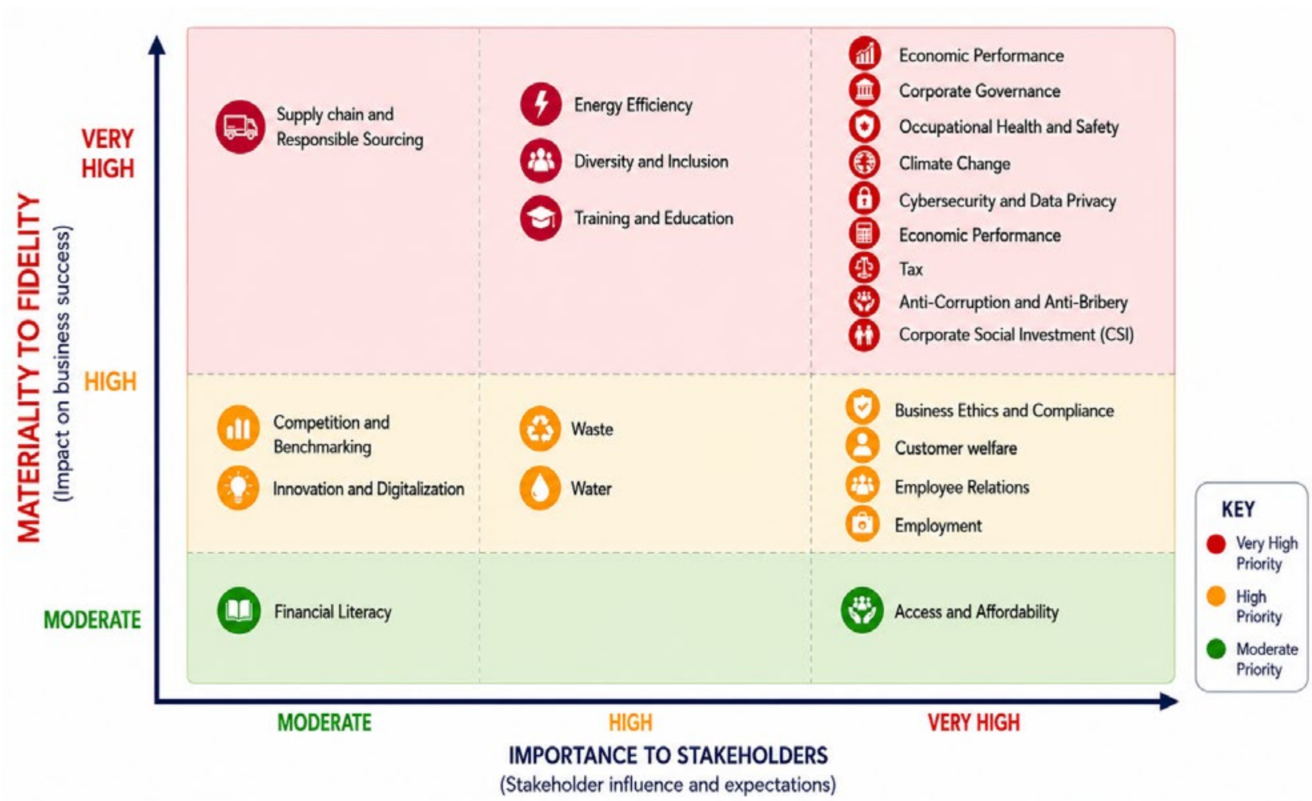
The Group identified the following governance matters as material:

Governance

- Business Ethics and Corporate Conduct.
- Regulatory Compliance.
- Enterprise Risk Management.
- Data Protection and Privacy.
- Cyber Security.
- Anti-Corruption and Fraud Prevention.
- Responsible Investment Practices.

Strong governance remains fundamental to maintaining stakeholder confidence and ensuring sustainable business growth in an increasingly complex and regulated operating environment.

Materiality Matrix



Using Materiality to Drive Decision-Making

The outcomes of the materiality assessment are incorporated into strategic planning, risk management, sustainability target setting and reporting processes. Material topics are reviewed periodically to ensure that the Group remains responsive to emerging risks, evolving stakeholder expectations and changing regulatory requirements.

Through this process, FLA seeks to ensure that resources are directed towards the issues that matter most to our stakeholders and have the greatest influence on long-term value creation.

SUSTAINABILITY RISKS AND OPPORTUNITIES

06

SUSTAINABILITY RISKS AND OPPORTUNITIES

Managing Risks and Unlocking Sustainable Growth

Sustainability presents both risks and opportunities that can influence the Group's ability to achieve its strategic objectives. FLA integrates sustainability considerations into its Enterprise Risk Management Framework to strengthen resilience, improve decision-making and support long-term value creation.

The Group continuously evaluates sustainability related developments across the markets in which it operates and assesses their potential impact on customers, employees, operations, investments and financial performance.

Climate Related Risks

Climate change continues to emerge as one of the most significant long-term risks facing the financial services sector.

Physical risks arising from droughts, floods, storms, heatwaves and changing weather patterns have the potential to affect customer livelihoods, asset values, business continuity and economic growth. These impacts may influence policyholder affordability, claims experience, investment performance and overall market stability.

Transition risks are also increasing as economies move towards lower-carbon development pathways. Regulatory reforms, changing customer expectations, evolving disclosure requirements and shifting investor preferences may affect product design, investment strategies and operational practices.

The Group continues to strengthen its understanding of climate-related risks and opportunities and is progressively incorporating climate considerations into governance, risk management and strategic planning processes.

Human Capital Risks

The ability to attract, develop and retain skilled employees remains critical to the Group's success. Increasing competition for specialised skills in financial services, technology, data analytics and risk management may impact operational performance and innovation capacity.

To mitigate this risk, the Group continues to invest in employee development, leadership training, succession planning and talent retention initiatives while fostering an inclusive and engaging work environment.

Cyber Security and Data Privacy

The growing digitisation of business processes and customer interactions increases exposure to cyber threats, data breaches and information security incidents.

The Group continues to strengthen cyber resilience through information security controls, employee awareness programmes, access management protocols, disaster recovery capabilities and ongoing monitoring of technology risks.

Regulatory and Compliance Risks

The regulatory environment for financial services institutions continues to evolve, particularly in areas relating to sustainability disclosures, data protection, consumer protection, governance and financial reporting.

Failure to comply with applicable regulatory requirements may result in financial penalties, reputational damage and operational disruption. With a dedicated risk and compliance function, the Group maintains a structured monitoring process and continues analyzing emerging regulatory developments, assesses their impact, and update policies, procedures, and controls accordingly.

This integrated approach ensures timely identification of changes in legislation, proactively engages regulators where necessary and supports effective continuous compliance.

SUSTAINABILITY RISKS AND OPPORTUNITIES (CONTINUED)

Sustainability Opportunities

While sustainability presents risks, it also creates significant opportunities for innovation, growth and competitive differentiation.

Financial Inclusion

Zimbabwe and the broader region continue to present opportunities to expand access to financial protection products. Through innovative life assurance, funeral assurance, medical service solutions, FLA is well positioned to support underserved and emerging customer segments.

Digital Transformation

Continued investment in digital technologies presents opportunities to enhance customer experience, improve operational efficiency, strengthen risk management and expand access to financial services.

Creating Resilience Through Sustainability

The Group believes that organisations that effectively manage sustainability related risks and opportunities will be better positioned to create enduring value. By embedding sustainability considerations into strategy, governance and decision making, FLA continues to strengthen its resilience, support stakeholder prosperity and position itself for sustainable long-term growth.

Sustainable Investments

Growing demand for sustainable and responsible investment products creates opportunities to enhance investment returns while supporting broader economic development objectives. The Group continues to assess opportunities that align financial performance with positive social and environmental outcomes.

Financial literacy and Customer Education

Increasing financial awareness among consumers presents opportunities to deepen customer relationships, improve product uptake and strengthen long-term customer resilience. The Group remains committed to promoting financial literacy through targeted education and stakeholder engagement initiatives.

SUSTAINABLE FINANCIAL ACCESS

07

SUSTAINABLE FINANCIAL ACCESS

Empowering Financial Security and Wealth Creation

At Fidelity Life Assurance, we believe that access to financial protection and wealth creation opportunities should not be limited to a select few. Through our diverse portfolio of life assurance, employee benefits, funeral services, medical services and financial solutions, we continue to expand access to products and services that enable individuals, families and businesses to build financial resilience and secure their futures.

Our business model is built on supporting customers throughout every stage of life. From safeguarding livelihoods and protecting families against unforeseen events to helping customers accumulate wealth and plan for retirement, our products are designed to deliver long-term financial security while contributing to broader socio-economic development.

Creating Shared Value Through Financial Inclusion

Financial inclusion remains one of the most significant development priorities across Zimbabwe and the region. Large segments of the population remain under-served by traditional financial institutions, limiting access to long-term savings, risk protection and investment opportunities.

FLA continues to address these challenges through innovative and accessible financial solutions tailored to the evolving needs of our customers. By leveraging our distribution network, strategic partnerships and digital platforms, we are expanding access to financial services and helping more individuals participate meaningfully in the formal financial system.
Our approach to financial inclusion focuses on:

- Expanding access to affordable financial protection products.
- Supporting long-term savings and wealth accumulation.
- Enhancing financial literacy and consumer awareness.
- Leveraging digital platforms to improve accessibility and convenience.
- Developing innovative solutions that address emerging customer needs.

Vaka Yako – Transforming Savings into Wealth Creation

The Group's flagship Vaka Yako product continues to demonstrate the power of customer centred innovation in addressing real market needs. Developed to help customers accumulate long-term savings while working towards home ownership and wealth creation, Vaka Yako has become one of the Group's most successful product offerings.

The product enables individuals to systematically build financial assets while benefiting from life assurance protection, creating a practical pathway towards financial independence and intergenerational wealth creation.The continued growth and market acceptance of Vaka Yako reflects increasing demand for products that combine financial security, investment growth and tangible long-term outcomes for customers.

SUSTAINABLE FINANCIAL ACCESS (CONTINUED)

Protecting Families and Communities

Beyond wealth creation, the Group continues to provide essential protection solutions that support families and communities during life's most challenging moments.

Our life assurance, funeral, medical services provides customers with financial protection against unforeseen events, helping reduce vulnerability and improve household resilience. These solutions enable individuals and families to better manage financial risks while preserving dignity and wellbeing.

By providing accessible protection products, the Group contributes to improved financial stability and social resilience within the communities we serve.

Customer Centric Innovation

Customer needs continue to evolve in response to changing economic conditions, demographic shifts and technological advancement. The Group remains committed to developing innovative products and services that respond to these emerging needs.

During the year under review, we continued to strengthen our customer value proposition through product innovation, service enhancements and digital transformation initiatives aimed at improving customer experience and accessibility.

Our focus remains on delivering relevant, affordable and responsive solutions that support customers in achieving their financial goals.

Building Financial Capability

Financial inclusion extends beyond product availability. Customers must also possess the knowledge and confidence required to make informed financial decisions.

The Group therefore continues to support financial literacy initiatives that improve understanding of long-term savings, investment planning, risk protection and financial management. Through ongoing customer engagement and education programmes, we seek to empower individuals to make informed decisions that enhance their long-term financial wellbeing.

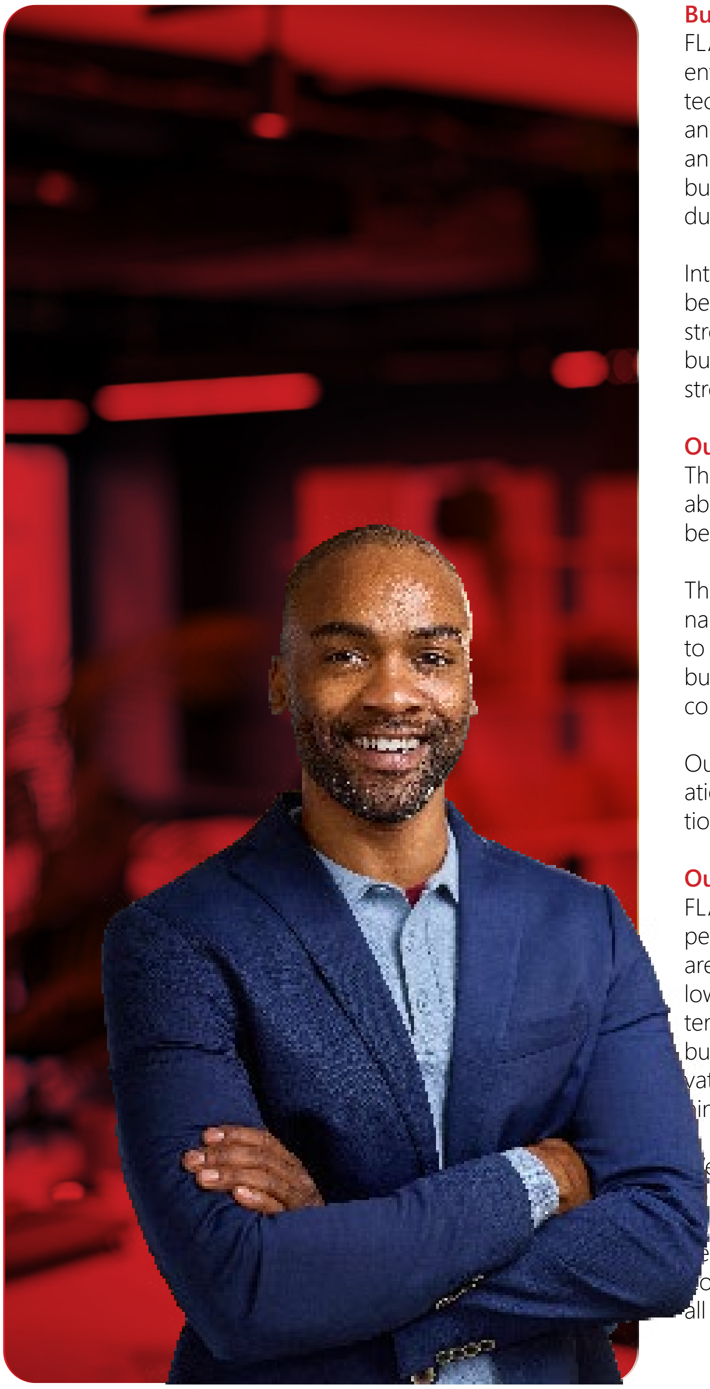
Looking Ahead

As economic and social needs continue to evolve, Fidelity Life remains committed to expanding access to innovative financial solutions that improve financial security and strengthen resilience. Through customer centred innovation, strategic partnerships and responsible business practices, we will continue contributing to a more financially inclusive and prosperous society while creating sustainable value for our stakeholders.

COMPETING WITH INTEGRITY

08

COMPETING WITH INTEGRITY



Building a Resilient and Responsible Business

FLA operates in a dynamic and highly regulated financial services environment characterised by evolving customer expectations, technological disruption, increasing regulatory requirements and growing competition. Our ability to remain competitive and deliver sustainable value depends on maintaining a resilient business model anchored on strong governance, ethical conduct, innovation and disciplined risk management.

Integrity remains central to how we conduct business. We believe that sustainable success is achieved not only through strong financial performance, but also through responsible business practices that build trust among our stakeholders and strengthen our social licence to operate.

Our Resilient Business Model

The Group's diversified business model provides resilience by enabling multiple revenue streams across life assurance, employee benefits, medical and funeral services and actuarial consulting.

This diversification reduces concentration risk, strengthens financial stability and enables the Group to respond effectively to changing market conditions. The integrated nature of our businesses also creates opportunities to provide customers with comprehensive financial solutions throughout their life's journey.

Our strategic focus on innovation, customer centricity and operational excellence continues to strengthen our competitive position while supporting sustainable long-term growth.

Our Approach to Competition

FLA appreciates that it operates in a saturated and highly competitive market, where insurance and financial planning products are often perceived as discretionary purchases and may rank low on individuals' immediate priorities. This reality has not deterred the Group. Instead, we continue to leverage our resilient business model, customer centric approach and culture of innovation to remain competitive and deliver tailored financial planning solutions that meet the evolving needs of our customers.

We are committed to competing fairly, responsibly and in full compliance with applicable laws and regulations. The Group adheres to relevant requirements and guidelines issued by the Reserve Bank of Zimbabwe (RBZ), the Competition and Tariffs Commission and the Anti-Trust Board, ensuring compliance in all aspects of competition, market conduct and benchmarking.

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.	• 3.5% market share as of December 2025. • Our portfolio at risk (PaR) stands at 7%.

Our policies and practices promote responsible advertising, ethical marketing, conscientious research and development, and the delivery of quality products and services that create value for customers. We continuously monitor our market position through a combination of third-party reviews, external audits, regulatory assessments, customer surveys and feedback mechanisms. These tools provide valuable insights into customer expectations, market trends and competitive performance.

OUR PEOPLE AND CULTURE

09

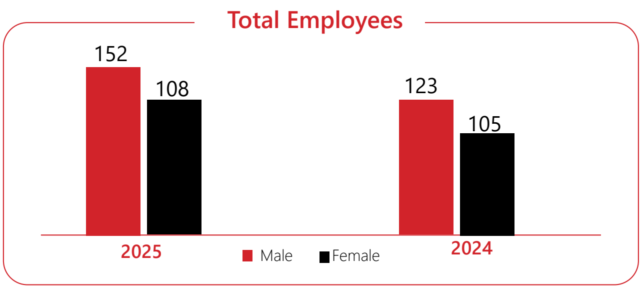
OUR PEOPLE AND CULTURE

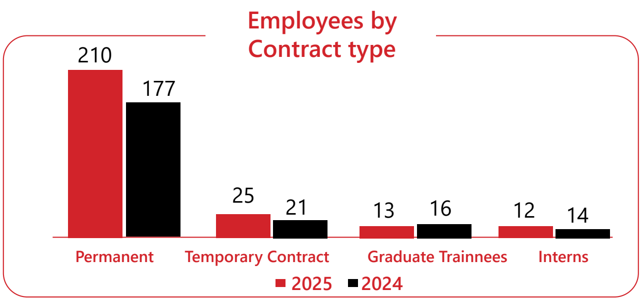
Our People, Our Strength

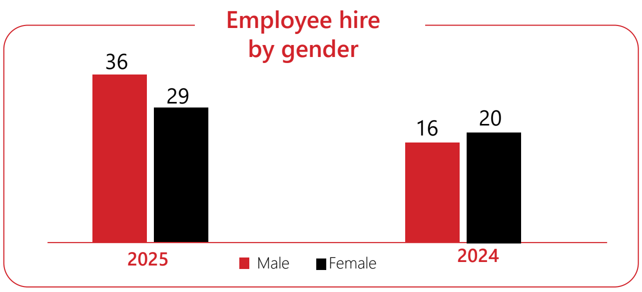
At Fidelity Life Assurance, our people are the driving force behind our success. Their commitment, expertise, innovation and passion enable us to deliver exceptional value to customers, strengthen stakeholder relationships and achieve our strategic objectives.

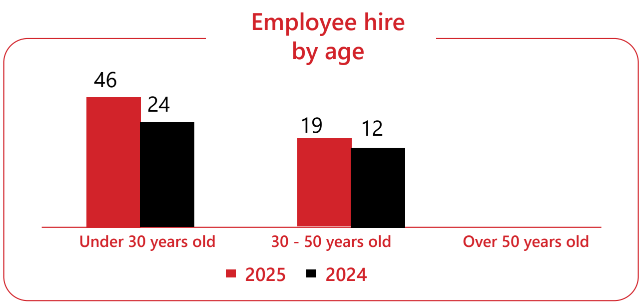
We recognise that sustainable business performance depends on attracting, developing and retaining talented individuals who embody our values and contribute to a high-performance culture. As a result, we continue to invest in employee development, wellbeing, diversity and workplace engagement to ensure that our people are equipped to support the future growth and success of the Group.

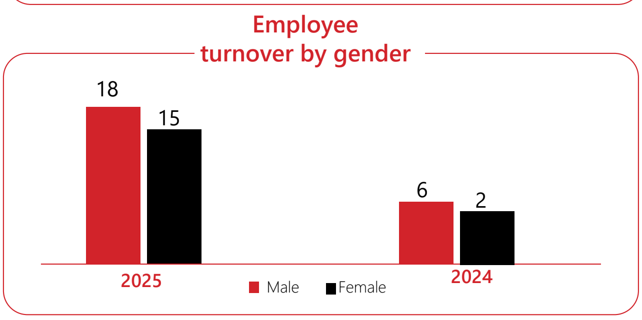
Key Metrics

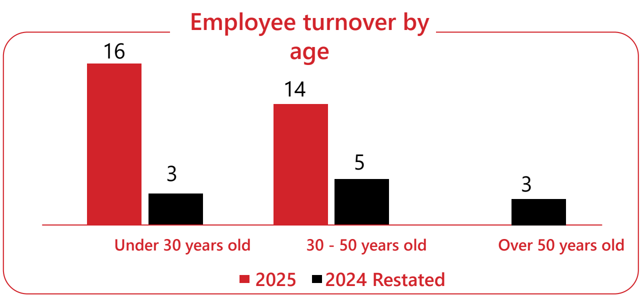




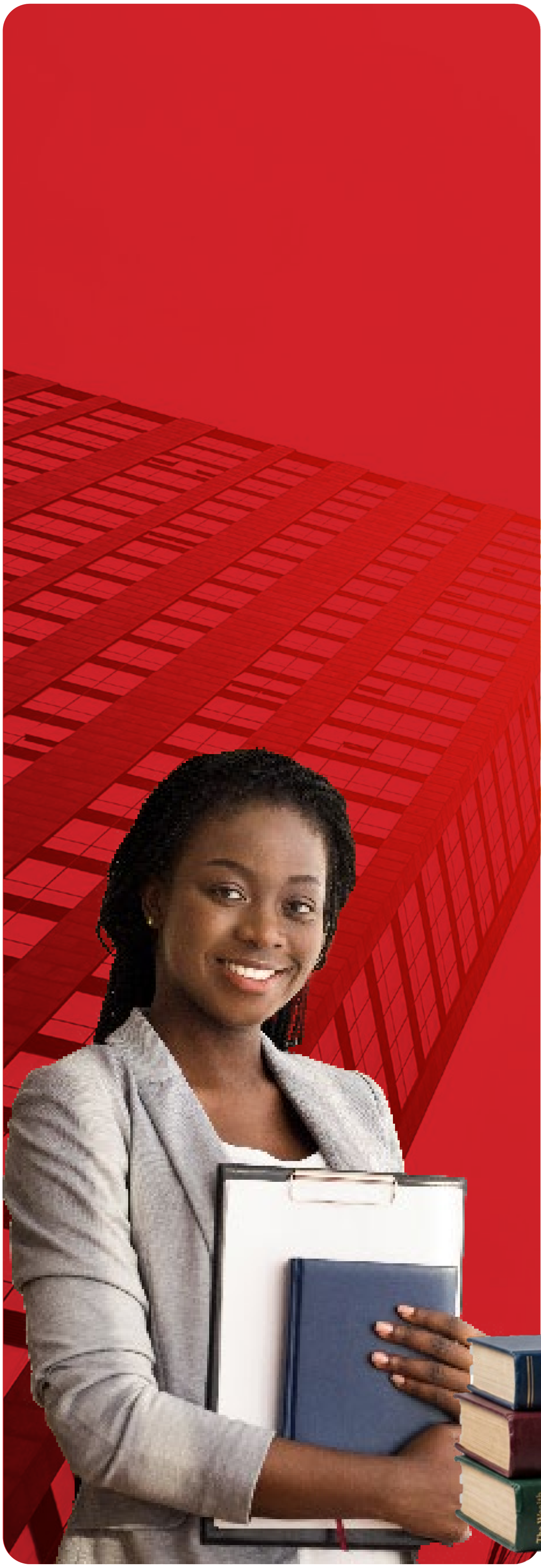








OUR PEOPLE AND CULTURE (CONTINUED)



Our People, Our Strength

The Group recorded a 14% growth in its workforce during the year under review, reflecting continued business expansion, increased operational capacity and investment in future talent development.

Total employee headcount increased from 228 employees in 2024 to 260 employees in 2025. The growth was driven by the expansion of business activities across the Group and strategic investments in key functional areas to support future growth.

The Group remains committed to providing meaningful employment opportunities while developing the next generation of industry professionals through structured internship and graduate development programmes.

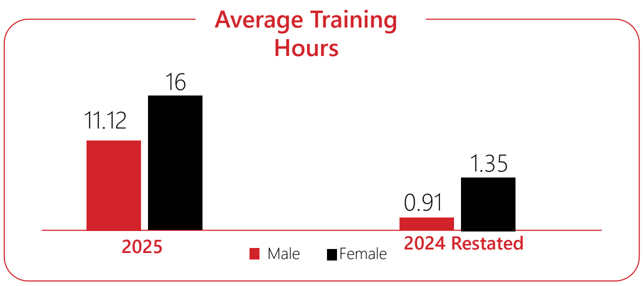
FLA remains committed to creating an inclusive workplace where all employees are treated fairly, respectfully and equitably, regardless of gender, race, age, background or personal circumstances.

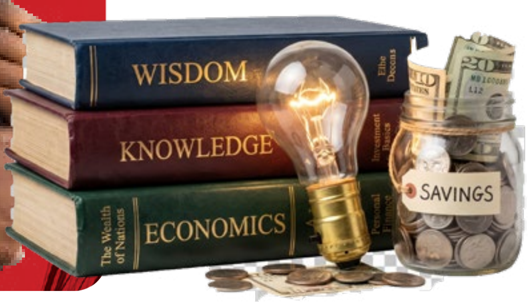
While progress has been made, the Group remains committed to continuously improving gender representation and creating opportunities for the advancement of women across leadership and operational roles.

Building a Learning Organisation

The rapidly evolving financial services landscape requires continuous learning and skills development. Fidelity therefore, places significant emphasis on employee training, professional development and capacity building.

During 2025, average training hours per employee increased substantially from 1.13 hours in 2024 to 13.15 hours per employee per month. This improvement reflects deliberate investments in employee development programmes aimed at strengthening technical competencies, leadership capabilities, regulatory knowledge and customer service excellence.





OUR PEOPLE AND CULTURE (CONTINUED)

Training initiatives undertaken during the year covered a broad range of areas including:

- Technical and professional skills development.
- Leadership and management development.
- Regulatory and compliance training.
- Sustainability and ESG awareness.
- Information security and cyber security.
- Customer service excellence.

The Group believes that investing in employee development enhances organisational capability, supports innovation and contributes to long-term business sustainability.

Employee Wellbeing

The wellbeing of our employees remains a strategic priority. We recognise that a healthy, motivated and engaged workforce is essential to delivering sustainable performance and superior customer experiences.

The Group promotes employee wellbeing through various initiatives aimed at supporting physical health, mental wellbeing, workplace safety and work-life balance.

Through ongoing employee engagement and support programmes, we seek to create a positive working environment where employees feel valued, supported and empowered to perform at their best.

Employee Relations

FLA is committed to maintaining constructive and mutually beneficial relationships with employees based on trust, respect, transparency and open communication.

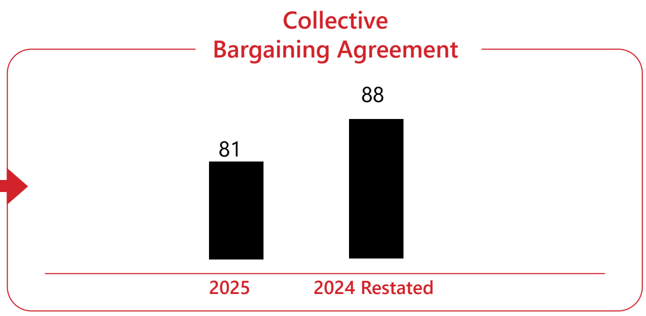
The Group encourages continuous dialogue between management and employees through formal and informal engagement platforms. These engagements provide opportunities to address employee concerns, share organisational developments and strengthen alignment with business objectives.

The Group remains committed to fair labour practices and compliance with all applicable labour legislation and employment standards.

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:



Employees covered under the National Employment Council (NEC) for the Insurance and Pensions Industry of Zimbabwe decreased from 88 in 2024 to 81 in 2025. The reduction reflects changes in workforce composition, including growth in management and specialist positions that fall outside NEC bargaining categories. Despite this change, the Group remains committed to fair labour practices, employee engagement and compliance with all applicable employment regulations.

OUR PEOPLE AND CULTURE (CONTINUED)

Occupational Health and Safety

Protecting the health, safety and wellbeing of employees, contractors and visitors remains a fundamental responsibility of the Group. The Group maintains occupational health and safety policies, procedures and controls designed to identify workplace hazards, mitigate risks and promote a culture of safety throughout the organisation.

We are pleased to report that during 2025:

- No fatalities were recorded.
- No occupational incidents resulting in injury were recorded.
- No significant health and safety breaches were reported.

These results reflect the effectiveness of our safety awareness initiatives and the commitment of employees to maintaining safe working environments.

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 Council's 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 2026. We monitor incident and injury rates to identify areas of concern and assess the impact of safety measures.

RESOURCE AND OPERATIONAL STEWARDSHIP

10

RESOURCE AND OPERATIONAL STEWARDSHIP

ENERGY EFFICIENCY

Fidelity Life Assurance recognises that responsible resource management contributes to operational efficiency, cost optimisation and environmental stewardship. As an integrated provider of life assurance and funeral services, our environmental footprint is driven by two distinct operational facets. While our life assurance and medical services are primarily office based with a strong focus on digital transformation and energy efficiency, our funeral services operations rely on a highly active vehicle fleet for body repatriation, hearses and logistics, alongside energy intensive mortuary facilities.

Our approach focuses on reducing resource consumption, promoting responsible waste management, managing greenhouse gas emissions and embedding environmentally conscious practices across our operations. These efforts support both environmental sustainability and long-term business resilience.

Climate Change Management Approach

We recognise that combating climate change requires transparent accountability and proactive management of our environmental impacts. Managing our carbon footprint enables us to mitigate regulatory risks, optimise operational efficiencies, particularly within our transport logistics operations, and align our corporate governance practices with global climate action goals.

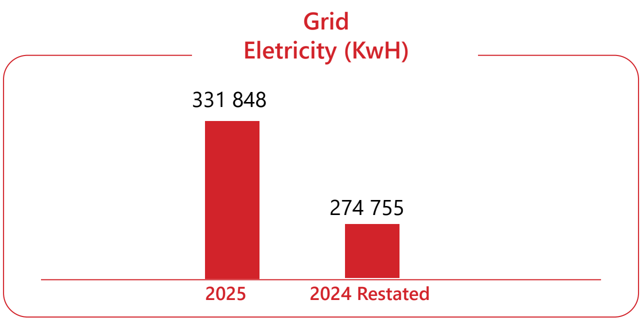
The Group has adopted the IFRS Sustainability Disclosure Standards, particularly IFRS S2 Climate-related Disclosures, as a guide for climate-related reporting, alongside the Global Reporting Initiative (GRI) Standards. We also utilise the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard to guide the measurement and reporting of greenhouse gas (GHG) emissions.

Our environmental management approach is supported by policies and procedures that incorporate climate mitigation and emissions reduction considerations. We actively monitor developments within Zimbabwe's climate policy and regulatory landscape, including the Nationally Determined Contributions (NDCs), the National Climate Change Response Strategy (NCCRS) and the evolving Climate Change Bill. We believe that maintaining awareness of policy and legislative developments enables us to better anticipate sustainability-related risks and opportunities and respond to them in a holistic and responsible manner.

Energy Management

Energy is an essential resource supporting the Group's operations, including office facilities, branch networks, information technology infrastructure and customer service operations.

During the year under review, the Group consumed 331,848 kWh of electricity across its operations. Energy consumption increased compared to the prior year, reflecting business growth, expansion of operations and increased workforce levels.



RESOURCE AND OPERATIONAL STEWARDSHIP (CONTINUED)

Despite this growth, the Group remains committed to improving energy efficiency through responsible energy management practices and the continued adoption of technologies that reduce energy consumption and improve operational effectiveness.

Energy efficiency initiatives include:

- Adoption of energy-efficient lighting systems.
- Optimisation of office and facility energy usage.
- Increased digitisation of business processes.
- Ongoing evaluation of renewable energy opportunities, including solar PV systems.
- Procurement of energy-efficient equipment.
- Employee awareness initiatives promoting responsible energy use.

Operational Boundaries and Carbon Accounting

Our carbon accounting is conducted in alignment with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. The operational boundaries of our assessment include administrative offices, customer service centres and funeral service facilities under our operational control.

Source	Activity Data	Emission Factor CO2e	Total tCO2e - 2025	Total tCO2e - 2024
SCOPE 1 (Direct Emissions)				
Petrol (Litres)	4 204	2.06916	8.7	0.7
Diesel (Litres)	22 280	2.57082	57.3	21.9
SCOPE 2 (Indirect Emissions)				
Electricity (kWh)	331 848	0.6187319	205.3	170.0
TOTAL GHG EMISSIONS			271.3	192.6

Based on operational activity data, the Group's total greenhouse gas emissions for the year ended 31 December 2025 amounted to 271.3 tCO_2e (271 301.98 kg CO_2e). This reflects emissions associated with our operational activities, including energy consumption and fuel use across our facilities and transport operations.

Energy Performance

The Group's total energy consumption across all sources amounted to 2 131 552 MJ. By tracking our comprehensive energy consumption in Joules, we aim to establish a clear baseline to drive energy efficiency initiatives, reduce greenhouse gas emissions, and progressively increase our transition toward renewable energy sources.

Energy Source	Total Annual Energy Consumption	Energy Convention Factor (MJ/unit)	Total Energy Consumption (MJ) -25
Petrol (litres)	4 204	32.1	134 955
Diesel (litres)	22 280	35.8	797 624
Electricity (kwh)	331 848	3.6	1 19 653
Solar Energy (kWh)	1 200	3.6	4 320

ASSUMPTIONS

Assuming that the energy conversion factor for electricity is 3.6MJ/kWh
Assuming that the energy conversion factor for petrol is 32.1MJ/L
Assuming that the energy conversion factor for diesel 35.8MJ/L
Assuming that the energy conversion for LPG is 46000MJ/t
Source of Energy conversion factors used are MIT and Energypedia

RESOURCE AND OPERATIONAL STEWARDSHIP (CONTINUED)

WATER STEWARDSHIP

Access to clean and reliable water remains an important sustainability consideration. The Group monitors water consumption across its facilities and encourages responsible water usage practices among employees and service providers.

During 2025, total water withdrawal amounted to approximately 9.95 million litres. Water consumption reflects operational requirements across office facilities, customer service centres, funeral service facilities and supporting infrastructure.

The Group remains committed to promoting water conservation through improved monitoring, awareness programmes and responsible resource utilisation practices.

WASTE MANAGEMENT

FLA seeks to minimise waste generation and promote responsible waste management practices throughout its operations. During the reporting period, the Group generated approximately 13.5 tonnes of waste. The majority of waste generated consisted of general office waste associated with administrative and operational activities.

To reduce waste and improve resource efficiency, the Group continues to promote:

- Digitalisation and paperless processes.
- Responsible disposal practices.
- Reduction of unnecessary resource consumption.
- Employee awareness regarding environmental stewardship.

The transition towards digital platforms continues to reduce paper usage while simultaneously enhancing operational efficiency and customer convenience.

SOCIAL AND ECONOMIC IMPACT

11

SOCIAL AND ECONOMIC IMPACT

Creating Shared Value

At FLA, we believe that sustainable business success is intrinsically linked to the well-being and prosperity of the communities we serve. As a diversified financial services group, our contribution extends beyond generating financial returns to creating positive social and economic outcomes through our products, services, investments, employment opportunities and community initiatives.

Our purpose of partnering customers throughout their financial journey places us at the centre of economic empowerment, financial security and wealth creation. Through our operations, we contribute to building more resilient households, stronger communities and a more inclusive economy.

Our Approach to Social Impact

The Group's social investment philosophy is guided by the belief that businesses have a responsibility to contribute meaningfully to societal development while creating sustainable value for stakeholders. Our community investments are aligned with our strategic priorities and contribute to the achievement of the United Nations Sustainable Development Goals (SDGs), particularly:

- SDG 3 – Good Health and Well-being.
- SDG 4 – Quality Education.
- SDG 8 – Decent Work and Economic Growth.
- SDG 10 – Reduced Inequalities.
- SDG 11 – Sustainable Cities and Communities.
- SDG 17 – Partnerships for the Goals.

Our social investment initiatives focus on areas that align with both community needs and our strategic objectives, including:

- Education and skills development.
- Health and wellbeing.
- Community development.
- Sport and youth empowerment.
- Financial literacy and inclusion.
- Environmental stewardship.

Through these focus areas, we seek to create lasting positive impacts that extend beyond short-term interventions, while strengthening relationships with the communities in which we operate.

SOCIAL AND ECONOMIC IMPACT (CONTINUED)

Supporting Communities

Across the Group, support was provided through infrastructure development, educational assistance, healthcare improvements, sports sponsorships, community partnerships and public amenities. These initiatives contributed to improved learning environments, enhanced healthcare access, youth development and stronger community engagement.

SDG11 – Sustainable Cities and Communities

Installation of benches and bins along Julius Nyerere Way Island in partnership with the City of Harare, contributing to cleaner and more sustainable urban environments.

SDG 8 – Decent Work and Economic Growth

Sponsorship of the Insurance Institute of Zimbabwe's (IIZ) graduation ceremony, supporting professional development and recognition within the insurance sector.

SDG 4 – Quality Education

- Donation of chairs and tables to Natties Kindergarten.
- Provision of mineral water to the National University of Science and Technology (NUST) for sporting events and graduation ceremonies, promoting health and community participation while strengthening partnerships within the education sector.
- Donation of soccer and basketball kits to Lupane State University, supporting youth development, sports participation and student wellbeing.
- Renovation of a school in Rumphi (Malawi) that had deteriorated infrastructure. The project improved the learning environment, increased school attendance and strengthened educational outcomes for learners in the local community.

SDG 3 – Good Health and Well-being

- Renovation of Mutare City Clinic at a cost of approximately USD30,000, including painting, ceiling replacement, provision of clinic equipment and installation of shade structures. The project improved the healthcare environment and enhanced access to quality health services for the local community.
- Sponsorship of TelOne Football Club through the provision of football kits valued at approximately USD35,000.

This initiative supported youth development, community participation in sport and social cohesion while enhancing brand visibility.

FINANCIAL REPORTS

12

DIRECTORS' REPORT

The Directors submit their Report together with the Audited Financial Statements of the Company and its subsidiaries (together the Group) for year ended 31 December 2025 which disclose the financial health of the Group.

Functional And Presentation Currency
These financial results are presented in United States Dollars ("USD") which has been the Group's reporting currency since 1 January 2024. However, in accordance with the Technical Paper on Financial reporting and Auditing issues 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 1 818 218 786. The full capital structure is detailed below.

