



FIDELITY LIFE

ASSURANCE OF ZIMBABWE



INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2026



CHAIRMAN’S STATEMENT



The Zimbabwean operation remained the larger contributor, generating USD5.8 million, or 71% of total revenue,



71%



INTRODUCTION

I am pleased to share the financial statements of Fidelity Life Assurance of Zimbabwe Limited for the half year ended 30 June 2026.

ECONOMIC OVERVIEW

Zimbabwe. The operating environment for the life assurance sector was broadly favourable during the first half of 2026. Foreign currency receipts increased significantly during the period, while strong gold production and tobacco exports contributed to higher foreign currency generation and economic activity. The tobacco selling season also provided an important source of income for rural households, improving disposable income and consumption. These developments, together with greater exchange rate stability, improved the environment for long-term insurance and savings products. External risks remained, particularly from the conflict in the Middle East and its potential impact on energy prices, freight costs and global financial conditions. The outlook remains cautiously positive, subject to continued macroeconomic stability and household income resilience.

Malawi’s operating environment for the life assurance sector remained challenging. Elevated inflation continued to place pressure on household purchasing power thereby negatively impacting the affordability of long-term insurance and savings products. Persistent foreign currency shortages constrained economic activity and investment opportunities while improved agricultural output eased food price pressures. Looking ahead, gradual improvement is anticipated, conditional on continued recovery of the agriculture industry, easing of inflation and improved foreign currency availability.

GROUP FINANCIAL PERFORMANCE REVIEW

The insurance contract revenue recorded a 4% decline to USD8.3 million from USD8.6 million reported in June 2025 due to a slower conversion of new business than anticipated. The revenue generated was on the back of new product launches and continued organic growth. In Malawi, the Life and Pension unit launched the Manga Yako product, built on the same concept as Vaka Yako in Zimbabwe, and this is expected to strengthen insurance revenue performance. The Zimbabwean operation remained the larger contributor, generating USD5.8 million, or 71% of total revenue, while the Malawian operations contributed USD2.4 million, representing 29%.

The insurance service result declined by 118% to a negative USD0.5 million and was adversely impacted by an increase in insurance service expenses which grew by 57% to USD8.7 million compared to the same period prior year. The increase was mainly attributable to elevated claims experienced, and an increase in the loss component.

The Group remained profitable during the period, reporting a profit of USD1.6 million (ZWG41.9 million), a 74% decline from USD6 million (ZWG161.8 million) recorded in the comparative period. This reduced performance reflects higher insurance service expenses, driven by claims and insurance finance costs, together with the fact that the prior year’s profit had included a significant once-off profit on disposal of subsidiaries amounting to USD3.9 million. The Group remains focused on strategic partnerships, new product launches and diversification of revenue streams aimed at strengthening its earnings capacity and positioning it for sustained growth and value creation.

STRATEGY EXECUTION

Fidelity Life continued to make progress in diversifying its product portfolio, diluting the dominance and potential concentration risk posed by the Vaka Yako product and strengthening the business’ revenue base. Focus remained on offering savings solutions that help customers preserve and grow their wealth while providing long-term financial security. This broader product mix has enhanced business resilience and positioned the Group for sustainable growth.

CUSTOMER EXCELLENCE

We believe that customer excellence is not simply a service initiative, but the strategic differentiator and driver of sustainable growth. In an increasingly competitive insurance environment, we recognize that sustainable growth depends on the strength and affordability of our products and more importantly their quality, consistency and our responsiveness.

During the first half year of 2026, we continued to strengthen our customer-centric approach, with particular focus on improving service responsiveness, simplifying customer interactions and leveraging technology to make our products and services more accessible and convenient. Our ambition is to ensure that every interaction with FLA reinforces confidence, trust and commitment to being a reliable partner throughout our customer’s journey, from cradle to the grave!

GEOGRAPHICAL FOOTPRINT

The expansion of low-cost mobile service booths continued to improve market penetration, particularly within the underserved informal markets. These outlets have strengthened financial inclusion efforts while providing greater access to insurance and savings solutions. The diaspora business also recorded encouraging growth, driven by increased awareness campaigns, enhanced digital servicing capabilities, and growing demand for products designed to support families and investments in Zimbabwe.

SUSTAINABILITY

FLA remains committed to integrating sustainability considerations into its strategy, operations and stakeholder relationships. The Group continues to strengthen its approach to Environmental, Social and Governance (ESG) matters and align sustainability with long term value creation.

