

OLD MUTUAL

OLD MUTUAL ZIMBABWE LIMITED ANNUAL REPORT 2025



DO GREAT THINGS EVERY DAY

CONTENTS

PERFORMANCE

- 4 Chairman's Statement
- 5 Chief Executive Officer's Review
- 7 Our Business Model
- 8 Directors' Report

CORPORATE GOVERNANCE

- 11 Corporate Governance Report

ENTERPRISE RISK MANAGEMENT

- 16 Continuously Maturing the Enterprise Risk Management Framework
- 17 Overview of Key Risks

RESULT FROM OPERATIONS

- 23 Result from Operations

INDEPENDENT AUDITORS' REPORT

- 24 Independent Auditors' Report

FINANCIAL STATEMENTS

- 32 Group Statement of Profit or Loss
- 33 Group Statement of Other Comprehensive Income
- 34 Company Statement of Profit or Loss and Other Comprehensive Income
- 35 Group Statement of Financial Position
- 36 Company Statement of Financial Position
- 37 Group Statement of Changes in Equity
- 38 Company Statement of Changes in Equity
- 39 Group Statement of Cash Flows
- 40 Company Statement of Cash Flows
- 41 Notes to the Annual Financial Statements

CONTACTS

Auditors:

Axcentium
West Block, Borrowdale Office Park, Borrowdale Road,
Borrowdale
Harare
Zimbabwe

Postal Address:

P.O. Box 70
Harare
Zimbabwe

Registered Office:

Mutual Gardens
100 The Chase (West)
Emerald Hill
Harare

Website

www.oldmutual.co.zw

Company Secretary

hardlifem@oldmutual.co.zw

Certificate of Incorporation no.

5684/1998



1

Performance

- 4. Chairman's Statement
- 5. Chief Executive Officer's Review
- 7. Our Business Model
- 8. Directors' Report

Chairman's Statement



CONSTANTINE CHIKOSI
CHAIRMAN

Macroeconomic Environment

In 2025, global growth remained flat compared to 2024, reflecting the impact of trade and geopolitical tensions, while inflation showed signs of easing. Sub-Saharan Africa recorded steady growth, though vulnerabilities remain given high debt levels and tighter global financing conditions.

In Zimbabwe, relative macroeconomic stability was maintained. Monetary authorities continued to prioritise price and exchange rate stability, with the policy rate maintained at 35%. While foreign currency inflows supported confidence in the Zimbabwe Gold (ZWG), policy and currency volatility remain structural features of our operating environment.

Capital market activity improved during the year. The Victoria Falls Stock Exchange (VFEX) delivered positive performance, supported by stronger United States of America Dollar (USD) liquidity and the performance of export-oriented businesses. The Zimbabwe Stock Exchange (ZSE) showed improved activity in the second half of the year.

Financial Performance

The Group delivered profit after tax of USD40 million compared to USD28 million in the prior year, representing growth of 43%. Total assets increased by 21% to USD1.8 billion as at 31 December 2025.

This performance reflects disciplined capital management and continued focus on sustainable revenue growth.

Strategic Progress

Our strategy focuses on capital-efficient growth, digital integration, and disciplined execution. We continued investing in technology platforms to strengthen customer experience and operating efficiency.

Growth across business lines was supported by expanded product offerings, strengthened partnerships, and deeper engagement with underserved segments. Retail segments recorded notable progress.

In an environment with significant uncertainties, balance sheet resilience remains our primary safeguard. Capital discipline and prudent risk management underpin every growth initiative.

Sustainability

Sustainability remains integral to our long-term strategy. Our detailed Sustainability Report outlines progress across Climate Action, Responsible Investment, and Financial Wellness.

During the year, solar energy generation increased by 55%, raising its contribution to 22% of the Group's total energy mix. We deployed USD67.8 million in renewable energy investments, with a further USD11 million earmarked for the completion of ongoing projects.

Through Financial Wellness initiatives such as the On The Money programme, digital reach increased to 5.3 million, alongside in-person engagement of over 25,000 participants.

Governance

The Board maintained strong oversight of risk, capital and regulatory compliance. Governance discipline remains central to protecting stakeholder confidence and sustaining long-term value.

We thank Mr. Kumbirai Katsande and Dr. Kennedy Mandevani for their distinguished service. Following their retirement, we welcome Ms. Pindie Nyandoro and Mr. Victor Gapare to the Board.

Looking Ahead

While recent global geopolitical events have added risks to the broader economic and business outlook, disciplined execution and balance sheet strength position us to navigate volatility and pursue opportunity. We will continue to prioritise capital efficiency, earnings quality and sustainable growth.

Appreciation

In closing, the Board and I extend our gratitude to our customers for their trust, our employees for their commitment, and our regulators for their support and for affording us numerous opportunities for constructive engagement during the year.

C. CHIKOSI
Chairman
26 March 2026

Chief Executive Officer's Review



SAMUEL MATSEKETE
GROUP CHIEF EXECUTIVE OFFICER

The Financial Results for 2025

The Group registered a profit after tax of USD40 million (2024: USD28 million) on the back of strong topline growth, a turnaround performance in the Life Assurance business insurance service result, and sustained improvement in the operating leverage.

Banking and Lending registered growth in both the loan book and volume of transactions, resulting in non-funded income growing by 21%. The refinancing of more expensive lines of credit assisted in improving net interest margins by 200 basis points during the year. Deposits increased by 57%. The loan book grew by 33% while portfolio quality remained strong closing the year at a non-performing loan ratio of 0.99% (2024: 1.52%). The microfinance business loan book grew by 71%. During the second half of the year, the microfinance business faced loan repayment delays from some key customers, taking the portfolio at risk outside appetite. Collections, however, improved towards the end of the year, a trend that has continued into the early part of 2026.

The Life Assurance business recorded a growth of 79% in insurance revenue driven by strong sales. We continued to strengthen our partnerships in the General Insurance business. Cost-containment measures and efficiency gains in the pensions administration business supported the turnaround of the insurance service result to positive.

The General Insurance business service result grew by 2% in 2025. This result was driven by improvements in reinsurance arrangements, better claims experience on the motor book as well as tighter cost-containment measures.

In the Asset Management business, funds under management registered a 21% year on year growth, reflecting the impact of a positive portfolio performance across all asset classes as well as net client inflows of USD61.7 million. In the property portfolio, occupancy levels maintained an average of 78%, while rental collections improved to 84% (2024: 81%).

Product and channel innovation remained central to our strategy. Omari transaction volumes increased by 45% year-on-year, reflecting growth in the customer base and in the overall addressable digital ecosystem.

Our focus during the year prioritised three core areas:

- o Digital transformation;
- o Profitable topline growth; and
- o Organisational efficiency.

Digital Transformation

We continued to invest in the upgrade of core technologies, and concluded three major re-platforming projects during the year for the banking and lending business, the life business and for the asset management retail business. This lays the foundation for a scalable, data-driven digital architecture into the future.

We also deployed internally developed AI-driven models that leverage data and advanced analytics to streamline onboarding and enhance customer service. These models also allowed for improved data quality, and enabled targeted upselling initiatives, helping to strengthen customer engagement and improve retention.

Profitable Topline Growth

The business introduced a few new propositions and scaled up existing propositions mainly in the life business, in banking and lending, and at Omari. We deployed offsite deposit taking Automated Teller Machines (ATMs), providing coverage and access to customers in more locations. In addition, we continued to enhance our Point of Sale (POS) infrastructure to deliver improved performance, supporting greater usage and seamless experience for our merchants and customers.

In the life business, we launched the Anchor Retirement Plan, which has flexible terms. The product offers flexible contribution options, making it suitable for customers with irregular income patterns. Growth in funeral assurance sales of 60% from prior year was driven by an expanded distribution infrastructure and targeted outreach programs.

For the asset management business, we continued to maintain a diversified portfolio allocation to sustain competitive and sustainable returns. The Renewable Energy Fund (REF), launched in September 2024, made its maiden deployments during the year, which included a solar plant for a local hospital, and another 10MW solar energy project.

In the Property Development space, we completed Phase 1 of the Prospect Housing Development project whilst Phase 1 of the Grange Mixed Use Development reached 65% completion.

We continued to strengthen our partnerships in the General Insurance business. The branch-on-wheels initiative extended reach and accessibility. We also continued efforts to promote the insurance of currently underinsured assets in the market and these efforts started to reflect in stronger growth in the retail lines.

We launched Omari save and nano loans which serve to promote a savings culture and the use of formal financial services. Brand visibility was enhanced at agent sites and through more money transfer agency partnerships, with the latter extending our reach in the diaspora market.

Chief Executive Officer's Review (continued)

Organisational Efficiencies

During the year, we continued to invest in targeted training and development efforts as well as other initiatives aimed at enhancing productivity. In addition, we continued to refine our project and capital management frameworks. Whilst efforts still continue in this area, we started to register improvements in resource utilisation and productivity during the year.

Outlook

Looking ahead, we will build on the momentum set in 2025, driving digital transformation and adoption. We will also continue to enhance our customer value propositions including our sustained efforts to promote long term savings and financial inclusion.

Appreciation

On behalf of all my colleagues in the Old Mutual Zimbabwe Group, I extend sincere appreciation to our customers, partners and our regulators for their continued support. I also thank our Board for their guidance and support during the year.



S. MATSEKETE
Group Chief Executive Officer
26 March 2026

Our Business Model

Our integrated execution model enables us to create synergies across the Group and consistently deliver long term value for our stakeholders. Our purpose is to be our customers first choice to sustain, grow and protect their prosperity.

We deploy resources...	... to serve a broad range of customer and client needs...	...generating a well-diversified income stream...	...and delivering positive sustainable outcomes for our stakeholders.
We leverage our assets (tangible and intangible) to drive long-term, sustainable value creation. We continually invest in and strengthen these resources to ensure we consistently deliver maximum value to our customers and clients. Our People are a key driver of business performance and growth. We actively deploy, develop, and optimise our human resources by aligning talent to strategic priorities, building critical skills, strengthening leadership capability, and embedding a high-performance culture. Through targeted learning, performance management, and succession planning, we ensure the organisation has the right capacity and capability to deliver results today and scale for the future. Digital and IT infrastructure Our robust and future ready digital and IT infrastructure drives our organisation's digital transformation. This enables enhanced customer experiences, data driven decision making and operational efficiencies, as well as sustained business continuity across all core activities. Governance Our robust risk management, governance frameworks and control environment ensure that customer and client outcomes are delivered responsibly, transparently and in line with our strategic objectives.	We provide access to broad financial services, enabling individuals and communities to thrive by supporting socio-economic development and empowering customers to build, sustain and grow their long-term prosperity. Banking and Lending We offer lending, savings, deposit and payment solutions, supporting customers' everyday financial needs at home and across borders. Life Insurance We provide life cover solutions that protect families and support long term financial security through personalised benefits and risk protection. General Insurance We offer short term insurance that safeguards individuals and businesses against everyday risks, supporting resilience and financial continuity. Investments We help customers grow and protect their wealth through expertly managed investments and diversified portfolios.	We prioritise the stability of our income streams to better manage risk exposures and achieve the most effective use of our capital.	Our model's impact on the stakeholders we serve Customers We serve a broad customer base, supported by systems that track and enhance customer experience and turnaround times, while consistently engaging customers to understand and respond to their evolving needs. Employees We directly employ over 1600 people offering training and skills development. Regulators We maintain continuous, constructive engagement with regulators, contributing directly and through industry bodies to support sound oversight and sector development. Society We uplift communities through impactful social responsibility initiatives, supporting entrepreneurship and investing in economic activities that drive inclusive growth. Investors We strive to maintain a robust balance sheet, consistent returns to the shareholders.

Directors' Report

Responsibility

The Directors are responsible for the preparation and fair presentation of the Group's annual financial statements, comprising the consolidated statement of financial position as at 31 December 2025; and the consolidated statements of profit or loss; other comprehensive income; changes in equity and cash flows for the year ended 31 December 2025; and the notes to the consolidated financial statements which include a summary of material accounting policy information and other explanatory notes, in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Boards (IASB) and the requirements of the Companies and Other Business Entities Act (Chapter 24:31). In addition, the Directors are responsible for preparing the Directors' report. The Directors are also responsible for such internal controls as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management. The Directors have assessed the ability of the Group to continue as a going concern and have no reason to believe that the business will not be a going concern in the foreseeable future.

Compliance with legislation and industry regulation

The financial statements have been prepared on the historical cost basis and maintained on the historical cost convention (except for fair value measurement where applicable). The financial statements are based on the underlying books and records and have been prepared in accordance with the material accounting policy information set out in note 2, and comply with the disclosure requirements of the Companies and Other Business Entities Act (Chapter 24:31) and the relevant regulations made thereunder, the Insurance Act (Chapter 24:07), the Pensions and Provident Funds Act (Chapter 24:32), the Microfinance Act (Chapter 24:29), the Building Societies Act (Chapter 24:02), the Banking Act (Chapter 24:20), the Asset Management Act (Chapter 24:26), the Collective Investments Schemes Act (Chapter 24:19), and the Securities Act (Chapter 24:25).

Reporting obligations of subsidiaries

Certain of Old Mutual Zimbabwe Limited's (OMZIL's) subsidiaries are required, in terms of the regulations governing their respective lines of business, to prepare financial statements for publication. These are separately published within the timelines prescribed by the respective regulators. The regulators of OMZIL's subsidiaries may often require additional financial disclosures and information specific to those businesses, which are not included within this set of financial statements.

The Directors of OMZIL, however, believe that the disclosures within these consolidated financial statements, with due consideration to materiality and fair presentation, are appropriate and adequate for the presentation of the Group Financial Statements of OMZIL, comply with the regulations and financial disclosure requirements applicable to OMZIL, and allow shareholders, investors and other users of the financial statements to gain an understanding of the performance of the Group as a whole.

Functional and presentation currency

The financial statements were prepared and presented in USD following the change in the Group's functional currency to USD on 1 July 2024.

Compliance with IFRS Accounting Standards

The financial statements are prepared in compliance with IFRS Accounting Standards as issued by the IASB. IFRS Accounting Standards comprise interpretations adopted by the IASB, which includes standards adopted by the IASB and interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or by the former Standing Interpretations Committee (SIC).

Complying with IFRS Accounting Standards achieves consistency with the financial reporting framework adopted by the ultimate parent company, Old Mutual Limited, which is incorporated in South Africa. Using a globally recognised reporting framework also allows comparability with similar businesses and consistency in the interpretation of the financial statements. The IFRS Conceptual Framework, provides that in applying fair presentation to the financial statements, entities should go beyond consideration of the legal form of transactions and other factors impacting on the financial statements to also consider the underlying economic substance therein.

In addition, there are instances where regulatory guidance may be given around how businesses may interpret IFRS Accounting Standards. The Directors further draw the attention of users of financial statements to the subsequent section in this report, which provides further context around considerations of fair presentation in the financial statements.