	December 2025	December 2024
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
Following the asset separation exercise, the shareholders' notional interest in the separated business was determined at 6% at the point of separation. Accordingly, the distributable profit for the year amounted to USD1.1 million, representing a 106% increase from the prior year's distributable profit of USD536 000. In line with the Company's Dividend Policy, which provides for the distribution of 40% of realised cash profit, the Directors have declared and paid a dividend of USD450 000, equivalent to approximately USD0.0041 per share, on 4 June 2026, representing a 28.6% increase from the prior year dividend of USD350 000. Members will be asked to confirm the payment of the dividend at the Annual General Meeting. The declaration reflects the Board's commitment to restoring and sustaining shareholder returns after a prolonged period of non-distribution of dividends, while maintaining prudent capital stewardship and ensuring that distributions remain underpinned by sustainable profitability, resilience and the long-term prosperity of the Company.

Going Concern
The Directors have assessed the Group's financial performance, prevailing market conditions, principal risks as well as its budgetary and cash flow requirements for the foreseeable 12 month period. Based on this assessment, the Directors remain satisfied that the Group has adequate financial resources to continue in operational existence and, accordingly, continue to adopt the going concern basis in the preparation of the annual financial statements.

The Directors are confident that the Group's strategy and risk management framework, which takes into account the uncertain macroeconomic environment exacerbated by geopolitical tensions, will enable the Group to remain resilient, supported by its strong financial position.

Directorate
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, Messrs Livingstone Gwata, Ignatius Mvere and Henry Nemaire retire and being eligible offers themselves for re-election at the AGM. Their profiles are detailed in the Notice of AGM.

No director during the reporting period had any material interest in a contract of significance in relation to the Group's businesses.

Director's Remuneration
A resolution will be proposed at the AGM to approve the Directors' Remuneration amounting to USD254 451.00 (2024: USD133 879.97) for the year ended 31 December 2025.

Directors' Shareholding
The following directors' indirectly hold shares in the Company as at 31 December 2025:-

		#	%
S Kudenga	Zimre Holdings Limited	72 925 578	66.95
F Dzanya	TN Asset Management	24 981 267	22.93

DIRECTORS' REPORT

External Auditor

Shareholders will be requested to approve the remuneration paid to the external auditor amounting to USD167 394 (2024: USD181 369.55) for the financial year ended 31 December 2025 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 47th Annual General Meeting of members of the Company will be held on Tuesday, 28 July 2026 at 10:00 hours as a hybrid meeting. Members may attend physically at Chapman Golf Club, 6 Smit Cres, Harare or join the meeting through the link below:-

https://teams.microsoft.com/meet/39876434567272?p=xxuahNjvL298ZyR8oO

By order of the Board

....
R Chidora

Group Company Secretary/ Legal Executive
31 March 2026

Responsibilities of Management and Those Charged with Governance for the Financial Statements for the year ended 31 December 2025

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 64 to 168 were, in accordance with their responsibilities, approved by the Board of Directors on 27 March 2026 and are signed on its behalf by:

....
Gwata L. T.
Chairman

....
Chihota R.
Managing Director

These annual financial statements were prepared under the supervision of:

....
Zvenyika Z.
Group Chief Finance Officer
PAAB Number (03505)

INDEPENDENT ACTUARIES & CONSULTANTS

Prepared by:

INDEPENDENT ACTUARIES & CONSULTANTS

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 2025,** 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
31 March 2026

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Grant Thornton

INDEPENDENT AUDITOR'S REPORT

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To the members of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries

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 and its subsidiaries set out on pages **64** to **168**, which comprise the consolidated statement of financial position as at 31 December 2025, 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 2025, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards Accounting Standards (IFRSs).

Basis for Qualified Opinion

As disclosed in **note 43** to these consolidated financial statements, during the year, the Group continued to further enhance and refine its IFRS 17 modelling approaches. As a result of these enhancements, we were unable to reconcile certain movements reflected in the consolidated financial statements. Accordingly, we were unable to determine any adjustments that might be necessary to the amounts recognised in these consolidated financial statements with respect to the insurance contract liabilities and insurance finance expense.

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

Emphasis of Matter

Without further modifying our opinion, we draw attention to the following matter:

We draw attention to **note 14** to these consolidated financial statements, which describes the restatement of prior year comparatives as a result of further enhancements and refinements of the IFRS 17 assumptions and modelling approaches. Our opinion is not modified in respect of this matter.

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 **31 March 2026**
Chartered Accountants (Zimbabwe)
Registered Public Auditors
HARARE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Notes	GROUP AUDITED 2025 USD	GROUP AUDITED RESTATED 2024 USD
ASSETS			
Property and equipment	5	7 466 652	6 740 743
Right of use asset	7	792 136	105 224
Investment property	6	55 933 282	47 075 151
Intangible assets	3	109 963	175 296
Other non current assets	4	284 747	170 020
Insurance Contract Assets	15.1	1 183 199	278 006
Inventories	10	40 153	33 754
Income tax asset	18.2	1 070 567	428 031
Trade and other receivables	9	6 310 835	7 872 620
Financial assets at fair value through other comprehensive income		21 582	21 582
Financial assets at fair value through profit or loss	11.1	63 361 287	20 313 922
Debt securities at amortised cost	11.2	5 462 389	4 331 448
Biological assets	11.3	132 502	98 280
Cash and deposits with banks	12	6 668 572	3 771 350
Total assets		**148 837 865**	**91 415 427**
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		18 422 122	14 169 856
Revaluation reserve		2 541 912	2 208 836
Foreign currency translation reserve		(32 028 277)	(31 939 147)
Total ordinary shareholder's equity		**(9 313 638)**	**(13 809 850)**
Insurance Reserve		1 100 111	1 100 111
Non-controlling interests		12 069 699	8 996 366
Total equity		**3 856 172**	**(3 713 373)**
LIABILITIES			
Insurance contract liabilities	15.2	96 743 162	65 755 000
Investment contract liabilities without direct participating features	15.5	34 363 115	16 669 824
Borrowings	16	3 602 571	3 180 610
Deferred tax liabilities	18	2 453 041	2 114 713
Lease Liability	17	768 965	91 825
Trade and other payables	19	7 050 839	7 316 828
Total liabilities		**144 981 693**	**95 128 800**
Total equity and liabilities		**148 837 865**	**91 415 427**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes. Further information on the restatement is included in Note 14 to the financial statements.

....
LT. Gwata
Chairman

....
R.C Chihota
Managing Director

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

		GROUP	
		AUDITED	AUDITED RESTATED
	Notes	2025 USD	2024 USD
Insurance contracts revenue	15.6	16 649 840	11 430 560
Insurance service expenses	15.6	(10 733 433)	(8 941 428)
Insurance service result from insurance contracts issued		**5 916 407**	**2 489 132**
Allocation of reinsurance paid		(519 460)	(354 078)
Amount recoverable from reinsurers for incurred claims		80 154	202 318
Net expenses from reinsurance contracts held		**(439 306)**	**(151 760)**
Insurance service result		**5 477 101**	**2 337 372**
Interest revenue from financial instruments not measured at fair value through profit or loss	20.1	2 225 091	1 862 288
Net income from other financial instruments at fair value through profit or loss	11.1	47 168 094	4 615 908
Net gains from fair value adjustments to investment properties	6	2 982 947	6 030 679
Net change in investment contract liabilities	15.5	(35 015 772)	(3 751 688)
Other net investment revenue	20	4 808 000	131 935
Net gain from foreign exchange		(93 444)	33 282
Net Investment Income		**22 074 916**	**8 922 404**
Insurance finance expenses for insurance contracts issued		(7 681 488)	(3 671 752)
Reinsurance finance income for reinsurance contracts held		-	-
Net insurance finance expenses		**(7 681 488)**	**(3 671 752)**
Net insurance and investment result		**19 870 529**	**7 588 024**
Rental income from investment property		869 283	381 166
Fair value adjustments to investment properties	6	38 000	79 250
Fair value gains from financial instruments at fair value through profit or loss	11.1	17 615	60 283
Interest income from micro - lending		-	637 405
Other income	21	2 889 454	4 525 657
Property operating costs		(497 319)	(278 710)
Operating and administrative expenses expenses	22	(13 657 679)	(10 357 013)
Allowance for expected credit losses on receivables		(325 532)	(297 597)
Finance costs	23	(834 821)	(446 771)
Profit before income tax expense		**8 369 530**	**1 891 694**
Income tax expense	24	(496 765)	(171 193)
Profit for the year		**7 872 765**	**1 720 501**

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes. Further information on the restatement is included in Note 14 to the financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

		GROUP	
		AUDITED	AUDITED RESTATED
	Notes	2025 USD	2024 USD
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss:			
Gains on property, plant and equipment revaluations		349 787	651 733
Finance expenses from insurance contracts issued		-	2 252 085
Income tax relating to components of other comprehensive income		(12 395)	-
		337 392	**2 903 818**
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(144 294)	48 539
Investments in equity instruments		-	3 994
		(144 294)	52 533
Other comprehensive income for the period net of tax		**193 098**	**2 956 351**
		8 065 863	**4 676 852**
Profit for the period attributable to:			
Owners of the parent		4 552 266	1 352 393
Non-controlling interests		3 320 499	368 108
Total profit for the period		**7 872 765**	**1 720 501**
Total comprehensive income attributable to:			
Owners of the parent		4 796 212	4 205 528
Non-controlling interests		3 269 651	471 324
Total comprehensive income for the period		**8 065 863**	**4 676 852**
Basic and diluted earnings per share (cents)	**25**	**4.22**	**1.25**

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.Further information on the restatement is included in Note 14 to the financial statements.

AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

AUDITED

	Notes	Share capital USD	Share Premium USD	Treasury shares USD	Retained earnings USD	Revaluation reserve USD	Foreign currency translation reserve USD	Attribute to shareholders of parent USD	Insurance reserve USD	Non-controlling interest USD	Total equity USD
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)	(15 763 293)	13 042 195	8 525 042	5 803 944
Profit for the year restated		-	-	-	1 352 393	-	-	1 352 393	-	368 108	1 720 501
Other comprehensive income for the year		-	-	-	-	552 511	48 539	601 050	2 252 085	103 216	2 956 351
Comprehensive income for the year					1 352 393	552 511	48 539	1 953 443	2 252 085	471 324	4 676 852
Bonus Smoothing Reserve		-	-	-	-	-	-	-	(14 194 169)	-	(14 194 169)
Balance at 31 December 2024		1 089 233	671 409	(10 037)	14 169 856	2 208 836	(31 939 147)	(13 809 850)	1 100 111	8 996 366	(3 713 373)
Year ended 31 December 2025											
Balance at 1 January 2025		1 089 233	671 409	(10 037)	14 169 856	2 208 836	(31 939 147)	(13 809 850)	1 100 111	8 996 366	(3 713 373)
Profit for the year		-	-	-	4 552 266	-		4 552 266	-	3 320 499	7 872 765
Other comprehensive income for the year		-	-	-	-	333 076	(89 130)	243 946	-	(50 848)	193 098
Comprehensive income for the year		-	-	-	4 252 266	333 076	(89 130)	4 796 212	-	3 269 651	8 065 863
Non controlling interest on disposal of subsidiary		-	-	-	-	-	-	-	-	(196 318)	(196 318)
Dividend	42.1				(300 000)			(300 000)			(300 000)
Balance at 31 December 2025		1 089 233	671 409	(10 037)	18 422 122	2 541 912	(32 028 277)	(9 313 638)	1 100 111	12 069 699	3 856 172

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes. Further information on the restatement is included in Note 14 to the financial statements.

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	GROUP AUDITED 2025 USD	GROUP AUDITED 2024 USD
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INCOME TAX			
Profit before income tax		**8 369 530**	**1 891 694**
Adjustments:		**(762 750)**	**237 089**
Fair value gains on equities at fair value through profit or loss	**11.1**	(47 185 709)	(4 676 191)
Fair value gains on investment property	**6**	(3 020 947)	(6 109 929)
Fair value gains on non current assets	**4**	(198 528)	(18 573)
Amortisation of intangible assets	**3**	89 458	64 517
Depreciation of right of use asset	**7**	83 707	78 427
Finance costs		834 821	446 771
Depreciation of property and equipment	**5**	576 717	301 140
Changes in insurance contract assets		(905 193)	613 467
Insurance service result		(5 477 101)	(2 337 372)
Premiums received		35 632 918	12 028 666
Claims and other directly attributable expenses paid		(8 348 946)	(5 797 163)
Insurance acquisition cash flows		(1 683 239)	(1 392 616)
Changes in investment contract liabilities	**15.5**	35 015 772	6 630 942
Insurance finance expenses for insurance contracts issued		7 681 488	3 671 752
Interest income		(2 225 091)	(1 862 288)
Dividend income		(498 363)	(131 935)
Unrealised gains/ (losses)		(11 481 254)	(1 561 939)
Allowance for expected credit losses on receivables		325 532	297 597
Profit on disposal of investment property		-	-
Loss/ (profit)on disposal of property, plant and equipment		21 208	(8 184)
Changes in working capital		**1 289 397**	**37 097**
(Increase)/decrease in inventories		(6 399)	238 782
Decrease/(increase) in trade and other receivables		1 561 785	(2 964 596)
(Decrease)/Increase in trade and other payables		(265 989)	2 762 911
Cash generated from operations		**8 896 176**	**2 165 880**
Income taxes paid		(824 496)	(518 354)
Net cash generated from operations		**8 071 680**	**1 647 526**
Cash flows from investing activities			
Additions to and replacement of property and equipment	**5**	(1 080 335)	(352 682)
Additions to intangible assets	**3**	(24 091)	-
Additions to financial assets	**11**	(2 535 917)	(4 447 755)
Additions to investment property	**6**	(6 249 371)	-
Proceeds from sale of financial assets		305 540	129 290
Interest income		2 225 091	1 862 288
Dividend income		498 363	131 935
Net cash utilised from investing activities		**(6 860 720)**	**(2 676 924)**
Cash flows from financing activities			
Finance costs	**23**	(834 821)	(446 771)
Repayments of lease obligations		(94 659)	(34 422)
Repayments of borrowings	**16**	(736 714)	(174 774)
Proceeds from borrowings	**16**	3 352 456	2 655 329
Net cash generated from financing activities		1 686 262	1 999 362
Net increase in cash equivalents for the year		**2 897 222**	**969 964**
Cash and cash equivalents at the beginning of the year		**3 771 350**	**2 801 386**
Cash and cash equivalents at the end of the year	**12**	**6 668 572**	**3 771 350**

The above consolidated statement of cash flows should be read in conjunction with theaccompanying notes.Further information on the restatement is included in Note 14 to the financial statements.

SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Notes	COMPANY AUDITED 2025 USD	COMPANY AUDITED RESTATED 2024 USD
ASSETS			
Investment in subsidiaries	8	32 631 240	28 057 229
Property and equipment	5	1 198 103	825 887
Investment property	6	33 313 000	24 361 000
Intangible assets	3	-	-
Other non current assets	4	284 747	170 020
Insurance Contract Assets	15.1	895 031	278 006
Inventories	10	21 227	21 227
Trade and other receivables	9	8 009 637	4 692 398
Financial assets at fair value through profit or loss	11.1	12 243 552	6 869 970
Debt securities at amortised cost	11.2	195 867	213 877
Biological assets	11,3	132 502	98 280
Cash and deposits with banks	12	1 419 464	673 227
Total assets		**90 344 370**	**66 261 121**
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		(125 722)	(6 114 786)
Revaluation reserve		659 216	652 243
Foreign currency translation reserve		3 692 239	3 781 369
Total ordinary shareholders' equity		**5 976 338**	**69 431**
Insurance reserve		-	-
Total equity		**5 976 338**	**69 431**
LIABILITIES			
Insurance contract liabilities	15	67 365 794	52 926 411
Investment contract liabilities without direct participating features	15.5	8 280 160	7 119 433
Borrowings	16	3 602 571	1 100 401
Trade and other payables	19	5 096 256	5 037 685
Income tax liability	18.2	23 251	7 760
Total liabilities		**84 368 032**	**66 191 690**
Total equity and liabilities		**90 344 370**	**66 261 121**

The above separate statement of financial position should be read in conjunction with the accompanying notes.Further information on the restatement is included in Note 14 to the financial statements

LT. Gwata
Chairman

R.C Chihota
Managing Director

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SEPARATE STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	COMPANY AUDITED 2025 USD	COMPANY AUDITED RESTATED 2024 USD
Insurance contracts revenue	15.6	11 918 643	8 772 180
Insurance service expenses	15.6	(8 357 670)	(6 878 625)
Insurance service result from insurance contracts issued		**3 560 973**	**1 893 555**
Allocation of reinsurance paid		(453 986)	(290 482)
Amount recoverable from reinsurers for incurred claims		65 420	132 151
Net expenses from reinsurance contracts held		**(388 566)**	**(158 331)**
Insurance service result		**3 172 407**	**1 735 224**
Interest revenue from financial instruments not measured at fair value through profit or loss	20.1	367 963	62 574
Net income from other financial instruments at fair value through profit or loss	11.1	5 875 379	475 392
Net gains from fair value adjustments to investment properties	6	2 844 874	6 530 679
Net change in investment contract liabilities	15.5	(1 623 945)	(300 982)
Other net investment revenue	20	9 691 696	852 756
Net gain from foreign exchange		(78 612)	(140 008)
Net Investment Income		**17 077 355**	**7 480 411**
Insurance finance expenses for insurance contracts issued		(7 681 488)	(3 671 752)
Reinsurance finance income for reinsurance contracts held		-	-
Net insurance finance expenses		**(7 681 488)**	**(3 671 752)**
Net insurance and investment result		**12 568 274**	**5 543 883**
Rental income from investment property		746 072	249 500
Other income	21	119 552	1 234 053
Operating and administrative expenses expenses	22	(5 812 422)	(4 255 181)
Property operating costs		(425 751)	(260 928)
Allowance for expected credit losses on receivables		(464 455)	(54 675)
Finance costs	23	(409 930)	(70 036)
Profit before income tax expense		**6 321 340**	**2 386 616**
Income tax expense	24	(32 276)	(27 513)
Profit for the year		**6 289 064**	**2 359 103**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss:			
Gains on property, plant and equipment revaluations		6 973	126 840
Finance expenses from insurance contracts issued		-	2 252 085
		6 973	2 378 925
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(89 130)	48 539
		(89 130)	48 539
Other comprehensive income for the period net of tax		**(82 157)**	**2 427 464**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**6 206 907**	**4 786 567**

SEPARATE STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

		COMPANY	
		AUDITED	AUDITED RESTATED
	Notes	2025 USD	2024 USD
Profit for the period attributable to:			
Owners of the parent		6 289 064	2 359 103
Non-controlling interests		-	-
Total profit for the period		**6 289 064**	**2 359 103**
Total comprehensive income attributable to:			
Owners of the parent		6 206 907	4 786 567
Non-controlling interests		-	-
Insurance reserve		-	-
Total comprehensive income for the period		**6 206 907**	**4 786 567**
Basic and diluted earnings per share (cents)	**25**	**5.83**	**2.19**

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.
Further information on the restatement is included in Note 14 to the financial statements.

SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

AUDITED

	Notes	Share capital USD	Share premium USD	Treasury shares USD	Retained earnings USD	Revaluation reserve USD	Insurance reserve	Foreign currency translation reserve USD	Total equity USD
Balance at 1 January 2024		1 089 233	671 409	(10 037)	(3 874 634)	525 403	(4 599 255)	1 480 745	(4 717 136)
Profit for the year restated		-	-	-	2 359 103			-	2 359 103
Other comprehensive income for the year		-	-	-		126 840	-	2 300 624	2 427 464
Comprehensive income for the year		-	-	-	**2 359 103**	**126 840**	-	**2 300 624**	**4 786 567**
Transfer within reserves		-	-	-	(4 599 255)	-	4 599 255	-	-
Balance at 31 December 2024		**1 089 233**	**671 409**	**(10 037)**	**(6 114 786)**	**652 243**	-	**3 781 369**	**69 431**
Year ended 31 December 2025									
Balance at 1 January 2025		1 089 233	671 409	(10 037)	(6 114 786)	652 243	-	3 781 369	69 431
Profit for the year		-	-	-	6 289 064	-	-	-	6 289 064
Other comprehensive income for the year		-	-	-		6 973		(89 130)	(82 157)
Comprehensive income for the year		-	-	-	**6 289 064**	**6 973**	-	**(89 130)**	**6 206 907**
Dividend paid	42,1	-	-	-	(300 000)	-	-	-	(300 000)
Transfer within reserves		-	-	-	-	-	-	-	-
Balance at 31 December 2025		**1 089 233**	**671 409**	**(10 037)**	**(125 722)**	**659 216**	-	**3 692 239**	**5 976 338**

The above separate statement of changes in equity should be read in conjunction with the accompanying notes.Further information on the restatement is included in Note 14 to the financial statements.

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 2025

		COMPANY	
		AUDITED	
	Notes	2025 USD	Restated 2024 USD
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INCOME TAX			
Profit before income tax		**6 321 340**	**2 386 616**
Adjustments:		**1 414 763**	**4 706 461**
Fair value gains on equities at fair value through profit or loss	11.1	(5 875 379)	(475 392)
Fair value gains on investment property	6	(2 844 874)	(6 530 679)
Fair value gains on non current assets	4	(198 528)	(20 974)
Finance costs		409 930	70 036
Depreciation of property and equipment	5	259 704	151 054
Insurance service result		(3 172 407)	(1 735 224)
Changes in insurance contract assets		(617 025)	(99 500)
Claims and other directly attributable expenses paid		(3 844 214)	(1 604 396)
Insurance acquisition cash flows		(1 327 303)	(1 102 988)
Insurance finance expenses for insurance contracts issued		7 681 488	3 671 752
Premiums received		40 027 482	11 228 666
Changes in investment contract liabilities	15.5	1 623 945	300 982
Interest income		(367 963)	(62 574)
Dividend income		(75 526)	(852 756)
Unrealised gains/ (losses)		(30 285 775)	1 772 764
Loss/(profit) on disposal of property, plant and equipment		-	-
		21 208	(4 310)
Changes in working capital		**(3 258 668)**	**(465 756)**
Decrease in inventories		-	6 000
(Increase) in trade and other receivables		(3 317 239)	(3 578 570)
(Decrease)/Increase in trade and other payables		58 571	3 106 814
Cash generated from operations		**4 477 435**	**6 627 321**
Income taxes paid		(16 785)	(19 873)
Net cash generated from operations		**4 460 650**	**6 607 448**
Cash flows from investing activities			
Additions to and replacement of property and equipment	5	(653 128)	(343 991)
Interest income		367 963	62 574
Dividend income		75 526	852 756
Additions to financial assets	11.1	(89 354)	(4 000 067)
Additions to investment property	6	(6 052 366)	(4 135 714)
Additions to intangible assets	3	-	-
Proceeds from sale of financial assets		431 134	146 384
Proceeds from sale of property and equipment		-	4 310
Proceeds from sale of investment property		-	-
Net cash utilised from in investing activities		**(5 920 225)**	**(7 413 748)**
Cash flows from financing activities			
Finance costs	23	(409 930)	(70 036)
Repayments of borrowings	16	(736 714)	(34 865)
Proceeds from borrowings	16	3 352 456	1 187 500
Net cash generated from financing activities		**2 205 812**	**1 082 599**
Net increase in cash equivalents for the year		**746 237**	**276 299**
Cash and cash equivalents at the beginning of the year		**673 227**	**396 928**
Cash and cash equivalents at the end of the year	**12**	**1 419 464**	**673 227**

The above separate statement of cash flows should be read in conjunction with the accompanying notes. Further information on the restatement is included in Note 14 to the financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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 2025 were authorised for issue in accordance with a resolution of the directors on 27 March 2026. 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, medical aid management services and actuarial consultancy.

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 2025 (2024: 66.95%). ZHL is listed on the Zimbabwe Stock Exchange.

2 ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the Zimbabwe Stock Exchange listing requirements. The financial statements are based on statutory records that are maintained under the historical cost convention basis, except for revaluation of investment properties, land and buildings and financial assets at fair value through profit or loss and insurance and investment contract liabilities that have been measured on a fair value basis. International Accounting Standards Board ('IASB"), and in the manner required by the Zimbabwe Companies and other Business Entities Act (Chapter 24:31).

2.2 Functional and reporting currency

a) Functional and presentation currency

The consolidated financial statements are presented in United States Dollars (USD), which is also the functional and presentation currency of the Group. The Group adopted the USD as the functional and presentation currency effective 1 January 2024 after making an assessment of its functional currency in accordance with the requirements of International Accounting Standard 21 ''The Effects of Changes in Foreign Exchange Rates'' (IAS 21). In assessing the functional currency the following factors were considered.

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

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions or valuation where items are re-measured. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are generally recognised in the statement of profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

2 ACCOUNTINGPOLICIES (CONTINUED)

2.2 Functional and reporting currency (continued)

(b) Transactions and balances (continued)

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

(c) Group companies

The results and financial positions of all the Group's subsidiaries that have a functional currency different from the USD (none of which is a currency of a hyperinflationary economy) are translated into USD as follows:

(i) income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average foreign currency exchange rate;
(ii) assets and liabilities for each statement of financial position are translated at the closing foreign currency exchange rate at the date of the statement of financial position; and
(iii) all resulting foreign currency exchange rate differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment is repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

2.3 Changes in accounting policy and disclosures

(a) Material accounting policies

The accounting policies adopted are consistent with those of the previous financial year and corresponding reporting period except for the new standards and interpretations adopted from 1 January 2025.

(b) Changes in material accounting policies

There were no material accounting policy changes applicable to the current reporting year.

2.3.1 The following standards became effective from 1 January 2025 and have been adopted by the Group.

Number	Effective date	Effective
Lack of exchangeability – Amendments to IAS 21	Effective for annual periods beginning on or after 1 January 2025.	The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a post exchange rate when exchangeability is lacking.
		A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.
		If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note thatan entity can use an observable exchange rate without adjustment or another estimate technique.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTINGPOLICIES (CONTINUED)

2.3.2 Standards, amendments and interpretations to existing Standards that are not yet effective and have not been adopted early by the Group

Number	Effective date	Effective
IFRS 18 Presentation and disclosure in Financial Statements	Effective for annual periods beginning on or after 1 January 2027.	The main change introduced by IFRS18 is to the way in which reporting entities will structure their statement of profit or loss firstly the Standard introduces two new defined subtotals, Operating profit and profit before financing and income taxes.
		These new required subtotals are intended to increase comparability by ensuring that information presented for investors is consistent across different entities. Additionallythe Standard requires an entity to classify all income and expenses into one of the following categories, Operating,Investing,Financing, Income taxes and Discontinued operations.
IFRS 19 Subsidiaries without Public Accountability Disclosures	Effective for annual periods beginning on or after 1 January 2027.	This new Standard aims to create a more attractive option for subsidiaries without public accountability Eligible entities will now be able to elect to apply IFRS 19, which has the same recognition, measurement and presentation principles as full IFRS Accounting Standards, but allows for specific reduced disclosures in most topic areas
		In order to apply IFRS19 an entity must meet all of the following criteria at the end of its reporting period, is a subsidiary, does not have public accountability and has a parent that produces consolidated financial statements available for public use that comply with full application of IFRS Accounting Standards.
		For purposes of applying IFRS 19 an entity has public accountability if it has debt or equity instruments that are traded on a public market or is in the process of issuing such instruments or holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary business activities.
		IFRS 19 includes reduced disclosures for almost all existing IFRS Accounting Standards, the details of which are specific to each impacted standard. To apply IFRS 19 entities will first apply the recognition, measurement, and presentation requirements in each applicable IFRS. The entity will then not apply the disclosure requirements in the applicable IFRS Accounting Standards but will instead refer to IFRS 19 for required disclosures.
IFRS 9 and IFRS 7-Classification and measurement of financial instruments	Effective for annual periods beginning on or after 1 January 2026.	The amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cashflows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investor's concerns that some companies supplier finance arrangements are not sufficiently visible, hindering investor's analysis.
IAS 21-Translation to a Hyperinflationary presentation currency	Effective for annual periods beginning on or after 1 January 2027.	The amendments specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if its functional currency is that of a non-hyperinflationary economy and it is translating its results and financial position into the currency of a hyperinflationary economy, or it is translating into the currency of a hyperinflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy.

Except for IAS 21 amendments, there are no other standards, amendments and interpretations that are not yet effective that are likely to have a material impact on

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTINGPOLICIES (CONTINUED)

2.4 Estimates and assumptions

The preparation of financial statements requires the use of accounting estimates, which, by definition, will seldom equal the actual results.

This note provides an overview of items that are more likely to be materially adjusted due to changes in estimates and assumptions in subsequent periods. Detailed information about each of these estimates is included in the notes below together with information about the basis of calculation for each affected line item in the consolidated financial statements.

In applying IFRS 17 measurement requirements, the following inputs and methods were used that include significant estimates. The present value of future cash flows is estimated using deterministic scenarios. The assumptions used in the deterministic scenarios are derived to approximate the probability weighted mean of a full range of scenarios.

2.4.1 Discount rates

A mix of the bottom-up and top-down approaches was applied in the determination of the discount rates for different products.

The bottom-up approach was used to derive the discount rate for the cash flows that do not vary based on the returns on underlying items in the Participating contracts (excluding investment contracts without DPF that are not in the scope of IFRS 17). Under this approach, the discount rate is determined as the risk free yield adjusted for differences in liquidity characteristics between the financial assets used to derive the risk free yield and the relevant liability cash flows (known as an illiquidity premium). The risk free yield was derived using swap rates available in the market denominated in the same currency as the product being measured. When swap rates are not available, highly liquid sovereign bonds with a AAA credit rating were used. Management uses judgement to assess liquidity characteristics of the liability cash flows. Direct participating contracts and investment contracts with DPF are considered less liquid than the financial assets used to derive the risk free yield. For these contracts, the illiquidity premium was estimated based on market observable liquidity premium in financial assets adjusted to reflect the illiquidity characteristics of the liability cash flows.

The top-down approach was used to derive the discount rates for the cash flows that do not vary based on the returns on underlying items in all other contracts within the scope of IFRS 17. Under this approach, the discount rate is determined as the yield implicit in the fair value of a reference portfolio adjusted for differences between the reference portfolio of assets and respective liability cash flows. The reference portfolio comprises a mix of sovereign and corporate bonds available on the markets. The assets were selected in order to match the liability cash flows. The yield from the reference portfolio was adjusted to remove both expected and unexpected credit risk. These adjustments were estimated using information from observed historic levels of default and credit default swaps relating to the bonds included in the reference portfolio.

For both the bottom-up and top-down approaches, observable market information is available for up to 20 years. For the unobservable period, the yield curve was interpolated between an ultimate rate and the last observable point using the Smith-Wilson method.

Cash flows varying based on underlying items are discounted using a discount rate that reflects the variability of the underlying assets. The Savings and Participating contracts include investment components where cash flows vary based on the return of investment assets. The cash flows arising from the investment component are discounted using the expected return of the assets supporting the investment component. There are limited financial guarantees in these products. The liabilities associated with these guarantees are measured using a market consistent stochastic model.

2.4.2 Investment assets returns

For Savings and Participating contracts (excluding investment contracts without DPF not in the scope of IFRS 17), assumptions about future underlying investment returns are made. Due to the measurement models applied and the nature of the products, particularly the determination of the discount rates used to discount future estimates of cash flows that vary with returns on underlying items, assumptions about future underlying investment returns do not impact contract measurement significantly. There are limited financial guarantees in these products. The liabilities associated with these guarantees are measured using a market consistent stochastic model.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.4 Estimates and assumptions (continued)

2.4.3 Estimates of future cash flows to fulfil insurance contracts

Included in the measurement of each group of contracts in the scope of IFRS 17 are all the future cash flows within the boundary of each group of contracts. The estimates of these future cash flows are based on probability weighted expected future cash flows. The Group estimates which cash flows are expected and the probability that they will occur as at the measurement date. In making these expectations, the Group uses information about past events, current conditions and forecasts of future conditions. The Group's estimate of future cash flows is the mean of a range of scenarios that reflect the full range of possible outcomes. Each scenario specifies the amount, timing and probability of cash flows. The probability weighted average of the future cash flows is calculated using a deterministic scenario representing the probability weighted mean of a range of scenarios.

Where estimates of expenses related cash flows are determined at the portfolio level or higher, they are allocated to groups of contracts on a systematic basis such as activity based costing method. The Group has determined that this method results in a systematic and rational allocation. Similar methods are consistently applied to allocate expenses of a similar nature. Acquisition cash flows are typically allocated to groups of contracts based on gross premiums written. Expenses of an administrative policy maintenance nature are allocated to groups of contracts based on the number of contracts in force within groups. Claims settlement related expenses are allocated based on the number of claims expected for all groups except for Property and Casualty insurance where such expenses are allocated based on claims costs.

For the Life Risk and Savings contracts, uncertainty in the estimation of future claims and benefit payments and premium receipts arises primarily from the unpredictability of long-term changes in the mortality rates, the variability in the policyholder behaviour and uncertainties regarding future inflation rates and expenses growth.

For the Participating contracts, uncertainty in the estimation of future claims and benefit payments arises primarily from the variability in policyholder behaviour. The interest rate guarantee embedded in investment contracts with DPF was measured using stochastic modelling because the gurantantee does not move symmetrically with different interest rate scenarios. The guarantee was measured using a full range of scenarios representing possible future interest rate environments.

Assumptions used to develop estimates about future cash flows are reassessed at each reporting date and adjusted where required.

Significant methods and assumptions used are discussed below.

2.4.4 Mortality - Life Risk, Savings and Participating contracts (excluding investment contracts without DPF)

The Group derives mortality rates assumptions from the recent credible national mortality tables published by the Life Insurance Actuarial Society. An investigation into the Group's experience over the most recent five years is performed, and statistical methods are used to adjust the mortality tables to produce the probability weighted expected mortality rates in the future over the duration of the insurance contracts. Mortality rates are differentiated between policyholder groups based on gender and smoker status.

2.4.5 Persistency - Life Risk, Savings and Participating contracts (excluding investment contracts without DPF)

The Group derives assumptions about lapse and surrender rates based on the Group's own experience. Historical lapse and surrender rates are derived from the Group's policy administration data. An analysis is then performed of the Group's historical rates in comparison to the assumptions previously used. Statistical methods are used to derive adjustments to reflect the Group's own experience and any trends in the data to arrive at the probability weighted expected lapse and surrender rates. Analysis is performed and assumptions are set by major product line.

Possible increases in lapse and surrender rates may increase or decrease estimates of future cash outflows and thus decrease or increase the CSM depending on the product specifics.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.4 Estimates and assumptions (continued)

2.4.6 Expenses - Life Risk, Savings and Participating contracts (excluding investment contracts without DPF)

The Group projects estimates of future expenses relating to fulfilment of contracts in the scope of IFRS 17 using current expense levels adjusted for inflation. Expenses comprise expenses directly attributable to the groups of contracts including an allocation of fixed and variable overheads. In addition, under certain methods used to assess claims incurred for the Property and Casualty contracts, estimates of future claim payments are adjusted for inflation.

Where asset management services are provided for the insurance operational segments as part of contractual arrangements with policyholders, the Group projects future expenses based on the direct costs as incurred by the Group rather than based on management fees charged explicitly to the policyholder account values or internal fees charged to the insurance operating segments for providing these services.

The expense inflation assumption is based on Zimbabwe's retail price inflation swap curve adjusted to the Group's own (B128)(b) experience and is considered to be a non-financial risk. The Group has not changed its methods or assumptions used to project expenses in 2025.

Possible increases in expense assumptions increase estimates of future cash outflows and thus decrease the CSM within the LRC for contracts measured under the GMM and increase the LIC for Property and Casualty contracts measured under the PAA.

2.4.7 Methods used to measure the risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the insurance contract is fulfilled. Because the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Group's degree of risk aversion. The Group estimates an adjustment for non-financial risk separately from all other estimates.

The risk adjustment was calculated at the issuing entity level and then allocated down to each group of contracts in accordance with their risk profiles. The cost of capital method was used to derive the overall risk adjustment for non-financial risk. In the cost of capital method, the risk adjustment is determined by applying a cost rate to the present value of projected capital relating to non-financial risk. The cost rate is set at 6% per annum representing the return required to compensate for the exposure to non-financial risk. The capital is determined at a 99.5% confidence level and is projected in line with the run-off of the business. The diversification benefit is included to reflect the diversification in contracts sold across geographies as this reflects the compensation that the entity requires.

2.5 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED

2.6 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.

2.7 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 inflation adjusted amounts.

2.8 Claims and benefits

Claims and benefits represent the ultimate cost of settling all claims and benefits arising from events that have occurred up to the reporting date. Claims and benefits incurred but not reported are those which arise out of events which have occurred by the reporting date but have not yet been reported.

Death claims are recognised when reported and a provision is made for deaths that have not been reported. Claims relating to annuities and surrenders are recognised when due and when paid, respectively. Maturity claims are recognised on maturity of the related policies.

Outstanding claims

The outstanding claims provision is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims handling costs and reduction for the expected salvage and other recoveries. Delays can be experienced in the notification and settlement of certain types of claims, therefore the ultimate cost of these cannot be known with certainty at the reporting date. The liability is calculated at the reporting date using a range of standard actuarial claim project techniques, based on empirical data and current assumptions that include a margin for adverse variation. The liability is not discounted for the time value of money. No provision for equalisation or catastrophe reserves is recognised. The liabilities are derecognised when the obligation to pay a claim expires, is discharged or has been cancelled.

2.9 Reinsurance

The Group and Company cede insurance risk in the normal course of business for all of its businesses. Gross outward reinsurance premiums are recognised as an expense on the earlier of the date when premiums are payable or when the policy becomes effective. Reinsurance premiums ceded comprise the total premiums payable for the whole cover provided by contracts entered into in the period and are recognised on the date on which the policy incepts.

Reinsurance assets represent balances due from reinsurance companies, for the primary insurers and balances due from retrocession companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.9 Reinsurance (continued)

Reinsurance assets are reviewed for impairment at each reporting date or more frequently when an indication of impairment arises during the reporting year. Impairment occurs when there is objective evidence as a result of an event that occurred after initial recognition of the reinsurance asset that the Group and Company may not receive all outstanding amounts due under the terms of the contract and the event has a reliably measurable impact on the amounts that the Group and Company will receive from the reinsurer. The impairment loss is recorded in profit or loss.

Gains or losses on buying reinsurance are recognised in statement of comprehensive income immediately at the date of purchase and are not amortised. Ceded reinsurance arrangements do not relieve the Group and Company from its obligations to policyholders.

Claims are recognised as expenses in the same manner as they would be if the reinsurance were considered direct business, taking into account the product classification of the reinsured business. Reinsurance assets represent balances due to the Group and Company. Reinsurance liabilities represent balances due to reinsurance companies. Amounts payable are estimated in a manner consistent with the related reinsurance contract.

2.10 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.

2.11 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.

2.12 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.13 Property and equipment (continued)

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.

2.14 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. value, with changes in the carrying value recognised in profit or loss.

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 2

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.14 Investment property (continued)

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.

2.15 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.

2.16 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.

2.17 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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.17 Trade and other receivables (continued)

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.

2.18 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.