FLA participated in the Zimbabwe Open Golf Tournament, which promoted sport while supporting cancer awareness and treatment. It also took part in the inaugural ZHL Wellness Stride, which brought together employees, partners and members of the community to promote physical activity and healthier lifestyles.

Through its medical services arm, the Group further supported TelOne Football Club with football kits and equipment contributing to the club’s identity on and off the field. In support of community healthcare,

FLA partnered with Mutare City Council to refurbish clinic buildings. The initiative created a safer and more welcoming environment for patients and healthcare workers, demonstrating the practical impact that partnerships can have on community well-being.

The business also sponsored the Insurance and Pensions Commission (“IPEC”) Commissioner’s Charity Ball, supporting a regulator led platform that mobilises resources for charitable causes and strengthens collaboration between the insurance and pensions industry and the communities it serves.

Beyond these initiatives, FLA continues to consider how its insurance, investment and community activities can contribute to financial security, social well-being and economic inclusion. Work is ongoing to embed sustainability considerations into business planning, investment decisions, risk management and reporting.

Looking ahead, FLA will focus on strengthening sustainability governance, improving the quality of sustainability information and identifying practical opportunities to create lasting value for policyholders, employees, shareholders and the communities it serves.

BRAND POSITIONING

During the first half of 2026, FLA continued to strengthen its positions as a trusted and progressive financial services partner, building on our longstanding commitment to protecting and creating value for our customers and other stakeholders.

Our strategic positioning is evolving beyond that of a traditional life assurance provider. We aspire to be a life partner to a great financial legacy, accompanying our customers through the different stages of their financial journey by providing solutions that respond to their changing needs. This position reflects our belief that the value we create extends beyond the provision of insurance cover to encompass financial security, wealth creation, healthcare, funeral services and other complementary solutions.

We are therefore deliberately building a more integrated FLA proposition, leveraging the capabilities of our various businesses to provide greater convenience, choice and value to our customers. Our diversified business model enables us to engage customers at multiple points in their lives while deepening relationships and creating opportunities for sustainable growth.

We remain mindful that our brand represents a significant intangible asset. Protecting and strengthening it is therefore a responsibility shared across the organisation. Every employee, product, customer interaction and business decision contributes to how FLA is perceived and experienced.

DIVIDEND

Having considered the Group’s capital requirements, liquidity position, strategic priorities and future growth needs, the Board took the prudent decision not to declare an interim dividend for the period under review. The Group will instead focus on rebuilding its top line and strengthening its underwriting capacity, with a view to support the declaration of a more meaningful dividend at year end.

LOOKING FORWARD

Building on the progress achieved during the period, the Group will continue to refine its existing offerings while expanding its footprint within the diaspora market and across the formal and informal sectors of the economy. In line with developments in Zimbabwe’s insurance industry, including the increasing focus on digital innovation, financial inclusion and technology-driven insurance solutions, the Group will continue to strengthen its service delivery capabilities and enhance customer experiences through accessible and relevant products. These efforts, supported by a strong operational platform and disciplined execution, are expected to drive sustainable growth and enhance value for all stakeholders.

APPRECIATION

On behalf of the Board, I would like to express appreciation to my fellow directors, management, and staff for the dedication and integrity they have shown in safeguarding the FLA brand.

To our policyholders and stakeholders, thank you for the trust and support that remain central to the Group’s continued success.

Livingstone T. Gwata
Chairman

30 September 2026



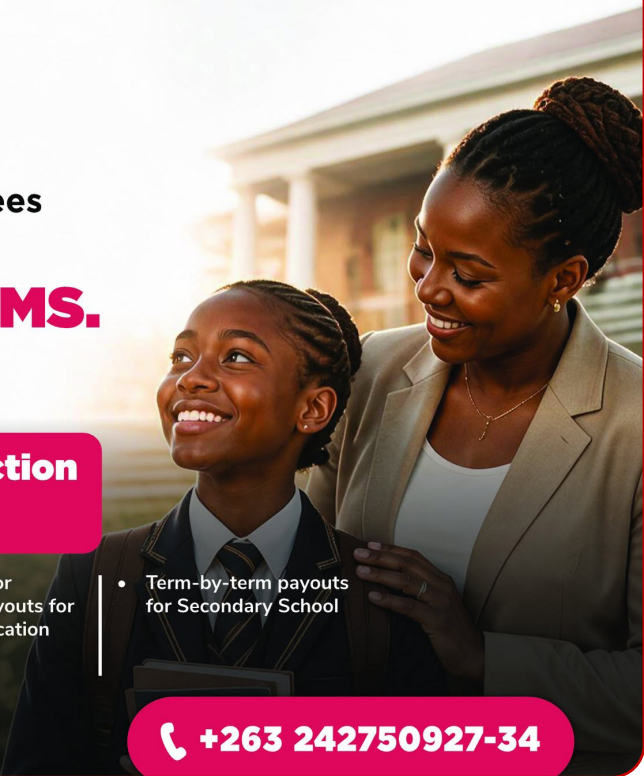
FIDELITY LIFE
ASSURANCE OF ZIMBABWE



Don’t let unexpected life events or rising tuition fees get in the way of your CHILD’S DREAMS.