Accounting judgements

The Directors would like to draw the attention of users of the financial statements to the fact that prevailing market conditions in Zimbabwe have required the use of more judgement than would normally be the case around areas such as property valuations and valuation of unlisted investments.

In the case of property valuations as at 31 December 2025, valuations were performed in USD. Market breadth, however, has been limited thus increasing the level of reliance on level 3 valuation inputs, where significant management and professional judgement was required. Areas where significant judgement has been applied include capitalisation rates for industrial, commercial, retail and office buildings. Adjustment factors are applied to rates implied from completed such as location, occupancy levels and tenant mix. Private equity valuations were also performed in USD as at 31 December 2025.

With regards to the spot foreign exchange rate, the Board considers the official exchange rate from the interbank market to be appropriate, as exchangeability in trading, buying and selling currencies has been demonstrated at that platform during the year.

Directors' Report (continued)

Compliance with IFRSs (continued)

The Directors believe that all key areas of accounting judgement have been sufficiently and prudently considered in the financial statements. Details of key accounting judgements are provided in notes 2.2 and 2.3. The Directors are of the view that the accounting treatments as adopted, are appropriate to the extent which is practically possible given the peculiarities of the Zimbabwe economic and regulatory environment. Users of the financial statements are, however, encouraged to exercise due caution and judgement.

Capital

Issued share capital is made up of 249,035,156 "A" class shares, 83,011,718 "B" class shares, 1 redeemable preference share and 1 "A" redeemable preference share. The shares are owned by Old Mutual Africa Holdings (75%); as well as Indigenisation Trusts and various other shareholders (22.2%) and a strategic partner (2.8%). The 1 redeemable preference share issued is owned by Old Mutual (Zimbabwe) Dividend Access Trust and the 1 "A" redeemable preference share by OML (Zimbabwe) Dividend Access Trust.

Directors

Mr	C	Chikosi	(Chairman) (appointed as Chairman 10 July 2025)
Mr	KC	Katsande	(Chairman) (retired 9 July 2025)
Mr	S	Matsekete**	(Group Chief Executive Officer)
Mr	IT	Mashinya**	(Group Chief Customer and Operations Officer)
Mr	NTT	Mudekunye**	(Group Chief Financial Officer)
Mr	C	Chinaka	
Mr	A	Daka	
Dr	K	Mandevani	(Retired 31 December 2025)
Mrs	N	Samuriwo	
Ms	PM	Nyandoro	(Appointed 1 July 2025)
Mr	V	Gapare	(Appointed 1 January 2026)

**Denotes Executive Director.

These annual financial statements have been prepared under the supervision of the Group Chief Financial Officer; Takura Mudekunye (CA(Z)), PAAB Registration number 3235.



2

Corporate Governance

11. Corporate Governance Report

Corporate Governance Report

Board and Board Committees

The Board provides strategic oversight and direction for all business operations under Old Mutual Zimbabwe Limited (OMZIL), collectively referred to as the OMZIL Group. A key responsibility of the Board is to ensure that each subsidiary operates in full compliance with its respective regulatory framework. Certain entities within the Group are subject to oversight by the Reserve Bank of Zimbabwe (RBZ), the Insurance and Pensions Commission (IPEC), and/or the Securities and Exchange Commission of Zimbabwe (SECZ).

As the controlling company of the Central Africa Building Society (CABS), OMZIL itself is regulated by the RBZ. Additionally, OMZIL adheres to the rules of the Financial Securities Exchange (Finsec), where 25% of its shares are listed on the Alternative Trading Platform.

As at 31 December 2025, the main subsidiaries of OMZIL were as follows:

1. Central Africa Building Society (CABS);
2. Old Mutual Digital Services (Private) Limited (OMDS);
3. Old Mutual Finance (Private) Limited (OMFIN);
4. Old Mutual Funeral Services (Private) Limited (OMFS);
5. Old Mutual Investment Group Zimbabwe (Private) Limited (OMIG);
6. Old Mutual Life Assurance Zimbabwe Limited (OMLAC);
7. Old Mutual Securities (Private) Limited (OMSEC); and
8. RM Insurance Holdings Limited (RMIH), the holding company of Old Mutual Insurance Company (Private) Limited (OMICO).

The Board adheres to the principles of corporate governance derived from the following:

- a. The Banking Act [Chapter 24:20] and the 2025 RBZ Corporate Governance Prudential Standard;
- b. The Companies and Other Business Entities Act [Chapter 24:31];
- c. The 2016 Insurance and Pensions Commission (IPEC) Directive on Governance and Risk Management for Insurance Companies;
- d. The King IV Report on Corporate Governance;
- e. The Old Mutual Group Governance framework; and
- f. The Zimbabwe National Code on Corporate Governance.

The Directors are aware that they may take independent professional advice at the Company's expense, if necessary, in the furtherance of their fiduciary duties.

Board Composition and Board Committees

The Board consists of nine (9) directors, comprising four (4) independent non-executive directors, two (2) non-executive directors, and three (3) executive directors.

Board Retirement

Mr Kumbirai Katsande, the then Board Chairman, retired from the Board with effect from 9 July 2025. **Mr Constantine Chikosi**, an independent non-executive director who joined the board on 1 May 2023, was subsequently appointed Chairman of the Board, effective 10 July 2025.

Dr Kennedy Mandevani also retired from the Board with effect from 31 December 2025, having served his statutory ten-year term.

Board Appointments

The Board appointed **Ms Pindie Nyandoro** and **Mr Victor Gapare** as independent non-executive directors with effect from 1 July 2025 and 1 January 2026, respectively.

Pindie is a seasoned banker currently working as the Norwegian Investment Fund for Developing Countries (NORFUND) regional director for Southern Africa. Her previous job was Regional Chief Executive for the South-Central Africa region for the Standard Bank Group, a position she held for 13 years. She spent over 20 years in the Standard Group in various roles. She holds a Master of Business Administration (MBA), a Bachelor of Laws (LLB) degree, and a Bachelor of Science (Honours) degree in Psychology.

Victor is an Executive Director of Caledonia Mining Corporation and has over 3 decades of experience in the mining industry. He is a past president of the Zimbabwe Chamber of Mines and has held directorships in several entities, including a banking and lending institution in the market, alongside public and private sector boards, and has chaired audit, risk, and strategy committees. He holds a UNISA Masters in Business Leadership (MBL) and a Bachelor of Business Studies Honours (BBS) from the University of Zimbabwe.

To enhance governance and oversight, the Board operates through three key committees: the Group Audit Committee, the Group Risk and Compliance Committee, and the Group Remuneration and Nominations Committee.

Corporate Governance Report (continued)

Group Audit Committee

The Group Audit Committee is responsible for reviewing the principles, policies and practices adopted in the preparation of the OMZIL Group financial statements and for ensuring that the annual financial statements of the Group comply with all statutory, regulatory and internal governance requirements. The Chairman of this Committee is an independent non-executive director.

The significant matters relating to the annual financial statements are covered in the Directors' Report which details OMZIL's compliance with the IFRS Accounting Standards. Material accounting policies which have been applied in preparation of the annual financial statements are included in this annual report.

The Audit Committee was satisfied with the performance of the Group Chief Financial Officer and the Finance function and effectiveness of the Chief Audit Executive and the arrangements for Internal audit. The Committee was also happy with the effectiveness of the design and implementation of internal financial controls as OMZIL did not suffer any material financial loss, fraud, corruption or error due to significant weakness in the design, implementation or execution of internal financial controls during the year.

The Audit Committee was satisfied with the level of effectiveness of Combined Assurance within OMZIL. All three lines of assurance meet regularly and coordinate their assurance activities to avoid duplication and to ensure focus is directed to areas that present material risk exposures to the Group. Combined Assurance reports and minutes are tabled to the Group Audit Committee, covering progress updates on the delivery of the combined assurance plan and findings and recommendations from the combined assurance activities.

Group Risk and Compliance Committee

The Committee oversees risk management and evaluates the effectiveness of compliance frameworks across the Group. It reviews policies and processes for identifying, assessing, and mitigating business risks, ensuring their impact on the Group is effectively managed. Since 2024, the Committee expanded its mandate to include oversight of the Group's sustainability initiatives. The Committee is chaired by an independent non-executive director.

Group Remuneration and Nominations Committee

The role of the Group Remuneration and Nominations Committee is to oversee the appointment of directors to the OMZIL Board and the Boards of its subsidiary entities as well as ensuring that appropriate remuneration is applied for management and staff in the Group. The Committee is chaired by an independent non-executive director.

Director Training

During the year, the directors of various OMZIL Group subsidiaries participated in training sessions on corporate governance, Anti-Money Laundering and Counter-Terrorism Financing (AML/CFT), as well as Environmental, Social, and Governance (ESG) and sustainability principles.

Board and Committee Attendance

The Board and its three committees met at least four times each during the year ended 31 December 2025. The attendance register

Corporate Governance Report (continued)

for these are set out on the following page:

OMZIL Board of Directors

	Mar	May	Aug	Oct	Nov
Chikosi C (Independent Non-Executive Director) (Chairman)*	P	P	P	P	P
Katsande KC*	P	P	-	-	-
Matsekete S (Group Chief Executive Officer)	P	P	P	P	P
Mashinya IT (Group Chief Customer and Operations Officer)	P	P	P	P	P
Mudekunya NTT (Group Chief Financial Officer)	P	P	A	P	P
Chinaka C (Non-Executive Director)	P	A	P	P	P
Daka A (Independent Non-Executive Director)	P	P	P	P	P
Mandevani K (Dr) (Non-Executive Director)	P	P	P	P	P
Nyandoro P (Non-Executive Director)	-	-	A	P	P
Samuriwo N (Independent Non-Executive Director)	A	A	P	P	P

Group Audit Committee

Member	Mar	May	Aug	Oct	Nov
Daka A (Chairman)	P	P	P	P	P
Chikosi C	P	P	P	-	-
Mandevani K (Dr)	P	P	P	P	P
Nyandoro P	-	-	-	P	P
Samuriwo N	P	P	P	P	P

Remuneration and Nominations Committee

Member	Feb	May	Aug	Nov
Chikosi C (Chairman)	-	-	P	P
Katsande KC	P	P	-	-
Chinaka C	P	P	P	A
Mandevani K (Dr)	P	P	P	P
Samuriwo N	A	P	P	P

Corporate Governance Report (continued)

Group Risk and Compliance Committee

Member	Mar	May	Aug	Nov
Nyandoro P (Chairman)	-	-	-	P
Chikosi C	P	P	P	-
Daka A	P	P	P	P
Samuriwo N	P	P	P	P

Key

P: Present

A: Apology

-: Not a member

*: Mr C Chikosi was appointed the Board chairman with effect from 10 July 2025 following Mr KC Katsande's retirement on 9 July 2025.



3

Risk Management

- 16. Continuously Maturing the Enterprise Risk Management Framework
- 17. Overview Of Key Risks

Enterprise Risk Management

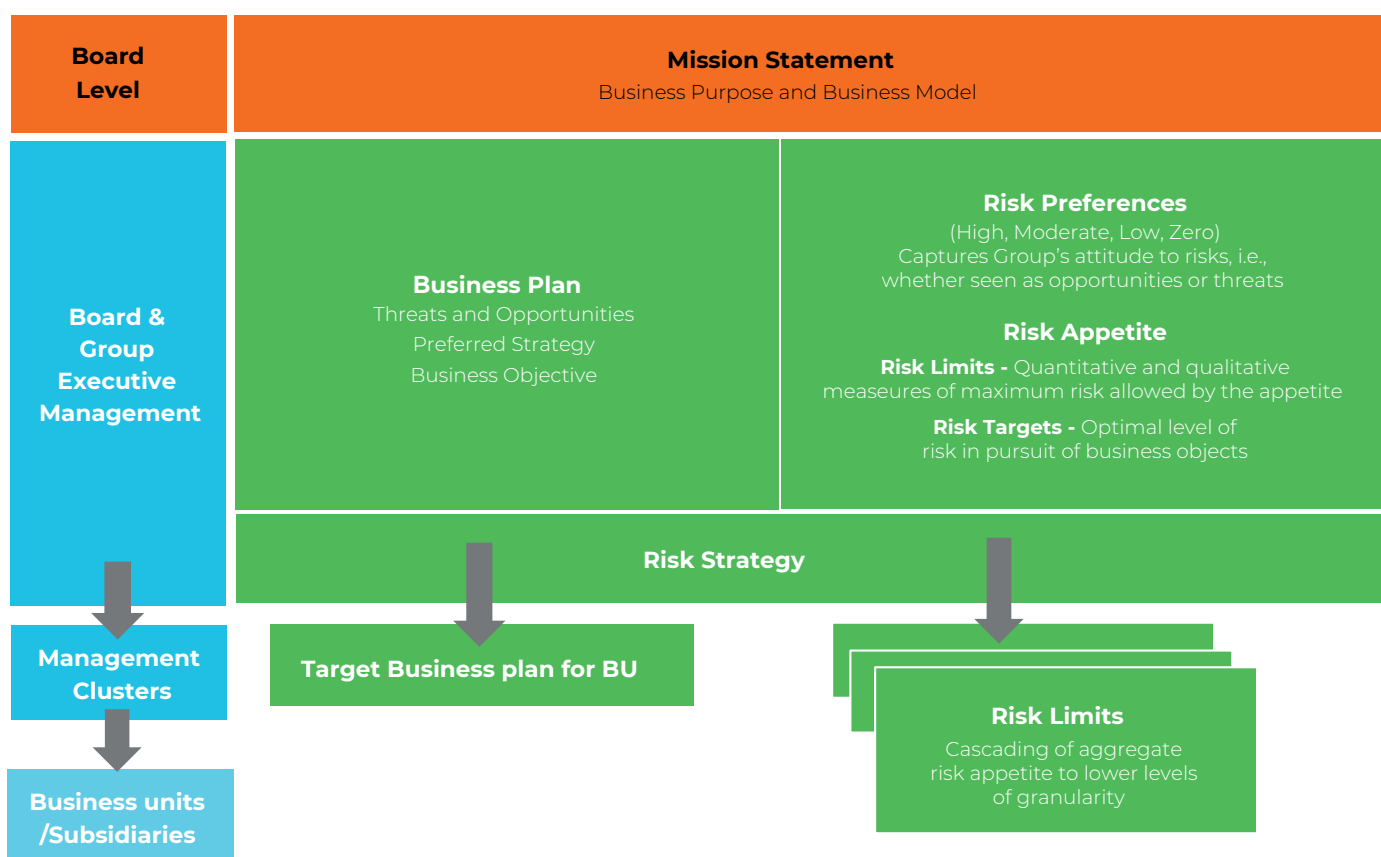
Continuously Maturing the Enterprise Risk Management Framework

The year 2025 underscored the importance of disciplined risk oversight and adaptive strategic planning. The Group navigated a highly dynamic and fluid operating environment. Decisive policy interventions by the Reserve Bank of Zimbabwe contributed to currency and price stability, particularly in the latter part of the year. Strengthened reserve backing - largely supported by higher global gold prices - helped anchor confidence in the structured currency framework.