Biological assets

The Group and Company classifies cattle as biological assets under IAS 41, recognizing them when control is established, and future economic benefits are probable with measurable fair value or cost. Initially, cattle are recorded at cost, including purchase price and related expenses, and subsequently measured at fair value less estimated costs to sell. Changes in fair value are recognized in profit or loss as they occur. Costs to sell are estimated at 2.5%, while fair value is determined using Level 1 inputs based on unadjusted market prices for similar age, breed, and genetic merit in the principal (or most advantageous) market for the livestock. All related expenses are recognized when incurred, except for purchase costs.

2.19 Financial instruments

2.19.1 Financial assets

2.19.1.1 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 is 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.19 Financial instruments (continued)

2.19.1 Financial assets (continued)

2.19.1.2 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.

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

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.

2.19.3 Impairment

(a) Impairment of financial assets under IFRS 9

The Group and Company use 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.

2.19.4 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.

2.19.5 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).

2.20 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:

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.20 Fair value measurement (continued)

(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.

2.21 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.22 Income tax

2.22.1 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.

2.22.2 Value Added Tax (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.

2.22.3 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.22.3 Deferred tax (continued)

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% (2020: 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.

2.23 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 ZWL 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.

2.24 Retirement benefits: Defined contribution schemes

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

2.25 Revenue

2.25.1 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.25 Revenue (continued)

2.25.2 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.

2.25.3 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.

2.25.4 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.

2.25.5 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.

2.25.6 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.

2.25.7 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.

2.26 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.27 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.

2.28 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

2.28.1 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.

2.28.2 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.

2.29 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.

2.30 Insurance operations

2.30.1 Summary of material accounting policies for insurance contracts

Summary of measurement approaches

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations

2.30.1 Summary of material accounting policies for insurance contracts

Summary of measurement approaches

Below is a listing of the products and the measurement approaches for the Company and Group

COMPANY

Product	Product Classification	Model
Endowment Assurance	Insurance Contract with dpf	GMM
Pure Endowment	Insurance Contract with dpf	GMM
Funeral Assurance	Insurance Contract without dpf	GMM
Whole Life	Insurance Contract with dpf	GMM
Term Assurance	Insurance Contract without dpf	GMM
Vaka Yako	Insurance Contract with dpf	GMM
Group Credit Life	Insurance Contract without dpf	PAA
Group Life Assurance	Insurance Contract without dpf	PAA
Group Funeral Assurance	Insurance Contract without dpf	PAA
Guaranteed Fund	Investment Contract with dpf	VFA
Annuities	Insurance Contract with dpf	GMM

GROUP

Product	Product Classification	Model
Endowment Assurance	Insurance Contract with dpf	GMM
Pure Endowment	Insurance Contract with dpf	GMM
Special Endowment Assurance	Insurance Contract with dpf	GMM
Funeral Assurance	Insurance Contract without dpf	GMM
Whole Life	Insurance Contract with dpf	GMM
Term Assurance	Insurance Contract without dpf	GMM
Vaka Yako	Insurance Contract with dpf	GMM
Little Genius Plan	Insurance Contract	GMM
Bwenzi Funeral Plan	Insurance Contract without dpf	GMM
Pasiwa Funeral Services Plan	Insurance Contract without dpf	GMM
Group Credit Life	Insurance Contract without dpf	PAA
Group Life Assurance	Insurance Contract without dpf	PAA
Group Funeral Assurance	Insurance Contract without dpf	PAA
Guaranteed Fund	Investment Contract with dpf	VFA
Annuities	Insurance Contract with dpf	GMM

Key

GMM	General Measurement Model
PAA	Premium Allocation Approach
VFA	Variable Fee Approach

2.30.1(a) 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

2.30.1 (a)Definition and classification (continued)

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.

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 does 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

2.30.2(b)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.

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 has 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. 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:

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.

2.30.2(c) 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:

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30.2(c) Recognition and derecognition(Continued)

• 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. 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.

2.30.3 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, 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30.3 Accounting for contract modification and derecognition

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 charged 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.

2.30.4 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

2.30.5 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.

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.

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 the reinsurance 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

2.30.6 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.

2.30.7 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 fulfills 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.

2.30.7 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 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

2.30.8 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.

2.30.9 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 as per the policy below.

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

2.30.9 Changes in fulfilment cash flows

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;
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.

2.30.10 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 is 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.

d. The effect of any currency exchange differences.
e. 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 of reinsurance contracts held are also recognised in the insurance service result.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

2.30.11 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 Changes in fulfilment cash flows section.

2.30.12 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;

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

2.30.12 Release of the CSM to profit or loss

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.

2.30.13 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.

2.30.14 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.

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:

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

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

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
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.

2.30.15 Amounts recognised in comprehensive income

2.30.15.1 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);
- changes that relate to future coverage (which adjust the CSM); and
- amounts allocated to the loss component;

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

2.30.15.1 Insurance revenue (continued)

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.

2.30.15.2 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.

2.30.15.3 Insurance service result 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;
e. for contracts measured under the GMM, changes that relate to future service (i.e. changes in the FCF that do not 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

2.30.15.3 Insurance service result from reinsurance contracts held

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.

2.30.15.4 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

2.30.16 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 orinvestment contracts.
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.
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.
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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

2.30.16 Judgements (continued)

Areas of potential judgement	Applicable to the Group
Judgements involved in the identification of portfolios of contracts as required by IFRS 17(14) (i.e. having similar risks and 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, Savings and Property and Casualty product lines each have one portfolio consisting of a single product issued within a line. Within the Participating productlines, 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. 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.	Refer to note 2.1.5 for a description of judgements applied by the Group.
For insurance contracts issued measured under the PAA,management judgement might be required to assess whether facts and circumstances indicate that a group of contracts has become onerous. Further, judgement is required to assess whether facts and circumstances indicate any changes in the onerous group's profitability and whether any loss component remeasurement is required.	This area of judgement is potentially applicable to the Group.In 2025 and 2024, the Group did not identify any facts or circumstances that might have indicated that a group of contracts measured under the PAA had become onerous. All contracts measured by the Group in 2025 and 2024 under the PAA were determined to be non-onerous on initial recognition.
The determination of whether laws or regulations constrain the Group's practical ability to set a different price or level of benefits for policyholders with different risk profiles so the Group may include such contracts in the same group, disregarding the aggregation requirements set in IFRS 17(14)-(19), is an area of judgement.	The regulatory environment in which the Group operates does not impose any price or other constraints. Thus, no judgement has been applied by the Group.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)
2.30 Insurance operations (continued)
2.30.16 Judgements (Continued)

Areas of potential judgement	Applicable to the Group
When contracts are modified, judgement might be applied to establish if the modification meets the criteria for derecognition. In particular, after the modification, judgement is applied to determine whether: a. significant insurance risk still exists; b. there are elements that are to be distinct from the contract; c. contract boundaries have changed; d. the contract would have to be included in a different group subject to aggregation requirements; and e. the contract no longer meets the requirements of the measurement model.	No respective judgement is applicable to the Group in 2025 and 2024.
The concept of a contract boundary is used to determine which future cash flows should be considered in the measurement of a contract in the scope of IFRS 17. Judgements might be involved to determine when the Group is capable of repricing the entire contract to reflect the reassessed risks, when policyholders are obliged to pay premiums and when premiums reflect risks beyond the coverage period. Where such features as options and guarantees are included in the insurance contracts, judgement may be required to assess the entity's practical ability to reprice the entire contract to determine if related cash flows are within the contract boundary.	No respective judgement is applicable to the Group. Where annuity options are provided in the insurance contracts, they are non-guaranteed and are not within the contract boundary.
An entity may use judgement to determine which cash flows within the boundary of insurance contracts are those that relate directly to the fulfilment of the contracts.	The Group performs regular expense studies and uses judgement to determine the extent to which fixed and variable overheads are directly attributable to fulfilling insurance
For contracts measured under the VFA, determination of the variable fee may be an area of significant judgement.	No respective judgement is applicable to the Group.
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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

2.30.16 Judgements (Continued)

Areas of potential judgement	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 in future periods, particularly when multiple services areprovided 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.	The Group applied significant judgements in the following aspects of the determination of the CSM amounts that were recognised in profit or loss in 2025 and 2024 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 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-offperiod, coverage units are based on the expected amountof 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 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.	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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

2.30 Insurance operations (continued)

2.30.16 Judgements (Continued)

Areas of potential judgement	Applicable to the Group
For contracts measured under the VFA, the OCI option to disaggregate 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 IFRS17(B115).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

3 INTANGIBLE ASSETS

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
	Computer Software		Computer Software	
Net carrying amount at the beginning 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)
Additions	24 091	-	-	-
Exchange rate movement on foreign operations	34	(173 992)	-	-
Decomissioning of software system	-	-	-	(108 106)
Amortisation charge for the year	(89 458)	(64 517)	-	-
Net carrying amount at the end of the year	**109 963**	**175 296**	-	-
Gross carrying amount - Cost	417 684	393 559	-	-
Accumulated amortisation	(307 721)	(218 263)	-	-

4 OTHER NON CURRENT ASSETS

	GROUP 2025 USD	GROUP 2024 USD	COMPANY 2025 USD	COMPANY 2024 USD
Balance at the beginning of the year	**170 020**	**151 447**	**170 020**	**149 046**
Additions	-	-	-	-
Disposals	-	-	-	-
Fair value gains through profit or loss	198 528	18 573	198 528	20 974
Exchange loss	(83 801)	-	(83 801)	-
Balance at the end of the year	**284 747**	**170 020**	**284 747**	**170 020**

There were no gold coins additions or disposals during the year.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

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 2024	**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
Disposals	-	-	-	-	-
Gross carrying amount - cost/valuation	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-
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)
Additions	8 095	464 986	521 820	85 434	1 080 335
Exchange rate movement on foreign operations	36 080	-	56 444	41 350	133 874
Disposals	-	(41 282)	(69 802)	(30 498)	(141 582)
Gross carrying amount - cost/valuation	-	(64 368)	(140 769)	(55 507)	(260 644)
Accumulated depreciation	-	23 086	70 967	25 009	119 062
Depreciation charge for the year	(2 665)	(324 558)	(185 473)	(64 021)	(576 717)
Revaluation surplus	230 000	-	-	-	230 000
Gross carrying amount - cost/valuation	4 820 000	-	-	-	4 820 000
Accumulated depreciation	(4 590 000)	-	-	-	(4 590 000)
Net carrying amount at 31 December 2025	**4 998 113**	**1 334 999**	**995 178**	**138 362**	**7 466 652**
Gross carrying amount - cost/valuation	9 613 050	1 893 731	1 474 936	271 695	13 253 412
Accumulated depreciation	(4 614 937)	(558 732)	(479 758)	(133 333)	(5 786 760)

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 2025. There were no buildings pledged as collateral as at 31 December 2025.The value of land and buildings is categorised as a level 3 recurring fair value measurement, as disclosed in Note 32.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

5 PROPERTY AND EQUIPMENT

COMPANY	Motor Vehicle USD	Equipment Computers USD	Furniture and fittings USD	Total USD
Net carrying amount at 1 January 2024	**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)
Additions	167 742	454 553	30 833	653 128
Disposals	-	(19 284)	(1 924)	(21 208)
Gross carrying amount - cost/valuation	-	(29 491)	(2 200)	(31 691)
Accumulated depreciation	-	10 207	276	10 483
Depreciation charge for the year	(97 889)	(139 201)	(22 614)	(259 704)
Net carrying amount at 31 December 2025	**378 744**	**655 022**	**164 337**	**1 198 103**
Gross carrying amount - cost/valuation	612 185	1 001 667	226 959	1 840 811
Accumulated depreciation	(233 441)	(346 645)	(62 622)	(642 708)

6 INVESTMENT PROPERTY

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Balance at the beginning of the year	**47 075 151**	**36 806 252**	**24 361 000**	**13 694 607**
Additions	6 249 371	4 277 959	6 052 366	4 135 714
Improvements	-	-	54 760	-
Disposals	(294 000)	(117 750)	-	-
Exchange rate movement on foreign operations	(118 187)	(1 239)	-	-
Fair value gains through profit or loss	3 020 947	6 109 929	2 844 874	6 530 679
Balance at the end of the year	**55 933 282**	**47 075 151**	**33 313 000**	**24 361 000**

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

6 INVESTMENT PROPERTY (CONTINUED)

A further analysis of fair value gains recognised in profit and loss is as indicated below

	2025 USD	2024 USD	2025 USD	2024 USD
Insurance business units	2 982 947	6 030 679	2 844 874	6 530 679
Non insurance business units	38 000	79 250	-	-
Total	**3 020 947**	**6 109 929**	**2 844 874**	**6 530 679**
Class of property				
CBD offices	11 067 025	6 413 151	15 255 000	9 115 000
Residential properties	1 292 258	-	-	-
Land	43 573 999	40 662 000	18 058 000	15 246 000
	55 933 282	**47 075 151**	**33 313 000**	**24 361 000**

As at 31 December 2025, 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 32 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 16.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

7 Right of Use Asset	GROUP Office buildings USD	 Motor Vehicles USD	 Total USD
Net carrying amount at 1 January 2024	**73 604**	**68 357**	**141 961**
Cost	81 278	248 428	329 706
Accumulated armotisation	(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)
Additions	-	807 545	807 545
Exchange rate movement on foreign operations	-	62	62
Derecognition of right of use asset	(34 972)	(2 016)	(36 988)
Cost	(81 278)	(33 028)	(114 306)
Amortisation	46 306	31 012	77 318
Depreciation for the year	-	(83 707)	(83 707)
Net carrying amount at 31 December 2025	**-**	**792 136**	**792 136**
Cost	-	1 064 697	1 064 697
Accumulated amortization	-	(272 561)	(272 561)

7.1 Movement analysis to 31 December 2025:

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

	2025 Right - of- use Asset USD	2024 Right-of-use Asset USD
Balance as at 01 January	**105 224**	**141 961**
Additions	807 545	-
Depreciation for the year	(83 707)	(78 427)
Derecognition of right of use asset	(36 988)	-
Exchange rate movement on foreign operations	62	41 690
Balance at 31 December	**792 136**	**105 224**

	GROUP 2025 USD	GROUP 2024 USD	COMPANY 2025 USD	COMPANY 2024 USD
The following amounts are recognised in profit and loss				
Depreciation of right of use assets	83 707	78 427	-	-
Interest expense on lease liabilities	(331 888)	7 340	-	-
Expense relating to short term leases	402 264	703 877	-	-

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

	GROUP		COMPANY	
8 INVESTMENT IN SUBSIDIARIES	**2025 USD**	**2024 USD**	**2025 USD**	**2024 USD**

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 2025 USD	Group 2024 USD	Company 2025 USD	Company 2024 USD
Fidelity Life Asset Management Company (Private) Limited	-	-	-	650 365
Fidelity Funeral Services Company (Private) Limited	-	-	-	-
Fidelity Life Medical Services Company (Private) Limited	-	-	-	-
Fidelity Life Financial Services (Private) Limited	-	-	-	-
ZAC Global Actuaries (Private Limited)	-	-	1 121 621	1 078 752
Langford Estates 1962 (Private) Limited	-	-	24 541 204	24 706 030
Vanguard Life Assurance Company Limited	-	-	6 968 415	1 622 082
	-	-	**32 631 240**	**28 057 229**

8.1 Reconciliation Of Carrying Amount

	Group 2025 USD	Group 2024 USD	Company 2025 USD	Company 2024 USD
Opening balance	-	-	28 057 229	27 044 201
Equity accounted earnings	-	-	5 306 533	846 257
Share of revaluation gains on property	-	-	6 973	118 232
Share of Exchange differences arising on translation of foreign operations	-	-	(89 130)	48 539
Disposal of subsidiaries			(650 365)	-
Dividends	-	-	-	-
Closing balance	**-**	**-**	**32 631 240**	**28 057 229**

Fidelity Life Financial Services (Private) Limited and Fidelity Life Asset Management (Private) Limited were disposed on 1 January 2025 to Zimre Holdings Limited bringing to conclusion the Asset Separation exercise, were Fidelity Life Assurance of Zimbabwe (FLA) was instructed by IPEC to execute a walk away transaction which divests FLA's policyholders from the operations of the business units above which are not directly linked to the key business of FLA.

9 TRADE AND OTHER RECEIVABLES

	Group 2025 USD	Group 2024 USD	Company 2025 USD	Company 2024 USD
Residential stand sales debtors	27 363	10 135	27 363	10 135
Micro-finance loans receivable	-	1 824 784	-	-
Other trade debtors	3 688 232	5 233 704	4 098 888	2 131 130
Trade receivables - gross	**3 715 595**	**7 068 623**	**4 126 251**	**2 141 265**
	(50 559)	**(322 461)**	**(8911)**	**(315)**
Expected credit loss on trade receivables- stand sales debtors	(8911)	(315)	(8911)	(315)
Expected credit loss on trade receivables- micro-finance loans receivable	-	(121 725)	-	-
Expected credit loss on trade receivables- other debtors	(41 648)	(200 421)	-	-
Trade receivables - net	**3 665 036**	**6 746 162**	**4 117 340**	**2 140 950**
Receivables from related parties, net of ECL (Note 34.3.1)	589 799	161 421	3 019 127	2 156 510
Loans to employees, net of ECL	952 583	584 709	504 640	394 938
Total receivables classified as financial assets at amortised cost	**5 207 418**	**7 492 292**	**7 641 107**	**4 692 398**
Prepayments	578 604	263 385	368 530	-
Other receivables, net of ECL	524 813	116 943	-	-
Total trade and other receivables	**6 310 835**	**7 872 620**	**8 009 637**	**4 692 398**
Non-current portion	631 084	442 678	800 964	442 678
Current portion	5 679 751	7 429 942	7 208 673	4 249 720
Total trade and other receivables	**6 310 835**	**7 872 620**	**8 009 637**	**4 692 398**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
9 TRADE AND OTHER RECEIVABLES (continued)				
Movements in expected credit losses were as follows:				
Opening credit loss allowance	**322 461**	**258 662**	**315**	**4 930**
Receivables written off during the year as uncollectable	-	-	-	-
Net (decrease)/ increase during the year through profit or loss	(158 771)	241 476	8 765	-
Impact on year end ECL exposures transferred between stages during the year	(121 896)	(177 677)	(169)	(4615)
Balance at the end of the year	**41 794**	**322 461**	**8 911**	**315**

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. The Micro lending business unit was disposed effective 1 January 2025 resulting in the nil balance for 2025.

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.

The increase in expected credit losses has been disclosed separately on the face of the statement of profit or loss and othercomprehensive 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.

9.1 (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 underIFRS9. 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 120 days. 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

9 TRADE AND OTHER RECEIVABLES (CONTINUED)
9.1 Impairment- Expected Credit Loss Models (continued)
(i) Trade receivables: micro-finance loans receivable

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 2025. 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.

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 micro lending business unit was disposed effective 1 January 2025, thus there is no ECL for 2025 from this book.

The ECL calculated on the loans for prior year 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**

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**

Movements in expected credit losses for micro-finance loans receivable were 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
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)
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-
Balance at the end of the year	**20 471**	**7 926**	**93 328**	**121 725**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

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.

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.

As at 31 December 2025	Stage 1 12-month ECL USD	Stage 2 Lifetime ECL USD	Stage 3 Lifetime ECL USD	Total USD
Performing	18 450	8 913	-	27 363
Overdue	-	-	-	-
Default	-	-	-	-
Gross carrying amount	**18 450**	**8 913**	**-**	**27 363**
Expected credit loss on residential stand sales debtors	-	(8911)	-	(8911)
Net carrying amount	**18 450**	**2**	**-**	**18 452**

As at 31 December 2024	Stage 1 12-month ECL USD	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**

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

As at 31 December 2025	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	**-**	**9 801**	**-**	**9 801**
Receivables derecognised or matured (excluding written off)	-	(888)	-	(888)
New receivables originated	18 450	-	-	18 450
Balance at the end of the year	**18 450**	**8 913**	**-**	**27 363**

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	**-**	**13**	**314**	**327**
Receivables derecognised or matured (excluding written off)	-	5 451	4 042	9 493
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-
Balance at the end of the year	**-**	**5 464**	**4 356**	**9 820**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

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 2025	Stage 1 12-month ECL USD	Stage 2 Lifetime ECL USD	Stage 3 Lifetime ECL USD	Total USD
Opening loss allowance as at 1 January 2024	**-**	**315**	**-**	**315**
New allowances originated	-	8 911	-	8 911
Impact on year end ECL of exposures transferred between stages during the year	-	(315)	-	(315)
Balance at the end of the year	**-**	**8 911**	**-**	**8 911**

As at 31 December 2025	Stage 1 12-month ECL USD	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**

(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 2025 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 balancies

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

10 INVENTORIES

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Projects under development	-	-	-	-
Land inventory	21 227	21 227	21 227	21 227
Residential stands	-	-	-	-
Consumables	18 926	12 527	-	-
	40 153	**33 754**	**21 227**	**21 227**

11.1 Financial Assets At Fair Value Through Profit And Loss

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Balance at the beginning of the year	**20 313 922**	**11 037 898**	**6 869 970**	**2 540 895**
Additions	1 295 823	4 091 066	89 354	4 000 067
Fair value adjustments - through profit or loss	47 185 709	4 676 191	5 875 379	475 392
Exchange gain/(loss)	(312 707)	615 329	(160 017)	-
Disposals	(5 121 460)	(106 562)	(431 134)	(146 384)
Balance at the end of the year	**63 361 287**	**20 313 922**	**12 243 552**	**6 869 970**
A further analysis of fair value gains recognised in profit and loss is as indicated below				
Insurance business units	47 168 094	4 615 908	5 875 379	475 392
Non insurance business units	17 615	60 283	-	-
Total	**47 185 709**	**4 676 191**	**5 875 379**	**475 392**

Financial assets at fair value through profit and loss relate to shares held in various listed counters. Refer to note 30 for relevant fair value hierarchy disclosures.

11.2 Debt Securities At Amortised Cost

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Balance at the beginning of the year	**4 331 448**	**3 768 003**	**213 877**	**139 866**
Additions	1 240 095	356 689	-	-
Accrued Interest	17 013	347 843	17 013	74 011
Exchange gain/(loss)	(87 590)	(141 087)	(23)	-
Maturities	(38 577)	-	(35 000)	-
Balance at the end of the year	**5 462 389**	**4 331 448**	**195 867**	**213 877**

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 38.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

11.3 Biological Assets

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Balance at beginning of the year	**98 280**	**75 758**	**98 280**	**75 758**
Purchases	-	38 254	-	38 254
Disposals	-	-	-	-
fair value adjustments through profit or loss	34 222	(15 732)	34 222	(15 732)
Balance at the end of the year	**132 502**	**98 280**	**132 502**	**98 280**

Fidelity Life Assurance Company primarily holds a herd consisting of sixty eight (68) cattle as its biological assets with Nhaka Life Assurance (Private) Limited as the asset manager. The herd comprise of various high-quality breeds that are specifically selected for their superior beef production and reproductive capabilities. The herd is managed with care to maximise both productivity and animal welfare, adhering to best practices in cattle farming.

12 CASH AND DEPOSITS WITH BANKS

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Money market investments	5 360 326	2 825 260	426 195	348 136
Bank and cash	1 308 246	946 090	993 269	325 091
Cash and deposits with banks	**6 668 572**	**3 771 350**	**1 419 464**	**673 227**
Bank overdraft	-	-	-	-
Cash and cash equivalents	**6 668 572**	**3 771 350**	**1 419 464**	**673 227**

The credit quality of cash and cash equivalents held is disclosed in note 30.

13 SHARE CAPITAL

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
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 (Chapter24:31) and the Zimbabwe Stock Exchange Listing Requirements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

14 PRIOR PERIOD RESTATEMENT

14.2 Restatement Of Ifrs 17 Results - Fla The Company

Fidelity Life Assurance of Zimbabwe (FLA) restated the insurance liabilities balances as at 31 December 2024 to reflect updates to actuarial modelling assumptions and the incorporation of additional prudential margins within the insurance contract liabilities.These changes arise from refinements to the valuation methodology and assumptions applied under IFRS 17, including enhancements to the measurement of fulfilment cash flows and risk adjustment. The impact of these changes is an increase in insurance contract liabilities at 31 December 2024 by USD4 676 580 and an in insurance finance expenses of contracts issued by USD 4 676 580.The adjustment represents a change in estimate and modelling approach rather than a change in accounting policy.

The impact of the restatement is as shown below

14.2.1 Company

Statement of profit or loss as at 31 December 2024	As Previously Stated 2024 USD	Effect of Restatement 2024 USD	Restated 2024 USD
Insurance finance income/(expenses)for insurance contracts issued	1 004 828	(4 676 580)	(3 671 752)
Profit for the year	7 084 222	(4 725 119)	2 359 103
Impact on statement of financial position as at 31 December 2024			
Insurance contract liabilities	48 249 831	4 676 580	52 926 411
Retained earnings	(1 389 667)	(4 676 580)	6 114 786

14.2.2 Group

Statement of profit or loss as at 31 December 2024	As Previously Stated 2024 USD	Effect of Restatement 2024 USD	Restated 2024 USD
Insurance finance income/(expenses)for insurance contracts issued	1 004 828	(4 676 580)	(3 671 752)
Profit for the year	6 397 081	(4676 580)	1 720 501
Impact on statement of financial position as at 31 December 2024			
Insurance contract liabilities	61 078 420	4 676 580	65 755 000
Retained earnings	18 846 436	(4 676 580)	14 169 856

15 INSURANCE CONTRACT ASSETS AND LIABILITIES

15.1 Insurance Contract Assets

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 Discretionary Participation Features USD	Investment contracts without Discretionary Participation Features USD	Total USD	Current portion USD	Non Current portion USD	Total USD
Balance as at 31 December 2025							
Insurance contract assets	1 183 199	-	-	**1 183 199**	118 320	1 064 879	**1 183 199**
Balance as at 31 December 2024							
Insurance contract assets	278 006	-	-	**278 006**	27 801	250 205	**278 006**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 INSURANCE CONTRACT ASSETS AND LIABILITIES (CONTINUED)

15.1 Insurance Contract Assets (Continued)

COMPANY	Direct participating contracts USD	Investment contracts with Discretionary Participation Features USD	Investment contracts without Discretionary Participation Features USD	Total USD	Current portion USD	Non Current portion USD	Total USD
Balance as at 31 December 2025							
Insurance contract assets	895 031	-	-	**895 031**	89 503	805 528	**895 031**
Balance as at 31 December 2024							
Insurance contract assets	278 006	-	-	**278 006**	27 801	250 205	**278 006**

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Insurance contract assets	1 698 317	337 153	1 410 037	337 153
Allowance for credit loss (ECL)	(515 118)	(59 147)	(515 006)	(59 147)
Balance as at 31 December	**1 183 199**	**278 006**	**895 031**	**278 006**

Insurance contract assets comprises of amounts due from policyholders.Due to the short term nature of these assets their carrying amount is considered to be the same as their fair value.

15.2 Insurance Contract Liabilities

GROUP	Direct participating contracts USD	Investment contracts with Discretionary Participation Features USD	Investment contracts without Discretionary Participation Features USD	Total USD	Current portion USD	Non Current portion USD	Total USD
Balance as at 31 December 2025							
Insurance contract liabilities	42 425 648	54 317 514		**96 743 162**	9 674 316	87 068 846	**96 743 162**
Investment contract liabilities		-	34 363 115	**34 363 115**	3 436 312	30 926 803	**34 363 115**
Balance as at 31 December 2024							
Insurance contract liabilities	36 566 022	29 188 978		**65 755 000**	6 575 500	59 179 500	**65 755 000**
Investment contract liabilities		-	16 669 824	**16 669 824**	1 666 982	15 002 842	**16 669 824**

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 (continued):

15.2 Insurance Contract Liabilities

COMPANY	Direct participating contracts USD	Investment contracts with Discretionary Participation Features USD	Investment contracts without Discretionary Participation Features USD	Total USD	Current portion USD	Non Current portion USD	Total USD
Balance as at 31 December 2025							
Insurance contract liabilities	13 048 280	54 317 514		**67 365 794**	6 736 579	60 629 215	**67 365 794**
Investment contract liabilities		-	8 280 160	**8 280 160**	828 016	7 452 144	**8 280 160**
Balance as at 31 December 2024							
Insurance contract liabilities	23 737 433	29 188 978		**52 926 411**	5 292 641	47 633 770	**52 926 411**
Investment contract liabilities	-	-	7 119 433	7 119 433	711 943	6 407 490	**7 119 433**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15.2.1 Analysis of Insurance contract liability by liability for remaining coverage and liability for incurred claims

2025 GROUP	Liability for remaining coverage USD	Liability for incurred claims USD	Total USD
Direct Participating Contracts	35 257 224	7 168 424	42 425 648
Investment contracts with direct participating contracts	50 426 389	3 891 125	54 317 514
	85 683 613	**11 059 549**	**96 743 162**

2024 GROUP	Liability for remaining coverage USD	Liability for incurred claims USD	Total USD
Direct Participating Contracts	34 107 439	2 458 583	36 566 022
Investment contracts with direct participating contracts	28 010 850	1 178 128	29 188 978
	62 118 289	3 636 711	65 755 000

Analysis of Insurance contract liability by liability for remaining coverage and liability for incurred claims

2025 COMPANY	Liability for remaining coverage USD	Liability for incurred claims USD	Total USD
Direct Participating Contracts	11 893 542	1 154 738	13 048 280
Investment contracts with direct participating contracts	52 395 250	1 922 264	54 317 514
	64 288 792	**3 077 002**	**67 365 794**

2024 COMPANY	Liability for remaining coverage USD	Liability for incurred claims USD	Total USD
Direct Participating Contracts	22 508 615	1 228 818	23 737 433
Investment contracts with direct participating contracts	27 103 835	2 085 143	29 188 978
	49 612 450	**3 313 961**	**52 926 411**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 Insurance Contract Assets And Liabilities (Continued)

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

2025

GROUP	Liability for Remaining Coverage USD	Loss Component USD	Liability for incurred claims USD	Total USD
Balance as at 01 January	**33 818 845**	**288 594**	**2 458 583**	**36 566 022**
Insurance contract revenue	**(5 577 082)**	**-**	**-**	**(5 577 082)**
Insurance service expenses				
Incurred claims		-	2 022 192	2 022 192
Directly attributable expenses	-	-	811 314	811 314
Losses on onerous contracts and reversal of those losses	-	-	474 211	474 211
Insurance acquisition cashflows amortisation	606 143	-	-	606 143
Insurance service expenses	**606 143**	**-**	**3 307 717**	**3 913 860**
Total net expenses from reinsurance contracts held	439 306	-	-	439 306
Insurance service result	**(4 531 633)**	**-**	**3 307 717**	**(1 223 916)**
Finance expenses from insurance contracts issued recognised in profit or loss	2 956 505	-	-	2 956 505
Finance expenses from insurance contracts issued recognised in OCI	-	-	-	-
Finance expenses from insurance contracts issued	**2 956 505**	**-**	**-**	**2 956 505**
Total amounts recognised in comprehensive income	**(1 575 128)**	**-**	**3 307 717**	**1 732 589**
Investment components	434 400	-	4 299 977	4 734 377
Other changes	-	-	-	-
Cashflows				
Premiums received	2 293 776	-	-	2 293 776
Claims and other directly attributable expenses paid	-	-	(2 833 506)	(2 833 506)
Insurance acquisition cash flows	(3 263)	-	(64 347)	(67 610)
Total cash flows	**2 290 513**	**-**	**(2 897 853)**	**(607 340)**
Balance as at 31 December	**34 968 630**	**288 594**	**7 168 424**	**42 425 648**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 Insurance Contract Assets And Liabilities (Continued)

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

2024

GROUP	Liability for Remaining Coverage USD	Loss Component USD	Liability for incurred claims USD	Total USD
Balance as at 01 January	**26 173 806**	**13 866**	**(97 438)**	**26 090 234**
Insurance contract revenue	**(2 447 424)**	**-**	**-**	**(2 447 424)**
Insurance service expenses				
Incurred claims	-	-	1 588 093	1 588 093
Directly attributable expenses	-	-	739 606	739 606
Losses on onerous contracts and reversal of those losses	-	(90 833)	-	(90 833)
Insurance acquisition cashflows amortisation	202 740	-	-	202 740
Insurance service expenses	**202 740**	**(90 833)**	**2 327 699**	**2 439 606**
Total net expenses from reinsurance contracts held	151 760	-	-	151 760
Insurance service result	**(2 092 924)**	**(90 833)**	**2 327 699**	**143 942**
Finance expenses from insurance contracts issued recognised in profit or loss	178 321	667 852	497 746	1 343 919
Finance expenses from insurance contracts issued recognised in OCI	(96 772)	112 548	(56 274)	(40 498)
Finance expenses from insurance contracts issued	**81 549**	**780 400**	**441 472**	**1 303 421**
Total amounts recognised in comprehensive income	(2 011 375)	689 567	2 769 171	1 447 363
Investment components	9 544 797	(414 839)	-	9 129 958
Other changes	-	-	-	-
Cashflows				
Premiums received	2 293 776	-	-	2 293 776
Claims and other directly attributable expenses paid	(2 178 896)	-	(148 803)	(2 327 699)
Insurance acquisition cash flows	(3 263)	-	(64 347)	(67 610)
Total cash flows	**111 617**	**-**	**(213 150)**	**(101 533)**
Balance as at 31 December	**33 818 845**	**288 594**	**2 458 583**	**36 566 022**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 Insurance Contract Assets And Liabilities (Continued)

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

2025

COMPANY	Liability for Remaining Coverage USD	Loss Component USD	Liability for incurred claims USD	Total USD
Balance as at 01 January	**22 220 021**	**288 594**	**1 228 818**	**23 737 433**
Insurance contract revenue	**(3 205 608)**	**-**	**-**	**(3 205 608)**
Insurance service expenses				
Incurred claims	-	-	1 166 322	1 166 322
Other directly attributable expenses	-	-	(899 153)	(899 153)
Losses on onerous contracts and reversal of those losses	-	-	-	-
Insurance acquisition cashflows amortisation	356 988	-	-	356 988
Insurance service expenses	**356 988**	**-**	**267 169**	**624 157**
Total net expenses from reinsurance contracts held	-	-	(388 566)	(388 566)
Insurance service result	**(2 848 620)**	**-**	**(121 397)**	**(2 970 017)**
Finance expenses from insurance contracts issued recognised in profit or loss	**2 956 505**	**-**	**-**	**2 956 505**
Finance expenses from insurance contracts issued recognised in OCI	**-**	**-**	**-**	**-**
Finance expenses from insurance contracts issued	**2 956 505**	**-**	**-**	**2 956 505**
Total amounts recognised in comprehensive income	**107 885**	**-**	**(121 397)**	**(13 512)**
Investment components	(17 768 016)	-	-	(17 768 016)
Other changes	-	-	-	-
Cashflows				
Premiums received	6 688 070	-	-	6 688 070
Claims and other directly attributable expenses paid	-	-	47 317	47 317
Insurance acquisition cash flows	356 988	-	-	356 988
Total cash flows	**7 045 058**	**-**	**47 317**	**7 092 375**
Balance as at 31 December	**11 604 948**	**288 594**	**1 154 738**	**13 048 280**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 Insurance Contract Assets And Liabilities (Continued)

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

2024

COMPANY	Liability for Remaining Coverage USD	Loss Component USD	Liability for incurred claims USD	Total USD
Balance as at 01 January	**19 230 583**	**13 866**	**(97 438)**	**19 147 011**
Insurance contract revenue	**(2 335 166)**	**-**	**-**	**(2 335 166)**
Insurance service expenses				
Incurred claims	-	-	433 187	433 187
Other directly attributable expenses	568 834	-	84 456	653 290
Losses on onerous contracts and reversal of those losses	-	(90 833)	-	(90 833)
Insurance acquisition cashflows amortisation	-	-	-	-
Insurance service expenses	**568 834**	**(90 833)**	**517 643**	**995 644**
Total net expenses from reinsurance contracts held	158 331	-	-	158 331
Insurance service result	**(1 608 001)**	**(90 833)**	**517 643**	**(1 181 191)**
Finance expenses from insurance contracts issued recognised in profit or loss	178 321	667 852	497 746	1 343 919
Finance expenses from insurance contracts issued recognised in OCI	(96 772)	112 548	(56 274)	(40 498)
Finance expenses from insurance contracts issued	**81 549**	**780 400**	**441 472**	**1 303 421**
Total amounts recognised in comprehensive income	**(1 526 452)**	**689 567**	**959 115**	**122 230**
Investment components	3 963 051	(414 839)	515 944	4 064 156
Other changes	-	-	-	-
Cashflows				
Premiums received	1 493 776	-	-	1 493 776
Claims and other directly attributable expenses paid	(937 674)	-	(148 803)	(1 086 477)
Insurance acquisition cash flows	(3 263)	-	-	(3 263)
Total cash flows	**552 839**	**-**	**(148 803)**	**404 036**
Balance as at 31 December	**22 220 021**	**288 594**	**1 228 818**	**23 737 433**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 Insurance Contract Assets And Liabilities (Continued)

15.4 Investment contract liabilities with direct participating features
Reconciliation of the liability for remaining coverage and the liability for incurred claims

2025

GROUP	Liability for Remaining Coverage USD	Loss Component USD	Liability for incurred claims USD	Total USD
Balance as at 01 January	**26 041 989**	**1 968 861**	**1 178 128**	**29 188 978**
Insurance contract revenue	**(11 072 758)**	**-**	**-**	**(11 072 758)**
Insurance service expenses				
Incurred claims	-	-	3 641 832	3 641 832
Directly attributable expenses		-	1 873 608	1 873 608
Losses on onerous contracts and reversal of those losses	-	-	227 037	227 037
Insurance acquisition cashflows amortisation	1 077 096	-	-	1 077 096
Insurance service expenses	**1 077 096**	**-**	**5 742 477**	**6 819 573**
Total net expenses from reinsurance contracts held	-	-	-	-
Insurance service result	**(9 995 662)**	**-**	**5 742 477**	**(4 253 185)**
Finance expenses from insurance contracts issued recognised in profit or loss	4 724 983		-	4 724 983
Finance expenses from insurance contracts issued recognised in OCI		-	-	-
Finance expenses from insurance contracts issued	**4 724 983**	**-**	**-**	**4 724 983**
Total amounts recognised in comprehensive income	**(5 270 679)**	**-**	**5 742 477**	**471 798**
Investment components	(2 713 749)	-	901 905	(1 811 844)
Other changes	-	-	-	-
Cashflows				
Premiums received	33 339 142	-	-	33 339 142
Claims and other directly attributable expenses paid	-	-	(5 515 440)	(5 515 440)
Insurance acquisition cash flows	(970 314)	-	(384 806)	(1 355 120)
Total cash flows	**32 368 828**	**-**	**(5 900 246)**	**26 468 582**
Balance as at 31 December	**50 426 389**	**1 968 861**	**1 922 264**	**54 317 514**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 Insurance Contract Assets And Liabilities (Continued)

15.4 Investment contract liabilities with direct participating features
Reconciliation of the liability for remaining coverage and the liability for incurred claims