Our Education Protection Plan gives you:

- Guaranteed cover that protects their schooling even if you aren’t there
- Lump-sum or semester payouts for Tertiary Education
- Term-by-term payouts for Secondary School



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INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Notes	GROUP	
		UNAUDITED	AUDITED
		30-Jun-26 USD	31-Dec-25 USD
ASSETS			
Property and equipment	5	7 381 036	7 466 652
Right of use asset		702 658	792 136
Investment property	6	59 928 149	55 933 282
Intangible assets		99 884	109 963
Other non current assets – gold coins		1 218	284 747
Insurance contract assets		851 970	1 183 199
Inventories		43 990	40 153
Income tax asset		1 064 969	1 070 567
Trade and other receivables	8	10 296 576	6 310 835
Financial assets at fair value through other comprehensive income		21 582	21 582
Financial assets at fair value through profit or loss	9	64 206 772	63 361 287
Debt securities at amortised cost		5 857 170	5 462 389
Biological assets		133 212	132 502
Cash and deposits with banks	10	5 202 358	6 668 572
Total assets		155 791 544	148 837 866
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Issued share capital		1 089 233	1 089 233
Share premium		671 409	671 409
Treasury shares		(10 037)	(10 037)
Retained earnings		20 150 086	18 422 122
Revaluation reserve		2 651 912	2 541 912
Foreign currency translation reserve		(32 028 277)	(32 028 277)
Total ordinary shareholder's equity		(7 475 674)	(9 313 638)
Insurance reserve		1 100 111	1 100 111
Non-controlling interests		11 458 982	12 069 699
Total equity		5 083 419	3 856 172
Liabilities			
Insurance contract liabilities	11	101 721 442	96 743 162
Investment contract liabilities without discretionary participation features (DPF)	11.3	33 402 627	34 363 115
Borrowings	12	2 621 991	3 602 571
Deferred tax liabilities		1 479 332	2 453 042
Lease liability		696 600	768 965
Trade and other payables	13	10 786 133	7 050 839
Total liabilities		150 708 125	144 981 694
Total equity and liabilities		155 791 544	148 837 866

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



LT. Gwata
Chairman



R. Chihota
Managing Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 JUNE 2026

	Notes	GROUP	
		UNAUDITED	UNAUDITED
		30-Jun-26 USD	30-Jun-25 USD
Insurance contract revenue	11.4	8 265 202	8 635 215
Insurance service expenses	11.4	(8 677 284)	(5 522 361)
Insurance service result from insurance contracts issued		(412 082)	3 112 854
Allocation of reinsurance paid	11.4	(179 199)	(259 968)
Amount recoverable from reinsurers for incurred claims	11.4	88 836	13 301
		(90 363)	(246 667)
Insurance service result	11.4	(502 445)	2 866 187
Interest revenue from financial instruments not measured at fair value through profit or loss		1 231 356	1 069 191
Net income from other financial instruments at fair value through profit or loss	9	1 282 234	7 681 229
Net gains from fair value adjustments to investment properties	6	2 687 098	657 433
Net change in investment contract liabilities	11.3	1 333 655	(6 976 894)
Other net investment revenue		485 189	3 924 118
Net gain/(loss) from foreign exchange		13 387	(77 286)
Rental income from investment property		369 290	233 559
Net Investment Income		7 402 209	6 511 350
Insurance finance expenses for insurance contracts issued		(831 470)	(399 682)
Net insurance finance expenses		(831 470)	(399 682)
Net insurance and investment result		6 068 294	8 977 855
Non-insurance revenue		1 629 459	834 362
Net income/loss from other financial instruments at fair value through profit or loss	9	30 071	(1 645)
Net gains from fair value adjustments to investment properties	6	21 000	-
Other income		931 198	1 314 991
Allowance for expected credit losses on receivables		(8 510)	-
Operating and administrative expenses expenses		(6 760 931)	(4 962 282)
Finance costs		(304 589)	(148 407)
Profit before income tax expense		1 605 992	6 014 874
Income tax expense		(38 745)	(11 058)
Profit for the period		1 567 247	6 003 816
OTHER COMPREHENSIVE INCOME			
Gains on property plant and equipment revaluations		110 000	70 000
Finance expenses from insurance contracts issued		-	(84 673)
		110 000	(14 673)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		-	(52 127)
		-	(52 127)
Other comprehensive income for the period net of tax		110 000	(66 800)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		1 677 247	5 937 016
Profit for the period attributable to:			
Owners of the parent		2 177 964	5 476 107
Non-controlling interests		(610 717)	527 709
Total profit for the period		1 567 247	6 003 816
Total comprehensive income attributable to:			
Owners of the parent		2 287 964	5 429 235
Non-controlling interests		(610 717)	507 781
Total comprehensive income for the period		1 677 247	5 937 016
Basic and diluted earnings per share (cents)	4	2.02	5.07