The surge in global gold prices provided both strategic opportunity and heightened commodity-linked risk exposure for the Group. The mining and export sectors responded positively, driving stronger foreign-currency inflows and new credit prospects. We remained vigilant to concentration risk, environmental and social risk in mining-intensive regions, and price volatility transmissions into the loan book and liquidity positions.

To navigate this complex environment, the Group continued with an integrated approach to risk management, aimed at maximising the risk-return trade-off, within the Board approved risk appetite framework. Across all principal risk types - credit, liquidity, market, operational, conduct, Information Communication Technology (ICT)/cyber, and strategic risk, the Group enhanced monitoring, strengthened scenario analysis, and reinforced the Combined Assurance Framework. We maintained strong alignment with the Board-approved Risk Appetite Framework, ensuring that growth ambitions were balanced against prudent risk-taking. The Group progressed with its sustainability initiatives implementation roadmap, with sustainability and climate change risk principles being integrated into investment, lending, and insurance decisions. Going into 2026, we will advance our climate-risk management approach, embedding climate-scenario thinking into strategic planning and fortifying operational resilience against environmental shocks.

The risk appetite framework is depicted below:



Going into 2026, the Group remains well-positioned to respond to emerging risks while capitalising on opportunities in mining, exports, tourism, and the informal economy. Cost efficiencies; savings; sharper execution; capital management; high cash generation; and market leadership will be key focus areas. OMZIL will continue to prioritise robust risk governance, proactive stakeholder engagement, regulatory alignment, and capability-building to safeguard the Group's resilience and deliver sustained value to our shareholders and customers.

Stress testing and scenario analysis, incorporating newly identified scenarios, continued to be used as one of the tools for proactive risk management.

Enterprise Risk Management (continued)

Continuously Maturing the Enterprise Risk Management Framework (continued)

Looking ahead into 2026, persistent trends are expected, with macroeconomic policy and external factors remaining dominant themes. Continued prudence will likely be anchored by tight money supply, which proved effective to end of 2025. However, aggregate output remains vulnerable to exogenous shocks such as weather variability and international commodity price movements.

Anti-Money Laundering, Countering Terrorist Financing, Proliferation Financing (AML, CFT, PF) and Sanctions obligations continued to be a key regulatory priority for OMZIL and its subsidiaries during the year. The third Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) Mutual Evaluation on Zimbabwe is scheduled for 2026 and some OMZIL entities will participate in the evaluation. Regulatory onsite reviews were conducted on the various business units, (OMDS, OMLAC, OMSEC), with the Regulatory attention on National level Mutual Evaluation readiness. The Group will also embed its Privacy Framework for improved compliance with the requirements of the Cyber & Data Protection Act, Regulations and Guidelines.

Overview Of Key Risks

The risk profile of OMZIL as at 2025 is as shown below:

Risk Category & Definition	Impact	Mitigating Actions
External Risk - Risks outside the control of the Group which are difficult to predict or manage.	- Policy uncertainty remained an area of attention to the Group. The United States of America (USA) intensified travel restrictions on Zimbabwe; and the infrastructure deficit in the wake of climate change, impacting on the Group strategy from the property portfolio exposures, potential increased insurance claims and operational costs. - The USD-denominated VFEX All Share full year performance yielded positive results for the Group attaining year-end targets. - The Group benefited from the general macro-economic stability, resulting in the attaining of the year-end targets. - Zimbabwe's sustainability risk landscape in 2025 was shaped largely by intensifying climate-related physical hazards including violent storms, and disruptions to infrastructure and water systems which heightened operational and economic vulnerability across sectors. Evolving national climate policies and global climate-finance expectations introduced transition-related compliance and governance pressures. Resource-related risks such as water scarcity, energy constraints, and waste-management demands continued to challenge sustainable operations, reinforcing the need for resilient infrastructure and responsible resource stewardship.	- The Group continued with assessment of the relevance of the product offering for the changing operating environment. There were deliberate business development efforts to tap into underserved markets. - Value preservation strategy through investments in real assets, and offshore investments. - Impact assessments of and stakeholder engagement on the emerging laws and regulations, to ensure readiness to comply with the new requirements and to contribute to the formulation of favourable policies. - OMZIL is leveraging on the digital transformation and the integrated financial services (IFS) initiatives to boost the business' competitive advantages. - Business resilience plans were reviewed and refreshed. Crisis simulation exercises and health and safety awareness campaigns were conducted. - The Group is also enhancing resource-efficiency initiatives in energy, and water management.

Enterprise Risk Management (continued)

Overview Of Key Risks (continued)

Risk Category & Definition	Impact	Mitigating Actions
Market Risk - Risks relating to adverse changes to the balance sheet or future earnings resulting, directly and indirectly, from fluctuations in the market prices of financial instruments.	• Equity & Property Price Volatility Risk: Market volatility remained a key risk driver in 2025, largely influenced by the market liquidity conditions. Although there was improved stability, liquidity constraints impacted negatively on the business operations. The Zimbabwe Stock Exchange (ZSE) recorded moderate recovery during the year, however, trading volumes remained subdued due to the tight liquidity conditions. Volatility persisted in property and equity valuations, particularly in the first half of the year, driven by the transition to the ZWG, currency realignments, and uneven liquidity flows across asset classes. These dynamics contributed to variability in investment returns and continued to shape the Group's risk posture across portfolios. • Foreign Exchange Rate Risk: Foreign-currency dynamics continued to shape the Group's risk profile in 2025, with the operating environment characterised by a multi-currency system dominated by the US dollar and the ZWG currency. The tighter monetary policy helped stabilise the ZWG, however, the broader economy remained highly dollarised, with over 80% of transactions continuing to occur in USD. • Interest Rate: Margin compression remained a profitability risk for the Bank in 2025, driven primarily by the negotiated lower interest rates. Tight monetary conditions continued throughout the year as RBZ maintained a restrictive policy stance to stabilise the ZWG and curb inflation, which materially increased the cost of both USD and ZWG funding across the sector. The high level of dollarisation in the economy further amplified upward pressure on funding costs, as banks relied heavily on USD deposits to support lending activities, while USD liquidity remained constrained.	• The Group diversified the asset allocation to other value preserving assets – private equity and property. • Negotiations were made with suppliers for favourable payment terms to minimise exchange rate risk losses. • There was growth in the relatively cheaper domestic retail foreign currency deposits during the year which contributed to interest margin improvements. • The Group maintained its long-standing strategy of holding a positive foreign-currency net open position to hedge against potential depreciation of the local currency.
Liquidity Risk - The risk that available liquid assets will be insufficient to meet changing market and business conditions, liabilities, funding of asset purchases, or an increase in client demands for cash.	• Market and internal liquidity pressures remained elevated throughout 2025, largely reflecting the monetary authorities' continued implementation of a tight monetary policy stance. The RBZ maintained strict liquidity controls to stabilise the ZWG, including high statutory reserve requirements on both ZWG and USD deposits and active suppression of excess money supply. • The Group's assets remained skewed towards the less liquid real assets, for value preservation against monetary losses.	• Slowing down on credit creation, disposal of non-strategic assets to fund strategic projects and alternative investments. • Implementation of cash-flow management strategies which included regular cashflow forecasting and deferring non-critical obligations and projects to manage liquidity. • Liquidity stress testing was done as part of forward-looking management of the risk. • Cash flow management strategies continue, which include regular cash flow forecasting and deferring non-critical obligations and projects to manage liquidity. • There is also ongoing dialogue with the Bankers Association of Zimbabwe. • Liquidity contingency plans or contingency funding plans are updated annually

Enterprise Risk Management (continued)

Overview Of Key Risks (continued)

Risk Category & Definition	Impact	Mitigating Actions
Legal and Regulatory Compliance Risk - The risk of not applying or conforming to the laws, or breaching laws, regulations, or directives; resulting in fines, sanctions, reputational damage, and/or financial loss.	- Key compliance focus areas in 2025 included the remediation of recurring regulatory breaches, notably, the Prescribed Asset (PA) compliance and investment-threshold breaches affecting insurance entities; Net open position (NOP) limit breaches within the banking entity; and Ongoing strengthening of the AML/CFT/PF & sanctions control environment in line with intensifying supervisory expectations. - The regulatory landscape grew increasingly stringent during the year, as supervisory authorities intensified their oversight and applied more rigorous compliance expectations. - Notable regulatory developments during the year included The Finance Act, 2025 which introduced a number of tax measures; The Road Traffic Fund Bill; SI 193/2025 Road Traffic Act (Use of Breathalyzers) Regulations; and the new Code of Conduct and Grievance & Handling Procedures for the Insurance and Pensions Industry valid for five years that was gazetted.	- The Group continued to uphold its zero appetite for deliberately contravening legal and regulatory requirements. This was achieved through tracking existing and new laws and regulations, remediation of any cases of non-compliance and engagements with the Group's regulators for cases that could not be resolved within set timelines. - The regulatory change process continued to be adhered to, enabling the Group to proactively address requirements from new and impending regulatory changes. - Money laundering and financing of terrorism risks were managed through implementation of a comprehensive end-to-end risk management and compliance program. - Annual regulatory compliance training programs were delivered, covering both general awareness and role-specific training. - Compliance conformance testing and oversight via audits, deep dives and regular assessment were conducted to improve the Group's compliance environment.
Operational Risk - Risks relating to failure of business operational processes, workplace safety, including loss and damage of the Group's physical assets, property, and facilities. It includes risks relating to fraud, theft, bribery, corruption, or internal irregularities.	- Areas impacting the internal control environment requiring improvement in 2025 were timely resolution of the significant rated open audit issues; closure of long outstanding reconciling exceptions; further strengthening outsourcing risk management; enhancing proactive fraud risk detection and prevention; timely escalation of material risk events; resolution of policy compliance gaps; and maintaining quality data usable for decision making in the risk management system - CURA. - Operational loss events remained within the risk limit during the year. - Challenges from projects management included capacity constraints caused by resource attrition within key teams.	- Tracking and remediating below target key performance indicators. - Assurance reviews of high-risk areas for control improvements. - Implementing the fraud risk strategy, and fraud monitoring solution, for proactive fraud risk management. - Implementation of change management controls for impactful programmes.

Enterprise Risk Management (continued)

Overview Of Key Risks (continued)

Risk Category & Definition	Impact	Mitigating Actions
Information Technology (IT) Risk - Risks of loss due to an inadequate or inefficient information security, failure of systems and/or related processes. This includes the risk of failure to protect the confidentiality, integrity, or availability of information technology assets, whether electronic or otherwise, from unauthorised access, use, disclosure, disruption, modification, or destruction.	• Technology/System Risk: IT related risk matters remained under monitoring, including opportunities to further reinforce Disaster Recovery (DR) preparedness for certain systems. While technical debt remediation progressed with the successful T24 reimplementation in 2025, emerging technologies present new challenges. The convergence of Artificial Intelligence (AI) and quantum computing is reshaping financial services, creating both opportunities and risks. Rapid AI adoption introduces concerns around data privacy, security, and potential over-reliance, which could expose the business to technological failures or cyber-attacks. • Information Security - Cyber-attacks & Data breaches: There were no cyber incidents reported in the year, and the Group continued to implement controls in line with the Cyber & Data Protection Act, Regulations and Guidelines. • The Group continued to assess and manage the evolving risk landscape associated with the adoption of AI and automation technologies. While AI presents significant opportunities to enhance efficiency, decision-making, and customer experience, it also introduces a set of emerging risks that require robust oversight and responsible governance.	• Implementation of actions from the Old Mutual ICT Business Continuity Planning/ Disaster Recovery (BCP/DR) Capability Review (D100R) Project. • System refreshes to resolve technical debt. • Software updates/Patching. • Cyber Security Incidents Response Team (CSIRT) document and contact list review and Training. • Adoption of AI Framework and Standards. • Cyber risk awareness campaigns for all staff, training and upskilling of ICT personnel on information security, are conducted regularly.
People Risk - Risks relating to the business workforce resourcing, utilisation and their productivity, skills, competencies and behaviours to manage and operate the business, including engaging with customers.	• Talent Attrition, & Culture: The economic challenges continued to impact the effectiveness of the employee value proposition. There was sustained pressure on talent attrition of critical skills to competitors and the diaspora. • Challenges were also experienced in filling several critical roles due to scarcity of the skills in market as well as competition impacting on the delivery of the business strategy. • There was improvement on the Pulse Culture Survey results on employee engagement.	• Ongoing review of the employee value proposition to enhance retention. • Implementation of the strategy to build resources, bind through incentives, borrow skills, and bounce. • Human Capital engagements on remuneration benchmarking with industry levels. • Cascading the 2025 Pulse Culture Survey results to the business units for co-creation of actions. • Implementation of consequence management for employees who fail to complete mandatory trainings. • Creation of a pipeline of critical skills (recruitment and training of graduate trainees) to manage the impacts of attrition. • Offering of stress management, mental health, and counselling services, for all staff members.

Enterprise Risk Management (continued)

Overview Of Key Risks (continued)

Risk Category & Definition	Impact	Mitigating Actions
Insurance Risk - The risk of adverse losses due to inadequate underwriting, pricing, reserving assumptions and/or volatile claims experience materially impacting earnings and capital. Insurance risk includes Life Insurance risks (Mortality, Disability, Longevity and Life).	• Life Assurance: All claims ratios were within target range during the year. • General Insurance: The overall claims ratio and the private motor claims ratio were in breach of limits due to the higher than planned claims on the private motor book. The underwriting margin was above target during the year.	• Life Assurance: Optimal reinsurance and correct risk pricing continue to be in place. • General Insurance: The business is charging premiums on the motor class that adequately covers the cost of repairs, where portfolio reviews are triggered by two or more claims, including a review of three-year claims. This may lead to adjustments in rates, terms, increased excesses, or risk improvement recommendations, while also considering overall policy performance and loss ratios. There is compulsory pre-cover inspection of vehicles across all channels and at the Motor Assessment Centres, to avoid insuring already damaged vehicles. • Engaging directly with suppliers of vehicle spare parts to manage claims costs.
Credit Risk - The risk of non-payment or settlement of an obligation by a counterparty under the terms of an agreement, or the change in value of a credit asset due to a deterioration in the credit quality of a counterparty.	• The non-performing loans (NPL) ratio was within the regulatory benchmark and the internal target, during the year. • Local currency rental arrears were consistently in breach of the target during the year, with tenants' paying capacity constrained by the market liquidity challenges. USD rentals were largely within target. • The portfolio quality at the microfinance business was exposed to delayed payments by some key clients resulting in breached performance indicators during the year. • For the short-term insurance company, premium debtors were under control, with the premium debtors' collection ratio remaining above the minimum threshold.	• Continued sound credit underwriting standards, with extension of foreign currency denominated loans to reputable off-takers with capacity to repay in foreign currency. • Portfolio diversification is being pursued at the microfinance entity, to increase exposure to other product lines such as private payroll loans, working capital loans and Agribusiness to dilute concentration risk. Proper configuration of the USSD platform to resolve calculations of loan tenures was completed, and creation of additional functionality to include one-time password (OTP) is in progress. • The property business continued to actively follow up on arrears, including evictions of non-paying tenants.