2024

GROUP	Liability for Remaining Coverage USD	Loss Component USD	Liability for incurred claims USD	Total USD
Balance as at 01 January	**17 643 254**	**60 636**	**(865 718)**	**16 838 172**
Insurance contract revenue	**(8 983 136)**	**-**	**-**	**(8 983 136)**
Insurance service expenses				
Incurred claims	-	-	1 666 169	1 666 169
Directly attributable expenses	-	-	1 803 295	1 803 295
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
Insurance service expenses	**1 189 876**	**1 842 482**	**3 469 464**	**6 501 822**
Total net expenses from reinsurance contracts held	-	-	-	-
Insurance service result	**(7 793 260)**	**1 842 482**	**3 469 464**	**(2 481 314)**
Finance expenses from insurance contracts issued recognised in profit or loss	2 262 090	65 743	-	2 327 833
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**
Total amounts recognised in comprehensive income	**(7 742 757)**	**1 908 225**	**3 469 464**	**(2 365 068)**
Investment components	8 195 412	-	-	8 195 412
Other changes	-	-	-	-
Cashflows				
Premiums received	14 697 518	-	-	14 697 518
Claims and other directly attributable expenses paid	(2 428 652)	-	(1 040 812)	(3 469 464)
Insurance acquisition cash flows	(4 322 786)	-	(384 806)	(4 707 592)
Total cash flows	**7 946 080**	**-**	**(1 425 618)**	**6 520 462**
Balance as at 31 December	**26 041 989**	**1 968 861**	**1 178 128**	**29 188 978**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 Insurance Contract Assets And Liabilities (Continued)

15.4.1 Investment contract liabilities with direct participating features
Reconciliation of the liability for remaining coverage and the liability for incurred claims

2025

COMPANY	Liability for Remaining Coverage USD	Loss Component USD	Liability for incurred claims USD	Total USD
Balance as at 01 January	**25 134 974**	**1 968 861**	**2 085 143**	**29 188 978**
Insurance contract revenue	**(8 713 035)**	**-**	**-**	**(8 713 035)**
Insurance service expenses				
Incurred claims	-	-	3 560 119	3 560 119
Other directly attributable expenses	-	-	3 203 079	3 203 079
Losses on onerous contracts and reversal of those losses	-	-	-	-
Insurance acquisition cashflows amortisation	970 315	-	-	970 315
Insurance service expenses	**970 315**	**-**	**6 763 198**	**7 733 513**
Total net expenses from reinsurance contracts held	-	-	-	-
Insurance service result	**(7 742 720)**	**-**	**6 763 198**	**(979 522)**
Finance expenses from insurance contracts issued recognised in profit or loss	4 724 983	-	-	4 724 983
Finance expenses from insurance contracts issued recognised in OCI	-	-	-	-
Finance expenses from insurance contracts issued	**4 724 983**	**-**	**-**	**4 724 983**
Total amounts recognised in comprehensive income	**(3 017 737)**	**-**	**6 763 198**	**3 745 461**
Investment components	(4 059 946)	-	-	(4 059 946)
Other changes	-	-	-	-
Cashflows				
Premiums received	33 339 412	-	-	33 339 412
Claims and other directly attributable expenses paid	-	-	(6 926 077)	(6 926 077)
Insurance acquisition cash flows	(970 314)	-	-	(970 314)
Total cash flows	**32 369 098**	**-**	**(6 926 077)**	**25 443 021**
Balance as at 31 December	**50 426 389**	**1 968 861**	**1 922 264**	**54 317 514**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 Insurance Contract Assets And Liabilities (Continued)

15.4.1 Investment contract liabilities with direct participating features
Reconciliation of the liability for remaining coverage and the liability for incurred claims

2024

COMPANY	Liability for Remaining Coverage USD	Loss Component USD	Liability for incurred claims USD	Total USD
Balance as at 01 January	**17 264 785**	**60 636**	**(487 249)**	**16 838 172**
Insurance contract revenue	**(6 437 014)**	**-**	**-**	**(6 437 014)**
Insurance service expenses				
Incurred claims	130 397	-	1 040 812	1 171 209
Other directly attributable expenses	1 766 302	-	-	1 766 302
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
Insurance service expenses	**2 999 687**	**1 842 482**	**1 040 812**	**5 882 981**
Total net expenses from reinsurance contracts held	-	-	-	-
Insurance service result	**(3 437 327)**	**1 842 482**	**1 040 812**	**(554 033)**
Finance expenses from insurance contracts issued recognised in profit or loss	2 262 090	65 743	-	2 327 833
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**
Total amounts recognised in comprehensive income	**(3 386 824)**	**1 908 225**	**1 040 812**	**(437 787)**
Investment components	3 948 210	-	875 574	4 823 784
Other changes	-	-	-	-
Cashflows				
Premiums received	9 734 890	-	-	9 734 890
Claims and other directly attributable expenses paid	1 896 699	-	1 040 812	2 937 511
Insurance acquisition cash flows	(4 322 786)	-	(384 806)	(4 707 592)
Total cash flows	**7 308 803**	**-**	**656 006**	**7 964 809**
Balance as at 31 December	**25 134 974**	**1 968 861**	**2 085 143**	**29 188 978**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 Insurance Contract Assets And Liabilities (Continued)

15.5 Investment contract liabilities with direct participating features
Reconciliation of investment contract liability

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

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Opening balance 1 January 2024	**16 669 824**	**10 038 882**	**7 119 433**	**3 194 381**
Contributions received	3 050 936	5 139 799	124 560	4 093 760
Benefits paid	(6 458 426)	(2 161 354)	(581 216)	(467 967)
Investment return from underlying assets	19 576 050	3 751 688	1 623 945	300 982
Asset management fees charged	(207 699)	(99 191)	(6 562)	(1 723)
Exchange rate movement on foreign operations	1 732 430	-	-	-
Closing balance	**34 363 115**	**16 669 824**	**8 280 160**	**7 119 433**

15.5.1 Analysis of the investment return from underlying assets

Investment contract liabilities without direct participating features	19 576 050	3 751 688	1 623 945	300 982
Bonus smoothing reserve (BSR)	15 439 722	-	-	-
Total	**35 015 772**	**3 751 688**	**1 623 945**	**300 982**

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 2025 and 2024 is included in the following tables

	GROUP			COMPANY		
December 2025	Direct Participating Contracts USD	Investment Contracts with PDF USD	Total USD	Direct Participating Contracts USD	Investment Contracts with PDF 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	2 835 716	5 802 286	8 638 002	412 822	5 199 230	5 612 052
Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation	759 467	866 217	1 625 684	87 511	865 927	953 438
CSM recognised in profit or loss for the services provided	1 559 533	2 637 818	4 197 351	918 587	2 411 191	3 329 778
Insurance acquisition cash flow recovery	(1 039 337)	38 825	(1 000 512)	170 292	62 460	232 752
Less any Unwind/release of loss component over the period	(320 688)	(308 279)	(628 967)	(419 495)	(323 952)	(743 447)
Insurance revenue from contracts not measured under the PAA	**3 794 691**	**9 036 867**	**12 831 558**	**1 169 717**	**8 214 856**	**9 384 573**
Insurance revenue from contracts measured under the PAA	1 284 212	2 035 891	3 320 103	2 035 891	-	2 035 891
Insurance revenue from contracts measured under VFA	498 179	-	498 179		498 179	498 179
Total insurance revenue	**5 577 082**	**11 072 758**	**16 649 840**	**3 205 608**	**8 713 035**	**11 918 643**
Insurance service expenses						
Incurred claims	(2 022 192)	(3 641 832)	(5 664 024)	(748 325)	(3 095 889)	(3 844 214)
Directly attributable expenses	(811 314)	(1 873 608)	(2 684 922)	(668 333)	(1 816 571)	(2 484 904)
Changes that relate to past service -adjustments to the LIC	-	-	-	-	-	-
Changes Related to Past Services - IBNR	(148 972)	-	(148 972)	(148 972)	-	(148 972)
Changes Related to Past Services - Gross Oustanding Claims	(325 239)	(227 037)	(552 276)	(325 239)	(227 038)	(552 277)
Losses on onerous contracts and reversal of those lossess	-	-	-	-	-	-
Insurance acquisition cashflows amortisation	(606 143)	(1 077 096)	(1 683 239)	(356 988)	(970 315)	(1 327 303)
Total insurance service expenses	**(3 913 860)**	**(6 819 573)**	**(10 733 433)**	**(2 247 857)**	**(6 109 813)**	**(8 357 670)**
Reinsurance expenses-contracts measured under the PAA	(519 460)	-	(519 460)	(453 986)	-	(453 986)
Claims recovered	80 154	-	80 154	65 420	-	65 420
Total net expenses from reinsurance contracts held	**(439 306)**	**-**	**(439 306)**	**(388 566)**	**-**	**(388 566)**
Total insurance service result	**1 223 916**	**4 253 185**	**5 477 101**	**569 185**	**2 603 222**	**3 172 407**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15.6 Insurance contract revenue and expenses (Continued)

December 2024	GROUP Direct Participating Contracts USD	GROUP Investment Contracts with PDF USD	GROUP Total USD	COMPANY Direct Participating Contracts USD	COMPANY Investment Contracts with PDF USD	COMPANY 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
Less any Unwind/release of loss component over the period	-	-	-	-	-	-
Insurance acquisition cash flow recovery	66	(877 846)	(877 779)	81	35 248	35 329
Insurance revenue from contracts not measured under the PAA	**1 825 568**	**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	621 856	-	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
Changes that relate to past service -adjustments to the LIC	-	-	-	-	-	-
Changes Related to Past Services - IBNR	-	-	-	-	-	-
Changes Related to Past Services - Gross Oustanding Claims	-	-	-	-	-	-
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**

15.7.1 COMPANY

CSM recognised in profit and loss

2025	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	**Total**
Insurance contracts issued							
Life Insurance Unit	2 461 943	1 904 561	1 651 186	1 549 898	1 461 033	9 323 803	**18 352 424**

2024	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	**Total**
Insurance contracts issued							
Life Insurance Unit	2 241 638	1 668 257	1 430 289	1 323 678	1 262 245	10 145 152	**18 071 259**

15.7.2 GROUP

CSM recognised in profit and loss

2025	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	**Total**
Insurance contracts issued							
Life Insurance Unit	3 094 123	2 441 762	2 162 498	2 045 052	1 933 431	44 932 344	**56 609 210**

2024	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	**Total**
Insurance contracts issued							
Life Insurance Unit	3 022 506	2 338 788	2 039 416	1 896 850	1 804 941	17 346 082	**28 448 584**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

16 BORROWINGS

16.1 Short Term Borrowings

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
AFC Bank	2 166 474	-	2 166 474	
ZB Bank	-	568 565	-	-
Steward Bank	-	511 644	-	-
National Social Security Authority	-	1 000 000	-	-
Nedbank Limited	321 535	330 566	321 535	330 566
NBS Bank	114 562	769 835	1 114 562	769 835
	3 602 571	**3 180 610**	**3 602 571**	**1 100 401**
Current portion of long-term borrowings	2 037 002	2 522 887	2 037 002	442 678
Non-current portion of long term borrowings	1 565 569	657 723	1 565 569	657 723
	3 602 571	**3 180 610**	**3 602 571**	**1 100 401**

AFC Bank
Fidelity Life Assurance of Zimbabwe secured a USD2.4 million loan from AFC Bank in August 2025 to fund development of Stoneridge stands under the Vaka Yako Product. The loan is repayable over 24 months from the drawdown date and attracts interest at 16% per annum.

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 was denominated in USD and accrued interest at 18.6% per annum on a 18 month tenure and expires on 31 January 2026.

Steward Bank
The loan facility amounting to USD500,000 was obtained in 2024 as a line of credit for the micro-finance business to increase the unit's lending capacity. The facility was denominated in USD and accrued interest at 25% per annum on a one year tenure and expired on 31 October 2025.

National Social Security Authority
A loan facility with the National Social Security Authority ("NSSA") amounting to USD1,00 0000 was obtained as a line of credit to bolster the microlending business unit lending capacity. The facility accrued interest at 24% per annum on a one year tenure and expired on 31 May 2025 and was secured by a mortgage bond supported by Zimre Holdings Limited guarantee.

Nedbank Limited
Fidelity Life Assurance of Zimbabwe Limited obtained a loan amounting to USD398,296 for asset financing in 2024. 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 USD837 488,94 from NBS Bank in 2024. 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 Short Term Borrowings

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Balance at 1 January	**3 180 610**	**752 288**	**1 100 401**	**-**
Net cash out flow on borrowings	2 502 170	2 428 322	2 502 170	1 100 401
Proceeds from borrowings	3 352 456	2 655 329	3 352 456	1 187 500
Repayment of borrowings	(736 714)	(174 774)	(736 714)	(34 865)
Finance costs capitalised	(434 943)	242 138	(434 943)	(69 438)
Finance costs paid	321 371	(294 371)	321 371	17 204
Non cash movement	(2 080 209)	-	-	-
Balance at 31 December	**3 602 571**	**3 180 610**	**3 602 571**	**1 100 401**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

17 LEASE OBLIGATIONS

The Group leased motor vehicles with a net carrying value of USD768 965(2024: USD91 825). 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	
	2025 USD	2024 USD	2025 USD	2024 USD
Balance as at 1 January	**91 825**	**143 383**	**-**	**-**
Additions	1 139 432	-	-	-
Derecognition of right of use asset	(35 762)	-	-	-
Interest	(331 888)	7 340	-	-
Payments	(94 659)	(34 422)	-	-
Exchange rate movement on foreign operations	17	(24 476)	-	-
Balance as at 31 December	768 965	91 825	-	-

2025	Minimum Lease Payments USD	Interest Payments USD	Present Value USD
Not later than one year	365 706	189 261	176 445
Between one year and five years	829 810	237 290	592 520
Later than five years	-	-	-
	1 195 516	**426 551**	**768 965**
Current liabilities			176 445
Non-current liabilities			592 520
			768 965

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

18 DEFERRED TAX LIABILITY

Property and equipment	363 078	91 265	-	-
Investment property	2 096 132	2 006 828	-	-
Provisions	(6 169)	16 620	-	-
Total	**2 453 041**	**2 114 713**	**-**	**-**
Reconciliation				
Balance at the beginning of the year	**2 114 713**	**2 087 215**	**-**	**626**
Movement through profit or loss	157 603	27 498	-	(626)
Movement through other comprehensive income	110 422	-	-	-
Other temporary differences	-	-	-	-
IFRS 9 adjustment	-	-	-	-
Exchange rate movements	70 303	-	-	-
Balance at the end of the year	**2 453 041**	**2 114 713**	**-**	**-**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

18 DEFERRED TAX LIABILITY(CONTINUED)

	GROUP 2025 USD	GROUP 2024 USD	COMPANY 2025 USD	COMPANY 2024 USD
18.1 Deferred Income Tax Impact On Profit Or Loss				
Decrease/(Increase) in deferred tax asset through profit or loss	157 603	-	-	-
Increase in deferred tax liability through profit or loss		27 498	-	(626)
Deferred income tax charge/(credit) included in profit or loss	**157 603**	**27 498**	**-**	**(626)**
18.2 Income tax (asset)/ liability				
Balance as at 1 January	(428 031)	139 166	7 760	120
Charge for the year	496 764	143 695	32 276	27 513
Paid during the year	(824 496)	(518 354)	(16 785)	(19 873)
Exchange rate movements	(314 804)	(192 538)	-	-
Balance as at 31 December	**(1 070 567)**	**(428 031)**	**23 251**	**7 760**

19 TRADE AND OTHER PAYABLES

	GROUP 2025 USD	GROUP 2024 USD	COMPANY 2025 USD	COMPANY 2024 USD
Trade payables	2 363 962	611 165	2 838 962	435 970
Related party payables **(note 34.3.2)**	239 055	157 807	272 936	198 531
Statutory liabilities	567 136	271 752	230 045	41 867
Other payables	3 880 686	6 276 104	1 754 313	4 361 317
	7 050 839	**7 316 828**	**5 096 256**	**5 037 685**

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

	GROUP 2025 USD	GROUP 2024 USD	COMPANY 2025 USD	COMPANY 2024 USD
Dividend income from tradable quoted equities	498 363	131 935	75 526	6 499
Equity accounted earnings from subsidiaries	-	-	5 306 533	846 257
Profit on disposal of subsidiaries	4 309 637	-	4 309 637	-
	4 808 000	**131 935**	**9 691 696**	**852 756**

20.1 Interest Revenue From Financial Instruments Not Measured At Fair Value Through Profit Or Loss

	2025 USD	2024 USD	2025 USD	2024 USD
Interest income	2 225 091	1 862 288	367 963	62 574
Total interest income	**2 225 091**	**1 862 288**	**367 963**	**62 574**

Interest revenue from financial instruments not measured at fair value through profit or loss is generated from government bonds, treasury bills, loans and money market investments.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

21 OTHER INCOME

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Actuarial fees-recognised over time	408 748	458 732	-	-
Management fees-recognised at a point in time	1 531 659	3 428 852	(23 540)	1 210 451
Sale of funeral services- recognised at a point in time	527 285	251 394	-	-
Income recognised under IFRS 15	**2 467 692**	**4 138 978**	**(23 540)**	**1 210 451**
Rental and other property income	-	7 300	-	-
Profit on disposal of property and equipment	1 900	(3 089)	-	4 310
Net gain from foreign exchange	1 442	-	-	-
Sundry	418 420	382 468	143 092	19 292
	2 889 454	**4 525 657**	**119 552**	**1 234 053**

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

22 OPERATING AND ADMINISTRATIVE EXPENSES

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Staff costs	5 800 650	4 006 431	2 145 468	1 372 746
Auditors' remuneration	245 886	292 210	167 394	181 370
Directors' remuneration - fees	336 685	272 903	254 451	147 807
- other services	-	-	-	-
Depreciation of property and equipment	576 716	301 140	259 704	151 054
Computer and data expenses	993 550	691 554	394 103	171 417
Consultation fees	802 027	720 516	148 773	194 869
Legal fees	244 343	204 424	39 013	61 031
Travel and representation	683 649	516 606	460 894	391 122
Marketing expenses	595 467	384 941	355 075	219 854
Actuarial fees	-	-	123 284	482 336
Motor vehicle maintenance costs	513 266	355 543	188 522	133 201
Amortisation of intangibles	89 458	64 517	-	-
Depreciation right of use asset	83 707	78 427	-	-
Allowance for credit losses	-	297 597	-	-
Subscriptions and levies	77 898	66 887	44 586	55 290
Rental from short term leases	402 264	703 877	120 926	275 390
Funeral services direct expenses	174 332	64 249	-	-
Loss on disposal of property and equipment	21 208	-	21 208	-
Bank charges	417 813	172 228	278 016	47 087
Management fees	774 607	376 204	433 506	152 284
Other operating expenses	824 153	786 759	377 499	218 323
	13 657 679	**10 357 013**	**5 812 422**	**4 255 181**

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 30(d).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

23 FINANCE COSTS

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Other interest expenses	834 821	446 771	409 930	70 036
Total finance costs	**834 821**	**446 771**	**409 930**	**70 036**

24 INCOME TAX EXPENSE/(CREDIT)

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Current	339 161	143 695	32 276	27 513
Deferred	157 604	27 498	-	-
	496 765	**171 193**	**32 276**	**27 513**
Tax rate reconciliation				
Profit for the year	8 369 530	1 891 694	6 321 340	2 386 616
Tax at Zimbabwe statutory rate of 24.72%	2 155 154	467 627	1 562 635	589 971
Tax effect of amounts not deductible/(taxable) in calculating taxable income:				
Items not deductible for tax:				
Allowance for credit losses	(464 455)	(404 780)	(464 455)	(77 503)
Other disallowable expenses	6 876 377	2 418 439	2 745 331	1 803 339
Non-taxable items:				
Differences arising from movements in unrealised fair value (gains)/losses	(8720 253)	(8 741)	(8720 253)	(1 673)
Other non-taxable income	(3 981 275)	-	-	-
Other adjustments:	4 473 614	(1 861 223)	4 909 018	(1 696 650)
	339 162	**143 695**	**32 276**	**27 513**

25 EARNINGS PER SHARE (EPS)

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Reconciliation of total earnings to headline earnings attributable to shareholders				
Numerator				
Profit for the year attributable to owners of the parent and profit used in EPS	**4 552 266**	**1 352 393**	**6 289 064**	**2 359 103**
Add/(deduct) non recurring items				
Impairment of intangible assets	-	-	-	-
(Profit)/loss on disposal of property	19 308	3 089	21 208	(4 310)
Taxation on headline earnings adjustable items	4 972	795	5 461	(1 065)
Headline earnings attributable to ordinary shareholders	**4 576 546**	**1 356 277**	**6 315 733**	**2 353 728**
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**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

25 EARNINGS PER SHARE (EPS) (continued)

25.1 Basic and diluted earnings per share (cents)	**4.22**	**1.25**	**5.83**	**2.19**
25.2 Headline earnings per share (cents)	**4.24**	**1.26**	**5.85**	**2.18**

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

Authorised and contracted for	808 404	1 209 436	808 404	691 572
Authorised but not contracted for	-	-	-	-
	808 404	**1 209 436**	**808 404**	**691 572**

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 2025	Capital	Minimum capital requirement	Surplus/ deficit
Fidelity Life Assurance of Zimbabwe Limited	5 976 338	2 000 000	3 976 338
Vanguard Life Assurance Company Limited	9 143 970	473 860	8 670 109
31 DECEMBER 2024			
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)

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 havea proposed minimum capital requirement of USD2 000 000 or the equivalent in ZWG terms at the prescribed exchange rate per Reserve Bank of Zimbabwe. Further disclosure on FLA's capital position is included in Note 39. The Company is fully compliant with the minimum capital requirements.The Company continues to pursue plans disclosed in Note 39 to improve the solvency position of the Company.

28 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:-

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

28 MANAGEMENT OF CAPITAL (CONTINUED)

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Debt				
Borrowings	3 602 571	3 180 610	3 602 571	1 100 401
Equity				
Capital	3 856 172	(3 713 373)	5 976 338	69 431
Debt to capital ratio (%)	**93%**	**330%**	**60%**	**1585%**

29 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	Finacial assets at fair value through profit or loss USD	Finacial assets at amortsied cost USD	Finacial assets at fair value through profit or loss USD	Finacial assets at amortised cost USD
2025				
Trade and other receivables (excluding prepayments and statutory assets)	-	5 732 231	-	7 641 107
Financial assets at fair value through profit or loss	63 361 287	-	12 243 552	-
Debt securities at amortised cost	-	5 462 389	-	195 867
Cash and deposits with banks	-	6 668 572	-	1 419 464
	63 361 287	**17 863 192**	**12 243 552**	**9 256 438**
2024				
Trade and other receivables (excluding prepayments and statutory assets)	-	7 609 235	-	4 692 398
Financial assets at fair value through profit or loss	20 313 922	-	6 869 970	-
Debt securities at amortised cost	-	4 331 448	-	213 877
Cash and deposits with banks	-	3 771 350	-	673 227
	20 313 922	**15 712 033**	**6 869 970**	**5 579 502**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

29 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (CONTINUED

(i) Financial liabilities

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Trade and other payables (excluding statutory liabilities and deferred income)	6 483 703	7 045 076	4 866 211	4 840 973
Borrowings	3 602 571	3 180 610	3 602 571	1 100 401
	10 086 274	**10 225 686**	**8 468 782**	**5 941 374**

(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 2025 USD	2024 USD	Level 2 2025 USD	2024 USD	Level 3 2025 USD	2024 USD
Financial assets						
Financial assets at fair value through other comprehensive income	-	-	21 582	21 582	-	-
Financial assets at fair value through profit or loss	63 361 287	20 043 772	-	270 150	-	-

COMPANY	Level 1 2025 USD	2024 USD	Level 2 2025 USD	2024 USD	Level 3 2025 USD	2024 USD
Financial assets						
Financial assets at fair value through profit or loss	12 243 552	6 744 243	-	125 727	-	-

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 instru ments 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

29 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (CONTINUED

(iii) Financial instruments measured at fair value (Continud)

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	
	2025 USD	2024 USD	2025 USD	2024 USD
A	23 063	-	14 714	-
A+	59 893	22 134	56 899	27 807
A-	-	37 960	-	47 825
AA+	111 845	-	20 842	-
AA	-	41 738	-	50 808
AA-	492 975	43 028	491 923	36 147
BBB	120 519	61 903	120 519	173
BBB+	179 503	-	1 875	-
Cash	43 546	61 450	36 766	64 765
Unrated	5 637 228	3 503 137	675 926	445 702
	6 668 572	**3 771 350**	**1 419 464**	**673 227**

Included in the unrated balance of USD5 637 228 is USD5 625 283 (USD3 503 134:USD2 825 260 in 2024) money market investments deposited with asset managers that are not rated**.**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

30 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

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 2025				
Trade and other receivables (excluding prepayments and statutory assets)	5 732 231	5 732 231	7 641 107	4 692 398
Debt securities at amortised cost	5 462 389	5 462 389	195 867	195 867
Cash and cash equivalents	6 668 572	6 668 572	1 419 464	1 419 464
	17 863 192	**17 863 192**	**9 256 438**	**6 307 729**
At 31 December 2024				
Trade and other receivables (excluding prepayments and statutory assets)	7 609 235	7 609 235	4 692 398	4 692 398
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
	15 712 033	**15 712 033**	**5 579 502**	**5 579 502**

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(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 2025, 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	Up to months USD	Between 3 and 12 months USD	Between 1 and 2 years USD	Over 2 years USD	Total USD
At 31 December 2025					-
Trade and other payables (excluding deferred Income and statutory liabilities)	6 483 703	-	-	-	6 483 703
Borrowings	-	2 037 002	1 565 569	-	3 602 571
	6 483 703	**2 037 002**	**1 565 569**	**-**	**10 086 274**
At 31 December 2024					
Trade and other payables (excluding deferred Income and statutory liabilities)	7 045 076	-	-	-	7 045 076
Borrowings	-	2 522 887	657 723	-	3 180 610
	7 045 076	**2 522 887**	**657 723**	**-**	**10 225 686**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

30 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (Continued)

GROUP AT 31 DECEMBER 2025 ASSETS	Between 1 and 12 months USD	Over 1 year USD	Total USD
Inventories	18 926	21 227	40 153
Trade and other receivables	5 679 751	631 084	6 310 835
Financial Assets at fair value through profit or loss	-	63 361 287	63 361 287
Debt securities at amortised cost	5 462 389	-	5 462 389
Cash and deposits with banks	6 668 572	-	6 668 572
	17 829 638	**64 013 598**	**81 843 236**

GROUP AT 31 DECEMBER 2025 LIABILITIES	Between 1 and 12 months USD	Over 1 year USD	Total USD
Insurance contract liabilities	9 674 316	87 068 846	96 743 162
Investment contracts without discretionary participation features	3 436 312	30 926 803	34 363 115
Borrowings	2 037 002	1 565 569	3 602 571
Deferred tax liabilities	-	2 453 041	2 453 041
Lease obligations	176 445	592 520	768 965
Trade and other payables	7 050 839	-	7 050 839
Income tax liability	-	-	-
	22 374 914	**122 606 779**	**144 981 693**

GROUP AT 31 DECEMBER 2024 ASSETS	Between 1 and 12 months USD	Over 1 year USD	Total USD
Inventories	12 527	21 227	33 754
Trade and other receivables	5 896 636	1 975 984	7 872 620
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	**22 311 133**	**36 323 094**

GROUP AT 31 DECEMBER 2024 LIABILITIES	Between 1 and 12 months USD	Over 1 year USD	Total USD
Insurance contract liabilities	6 107 842	59 647 158	65 755 000
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	49 744	91 825
Trade and other payables	7 316 828	-	7 316 828
Income tax liability	-	-	-
	16 645 377	**78 483 423**	**95 128 800**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

30 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (CONTINUED)

a) Liquidity risk (continued)

COMPANY	Up to 3 months USD	Between 3 and 12 months USD	Between 1 and 2 years USD	Over 2 years USD	Total USD
Trade and other receivables (excluding prepayments and statutory assets)	2 292 332	5 348 775	-	-	7 641 107
Insurance contract liabilities	-		6 736 579	60 629 215	67 365 794
Investment contracts without discretionary participation features	-	-	828 016	7 452 144	8 280 160
Borrowings	-	2 037 002	1 565 569	-	3 602 571
	2 292 332	**7 385 777**	**9 130 164**	**68 081 359**	**86 889 632**
At 31 December 2024					
Trade and other receivables (excluding prepayments and statutory assets)	1 407 719	3 284 679	-	-	4 692 398
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	-	442 678	657 723	-	1 100 401
	1 407 719	**3 727 357**	**6 194 649**	**49 832 338**	**61 162 063**

(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 USD 6 882 367 (2024: USD6 626 112) 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 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

30 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (CONTINUED)

(d) Foreign exchange risk (continued)

Consolidated foreign exchange gap analysis as at 31 December

Base Currency Assets	2025 USD Equivalent	2024 USD Equivalent	2025 MWK USD Equivalent	2024 MWK USD Equivalent
Cash and deposits with banks	5 196 953	2 754 419	9 009 801 508	4 776 195 048
Loans and receivables	1 685 766	1 462 151	2 922 561 941	2 535 387 087
Total assets	**6 882 719**	**4 216 570**	**11 932 363 449**	**7 311 582 135**
Liabilities				
Trade and other payables	2 098 942	970 019	3 638 872 994	1 682 024 392
Total liabilities	**2 098 942**	**970 019**	**3 638 872 994**	**1 682 024 392**
Net currency position	**4 783 777**	**3 246 551**	**8 293 490 455**	**5 629 557 743**
Exchange rates as at 31 December	1 734	1 734	1 734	1 734
Impact of 10% increase in exchange rates				
Assets	625 702	383 325	1 084 760 314	664 689 285
Liabilities	(190 813)	(88 184)	(330 806 636)	(152 911 308)
Net position	434 889	295 141	753 953 678	511 777 977

b) Foreign currency exchange risk (continued)

Impact of change in exchange rates

	2025 10% increase USD	2024 10% decrease USD	2025 10% increase USD	2024 10% decrease USD
Impact of profit before tax	9 206 483	1 548 451	6 953 474	2 123 193
Impact on equity	8 660 042	(3 342 036)	6 917 970	62 488

This method used for deriving sensitivity information and significant variables did not change from previous period.

31 ASSURANCE RISK MANAGEMENT

31.1 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 ASSURANCE RISK MANAGEMENT (CONTINUED)

31.2 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

31.3 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.

31.4 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.

31.5 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.

31.6 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

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

31.7 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:

31.8 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 ASSURANCE RISK MANAGEMENT (CONTINUED)

31.9 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.

31.10 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.

31.11 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

31.12 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).

31.13 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.

31.14 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 ASSURANCE RISK MANAGEMENT (continued)

31.14 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	Changes in assumptions (increase/ decrease)	impact on liabilities	Impact on profit before tax	Impact on profit after tax
2025				
Mortality	+10%	1 790 961	1 790 961	(1 343 221)
Lapse	-10%	234 675	234 675	(176 006)
Expense	+10%	3 257 610	3 257 610	(2 443 208)
Discount rate	+1%	(2 116 165)	(2 116 165)	1 587 124
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

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 ASSURANCE RISK MANAGEMENT (continued)

(ii) Pricing strategy

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

31.15 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 Dec 2025 Individual life business	Insurance Contract liabilities with PDF USD	Investment Contract liabilities with PDF USD	Investment Contract without liabilities PDF USD
Conventional	23 749 493	-	-
Investments	-	34 964 752	3 629 478
Funeral	3 616 565	-	-
Group Life business			
Funeral	-	-	-
Risk business	15 083 024	-	-
Deposit administration	-	19 329 329	30 733 637
Total	**42 449 082**	**54 294 081**	**34 363 115**
As at 31 December 2024			
Individual life business			
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	-	18 881 460	16 669 824
Total	**31 889 442**	**33 865 558**	**16 669 824**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 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.

32 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 2025.

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

32 FAIR VALUE DISCLOSURES (CONTIUED)

FAIR VALUE HIERARCHY - GROUP

31 December 2025	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 comprehesive income USD	Total gain /loss for the period in through investment contract liabilities USD
Commercial	-	-	11 067 025	11 067 025	417 613	4 894 012
Residential	-	-	1 292 258	1 292 258	69 795	-
Land	-	-	43 573 999	43 573 999	2 565 334	13 703 235
Total investment properties	-	**-**	**55 933 282**	**55 933 282**	**3 052 742**	**18 597 247**
Financial Assets at fair value through profit or loss	**63 361 287**	**-**	**-**	**63 361 287**	**2 225 091**	**978 802**
Land and buildings	**-**	**-**	**55 933 282**	**55 933 282**	**3 052 742**	**18 597 247**
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**
Equities 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**

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 USD3 020 947 (December 2024: USD6 109 929). Fair value gains of USD19 576050 (December 2024: USD3 751 688) 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.

33 RETIREMENT BENEFITS

33.1 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:

	2025 USD	2024 USD	2025 USD	2024 USD
Employer's contribution	145 163	90 018	39 320	35 578

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

33 RETIREMENT BENEFITS(CONTINUED)

33.2 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 700.

Contributions were made as follows during the year:

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Employer's contribution	51 486	28 482	32 476	11 056

34 RELATED PARTY INFORMATION

34.1 RELATED PARTIES

The following are the related parties of the Company:

Related party	Nature of relationship
Fidelity Life Financial Services (Private) Limited	Common shareholder
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	Common shareholder
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
Zimbabwe Insurance Brokers Limited	Common shareholder
L.T Gwata	Non Executive Chairman
L.Mabhanga	Independent Non Executive Director
T. 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
D.Humure	Key management
C. Matongo	Key management
C.Chikundura	Key management
Z.Zvenyika	Group Chief Finance Officer

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

34 RELATED PARTY INFORMATION (CONTINUED)

34.2 Related party transactions

The following represent transactions with related parties during the year:-

		GROUP		COMPANY	
		2025 USD	2024 USD	2025 USD	2024 USD
Related party	**Nature of transaction**				
Income					
Zimre Property Investments Limited	Pension contributions	12 298	23 049	12 298	23 049
Credsure	Pension contributions	21 621	10 122	21 621	10 122
WFDR	Pension contributions	18 891	15 906	18 891	15 906
Emeritus Reinsurance (Private) Limited	Pension contributions	189 290	13 728	189 290	13 728
Expenses					
Fidelity Life Medical Aid Society	Medical aid contributions	302 942	415 789	189 624	57 752
Zimbabwe Actuarial Consultants (Private) Limited	Actuarial fees	384 965	629 564	123 284	482 336
Fidelity Life Asset Management Company (Private) Limited	Management fees	3 202	6 503	-	(6 719)
Emeritus Reinsurance (Private) Limited	Reassurance premiums	17 611	37	17 611	37
Zimre Property Investments Limited	Property management fees				

34.3 Related party balances

34.3.1 Related party receivables

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Included in trade and other receivables are the following balances:-				
Fidelity Life Asset Management Company (Private) Limited	-	-	-	4 553
Langford Estates 1962 (Private) Limited	-	-	385 191	181 124
Fidelity Life Financial Services (Private) Limited	436 824	-	436 824	404 773
Fidelity Funeral Services Company (Private) Limited	-	-	2 038 752	1 403 126
Fidelity Life Medical Aid Society	-	-	-	-
Fidelity Life Medical Services Company (Private) Limited	-	-	-	901
Zimbabwe Actuarial Consultants (Private) Limited	-	-	-	613
Zimre Holdings Limited	151 294	151 294	151 294	151 294
Credsure	-	838	-	837
WFDR Risk Services	-	-	-	-
Zimre Property Investments	-	9 289		
CFI Holdings	1 681	-	1 681	9 289
Vanguard Life Assurance Company Limited	-	-	5 385	-
	589 799	**161 421**	**3 019 127**	**2 156 510**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

34 RELATED PARTY INFORMATION (CONTINUED)

34.3.2 Related party payables

	GROUP		COMPANY	
	2025 USD	2024 USD	2025 USD	2024 USD
Included in related party payables				
Fidelity Life Medical Aid Society	29 260	-	-	-
Fidelity Life Medical Services Company (Private) Limited	-	-	5 060	-
Fidelity Funeral Services Company (Private) Limited	-	-	-	-
Fidelity Life Financial Services (Private) Limited	1 588	-	-	-
Fidelity Life Asset Management Company (Private) Limited	994	-	994	-
Langford Estates 1962 (Private) Limited	-	-	-	-
Vanguard Life Assurance Company Limited	-	-	-	-
WFDR Risk Services	-	14 332	-	-
Zimre Property Investments	192 880	5 746	257 564	-
Credsure	-	1 171	-	5 066
CFI	-	-	-	-
ZHL	14 333	136 558	-	-
Zimbabwe Actuarial Consultants	-	-	9 318	3 923
	239 055	**157 807**	**272 936**	**8 989**

The related party payables are interest free and have no fixed repayment terms. Related party payables are unsecured.

34.4 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	864 909	854 161	505 206	319 367
Post employment benefits	77 344	51 812	40 755	16 098
Total	**942 253**	**905 973**	**545 961**	**335 465**

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.