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2026

UNAUDITED										
Notes	Share capital USD	Share Premium USD	Treasury shares USD	Retained earnings USD	Revaluation reserve USD	Foreign currency translation reserve USD	Attributable to shareholders of parent USD	Insurance reserve USD	Non-controlling interest USD	Total equity USD
Balance at 1 January 2025	1 089 233	671 409	(10 037)	18 846 436	2 208 836	(31 939 147)	(9 133 270)	1 100 111	8 996 366	963 207
Total comprehensive income for the period	-	-	-	5 476 107	70 000	(32 199)	5 513 908	(84 673)	507 781	5 937 016
Profit for the period	-	-	-	5 476 107	-	-	5 476 107	-	527 709	6 003 816
Other comprehensive income for the period	-	-	-	-	70 000	(32 199)	37 801	(84 673)	(19 928)	(66 800)
Dividend paid	-	-	-	(300 000)	-	-	(300 000)	-	-	(300 000)
Balance as at 30 June 2025	1 089 233	671 409	(10 037)	24 022 543	2 278 836	(31 971 346)	(3 919 362)	1 015 438	9 504 147	6 600 223
Half Year Ended 30 June 2026										
Balance at 1 January 2026	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
Total comprehensive income for the period	-	-	-	2 177 964	110 000	-	2 287 964	-	(610 717)	1 677 247
Profit for the period	-	-	-	2 177 964	-	-	2 177 964	-	(610 717)	1 567 247
Other comprehensive income	-	-	-	-	110 000	-	110 000	-	-	110 000
Dividend paid	-	-	-	(450 000)	-	-	(450 000)	-	-	(450 000)
Balance as at 30 June 2026	1 089 233	671 409	(10 037)	20 150 086	2 651 912	(32 028 277)	(7 475 674)	1 100 111	11 458 982	5 083 419

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



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF
YEAR ENDED 30 JUNE 2026

	Notes	UNAUDITED	
		30-June-26 USD	30-June-25 USD
Profit before income tax		1 605 992	6 014 874
Non-cash movements in profit before tax		(1 984 218)	(6 938 228)
Operating loss before working capital		(378 226)	(923 954)
Changes in working capital		(254 284)	1 243 067
Cash (utilised)/generated from operations		(632 510)	319 713
Income taxes paid		(77 859)	(34 805)
Net cash (utilised)/ generated from operating activities		(710 369)	284 908
Net cash generated from in investing activities		903 364	29 221
Net cash utilised in financing activities		(1 659 209)	(762 068)
Net decrease in cash and cash equivalents		(1 466 214)	(447 939)
Cash and cash equivalents at the beginning of the period		6 668 572	3 771 350
Exchange differences on translation of a foreign operation		-	352 726
Cash and cash equivalents at the end of the period	10	5 202 358	3 676 137

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2026

1 DIRECTORS RESPONSIBILITY STATEMENT

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

2 INDEPENDENT REVIEWER'S STATEMENT

The interim condensed consolidated financial statements for the half year ended 30 June 2026 have not been reviewed by external auditors in line with the waiver of section 38 (1) (a) of the Securities and Exchange rules by statutory instrument 134/19 granted by the Zimbabwe Stock Exchange.

3 ACCOUNTING POLICIES

3.1 Basis of preparation

These interim condensed consolidated financial statements for the half year ended 30 June 2026 were prepared in accordance with International Accounting Standard ("IAS") 34, 'Interim financial reporting'.