4

Result from Operations

- 23. Results From Operations
- 24. Independent Auditors' Report

Result From Operations

In line with the rest of Old Mutual Limited Group, in addition to net profit after tax as per the Group statement of profit or loss, (page 32) the Group also measures its performance based on result from operations.

A reconciliation between Profit before income tax and result from operations before tax is shown below:

RECONCILIATION OF IFRS PROFIT BEFORE INCOME TAX TO RESULT FROM OPERATIONS BEFORE TAX

	GROUP 2025 USD 000	GROUP 2024 USD 000
Profit before income tax	60,606	39,093
Adjusting entries	(16,208)	(5,339)
Shareholder investment returns	(16,171)	3,833
Net monetary adjustment	-	(6,969)
Policyholder tax	(37)	(2,203)
Result from operations	44,398	33,754

Result from operations represents the view of the directors of Old Mutual Zimbabwe Limited of the core operating performance of the Group.

The Group uses 'result from operations' as a management-defined performance measure in its public communications to communicate management's view of an aspect of the operating performance of the Group as whole. This measure is not defined by IFRS accounting standards, which means it may not be directly comparable to similar measures used by other entities. The Group's management believes that this adjusted result from operations measure offers a relevant alternative perspective on the Group's underlying operating performance by excluding the effects of items that are not indicative of ongoing business activities. The Group's management considers this useful for understanding profitability trends and for evaluating the Group's ability to generate sustainable earnings from its core operations. Operating profit has been adjusted for shareholder investment returns, net monetary gains and adjustments and policy holder tax.

Independent Auditors' Report

Axcentium
West Block
Borrowdale Office Park
Borrowdale Road
Borrowdale
Harare
Zimbabwe



PO Box 267
Harare
Zimbabwe
Tel: +263 (0) 8677 000261
www.axcentium.co.zw

INDEPENDENT AUDITOR'S REPORT To the Shareholders of Old Mutual Zimbabwe Limited

Report on the Audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of Old Mutual Zimbabwe Limited (the "Company") and its subsidiaries (together the "Group"), set out on pages 32 to 129, which comprise the consolidated and separate statements of financial position as at 31 December 2025, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and the notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Old Mutual Zimbabwe Limited as at 31 December 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31), relevant sections of the Insurance Act (Chapter 24:07), the Pensions and Provident Funds Act (Chapter 24:32), the Microfinance Act (Chapter 24:29), the Building Society Act (Chapter 24:02), the Banking Act (Chapter 24:20), the Asset Management Act (Chapter 24:26), the Collective Investment Schemes Act (Chapter 24:19) and the Securities Act (Chapter 24:25).

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 Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of financial statements of public interest entities in Zimbabwe. We have fulfilled our ethical responsibilities in accordance with these requirements and the 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

Without qualifying our opinion, we draw attention to Note 33 of the financial statements, which relates to the Commission of Inquiry and Statutory Instrument (SI) 162 of 2023 'Pensions and Provident Funds (Compensation for Loss of Pre-2009 Value of Pension Benefits) Regulations, 2023' that was issued by the Insurance and Pensions Commission resultantly.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors' Report (Continued)

Report on the Audit of the consolidated and separate financial statements (continued)

Key Audit Matter	How the matter was addressed in the audit
Valuation of insurance contract liabilities and assets	
Refer to the accounting policy note 2.6 and disclosure note 24. The Group carries significant insurance contract liabilities and assets on its statement of financial position. As at 31 December 2025, the value of insurance contract liabilities was USD\$784 million (2024: USD\$709 million.) The insurance contract liabilities and assets are measured in accordance with the IFRS 17 "Insurance contracts" standard. The valuation of insurance contract liabilities and assets involves significant judgements over uncertain future outcomes, which includes estimates in the determination of the present value of future cash flows ("PVFCF"). The PVFCF contained in the insurance contract assets and liabilities are associated with significant uncertainties requiring the use of expert judgment embedded within complex actuarial models relying on subjective assumptions relating to future events. The use of complex models may be incorrectly designed or configured, and for which incomplete or inaccurate data may be used. Key assumptions include mortality, persistency and economic assumptions. As a result of the long duration of life insurance products, relatively small changes in key assumptions may have a significant impact on the valuation of the present value of future cash flows. Due to the significant judgement involved and estimation of key inputs described above, the consequential valuation of insurance contract liabilities and assets is considered a key audit matter, which includes the PVFCF and CSM (Contractual Service Margin) for remaining coverage.	In evaluating the valuation of the insurance contract liabilities and assets our audit procedures incorporated the following: • Testing the design and implementation of key controls over the valuation processes, including the assessment and approval of the methods and assumptions adopted over the calculation of insurance contract liabilities and assets, as well as appropriate data access and management controls over the actuarial models; • Engaging our actuarial audit specialists to assist with the audit of insurance contract liabilities and assets, being: - Identifying significant assumption changes through the engagement with management and challenging management's assumption changes as well as assessing their impact on the financial statements. - Considering whether the proposed valuation assumptions are appropriate in light of group experience and the requirements of relevant accounting, regulatory and actuarial standards. - Performing retrospective tests on key assumptions, reviewing management's experience investigations and analysis of surplus results to evaluate key actuarial inputs such as mortality, morbidity and persistency. - Considering consistency of approach to setting assumptions across segments. - Utilising audit tools to replicate management results including the amortisation of the CSM and evaluating if reasonable. - Testing the adequacy and effectiveness of controls regarding the completeness and accurate transfer of policyholder data from policy administration systems to the actuarial systems, leveraging on management's key reconciliation controls. - Confirming that the actuarial data model extracts provided are those used as an input to the actuarial model and to the experience analysis tool. - Utilising our analytic techniques to identify policyholder data anomalies and outliers and comparing trends in the movement of policyholder data from year ended 2024 to year ended 2025. We have considered the judgements, methodologies and assumptions approved by the directors to be appropriate and the disclosures in compliance with IFRS Accounting Standards.

Independent Auditors' Report (Continued)

Report on the Audit of the consolidated and separate financial statements (continued)

Key Audit Matters (continued)

Key Audit Matter	How the matter was addressed in the audit
Valuation of investment property and owner-occupied properties.	
Refer to the accounting policy and disclosure notes 2.10, 2.11, 15 and 16. The Group measures investment properties and owner-occupied properties at fair value at each reporting date, which is determined using international valuation techniques which include the income approach or the direct comparison market approach. As at 31 December 2025, the Group had properties amounting to USD440 million (2024: USD\$427 million). The valuations also involve the use of valuation experts. The assumptions with the most significant impact on the property valuations were: • The market rental yields, which are based on unobservable market data. The rental yields are estimated for each individual property. • The exit capitalisation rates, which are an all-risk yield rate and incorporate qualitative aspects, notably occupancy, tenancy mix, physical attributes and property locations risk adjustments. • The land unit prices, which are adjusted based on professional judgement relating to location, town planning considerations, land area as well as environmental factors. All the above inputs are highly subjective and rely on the directors' judgements. The valuation of investment property is considered to be a key audit matter due to the greater degree of subjectivity and judgement included in the determination of the fair value as a result of the economic consequences and ongoing uncertainty in the property market.	In evaluating the valuation of investment properties and owner-occupied properties we reviewed the property valuations/ computations prepared by the internal and independent valuers, with a particular focus on the market rental yields, exit capitalisation rates and land unit prices. Our procedures included the following: • Testing the Group's controls relating to the determination of the fair values of the investment properties including controls related to the appropriate review and approval of the property valuations. • Assessing the competence, capabilities, and objectivity of the independent valuers; • Assessing the scope of the independent valuers' work, terms of the engagement and their independence and objectivity; • Conducting meetings with the internal and independent valuation experts to obtain an understanding of the assumptions employed in the valuation of investment properties; • Evaluating the appropriateness of the valuation methods used to assess whether they were in line with acceptable industry practice and the requirements of IFRS Accounting Standards; and • Engaging our audit property valuation specialists to independently assess the reasonability and appropriateness of the valuation models, methodologies and inputs used by the independent valuers on a sample basis. With respect to the inputs adopted in the USD valuations: • Obtaining an understanding of the build-up of the capitalization rate including validating the base rate against observable transactions and evaluating adjustments made to the capitalization rate; • Verifying rental assumptions using independently obtained market research; • Assessing the lettable areas for reasonableness by comparing to prior year. For current year property additions, verifying the lettable area against the external valuers' confirmations; • Comparing the internal valuation outcomes to those of the independent valuers for a sample of properties. Differences noted were assessed against acceptable pre-determined thresholds for reasonableness; and • Assessing whether the disclosures in the financial statements are appropriate and in accordance with IFRS 13: Fair Value Measurement ("IFRS 13") and IAS 40: Investment property. We have considered the judgements, assumptions, and disclosures to be appropriate.

Independent Auditors' Report (Continued)

Report on the Audit of the consolidated and separate financial statements (continued)

Key Audit Matters (continued)

Key Audit Matter	How the matter was addressed in the audit
Valuation and accounting treatment of unquoted investments	
Refer to the accounting policy and disclosure notes 2.14 and 20. As at 31 December 2025, the Group holds unquoted investments of USD\$161 million (2024: USD\$131million). The Group's unquoted investments relate to unlisted equities, public sector securities, corporate bonds and debentures, and fixed deposits in money market investments. For such investments a reliable third-party price may not be readily available and therefore the ultimate valuation involves the application of expert judgement. The Group's accounting policy is to apply fair value measurement model to the unquoted investments. The valuation models therefore involve judgement related to; - adopting an appropriate valuation methodology; and - the observability of the input data and factors used in the valuation. Furthermore, where the Group holds shareholding above the 20% threshold, the Directors are required to perform a control assessment and apply an appropriate accounting treatment in line with IFRS Accounting Standards requirements. The valuation and accounting treatment of the unquoted investments is considered to be a key audit matter due to the greater degree of subjectivity and judgement included in the determination of the fair value and accounting treatment.	In evaluating the valuation of the unquoted investments, our audit procedures incorporated the following: • Testing the design and implementation of key controls over the valuation process, including the Group's review and approval of the estimates and assumptions used in the valuations, including the authorisation and data input controls and benchmarking assumptions; • Assessing a sample of the valuation assumptions with reference to the Group's own valuation guidelines as well as industry practice where this was available; • Performing an evaluation of the methodology choice used and assessing the appropriateness of the selected pricing methodologies with reference to IFRS Accounting Standards and the Group's own valuation guidelines and industry practice; • Engaging our internal valuation specialists to test the inputs and assumptions on a sample of unlisted entities by: - Evaluating and challenging the appropriateness of the methodologies applied, assumptions and inputs used in the valuation by establishing our own range of the assumptions and inputs, based on externally available metrics and wider economic and commercial factors and using knowledge and industry experience; and - Evaluating the reasonableness of the directors' inputs by comparing the inputs to historical trends. • Our procedures in respect of the classification and accounting treatment of investments included among others: - Evaluating the directors' assessment of whether the Group exerts significant influence or control over the investees in which the Group's shareholding exceeds 20%, against the criteria in IAS 28 and IFRS 10; and - Evaluating whether unlisted investments are presented in accordance with the relevant financial reporting standard in the financial statements. • Assessing the disclosures in relation to unquoted investments as well as the judgements and assumptions and estimation applied to these balances in terms of IFRS Accounting Standards. We have considered the judgements, assumptions, and disclosures to be appropriate.

Independent Auditors' Report (Continued)

Report on the Audit of the consolidated and separate financial statements (continued)

Key Audit Matters (continued)

Key Audit Matter	How the matter was addressed in the audit
Valuation of expected credit losses on financial assets	
As detailed in notes 2.15 and 19, the Group reported expected credit losses of USD\$6.3million (2024 USD\$5.8 million) on the statement of financial position. This was considered a key audit matter as the determination of the expected credit losses (ECL) requires significant judgment. The models used to determine provisions are complex and might not have taken into account all relevant factors such as macroeconomic data for forecasts and the data used for historical analysis might not be accurate. Due to the judgement applied in determining the ECL, we have determined this to be a key audit matter. Note 19.2 to the financial statements provides detailed information with respect to the determination of the expected credit losses.	In evaluating the valuation of expected credit losses on financial assets, our audit procedures incorporated the following: - Reviewed the Group's IFRS 9 based impairment provisioning policy and compared it with the requirements of IFRS 9. - Obtained an understanding of the robustness of internal controls over financial reporting including critical inputs and the model used which support the Group's assertions with respect to completeness, compliance and consistent application of the methodology. - Tested the design and implementation of relevant controls with respect to the determination of the expected credit losses. - Involved our internal information technology experts to test design and implementation of relevant controls with respect to the general information controls (GITCs). - Tested the completeness and accuracy of loans and advances, treasury bills, off balance sheet items, and other financial assets included in the ECL calculations. - With the assistance of auditors' specialists, performed an independent assessment on the appropriateness of the model by performing the following: - Obtaining an understanding of the Group's internal rating models for financial assets to assess whether the rating model was appropriate; - Reviewing the appropriateness of the Group's determination of significant increase in credit risk and the resultant basis for classification of exposures into various stages; - For a sample of exposures, testing the appropriateness of the staging; - Testing assumptions used in the ECL calculations and assessing them for reasonableness; - For a sample of exposures, testing the appropriateness of determining exposure at default, and probability of default. - Assessed the completeness of collateral recognised during the period under review; - Assessed the consistency of inputs and assumptions used by management to determine expected credit losses; - Performed an independent assessment on the appropriateness of the model; and - Assessed whether the appropriate required disclosures have been included and presentation requirements have been properly reflected in the financial statements. The valuation was found to be appropriate in terms of the relevant accounting standards, Directors' estimates and judgements were deemed to be prudent and we also consider the disclosures to be appropriate.

Independent Auditors' Report (Continued)

Report on the Audit of the consolidated and separate financial statements (continued)

Other Information

The directors are responsible for the other information. The other information comprises the Chairman's Statement, Chief Executive Officer's review, Our Business Model, Directors' Report, as required by the Companies and Other Business Entities Act (Chapter 24:31), the Corporate Governance Report, the Enterprise Risk Management reports and the Results from Operations which we obtained prior to the date of this auditor's report. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 the directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and the requirements of the Companies and Other Business Entities Act (Chapter 24:31) and the relevant sections of the Banking Act (Chapter 24:20), the Building Societies Act (Chapter 24:02), the Securities Act (Chapter 24:25), the Microfinance Act (Chapter 24:29), Insurance Act (Chapter 24:07), the Pensions and Provident Funds Act (Chapter 24:32), the Asset Management Act (Chapter 24:26) and the Collective Investment Schemes Act (Chapter 24:19), and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and Company'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 the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate 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 and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company and 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 and Company to cease to continue as a going concern.

Independent Auditors' Report (Continued)

Report on the Audit of the consolidated and separate financial statements (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis to forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain responsible for the audit opinion.

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

We also provide Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate 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.