34.5 Loans to key management

Included in trade and other receivables as at year end are loans to key management as follows:-

Loans receivable	37 695	16 603	19 563	8 302

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

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	Further details
Fidelity Life Asset Management Company (Private) Limited	Asset management	Zimbabwe	Disposed 1 January 2025
Fidelity Life Medical Services Company (Private) Limited	Medical aid management	Zimbabwe	
Vanguard Life Assurance Company Limited	Life assurance	Malawi	
ZAC Global Actuaries (Private Limited)	Actuarial consultants	Zimbabwe	
Fidelity Life Financial Services (Private) Limited	Micro-lending	Zimbabwe	Disposed 1 January 2025
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	Shareholding 2025	2024	
Fidelity Life Asset Management Company (Private) Limited	0%	96%	Disposed 1 January 2025
Vanguard Life Assurance Company Limited	62%	62%	
Zimbabwe Actuarial Consultants (Private) Limited	100%	100%	
Fidelity Life Financial Services (Private) Limited	0%	100%	Disposed 1 January 2025
Fidelity Funeral Services Company (Private) Limited	91%	91%	
Fidelity Life Medical Services Company (Private) Limited	100%	100%	
Langford Estates 1962 (Private) Limited	81%	81%	

36 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

36 NON-CONTROLLING INTERESTS (CONTINUED)

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	
For the period ended 31 December	2025 USD	2024 USD	2025 USD	2024 USD
Insurance contracts revenue	4 731 197	2 658 380	-	-
Insurance service expenses	(2 375 763)	(2 062 803)	-	-
Insurance service result from insurance contracts issued	**2 355 434**	**595 577**	**-**	-
Allocation of reinsurance paid	(65 474)	(63 596)	-	-
Amount recoverable from reinsurers for incurred claims	14 734	70 167	-	-
Net expenses from reinsurance contracts held	**(50 740)**	**6 571**	**-**	-
Insurance service result	**2 304 694**	**602 148**	**-**	**-**
Interest revenue from financial instruments not measured at fair value through profit or loss	1 857 128	1 785 042	-	-
Net income from other financial instruments at fair value through profit or loss	41 292 715	4 140 516	-	-
Net gains from fair value adjustments to investment properties	368 073	-	-	-
Net change in investment contract liabilities	(33 391 827)	(3 450 706)	-	-
Other net investment revenue	422 837	125 156	-	-
Net gain from foreign exchange	(14 832)	-	-	-
Net Investment Income	**10 534 094**	**2 600 008**	**-**	**-**
Insurance finance expenses for insurance contracts issued	-	-	-	-
Reinsurance finance income for reinsurance contracts held	-	-	-	-
Net insurance finance expenses	-	-	-	-
Net insurance and investment result	**12 838 788**	**3 202 156**	**-**	**-**
Rental income from investment property	123 211	118 826	-	-
Other income	970 550	54 338	-	-
Operating and administrative expenses expenses	(4 591 888)	(2 107 059)	(204 067)	(130 995)
Property operating costs	(71 381)	(16 213)	-	-
Allowance for expected credit losses on receivables	(19 848)	(1 446)	-	-
Finance costs	(117 426)	(34 844)	-	-
-	-	-	-	-
Profit/(loss) before share of profit of associates accounted for using the equity method	**9 132 006**	**1 215 758**	**(204 067)**	**(130 995)**
Profit before income tax expense	**9 132 006**	**1 215 758**	**(204 067)**	**(130 995)**
Income tax expense	(343 775)	(177 320)	-	(49 808)
Profit for the year	**8 788 231**	**1 038 438**	**(204 067)**	**(180 803)**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

36 NON-CONTROLLING INTERESTS (CONTINUED)

For the period ended 31 December	Vanguard Life 2025 USD	Vanguard Life 2024 USD	Langford Estates 2025 USD	Langford Estates 2024 USD
Profit attributable to NCI	3 359 741	403 193	(39 242)	(34 768)
Other comprehensive income allocated to NCI	(50 848)	103 216	-	-
Total comprehensive income allocated to NCI	**3 308 893**	**506 409**	**(39 242)**	**(34 768)**
Cash flows from operating activities	(320 364)	2 478 424	-	-
Cash flows from investing activities	1 310 278	220 523	-	-
Cash flows from financing activities	227 644	55 472	-	-
Net cash flows attributable to NCI	1 217 558	2 754 419	-	-
Assets:				
Property and equipment	319 112	224 213	-	-
Right of use asset	792 136	70 252	-	-
Investment property	2 216 282	1 824 151	25 040 000	25 040 000
Intangible assets	109 963	175 296	-	-
Trade and other receivables	1 685 766	1 462 151	-	-
Financial assets at fair value through profit or loss	51 047 253	13 095 388	-	-
Debt securities at amortised cost	5 257 204	4 117 571	-	-
Cash and deposits with banks	5 196 953	2 754 419	-	-
	66 624 669	**23 723 441**	**25 040 000**	**25 040 000**
Liabilities:				
Insurance contract liabilities	29 377 368	12 828 589	-	-
Investment contract liabilities without direct participating features	26 082 955	9 550 391	-	-
Deferred tax liabilities	495 601	371 079	1 710 417	1 710 417
Lease Liability	768 965	56 063	-	-
Trade and other payables	2 098 942	970 019	385 191	181 124
Income tax liability	-	-		
	58 823 831	**23 776 141**	**2 095 608**	**1 891 541**

37 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% (2024: 74%) of the Group's external revenue.

Microlending
This segment is involved in consumer loans, business loans and loans to farmers. It accounts for nil (2024: 6%) of the Group's external revenue. The segment has experienced steady growth since its formation in 2010, and was subsequently disposed effective 1 January 2025

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, medical services 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

37 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.

37.1 SEGMENT INFORMATION

Dec-25	Insurance USD	Microlending USD	Property Investment SD	Other USD	Consolidation adjustments USD	Total USD
Insurance contract revenue	16 649 840	-	-	-	-	16 649 840
Insurance service expenses	(10 733 433)	-	-	-	-	(10 733 433)
Net expenses from reinsurance contracts held	(439 306)	-	-	-	-	(439 306)
Insurance service result	**5 477 101**	**-**	**-**	**-**	**-**	**5 477 101**
Net insurance finance expenses	(7 681 488)	-	-	-	-	(7 681 488)
Net investment income	27 611 449	-	-	-	(5 536 533)	22 074 916
Net insurance and investment result	**25 407 062**	**-**	**-**	**-**	**(5 536 533)**	**19 870 529**
Non insurance income	1 090 102	-	-	2 279 043	(479 691)	2 889 454
Indirect expenses	(10 404 312)	-	(204 067)	(3 528 991)	479 691	(13 657 679)
Income tax expense	(376 052)	-	-	(120 713)	-	(496 765)
Profit/(loss) for the year	**15 077 295**	**-**	**(204 067)**	**(1 463 930)**	**(5 536 533)**	**7 872 765**
Segment assets	158 288 920	-	25 040 000	3 086 193	(37 577 247)	148 837 866
Segment liabilities	143 168 612	-	2 095 608	4 710 784	(4 993 311)	144 981 693

Dec-24	Insurance USD	Microlending USD	Property Investment USD	Other USD	Consolidation adjustments USD	Total 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	(1 485 790)	8 922 404
Net insurance finance expenses	(3 671 752)	-	-	-	-	(3 671 752)
Net insurance and investment result	**8 746 039**	**84 731**	**-**	**243 044**	**(1 485 790)**	**7 588 024**
Other income	1 656 717	1 432 272	-	3 254 610	(1 817 942)	4 525 657
Indirect expenses	(6 735 630)	(1 513 491)	(130 995)	(3 799 346)	1 822 449	(10 357 013)
Income tax expense	(204 833)	(35 847)	(49 808)	119 295	-	(171 193)
Profit/(loss) for the year	**3 462 293**	**(32 335)**	**(180 803)**	**(182 397)**	**(1 346 257)**	**1 720 501**
Segment assets	89 984 562	2 389 907	25 040 000	3 649 567	(29 648 609)	91 415 427
Segment liabilities	89 427 013	2 420 730	1 891 541	2 980 896	(1 591 380)	95 128 800

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

37 SEGMENT REPORTING (CONTINUED)

December 2025	Zimbabwe USD	Malawi USD	Consolidation adjustments USD	Total USD
Insurance contract revenue	11 918 643	4 731 197		16 649 840
Insurance service expenses	(8 357 670)	(2 375 763)		(10 733 433)
Net expenses from reinsurance contracts held	(388 566)	(50 740)		(439 306)
				-
Insurance service result	**3 172 407**	**2 304 694**		**5 477 101**
				-
Net insurance finance expenses	(7 681 488)	-		(7 681 488)
Net Investment Income	17 077 355	10 534 094	(5 536 533)	22 074 916
Net insurance and investment result	**12 568 274**	**12 838 788**	**(5 536 533)**	**19 870 529**
Other income	1 339 987	970 550	578 917	2 889 454
Indirect expenses	(9 545 482)	(4 591 888)	479 691	(13 657 679)
Income tax expense	(152 989)	(343 776)		(496 765)
Profit/(loss) for the year	**4 621 067**	**8 788 231**	**(5 536 533)**	**7 872 765**
Segment assets	118 447 312	67 967 801	(37 577 247)	148 837 866
Segment liabilities	91 151 170	58 823 831	(4 993 308)	144 981 693
December 2024				
Insurance contract revenue	8 772 180	2 658 380	-	11 430 560
Insurance service expenses	(6 878 625)	(2 062 803)	-	(8 941 428)
Net expenses from reinsurance contracts held	(158 331)	6 571	-	(151 760)
Insurance service result	**1 735 224**	**602 148**	**-**	**2 337 372**
Net Investment Income	7 808 186	2 600 008	(1 485 790)	8 922 404
Net insurance finance expenses	(3 671 752)	-	-	(3 671 752)
Net insurance and investment result	**5 871 658**	**3 202 156**	**(1 485 790)**	**7 588 024**
Other income	6 170 435	173 164	(1 817 942)	4 525 657
Indirect expenses	(10 036 113)	(2 143 349)	1 822 449	(10 357 013)
Income tax expense	348 513	(177 320)	-	171 193
				-
Profit/(loss) for the year	**2 012 107**	**1 054 651**	**(1 346 257)**	**1 720 501**
Segment assets	**97 340 595**	**23 723 441**	**(29 648 609)**	**91 415 427**
Segment liabilities	**73 485 483**	**23 234 697**	**(1 591 380)**	**95 128 800**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

38 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	2025 USD	2024 USD
Inventories-South View stands	21 227	21 227
Residential stand debtors	27 363	10 135
Biological assets	132 502	98 280
Other non current assets	284 747	170 020
REIT	10 862 524	5 981 627
Investment properties	8 277 000	7 589 000
	19 605 363	**13 870 289**
Total assets	**90 344 370**	**66 261 121**
Percentage of total assets	**22%**	**21%**

The Company is fully compliant with the prescribed assets requirements in the current year.

39 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.

	2025	2024
Investments	55 180 372	35 403 603
Allowance for inadmissible assets	35 140 747	30 857 518
Value of Assets	**90 321 119**	**66 261 121**
Actuarial values of policy liabilities	75 645 954	60 045 844
Other liabilities	8 722 078	6 145 846
Total	**84 368 032**	**66 191 690**
FLA statutory capital per IPEC circular 42 of 2022	**5 953 087**	**69 431**
Circular 42 of 2022 minimum statutory capital requirement	**2 000 000**	**2 000 000**
Statutory capital surplus /(deficit)	**3 953 087**	**(1 930 569)**

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

40 SPECIAL PURPOSE FINANCIAL STATEMENTS

In response to the Reserve Bank of Zimbabwe's Monetary Policy Statement (MPS/2/2025) dated 6 February 2025, the Group and Company will prepare two sets of financial statements for the period ending 31 December 2025 namely the General Purpose Financial Statements fully compliant with IFRS, and Special Purpose Financial Statements in ZWG as per the RBZ directive.

41 CONTINGENCIES

41,1 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.

There is a high probability that the matter will be determined in FLA's favour given that the transaction met all the regulatory compliance conditions including director and shareholder approvals, prior to its conclusion.

42 EVENTS AFTER THE REPORTING DATE

42.1 DIVIDEND DECLARATION

	AUDITED GROUP		AUDITED COMPANY	
As at 1 January	**2025 USD**	**2024 USD**	**2025 USD**	**2024 USD**
Dividends declared	-	300 000		300 000
Dividends paid	-	-	-	-
	-	300 000	-	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, which was paid in June 2025.

42,2 Approval of the consolidated financial Statements

The consolidated financial statements were approved by the Board of Directors for issue on 27 March 2026 and the directors have power to amend and/or reissue the financial statements should circumstances requiring that arise.

43 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 insurance contract liabilities and insurance finance expenses for insurance contracts issued 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

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.

	2025 USD	2025 USD	2025 USD
2025			
Assets	**Policyholder**	**Shareholder**	**Total**
Property and equipment	842 361	355 742	1 198 103
Intangible assets	-	-	-
Investment property	33 313 000	-	33 313 000
Inventories	21 227	-	21 227
Investments in subsidiaries	30 525 247	2 105 993	32 631 240
Other assets	284 747	-	284 747
Financial assets at fair value through profit or loss	12 164 089	79 463	12 243 552
Debt securities at amortised cost	188 218	7 649	195 867
Cash and deposits with banks	1 245 068	174 396	1 419 464
Insurance Contract Assets	895 031	-	895 031
Trade and other receivables	8 009 637	-	8 009 637
Biological assets	132 502	-	132 502
Total assets	**87 621 127**	**2 723 243**	**90 344 370**
Liabilities			
Borrowings	3 602 571	-	3 602 571
Income tax liability	23 251	-	23 251
Trade and other payables	5 096 256	-	5 096 256
Total liabilities	**8 722 078**	**-**	**8 722 078**
Net assets value			**81 622 292**
Allocated closing fund balance	**78 899 049**	**2 723 243**	**81 622 292**
2024			
Assets and liabilities allocation			
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	28 057 229	-	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	**63 669 623**	**2 591 498**	**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	**57 531 537**	**2 591 498**	**60 123 035**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

1.1 POLICYHOLDER AND SHAREHOLDER FUNDS (CONTINUED)

1.1.2 Investment returns allocation

	2025 USD	2024 USD
Direct Revenue		
Insurance contracts revenue	11 918 643	8 772 180
Insurance service expenses	(8 357 670)	(6 878 625)
Net reinsurance paid	(388 566)	(158 331)
Net direct growth in fund	**3 172 407**	**1 735 224**
Fair value gains from financial assets	6 243 342	537 966
Other investment income	10 557 320	2 336 309
Insurance finance expenses for insurance contracts issued	(7 681 488)	(3 671 752)
Other operating expenses	(8 326 573)	(4 871 766)
Finance costs	(409 930)	(70 036)
Income tax expense	(32 276)	(27 513)
Gains on property and equipment revaluations	-	-
Net gains from fair value adjustments on investment property	2 844 874	6 530 679
Net gains from foreign exchange	(78 612)	(140 008)
Net investment returns	**3 116 657**	**623 879**
Net profit	**6 289 064**	**2 359 103**
Profit attribution		
Policyholder	5 184 001	1 822 304
Shareholder	1 105 063	536 799

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 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

1.2 Ipec Currency Reform Guideline Compliance (Continued)

Below is an illustration of the split of assets into the respective sub-accounts

DECEMBER 2025	Sub Account 1 USD	Sub Account 2 USD	Sub Account 3 USD	Total USD
Assets				
Prescribed assets	8 154 000	444 613	10 862 525	19 461 137
Investment property	25 159 000	-	-	25 159 000
Listed equities	797 591	195 599	311 038	1 304 228
Financial assets at fair value through profit or loss	-	76 801	-	76 801
Unlisted equities	25 996 932	6 634 308	-	32 631 240
Money market investments	99 852	141 341	434 546	675 740
Inventories(Land and projects)	21 227	-	-	21 227
Loans and receivables	-	-	2 011 387	2 011 387
Non current trade receivables	1 583 560	1 181 484	3 205 841	5 970 885
Debt securities at amortised cost		37 600	158 267	195 867
Insurance Contract Assets	671 601	(142 813)	366 243	895 031
Cash and deposits with banks	727 466		16 257	743 723
Property and equipment	718 453	479 650		1 198 103
Total	**63 929 684**	**9 048 581**	**17 366 105**	**90 344 370**

Below is an illustration of the split of profit into the respective sub-accounts
Operating profit

DECEMBER 2025	Sub Account 1 USD	Sub Account 2 USD	Sub Account 3 USD	Total USD
Premiums net of reinsurance	-	-	11 918 643	11 918 643
Fee and commission income	-	52 119	13 301	65 420
Investment income	108 994	(544 386)	554 944	119 552
Fair value gains/(losses)	736 249	191 030	4 948 100	5 875 379
Share of revaluation gains on property	2 446 874	-	398 000	2 844 874
Other net investment revenue	2 493 718	5 306 533	1 891 445	9 691 696
Interest revenue from financial instruments not measured at fair value through profit or loss	538	1 511	365 914	367 963
Rental income from investment property	6 847	60 662	678 563	746 072
Income	**5 793 220**	**5 067 469**	**20 768 909**	**31 629 599**
Benefits and claims after reinsurance	(16 489)	(1812 396)	(6528 785)	(8357 670)
Change in liabilities				
Policyholder benefits	**(16 489)**	**(1812 396)**	**(6528 785)**	**(8357 670)**
Fee, commission and acquisition costs	6 277	(242 161)	(218 102)	(453 986)
Finance costs	(2 093)	(142 220)	(265 617)	(409 930)
Operating expenses	(203 960)	(772 735)	(4835 726)	(5812 422)
Insurance finance expenses for insurance contracts issued	-	-	(7681 488)	(7681 488)
Property operating costs	-	(64 644)	(361 107)	(425 751)
Net change in investment contract liabilities	-		(1623 945)	(1623 945)
Allowance for expected credit losses on receivables	-	(455 690)	(8 765)	(464 455)
Net gains from foreign exchange	(73 296)		(5 316)	(78 612)
Other expenses	**(273 072)**	**(1 677 450)**	**(15 000 067)**	**(16 950 589)**
Profit before tax	**5 503 659**	**1 577 624**	**(759 942)**	**6 321 340**
Income tax	-	(16 147)	(16 129)	(32 276)
Profit after tax	**5 503 659**	**1 561 476**	**(776 071)**	**6 289 064**

1.2 Ipec Currency Reform Guideline Compliance (Continued)

	Sub Account 1 USD	Sub Account 2 USD	Sub Account 3 USD	Total USD
DECEMBER 2024				
Assets				
Prescribed assets	7 282 001	-	6 391 038	13 673 039
Land and buildings	-	-	-	-
Investment property	9 833 000	-	6 673 000	16 506 000
Listed equities	295 906	222 135	259 620	777 661
Unlisted equities	26 647 295	840 916	-	27 488 211
Money market investments	98 070	136 224	113 842	348 136
Inventories(Land and projects)	21 227	-	-	21 227
Loans and receivables	-	-	1 401 449	1 401 449
Non current trade receivables	-	-	3 231 802	3 231 802
Other	583 263	22 190	2 208 143	2 813 596
Total	**44 760 761**	**1 221 465**	**20 278 894**	**66 261 121**
Below is an illustration of the split of profit into the respective sub-accounts Operating profit				
Premiums net of reinsurance	-	757 422	1 136 133	1 893 555
Fee and commission income	-	341 102	511 654	852 756
Interest income from residential stands receivables	31 287	18 772	12 515	62 574
Investment income	124 750	74 850	49 900	249 500
Fair value gains/(losses)	237 696	142 618	95 078	475 392
Gains/losses on property revaluation	3 265 340	1 959 204	1 306 136	6 530 679
Other income	617 027	370 216	246 811	1 234 053
Income	**4 276 099**	**3 664 184**	**3 358 226**	**11 298 509**
Benefits and claims after reinsurance	1 269 061	761 437	507 624	2 538 122
Change in liabilities				
Policyholder benefits	**1 269 061**	**761 437**	**507 624**	**2 538 122**
Cost of sales of stands	-	-	-	-
Fee, commission and acquisition costs	84 631	50 779	33 852	169 262
Finance costs	(35 018)	(21 011)	(14 007)	(70 036)
Operating expenses	(2 233 785)	(1 340 271)	(893 514)	(4 467 570)
Non-operating income	-	-	-	-
Other expenses	**(2 184 172)**	**(1 310 503)**	**(873 669)**	**(4 368 344)**
Profit before tax	**3 360 988**	**3 115 117**	**2 992 182**	**9 468 287**
Income tax	(13 757)	(8 254)	(5 503)	(27 513)
Profit after tax	**3 347 232**	**3 106 863**	**2 986 679**	**9 440 774**

SUPPLEMENTARY FINANCIAL INFORMATION

13

Grant Thornton

INDEPENDENT AUDITORS' REPORT

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To the members of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries

Report on the Audit of the Consolidated Special Purpose Annual Financial Statements

Opinion

We have audited the consolidated special purpose ZWG annual financial statements of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries "the Group" which comprise the consolidated statement of financial position as at 31 December 2025, 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 special purpose financial statements, including a summary of the Group's significant accounting policies. These consolidated special purpose annual financial statements of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries were derived from the audited general purpose consolidated financial statements of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries for the year ended 31 December 2025.

In our opinion, the accompanying consolidated special purpose financial statements of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries as at 31 December 2025 are prepared, in all material respects, in accordance with the financial reporting provisions established by the Monetary Policy Statement (MPS) of 6 February 2025 and Zimbabwe Stock Exchange Directive issued on 12 March 2025.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Special Purpose Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for

Accountants of Ethics for Professional Accountants (IESBA Code) that are relevant to our audit of the translated consolidated special purpose financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Basis of Accounting

We draw attention to **Note 3.1** of the consolidated special purpose financial statements, which describes the basis of accounting. The consolidated special purpose annual financial statements were prepared to assist the Group to meet the requirements of the Monetary Policy Statement (MPS) of 6 February 2025 and Zimbabwe Stock Exchange Directive issued on 12 March 2025. As a result, the consolidated special purpose financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Matter

The Group has prepared consolidated general purpose financial statements for the year ended 31 December 2025 in accordance with International Financial Reporting Standards on which we issued a separate auditor's report to the shareholders of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries dated 31 March 2026. Our opinion thereon is qualified with respect to the impact of enhancements and refinements to the Group's IFRS 17 modelling approaches and assumptions. As such, the consolidated special purpose financial statements should not be taken as having substituted the consolidated general purpose financial statements, from which they are derived.

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

The Directors are responsible for the preparation and fair presentation of the consolidated special purpose financial statements in accordance with the financial reporting provisions established by the Monetary Policy Statement (MPS) of 6 February 2025 and Zimbabwe Stock Exchange Directive issued on 12 March 2025.

In preparing the financial statements, the Directors are 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.

The Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidate special purpose financial statements have been prepared in all material respects in accordance with the financial reporting provisions established by the Monetary Policy Statement (MPS) of 6 February 2025 and Zimbabwe Stock Exchange Directive issued on 12 March 2025.

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
Chartered Accountants (Zimbabwe)
Registered Public Auditors

31 March 2026

HARARE

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

		GROUP	
		AUDITED	AUDITED RESTATED
	Notes	2025 ZWG	2024 ZWG
ASSETS			
Property and equipment	5	193 988 854	175 129 222
Right of use asset	7	20 580 248	2 733 793
Investment property	6	1 453 185 820	1 223 045 376
Intangible assets	3	2 856 916	4 554 313
Other non current assets	4	7 397 926	4 417 239
Insurance Contract Assets	15.1	30 740 338	7 222 790
Inventories	10	1 043 199	876 953
Income tax asset	18.2	27 814 075	11 120 545
Trade and other receivables	9	163 959 923	204 536 178
Financial assets at fair value through other comprehensive income		560 715	560 715
Financial assets at fair value through profit or loss	11.1	1 646 170 576	527 769 913
Debt securities at amortised cost	11.2	141 916 693	112 534 051
Biological assets	11.3	3 442 495	2 553 383
Cash and deposits with banks	12	173 254 168	97 982 313
Total assets		**3 866 911 947**	**2 375 036 784**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Issued share capital	13	28 299 036	28 299 036
Share premium		17 443 676	17 443 676
Treasury shares		(260 768)	(260 768)
Retained earnings		478 619 616	368 142 778
Revaluation reserve		66 040 663	57 387 105
Foreign currency translation reserve		(832 117 067)	(829 801 396)
Total ordinary shareholder's equity		**(241 974 845)**	**(358 789 570)**
Insurance Reserve		28 581 654	28 581 654
Non-controlling interests		313 579 221	233 731 886
Total equity		**100 186 030**	**(96 476 030)**
LIABILITIES			
Insurance contract liabilities	15	2 513 455 069	1 708 360 929
Investment contract liabilities without direct participating features	15.5	892 777 782	433 093 696
Borrowings	16	93 597 316	82 634 474
Deferred tax liabilities	18	63 731 716	54 941 724
Lease Liability	17	19 978 303	2 385 678
Trade and other payables	19	183 185 731	190 096 313
Total liabilities		**3 766 725 917**	**2 471 512 814**
Total equity and liabilities		**3 866 911 947**	**2 375 036 784**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.Further information on the restatement is included in Note 14 to the financial statements.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	GROUP AUDITED 2025 ZWG	GROUP AUDITED RESTATED 2024 ZWG
IInsurance contracts revenue	15.6	432 574 498	296 973 950
Insurance service expenses	15.6	(278 862 103)	(232 304 558)
Insurance service result from insurance contracts issued		**153 712 395**	**64 669 392**
Allocation of reinsurance paid		(13 495 934)	(9 199 194)
Amount recoverable from reinsurers for incurred claims		2 082 457	5 256 363
Net expenses from reinsurance contracts held		**(11 413 477)**	**(3 942 831)**
Insurance service result		**142 298 918**	**60 726 561**
Interest revenue from financial instruments not measured at fair value through profit or loss	20.1	57 809 422	48 383 546
Net income from other financial instruments at fair value through profit or loss	11.1	1 225 460 100	119 924 521
Net gains from fair value adjustments to investment properties	6	77 499 051	156 681 262
Net change in investment contract liabilities	15.5	(909 734 268)	(97 471 480)
Other net investment revenue	20	124 915 210	3 427 763
Net gain from foreign exchange		(2 427 741)	864 690
Net Investment Income		**573 521 774**	**231 810 302**
Insurance finance expenses for insurance contracts issued		(199 570 435)	(95 394 687)
Reinsurance finance income for reinsurance contracts held		-	-
Net insurance finance expenses		**(199 570 435)**	**(95 394 687)**
Net insurance and investment result		**516 250 257**	**197 142 176**
Rental income from investment property		22 584 581	9 902 959
Fair value adjustments to investment properties	6	987 267	2 058 970
Fair value gains from financial instruments at fair value through profit or loss	11.1	457 638	1 566 195
Interest income from micro - lending		-	16 560 228
Other income	21	75 070 045	117 579 737
Property operating costs		(12 920 699)	(7 241 081)
Operating and administrative expenses expenses	22	(354 836 067)	(269 082 448)
Allowance for expected credit losses on receivables		(8 457 549)	(7 731 778)
Finance costs	23	(21 689 234)	(11 607 423)
Profit before income tax expense		**217 446 239**	**49 147 535**
Income tax expense	24	(12 906 285)	(4 447 715)
Profit for the year		**204 539 954**	**44 699 820**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

		GROUP	
		AUDITED	AUDITED RESTATED
	Notes	2025 ZWG	2024 ZWG
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss:			
Gains on property, plant and equipment revaluations		9 087 713	16 932 480
Finance income/finance expenses from insurance contracts		-	58 510 745
Income tax relating to components of other comprehensive income		(322 033)	-
		8 765 680	**75 443 225**
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(3 748 859)	1 261 077
Investments in equity instruments		-	103 767
		(3 748 859)	**1 364 844**
Other comprehensive income for the period net of tax		**5 016 821**	**76 808 069**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**209 556 775**	**121 507 889**
Profit for the period attributable to:			
Owners of the parent		118 271 048	35 136 117
Non-controlling interests		86 268 906	9 563 703
Total profit for the period		**204 539 954**	**44 699 820**
Total comprehensive income attributable to:			
Owners of the parent		124 608 961	109 262 561
Non-controlling interests		84 947 814	12 245 328
Total comprehensive income for the period		**209 556 775**	**121 507 889**
Basic and diluted earnings per share (cents)		**109.59**	**32.56**

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes. Further information on the restatement is included in Note 14 to the financial statements.

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

	Share Capital ZWG	Share Premium ZWG	Treasury shares ZWG	Retained earnings ZWG	Revaluation reserve ZWG	Foreign currency translation reserve ZWG	Attribute to shareholders of parent ZWG	Insurance reserve ZWG	Non controlling interest ZWG	Total equity ZWG
Balance at 1 January 2024	**28 299 036**	**17 443 676**	**(260 768)**	**333 006 661**	**43 032 482**	**(831 062 473)**	**(409 541 387)**	**338 845 356**	**221 486 559**	**150 790 527**
Profit for the year restated	-	-	-	35 136 117	-	-	35 136 117	-	9 563 703	44 699 820
Other comprehensive income for the year	-	-	-	-	14 354 623	1 261 077	15 615 700	58 510 745	2 681 624	76 808 069
Comprehensive income for the year				35 136 117	14 354 623	1 261 077	50 751 817	58 510 745	12 245 327	121 507 889
Bonus Smoothing Reserve	-	-	-	-	-	-	-	(368 774 447)	-	(368 774 447)
Balance at 31 December 2024	**28 299 036**	**17 443 676**	**(260 768)**	**368 142 778**	**57 387 105**	**(829 801 396)**	**(358 789 570)**	**28 581 654**	**233 731 886**	**(96 476 030)**
Year ended 31 December 2025										
Balance at 1 January 2025	28 299 036	17 443 676	(260 768)	368 142 778	57 387 105	(829 801 396)	(358 789 570)	28 581 654	233 731 886	(96 476 031)
Profit for the year				118 271 048			118 271 048	-	86 268 906	204 539 955
Other comprehensive income for the year					8 653 558	(2 315 671)	6 337 887	-	(1 321 066)	5 016 821
Comprehensive income for the year	-	-	-	**110 476 838**	**8 653 558**	**(2 315 671)**	**124 608 935**	-	**84 947 840**	**209 556 776**
Non controlling interest on disposal of subsidiary		-	-	-	-	-	-	-	(5 100 504)	(5 100 504)
Dividend	-	-	-	(7 794 210)	-	-	(7 794 210)	-	-	(7 794 210)
Balance at 31 December 2025	**28 299 036**	**17 443 676**	**(260 768)**	**478 619 616**	**66 040 663**	**(832 117 067)**	**(241 974 845)**	**28 581 654**	**313 579 221**	**100 186 030**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes. Further information on the restatement is included in Note 14 to the financial statements.

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	GROUP AUDITED 2025 ZWG	2024 ZWG
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INCOME TAX			
Profit before income tax		**217 446 239**	**49 147 535**
Adjustments:		**(19 816 801)**	**6 159 737**
Fair value gains on equities at fair value through profit or loss	11.1	(1 225 917 750)	(121 490 716)
Fair value gains on investment property	6	(78 486 318)	(158 740 232)
Fair value gains on non current assets	4	(5157 896)	(482 540)
Amortisation of intangible assets	3	2 324 181	1 676 197
Depreciation of right of use asset	7	2 174 772	2 037 588
Finance costs		21 689 234	11 607 423
Depreciation of property and equipment	5	14 983 510	7 823 828
Changes in insurance contract assets		(23 517 548)	15 938 302
Insurance service result		(142 298 918)	(60 726 561)
Premiums received		925 768 153	312 513 163
Claims and other directly attributable expenses paid		(216 911 461)	(150 614 353)
Insurance acquisition cash flows		(43 731 727)	(36 181 139)
Changes in investment contract liabilities	15.5	909 734 268	172 276 515
Insurance finance expenses for insurance contracts issued		199 570 435	95 394 687
Interest income		(57 809 422)	(48 383 546)
Dividend income		(12947 820)	(3427 764)
Unrealised gains/ (losses)		(298 291 041)	(40 580 270)
Allowance for expected credit losses on receivables		8 457 549	7 731 778
Profit on disposal of investment property		-	-
Loss/ (profit)on disposal of property, plant and equipment		550 999	(212 626)
Changes in working capital		**33 499 426**	**963 806**
(Increase)/decrease in inventories		(166 247)	6 203 724
Decrease/(increase) in trade and other receivables		40 576 255	(77 022 279)
(Decrease)/Increase in trade and other payables		(6 910 582)	71 782 362
Cash generated from operations		**231 128 865**	**56 271 078**
Income taxes paid		(21420 983)	(13467 200)
Net cash generated from operations		**209 707 881**	**42 803 878**
Cash flows from investing activities			
Additions to and replacement of property and equipment	5	(28 067 860)	(9162 925)
Additions to intangible assets	3	(625 894)	-
Additions to financial assets	11	(65 884 903)	(115 555 788)
Additions to investment property		(162 363 033)	-
Proceeds from sale of financial assets		7 938 143	3 359 045
Interest income		57 809 422	48 383 546
Dividend income		12 947 820	3 427 764
Net cash utilised from investing activities		**(178 246 305)**	**(69 548 359)**

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

		GROUP	
		AUDITED	
	Notes	2025 ZWG	2024 Restated ZWG
Cash flows from financing activities			
Finance costs	23	(21 689 234)	(11 607 423)
Repayments of lease obligations		(2 459 296)	(894 307)
Repayments of borrowings	16	(19 140 345)	(4 540 751)
Proceeds from borrowings	16	87 099 154	68 987 306
Net cash generated from financing activities		**43 810 278**	**51 944 825**
Net increase in cash equivalents for the year		**75 271 855**	**25 200 344**
Cash and cash equivalents at the beginning of the year		**97 982 313**	**72 781 969**
Cash and cash equivalents at the end of the year	12	**173 254 168**	**97 982 313**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes. Further information on the restatement is included in Note 14 to the financial statements.

SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Notes	COMPANY AUDITED 2025 ZWG	COMPANY AUDITED RESTATED 2024 ZWG
ASSETS			
Investment in subsidiaries	8	847 782 457	728 946 449
Property and equipment	5	31 127 555	21 457 122
Investment property	6	865 495 059	632 915 833
Intangible assets	3	-	-
Other non current assets	4	7 397 926	4 417 239
Insurance Contract Assets	15.1	23 253 532	7 222 790
Inventories	10	551 492	551 492
Trade and other receivables	9	208 095 976	121 911 785
Financial assets at fair value through profit or loss	11.1	318 096 051	178 486 630
Debt securities at amortised cost	11.2	5 088 762	5 556 674
Biological assets	11,3	3 442 495	2 553 383
Cash and deposits with banks	12	36 878 668	17 490 909
Total assets		**2 347 209 973**	**1 721 510 306**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Issued share capital	13	28 299 036	28 299 036
Share premium		17 443 676	17 443 676
Treasury shares		(260 768)	(260 768)
Retained earnings		(3 266 346)	(158 866 421)
Revaluation reserve		17 126 892	16 945 730
Foreign currency translation reserve		95 926 943	98 242 614
Total ordinary shareholders' equity		**155 269 433**	**1 803 866**
Insurance reserve		-	-
Total equity		**155 269 433**	**1 803 866**
Liabilities			
Insurance contract liabilities	15	1 750 210 484	1 375 065 206
Investment contract liabilities without direct participating features	15.5	215 124 353	184 967 853
Borrowings	16	93 597 316	28 589 188
Trade and other payables	19	132 404 298	130 882 583
Income tax liability	18.2	604 089	201 610
Total liabilities		2 191 940 540	1 719 706 441
Total equity and liabilities		**2 347 209 973**	**1 721 510 306**

The above separate statement of financial position should be read in conjunction with the accompanying notes.Further information on the restatement is included in Note 14 to the financial statements.

LT. Gwata
Chairman

RC. Chihota
Managing Director

-

SEPARATE STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

		COMPANY	
		AUDITED	AUDITED RESTATED
	Notes	2025 ZWG	2024 ZWG
Insurance contracts revenue	15.6	309 654 688	227 907 377
Insurance service expenses	15.6	(217 138 117)	(178 711 493)
Insurance service result from insurance contracts issued		**92 516 571**	**49 195 884**
Allocation of reinsurance paid		(11 794 874)	(7 546 926)
Amount recoverable from reinsurers for incurred claims		1 699 657	3 433 376
Net expenses from reinsurance contracts held		**(10 095 217)**	**(4 113 550)**
Insurance service result		**82 421 355**	**45 082 334**
Interest revenue from financial instruments not measured at fair value through profit or loss	20.1	9 559 936	1 625 716
Net income from other financial instruments at fair value through profit or loss	11.1	152 646 459	12 351 017
Net gains from fair value adjustments to investment properties	6	73 911 818	169 671 612
Net change in investment contract liabilities	15.5	(42 191 228)	(7 819 723)
Other net investment revenue	20	251 797 046	22 155 198
Net gain from foreign exchange		(2 042 395)	(3 637 506)
Net Investment Income		**443 681 637**	**194 346 314**
Insurance finance expenses for insurance contracts issued		(199 570 435)	(95 394 687)
Reinsurance finance income for reinsurance contracts held		-	-
Net insurance finance expenses		**(199 570 435)**	**(95 394 687)**
Net insurance and investment result		**326 532 556**	**144 033 961**
Rental income from investment property		19 383 473	6 482 185
Other income	21	3 106 045	32 061 561
Operating and administrative expenses expenses	22	(151 010 792)	(110 552 581)
Property operating costs		(11 061 309)	(6 779 092)
Allowance for expected credit losses on receivables		(12 066 866)	(1 420 495)
Finance costs		(10 650 268)	(1 819 584)
Profit before income tax expense		**164 232 838**	**62 005 954**
Income tax expense	24	(838 553)	(714 807)
Profit for the year		**163 394 285**	**61 291 147**

SEPARATE STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

		COMPANY	
		AUDITED	AUDITED RESTATED
	Notes	2025 ZWG	2024 ZWG
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(2 315 670)	1 261 077
		(2 315 670)	1 261 077
Other comprehensive income for the period net of tax		**(2 134 508)**	**63 067 214**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**161 259 777**	**124 358 361**
Profit for the period attributable to:			
Owners of the parent		163 394 285	61 291 147
Non-controlling interests		-	-
Total profit for the period		**163 394 285**	**61 291 147**
Total comprehensive income attributable to:			
Owners of the parent		161 259 777	124 358 361
Non-controlling interests		-	-
Insurance reserve			
Total comprehensive income for the period		**161 259 777**	**124 358 361**
Basic and diluted earnings per share (cents)		**151.40**	**56.79**

The above separate statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.Further information on the restatement is included in Note 14 to the financial statements.

SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

	Share capital ZWG	Share premium ZWG	Treasury shares ZWG	Retained earnings ZWG	Revaluation reserve ZWG	Insurance reserve ZWG	Foreign currency translation reserve ZWG	Total equity ZWG
Balance at 1 January 2024	**28 299 036**	**17 443 676**	**(260 768)**	**(100 665 704)**	**13 650 338**	**(119 491 864)**	**38 470 792**	**(122 554 495)**
Profit for the year restated	-	-	-	61 291 147	-	-	-	61 291 147
Other comprehensive income for the year	-	-	-	-	3 295 392	-	59 771 822	63 067 214
Comprehensive income for the year	**-**	**-**	**-**	**61 291 147**	**3 295 392**	**-**	**59 771 822**	**124 358 361**
Transfer within reserves	-	-	-	(119 491 864)	-	119 491 864	-	-
Balance at 31 December 2024	**28 299 036**	**17 443 676**	**(260 768)**	**(158 866 421)**	**16 945 730**	**-**	**98 242 614**	**1 803 866**

Year ended 31 December 2025

	Share capital ZWG	Share premium ZWG	Treasury shares ZWG	Retained earnings ZWG	Revaluation reserve ZWG	Insurance reserve ZWG	Foreign currency translation reserve ZWG	Total equity ZWG
Balance at 1 January 2025	**28 299 036**	**17 443 676**	**(260 768)**	**(158 866 421)**	**16 945 730**	**-**	**98 242 614**	**1 803 866**
Profit for the year	-	-	-	163 394 285	-	-	-	163 394 285
Other comprehensive income for the year	-	-	-	-	181 162	-	(2 315 670)	(2 134 508)
Comprehensive income for the year	**-**	**-**	**-**	**163 394 285**	**181 162**	**-**	**(2 315 670)**	**161 259 777**
Dividend paid	-	-	-	(7 794 210)	-	-	-	(7 794 210)
Transfer within reserves	-	-	-	-	-	-	-	-
Balance at 31 December 2025	**28 299 036**	**17 443 676**	**(260 768)**	**(3 266 346)**	**17 126 892**	**-**	**95 926 943**	**155 269 433**

The above separate statement of changes in equity should be read in conjunction with the accompanying notes.Further information on the restatement is included in Note 14 to the financial statements.