The interim condensed consolidated financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly,these interim financial statements are to be read in conjunction with the annual report for the year ended 31 December 2025 and any public announcements made by the Company during the interim reporting period. The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period,unless otherwise stated.

3.2 Compliance statement

These interim condensed consolidated financial statements for the half year ended 30 June 2026 have been prepared in accordance with IFRS Accounting Standards and in the manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31).

3.3 Functional and reporting currency

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

3.4 Material Accounting Policies

The accounting policies adopted in these condensed consolidated interim financial statements are consistent with those of the previous financial year and corresponding interim reporting period except for the new standards and interpretations adopted from 1 January 2026.

3.4.1 New and amended standards and interpretations

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments.

Effective date is annual periods beginning on or after 1 January 2026 (early adoption is available). The amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements

Applicable to annual periods beginning or after 1 January 2027 with early adoption possible subject to local endorsement where required. This standard, issued in April 2024, replaces IAS 1 and introduces new requirements for the statement of profit or loss, disclosure of management-defined performance measures, and principles for grouping information.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

Effective date is for annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

The amendments had no impact on the Group's interim condensed consolidated financial statements

4 EARNINGS PER SHARE (EPS)

	UNAUDITED	UNAUDITED
	30-Jun-26 USD	30-Jun-25 USD
Reconciliation of total earnings to headline earnings attributable to shareholders Numerator		
Profit for the period attributable to owners of the parent and profit used in EPS	2 177 964	5 476 107
Add/(deduct) non recurring items		
Impairment of intangible assets	16 484	44 595
Profit on disposal of investment in subsidiaries	-	(3 892 515)
Taxation on headline earnings adjustable items	4 075	(951 206)
Headline earnings attributable to ordinary shareholders	2 198 523	676 981
Denominator		
Weighted number of ordinary shares in issue	108 923 291	108 923 291
Less: Shares purchased for the Employee Share Ownership Plan	1 003 743	1 003 743
Weighted average number of shares used in basic EPS	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
Basic and diluted earnings per share (cents)	2.02	5.07
Headline earnings per share (cents)	2.04	0.63

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

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

5 PROPERTY AND EQUIPMENT

	Land and buildings USD	Motor vehicles USD	Equipment and computers USD	Furniture and fittings USD	Total USD
AUDITED					
Net carrying amount at 1 Jan 2025	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 Dec 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)
UNAUDITED					
Additions	2 643	-	229 343	57 240	289 226
Disposals	-	(34 959)	(10 253)	(2 631)	(47 843)
Gross carrying amount cost/valuation	-	(55 082)	(31 735)	(18 459)	(105 276)
Accumulated depreciation	-	20 123	21 482	15 828	57 433
Depreciation charge for the year	(786)	(265 028)	(141 300)	(29 885)	(436 999)
Revaluation surplus	110 000	-	-	-	110 000
Gross carrying amount cost/valuation	4 930 000	-	-	-	4 930 000
Accumulated depreciation	(4 820 000)	-	-	-	(4 820 000)
Net carrying amount at 30 June 2026	5 109 970	1 035 012	1 072 968	163 086	7 381 036
Gross carrying amount cost/valuation	14 545 693	1 838 649	1 672 544	310 476	18 367 362
Accumulated depreciation	(9 435 723)	(803 637)	(599 576)	(147 390)	(10 986 326)

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 30 June 2026. There were no buildings pledged as collateral as at 30 June 2026. The value of land and buildings is categorised as a level 3 recurring fair value measurement.





6 INVESTMENT PROPERTY

	UNAUDITED	AUDITED
	30-June-26 USD	31-Dec-25 USD
Balance at the beginning of the year	55 933 282	47 075 151
Additions	1 286 769	6 249 371
Disposals	-	(294 000)
Exchange rate movement on foreign operations	-	(118 187)
Fair value gains through profit or loss	2 708 098	3 020 947
Closing balance	59 928 149	55 933 282
A further analysis of fair value gains recognised in profit and loss is as indicated below		
Insurance business units	2 687 098	2 982 947
Non insurance business units	21 000	38 000
Fair value gains through profit or loss	2 708 098	3 020 947

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

As at 30 June 2026, the fair values of the properties are based on valuations performed by Homelux Real Estate an accredited independent valuer. Homelux Real Estate is a specialist in valuing these types of investment properties and has recent experience in the location and category of the investment properties being valued. Valuation models in accordance with recommendations by the International Valuation Standards Committee have been applied.