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

Section 193 (1) (a)

The consolidated and separate financial statements of the Group are properly drawn up in accordance with this Act so as to give a true and fair view of the state of the Group's and Company's affairs at the date of the consolidated and separate financial statements for the financial year ended 31 December 2025

Section 193(2)

We have no matters to report in respect of the Section 193(2) requirements of the Act.

Compliance with the Insurance Act [Chapter 24:07]

We also report to the shareholders that the life assurance business and general insurance businesses have not complied with Statutory Instrument 206 of 2019 as read with the Insurance Act [Chapter 24:07], which stipulates that registered insurers shall have a minimum prescribed assets ratio of:

- fifteen per centum of the market value of total adjusted assets in the case of an insurer which carries on life assurance business; and
- ten per centum of the market value to total adjusted assets in the case of an insurer which carries on short term (non-life) insurance business.



Axcentium
Chartered Accountants (Zimbabwe)
Per: Charity Mtwazi
Partner
PAAB Practice Certificate Number 0585
Harare, Zimbabwe

Date: 26 March 2026



5

Financial Statements

- 32. Group Statement of Profit or Loss
- 33. Group Statement of Other Comprehensive Income
- 34. Company Statement of Profit or Loss and Other Comprehensive Income
- 35. Group Statement of Financial Position
- 36. Company Statement of Financial Position
- 37. Group Statement of Changes in Equity
- 38. Company Statement of Changes in Equity
- 39. Group Statement of Cash Flows
- 40. Company Statement of Cash Flows
- 41. Notes to the Annual Financial Statements

GROUP STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	GROUP 2025 USD 000	GROUP 2024 USD 000 Restated**
Interest income	4	45,951	40,559
Interest expense	4	(7,976)	(10,702)
Net interest income		37,975	29,857
Fee and commission income	5	87,521	64,752
Fee and commission expenses		(15,124)	(17,275)
Net fee and commission income		72,397	47,477
Insurance revenue	6	84,383	64,737
Insurance service expenses	7	(65,536)	(70,140)
Net expenses from reinsurance contracts	24	(4,641)	(7,803)
Insurance service result		14,206	(13,206)
Investment return	8	172,169	81,444
Finance expenses from insurance contracts	9	(107,277)	(25,994)
Change in investment contract liabilities	25	(35,128)	(7,728)
Net investment result		29,764	47,722
Other income	10	17,310	11,253
Allowance for expected credit losses		(1,677)	(4,171)
Movement in impairment provision	22.3	(10,144)	(7,460)
Other operating and administration expenses	11	(99,485)	(79,455)
Net monetary adjustment*		-	6,969
Operating profit		60,346	38,986
Share of results from associate	17	260	107
Profit before income tax		60,606	39,093
Income tax expense	12	(20,429)	(11,010)
Profit for the year		40,177	28,083
Attributable to non-controlling interests		976	474
Attributable to owners of parent company		39,201	27,609
		40,177	28,083

*The net monetary adjustment is a result of hyperinflation accounting, as the Group's functional currencies, the ZWL and ZWG, were currencies of the prevailing hyperinflationary economy up to 5 April 2024 and 30 June 2024 respectively. The Group changed its functional currency to USD on 1 July 2024.

**The statement of profit or loss was previously presented in accordance with IAS 1 prior to the early adoption of IFRS 18 which resulted in the restatement of the financial statements. Refer to note 2.31 for further details.

GROUP STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	GROUP 2025 USD 000	GROUP 2024 USD 000
Profit for the year		40,177	28,083
Other comprehensive loss			
Items that will not be reclassified to profit or loss (net of tax)			
Property valuation loss		(1,852)	(10,971)
Effects of changes in functional currency		-	(1,125)
Total other comprehensive loss		(1,852)	(12,096)
Total comprehensive income for the year		38,325	15,987
Total comprehensive income attributable to:			
Owners of parent company		37,349	15,513
Non-controlling interests		976	474
		38,325	15,987
Earnings per share		USDc	USDc
Basic and diluted (cents)	13	11.81	8.31

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	COMPANY 2025 USD 000	COMPANY 2024 USD 000
Investment return	8	38,484	129,630
Other income/(losses)	10	11,029	(1,448)
Movement in impairment provision	22.3	(10,144)	(7,460)
Other operating and administration expenses	11	(16,138)	(12,071)
Operating profit		23,231	108,651
Share of profit from associate	17	260	107
Profit before income tax		23,491	108,758
Income tax expense	12	(2,178)	(5,975)
Profit for the year		21,313	102,783
Other comprehensive income for the year		-	-
Total comprehensive income for the year		21,313	102,783

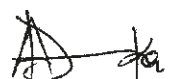
GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Notes	GROUP 2025 USD 000	GROUP 2024 USD 000
Assets			
Intangible assets	14	4,639	674
Property and equipment	15	75,152	65,758
Investment property	16	382,607	373,435
Investment in associate	17	3,823	3,707
Deferred tax assets	18	2,716	1,988
Loans and advances	19	259,803	195,122
Investments and securities	20	711,621	553,677
Reinsurer contract assets	24	8,696	6,979
Current tax assets		403	-
Other assets	22	116,674	123,641
Cash and cash equivalents	23	221,511	151,265
Total assets		1,787,645	1,476,246
Liabilities			
Insurance contract liabilities	24	784,376	709,312
Investment contract liabilities	25	154,043	87,131
Deferred tax liabilities	18	7,488	8,338
Current tax payables		3,124	2,186
Amounts due to group companies	26	84,846	89,272
Other payables	27	75,250	53,182
Credit lines	28	53,675	55,363
Amounts owed to bank depositors	29	346,290	221,268
Total liabilities		1,509,092	1,226,052
Net assets		278,553	250,194
Shareholders' equity			
Share capital and premium		-	-
Revaluation reserve		29,247	31,099
Share based payment reserve		5,320	5,320
Regulatory provisions reserve		334	-
Currency translation reserve		1,728	1,728
Retained earnings		231,750	202,394
		268,379	240,541
Non-controlling interests		10,174	9,653
Total equity		278,553	250,194



DIRECTOR
26 March 2026



DIRECTOR
26 March 2026

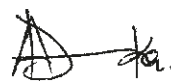
COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Notes	COMPANY 2025 USD 000	COMPANY 2024 USD 000
Assets			
Intangible assets	14	68	94
Property and equipment	15	1,157	333
Investment property	16	300	300
Investments and securities	20	31,151	20,657
Investments in subsidiary companies	21	344,610	331,440
Investments in associates	17	3,823	3,707
Amounts due by group companies	26	1,847	660
Other assets	22	17,175	25,843
Cash and cash equivalents	23	2,987	6,221
Total assets		403,118	389,255
Liabilities			
Deferred tax liability	18	465	2,872
Amounts due to group companies	26	85,838	86,437
Current tax payable		671	159
Other payables	27	12,342	7,402
Total liabilities		99,316	96,870
Net assets		303,802	292,385
Shareholders' equity			
Share capital and premium	30	-	-
Share based payment reserve		10,450	10,450
Revaluation reserve		92	92
Retained income		293,260	281,843
Total equity		303,802	292,385

atsekte

DIRECTOR
26 March 2026



DIRECTOR
26 March 2026

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Share capital & premium USD 000	Revaluation reserve USD 000	Share based payment reserve USD 000	Regulatory provisions reserve USD 000	Currency translation reserve USD 000	Retained earnings USD 000	Equity holders of the parent total USD 000	Non-controlling interests USD 000	Equity total USD 000
Shareholders' equity at beginning of year	-	31,099	5,320	-	1,728	202,394	240,541	9,653	250,194
Profit for the financial year	-	-	-	-	-	39,201	39,201	976	40,177
Property valuation loss	-	(1,852)	-	-	-	-	(1,852)	-	(1,852)
Total comprehensive (loss)/income for the year	-	(1,852)	-	-	-	39,201	37,349	976	38,325
Transfer between reserves	-	-	-	334	-	(334)	-	-	-
Dividends declared	-	-	-	-	-	(9,511)	(9,511)	(455)	(9,966)
Transactions with shareholders	-	-	-	334	-	(9,845)	(9,511)	(455)	(9,966)
Shareholders' equity at end of year	-	29,247	5,320	334	1,728	231,750	268,379	10,174	278,553
Year ended 31 December 2024	-	42,070	5,320	2,516	2,853	176,088	228,847	9,510	238,357
Profit for the financial year	-	-	-	-	-	27,609	27,609	474	28,083
Effects of changes in functional currency	-	-	-	-	(1,125)	-	(1,125)	-	(1,125)
Property valuation loss	-	(10,971)	-	-	-	-	(10,971)	-	(10,971)
Total comprehensive (loss)/income for the year	-	(10,971)	-	-	(1,125)	27,609	15,513	474	15,987
Transfer between reserves	-	-	-	(2,516)	-	2,516	-	-	-
Dividends declared	-	-	-	-	-	(3,819)	(3,819)	(331)	(4,150)
Transactions with shareholders	-	-	-	(2,516)	-	(1,303)	(3,819)	(331)	(4,150)
Shareholders' equity at end of year	-	31,099	5,320	-	1,728	202,394	240,541	9,653	250,194

Year ended 31 December 2025

Shareholders' equity at beginning of year

Profit for the financial year
Property valuation loss

Total comprehensive (loss)/income for the year

Transfer between reserves
Dividends declared

Transactions with shareholders

Shareholders' equity at end of year

Year ended 31 December 2024

Shareholders' equity at beginning of year

Profit for the financial year
Effects of changes in functional currency
Property valuation loss

Total comprehensive (loss)/income for the year

Transfer between reserves
Dividends declared

Transactions with shareholders

Shareholders' equity at end of year

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

Year ended 31 December 2025

	Share capital and premium USD 000	Share based payment reserve USD 000	Revaluation reserve USD 000	Retained earnings USD 000	Equity total USD 000
Shareholders' equity at beginning of year	-	10,450	92	281,843	292,385
Changes in equity arising in the year					
Profit for the year	-	-	-	21,313	21,313
Total comprehensive income	-	-	-	21,313	21,313
Dividends for the year	-	-	-	(9,896)	(9,896)
Shareholders' equity at end of year	-	10,450	92	293,260	303,802

Year ended 31 December 2024

Shareholders' equity at beginning of year	-	10,450	92	183,081	193,623
Changes in equity arising in the year					
Profit for the year	-	-	-	102,783	102,783
Total comprehensive income	-	-	-	102,783	102,783
Dividends for the year	-	-	-	(4,021)	(4,021)
Shareholders' equity at end of year	-	10,450	92	281,843	292,385

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	GROUP 2025 USD 000	GROUP 2024 USD 000
Cash flows from operating activities			
Operating profit		60,346	38,986
Non-cash movements and adjustments to operating profit	31.1	21,743	(38,126)
Changes in working capital	31.2	101,083	(15,017)
Premiums received		113,759	74,141
Insurance acquisition cash flows paid		(13,351)	(4,675)
Insurance claims paid, including investment components		(89,664)	(31,425)
Other insurance service expenses paid		(24,110)	(30,903)
Reinsurance premiums paid		(642)	(1,397)
Taxation paid	31.3	(21,648)	(8,714)
Net cash generated from/(utilised in) operating activities		147,516	(17,130)
Cash flows from investing activities			
Acquisition of financial assets	20	(141,954)	(90,568)
Disposal of financial assets	20	97,603	79,412
Acquisition of investment properties	16	(11,281)	(8,131)
Disposal of investment properties	16	8,890	58,417
Acquisition of intangible assets		(4,458)	(202)
Acquisition of property and equipment		(13,946)	(4,292)
Disposal of property and equipment		34	22
Dividend from associate		145	145
Net cash (used in)/generated from investing activities		(64,967)	34,803
Cashflows from financing activities			
Dividends paid	31.4	(9,966)	(4,146)
Lease payments		(744)	(498)
Credit lines drawn down		73,518	55,690
Credit lines paid		(75,203)	(92,710)
Net cash used in financing activities		(12,395)	(41,664)
Net increase/(decrease) in cash and cash equivalents		70,154	(23,991)
Net foreign exchange differences on cash and cash equivalents		93	29,448
Cash and cash equivalents at the beginning of the year		151,265	145,808
Cash and cash equivalents at the end of the year		221,511	151,265

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

Cash flows from operating activities

Operating profit
Non-cash movements and adjustments to operating profit
Changes in working capital
Taxation paid

Net cash generated from operating activities

Cash flows from investing activities

Acquisition of financial assets
Disposal of financial assets
Capital injection in subsidiary
Dividend received from associate
Acquisition of property and equipment

Net cash used in from investing activities

Cashflows from financing activities

Lease payments
Dividends paid

Net cash used in financing activities

Net (decrease)/increase in cash and cash equivalents

Net foreign exchange differences on cash and cash equivalents

Cash and cash equivalents at the beginning of the year

Cash and cash equivalents at the end of the year

Notes	COMPANY 2025 USD 000	COMPANY 2024 USD 000
	23,231	108,651
31.6	(415)	(96,529)
31.7	1,566	3,071
31.8	(4,073)	(3,800)
	20,309	11,393
	(6,155)	(24)
	16	348
	(6,646)	(3,113)
	145	145
	(923)	(40)
	(13,563)	(2,684)
	(84)	(74)
31.9	(9,896)	(4,025)
	(9,980)	(4,099)
	(3,234)	4,610
	-	(641)
	6,221	2,252
	2,987	6,221

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. General Information

Old Mutual Zimbabwe Limited (OMZIL), the Company which is an investment holding entity, and its subsidiaries are incorporated in Zimbabwe. These consolidated financial statements comprise the Company and its Subsidiaries (collectively the 'Group' and individually 'Group companies'). The Group's main subsidiaries and main activities are as follows:

- Central Africa Building Society (CABS) - mortgage lending and banking;
- Old Mutual Finance (Private) Limited (OMFIN) - micro finance lending;
- Old Mutual Investment Group Zimbabwe (Private) Limited (OMIG) - asset management;
- Old Mutual Life Assurance Company Zimbabwe Limited (OMLAC) - life assurance, pension and employee benefits services, which in turn wholly owns Old Mutual Funeral Services (Private) Limited (OMFS) – funeral services business;
- Old Mutual Securities (Private) Limited (OMSEC) - licensed securities dealing firm;
- Old Mutual Digital Services (Private) Limited (OMDS) - financial technology; and
- RM Insurance Holdings Company Limited (RMIH), with an operating subsidiary, Old Mutual Insurance Company (Private) Limited (OMICO) - short term insurer.

The holding company (OMZIL) is a 75% owned subsidiary of Old Mutual Africa Holdings which is ultimately a wholly owned subsidiary of Old Mutual Limited (OML), listed on the Johannesburg Stock Exchange.

2. Material Accounting Policy Information

2.1 Statement of compliance

The financial statements are prepared in compliance with IFRS Accounting Standards as issued by the IASB. IFRSs Accounting Standards comprise interpretations adopted by the IASB (IFRS Accounting Standards), and interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or by the former Standing Interpretations Committee (SIC).