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

Reserve
Share premium
Treasury shares
Revaluation reserve
Foreign currency translation reserve
Retained earnings

SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	COMPANY AUDITED 2025 ZWG	COMPANY AUDITED Restated 2024 ZWG
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INCOME TAX			
Profit before income tax		**164 232 838**	**62 005 954**
Adjustments:		**50 520 866**	**122 277 151**
Fair value gains on equities at fair value through profit or loss	11.1	(152 646 459)	(12 351 017)
Fair value gains on investment property	6	(73 911 818)	(169 671 612)
Fair value gains on non current assets	4	(5157 896)	(544 919)
Finance costs		10 650 268	1 819 584
Depreciation of property and equipment	5	6 747 292	3 924 489
Insurance service result		(82 421 355)	(45 082 334)
Changes in insurance contract assets		(16030 741)	(2585 080)
Claims and other directly attributable expenses paid		(99 875 371)	(41 683 331)
Insurance acquisition cash flows		(34 484 261)	(28 656 400)
Insurance finance expenses for insurance contracts issued		199 570 435	95 394 687
Premiums received		1039 942 002	291 728 603
Changes in investment contract liabilities	15,5	42 191 228	7 819 723
Interest income		(9559 936)	(1625 716)
Dividend income		(1 962 218)	(22 155 198)
Unrealised gains/ (losses)		(786 845 635)	46 057 650
Loss/(profit) on disposal of property, plant and equipment		-	-
		14 315 332	(111 977)
Changes in working capital		**(84 662 476)**	**(12 100 667)**
Decrease in inventories		-	155 884
(Increase) in trade and other receivables		(86 184 191)	(92 973 754)
(Decrease)/Increase in trade and other payables		1 521 716	80 717 202
Cash generated from operations		**130 091 228**	**172 182 439**
Income taxes paid		(436 086)	(516 314)
Net cash generated from operations		**129 655 142**	**171 666 124**
Cash flows from investing activities			
Additions to and replacement of property and equipment	5	(16 968 723)	(8 937 127)
Interest income		9 559 936	1 625 716
Dividend income		1 962 218	22 155 198
Additions to financial assets	11.1	(2 321 479)	(103 924 541)
Additions to investment property	6	(157 244 705)	(107 448 745)
Additions to intangible assets	3	-	-
Proceeds from sale of financial assets		11 201 163	3 803 159
Proceeds from sale of property and equipment		(13 764 333)	111 977
Proceeds from sale of investment property		-	-
Net cash utilised from in investing activities		**(167 575 923)**	**(192 614 363)**
Cash flows from financing activities			
Finance costs	23	(10 650 268)	(18 19 584)
Repayments of borrowings	16	(19 140 345)	(905 817)
Proceeds from borrowings	16	87 099 154	30 852 081
Net cash generated from financing activities		**57 308 540**	**28 126 680**
Net increase in cash equivalents for the year		**19 387 760**	**7 178 441**
Cash and cash equivalents at the beginning of the year		**17 490 909**	**10 312 467**
Cash and cash equivalents at the end of the year	12	**36 878 668**	**17 490 909**

The above separate statements of cash flows should be read in conjunction with the accompanying notes.
* Further information on the restatement is included in Note 14 to the financial statements.

3 INTANGIBLE ASSETS

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
	Computer Software		Computer Software	
Net carrying amount at the beginning of the year	**4 554 313**	**10 750 944**	**-**	**2 808 670**
Gross carrying amount - Cost	10 224 939	14 754 373	-	2 979 571
Accumulated amortisation	(5 670 626)	(3 994 429)	-	(170 901)
Additions	625 894	-	-	-
Exchange rate movement on foreign operations	890	(4 520 434)	-	-
Decomissioning of software system	-	-	-	(2 808 670)
Amortisation charge for the year	(2 324 181)	(1 676 197)	-	-
Net carrying amount at the end of the year	**2 856 916**	**4 554 313**	**-**	**-**
Gross carrying amount - Cost	10 851 723	10 224 939	-	-
Accumulated amortisation	(7 994 807)	(5 670 626)	-	-

4 OTHER NON CURRENT ASSETS

	GROUP 2025 ZWG	GROUP 2024 ZWG	COMPANY 2025 ZWG	COMPANY 2024 ZWG
Balance at the beginning of the year	**4 417 239**	**3 934 699**	**4 417 239**	**3 872 320**
Additions	-	-	-	-
Disposals	-	-	-	-
Fair value gains through profit or loss	5 157 896	482 540	5 157 896	544 919
Exchange loss	2 177 209	-	(2 177 209)	-
Balance at the end of the year	**7 397 926**	**4 417 239**	**7 397 926**	**4 417 239**

There were no gold coins additions or disposals during the year.

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 2024	**109 256 846**	**9 205 144**	**12 159 072**	**3 467 150**	**134 088 211**
Gross carrying amount - cost/valuation	109 781 760	13 105 678	17 734 764	4 844 647	145 466 849
Accumulated depreciation	(524 914)	(3 900 534)	(5 575 692)	(1 377 497)	(11 378 637)
Additions	-	272 849	8 700 105	189 971	9 162 925
Exchange rate movement on foreign operations	606 987	339 931	518 601	172 382	1 637 901
Disposals	-	-	-	-	-
Gross carrying amount - cost/valuation	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-
Depreciation charge for the year	(53 728)	(2 783 260)	(3 913 811)	(1 073 029)	(7 823 828)
Revaluation surplus	12 990 350	25 073 662	--		38 064 012
Gross carrying amount - cost/valuation	12 990 350	25 073 662	--		38 064 012
Accumulated depreciation	-	-	-	-	-
Net carrying amount at 31 December 2024	**122 800 455**	**32 108 326**	**17 463 967**	**2 756 474**	**175 129 222**
Gross carrying amount - cost/valuation	123 379 097	38 792 121	26 953 469	5 207 000	194 331 687
Accumulated depreciation	(578 642)	(6 683 795)	(9 489 503)	(2 450 526)	(19 202 465)
Additions	210 311	12 080 662	13 557 248	2 219 632	28 067 853
Exchange rate movement on foreign operations	937 386	-	1 466 443	1 074 299	3 478 128
Disposals	-	(1 072 527)	(1 813 505)	(792 367)	(3 678 399)
Gross carrying amount - cost/valuation	-	(1 672 326)	(3 657 277)	(1 442 119)	(6 771 722)
Accumulated depreciation	-	599 798	1 843 772	649 751	3 093 322
Depreciation charge for the year	(69 239)	(8 432 244)	(4 818 707)	(1 663 320)	(14 983 510)
Revaluation surplus	5 975 561	-	--		5 975 561
Gross carrying amount - cost/valuation	125 226 974	-	--		125 226 974
Accumulated depreciation	(119 251 413)	-	--		(119 251 413)
Net carrying amount at 31 December 2025	**129 854 474**	**34 684 216**	**25 855 445**	**3 594 718**	**193 988 854**
Gross carrying amount - cost/valuation	249 753 768	49 200 457	38 319 882	7 058 812	344 332 920
Accumulated depreciation	(119 899 294)	(14 516 241)	(12 464 437)	(3 464 094)	(150 344 066)

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 2025. There were no buildings pledged as collateral as at 31 December 2025.The value of land and buildings is categorised as a level 3 recurring fair value measurement, as disclosed in Note 32.

5 PROPERTY AND EQUIPMENT

COMPANY	Motor Vehicle ZWG	Equipment Computers ZWG	Furniture and fittings ZWG	Total ZWG
Net carrying amount at 1 January 2024	**5 367 691**	**7 231 832**	**3 844 962**	**16 444 484**
Gross carrying amount - cost/valuation	7 659 500	10 706 932	4 376 631	22 743 063
Accumulated depreciation	(2291 810)	(3475 100)	(531 669)	(6298 579)
Additions	3 887 440	4 273 669	776 018	8 937 127
Depreciation charge for the year	(1 229 926)	(2 179 625)	(514 937)	(3 924 489)
Net carrying amount at 31 December 2024	**8 025 204**	**9 325 876**	**4 106 042**	**21 457 122**
Gross carrying amount - cost/valuation	11 546 940	14 980 602	5 152 648	31 680 190
Accumulated depreciation	(3 521 736)	(5 654 725)	(1 046 607)	(10 223 068)
Additions	4 358 055	11 809 605	801 063	16 968 723
Disposals	-	(501 012)	(49 987)	(550 999)
Gross carrying amount - cost/valuation	-	(766 197)	(57 158)	(823 354)
Accumulated depreciation	-	265 185	7 171	272 356
Depreciation charge for the year	(2 543 225)	(3 616 539)	(587 528)	(6 747 292)
Net carrying amount at 31 December 2025	**9 840 034**	**17 017 930**	**4 269 590**	**31 127 555**
Gross carrying amount - cost/valuation	15 904 995	26 024 010	5 896 554	47 825 558
Accumulated depreciation	(6 064 961)	(9 006 080)	(1 626 963)	(16 698 004)

6 INVESTMENT PROPERTY

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Balance at the beginning of the year	**1 223 045 376**	**956 252 191**	**632 915 833**	**355 795 476**
Additions	162 363 033	111 144 369	157 244 705	107 448 745
Improvements	-	-	1 422 703	-
Disposals	(7 638 326)	(3 059 227)	-	-
Exchange rate movement on foreign operations	(3 070 581)	(32 190)	-	-
Fair value gains through profit or loss	78 486 318	158 740 232	73 911 818	169 671 612
Balance at the end of the year	**1 453 185 820**	**1 223 045 376**	**865 495 059**	**632 915 833**

There were no gold coins additions or disposals during the year.

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. Investmentproperties are held for long term rental yields and capital appreciation.

6 INVESTMENT PROPERTY (CONTINUED)

A further analysis of fair value gains recognised in profit and loss is as indicated below

	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Insurance business units	77 499 051	156 681 262	73 911 818	169 671 612
Non insurance business units	987 267	2 058 970	-	-
Total	**78 486 318**	**158 740 232**	**73 911 818**	**169 671 612**
Class of property				
CBD offices	287 529 057	166 618 153	396 335 578	236 814 081
Residential properties	33 573 767	-	-	-
Land	1 132 082 996	1 056 427 223	469 159 481	396 101 752
	1 453 185 820	1 223 045 376	865 495 059	632 915 833

As at 31 December 2025, 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 32 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 16.

7 RIGHT OF USE ASSET (CONTINUED)

	GROUP		
	Office buildings ZWG	Motor Vehicles ZWG	Total ZWG
Net carrying amount at 1 January 2024	**1 912 283**	**1 775 963**	**3 688 246**
Cost	**2 111 659**	**6 454 333**	**8 565 993**
Accumulated armotisation	(199 376)	(4 678 371)	(4 877 747)
Additions	-	-	-
Exchange rate movement on foreign operations	-	1 083 135	1 083 135
Depreciation for the year	(1 003 686)	(1 033 902)	(2 037 588)
Net carrying amount at 31 December 2024	**908 597**	**1 825 196**	**2 733 793**
Cost	**2 111 659**	**7 537 469**	**9 649 128**
Accumulated amortization	(1 203 062)	(5 712 273)	(6 915 335)
Additions	-	20 980 584	20 980 584
Exchange rate movement on foreign operations	-	1 614	1 614
Derecognition of right of use asset	**(908 597)**	**(52 374)**	**(960 972)**
Cost	(2 111 659)	(858 088)	(2 969 747)
Amortisation	1 203 062	805 714	2 008 776
Depreciation for the year	-	(2 174 772)	(2 174 772)
Net carrying amount at 31 December 2025	**-**	**20 580 248**	**20 580 248**
Cost -	27 661 579	27 661 579	
Accumulated amortization	-	(7 081 331)	(7 081 331)

7.1 Movement analysis to 31 December 2025:

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

	2025 Right - of- use Asset ZWG	2024 Right-of-use Asset ZWG
Balance as at 01 January	**2 733 793**	**3 688 246**
Additions	20 980 584	-
Depreciation for the year	(2 174 772)	(2 037 588)
Derecognition of right of use asset	(960 972)	-
Exchange rate movement on foreign operations	1 614	1 083 135
Balance at 31 December	**20 580 248**	**2 733 793**

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
The following amounts are recognised in profit and loss				
Depreciation of right of use assets	2 174 772	2 037 588		
Interest expense on lease liabilities	(8 622 690)	190 698		
Expense relating to short term leases	271 526 794	475 114 703		

	GROUP		COMPANY	
8 INVESTMENT IN SUBSIDIARIES	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG

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.

Fidelity Life Asset Management Company (Private) Limited	-	-	-	16 896 912
Fidelity Funeral Services Company (Private) Limited	-	-	-	-
Fidelity Life Medical Services Company (Private) Limited	-	-	-	-
Fidelity Life Financial Services (Private) Limited	-	-	-	-
ZAC Global Actuaries (Private Limited)	-	-	29 140 505	28 026 732
Langford Estates 1962 (Private) Limited	-	-	637 597 654	641 879 954
Vanguard Life Assurance Company Limited	-	-	181 044 298	42 142 852
	-	**-**	**847 782 457**	**728 946 449**

8.1 Reconciliation Of Carrying Amount

Opening balance	**-**	**-**	**728 946 449**	**702 627 265**
Equity accounted earnings	-	-	137 867 438	21 986 357
Share of revaluation gains on property	-	-	181 162	3 071 753
Share of Exchange differences arising on translation of foreign operations	-	-	(2 315 654)	1 261 074
Disposal of subsidiaries	-	-	(16 896 938)	-
Dividends	-	-	-	-
Closing balance	**-**	**-**	**847 782 457**	**728 946 449**

Fidelity Life Financial Services (Private) Limited and Fidelity Life Asset Management (Private) Limited were disposed on 1 January 2025 to Zimre Holdings Limited bringing to conclusion the Asset Separation exercise, were Fidelity Life Assurance of Zimbabwe (FLA) was instructed by IPEC to execute a walk away transaction which divests FLA's policyholders from the operations of the business units above which are not directly linked to the key business of FLA.

9 TRADE AND OTHER RECEIVABLES

Residential stand sales debtors	710 910	263 314	710 910	263 314
Micro-finance loans receivable	-	47 409 166	-	-
Other trade debtors	95 822 848	135 975 294	106 491 979	55 368 250
Trade receivables - gross	**96 533 758**	**183 647 774**	**107 202 889**	**55 631 564**
	(1 085 838)	**(8 377 763)**	**(231 514)**	**(8 184)**
Expected credit loss on trade receivables- stand sales debtors	(231 514)	(8 184)	(231 514)	(8 184)
Expected credit loss on trade receivables- micro-finance loans receivable		(3 162 501)	-	-
Expected credit loss on trade receivables- other debtors	(854 324)	(5 207 078)	-	-
Trade receivables - net	**95 447 921**	**175 270 011**	**106 971 375**	**55 623 380**
Receivables from related parties, net of ECL (Note 34.3.1)	15 323 395	4 193 831	78 439 033	56 027 639
Loans to employees, net of ECL	24 748 775	15 191 149	13 110 900	10 260 766
Total receivables classified as financial assets at amortised cost	**135 520 091**	**194 654 991**	**198 521 309**	**121 911 785**
Prepayments	15 032 543	6 842 927	9 574 667	-
Other receivables, net of ECL	13 407 289	3 038 261	-	-
Total trade and other receivables	**163 959 923**	**204 536 178**	**208 095 976**	**121 911 785**
Non-current portion	16 396 016	11 501 084	20 809 598	11 501 085
Current portion	147 563 907	193 035 094	187 286 378	110 410 700
Total trade and other receivables	**163 959 923**	**204 536 178**	**208 095 976**	**121 911 785**

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. The Micro lending business unit was disposed effective 1 January 2025 resulting in the nil balance for 2025.

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	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Opening credit loss allowance	**8 377 763**	**6 720 220**	**8 184**	**128 085**
Receivables written off during the year as uncollectable	-	-	-	-
Net (decrease)/ increase during the year through profit or loss	(4 124 982)	6 273 716	227 721	-
Impact on year end ECL exposures transferred between stages during the year	(3 166 943)	(4 616 173)	(4 391)	(119 901)
Balance at the end of the year	**1 085 838**	**8 377 763**	**231 514**	**8 184**

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 bearsimilar credit risk characteristics. The IFRS 9 methodology requires the use of forward looking probability weighted expected creditloss 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 underIFRS9. 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. Forthe 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 120 days. 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:

9 TRADE AND OTHER RECEIVABLES (continued)
(i) Trade receivables: microfinance loans receivable (continued)

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 2025. 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.

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 micro lending business unit was disposed effective 1 January 2025, thus there is no ECL for 2025 from this book.

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

As at 31 December 2024	Stage 1 12-month ECL ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
Micro-finance loans receivable				
Performing	23 510 767	-	-	23 510 767
Overdue	-	865 261	-	865 261
Default	-	-	23 033 138	23 033 138
Gross carrying amount	**23 510 767**	**865 261**	**23 033 138**	**47 409 166**
Expected credit loss on micro-finance loans receivable	(531 877)	(205 871)	(2424 753)	(3162 501)
Net carrying amount	**22 978 890**	**659 390**	**20 608 385**	**44 246 665**

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 ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
Gross carrying amount at beginning of the year	**14 031 059**	**1 620 650**	**11 782 221**	**27 433 930**
New receivables originated	22 383 516	34 217	3 014 722	25 432 455
Receivables derecognised or matured (excluding written off)	(5 019 835)	(1 700 385)	(1 899 319)	(8 619 539)
Receivables transferred between stages during the year	(4 759 690)	847 828	7 074 181	3 162 319
Gross loan and advances to customers at year end	**26 635 050**	**802 310**	**19 971 806**	**47 409 166**

9 TRADE AND OTHER RECEIVABLES (continued)

9.1 Impairment - Expected Credit Loss Models (continued)

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

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

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	**209 275**	**379 162**	**1 507 400**	**2 095 837**
Allowances written off on uncollectable receivables	1 493 111	2 338	201 065	1 696 514
New allowances originated	(334 865)	(113 432)	(126 708)	(575 005)
Allowances derecognised or matured (excluding written off)	(835 669)	(62 146)	842 970	(54 845)
Impact on year end ECL of exposures transferred between stages during the year		-	-	-
Balance at the end of the year	**531 851**	**205 923**	**2 424 727**	**3 162 501**

(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 2025	Stage 1 12-month ECL ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
Performing	479 344	231 566	-	710 910
Overdue	-	-	-	-
Default	-	-	-	-
Gross carrying amount	**479 344**	**231 566**	**-**	**710 910**
Expected credit loss on residential stand sales debtors	-	(231 514)	-	(231 514)
Net carrying amount	**479 344**	**52**	**-**	**479 396**

As at 31 December 2024	Stage 1 12-month ECL ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
Performing	-	254 637	-	254 637
Overdue	-	338	-	338
Default	-	-	8 340	8 340
Gross carrying amount	**-**	**254 975**	**8 340**	**263 314**
Expected credit loss on residential stand sales debtors	-	(104)	(8 080)	(8 184)
Net carrying amount	**-**	**254 871**	**260**	**255 130**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

9 TRADE AND OTHER RECEIVABLES (continued)

9.1 Impairment - Expected Credit Loss Models (continued)

(ii) Trade receivables: residential stand sales (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	**-**	**254 637**	**-**	**254 637**
Receivables derecognised or matured (excluding written off)	-	(23 071)	-	(23 071)
New receivables originated	479 344	-	-	479 344
Balance at the end of the year	**479 344**	**231 566**	**-**	**710 910**

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	**-**	**338**	**8 158**	**8 496**
Receivables derecognised or matured (excluding written off)	-	141 621	105 014	246 635
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-
Balance at the end of the year	**-**	**141 959**	**113 172**	**255 130**

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 1 12-month ECL ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
Opening loss allowance as at 1 January 2024	**-**	**8 184**	**-**	**8 184**
New allowances originated	-	231 514	-	231 514
Impact on year end ECL of exposures transferred between stages during the year	-	(8 184)	-	(8 184)
Balance at the end of the year	**-**	**231 514**	**-**	**231 514**

As at 31 December 2024	Stage 1 12-month ECL ZWG	Stage 2 Lifetime ECL ZWG	Stage 3 Lifetime ECL ZWG	Total ZWG
Opening loss allowance as at 1 January 2023	**-**	**1 403**	**18 212**	**19.615**
New allowances originated	-	(1 117)	(14 419)	(15 536)
Impact on year end ECL of exposures transferred between stages during the year	-	(182)	4 287	4 105
Balance at the end of the year	**-**	**104**	**8 080**	**8 184**

(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 2025 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

9.1 Impairment - Expected Credit Loss Models (continued)

(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 balancies

10 INVENTORIES

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Projects under development	-	-	-	-
Land inventory	551 492	551 493	551 492	551 492
Residential stands	-	-	-	-
Consumables	491 707	325 460	-	-
	1 043 199	**876 953**	**551 492**	**551 492**

11.1 Financial Assets At Fair Value Through Profit And Loss

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Balance at the beginning of the year	**527 769 913**	**286 772 316**	**178 486 630**	**66 014 231**
Additions	33 666 376	106 288 758	2 321 479	103 924 541
Fair value adjustments - through profit or loss	1 225 917 750	121 490 716	152 646 459	12 351 017
Exchange gain/(loss)	(8 124 347)	15 986 678	(4 157 354)	-
Disposals	(133 059 116)	(2 768 555)	(11 201 163)	(3 803 159)
Balance at the end of the year	**1 646 170 576**	**527 769 913**	**318 096 051**	**178 486 630**
A further analysis of fair value gains recognised in profit and loss is as indicated below				
Insurance business units	1 225 460 100	119 924 521	152 646 459	12 351 017
Non insurance business units	457 650	1 566 195	-	-
Total	**1 225 917 750**	**121 490 716**	**152 646 459**	**12 351 017**

Financial assets at fair value through profit and loss relate to shares held in various listed counters. Refer to note 30 for relevant fair value hierarchy disclosures.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

11.2 Financial Assets At Fair Value Through Profit And Loss

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Balance at the beginning of the year	**112 534 051**	**97 895 356**	**5 556 674**	**3 633 816**
Additions	32 218 527	9 267 030	-	-
Accrued Interest	442 010	9 037 205	442 010	1 922 858
Exchange gain/(loss)	(2 275 628)	(3 665 539)	(598)	-
Maturities	(1 002 267)	-	(909 324)	-
Balance at the end of the year	**141 916 693**	**112 534 051**	**5 088 762**	**5 556 674**

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 38.

11.3 Biological Assets

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Balance at beginning of the year	**2 553 383**	**1 968 246**	**2 553 383**	**1 968 246**
Purchases	-	993.865	-	993 865
Disposals	-	-	-	-
fair value adjustments through profit or loss	889 112	(408 728)	889 112	(408 728)
Balance at the end of the year	**3 442 495**	**2 553 383**	**3 442 495**	**2 553 383**

Fidelity Life Assurance Company primarily holds a herd consisting of sixty eight (68) cattle as its biological assets with Nhaka Life Assurance (Private) Limited as the asset manager. The herd comprise of various high-quality breeds that are specifically selected for their superior beef production and reproductive capabilities. The herd is managed with care to maximise both productivity and animal welfare, adhering to best practices in cattle farming.

12 CASH AND DEPOSITS WITH BANKS

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Money market investments	139 265 013	73 402 233	11 072 844	9 044 817
Bank and cash	33 989 155	24 580 080	25 805 824	8 446 092
Cash and deposits with banks	**173 254 168**	**97 982 313**	**36 878 668**	**17 490 909**
Bank overdraft	-	-	-	-
Cash and cash equivalents	**173 254 168**	**97 982 313**	**36 878 668**	**17 490 909**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

13 SHARE CAPITAL

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Authorised share capital 200,000,000 ordinary shares of USD0.01 each	51 961 400	51 961 400	51 961 400	51 961 400
Issued and fully paid share capital 108,923,291 ordinary shares of USD0.01 each	28 299 036	28 299 036	28 299 036	28 299 036

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

14.2 Restatement Of Ifrs 17 Results - Fla The Company

Fidelity Life Assurance of Zimbabwe (FLA) restated the insurance liabilities balances as at 31 December 2024 to reflect updates to actuarial modelling assumptions and the incorporation of additional prudential margins within the insurance contract liabilities.These changes arise from refinements to the valuation methodology and assumptions applied under IFRS 17, including enhancements to the measurement of fulfilment cash flows and risk adjustment. The impact of these changes is an increase in insurance contract liabilities at 31 December 2024 by ZWG 121 500 822 and an in insurance finance expenses of contracts issued by ZWG 121 500 822. The adjustment represents a change in estimate and modelling approach rather than a change in accounting policy.

14.2.1 Company

Statement of profit or loss as at 31 December 2024	As Previously Stated 2024 ZWG	Effect of Restatement 2024 ZWG	Restated 2024 ZWG
Insurance finance income/(expenses)for insurance contracts issued	26 106 135	(121 500 822)	(95 394 687)
Profit for the year	184 053 047	(122 761 899)	61 291 147
Impact on statement of financial position as at 31 December 2024			
Insurance contract liabilities	1 253 564 384	121 500 822	1 375 065 206
Retained earnings	(36 104 521)	(121 500 822)	158 866 421

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

14 PRIOR PERIOD RESTATEMENT

14.2.2 Group

Statement of profit or loss as at 31 December 2024	As Previously Stated 2024 ZWG	Effect of Restatement 2024 ZWG	Restated 2024 ZWG
Insurance finance income/(expenses)for insurance contracts issued	26 106 135	(121 500 822)	(95 394 687)
Profit for the year	166 200 642	(121 500 822)	44 699 820
Impact on statement of financial position as at 31 December 2024			
Insurance contract liabilities	1 586 860 106	121 500 822	1 708 360 929
Retained earnings	489 643 600	(121 500 822)	368 142 778

15 INSURANCE CONTRACT ASSETS AND LIABILITIES

15.1 Insurance Contract Assets

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 ZWG	Investment contracts with Discretionary Participation Features ZWG	Investment contracts without Discretionary Participation Features ZWG	Total ZWG	Current portion ZWG	Non Current portion ZWG	Total ZWG
Balance as at 31 Dec 2025							
Insurance contract assets	30 740 338			**30 740 338**	3 074 034	27 666 304	**30 740 338**
Balance as at 31 Dec 2024							
Insurance contract assets	7 222 790			**7 222 790**	722 279	6 500 511	**7 222 790**

COMPANY	Direct participating contracts ZWG	Investment contracts with Discretionary Participation Features ZWG	Investment contracts without Discretionary Participation Features ZWG	Total ZWG	Current portion ZWG	Non Current portion ZWG	Total ZWG
Balance as at 31 December 2025							
Insurance contract assets	23 253 532			**23 253 532**	2 325 353	20 928 179	**23 253 532**
Balance as at 31 December 2024							
Insurance contract assets	7 222 790			**7 222 790**	722 279	6 500 511	**7 222 790**

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Insurance contract assets	44 123 464	8 759 471	36 633 748	8 759 471
Allowance for credit loss (ECL)	(13 383 126)	(1 536 680)	(13 380 216)	(1 536 680)
Balance as at 31 December	**30 740 338**	**7 222 790**	**23 253 532**	**7 222 790**

Insurance contract assets comprises of amounts due from policyholders.Due to the short term nature of these assets their carrying amount is considered to be the same as their fair value.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 INSURANCE CONTRACT LIABILITIES (CONTINUED)

15.1.2 Iinsurance Contract Liabilities

GROUP	Direct participating contracts ZWG	Investment contracts with Discretionary Participation Features ZWG	Investment contracts without Discretionary Participation Features ZWG	Total ZWG	Current portion ZWG	Non Current portion ZWG	Total ZWG
Balance as at 31 December 2025							
Insurance contract liabilities	1 102 248 034	1 411 207 035	-	**2 513 455 069**	251 345 508	2 262 109 561	**2 513 455 069**
Investment contract liabilities	-	-	892 777 782	**892 777 782**	89 277 791	803 499 991	**892 777 782**
Balance as at 31 December 2024							
Insurance contract liabilities	950 010 848	758 350 081	-	**1 708 360 929**	170 836 093	1 537 524 836	**1 708 360 929**
Investment contract liabilities	-	-	433 093 696	**433 093 696**	43 309 359	389 784 337	**433 093 696**

15.1.3 Insurance Contract Liabilities

An analysis of the amounts presented on the consolidated statement of financial position for insurance contracts, investment contracts with DPF an 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 ZWG	Investment contracts with Discretionary Participation Features ZWG	Investment contracts without Discretionary Participation Features ZWG	Total ZWG	Current portion ZWG	Non Current portion ZWG	Total ZWG
Balance as at 31 December 2025							
Insurance contract liabilities	339 003 448	1 411 207 036	-	**1 750 210 484**	175 021 038	1 575 189 446	**1 750 210 484**
Investment contract liabilities	-	-	215 124 353	**215 124 353**	21 512 435	193 611 918	**215 124 353**
Balance as at 31 December 2024							
Insurance contract liabilities	616 715 126	758 350 081	-	**1 375 065 206**	137 506 518	1 237 558 688	**1 375 065 206**
Investment contract liabilities	-	-	184 967 853	**184 967 853**	18 496 778	166 471 075	**184 967 853**

15.1.4 Analysis of Insurance contract liability by liability for remaining coverage and liability for incurred claims

2025 GROUP	Liability for remaining coverage ZWG	Liability for incurred claims ZWG	Total ZWG
Direct Participating Contracts	916 007 359	186 240 675	1 102 248 034
Investment contracts with direct participating contracts	1 361 265 271	49 941 764	1 411 207 035
	2 277 272 630	**236 182 440**	**2 513 455 069**

2024 GROUP	Liability for remaining coverage ZWG	Liability for incurred claims ZWG	Total ZWG
Direct Participating Contracts	886 135 140	63 875 707	950 010 848
Investment Contracts with direct participating contracts	727 741 491	30 608 590	758 350 081
	1 613 876 631	**94 484 297**	**1 708 360 929**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 INSURANCE CONTRACT LIABILITIES (CONTINUED)

15.1.4 Analysis of Insurance contract liability by liability for remaining coverage and liability for incurred claims

2025 COMPANY	Liability for remaining coverage ZWG	Liability for incurred claims ZWG	Total ZWG
Direct Participating Contracts	309 002 547	30 000 902	339 003 448
Investment contracts with direct participating contracts	1 361 265 272	49 941 764	1 411 207 036
	1 670 267 818	**79 942 666**	**1 750 210 484**

2024 COMPANY	Liability for remaining coverage ZWG	Liability for incurred claims ZWG	Total ZWG
Direct Participating Contracts	584 789 574	31 925 552	616 715 126
Investment contracts with direct participating contracts	704 176 606	54 173 475	758 350 081
	1 288 966 180	**86 099 027**	**1 375 065 206**

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

2025

GROUP	Liability for Remaining Coverage ZWG	Loss Component ZWG	Liability for incurred claims ZWG	Total ZWG
Balance as at 01 January	**878 637 266**	**7 497 874**	**63 875 707**	**950 010 848**
Insurance contract revenue	**(144 896 499)**	**-**	**-**	**(144 896 499)**
Insurance service expenses				
Incurred claims	-	-	52 537 964	52 537 964
Directly attributable expenses	-	-	21 078 506	21 078 506
Losses on onerous contracts and reversal of those losses	-	-	12 320 334	12 320 334
Insurance acquisition cashflows amortisation	15 748 019	-	-	15 748 019
Insurance service expenses	**15 748 019**	**-**	**85 936 803**	**101 684 823**
Total net expenses from reinsurance contracts held	11 413 477	-	-	11 413 477
Insurance service result	**(117 735 003)**	**-**	**85 936 803**	**(31 798 200)**
Finance expenses from insurance contracts issued recognised in profit or loss	76 812 074	-	-	76 812 074
Finance expenses from insurance contracts issued recognised in OCI	-	-	-	-
Finance expenses from insurance contracts issued	**76 812 074**	**-**	**-**	**76 812 074**
Total amounts recognised in comprehensive income	**(40 922 928)**	**-**	**85 936 803**	**45 013 875**
Investment components	11 286 016	-	111 716 414	123 002 430
Other changes	-	-	-	-
Cashflows				
Premiums received	59 593 906	-	-	59 593 906
Claims and other directly attributable expenses paid	-	-	(73 616 469)	(73 616 469)
Insurance acquisition cash flows	(84 775)	-	(1 671 780)	(1 756 555)
Total cash flows	**59 509 131**	**-**	**(75 288 249)**	**(15 779 118)**
Balance as at 31 December	**908 509 485**	**7 497 874**	**186 240 675**	**1 102 248 034**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 INSURANCE CONTRACT LIABILITIES (Continued)

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

2024

GROUP	Liability for Remaining Coverage ZWG	Loss Component ZWG	Liability for incurred claims ZWG	Total ZWG
Balance as at 01 January	**680 013 802**	**360 248**	**(2 531 507)**	**677 842 542**
Insurance contract revenue	**(63 585 789)**	**-**	**-**	**(63 585 789)**
Insurance service expenses				
Incurred claims	-	-	41 259 768	41 259 768
Directly attributable expenses	-	-	19 215 482	19 215 482
Losses on onerous contracts and reversal of those losses	-	(2 359 905)	-	(2 359 905)
Insurance acquisition cashflows amortisation	5 267 327	-	-	5 267 327
Insurance service expenses	**5 267 327**	**(2 359 905)**	**60 475 249**	**63 382 672**
Total net expenses from reinsurance contracts held	3 942 831			151 760
Insurance service result	**(54 375 631)**	**(2 359 905)**	**60 475 249**	**(51 357)**
Finance expenses from insurance contracts issued recognised in profit or loss	4 632 904	17 351 262	12 931 790	34 915 956
Finance expenses from insurance contracts issued recognised in OCI	(2 514 204)	2 924 076	(1 462 038)	(1 052 166)
Finance expenses from insurance contracts issued	**2 118 700**	**20 275 338**	**11 469 752**	**33 863 790**
Total amounts recognised in comprehensive income	**(52 256 930)**	**17 915 433**	**71 945 001**	**33 812 433**
Investment components	247 980 507	(10 777 808)	-	237 202 700
Other changes	-	-	-	-
	-	-	-	
Cashflows				
Premiums received	59 593 906	-	-	59 593 906
Claims and other directly attributable expenses paid	(56 609 243)	-	(3 866 006)	(2 327 699)
Insurance acquisition cash flows	(84 775)	-	(1 671 780)	(67 610)
Total cash flows	**2 899 888**	**-**	**(5 537 786)**	**57 198 597**
Balance as at 31 December	**878 637 266**	**7 497 874**	**63 875 707**	**1 006 056 272**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 INSURANCE CONTRACT LIABILITIES (CONTINUED)

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

2025

COMPANY	Liability for Remaining Coverage ZWG	Loss Component ZWG	Liability for incurred claims ZWG	Total ZWG
Balance as at 01 January	**577 291 700**	**7 497 874**	**31 925 552**	**616 715 126**
Insurance contract revenue	**(83 283 947)**	**-**	**-**	**(83 283 947)**
Insurance service expenses				
Incurred claims	-	-	30 301 862	30 301 862
Other directly attributable expenses	-	-	(23 360 624)	(23 360 624)
Losses on onerous contracts and reversal of those losses	-	-	-	-
Insurance acquisition cashflows amortisation	9 274 798	-	-	9 274 798
Insurance service expenses	**9 274 798**	**-**	**6 941 238**	**16 216 036**
Total net expenses from reinsurance contracts held				
Insurance service result	**(74 009 149)**	**-**	**(3 153 979)**	**(67 067 911)**
Finance expenses from insurance contracts issued recognised in profit or loss	76 812 074	-	-	76 812 074
Finance expenses from insurance contracts issued recognised in OCI	-	-	-	-
Finance expenses from insurance contracts issued	**76 812 074**	**-**	**-**	**76 812 074**
Total amounts recognised in comprehensive income	**2 802 926**	**-**	**(3 153 979)**	**9 744 163**
Investment components	(461 625 491)	-	-	(461 625 491)
Other changes	-	-	-	-
Cashflows				
Premiums received	173 760 740	-	-	173 760 740
Claims and other directly attributable expenses paid	-	-	1 229 329	1 229 329
Insurance acquisition cash flows	9 274 798	-	-	9 274 798
Total cash flows	**183 035 538**	**-**	**1 229 329**	**184 264 867**
Balance as at 31 December	**301 504 672**	**7 497 874**	**30 000 902**	**349 098 665**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 INSURANCE CONTRACT LIABILITIES (CONTINUED)

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

2024

COMPANY	Liability for Remaining Coverage ZWG	Loss Component ZWG	Liability for incurred claims ZWG	Total ZWG
Balance as at 01 January	**499 624 008**	**360 249**	**(2 531 507)**	**497 452 749**
Insurance contract revenue				**(2 335 166)**
Insurance service expenses				
Incurred claims	-	-	11 254 501	11 254 501
Other directly attributable expenses	14 778 706	-	2 194 226	16 972 932
Losses on onerous contracts and reversal of those losses	-	(2 359 905)	-	(2 359 905)
Insurance acquisition cashflows amortisation	-	-	-	-
Insurance service expenses	**14 778 706**	**(2 359 905)**	**13 448 727**	**25 867 528**
Total net expenses from reinsurance contracts held				
Insurance service result	**(41 776 992)**	**(2 359 905)**	**13 448 727**	**23 532 362**
Finance expenses from insurance contracts issued recognised in profit or loss	4 632 904	17 351 262	12 931 790	34 915 956
Finance expenses from insurance contracts issued recognised in OCI	(2 514 204)	2 924 076	(1 462 038)	(1 052 166)
Finance expenses from insurance contracts issued	**2 118 700**	**20 275 338**	**11 469 752**	**33 863 790**
Total amounts recognised in comprehensive income	**(39 658 291)**	**17 915 433**	**24 918 479**	**57 396 152**
Investment components	102 962 839	(10 777 808)	13 404 586	105 589 618
Other changes	-	-	-	-
Cashflows				
Premiums received	38 809 346	-	-	1 493 776
Claims and other directly attributable expenses paid	(24 361 427)	-	(3 866 006)	(1 086 477)
Insurance acquisition cash flows	(84 775)	-	-	(3 263)
Total cash flows	**14 363 144**	**-**	**(3 866 006)**	**404 036**
Balance as at 31 December	**577 291 700**	**7 497 874**	**31 925 552**	**660 842 555**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 INSURANCE CONTRACT LIABILITIES (CONTINUED)

15.4 Investment contract liabilities with direct participating features
Reconciliation of the liability for the remaining coverage and liability for incurred claims

2025

GROUP	Liability for Remaining Coverage ZWG	Loss Component ZWG	Liability for incurred claims ZWG	Total ZWG
Balance as at 01 January	**676 589 104**	**51 152 387**	**30 608 590**	**758 350 081**
Insurance contract revenue	**(287 678 004)**	**-**	**-**	**(287 678 004)**
Insurance service expenses				
Incurred claims	-	-	94 617 345	94 617 345
Directly attributable expenses	-	-	48 677 647	48 677 647
Losses on onerous contracts and reversal of those losses	-	-	5 898 580	5 898 580
Insurance acquisition cashflows amortisation	27 983 708	-	-	27 983 708
Insurance service expenses	**27 983 708**	**-**	**149 193 572**	**177 177 280**
Total net expenses from reinsurance contracts held				
Insurance service result	**(259 694 296)**	**-**	**149 193 572**	**(110 500 724)**
Finance expenses from insurance contracts issued recognised in profit or loss	122 758 366	-	-	122 758 366
Finance expenses from insurance contracts issued recognised in OCI	-	-	-	-
Finance expenses from insurance contracts issued	**122 758 366**	**-**	**-**	**122 758 366**
Total amounts recognised in comprehensive income	**(136 935 930)**	**-**	**149 193 572**	**12 257 642**
Investment components	(70 505 100)	-	23 432 123	(47 072 976)
Other changes	-	-	-	-
Cashflows				
Premiums received	866 174 247	-	-	866 174 247
Claims and other directly attributable expenses paid	-	-	(143 294 992)	(143 294 992)
Insurance acquisition cash flows	(25 209 437)	-	(9 997 529)	(35 206 966)
Total cash flows	**840 964 810**	**-**	**(153 292 521)**	**687 672 288**
Balance as at 31 December	**1 310 112 884**	**51 152 387**	**49 941 764**	**1411 207 035**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 INSURANCE CONTRACT LIABILITIES (CONTINUED)