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

7.1 Segment Information

	UNAUDITED				
30-JUNE 26	Insurance USD	Property Investment USD	Other USD	Consolidation adjustments USD	Total USD
Insurance contract revenue	8 265 202	-	-	-	8 265 202
Insurance service expenses	(8 677 284)	-	-	-	(8 677 284)
Net expenses from reinsurance contracts held	(90 363)	-	-	-	(90 363)
Insurance service result	(502 445)	-	-	-	(502 445)
Net investment income	7 402 209	-	-	-	7 402 209
Net insurance finance expenses	(831 470)	-	-	-	(831 470)
Net insurance and investment result	6 068 294	-	-	-	6 068 294
Non insurance income	-	-	1 827 466	(198 007)	1 629 459
Indirect expenses	(4 750 910)	(117 249)	(2 099 289)	198 007	(6 769 441)
Finance costs	(92 028)	-	(212 561)	-	(304 589)
Other income	934 235	-	48 034	-	982 269
Income tax expense	(36 747)	-	(1 998)	-	(38 745)
Profit/(loss) for the period	2 122 844	(117 248)	(438 348)	-	1 567 247
Segment assets	162 035 280	25 040 000	3 439 046	(34 722 782)	155 791 544
Segment liabilities	146 247 456	2 212 797	5 438 852	(3 190 980)	150 708 125

7.2 Segment Information

30-JUNE 25	Insurance USD	Property Investment USD	Other USD	Consolidation adjustments USD	Total USD
Insurance contract revenue	8 635 215	-	-	-	8 635 215
Insurance service expenses	(5 522 361)	-	-	-	(5 522 361)
Net expenses from reinsurance contracts held	(246 667)	-	-	-	(246 667)
Insurance service result	2 866 187	-	-	-	2 866 187
Net investment income	7 496 068	-	-	(984 718)	6 511 350
Net insurance finance expenses	(399 682)	-	-	-	(399 682)
Net insurance and investment result	9 962 573	-	-	(984 718)	8 977 855
Non insurance income	-	-	1 160 565	(326 203)	834 362
Indirect expenses	(3 846 394)	(148 407)	(1 442 090)	326 202	(4 962 282)
Finance costs	(148 407)	-	-	-	(148 407)
Other income	1 316 000	-	(2 654)	-	1 313 346
Income tax expense	(11 058)	-	-	-	(11 058)
Profit/(loss) for the period	7 272 714	-	(284 179)	(984 719)	6 003 816
Segment assets	106 882 692	25 040 000	3 085 698	(30 010 723)	104 997 667
Segment liabilities	94 839 509	1 891 542	3 351 675	(1 685 282)	98 397 444

7.3 Geographical Information

	UNAUDITED			
30 JUNE-26	Zimbabwe USD	Malawi USD	Consolidation adjustments USD	Total USD
Insurance contract revenue	5 877 730	2 387 472	-	8 265 202
Insurance service expenses	(6 527 502)	(2 149 782)	-	(8 677 284)
Net expenses from reinsurance contracts held	(67 263)	(23 100)	-	(90 363)
Insurance service result	(717 035)	214 590	-	(502 445)
Net investment income	7 051 212	(637 129)	988 126	7 402 209
Net insurance finance expenses	(831 470)	-	-	(831 470)
Net insurance and investment result	5 502 707	(422 539)	988 126	6 068 294
Non insurance income	1 827 466	-	(198 007)	1 629 459
Indirect expenses	(5 246 491)	(1 720 958)	198 008	(6 769 441)
Finance costs	(212 561)	(92 028)	-	(304 589)
Income tax expense	(34 934)	(3 811)	-	(38 745)
Other income	267 334	714 935	-	982 269
Profit/(loss) for the period	2 103 521	(1 524 401)	988 127	1 567 247
Segment assets	194 486 012	(3 971 686)	(34 722 782)	155 791 544
Segment liabilities	125 146 783	28 752 322	(3 190 980)	150 708 125

7.4 Geographical Information

	Zimbabwe USD	Malawi USD	Consolidation adjustments USD	Total USD
30 JUNE-25				
Insurance contract revenue	6 141 765	2 493 450	-	8 635 215
Insurance service expenses	(4 233 109)	(1 289 252)	-	(5 522 361)
Net expenses from reinsurance contracts held	(219 841)	(26 826)	-	(246 667)
Insurance service result	1 688 815	1 177 372	-	2 866 187
Net investment income	6 227 884	1 268 184	(984 718)	6 511 350
Net insurance finance expenses	(399 682)	-	-	(399 682)
Net insurance and investment result	7 517 017	2 445 556	(984 718)	8 977 855
Non insurance income	797 303	363 262	(326 203)	834 362
Other income	1 313 346	-	-	1 313 346
Indirect expenses	(3 884 296)	(1 404 189)	326 203	(4 962 282)
Finance costs	(127 943)	(20 464)	-	(148 407)
Income tax expense	(7 247)	(3 811)	-	(11 058)
Profit/(loss) for the period	5 608 180	1 380 354	(984 718)	6 003 816
Segment assets	103 648 888	31 359 502	(30 010 723)	104 997 667
Segment liabilities	71 330 404	28 752 322	(1 685 282)	98 397 444