The financial statements are prepared using the historical cost convention as the primary basis, but certain assets such as investment property, financial assets, and property and equipment are measured at fair value.

In preparing the consolidated financial statements, management makes critical accounting estimates and exercises judgement in applying the Group's accounting policies. Note 2.3 of the financial statements provides disclosure on areas that involve a higher degree of judgement or complexity, including assumptions and estimates that are significant to the financial statements.

The principal accounting policies adopted in the preparation of the financial statements are consistent with those adopted in the previous year except for the accounting policies that were adopted during the 2025 financial year and/or IFRS Accounting Standards revisions, refer to note 2.31 for the early adoption of IFRS 18 'Presentation and Disclosure in Financial Statements'.

2.2 Basis of preparation

The financial statements provide information about the financial position, results of operations and changes in the financial position of the Group. The financial statements are prepared and presented in United States of America States Dollars (USD). Old Mutual Zimbabwe Limited (holding company) adopted USD as the functional currency on 1 January 2024 and the Old Mutual Zimbabwe Limited Group changed its functional currency to USD effective from 1 July 2024.

2.3 Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Critical accounting estimates are those which involve the most complex or subjective judgement or assessments. The areas of the Group's business that typically require such estimates are listed below.

	Note reference
Insurance contract liabilities - insurance contract provisions	2.3.1 and 2.6
Fair value measurement of financial assets and liabilities	2.3.2 and 2.15
Investments in subsidiaries, associated undertakings and joint ventures	2.9
Impairment of loans and advances	2.15
Valuation of investments where the Group holds 20% or more	2.3.3 and 20.5
Valuation of housing projects	2.3.4 and 22.1
Valuation of investment property	2.3.2 and 16
Foreign currency denominated Legacy debts/Blocked funds	2.3.6 and 22.2

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.3 Critical accounting estimates and judgements (continued)

2.3.1 Insurance contract assets and liabilities, and reinsurance contract assets and liabilities

By applying IFRS 17 to measurement of insurance contracts issued (including investment contracts with discretionary participation features (DPF)) and reinsurance contracts held, the Group has made estimations in the following key areas:

- Future cash flows
- Discount rates
- Allocation rate for insurance finance income or expenses
- Risk adjustment for non-financial risk
- Allocation of asset for insurance acquisition cash flows to current and future groups of contracts.

	2025 USD 000	2024 USD 000
Insurance contracts issued that are liabilities	784,376	709,312
Reinsurance contracts held that are assets	8,696	6,979

Technique for estimation of future cash flows

In estimating fulfilment cash flows included in the contract boundary, the Group considers the range of all possible outcomes in an unbiased way specifying the amount of cash flows, timing and probability of each scenario reflecting conditions existing at the measurement date, using a probability-weighted average expectation. The probability weighted average represents the probability-weighted mean of all possible scenarios. In determining possible scenarios, the Group uses all the reasonable and supportable information available to them without undue cost and effort, which includes information about past events, current conditions and future forecasts.

Cash flow estimates include both market variables directly observed in the market or derived directly from markets and non-market variables such as mortality rates, accident rates, average claim costs, probabilities of severe claims, policy surrender rates. The Group maximises the use of observable inputs for market variables and utilises internally generated group-specific data. For life insurance contracts, the Group uses national statistical data for estimating the mortality rates as the national statistical data is more current than internal mortality statistics.

In measuring investment-linked life insurance contracts' cash flows or a portion of those cash flows, the Group uses a fair value of a 'replicating asset' or a 'replicating portfolio of assets' where cash flows exactly match the cash flows (or some of the cash flows) of a group of insurance contracts in all scenarios in terms of timing, amount and uncertainty. The fair value of the asset reflects both the expected present value of the cash flows and their associated risk, and this matches the characteristics of the group of insurance contracts in all scenarios (see note 2.6) for more details.

Method of estimating discount rates

In determining discount rates for different products, the Group uses the top-down approach for cash flows of non-participating contracts that do not depend on underlying items. Applying this approach, the Group uses the yield curve created by market rates of return implied in the fair value of a reference portfolio of assets and adjusts it to exclude the effects of risks present in the assets, but not in the insurance cash flows, except for the differences in liquidity, which need not be eliminated. One of the key sources of estimation uncertainty is estimating the market risk premiums for credit risk of the underlying items that are only relevant to assets included in the reference portfolio, but not to the non-participating contracts (and are accordingly excluded).

The Group looks to the market price of credit derivatives as a reference point. The key source of estimation uncertainty is determining discount rates beyond the last observable period for which credit derivatives are available. The other key source of estimation uncertainty is estimating the effect of the differences in timing, amount, and uncertainty of the cash flows of items in the reference portfolio and the cash flows of the group of insurance contracts.

To derive the yield curve from the reference portfolio of items, the Group uses observable market inputs such as market prices in an active market. The Group exercises judgement to assess similarities between the characteristics of a reference portfolio of assets for which observable market information is available and the characteristics of the insurance contracts being measured.

Sensitivity analysis of carrying amounts to changes in assumptions

	2025 USD 000	2024 USD 000
5% increase in mortality rates	(19)	(23)
5% decrease in mortality rates	20	24
10% increase in discontinuance (lapse) rates	(176)	(289)
10% decrease in discontinuance (lapse) rates	185	303
10% increase in maintenance rates (expenses)	1,712	1,019
10% decrease in maintenance rates (expenses)	(1,712)	(1,039)
100bps increase in valuation rates	(14)	(84)
100bps decrease in valuation rates	26	85

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.3 Critical accounting estimates and judgements (continued)

2.3.1 Insurance contract assets and liabilities, and reinsurance contract assets and liabilities (continued)

Estimation of allocation rate for insurance finance income or expenses

The Group uses either the constant or crediting rate in the systematic allocation of insurance finance income or expenses.

The constant rate used in a period is calculated applying the formula which uses three variables: the estimate of future cash flows at the end of the reporting period (not discounted), the present value of future cash flows brought forward discounted by the constant rate used in the previous period, and the expected duration of the group contracts. In determining the constant rate, the Group estimates the expected insurance finance income or expenses over the remaining duration of the group that is partly implicit in the estimated cash flows.

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows arising from insurance risk and other non-financial risks such as lapse risk and expense risk. It measures the degree of variability of expected future cash flows and the Group -specific price for bearing that risk and reflects the degree of the Group's risk aversion. The Group determines the risk adjustment for non-financial risk at the entity level and then allocates it to all the groups of insurance contracts. In estimating the risk adjustment, the Group uses the cost of capital method. The method looks at estimating the additional amount of capital required for the amount of uncertainty, and then estimating the expected cost of that capital over the period of the risk. The expected cost of capital is determined at 8% per annum applied to the present value amount of projected capital relating to non-financial risk, which is calculated at 95% confidence level (2024: 95%). The resulting risk adjustment corresponds to an 80% confidence level (2024: 80%).

Allocation of asset for insurance acquisition cash flows to current and future groups of contracts

The Group allocates the asset for insurance acquisition cash flows to an associated group of contracts and to any future groups that include the contracts that are expected to arise from the renewals of the contracts in that group using a systematic and rational method. In doing so, the Group estimates the expected contracts to be included within a future group or the number of renewals that may arise from an original group when allocating the asset.

Non-financial risk factors, also referred to as underwriting variables, are the key sources of estimation uncertainty, as they impact estimates of future cash flows and their associated probabilities, and affect the amount of projected capital required at 95% confidence level, which in turn impacts the overall amount of risk adjustment for non-financial risk. See note 2.6 for further detail on the underwriting variables.

Assessment of significance of insurance risk

The Group applies its judgement in assessing whether a contract transfers to the issuer significant insurance risk. A contract transfers significant insurance risk only if an insured event could cause the Group to pay additional amounts that are significant in any single scenario and only if there is a scenario that has commercial substance in which the issuer has a possibility of a loss on a present value basis upon an occurrence of the insured event, regardless of whether the insured event is extremely unlikely. The assessment of whether additional amounts payable on the occurrence of an insured event are significant and whether there is any scenario with commercial substance in which the issuer has a possibility of a loss on a present value basis involves significant judgement and is performed at initial recognition on a contract-by-contract basis. The type of contracts where this judgement is required are those that transfer financial and insurance risk and result in the latter being the smaller benefit provided.

Consideration whether there are investment components:

The Group considers all terms of contracts it issues to determine whether there are amounts payable to the policyholder in all circumstances, regardless of contract cancellation, maturity, and the occurrence or non-occurrence of an insured event. Some amounts, once paid by the policyholder, are repayable to the policyholder in all circumstances. The Group considers such payments to meet the definition of an investment component, irrespective of whether the amount repayable varies over the term of the contract as the amount is repayable only after it has first been paid by the policyholder.

2.3.2 Valuation of investment properties, financial assets, and liabilities

The fair values of investment properties, financial assets and liabilities are classified and accounted for in accordance with the policies set out in section 2.9 and 2.14 below. They are valued on the basis of listed market prices in so far as this is possible. If prices are not readily determinable, fair value is based either on internal valuation models or management estimates of amounts that could be realised under current market conditions. The Group engaged external valuers to perform independent valuations for investment properties.

2.3.3 Investments where the Group holds 20% or more

The Group is required to make judgements on what constitutes an investment in associate. IAS 28 'Investments in Associates and Joint Ventures' states that if an entity holds 20%, directly or indirectly of the voting power of the investee, it is presumed that the entity has significant influence unless it can clearly be demonstrated that it is not the case. In determining significant influence factors such as board representation, level of transactions and ability to exercise significant influence are also considered. The Standard provides an exemption for venture capital organisations, mutual funds, unit trusts and similar entities including investment linked insurance funds to measure investments in those entities at fair value through profit or loss in accordance with IFRS 9 "Financial Instruments: Recognition and measurement". The Group's accounting policy is to apply fair value measurement model to the unquoted investments. The valuation models therefore involve judgement related to adopting an appropriate valuation methodology and the observability of the input data and factors used in the valuation.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.3 Critical accounting estimates and judgements (continued)

2.3.3 Investments where the Group holds 20% or more (continued)

The Group has investment linked insurance funds which include investments in which the Group has more than 20% disclosed on note 20.5 These funds are backed by investment contracts with discretionary participating features and meet the following characteristics:

- The policyholder has a clear understanding of the type of investments the Group invests in;
- There is a link between the investments and what the policyholders are entitled to;
- The valuation of the liability is based on the value of the assets; and
- The assets backing these liabilities are ring-fenced.

These funds where the Group holds 20% or more, which back policyholder liabilities, are accounted for in terms of IFRS 9, at fair value.

2.3.4 Valuations of housing projects

Inventory comprises housing units/housing projects which are valued at the lower of cost or net realisable value of the completed housing units. The significant judgement is the estimate of cost to completion used in determination of the net realisable value. Management makes use of external valuations performed by external valuers for confirmation of the determined net realisable value. Housing projects are disclosed in note 22.1.

2.3.5 Valuation of treasury bills

The valuation of treasury bills financial instruments on initial recognition, and the subsequent measurement thereof, has been identified as a complex area due to the fact that there are varying views in the banking sector on the correct accounting treatment of these treasury bills, and due to the absence of an active market with sufficient trades to inform the fair value of the treasury bills. The treasury bills are disclosed in note 20.6 and are recorded at amortised cost.

2.3.6 Legacy debts /Blocked funds

In June 2019, the RBZ invited all parties with Legacy Debts to apply for registration in order to guarantee settlement of these debts at the rate of 1:1. The Group made applications relating to amounts incurred in USD between 2012 and 2018, when the functional currency was USD and prior to the promulgation of SI 33 of February 2019, to providers of offshore lines of credit as well as related parties within the wider Old Mutual Limited Group. CABS received approval for USD26.4m owing mostly to loan repayments for offshore lines of credit and foreign suppliers of goods and services. OMZIL also obtained approval for USD83.8 million in respect of unremitted dividends (USD32.1 million), obligations under the 2012 indigenisation transaction (USD50 million) and management fees (USD1.7 million). CABS got additional approval for USD1.3 million whilst an additional USD0.5 million in respect of management fees was also approved for other Group subsidiaries. Upon transferring local funds for the registration of legacy debts/blocked funds, a legitimate expectation to receive cash flows under the arrangement was created and an asset was recognised on the Group's statement of financial position, reflecting the value of expected cash flows.

This statutory receivable which is held on amortised cost has been valued on the assumption that a right to receive, at a future date, an amount equivalent to the debt registered now exists. The carrying value of the statutory receivable reflects management's assessment of the present value of the expected net cash flows to be received under this arrangement. The RBZ had stated its intention to honour its commitment and has provided liquidity to support obligations that CABS has settled to the tune of USD28 million. In January 2022, Parliament passed the Finance Act No 7 of 2021. The Act provided for the Government to take responsibility for discharging the outstanding registered blocked funds on the RBZ's statement of financial position. The terms of discharge of the blocked funds will be determined by the Minister of Finance, Economic Development and Investment Promotion whose Ministry would directly assume responsibility for the debt. Please refer to additional disclosures in note 22. For the 2025 financial year, the expected proceeds under the arrangement are classified as a legacy debt receivable.

2.4 Scope of consolidation

2.4.1 Subsidiary undertakings

Subsidiary undertakings are those entities controlled by the Group. The financial statements of subsidiaries are included in the Group financial statements from the date that control commences until the date that control ceases. Subsidiary undertakings include structured entities that are created and designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, and the relevant activities are directed by means of contractual arrangements. The results of subsidiary undertakings acquired and disposed of during the year are included in profit or loss from the date of acquisition, up to the date of disposal or control ceasing. Intra-Group balances and transactions, and all profits and losses arising from intra-Group transactions, are eliminated in preparing the Group financial statements. Unrealised losses are not eliminated to the extent that they provide evidence of impairment.

Non-controlling interests (NCI) are measured at their proportionate share of the values of the assets and liabilities recognised at initial recognition in business combination. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the Group). The parent company financial statements present information about the Company as a separate entity and not about the Group.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.4 Scope of consolidation (continued)

2.4.2 Structured Entities

Control exists when the Group is exposed to or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group remains exposed to the variability of returns from the performance of the other entity. The Group considers evidence from its holding of debt or equity instruments as well as other forms of involvement such as provision of funding, liquidity support, credit enhancement and guarantees to the other entity. The Group financial statements include the assets, liabilities, and results of the Group together with subsidiary undertakings controlled by the Group.

2.4.3 Loss of Control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured as a financial asset at fair value when control is lost, or in terms of IAS 28 if it is an associate.

2.5 Revenue

Revenue comprises insurance revenue from insurance contracts and investment contracts with a discretionary participating feature, fee income from investment management contracts, commission income, banking interest income, fees and commission income, non-banking interest income, dividend income, investment income, and fees for administration and management of policyholder funds.

The Group recognises revenue from contracts with customers based on the amount expected to be received from customers when the performance obligations agreed to by the Group have been satisfied. Performance obligations are satisfied through the transfer of the promised services to the customer. The Group transfers the promised service over time or at a point in time depending on the nature of the promised services. In the majority of instances, the performance obligations are satisfied as the Group renders the agreed financial services to our customers over time.