15.4 Investment contract liabilities with direct participating features
Reconciliation of the liability for the remaining coverage and liability for incurred claims

2024

GROUP	Liability for Remaining Coverage ZWG	Loss Component ZWG	Liability for incurred claims ZWG	Total ZWG
Balance as at 01 January	**458 384 089**	**1 575 366**	**(22 491 960)**	**437 467 495**
Insurance contract revenue	**(233 388 161)**	**-**	**-**	**(233 388 161)**
Insurance service expenses				
Incurred claims	-	-	43 288 237	43 288 237
Directly attributable expenses	-	-	46 850 866	46 850 866
Losses on onerous contracts and reversal of those losses	-	47 868 972	-	47 868 972
Insurance acquisition cashflows amortisation	30 913 811	-	-	30 913 811
Insurance service expenses	**30 913 811**	**47 868 972**	**90 139 103**	**168 921 887**
Total net expenses from reinsurance contracts held	-	-	-	-
Insurance service result	**(202 474 350)**	**47 868 972**	**90 139 103**	**(64 466 275)**
Finance expenses from insurance contracts issued recognised in profit or loss	58 770 682	1 708 049	-	60 478 731
Finance expenses from insurance contracts issued recognised in OCI	(57 458 578)	-	-	(57 458 578)
Finance expenses from insurance contracts issued	**1 312 103**	**1 708 049**	**-**	**3 020 152**
Total amounts recognised in comprehensive income	**(201 162 247)**	**49 577 021**	**90 139 103**	**(61 446 122)**
Investment components	212 922 541	-	-	212 922 541
Other changes	-	-	-	-
	-	-	-	
Premiums received	381 851 806	-	-	381 851 806
Claims and other directly attributable expenses paid	(63 098 079)	-	(27 041 024)	(3 469 464)
Insurance acquisition cash flows	(112 309 006)	-	(9 997 529)	(4 707 592)
Total cash flows	**206 444 721**	**-**	**(37 038 554)**	**373 674 750**
Balance as at 31 December	**676 589 104**	**51 152 387**	**30 608 590**	**962 618 664**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 INSURANCE CONTRACT LIABILITIES (CONTINUED)

15.4.1 Investment contract liabilities with direct participating features
Reconciliation of the liability for the remaining coverage and liability for incurred claims

2025

COMPANY	Liability for Remaining Coverage ZWG	Loss Component ZWG	Liability for incurred claims ZWG	Total ZWG
Balance as at 01 January	**653 024 219**	**51 152 387**	**54 173 475**	**758 350 081**
Insurance contract revenue	**(226 370 737)**	**-**	**-**	**(226 370 737)**
Insurance service expenses				
Incurred claims	-	-	92 494 384	92 494 384
Other directly attributable expenses	-	-	83 218 235	83 218 235
Losses on onerous contracts and reversal of those losses	-	-	-	-
Insurance acquisition cashflows amortisation	25 209 463	-	-	25 209 463
Insurance service expenses	**25 209 463**	**-**	**175 712 618**	**200 922 081**
Total net expenses from reinsurance contracts held	-	-	-	-
Insurance service result	**(201 161 274)**	**-**	**175 712 618**	**(25 448 656)**
Finance expenses from insurance contracts issued recognised in profit or loss	11 794 874	-	-	11 794 874
Finance expenses from insurance contracts issued recognised in OCI	(1 99 657)	-	-	(1 699 657)
Finance expenses from insurance contracts issued	**10 095 217**	**-**	**-**	**10 095 217**
Total amounts recognised in comprehensive income	**(191 066 058)**	**-**	**175 712 618**	**(15 353 439)**
Investment components	7 182 899	-	-	7 182 899
Other changes	-	-	-	-
Cashflows				
Premiums received	866 181 261	-	-	866 181 261
Claims and other directly attributable expenses paid	-	-	-179 944 329	(179 944 329)
Insurance acquisition cash flows	(25 209 437)	-	-	(25 209 437)
Total cash flows	**840 971 824**	**-**	**(179 944 329)**	**661 027 496**
Balance as at 31 December	**1 310 112 885**	**51 152 387**	**49 941 764**	**1 411 207 036**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 INSURANCE CONTRACT LIABILITIES (CONTINUED)

15.4.1 Investment contract liabilities with direct participating features
Reconciliation of the liability for the remaining coverage and liability for incurred claims (continued)

2024

COMPANY	Liability for Remaining Coverage ZWG	Loss Component ZWG	Liability for incurred claims ZWG	Total ZWG
Balance as at 01 January	**448 551 200**	**1 575 366**	**(12 659 070)**	**437 467 495**
Insurance contract revenue	**(167 238 130)**	**-**	**-**	**(167 238 130)**
Insurance service expenses				
Incurred claims	3.387.805	-	27.041.024	30 428 830
Other directly attributable expenses	45.889.762	-	-	45 889 762
Losses on onerous contracts and reversal of those losses	-	47.868.972	-	47 868 972
Insurance acquisition cashflows amortisation	28.656.400	-	-	28 656 400
Insurance service expenses	**2 999 687**	**1 842 482**	**1 040 812**	**5 882 981**
Total net expenses from reinsurance contracts held	-	-	-	-
Insurance service result	**(164 238 443)**	**1 842 482**	**1 040 812**	**(161 355 149)**
Finance expenses from insurance contracts issued recognised in profit or loss	58.770.682	1.708.049	-	60 478 731
Finance expenses from insurance contracts issued recognised in OCI	57.458.578	-	-	(57 458 578)
Finance expenses from insurance contracts issued	**1 312 103**	**1 708 049**	**-**	**3 020 152**
Total amounts recognised in comprehensive income	**(162 926 339)**	**3 550 531**	**1 040 812**	**(158 334 996)**
Investment components	102.577.260	-	22.748.025	125 325 285
Other changes	-	-	-	-
Cashflows				
Premiums received	252.919.257	-	-	252 919 257
Claims and other directly attributable expenses paid	49.277.568	-	27.041.024	76 318 592
Insurance acquisition cash flows	-112.309.006	-	-9.997.529	(122 306 535)
Total cash flows	**189 887 818**	**-**	**17 043 495**	**206 931 313**
Balance as at 31 December	**578 089 938**	**5 125 897**	**28 173 262**	**611 389 097**

15 INSURANCE CONTRACT LIABILITIES (CONTINUED)

15 Insurance Contract Liabilities (Continued)

15.5 Investment contract liabilities with direct participating features
Reconciliation of investment contract liability

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

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Opening balance 1 January 2024	**433 093 696**	**260 817 182**	**184 967 853**	**82 992 254**
Contributions received	79 265 465	133 535 576	3 236 156	106 358 750
Benefits paid	(167 794 416)	(56 153 490)	(15 100 399)	(12 158 110)
Investment return from underlying assets	508 599 473	97 471 480	42 191 228	7 819 723
Asset management fees charged	(5 396 153)	(2 577 052)	(170 485)	(44 765)
Exchange rate movement on foreign operations	45 009 717	-	-	-
Closing balance	**892 777 782**	**433 093 696**	**215 124 353**	**184 967 853**

15.5.1 Analysis of the investment return from underlying assets

Investment contract liabilities without direct participating features	508 599 473	97 471 480	42 191 228	7 819 723
Bonus smoothing reserve (BSR)	401 134 795	-	-	-
Total	**909 734 268**	**97 471 480**	**42 191 228**	**7 819 723**

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 2025 and 2024 is included in the following tables

	GROUP			COMPANY		
December 2025	Direct Participating Contracts ZWG	Investment Contracts with PDF ZWG	Total ZWG	Direct Participating Contracts ZWG	Investment Contracts with PDF ZWG	Total 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	73 673 882	150 747 452	224 421 334	10 725 401	135 079 622	145 805 023
Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation	19 731 484	22 504 924	42 236 408	2 273 602	22 497 402	24 771 004
CSM recognised in profit or loss for the services provided	40 517 759	68 532 358	109 050 117	23 865 545	62 644 430	86 509 975
Insurance acquisition cash flow recovery	(27 002 703)	1 008 701	(25 994 002)	4 424 299	1 622 749	6 047 048
Less any Unwind/release of loss component over the period	(8 331 699)	(8 009 304)	(16 341 003)	(10 898 774)	(8 416 500)	(19 315 274)
Insurance revenue from contracts not measured under the PAA	**98 588 728**	**234 784 130**	**333 372 854**	**30 390 073**	**213 427 703**	**243 817 776**
Insurance revenue from contracts measured under the PAA	33 364 732	52 893 873	86 258 605	52 893 873	-	52 893 873
Insurance revenue from contracts measured under VFA	12 943 039	-	12 943 039	-	12 943 039	12 943 039
Total insurance revenue	**144 896 499**	**287 678 004**	**432 574 498**	**83 283 946**	**226 370 742**	**309 654 688**
Insurance service expenses						
Incurred claims	(52 537 964)	(94 617 345)	(147 155 308)	(19 442 007)	(80 433 363)	(99 875 371)
Directly attributable expenses	(21 078 506)	(48 677 647)	(69 756 153)	(17 363 759)	(47 195 786)	(64 559 545)
Changes that relate to past service -adjustments to the LIC	-	-	-	-	-	-
Changes Related to Past Services - IBNR	(3 870 397)	-	(3 870 397)	(3 870 397)	-	(3 870 397)
Changes Related to Past Services - Gross Oustanding Claims	(8 449 937)	(5 898 632)	(14 348 569)	(8 449 937)	(5 898 606)	(14 348 543)
Losses on onerous contracts and reversal of those lossess	-	-	-	-	-	-
Insurance acquisition cashflows amortisation	(15 747 969)	(27 983 708)	(43 731 677)	(9 274 798)	(25 209 463)	(34 484 261)
Total insurance service expenses	**(101 684 773)**	**(177 177 332)**	**(278 862 103)**	**(58 400 898)**	**(158 737 219)**	**(217 138 117)**
Reinsurance expenses-contracts measured under the PAA	(13 495 934)	-	(13 495 934)	(11 794 874)	-	(11 794 874)
Claims recovered	2 082 457		2 082 457	1 699 657	-	1 699 657
Total net expenses from reinsurance contracts held	**(11 413 477)**	**-**	**(11 413 477)**	**(10 095 217)**	**-**	**(10 095 217)**
Total insurance service result	**31 798 250**	**110 500 672**	**142 298 918**	**14 787 831**	**67 633 524**	**82 421 355**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 INSURANCE CONTRACT LIABILITIES (CONTINUED)

15.6 Insurance contract revenue and expenses (continued)

An analysis of insurance revenue, insurance service expensive and net expenses from insurance contracts held by product line for 2025 and 2024 is included in the following tables

	GROUP			COMPANY		
December 2024	Direct Participating Contracts ZWG	Investment Contracts with PDF ZWG	Total ZWG	Direct Participating Contracts ZWG	Investment Contracts with PDF ZWG	Total 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	31 487 855	69 413 520	100 901 375	26 892 389	63 584 983	90 477 372
Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation	1 468 845	10 288 721	11 757 566	(2 825 219)	7 333 650	4 508 431
CSM recognised in profit or loss for the services provided	14 471 120	129 183 471	143 654 591	3 246 678	84 382 664	87 629 342
Less any Unwind/release of loss component over the period	-	-	-	-	-	-
Insurance acquisition cash flow recovery	1 741	(22 807 054)	(22 805 313)	2 104	915 768	917 872
Insurance revenue from contracts not measured under the PAA	**47 429 561**	**186 078 658**	**233 508 219**	**27 315 952**	**156 217 065**	**183 533 017**
Insurance revenue from contracts measured under the PAA	-	47 309 503	47 309 503	33 353 295	-	33 353 295
Insurance revenue from contracts measured under VFA	16 156 228	-	16 156 228	-	11 021 065	11 021 065
Total insurance revenue	**63 585 789**	**233 388 161**	**296 973 950**	**60 669 247**	**167 238 130**	**227 907 377**
Insurance service expenses						
Incurred claims	41 259 768	43 288 237	84 548 005	11 254 501	30 428 830	41 683 331
Directly attributable expenses	19 215 482	46 850 866	66 066 348	16 972 932	45 889 762	62 862 694
Changes that relate to past service -adjustments to the LIC	-	-	-	-	-	-
Changes Related to Past Services - IBNR	-	-	-	-	-	-
Changes Related to Past Services - Gross Oustanding Claims	-	-	-	-	-	-
Losses on onerous contracts and reversal of those lossess	(2 359 905)	47 868 972	45 509 067	(2 359 905)	47 868 972	45 509 067
Insurance acquisition cashflows amortisation	5 267 327	30 913 811	36 181 138	-	28 656 401	28 656 401
Total insurance service expenses	**63 382 672**	**168 921 886**	**232 304 558**	**25 867 528**	**152 843 965**	**178 711 493**
Reinsurance expenses-contracts measured under the PAA	9 199 194	-	9 199 194	7 546 926	-	7 546 926
Claims recovered	(5 256 363)	-	(5 256 363)	(3 433 376)	-	(3 433 376)
Total net expenses from reinsurance contracts held	**3 942 831**	**-**	**3 942 831**	**4 113 550**	**-**	**4 113 550**
Total insurance service result	**(3 739 714)**	**64 466 276**	**60 726 561**	**30 688 169**	**14 394 165**	**45 082 334**

15.7 Contractual Service Margin (CSM)

15.7.1 COMPANY

CSM recognised in profit and loss

	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
2025							
Insurance contracts issued							
Life Insurance Unit	63 963 003	49 481 828	42 898 968	40 267 435	37 958 660	242 238 929	**476 808 822**
2024	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
Insurance contracts issued							
Life Insurance Unit	58 239 324	43 342 485	37 159 909	34 390 081	32 794 009	263 578 151	**469 503 959**

15.7.2 GROUP

CSM recognised in profit and loss

	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
2025							
Insurance contracts issued							
Life Insurance Unit	80 387 487	63 438 698	56 183 211	53 131 870	50 231 888	1 167 373 738	**1 470 746 892**
2024	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
Insurance contracts issued							
Life Insurance Unit	78 526 814	60 763 352	52 985 466	49 281 492	46 893 639	450 663 357	**739 114 119**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

16 BORROWINGS

16.1 Short Term Borrowings

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
AFC Bank	56 286 511	-	56 286 511	-
ZB Bank	-	14 771 717	-	-
Steward BanK	-	13 292 869	-	-
National Social Security Authority	-	25 980 700	-	-
Nedbank Limited	8 353 704	8 588 336	8 353 704	8 588 336
NBS Bank	28 957 101	20 000 852	28 957 101	20 000 852
	93 597 316	**82 634 474**	**93 597 316**	**28 589 188**
Current portion of long-term borrowings	52 922 738	65 546 367	52 922 738	11.501.081
Non-current portion of long term borrowings	40 674 578	17 088 107	40 674 578	17 088 107
	93 597 316	**82 634 474**	**93 597 316**	**28 589 188**

AFC Bank

Fidelity Life Assurance of Zimbabwe secured a ZWG 62.35 million loan from AFC Bank on 14 August 2025 to fund development of Stoneridge stands under the Vaka Yako Product. The loan is repayable over 24 months from the drawdown date of 16 October 2025 and attracts interest at 16% per annum.

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 was denominated in USD and accrued interest at 18.6% per annum on a 18 month tenure and expired on 31 January 2026.

Steward Bank

The loan facility amounting to ZWG 12 990 350 was obtained in 2024 as a line of credit for the micro-finance business to increase the unit's lending capacity. The facility was denominated in USD and accrued interest at 25% per annum on a one year tenure and expired on 31 October 2025.

National Social Security Authority

A loan facility with the National Social Security Authority (''NSSA'') amounting to ZWG 25 980 700 was obtained as a line of credit to bolster the microlending business unit lending capacity. The facility accrued interest at 24% per annum on a one year tenure and expired on 31 May 2025 and was secured by a mortgage bond supported by Zimre Holdings Limited guarantee.

Nedbank Limited

Fidelity Life Assurance of Zimbabwe Limited obtained a loan amounting to ZWG 10 348 009 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 ZWG 21 758 549 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 Short Term Borrowings

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Balance at 1 January	**82 634 474**	**19 544 969**	**28 589 188**	**-**
Net cash out flow on borrowings	65 008 128	63 089 505	65 008 128	28 589 188
Proceeds from borrowings	87 099 154	68 987 306	87 099 154	30 852 081
Repayment of borrowings	(19 140 345)	(4 540 751)	(19 140 345)	(905 817)
Finance costs capitalised	(11 300 124)	6 290 915	(11 300 124)	(1 804 048)
Finance costs paid	8 349 444	(7 647 965)	8 349 444	446 972
Non cash movement	(54 045 286)	-	-	-
Balance at 31 December	**93 597 316**	**82 634 474**	**93 597 316**	**28 589 188**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

17 LEASE OBLIGATIONS

The Group leased motor vehicles with a net carrying value of ZWG 19 978 303 (2024: ZWG 2 385 678). 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	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Balance as at 1 January	**2 385 678**	**3 725 191**	-	-
Additions	29 603 253	-	-	-
Derecognition of right of use asset	(929 122)	-	-	-
Interest	(8622 690)	190 699	-	-
Payments	(2459 313)	(894 308)	-	-
Exchange rate movement on foreign operations	497	(635 904)	-	-
Balance as at 31 December	**19 978 303**	**2 385 678**	-	-

2025	Minimum Lease Payments ZWG	Interest Payments ZWG	Present Value ZWG
Not later than one year	9 501 298	4 917 133	4 584 219
Between one year and five years	21 559 045	6 164 961	15 394 084
Later than five years	-	-	-
	31 060 343	**11 082 094**	**19 978 303**
Current liabilities			4 584 177
Non-current liabilities			15 394 126
			19 978 303

2024			
Not later than one year	1 093 294	358 690	734 604
Between one year and five years	1 749 099	98 025	1 651 074
Later than five years	-	-	--
	2 842 393	**456 715**	**2 385 678**
Current liabilities			734 604
Non-current liabilities			1 651 074
			2 385 678

18 DEFERRED TAX LIABILITY

Property and equipment	9 433 022	2 371 129	-	-
Investment property	54 458 967	52 138 796	-	-
Provisions	(160 273)	431 799	-	-
Total	**63 731 716**	**54 941 724**	-	-
Reconciliation				
Balance at the beginning of the year	54 941 724	54 227 307	-	16 264
Movement through profit or loss	4 094 638	714 417	-	(16 264)
Movement through other comprehensive income	2 868 844	-	-	-
Other temporary differences	-	-	-	-
IFRS 9 adjustment	-	-	-	-
Exchange rate movements	1 826 510	-	-	-
Balance at the end of the year	**63 731 716**	**54 941 724**	-	-

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

18 DEFERRED TAX LIABILITY (CONTINUED)

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	4 094 638	714 417	-	(16 264)
Deferred income tax charge/(credit) included in profit or loss	**4 094 638**	**714 417**	**-**	**(16 264)**

18.2 Income tax liability / (asset)

Balance as at 1 January	(11 120 545)	3 615 630	201 610	3 117
Charge for the year	12 906 285	3 733 297	838 553	714 807
Paid during the year	(21 420 990)	(13 467 200)	(436 074)	(516 314)
Exchange rate movements	(8 178 825)	(5 002 272)	-	-
Balance as at 31 December	**(27 814 075)**	**(11 120 545)**	**604 089**	**201 610**

19 TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Trade payables	61 417 377	15 878 495	73 758 220	11 326 806
Related party payables (note 34.3.2)	6 210 815	4 099 936	7 091 068	5 157 974
Statutory liabilities	14 734 599	7 060 307	5 976 730	1 087 734
Other payables	100 822 940	163 057 575	45 578 280	113 310 069
	183 185 731	**190 096 313**	**132 404 298**	**130 882 583**

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

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Dividend income from tradable quoted equities	12 947 820	3 427 763	1 962 218	168 849
Equity accounted earnings from subsidiaries	-	-	137 867 442	21 986 349
Profit on disposal of subsidiaries	111 967 390	-	111 967 386	-
	124 915 210	**3 427 763**	**251 797 046**	**22 155 198**

20.1 Interest Revenue From Financial Instruments Not Measured At Fair Value Through Profit Or Loss

	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Interest income	57 809 422	48 383 546	9 559 936	1 625 716
Total interest income	**57 809 422**	**48 383 546**	**9 559 936**	**1 625 716**

Interest revenue from financial instruments not measured at fair value through profit or loss is generated from government bonds, treasury bills, loans and oney market investments.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

21 OTHER INCOME

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Actuarial fees-recognised over time	10 619 559	11 918 178	-	-
Management fees-recognised at a point in time	39 793 572	89 083 975	(611 586)	31 448 364
Sale of funeral services- recognised at a point in time	13 699 224	6 531 392	-	-
Income recognised under IFRS 15	**64 112 356**	**107 533 546**	**(611 586)**	**31 448 364**
Rental and other property income	-	189 659	-	-
Profit on disposal of property and equipment	49 363	(80 254)	-	111 977
Net gain from foreign exchange	37 467	-	-	-
Sundry	10 870 859	9 936 786	3 717 630	501 220
	75 070 045	**117 579 737**	**3 106 045**	**32 061 561**

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

22 OPERATING AND ADMINISTRATIVE EXPENSES

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Staff costs	150 704 940	104 089 882	55 740 760	35 664 902
Auditors' remuneration	6 388 290	7 591 820	4 349 013	4 712 120
Directors' remuneration - fees	8 747 312	7 090 211	6 610 815	3 840 129
- other services	-	-	-	-
Depreciation of property and equipment	14 983 480	7 823 828	6 747 292	3 924 489
Computer and data expenses	25 813 131	17 967 057	10 239 072	4 453 534
Consultation fees	20 837 214	18 719 510	3 865 227	5 062 833
Legal fees	6 348 204	5 311 079	1 013 585	1 585 628
Travel and representation	17 761 675	13 421 786	11 974 349	10 161 623
Marketing expenses	15 470 654	10 001 037	9 225 097	5 711 961
Actuarial fees	-	-	3 203 005	12 531 427
Motor vehicle maintenance costs	13 335 009	9 237 256	4 897 934	3 460 655
Amortisation of intangibles	2 324 181	1 676 197	-	-
Depreciation right of use asset	2 174 766	2 037 588	-	-
Allowance for credit losses	-	7 731 778	-	-
Subscriptions and levies	2 023 832	1 737 771	1 158 375	1 436 473
Rental from short term leases	10 451 096	18 287 217	3 141 742	7 154 825
Funeral services direct expenses	4 529 278	1 669 234	-	-
Loss on disposal of property and equipment	550 999	-	550 999	-
Bank charges	10 855 068	4 474 604	7 223 050	1 223 353
Management fees	20 124 827	9 774 043	11 262 789	3 956 445
Other operating expenses	21 412 108	20 440 550	9 807 688	5 672 184
	354 836 067	**269 082 448**	**151 010 792**	**110 552 581**

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 30(d).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

23 FINANCE COSTS

	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Other interest expenses	21 689 234	11 607 423	10 650 268	1 819 584
Total finance costs	**21 689 234**	**11 607 423**	**10 650 268**	**1 819 584**
	GROUP		COMPANY	

24 INCOME TAX EXPENSE/(CREDIT)

	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Current	8 811 636	3 733 297	838 553	714 807
Deferred	4 094 650	714 418	-	-
	12 906 285	**4 447 715**	**838 553**	**714 807**
Tax rate reconciliation				
Profit before tax for the year	217 446 239	49 147 535	164 232 838	62 005 954
Tax at Zimbabwe statutory rate of 25.75%	55 992 407	12 655 490	42 289 956	15 966 533
Tax effect of amounts not deductible/(taxable) in calculating taxable income:				
Items not deductible for tax:				
Allowance for credit losses	(12 066 866)	(10 516 468)	(12 066 866)	(2 013 582)
Other disallowable expenses	178 653 085	62 832 738	71 325 621	46 852 010
Non-taxable items:				
Differences arising from movements in unrealised fair value (gains)/losses	(226 558 277)	(227 097)	(226 558 277)	(43 466)
Other non-taxable income	(103 436 306)	-	-	-
Other adjustments:	116 227 594	(61 011 367)	125 848 119	(60 046 688)
	8 811 636	**3 733 297**	**838 553**	**714 807**
	GROUP		COMPANY	

25 EARNINGS PER SHARE (EPS)

	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Reconciliation of total earnings to headline earnings attributable to shareholders				
Numerator				
Profit for the year attributable to owners of the parent and profit used in EPS	**118 271 048**	**35 136 117**	**163 394 285**	**61 291 147**
Add/(deduct) non recurring items				
Impairment of intangible assets	-	-	-	-
(Profit)/loss on disposal of property	501 635	3 089	550 999	(4 310)
Taxation on headline earnings adjustable items	129 171	795	141 882	(1 110)
Headline earnings attributable to ordinary shareholders	**118 901 854**	**35 140 000**	**164 087 166**	**61 285 727**
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)	**109.59**	**32.56**	**151.40**	**56.79**
25.2 Headline earnings per share (cents)	**110.18**	**32.56**	**152.05**	**56.79**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

25 EARNINGS PER SHARE (EPS) (CONTINUED)

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

Authorised and contracted for	21 002 902	31 421 994	21 002 902	17 967 525
Authorised but not contracted for	-	-	-	-
	21 002 902	**31 421 994**	**21 002 902**	**17 967 525**

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 2025	Capital	Minimum capital requirement	Surplus/ deficit
Fidelity Life Assurance of Zimbabwe Limited	155 269 433	51 961 400	103 308 033
Vanguard Life Assurance Company Limited	237 566 731	12 311 224	225 255 507
31 DECEMBER 2024			
Fidelity Life Assurance of Zimbabwe Limited	1 803 866	51 961 400	(50157 534)
Vanguard Life Assurance Company Limited	12 697 911	473 860	12 224 051
Fidelity Life Asset Management Company (Private) Limited	11 332 158	368 567	10 963 591
Fidelity Life Financial Services (Private) Limited	(800 803)	649 518	(1450 321)

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 havea proposed minimum capital requirement of USD2 000 000 or the equivalent in ZWG terms at the prescribed exchange rate per Reserve Bank of Zimbabwe. Further disclosure on FLA's capital position is included in Note 39. The Company is fully compliant with the minimum capital requirements.The Company continues to pursue plans disclosed in Note 39 to improve the solvency position of the Company.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

28 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	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Debt				
Borrowings	93 597 316	82 634 474	93 597 316	28 589 188
Equity				
Capital	100 186 030	(96 476 030)	155 269 433	1 803 866
Debt to capital ratio (%)	**93%**	**330%**	**60%**	**1585%**

29 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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

29 FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONTINUED)

(i) Financial instruments by category

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

	GROUP		COMPANY	
Financial Assets	Finacial assets at fair value through profit or loss ZWG	Finacial assets at amortsied cost ZWG	Finacial assets at fair value through profit or loss ZWG	Finacial assets at amortised cost ZWG
2025				
Trade and other receivables (excluding prepayments and statutory assets)	-	148 927 380	-	198 521 309
Financial assets at fair value through profit or loss	1 646 170 576	-	318 096 051	-
Debt securities at amortised cost	-	141 916 693	-	5 088 762
Cash and deposits with banks	-	173 254 168	-	36 878 668
	1 646 170 576	**464 098 240**	**318 096 051**	**240 488 738**
2024				
Trade and other receivables (excluding prepayments and statutory assets)	-	197 693 251	-	121 911 785
Financial assets at fair value through profit or loss	527 769 913	-	178 486 630	-
Debt securities at amortised cost	-	112 534 051	-	5 556 674
Cash and deposits with banks	-	97 982 313	-	17 490 909
	527 769 913	**408 209 615**	**178 486 630**	**144 959 368**

(i) Financial Liabilities

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Trade and other payables (excluding statutory liabilities and deferred income)	168 451 132	183 036 006	126 427 568	129 794 849
Borrowings	93 597 316	82 634 474	93 597 316	28 589 188
	262 048 448	**265 670 480**	**220 024 885**	**158 384 037**

(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 2025 ZWG	2024 ZWG	Level 2 2025 ZWG	2024 ZWG	Level 3 2025 ZWG	2024 ZWG
Financial assets						
Financial assets at fair value through other comprehensive income	-	-	560 715	560 715	-	-
Financial assets at fair value through profit or loss	1 646 170 576	527 769 913	-	-	-	-

Company	Level 1 2025 ZWG	2024 ZWG	Level 2 2025 ZWG	2024 ZWG	Level 3 2025 ZWG	2024 ZWG
Financial assets						
Financial assets at fair value through profit or loss	318 096 051	178 486 630	-	-	-	-

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

30 FINANCIAL INSTRUMENTS- RISK MANAGEMENT (CONTINUED)

(iii) Financial instruments measured at fair value

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.

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	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
A	599 192	-	382 280	-
A+	1 556 062	575 081	1 478 276	722 457
A-	-	986 229	-	1 242 520
AA+	2 905 811	-	541 490	-
AA	-	1 084 407	-	1 320 032
AA-	12 807 833	1 117 915	12 780 504	939 128
BBB	3 131 168	1 608 283	3 131 168	4 495
BBB+	4 663 610	-	48 714	-
Cash	1 131 349	1 596 531	955 206	1 682 649
Unrated	146 459 142	91 013 866	17 561 031	11 579 628
	173 254 168	**97 982 313**	**36 878 668**	**17 490 909**

Included in the unrated balance of ZWG146 459 142 is ZWG146 148 790(ZWG91 013 866:ZWG73 402 232 in 2024) money market investments deposited with asset managers that are not rated.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

30 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

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 ZWG	Maximum exposure ZWG	Carrying Value ZWG	Maximum exposure ZWG
At 31 December 2025				
Trade and other receivables (excluding prepayments and statutory assets)	148 927 380	148 927 380	198 521 309	198 521 309
Debt securities at amortised cost	141 916 693	141 916 693	5 088 762	5 088 762
Cash and cash equivalents	173 254 168	173 254 168	36 878 668	36 878 668
	464 098 240	**464 098 240**	**240 488 739**	**240 488 739**
At 31 December 2024				
Trade and other receivables (excluding prepayments and statutory assets)	197 693 251	197 693 251	121 911 785	121 911 785
Debt securities at amortised cost	112 534 051	112 534 051	5 556 674	5 556 674
Cash and cash equivalents	97 982 313	97 982 313	17 490 909	17 490 909
	408 209 615	**408 209 615**	**144 959 368**	**144 959 368**

(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 2025, 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	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 2025					
Trade and other payables (excluding deferred Income and statutory liabilities)	168 451 132	-	-	-	168 451 132
Borrowings	-	52 922 738	40 674 578	-	93 597 316
	168 451 132	**52 922 738**	**40 674 578**	**-**	**262 048 448**
At 31 December 2024					
Trade and other payables (excluding deferred Income and statutory liabilities)	183 036 006	-	-	-	183 036 006
Borrowings	-		65 546 367	17 088 107	82 634 474
	183 036 006		**65 546 367**	**17 088 107**	**265 670 480**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

30 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (Continued)

GROUP AT 31 DECEMBER 2025 ASSETS	Between 1 and 12 months ZWG	Over 1 year ZWG	Total ZWG
Inventories	491 707	551 492	1 043 199
Trade and other receivables	147 563 907	16 396 016	163 959 923
Financial Assets at fair value through profit or loss		1 646 170 576	1 646 170 576
Debt securities at amortised cost	141 916 693	-	141 916 693
Cash and deposits with banks	173 254 168	-	173 254 168
	463 226 474	**1 663 118 084**	**2 126 344 559**

GROUP AT 31 DECEMBER 2025 LIABILITIES	Between 1 and 12 months ZWG	Over 1 year ZWG	Total ZWG
Insurance contract liabilities	251 345 508	2 262 109 561	2 513 455 069
Investment contracts without discretionary participation features	89 277 791	803 499 991	892 777 782
Borrowings	52 922 738	40 674 578	93 597 316
Deferred tax liabilities		63 731 716	63 731 716
Lease obligations	4 584 177	15 394 126	19 978 303
Trade and other payables	183 185 731	-	183 185 731
Income tax liability			-
	581 315 946	**3 185 409 973**	**3 766 725 918**

GROUP AT 31 DECEMBER 2024 ASSETS	Between 1 and 12 months ZWG	Over 1 year ZWG	Total ZWG
Inventories	325 460	551 493	876 953
Trade and other receivables	193 035 094	11 501 084	204 536 178
Financial Assets at fair value through profit or loss	-	527 769 913	527 769 913
Debt securities at amortised cost	112 534 051	-	112 534 051
Cash and deposits with banks	97 982 313	-	97 982 313
	403 876 918	**539 822 490**	**943 699 408**

GROUP AT 31 DECEMBER 2024 LIABILITIES	Between 1 and 12 months ZWG	Over 1 year ZWG	Total ZWG
Insurance contract liabilities	170 836 093	1 537 524 836	1 708 360 929
Investment contracts without discretionary participation features	43 309 359	389 784 337	433 093 696
Borrowings	65 546 367	17 088 107	82 634 474
Deferred tax liabilities	-	54 941 724	54 941 724
Lease obligations	734 604	1 651 074	2 385 678
Trade and other payables	190 096 313	-	190 096 313
Income tax liability			-
	470 522 736	**2 000 990 078**	**2 471 512 814**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

30 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (Cont'd)

(b) Liquidity risk (continued)

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 2025					
Trade and other receivables (excluding prepayments and statutory assets)	59 556 393	138 964 916	-	-	198 521 309
Insurance contract liabilities	-		175 021 038	1 575 189 446	1 750 210 484
Investment contracts without discretionary participation features	-	-	21 512 435	193 611 918	215 124 353
Borrowings	-	52 922 738	40 674 578	-	93 597 316
	59 556 393	**191 887 654**	**237 208 052**	**1 768 801 364**	**2 257 453 462**
At 31 December 2024					
Trade and other receivables (excluding prepayments and statutory assets)					
Insurance contract liabilities	-		137 506 518	1 237 558 688	1 375 065 206
Investment contracts without discretionary participation features	-	-	18 496 778	166 471 075	184 967 853
Borrowings	-	11 501 081	17 088 107	-	28 589 188
	36 573 536	**96 839 330**	**173 091 403**	**1 404 029 764**	**1 710 534 032**

(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 USD 6 891 206 (2024: USD6 626 112) 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 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

30 FINANCIAL INSTRUMENTS - RISK MANAGEMENT (CONTINUED)

Consolidated foreign exchange gap analysis as at 31 December

Base Currency Assets	2025 ZWG Equivalent	2024 ZWG Equivalent	2025 MWK ZWG Equivalent	2024 MWK ZWG Equivalent
Cash and deposits with banks	135 020 477	71 561 734	234 080 950 026	124 088 890 687
Loans and receivables	43 797 381	37 987 706	75 930 205 026	65 871 131 301
Total assets	**178 817 858**	**109 549 440**	**310 011 155 052**	**189 960 021 988**
Liabilities				
Trade and other payables	54 531 986	25 201 773	94 540 467 585	43 700 171 127
Total liabilities	54 531 986	25 201 773	94 540 467 585	43 700 171 127
Net currency position	**124 285 872**	**84 347 668**	**215 470 687 467**	**146 259 850 861**
Exchange rates as at 31 December	1 734	1 734	1 734	1 734
Impact of 10% increase in exchange rates				
Assets	16 256 169	9 959 040	28 182 832 277	17 269 092 908
Liabilities	(4 957 453)	(2 291 070)	(8 594 587 962)	(3 972 742 830)
Net position	**11 298 716**	**7 667 970**	**19 588 244 315**	**13 296 350 078**

Impact of change in exchange rates

	2025 10% increase ZWG	2024 10% decrease ZWG	2025 10% increase ZWG	2024 10% decrease ZWG
Impact of profit before tax	239 190 863	54 062 288	180 656 122	68 206 550
Impact on equity	224 993 950	49 169 802	179 733 714	67 420 262

This method used for deriving sensitivity information and significant variables did not change from previous period.

31 ASSURANCE RISK MANAGEMENT

31.1 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.

31.2 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:

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 ASSURANCE RISK MANAGEMENT (CONTINUED)

31.3 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.

31.4 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.

31.5 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.

31.6 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

31.7 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:

31.8 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.

31.9 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 ASSURANCE RISK MANAGEMENT (CONTINUED)

31.10 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.

31.11 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

31.12 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).

31.13 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.

31.14 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.

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 ASSURANCE RISK MANAGEMENT (continued)

31.14 Life insurance contract liability sensitivity analysis (continued)

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	Changes in assumptions (increase/ decrease)	impact on liabilities	Impact on profit before tax	Impact on profit after tax
2025				
Mortality	+10%	1 790 961	1 790 961	(1343 221)
Lapse	-10%	234 675	234 675	(176 006)
Expense	+10%	3 257 610	3 257 610	(2443 208)
Discount rate	+1%	(2116 165)	(2116 165)	1 587 124
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

(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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 ASSURANCE RISK MANAGEMENT (continued)

31.14 Life insurance contract liability sensitivity analysis (continued)

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.

31.15 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 Dec 2025 Individual life business	Insurance Contract liabilities with PDF ZWG	Investment Contract liabilities with PDF ZWG	Investment Contract without liabilities PDF ZWG
Conventional	617 028 440	-	-
Investments		908 408 735	94 296 379
Funeral	93 960 887	-	-
Group Life business			
Funeral	-	-	
Risk business	391 867 514	-	-
Deposit administration	-	502 189 489	798 481 403
Total	**1 102 856 841**	**1 410 598 223**	**892 777 782**
As at 31 December 2024			
Individual life business			
Conventional	450 762 963	-	-
Investments		359 093 206	-
Funeral	128 743 202	-	-
Group Life business			
Funeral	-	-	-
Risk business	249 003 861	30 204 149	-
Deposit administration		490 553 548	433 093 696
Total	**828 510 026**	**879 850 903**	**433 093 696**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 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.

32 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 2025.