8 TRADE AND OTHER RECEIVABLES

	UNAUDITED	AUDITED
	30-June-26 USD	31-Dec-25 USD
Residential stand sales debtors	25 854	27 363
Other trade debtors	5 342 428	3 688 232
Trade receivables - gross	5 368 282	3 715 595
Less: allowance for expected credit losses ("ECL")	(9 023)	(50 559)
Trade receivables - net	5 359 259	3 665 036
Receivables from related parties,net of ECL	1 954 248	589 799
Loans to employees ,net of ECL	985 963	952 583
Total receivables classified as financial assets at amortised cost	8 299 470	5 207 418
Prepayments	887 388	578 604
Other receivables,net of ECL	1 109 718	524 813
Total trade and other receivables	10 296 576	6 310 835

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

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

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

GROUP	UNAUDITED	AUDITED
	30-June-26 USD	31-Dec-25 USD
Balance at the beginning of the year	63 361 287	20 313 922
Additions	2 096 402	1 295 823
Fair value adjustments - through profit or loss	1 312 305	47 185 709
Exchange gain/(loss)	(216 187)	(312 707)
Disposals	(2 347 035)	(5 121 460)
Closing balance	64 206 772	63 361 287
A further analysis of fair value gains recognised in profit and loss is as indicated below		
Insurance business units	1 282 234	47 168 094
Non insurance business units	30 071	17 615
Fair value adjustments -through profit or loss	1 312 305	47 185 709

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

10 CASH AND DEPOSITS WITH BANKS

	UNAUDITED	AUDITED
	30-June-2026 USD	31-Dec-2025 USD
Money markets investments	3 083 669	5 360 326
Bank and cash	2 118 689	1 308 246
Cash and deposits with banks	5 202 358	6 668 572

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 subsequently measured at amortised cost.

Cash and cash equivalents

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



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2026 (CONTINUED)

11 INSURANCE CONTRACT ASSETS AND LIABILITIES

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

UNAUDITED	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 30 June 2026							
Insurance contract liabilities	40 961 924	60 759 518	-	101 721 442	10 172 144	91 549 298	101 721 442
Investment contract liabilities	-	-	33 402 627	33 402 627	3 340 263	30 062 364	33 402 627
AUDITED							
Balance as at 31 Dec 2025							
Insurance contract liabilities	42 425 647	54 317 515	-	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

11.2 Analysis of Insurance Contract Liabilities

UNAUDITED 30-June-2026	Liability for remaining coverage USD	Liability for incurred claims USD	Total USD
Direct Participating Contracts	38 102 076	2 859 848	40 961 924
Investment contracts with direct participating contracts	56 243 452	4 516 066	60 759 518
	94 345 528	7 375 914	101 721 442
AUDITED 31-Dec-2025			
Direct Participating Contracts	35 257 223	7 168 424	42 425 647
Investment contracts with direct participating contracts	50 426 389	3 891 126	54 317 515
	85 683 613	11 059 549	96 743 162

11.3 Investment Contract Liabilities Without Direct Participating Features
Reconciliation Of Investment Contract Liabilities

	UNAUDITED	AUDITED
	30-June-26 USD	31-Dec-25 USD
Opening balance as at 1 January	34 363 115	16 669 824
Contributions received	2 456 855	3 050 936
Benefits paid	(1 402 637)	(6 458 426)
Investment return from underlying assets	(2 249 462)	19 576 050
Exchange rate movement on foreign operations	-	(207 699)
Asset management fees charged	234 756	1 732 430
Closing balance	33 402 627	34 363 115

11.4 Insurance contract revenue and expenses

An analysis of insurance revenue, insurance service expenses and net expenses from insurance contracts held by product line for the half year ended 30 June 2026 and 2025 is included in the following table