Banking and lending

The Group provides banking and lending services to retail and corporate customers. These services include, but are not limited to account management, transaction support, provision of overdraft facilities and issuing of loans. Revenue from account management and provision of overdraft facilities are recognised over time as the Group renders these services. Revenue derived from specific transactions are recognised when the transaction takes place. Loan origination fees are included in the yield on the loan provided and are recognised as part of interest income through the effective interest method. Fee and commission income on lending activities relates primarily to administration fees. These fees are recognised as revenue over time as the Group administers the loan accounts for our clients. In the lending business the administration fee income is realised through loan instalment collection process.

Asset management

Revenue from asset management consists of asset management fees and commission income. Asset management fees are recognised as revenue over time as the Group provides the services. When the Group receives up-front payments for services to be rendered in the future, the payments are accounted for as contract liabilities. Fee and commission income is earned through providing asset management and related investment administration services to our clients. Fee and commission income is primarily based on funds-under-management, investment commitment values or amounts drawn from investors. Fee and commission income is generally recognised over time, on a monthly basis, as the services are rendered.

Insurance

Insurance service revenue is recognised using IFRS 17. The Group recognises insurance revenue as it satisfies its performance obligations – i.e. as it provides services under groups of insurance contracts. Refer to note 2.6 for the detailed accounting policies applied.

Investment return

This consists of dividends, rentals, interest, fair value movements and similar income that is recognised under IFRS 9. Also included are estimates and judgements around credit risk, the risk of default and the time value of money. There are no judgements made around dividends receivable as they only become receivable when declared.

Digital services

Revenue from digital services consists mainly of transactional fees from the wallet services which include cash-in and cash-out services and is recognised under IFRS 15. The business also offers micro-insurance products which is another source of revenue.

2.6 Insurance contracts

2.6.1 Classification of contracts

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 ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.6 Insurance contracts (continued)

2.6.1 Classification of contracts (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 discretionary participation features issued by the Group fall under this category.

Some investment contracts issued by the Group contain discretionary participation features (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 insurance contracts with direct participation features 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.

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.

All other insurance contracts originated by the Group are insurance contracts 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.

2.6.2 Separation of components of insurance contracts

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.

2.6.3 Level of aggregation of insurance contracts

The Group manages insurance contracts issued by product lines. Insurance contracts within a product line that are subject to similar risks and are managed together are aggregated into 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.

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.

2.6.4 Recognition

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. The Group becomes party to a contract when the Group accepts the first payment, which is the date from which the Group has an obligation to provide investment-return or investment-related service.

The Group recognises a group of proportionate reinsurance contracts held from the later of:

- the beginning of the coverage period of the group of reinsurance contracts held; or
- the date of initial recognition of any underlying contract.

If the Group recognises an onerous group of underlying contracts before the beginning of the coverage period of the group of reinsurance contracts held, then the group of proportionate reinsurance contracts held is recognised at the same time as the onerous group of underlying contracts.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.6 Insurance contracts (continued)

2.6.4 Recognition (continued)

The Group recognises a group of non-proportionate reinsurance contracts held (such as group-wide catastrophe stop-loss reinsurance) from the beginning of the coverage period of the group of reinsurance contracts; this is typically the first period in which premiums are paid or reinsurance recoveries are received. Reinsurance contracts are to be recognised in full for all underlying insurance contracts expected to be issued that fall within the boundary of the reinsurance contracts held.

An insurance contract is derecognised when it is:

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

2.6.5 Modification

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 fulfilment cash flows (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 premium allocation approach (PAA), but the modification means that the contract no longer meets the eligibility criteria for that approach.

2.6.6 Derecognition

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 contractual service margin (CSM) (unless the decrease in the FCF is allocated to the loss component of the liability for remaining coverage (LFRC)) 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.
 - iii. If the original contract is modified resulting in its derecognition, in the amount of the FCF adjustment in (a) adjusted for the premium the Group would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification. When recognising the new contract in this case, the Group assumes such a hypothetical premium as actually received.
- c) Adjusts the number of coverage units for the expected remaining coverage to reflect the number of coverage units removed.

When an insurance contract accounted for under the PAA is derecognised, adjustments to the FCF to remove related 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 LFRC 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 LFRC 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 LFRC 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.

2.6.7 Insurance revenue and expenses

Insurance revenue and insurance service expenses exclude any investment components and are recognised as follows:

Insurance revenue – Contracts not measured under the PAA

The Group recognises insurance revenue as it satisfies its performance obligations – i.e. as it provides services under groups of insurance contracts. For contracts not measured under the PAA, the insurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services for which the Group expects to receive consideration, and comprises the following items:

- A release of the CSM, measured based on coverage units provided.
- Changes in the risk adjustment for non-financial risk relating to current services.
- Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year. This includes amounts arising from the derecognition of any assets for cash flows other than insurance acquisition cash flows at the date of initial recognition of a group of contracts which are recognised as insurance revenue and insurance service expenses at that date.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.6 Insurance contracts (continued)

2.6.7 Insurance revenue and expenses (continued)

Other amounts, including experience adjustments for premium receipts for current or past services for the life risk segment and amounts related to incurred policyholder tax expenses for the participating segment.

In addition, the Group allocates a portion of premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way based on the passage of time. The Group recognises the allocated amount, adjusted for interest accretion at the discount rates determined on initial recognition of the related group of contracts, as insurance revenue and an equal amount as insurance service expenses.

Insurance revenue – Contracts measured under the PAA

For contracts measured under the PAA, the insurance revenue for each period is the amount of expected premium receipts for providing services in the period. The Group allocates expected premiums equally to each period of related insurance contract services, unless the expected pattern of the release of risk during the coverage period differs significantly from an even basis. In the latter case, expected premium receipts are allocated to the period based on the expected timing of incurred claims and other incurred insurance service expenses.

Loss components

For contracts not measured under the PAA, the Group establishes a loss component of the liability for remaining coverage for onerous groups of insurance contracts. The loss component determines the amounts of fulfilment cash flows that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue when they occur. When the fulfilment cash flows are incurred, they are allocated between the loss component and the liability for remaining coverage excluding the loss component on a systematic basis.

Changes in fulfilment cash flows relating to future services and changes in the amount of the Group's share of the fair value of the underlying items for direct participating contracts are allocated solely to the loss component. If the loss component is reduced to zero, then any excess over the amount allocated to the loss component creates a new CSM for the group of contracts.

Insurance service expenses

Insurance service expenses arising from insurance contracts are recognised in profit or loss generally as they are incurred. They exclude repayments of investment components and comprise the following items:

- Incurred claims and other insurance service expenses: For some life risk contracts, incurred claims also include premiums waived on death or detection of critical illness.
- Amortisation of insurance acquisition cash flows: For contracts not measured under the PAA, this is equal to the amount of insurance revenue recognised in the year that relates to recovering insurance acquisition cash flows. For contracts measured under the PAA, the Group amortises insurance acquisition cash flows on a straight-line basis over the coverage period of the group of contracts.
- Losses on onerous contracts and reversals of such losses.
- Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein.
- Impairment losses on assets for insurance acquisition cash flows and reversals of such impairment losses.

Net expenses from reinsurance contracts

Net expenses from reinsurance contracts comprise an allocation of reinsurance premiums paid less amounts recovered from reinsurers.

The Group recognises an allocation of reinsurance premiums paid in profit or loss as it receives services under groups of reinsurance contracts. For contracts not measured under the PAA, the allocation of reinsurance premiums paid relating to services received for each period represents the total of the changes in the asset for remaining coverage that relate to services for which the Group expects to pay consideration.

For contracts measured under the PAA, the allocation of reinsurance premiums paid for each period is the amount of expected premium payments for receiving services in the period.

For a group of reinsurance contracts covering onerous underlying contracts, the Group establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:

- on recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognised; and
- for changes in fulfilment cash flows of the group of reinsurance contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Group expects to recover from the reinsurance contracts.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.6 Insurance contracts (continued)

2.6.7 Insurance revenue and expenses (continued)

Insurance finance income and expenses

Insurance finance income and expenses comprise changes in the carrying amounts of groups of insurance and reinsurance contracts arising from the effects of the time value of money, financial risk and changes therein, unless any such changes for groups of direct participating contracts are allocated to a loss component and included in insurance service expenses. They include changes in the measurement of groups of contracts caused by changes in the value of underlying items (excluding additions and withdrawals).

The Group has chosen not to disaggregate insurance finance income and expenses between profit or loss and OCI. All insurance finance income and expenses for the period is presented in profit or loss.

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

Significant judgements and estimates Fulfilment cash flows

The Group's objective in estimating future cash flows is to determine the expected value of a range of scenarios that reflects the full range of possible outcomes. The cash flows from each scenario are discounted and weighted by the estimated probability of that outcome to derive an expected present value. If there are significant interdependencies between cash flows that vary based on changes in market variables and other cash flows, then the Group uses stochastic modelling techniques to estimate the expected present value. Stochastic modelling involves projecting future cash flows under a large number of possible economic scenarios for market variables such as interest rates and equity returns.

Estimates of future cash flows

In estimating future cash flows, the Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events. The estimates of future cash flows reflect the Group's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices. Investment guarantees embedded in insurance contracts and investment contracts with discretionary participation features are measured using stochastic modelling techniques because the guarantee does not move symmetrically with different investment return scenarios. The Group's measurement of the investment guarantee reserves incorporates a full range of scenarios representing possible future investment return (or interest rate) environments.

Contract boundaries

The assessment of the contract boundary, which defines which future cash flows are included in the measurement of a contract, requires judgement and consideration of the Group's substantive rights and obligations under the contract.

Insurance contracts

Some term assurance and critical illness contracts issued by the Group have annual terms that are guaranteed to be renewable each year. The Group determines that the cash flows related to future renewals (i.e. the guaranteed renewable terms) of these contracts are outside the contract boundary. This is because the premium charged for each year reflects the Group's expectation of its exposure to risk for that year and, on renewal, the Group can reprice the premium to reflect the reassessed risks for the next year based on claims experience and expectations for the respective portfolio. Any renewal of the contract is treated as a new contract and is recognised, separately from the initial contract, when the recognition criteria are met.

Some universal life contracts contain a guaranteed annuity option, which allows the policyholder to convert, on maturity of the stated term, the maturity benefit into an immediately starting life-contingent annuity at a predetermined rate. The Group has assessed the contract boundary for the entire contract, including the option, and concluded that the cash flows related to the guaranteed annuity option fall within the boundary of the contract. This is because the Group does not have the practical ability to reprice the contract on maturity of the stated term.

Reinsurance contracts

Each of the Group's quota share reinsurance contracts has an annual term, covers underlying contracts issued within the term on a risk-attaching basis and provides unilateral rights to both the Group and the reinsurer to terminate the cession of new business at any time by giving three months' notice to the other party. On initial recognition, the cash flows within the reinsurance contract boundary are determined to be those arising from underlying contracts that the Group expects to issue and cede under the reinsurance contract within the next three months. Subsequently, expected cash flows beyond the end of this initial notice period are considered cash flows of new reinsurance contracts and are recognised, separately from the initial contract, as they fall within the rolling three-month notice period.

Each of the Group's excess of loss and stop loss reinsurance contracts has an annual term and covers claims from underlying contracts incurred within the year (i.e. loss occurring). Cash flows within the contract boundary are those arising from underlying claims incurred during the year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.6 Insurance contracts (continued)

2.6.7 Insurance revenue and expenses (continued)

Life and savings

Assumptions about mortality/longevity, morbidity and policyholder behaviour that are used in estimating future cash flows are developed by product type at local entity level, reflecting recent experience and the profiles of policyholders within a group of insurance contracts.

Mortality/longevity and morbidity assumptions are generally developed using a blend of national mortality data, industry trends and the local entity's recent experience. Experience is monitored through regular studies, the results of which are reflected both in the pricing of new products and in the measurement of existing contracts.

Policyholder behaviour is a key assumption in the measurement of life savings and participating insurance contracts. Each type of policyholder behaviour is estimated by product type, based on trends in recent experience.

Property and casualty

The Group estimates the ultimate cost of settling claims incurred but unpaid at the reporting date and the value of salvage and other expected recoveries by reviewing individual claims reported and making allowance for claims incurred but not yet reported. The ultimate cost of settling claims is estimated using a range of loss reserving techniques. These techniques assume that the Group's own claims experience is indicative of future claims development patterns and therefore ultimate claims cost. The ultimate cost of settling claims is estimated separately for each geographic area and line of business, except for large claims, which are assessed separately from other claims.

The assumptions used, including loss ratios and future claims inflation, are implicitly derived from the historical claims development data on which the projections are based, although judgement is applied to assess the extent to which past trends might not apply in the future and future trends are expected to emerge.

Discount rates

All cash flows are discounted using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts. The Group generally determines the risk-free rates using the observed mid-price swap yield curves for AA-rated banks (adjusted for the bank's credit risk). The yield curve is interpolated between the last available market data point and an ultimate forward rate, which reflects long-term real interest rate and inflation expectations. For markets in which there is no reliable swap yield curve, government bond yields are used. Although the ultimate forward rate is subject to revision, it is expected to be stable and would change only on significant changes to long-term expectations. To reflect the liquidity characteristics of the insurance contracts, the risk-free yield curves are adjusted by an illiquidity premium as appropriate. Illiquidity premiums are generally determined by comparing the spreads on corporate bonds with the costs of CDSs with matching critical terms for the same issuer.

Cash flows that vary based on the returns on any financial underlying items are adjusted for the effect of that variability using risk-neutral measurement techniques and discounted using the risk-free rates as adjusted for illiquidity. When the present value of future cash flows is estimated by stochastic modelling, the cash flows are discounted at scenario specific rates calibrated, on average, to be the risk-free rates as adjusted for illiquidity.

The table below set out the yield curves used to discount the cash flows of insurance contracts for major currencies.

	At 31 December 2025	At 31 December 2024
Risk-free reference spot yields and expense inflation		
Risk-free (based on bond curve)		
1 year	20%	15%
5 years	15.92%	6.93%
10 years	11.20%	6.72%
20 years	7.44%	6.72%
Expense inflation (based on bond curve)		
1 year	12.74%	51.28%
5 years	5.85%	5.19%
10 years	5.16%	5.13%
20 years	5.13%	5.13%

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.6 Insurance contracts (continued)

2.6.7 Insurance revenue and expenses (continued)

Risk adjustments for non-financial risk

Risk adjustments for non-financial risk are determined to reflect the compensation that the individual issuing entity would require for bearing non-financial risk, separately for the non-life and other contracts, and are allocated to groups of contracts based on an analysis of the risk profiles of the groups. Risk adjustments for non-financial risk reflect the diversification benefits from contracts issued by the entity, in a way that is consistent with the compensation that it would require and that reflects its degree of risk aversion, and the effects of the diversification benefits are determined using a correlation matrix technique.