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

32 FAIR VALUE DISCLOSURES (CONTIUED)

FAIR VALUE HIERARCHY - GROUP 31 December 2025	Level 1 ZWG	Level 2 ZWG	Level 3 ZWG	Total ZWG	Total gain/loss for the period in statement of profit or loss and other comprehensive income ZWG	Total gain /loss for the period in through investment contract liabilities ZWG
Commercial	-	-	287 529 057	287 529 057	10 849 867	127 149 868
Residential	-	-	33 573 767	33 573 767	1 813 313	-
Land	-	-	1 132 082 996	1 132 082 996	66 649 184	356 019 631
Total investment properties	**-**	**-**	**1 453 185 820**	**1 453 185 820**	**79 312 365**	**483 169 499**
Financial Assets at fair value through profit or loss	**1 646 170 576**	**-**	**-**	**1 646 170 576**	**57 809 422**	**25 429 974**
Land and buildings	**-**	**-**	**1 453 185 820**	**1 453 185 820**	**79 312 365**	**483 169 499**
31 December 2024						
Commercial	-	-	166 618 153	166 618 153	22 223 631	24 367 870
Residential	-	-	-	-	-	-
Land	-	-	1 056 427 223	1 056 427 223	136 516 601	68 230 036
Total investment properties	**-**	**-**	**1 223 045 376**	**1 223 045 376**	**158 740 232**	**92 597 906**
Equities at fair value through profit or loss	**527 769 913**	**-**	**-**	**527 769 913**	**48 383 546**	**4 873 574**
Land and buildings	**-**	**-**	**1 223 045 376**	**1 223 045 376**	**158 740 232**	**92 597 906**

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 ZWG 79 312 365 (December 2024: ZWG 158 740 232). Fair value gains of ZWG 898 993 119 (December 2024: ZWG 97 471 480) 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.

33 RETIREMENT BENEFITS

33.1 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:

	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Employer's contribution	3 771 441	2 338 731	1 021 561	924 341

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

33 RETIREMENT BENEFITS (CONTINUED)

33.2 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 ZWG 18 186.

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Employer's contribution	1 337 636	739 982	843 749	287 243

34 RELATED PARTY INFORMATION

34.1 RELATED PARTIES

The following are the related parties of the Company:

Related party	Nature of relationship
Fidelity Life Financial Services (Private) Limited	Common shareholder
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	Common shareholder
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
Zimbabwe Insurance Brokers Limited	Common shareholder
L.T Gwata	Non Executive Chairman
L.Mabhanga	Independent Non Executive Director
T. 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
D.Humure	Key management
C. Matongo	Key management
C.Chikundura	Key management
Z.Zvenyika	Group Chief Finance Officer

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

34.2 Related party transactions

The following represent transactions with related parties during the year:-

		GROUP		COMPANY	
		2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Related party	**Nature of transaction**				
Income					
Zimre Property Investments Limited	Pension contributions	319 511	598 829	319 511	598 829
Credsure	Pension contributions	561 729	262 977	561 729	262 977
WFDR	Pension contributions	490 801	413 236	490 801	413 236
Emeritus Reinsurance (Private) Limited	Pension contributions	4 917 887	356 663	4 917 887	356 663
Expenses					
Fidelity Life Medical Aid Society	Medical aid contributions	7 870 645	10 802 489	4 926 564	1 500 437
Zimbabwe Actuarial Consultants (Private) Limited	Actuarial fees	10 001 660	16 356 513	83 216 302	325 575 243
Fidelity Life Asset Management Company (Private) Limited	Management fees	83 190	168 952	-	(174 564)
Emeritus Reinsurance (Private) Limited	Reassurance premiums	457 546	961	457 546	961
Zimre Property Investments Limited	Property management fees				

34.3 Related party balances

34.3.1 Related party receivables

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Included in trade and other receivables are the following balances:-				
Fidelity Life Asset Management Company (Private) Limited	-	-	-	118 290
Langford Estates 1962 (Private) Limited	-	-	10 007 532	4 705 728
Fidelity Life Financial Services (Private) Limited	11 348 997	-	11 348 993	10 516 286
Fidelity Funeral Services Company (Private) Limited	-	-	52 968 204	36 454 196
Fidelity Life Medical Aid Society	-	-	-	-
Fidelity Life Medical Services Company (Private) Limited	-	-	-	23 409
Zimbabwe Actuarial Consultants (Private) Limited	-	-	-	15 926
Zimre Holdings Limited	3 930 724	3 930 724	3 930 724	3 930 724
Credsure	-	21 772	-	21 746
WFDR Risk Services	-	-	-	-
Zimre Property Investments	-	241 335		241 335
CFI Holdings	43 674	-	43 674	
Vanguard Life Assurance Company Limited	-	-	139 906	-
	15 323 395	**4 193 831**	**78 439 033**	**56 027 639**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

34 RELATED PARTY INFORMATION (CONTINUED)

34.3.2 Related party payables

	GROUP		COMPANY	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Included in related party payables				
Fidelity Life Medical Aid Society	760 200	-	-	-
Fidelity Life Medical Services Company (Private) Limited	-	-	131 462	-
Fidelity Funeral Services Company (Private) Limited	-	-	-	-
Fidelity Life Financial Services (Private) Limited	41 270	-	-	-
Fidelity Life Asset Management Company (Private) Limited	25 825	-	25 825	-
Langford Estates 1962 (Private) Limited	-	-	-	-
Vanguard Life Assurance Company Limited	-	-	-	-
WFDR Risk Services	-	372 355	-	-
Zimre Property Investments	5 011 157	149 285	6 691 693	-
Credsure	-	30 423	-	131 618
CFI	-	-	-	-
ZHL	372 380	3 547 872	-	-
Zimbabwe Actuarial Consultants	-	-	242 088	101 922
	6 210 832	**4 099 936**	**7 091 068**	**233 541**

The related party payables are interest free and have no fixed repayment terms. Related party payables are unsecured.

34.4 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	22 470 941	22 191 699	13 125 606	8 297 372
Post employment benefits	2 009 451	1 346 108	1 058 843	418 243
Total	**24 480 393**	**23 537 807**	**14 184 449**	**8 715 615**

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.

34.5 Loans to key management

Included in trade and other receivables as at year end are loans to key management as follows:-

Loans receivable	979 342	431 358	508 260	215 679

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

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	Further details
Fidelity Life Asset Management Company (Private) Limited	Asset management	Zimbabwe	Disposed 1 January 2025
Fidelity Life Medical Services Company (Private) Limited	Medical aid management	Zimbabwe	
Vanguard Life Assurance Company Limited	Life assurance	Malawi	
ZAC Global Actuaries (Private Limited)	Actuarial consultants	Zimbabwe	
Fidelity Life Financial Services (Private) Limited	Micro-lending	Zimbabwe	Disposed 1 January 2025
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	Shareholding 2025	2024	
Fidelity Life Asset Management Company (Private) Limited	0%	96%	Disposed 1 January 2025
Vanguard Life Assurance Company Limited	62%	62%	
Zimbabwe Actuarial Consultants (Private) Limited	100%	100%	
Fidelity Life Financial Services (Private) Limited	0%	100%	Disposed 1 January 2025
Fidelity Funeral Services Company (Private) Limited	91%	91%	
Fidelity Life Medical Services Company (Private) Limited	100%	100%	
Langford Estates 1962 (Private) Limited	81%	81%	

36 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:

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

36 NON-CONTROLLING INTERESTS (CONTINUED)

	Vanguard Life		Langford Estates	
For the period ended 31 December	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Insurance contracts revenue	122 919 810	69 066 573	-	-
Insurance service expenses	(61 723 986)	(53 593 066)	-	-
Insurance service result from insurance contracts issued	**61 195 824**	**15 473 507**	**-**	**-**
Allocation of reinsurance paid	(1 701 060)	(1 652 269)	-	-
Amount recoverable from reinsurers for incurred claims	382 800	1 822 988	-	-
Net expenses from reinsurance contracts held	**(1 318 261)**	**170 719**	**-**	**-**
Insurance service result	**59 877 563**	**15 644 227**	**-**	**-**
Interest revenue from financial instruments not measured at fair value through profit or loss	48 249 485	46 376 641	-	-
Net income from other financial instruments at fair value through profit or loss	1 072 813 641	107 573 504	-	-
Net gains from fair value adjustments to investment properties	9 562 794	-	-	-
Net change in investment contract liabilities	(867 543 040)	(89 651 757)	-	-
Other net investment revenue	10 985 601	3 251 640	-	-
Net gain from foreign exchange	(385 346)	-	-	-
Net Investment Income	**273 683 136**	**67 550 028**	**-**	**-**
Insurance finance expenses for insurance contracts issued	-	-	-	-
Reinsurance finance income for reinsurance contracts held	-	-	-	-
Net insurance finance expenses	**-**	**-**	**-**	**-**
Net insurance and investment result	**333 560 699**	**83 194 254**	**-**	**-**
Rental income from investment property	3 201 108	3 087 183	-	-
Other income	25 215 568	1 411 739	-	-
Operating and administrative expenses expenses	(119 300 465)	(54 742 868)	(5 301 798)	(3 403 342)
Property operating costs	(1 854 528)	(421 225)	-	-
Allowance for expected credit losses on receivables	(515 665)	(37 568)	-	-
Finance costs	(3 050 810)	(905 272)	-	-
Profit/(loss) before share of profit of associates accounted for using the equity method	**237 255 908**	**31 586 244**	**(5 301 798)**	**(3 403 342)**
Profit before income tax expense	**237 255 908**	**31 586 244**	**(5 301 798)**	**(3 403 342)**
Income tax expense	(8 931 515)	(4 606 898)	-	(1 294 047)
Profit for the year	**228 324 393**	**26 979 346**	**(5 301 798)**	**(4 697 389)**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

36 NON-CONTROLLING INTERESTS (CONTINUED)

For the period ended 31 December	Vanguard Life 2025 ZWG	Vanguard Life 2024 ZWG	Langford Estates 2025 ZWG	Langford Estates 2024 ZWG
Profit attributable to NCI	87 288 415	10 475 236	(1019 536)	(903 297)
Other comprehensive income allocated to NCI	(1321 066)	2 681 624	-	-
Total comprehensive income allocated to NCI	**85 967 350**	**13 156 860**	**(1019 536)**	**(903 297)**
Cash flows from operating activities	(8 323 270)	64 391 190	-	-
Cash flows from investing activities	34 041 945	5 729 342	-	-
Cash flows from financing activities	5 914 350	1 441 201	-	-
Net cash flows attributable to NCI	**31 633 025**	**71 561 733**	**-**	**-**
Assets:				
Property and equipment	8 290 753	5 825 211	-	-
Right of use asset	20 580 248	1 825 196	-	-
Investment property	57 580 558	47 392 720	650 556 728	650 556 728
Intangible assets	2 856 916	4 554 313	-	-
Trade and other receivables	43 797 381	37 987 706	-	-
Financial assets at fair value through profit or loss	1 326 243 366	340 227 347	-	-
Debt securities at amortised cost	136 585 840	106 977 377	-	-
Cash and deposits with banks	135 020 477	71 561 734	-	-
	1 730 955 538	**616 351 604**	**650 556 728**	**650 556 728**
Liabilities:				
Insurance contract liabilities	763 244 585	333 295 722	-	-
Investment contract liabilities without direct participating features	677 653 429	248 125 843	-	-
Deferred tax liabilities	12 876 061	9 640 892	44 437 831	44 437 831
Lease Liability	19 978 249	1 456 556	-	-
Trade and other payables	54 531 986	25 201 773	10 007 527	4 705 728
Income tax liability				
	1 528 284 309	**617 720 786**	**54 445 358**	**49 143 559**

37 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% (2024: 74%) of the Group's external revenue.

Microlending
This segment is involved in consumer loans, business loans and loans to farmers. It accounts for nil (2024: 6%) of the Group's external revenue. The segment has experienced steady growth since its formation in 2010, and was subsequently disposed effective 1 January 2025

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, medical services 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

37 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.

37.1 SEGMENT INFORMATION

Information about products and service

Dec-25	Insurance ZWG	Microlending ZWG	Property Investment ZWG	Other ZWG	Consolidation adjustments ZWG	Total ZWG
Insurance contract revenue	432 574 498	-	-	-	-	432 574 498
Insurance service expenses	(278 862 103)	-	-	-	-	(278 862 103)
Net expenses from reinsurance contracts held	(11 413 477)	-	-	-	-	(11 413 477)
Insurance service result	**142 298 918**	**-**	**-**	**-**	**-**	**142 298 918**
Net insurance finance expenses	(199 570 435)	-	-			(199 570 435)
Net Investment Income	717 364 773	-	-	-	(143 842 999)	573 521 774
Net insurance and investment result	**660 093 256**	**-**	**-**	**-**	**(143 842 999)**	**516 250 257**
Other income	28 321 613	-	-	59 211 140	(12 462 708)	75 070 045
Indirect expenses	(270 311 309)	-	(5 301 804)	(91 685 668)	12 462 713	(354 836 067)
Income tax expense	(9 770 068)	-	-	(3 136 216)	-	(12 906 285)
Profit/(loss) for the year	**391 718 678**	**-**	**(5 301 804)**	**(38 033 928)**	**(143 842 993)**	**204 539 954**
Segment assets	4 112 456 944	-	650 556 728	80 181 442	(976 283 166)	3 866 911 947
Segment liabilities	3 719 620 761	-	54 445 358	122 389 471	(129 729 673)	3 766 725 917

Dec-24	Insurance ZWG	Microlending ZWG	Property Investment ZWG	Other ZWG	Consolidation adjustments ZWG	Total ZWG
Insurance contract revenue	296 973 950	-	-	-	-	296 973 950
Insurance service expenses	(232 304 558)	-	-	-	-	(232 304 558)
Net expenses from reinsurance contracts held	(3 942 831)	-	-	-	-	(3 942 831)
Insurance service result	**60 726 561**	**-**	**-**	**-**	**-**	**60 726 561**
Net Investment Income	261 896 342	2 201 371	-	6 314 453	(38 601 864)	231 810 302
Net insurance finance expenses	(95 394 687)	-	-			(95 394 687)
Net insurance and investment result	**227 228 216**	**2 201 371**	**-**	**6 314 453**	**(38 601 864)**	**197 142 176**
Other income	43 042 667	37 211 429	-	84 557 046	(47 231 406)	117 579 737
Indirect expenses	(174 996 382)	(39 321 556)	(3 403 342)	(98 709 669)	47 348 501	(269 082 448)
Income tax expense	(5 321 705)	(931 330)	(1 294 047)	3 099 367	-	(4 447 715)
Profit/(loss) for the year	**89 952 796**	**(840 086)**	**(4 697 389)**	**(4 738 802)**	**(34 976 699)**	**44 699 820**
Segment assets	2 337 861 910	62 091 457	650 556 728	94 818 305	(770 291 616)	2 375 036 784
Segment liabilities	5 358 551 981	62 892 260	49 143 559	77 445 765	(3 076 520 751)	2 471 512 814

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

37 SEGMENT REPORTING (CONTINUED)

Information below shows operating results in the countries in which the Group operates.

December 2025	Zimbabwe ZWG	Malawi ZWG	Consolidation adjustments ZWG	Total ZWG
Insurance contract revenue	309 654 688	122 919 810		432 574 498
Insurance service expenses	(217 138 117)	(61 723 986)		(278 862 103)
Net expenses from reinsurance contracts held	(10 095 217)	(1 318 261)		(11 413 477)
				-
Insurance service result	**82 421 355**	**59 877 563**		**142 298 918**
Net insurance finance expenses	(199 570 435)	-		(199 570 435)
Net Investment Income	443 681 637	273 683 136	(143 842 999)	573 521 774
Net insurance and investment result	**326 532 556**	**333 560 699**	**(143 842 999)**	**516 250 257**
Other income	34 813 797	25 215 568	15 040 680	75 070 045
Indirect expenses	(247 998 310)	(119 300 465)	12 462 708	(354 836 067)
Income tax expense	(3 974 770)	(8 931 515)		(12 906 285)
Profit/(loss) for the year	**120 058 559**	**228 324 393**	**(143 842 999)**	**204 539 954**
Segment assets	3 077 344 066	1 765 851 047	(976 283 166)	3 866 911 947
Segment liabilities	2 368 171 203	1 528 284 309	(129 729 595)	3 766 725 917
December 2024				
Insurance contract revenue	227 907 377	69 066 573	-	296 973 950
Insurance service expenses	(178 711 493)	(53 593 066)	-	(232 304 558)
Net expenses from reinsurance contracts held	(4 113 550)	170 719	-	(3 942 831)
Insurance service result	**45 082 334**	**15 644 227**	**-**	**60 726 561**
Net Investment Income	202 862 138	67 550 028	(38 601 864)	231 810 302
Net insurance finance expenses	(95 394 687)	-	-	(95 394 687)
Net insurance and investment result	**152 549 785**	**83 194 254**	**(38 601 864)**	**197 142 176**
Other income	160 312 221	4 498 922	(47 231 406)	117 579 737
Indirect expenses	(260 745 241)	(55 685 707)	47 348 501	(269 082 448)
Income tax expense	9 054 612	(4 606 897)	-	4 447 715
Profit/(loss) for the year	**52 275 948**	**27 400 572**	**(34 976 700)**	**44 699 820**
Segment assets	2 528 976 797	616 351 604	(770 291 616)	2 375 036 784
Segment liabilities	1 909 204 288	603 653 692	(41 345 166)	2 471 512 814

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

38 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	2025 ZWG	2024 ZWG
Inventories-South View stands	551 492	551 492
Residential stand debtors	710 910	263 314
Biological assets	3 442 495	2 553 383
Other non current assets	7 397 926	4 417 239
REIT	282 215 977	155 406 857
Investment properties	215 042 254	197 167 532
	509 361 054	360 359 818
Total assets	**2 347 209 973**	**1 721 510 306**
Percentage of total assets	**22%**	**21%**

The Company is fully compliant with the prescribed assets requirements in the current year.

39 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.

Investments	1 433 624 691	919 810 388
Allowance for inadmissible assets	912 981 206	801 699 918
Value of Assets	**2 346 605 896**	**1 721 510 306**
Actuarial values of policy liabilities	1 965 334 837	1 560 033 059
Other liabilities	226 605 692	159 673 381
Total	**2 191 940 529**	**1 719 706 441**
FLA statutory capital per IPEC circular 42 of 2022	**154 665 367**	**1 803 866**
Circular 42 of 2022 minimum statutory capital requirement	**51 961 400**	**51 961 400**
Statutory capital surplus /(deficit)	**102 703 967**	**(50 157 534)**

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

40 Special purpose financial statements

In response to the Reserve Bank of Zimbabwe's Monetary Policy Statement (MPS/2/2025) dated 6 February 2025, the Group and Company will prepare two sets of financial statements for the period ending 31 December 2025 namely the General Purpose Financial Statements fully compliant with IFRS, and Special Purpose Financial Statements in ZWG as per the RBZ directive.

41 CONTINGENCIES

41.1 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.

There is a high probability that the matter will be determined in FLA's favour given that the transaction met all the regulatory compliance conditions including director and shareholder approvals, prior to its conclusion.

42 EVENTS AFTER THE REPORTING DATE

42.1 DIVIDEND DECLARATION

As at 1 January	AUDITED GROUP 2025 ZWG	AUDITED GROUP 2024 ZWG	AUDITED COMPANY 2025 ZWG	AUDITED COMPANY 2024 ZWG
As at 1 January	-	-	-	-
Dividends declared	-	7 794 210		7 794 210
Dividends paid	-	-	-	-
	-	**7 794 210**	**-**	**7 794 210**

The Board of Directors declared a final dividend payable of ZWG 11 691 315 or ZWG 0.11 per share for the year ended 31 December 2025, which was paid in June 2026.

42.2 Approval of the consolidated financial Statements

The consolidated financial statements were approved by the Board of Directors for issue on 27 March 2026 and the directors have power to amend and/or reissue the financial statements should circumstances requiring that arise.

43 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

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.

Assets	2025 ZWG Policyholder	2025 ZWG Shareholder	2025 ZWG Total
Property and equipment	21 885 126	9 242 429	31 127 555
Intangible assets	-	-	-
Investment property	865 495 059	-	865 495 059
Inventories	551 492	-	551 492
Investments in subsidiaries	793 067 273	54 715 184	847 782 457
Other assets	7 397 926	-	7 397 926
Financial assets at fair value through profit or loss	316 031 553	2 064 499	318 096 051
Debt securities at amortised cost	4 890 047	198 715	5 088 762
Cash and deposits with banks	32 347 734	4 530 934	36 878 668
Insurance Contract Assets	23 253 532	-	23 253 532
Trade and other receivables	208 095 976	-	208 095 976
Biological assets	3 442 495	-	3 442 495
Total assets	**2 276 458 213**	**70 751 760**	**2 347 209 974**
Liabilities			
Borrowings	93 597 316	-	93 597 316
Income tax liability	604 077	-	604 077
Trade and other payables	132 404 298	-	132 404 298
Total liabilities	**226 605 692**	**-**	**226 605 692**
Net assets value			**2 120 604 282**
Allocated closing fund balance	**2 049 852 522**	**70 751 760**	**2 120 604 282**

Assets and liabilities allocation

Assets and liabilities allocation	2024 ZWG Policyholder	2024 ZWG Shareholder	2024 ZWG Total
Property and equipment	5 748 724	15 708 399	21 457 122
Intangible assets	-	-	-
Investment property	632 915 833	-	632 915 833
Inventories	551 492	-	551 492
Investments in subsidiaries	728 946 449	-	728 946 449
Other assets	88 166 898	47 938 299	136 105 197
Financial assets at fair value through profit or loss	178 020 874	465 756	178 486 630
Debt securities at amortised cost	3 535 168	2 021 506	5 556 674
Cash and deposits with banks	16 295 926	1 194 982	17 490 909
Total assets	**1 654 181 364**	**67 328 943**	**1 721 510 306**
			-
Liabilities			
Borrowings	28 589 188	-	28 589 188
Trade and other payables	130 882 583	-	130 882 583
Total liabilities	**159 471 771**	**-**	**159 471 771**
Net assets value			**1 562 038 535**
Allocated closing fund balance	**1 494 709 593**	**67 328 943**	**1 562 038 535**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

1.1 POLICYHOLDER AND SHAREHOLDER FUNDS (CONTINUED)

1.1.2 Investment returns allocation

	2025 ZWG	2024 ZWG
Direct Revenue		
Insurance contracts revenue	309 654 688	227 907 377
Insurance service expenses	(217 138 117)	(178 711 493)
Net reinsurance paid	(10 095 217)	(4 113 550)
Net direct growth in fund	**82 421 355**	**45 082 334**
Fair value gains from financial assets	162 206 395	13 976 733
Other investment income	274 286 564	60 698 943
Insurance finance expenses for insurance contracts issued	(199 570 435)	(95 394 687)
Other operating expenses	(216 330 195)	(126 571 891)
Finance costs	(10650 268)	(1819 584)
Income tax expense	(838 553)	(714 807)
Gains on property and equipment revaluations	-	-
Net gains from fair value adjustments on investment property	73 911 818	169 671 612
Net gains from foreign exchange	(2042 395)	(3637 506)
Net investment returns	**80 972 931**	**16 208 813**
Net profit	**163 394 285**	**61 291 147**
Profit attribution		
Policyholder	134 683 975	47 344 737
Shareholder	28 710 310	13 946 410

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 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

1.2 Ipec Currency Reform Guideline Compliance (Continued)

Below is an illustration of the split of assets into the respective sub-accounts

DECEMBER 2025	Sub Account 1 ZWG	Sub Account 2 ZWG	Sub Account 3 ZWG	Total ZWG
Assets				
Prescribed assets	211 846 628	11 551 350	282 215 994	505 613 972
Investment property	653 648 431	-	-	653 648 431
Listed equities	20 721 982	5 081 791	8 080 991	33 884 765
Financial assets at fair value through profit or loss	-	1 995 344	-	1 995 344
Unlisted equities	675 418 502	172 363 955	-	847 782 457
Money market investments	2 594 231	3 672 151	11 289 819	17 556 200
Inventories(Land and projects)	551 502	-	-	551 502
Loans and receivables	-	-	52 257 251	52 257 251
Non current trade receivables	41 142 002	30 695 769	83 289 988	155 127 759
Debt securities at amortised cost	-	976 868	4 111 894	5 088 762
Insurance Contract Assets	17 448 676	(3710 394)	9 515 251	23 253 532
Cash and deposits with banks	18 900 076	-	422 368	19 322 444
Property and equipment	18 665 912	12 461 643	-	31 127 555
Total	**1 660 937 942**	**235 088 476**	**451 183 555**	**2 347 209 974**

Below is an illustration of the split of profit into the respective sub-accounts
Operating profit

DECEMBER 2025	Sub Account 1 ZWG	Sub Account 2 ZWG	Sub Account 3 ZWG	Total ZWG
Premiums net of reinsurance	-	-	309 654 688	309 654 688
Fee and commission income	-	1 354 098	345 559	1 699 657
Investment income	2 831 736	(14 143 525)	14 417 833	3 106 045
Fair value gains/(losses)	19 128 259	4 963 098	128 555 102	152 646 459
Share of revaluation gains on property	63 571 493	-	10 340 325	73 911 818
Other net investment revenue	64 788 535	137 867 442	49 141 070	251 797 046
Interest revenue from financial instruments not measured at fair value through profit or loss"	13 987	39 257	9 506 693	9 559 936
Rental income from investment property	177 900	1 576 034	17 629 530	19 383 464
Income	**150 511 910**	**131 656 404**	**539 590 800**	**821 759 114**
Benefits and claims after reinsurance	(428 402)	(47 087 316)	(169 622 399)	(217 138 117)
Change in liabilities				
Policyholder benefits	**(428 402)**	**(47 087 316)**	**(169 622 399)**	**(217 138 117)**
Fee, commission and acquisition costs	163 083	(6 291 503)	(5 666 454)	(11 794 874)
Finance costs	(54 378)	(3 694 971)	(6 900 913)	(10 650 261)
Operating expenses	(5 299 030)	(20 076 207)	(125 635 556)	(151 010 792)
Insurance finance expenses for insurance contracts issued	-	-	(199 570 435)	(199 570 435)
Property operating costs	-	(1 679 489)	(9 381 820)	(11 061 309)
Net change in investment contract liabilities	-		(42 191 228)	(42 191 228)
Allowance for expected credit losses on receivables	-	(11 839 154)	(227 712)	(12 066 866)
Net gains from foreign exchange	(1 904 277)		(138 118)	(2 042 395)
Other expenses	**(7 094 602)**	**(43 581 324)**	**(389 712 235)**	**(440 388 161)**
Profit before tax	**142 988 906**	**40 987 764**	**(19743 834)**	**164 232 837**
Income tax	-	(419 518)	(419 035)	(838 553)
Profit after tax	**142 988 906**	**40 568 247**	**(20162 869)**	**163 394 284**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

1.2 Ipec Currency Reform Guideline Compliance (Continued)

DECEMBER 2024	Sub Account 1 ZWG	Sub Account 2 ZWG	Sub Account 3 ZWG	Total ZWG
Prescribed assets	189 191 483	-	166 043 641	355 235 124
Land and buildings	-	-	-	-
Investment property	255 468 223	-	173 369 211	428 837 434
Listed equities	7 687 845	5 771 218	6 745 120	20 204 183
Unlisted equities	692 315 386	21 847 585	-	714 162 971
Money market investments	2 547 916	3 539 195	2 957 693	9 044 804
Inventories(Land and projects)	551 492	-	-	551 492
Loans and receivables	-	-	36 410 626	36 410 626
Non current trade receivables	-	-	83 964 478	83 964 478
Other	15 153 570	576 522	57 369 101	73 099 192
Total	**1 162 915 915**	**31 734 520**	**526 859 870**	**1 721 510 305**

DECEMBER 2024	Sub Account 1 ZWG	Sub Account 2 ZWG	Sub Account 3 ZWG	Total ZWG
Premiums net of reinsurance	-	19 678 354	29 517 531	49 195 884
Fee and commission income	-	8 862 079	13 293 119	22 155 198
Interest income from residential stands receivables	812 858	487 715	325 143	1 625 716
Investment income	3 241 092	1 944 655	1 296 437	6 482 185
Fair value gains/(losses)	6 175 508	3 705 305	2 470 203	12 351 017
Gains/losses on property revaluation	84 835 806	50 901 484	33 934 322	169 671 612
Other income	16 030 780	9 618 468	6 412 312	32 061 561
Income	**111 096 045**	**95 198 060**	**87 249 067**	**293 543 173**
Benefits and claims after reinsurance	32 971 093	19 782 656	13 188 437	65 942 186
Change in liabilities				
Policyholder benefits	**32 971 093**	**19 782 656**	**13 188 437**	**65 942 186**
Cost of sales of stands	-	-	-	-
Fee, commission and acquisition costs	2 198 773	1 319 264	879 509	4 397 545
Finance costs	(909 792)	(545 875)	(363 917)	(1819 584)
Operating expenses	(58 035 298)	(34 821 179)	(23 214 119)	(116 070 596)
Non-operating income	-	-	-	-
Other expenses	**(56 746 317)**	**(34 047 790)**	**(22 698 527)**	**(113 492 635)**
Profit before tax	**87 320 821**	**80 932 925**	**77 738 978**	**245 992 724**
Income tax	(357 403)	(214 442)	(142 961)	(714 807)
Profit after tax	**86 963 417**	**80 718 483**	**77 596 016**	**245 277 917**

CORPORATE INFORMATION

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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

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

Top 20 shareholders as at 31 December 2025		Shareholding	%
3857	Zimre Holdings Limited	72925578	66,95
793393	Tn Asset Management Nominees	24981267	22,93
959514	Mega Market (Pvt) Ltd	1753353	1,61
973991	Stanbic Nominees 110008040010	1303397	1,20
960745	Summerton Rhys Drennan	1264277	1,16
957339	Farid El-Khoury Phillppe Elias	360000	0,33
959574	Morgan And Company (Pvt) Ltd	334855	0,31
956762	Stanbic Nominees (Pvt)Ltd-Ac 140043470003	238288	0,22
957423	Old Mutual Life Assurance Of Zimbabwe Limited	204429	0,19
959512	Corpserve Nominees (Pvt) Ltd	191974	0,18
559812	Eng Asset Management	112836	0,10
456757	National Investment Trust	101152	0,09
851838	Remo Investment Brokers (Pvt) Ltd	88317	0,08
667163	Machiwenyika Lody	88056	0,08
957915	Kunyongana Loice	81673	0,07
402284	Zimbabwe Insurance Brokers Limited	79438	0,07
957371	Stanbic Nominees (Pvt) Ltd Ac 110008040007	74929	0,07
941385	Mataranyika Phillip	69760	0,06
957009	Stanbic Nominees 140044060002	67700	0,06
680238	Zimre Properties	62032	0,06
	Total Holding Of Top Shareholders	**104.383.311**	**95,83**

Trade Classifications Zimbabwe Share Register	Number of Shareholders	%	Number of Issued Shares	%
Charitable&Trusts	6	0,21%	57.902	0,05%
Companies	147	5,26%	76.866.985	70,57%
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%	5.037	0,00%
Individuals	2570	92,02%	463.816	0,43%
Insurance Companies	7	0,25%	128.421	0,12%
Investment, Trust And Property Companies	6	0,21%	54.718	0,05%
Nominee Company	39	1,40%	27.108.630	24,89%
Non Resident Transferable	1	0,04%	-	0,00%
Pension Funds	11	0,39%	4.228.472	3,88%
Totals	**2.793**	**100%**	**108.923.291**	**100%**

Size of Shareholding	Number of shareholders	%	Issued shares	%
1-10000	2.683	95,45	2.319.630	2,13
10001-100000	98	3,49	2.832.255	2,60
100001-1000000	7	0,25	1.543.534	1,42
1000001-10000000	3	0,11	4.321.027	3,97
10000001-1000000000	2	0,07	97.906.845	89,89
Totals	**2.793**	**99,36**	**108.923.291**	**100,00**

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 47th Annual General Meeting of the Members of Fidelity Life Assurance of Zimbabwe will be held at Chapman Golf Club, 6 Smit Cres, Harare and virtually via the following link:

https://teams.microsoft.com/meet/39876434567272?p=xxuahNjvL298ZyR8oO

On **Tuesday, 28 July 2026 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 2025 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 2025 to 31 December 2025.

3 **Dividend**
To confirm payment of the final dividend for the year ended 31 December 2025 of USD450 000 translating to 0.0041 USD cents per share.

(Confirming that the final dividend was paid out on or about the 4th of June 2026).

4 **Directorate**

a) To re-elect Mr. Livingstone Gwata 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.

(Mr. Gwata holds a Bachelor of Administration from the University of Zimbabwe. He is a Certificated Associate of the Institute of Bankers in South Africa by examination and an Fellow of the Institute of Bankers of Zimbabwe. His career in corporate, retail and merchant banking spans almost 4 decades. He joined the Board in 2022 and is the current Board Chairman and member of the Investments and Human Resources and Corporate Governance Committees.)

b) To re-elect Mr. Igantius Mvere 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.

(Mr. Mvere is the Chief Director responsible for Finance, Administration and Human Resources in the Ministry of Defence and War Veterans Affairs. He has vast experience in Finance particularly Public Sector Finance. He is a holder of a Bachelor of Commerce Degree, a Certified Public Accountant and is a registered Public Accountant. He joined the Board in 2016 and is the Chairperson of the Human Resources and Corporate Governance Committee and member of the Audit Committee.)

c) To re-elect Mr. Henry Nemaire 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.

(Mr. Nemaire is a Chartered Certified Accountant (FCCA) and Registered Public Accountant with vast experience in auditing, special investigations, review of internal control systems and taxation. He holds an MSC in Professional Accountancy and is the Chief Finance Officer of Tanganda Tea Company Limited. He joined the Board in 2018 and is the Chairperson of the Audit Committee).

5. **Directors Remuneration**
To approve the remuneration of the Directors amounting to USD254 451 for the year ended 31 December 2025.

(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 office 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 USD167 394 for the year ended 31 December 2025.

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 (IPEC) guidelines, insurers are required to change their audit firm every 5 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

6 July 2026

PROXY FORM

We, ...being a member of Fidelity Life Assurance of Zimbabwe Limited

(the Company) holding...............................shares, hereby appoint...

of..or failing him/...

of.. or failing him/her, the CHAIRPERSON of the meeting 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 28 of July at 10:00 hours, and at any adjournment thereof.

Signed this...day of...2026

Signature of member...

(Corporate bodies are required to authenticate with a company stamp.)

	ORDINARY BUSINESS	Number of Votes		
		FOR	AGAINST	ABSTAIN
1	To receive, consider and adopt the Financial Statements for the year ended 31 December 2025 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 2025 to 31 December 2025.			
3	To confirm payment of the final dividend for the year ended 31 December 2025 of USD450 000 translating to 0.00041 USD cents per share.			
4(a)	To re-elect Mr. Livingstone Gwata 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(b)	To re-elect Mr. Ignatius Mvere 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. Henry Nemaire 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 USD254 451 for the year ended 31 December 2025.			
6.	To approve the remuneration of the External Auditor, Grant Thornton Zimbabwe amounting to USD167 394 for the year ended 31 December 2025.			
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 Monday, 20 July 2026 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.

GRI Content Index

Statement of use	Fidelity Life Assurance has reported the information cited in this GRI content index for the period from 01 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (Page)	Omission		
			Part Omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-1 Organisational details	242			
	2-2 Entities included in the organisation's sustainability reporting	15			
	2-3 Reporting period, frequency and contact point	4-5			
	2-4 Restatements of information	4-5			
	2-5 External assurance	-		External assurance not mandatory at the moment.	
	2-6 Activities, value chain and other business relationships	15-17			
	2-7 Employees	45-46			
	2-8 Workers who are not employees	47			
	2-9 Governance structure and composition	20-24			
	2-10 Nomination and selection of the highest governance body	20			
	2-11 Chair of the highest governance body	20			
	2-12 Role of the highest governance body in overseeing the management of impacts	22			
	2-13 Delegation of responsibility for managing impacts	22			
	2-14 Role of the highest governance body in sustainability reporting	21			
	2-15 Conflicts of interest	21			
	2-16 Communication of critical concerns	22			
	2-17 Collective knowledge of the highest governance body	20			
	2-18 Evaluation of the performance of the highest governance body	22-23			

GRI Content Index (Continued)

Statement of use	Fidelity Life Assurance has reported the information cited in this GRI content index for the period from 01 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (Page)	Omission		
			Part Omitted	Reason	Explanation
	2-19 Remuneration policies	23			
	2-20 Process to determine remuneration	23			
	2-21 Annual total compensation ratio				
	2-22 Statement on sustainable development strategy	31			
	2-23 Policy commitments	-		Data currently not available	
	2-24 Embedding policy commitments	31			
	2-25 Processes to remediate negative impacts	29,37			
	2-26 Mechanisms for seeking advice and raising concerns	37			
	2-27 Compliance with laws and regulations	25			
	2-28 Membership associations	17			
	2-29 Approach to stakeholder engagement	32-33			
	2-30 Collective bargaining agreements	47			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	34			
	3-2 List of material topics	34-35			
	3-3 Management of material topics	34-35			
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	37,38			

INSIGHTS INTO OUR PERFORMANCE
GROUP OVERVIEW
LEADERSHIP AND GOVERNANCE
BUSINESS CONDUCT AND VALUES
SUSTAINABILITY AT THE CENTRE
SUSTAINABILITY RISKS AND OPPORTUNITIES
SUSTAINABLE FINANCIAL ACCESS
COMPETING WITH INTEGRITY
OUR PEOPLE AND CULTURE
RESOURCE AND OPERATIONAL STEWARDSHIP
SOCIAL AND ECONOMIC IMPACT
FINANCIAL REPORTS
Corporate Information

GRI Content Index (Continued)

Statement of use	Fidelity Life Assurance has reported the information cited in this GRI content index for the period from 01 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (Page)	Omission		
			Part Omitted	Reason	Explanation
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	54-55			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers			Data currently not available	
GRI 207: Tax 2019	207-1 Approach to tax	65			
	207-2 Tax governance, control, and risk management	65			
	207-3 Stakeholder engagement and management of concerns related to tax	65			
	207-4 Country-by-country reporting	-		Data currently not available	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Not Applicable			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	50-51			
	302-2 Energy consumption outside of the organisation	-		Data currently not available	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	52			
	303-2 Management of water discharge-related impacts	52			
	303-3 Water withdrawal	-		Data currently not available	
	303-5 Water consumption	-		Data currently not available	

GRI Content Index (Continued)

Statement of use	Fidelity Life Assurance has reported the information cited in this GRI content index for the period from 01 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (Page)	Omission		
			Part Omitted	Reason	Explanation
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	-		Data currently not available	
	305-2 Energy indirect (Scope 2) GHG emissions	51			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	51			
	306-2 Management of significant waste-related impacts	52			
	306-3 Waste generated	52			
	306-4 Waste diverted from disposal	-		Data currently not available	
	306-5 Waste directed to disposal	-		Data currently not available	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	45			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	47			
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	1 month			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	48			
	403-2 Hazard identification, risk assessment, and incident investigation	48			

GRI Content Index (Continued)

Statement of use	Fidelity Life Assurance has reported the information cited in this GRI content index for the period from 01 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (Page)	Omission		
			Part Omitted	Reason	Explanation
	403-3 Occupational health services	48			
	403-4 Worker participation, consultation, and communication on occupational health and safety	48			
	403-5 Worker training on occupational health and safety	48			
	403-6 Promotion of worker health	48			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	48			
	403-8 Workers covered by an occupational health and safety management system	48			
	403-9 Work-related injuries	-			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	46			
	404-2 Programs for upgrading employee skills and transition assistance programs	46			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	22			
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	Not Applicable			

NOTES

NOTES

FIDELITY LIFE
ASSURANCE OF ZIMBABWE