	UNAUDITED		
	30 June-26		
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	1 432 729	3 109 270	4 541 999
Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation	449 215	485 712	934 927
Contractual service margin (CSM) recognised in profit or loss for the services provided	414 863	1 438 685	1 853 548
Insurance acquisition cash flow recovery	(509 597)	(65 547)	(575 144)
Unwind/release of loss component over time	(297 097)	30	(297 067)
Insurance revenue from contracts not measured under the Premium allocation approach (PAA)	1 490 113	4 968 150	6 458 263
Insurance revenue from contracts measured under the PAA	1 069 204	-	1 069 204
Insurance revenue from contracts measured under Variable fee approach (VFA)	584 475	153 260	737 755
Total insurance revenue	3 143 792	5 121 410	8 265 202
Insurance service expenses			
Incurring claims	(2 940 365)	(5 243 098)	(8 183 463)
Directly attributable expenses	(110 399)	(32 653)	(143 052)
Changes that relate to past service -adjustments to the Liability for incurred claims (LIC)	383 131	3 863 414	4 246 545
Changes Related to Past Services - Gross Outstanding Claims	(12 439)	-	(12 439)
Losses on onerous contracts and reversal of those lossess	-	(3 749 688)	(3 749 688)
Insurance acquisition cashflows amortisation	(225 887)	(609 300)	(835 187)
Total insurance service expenses	(2 905 959)	(5 771 325)	(8 677 284)
Allocation of reinsurance paid	(179 199)	-	(179 199)
Amount recoverable from reinsurers for incurred claims	88 836	-	88 836
Total net expenses from reinsurance contracts held	(90 363)	-	(90 363)
Total insurance service result	147 470	(649 915)	(502 445)

	UNAUDITED		
	30 June-2025		
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	3 302 132	1 773 879	5 076 011
Change in the risk adjustment for non- financial risk for the risk expired after loss component allocation	284 962	183 331	468 293
CSM recognised in profit or loss for the services provided	732 983	2 582 612	3 315 595
Insurance acquisition cash flow recovery	(1 144 873)	35 991	(1 108 882)
Insurance revenue from contracts not measured under the PAA	3 175 204	4 575 813	7 751 017
Insurance revenue from contracts measured under the PAA	-	714 284	714 284
Insurance revenue from contracts measured under VFA	169 914	-	169 914
Total insurance revenue	3 345 118	5 290 097	8 635 215
Insurance service expenses			
Incurring claims	(1 770 979)	(1 164 807)	(2 935 786)
Directly attributable expenses	(197 173)	(1 897 906)	(2 095 079)
Insurance acquisition cashflows amortisation	(127 385)	(364 111)	(491 496)
Total insurance service expenses	(2 095 537)	(3 426 824)	(5 522 361)
Allocation of reinsurance paid	(259 968)	-	259 968
Amount recoverable from reinsurers for incurred claims	13 301	-	(13 301)
Total net expenses from reinsurance contracts held	(246 667)	-	246 667
Total insurance service result	1 002 914	1 863 273	2 866 187

12 BORROWINGS

12.1 Short-Term Borrowings

	UNAUDITED	AUDITED
	30-June-26 USD	31-Dec-25 USD
AFC Bank	1 649 546	2 166 474
Nedbank Limited	240 791	321 535
NBS Bank	731 654	1 114 562
	2 621 991	3 602 571

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 was drawn down in October 2025 and is repayable over a 24-month period. It bears interest at a rate of 16% per annum and matures on 31 October 2027.

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 expiring in May 2028. 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 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.

12.2 Movements in borrowings during the year were as follows:

	UNAUDITED	AUDITED
	30-June-26 USD	31-Dec-25 USD
Balance at 1 January	3 602 571	3 180 610
Net cash out flow on borrowings	(980 580)	2 502 170
Proceeds from borrowings	-	3 352 456
Repayment of borrowings	(980 580)	(736 714)
Finance costs capitalised	-	(434 943)
Finance costs accrued	326 264	-
Finance costs paid	(326 264)	321 371
Non cash movement	-	(2 080 209)
Closing balance	2 621 991	3 602 571

13 TRADE AND OTHER PAYABLES

	UNAUDITED	AUDITED
	30-June-26 USD	31-Dec-25 USD
Trade payables	502 379	2 363 962
Related party payables	101 301	239 055
Statutory liabilities	437 902	567 136
Other payables	9 744 551	3 880 686
	10 786 133	7 050 839

14 DECLARATION OF DIVIDEND

The Board of Directors declared a dividend of USD450 000 or USD0.0041 per share in respect of the 2025 financial year which was subsequently paid in June 2026.

15 CONTINGENCIES

15.1 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.