The risk adjustment for non-financial risk is determined using a confidence level technique. To determine the risk adjustments for non-financial risk for reinsurance contracts, the Group applies these techniques both gross and net of reinsurance and derives the amount of risk being transferred to the reinsurer as the difference between the two results.

Applying a confidence level technique, the Group estimates the probability distribution of the expected present value of the future cash flows from insurance contracts at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at the 75th percentile (the target confidence level) over the expected present value of the future cash flows.

Contractual service margin

Determination of coverage units

The CSM of a group of contracts is recognised in profit or loss to reflect services provided in each year based on the number of coverage units provided in the year, which is determined by considering for each contract the quantity of the benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date.

The Group determines the quantity of the benefits provided under each contract as follows.

Benefit type	Coverage unit
Lump sum pure risk benefits	Projected total sum assured in-force
Income protection benefits (where the insured event is defined as the policyholder becoming sick or disabled)	Present value of regular payments on claim inception
Income protection benefits (where the insured event is defined as the policyholder continuing to be sick or disabled)	Projected regular payment in-force
Waiver of premium benefits (payable on death or where the insured event is defined as the policyholder becoming sick or disabled)	Present value of waived premiums on claim inception
Waiver of premium benefits (where the insured event is defined as the policyholder continuing to be sick or disabled)	Projected waived premium in-force
Guaranteed and inflation-linked annuities	Insurance Service: Projected annuity in-force (outside of the guaranteed period) Investment Service - Option 1: Present value of annuity payments remaining within the guaranteed period - Option 2: Projected annuity in-force (within the guaranteed period)
Reinsurance benefits	Projected total reinsurance sum assured in-force
Investment contracts with discretionary participation features	Underlying item (unit fund and bonus smoothing account)
Universal life contracts with direct participation features	Higher of projected total sum assured in-force (excluding accelerated benefits) and underlying item (unit fund and bonus smoothing account)
Conventional reversionary bonus contracts	Projected total sum assured in-force (including projected bonuses)

For insurance contracts that provide both insurance coverage and investment services, the assessment of the quantity of benefits entails determining the relative weighting of the benefits provided to the policyholder by these services, determining how the benefits provided by each service change over the coverage period and aggregating those different benefits.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.6 Insurance contracts (continued)

2.6.7 Insurance revenue and expenses (continued)

To determine the relative weighting of the benefits provided by insurance coverage and investment services, the Group generally considers the selling prices for the services had they been offered on a stand-alone basis and adjusts the quantity of benefits for each service in proportion to those stand-alone selling prices. The stand-alone selling price for a service may be evidenced by observable prices when the Group sells that service separately to policyholders with similar characteristics.

Risk mitigation option

The Group uses derivatives and other instruments to mitigate the financial risk arising from financial guarantees in certain participating contracts in accordance with its documented risk management objective and strategy for mitigating financial risk. An economic offset exists between the insurance contracts and the risk-mitigating items, and credit risk does not dominate the economic offset.

The Group has chosen to recognise changes in the amount of its share of the fair value of the underlying items and changes in fulfilment cash flows due to changes in the effect of financial risk not arising from underlying items that are mitigated by the use of derivatives or reinsurance contracts in profit or loss and not to adjust the CSM.

Investment components

The Group identifies the investment component of a contract by determining the amount that it would be required to repay to the policyholder in all scenarios with commercial substance. These include circumstances in which an insured event occurs or the contract matures or is terminated without an insured event occurring. Investment components are excluded from insurance revenue and insurance service expenses.

Some participating contracts have explicit surrender values. The investment component excluded from insurance revenue and insurance service expenses is determined as the surrender value specified in the contractual terms less any accrued fees and surrender charges.

2.7 Investment contracts

Liabilities for investment contracts without discretionary participating features are classified as financial liabilities at fair value through profit or loss and are measured at fair value. For unit linked and market linked contracts this is calculated as the account balance, which is the value of the units allocated to the policyholder, based on the bid price value of the assets in the underlying fund (adjusted for tax). For other linked contracts, the fair value of the liability is determined by reference to the fair value of the underlying assets and is in accordance with the Financial Soundness Valuation (FSV) method, except that negative dollar reserves arising from the capitalisation of future margins are not permitted. The fair value of the liability is subject to the "deposit floor" such that the liability established cannot be less than the amount repayable on demand.

2.8 Intangible assets

Intangible assets are measured at cost on initial recognition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses.

Intangible assets are amortised over their useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method is reviewed at least each financial year-end. Changes in expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. Intangible assets are amortised over a period of 5 years using the straight-line method. The carrying value of capitalised development costs is reviewed for impairment annually when the asset is not yet in use or more frequently when an indication of impairment arises during the reporting year.

Subsequent expenditure is capitalised when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. On derecognition of intangible assets the remaining carrying amount of the asset is written down in profit or loss in the period of recognition.

2.9 Investments in subsidiaries and associates

2.9.1 Investment in subsidiary companies

Investments in subsidiary companies are recognised and subsequently measured at fair value through profit or loss in accordance with IFRS 9 as outlined in note 2.15.

2.9.2 Investments in associates

An associate is an entity over which the group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.9 Investments in subsidiaries and associates (continued)

2.9.2 Investments in associates (continued)

Measurement

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired. Dividends received from the investee reduce the carrying amount of the investment.

Impairment

If there is objective evidence that the group's net investment in an associate is impaired, the requirements of IAS 36 'Impairment of Assets', are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment.

Derecognition

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9.

2.10 Investment property

Investment property is real estate held to earn rentals and/or for capital appreciation. It does not include owner-occupied property.

Investment properties are initially measured at cost and subsequently at fair value through profit or loss. Fair values are determined by internal professional valuers who perform valuations bi-annually. The fair values are tested by comparing with values determined by three independent external valuers for a sample of properties accounting for at least 65% of the total value of the property portfolio or for at least the top twenty-five buildings by value and as well as properties being valued for the first time. An investment property shall be derecognised (eliminated on the statement of financial position) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal.

The valuation methodology adopted is dependent upon the nature of the property. The investment method was applied on all income producing properties. This method was applied on industrial, retail, and commercial properties and offices. The direct comparison method was applied to land holdings and residential properties. Property developments are valued in a similar manner to income generating assets except where information about future net income cannot be determined with sufficient confidence, in which case fair value is estimated with reference to the value of the land, and the cost of construction to date. Surpluses and deficits arising from changes in fair value are reflected in profit or loss.

For properties reclassified during the year from property and equipment to investment properties up to the date of change, any revaluation gain arising is initially recognised in profit or loss to the extent of previously charged impairment losses. Any residual excess is taken to the revaluation reserve. Revaluation deficits are recognised in the revaluation reserve to the extent of previously recognised gains and any residual deficit is accounted for in profit or loss. Investment properties that are reclassified to owner-occupied property should be revalued at date of transfer, with any difference recognised in profit or loss. Its fair value at date of reclassification becomes its fair value for subsequent accounting.

2.11 Property and equipment

Owned assets

Owner-occupied property is recognised at revalued amounts, being the fair value at the date of the revaluation less subsequent accumulated depreciation and accumulated impairment losses. Equipment, principally computer equipment, motor vehicles, fixtures and furniture, are recognised at cost less accumulated depreciation and impairment losses. Property under development is valued at cost.

Subsequent expenditure

Subsequent expenditure on capitalised property and equipment is capitalised when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be reliably measured. Expenditure incurred to replace a separate component of an item of owner-occupied property or equipment is capitalised to the cost of the item and the component replaced is derecognised. All other expenditure is recognised in profit or loss as an expense when incurred.

Revaluation of owner-occupied property

Owner-occupied property is recognised at fair value. Internal professional valuers perform valuations annually. The procedures followed are as per note 10 and 15. When an individual owner-occupied property is revalued, any increase or decrease in its carrying amount (as a result of the revaluation) is recognised in other comprehensive income in a revaluation reserve, except to the extent that it represents an increase that reverses a revaluation decrease previously recognised in profit or loss, or a decrease that exceeds the revaluation surplus in which case the increase or decrease is recognised in profit or loss.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.11 Property and equipment (continued)

Derecognition

The carrying amount of an item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. On derecognition of equipment, any gain or loss on disposal, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss in the period of derecognition. In the case of owner-occupied property, any surplus in the revaluation reserve in respect of the individual property is transferred directly to retained earnings.

Depreciation

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of items of owner-occupied property and equipment that are accounted for separately.

In the case of owner-occupied property, on revaluation, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the property concerned and the net amount restated to the revalued amount. Subsequent depreciation charges are adjusted based on the revalued amount for each property. Land is not depreciated.

Owner-occupied property is depreciated over a period of 50 years using the straight-line method. Leasehold property is depreciated over a period of 20 years using the straight-line method. Light motor vehicles, computer equipment, fixtures and furniture are depreciated over 5 years and mobile phones over 2 years using the straight-line method. Buses, mini-buses and trucks are depreciated over 10 years using the straight-line method, refer to note 2.29 for the change in the accounting estimate. Residual values, useful lives and depreciation methods are re-assessed at each reporting date.

2.12 Taxation

The tax charge for the current year comprises current and deferred tax. Included within the tax charge are charges relating to normal income tax, and taxes payable on behalf of policyholders. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly to other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred taxation is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred taxation provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the reporting date. Deferred taxation is charged to profit or loss except to the extent that it relates to a transaction that is recognised directly in equity or other comprehensive income. The effect on deferred taxation of any changes in tax rates is recognised in profit or loss, except to the extent that it relates to items previously charged or credited directly to equity or other comprehensive income.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable income will be available, against which the unutilised tax losses and deductible temporary differences can be used. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefits will be realised and such reductions are reversed when the probability of future taxable profits improves.

2.13 Reinsurance

Reinsurance assets comprise contracts with reinsurers under which the Group is compensated for losses on one or more contracts which are classified as insurance contracts. Reinsurance on contracts that do not meet this classification is classified as financial assets. Anticipated reinsurance recoveries are disclosed separately as assets. Reinsurance and other recoveries are assessed in a manner similar to the assessment of claims outstanding.

A reinsurance asset principally includes the reinsurers' share of liabilities in respect of contracts with policyholders. Amounts recoverable under reinsurance contracts are recognised in a manner consistent with the reinsured risks and in accordance with the terms of the reinsurance contract. Reinsurance is presented in the statement of financial position on a gross basis.

Reinsurance assets are assessed for impairment at each reporting date. An asset is deemed impaired if there is objective evidence, as a result of an event that occurred after its initial recognition, that the Group may not recover all amounts due, and that the event has a reliably measurable impact on the amounts that the Group will receive from the reinsurer.

2.14 Cash and cash equivalents

In the statement of financial position, cash and bank balances comprise cash (i.e. cash on hand and demand deposits) and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.15 Financial instruments

Recognition and derecognition

Initial recognition of financial assets

Under IFRS 9: Financial Instruments or 'IFRS 9', there are three classification categories, which are:

- Amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) which may include debt or equity instruments; or
- Fair Value through Profit and Loss (FVTPL).

The classification of financial assets for the Group is based on whether the financial assets are equity instruments, debt instruments held or derivative assets, and this is in line with the requirements of IFRS 9. Equity instruments held for trading purposes and derivative assets are mandatorily categorised as financial assets at FVTPL. The classification and measurement of debt instruments is dependent on the business model in which the financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are not accounted for separately. Instead, the hybrid financial instrument as a whole is assessed for classification.

A debt instrument is classified as a financial asset at amortised cost if it meets both of the following conditions (and is not designated as at FVTPL):

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions (and is not designated as at FVTPL):

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity instrument that is not held for trading, the instrument may be irrevocably designated at FVOCI. In such an instance, changes in the equity instrument's fair value are recorded in other comprehensive income (OCI). This election is made on an investment-by-investment basis.

All debt instrument financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. On initial recognition, the Group may irrevocably designate a debt instrument financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL, if doing so, eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Transaction costs that are directly attributable to the acquisition of financial assets are expensed in profit or loss for financial assets initially classified at FVTPL. For financial assets not classified at FVTPL, transaction costs are added to or deducted from the fair value at initial recognition. On initial recognition, financial assets are measured at fair value.

Initial recognition of financial liabilities

On initial recognition, financial liabilities are measured at fair value plus, in the case of financial liabilities not classified at FVTPL, transaction costs that are incremental and directly attributable to the issue of the financial liability. Transaction costs of financial liabilities carried at FVTPL are expensed in profit or loss.

Subsequent measurement of financial assets

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses, and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.15 Financial instruments (continued)

Subsequent measurement of financial liabilities

Subsequent to initial recognition all financial liabilities at FVTPL are measured at fair value, except that any instrument that does not have a quoted market price in an active market and whose fair value cannot be reliably measured is stated at cost. Fair value movements attributable to changes in the credit risk of a financial liability designated at FVTPL is recorded in other comprehensive income and not recycled to profit or loss. The balance of the fair value movement is recorded in profit or loss. Other financial liabilities are measured at amortised cost.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS Standards, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cashflows from the financial asset expire, or it transfers those rights in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. On derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of the consideration received and any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Derecognition of financial liabilities

The Group derecognises a financial liability when the contractual obligations are discharged, cancelled or expire. The Group also derecognises the financial liability when its terms are modified and the cashflows of the modified liability are substantially different, in which case a new financial liability based on the new terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Business model assessment

The Group makes an assessment of the objective of a business model across its various business units in order to determine the appropriate classification basis of financial instruments. The Information considered includes:

Banking business

The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets.

Indicators of what the business model is:

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the business's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at fair value through profit or loss because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration of the time value of money – e.g. yearical reset of interest rates.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.15 Financial instruments (continued)

The business holds a portfolio of long-term fixed rate loans for which the entity has the option to propose to revise the interest rate at yearly reset dates. These reset rights are limited to the market rate at the time of revision. The borrowers have an option to either accept the revised rate or redeem the loan at par without penalty. The Group has determined that the contractual cash flows of these loans are solely payments of principal and interest because the option varies the interest rate in a way that is consideration for the time value of money, credit risk, other basic lending risks and costs associated with the principal amount outstanding.

Life insurance business

The business holds a portfolio of long-term fixed rate public sector securities, debentures and short term fixed deposits in money market. Assessment determined that the contractual terms of these interest bearing securities give rise to cashflows on specified dates that are solely payments of principal and interest on the principal amount outstanding. The business elected to irrevocably designate interest bearing securities to be measured at fair value through profit or loss in order to reduce the recognition inconsistency that would otherwise arise from measuring financial assets with policyholder liabilities or recognising the gains and losses on them on different bases.

The business did not elect to measure equity instruments in other comprehensive income because they are underlying assets that are held to back policyholder liabilities. The business did not hold financial assets at fair value through other comprehensive income at the reporting date.

Impairment of financial assets

The Group adopted the Expected Credit Loss (ECL) model and this applies to financial assets measured at amortised cost (for example mandatory reserve deposits with central banks, reinsurers' share of policyholder liabilities, loans and advances, trade and other receivables, cash and cash equivalents, and corporate debt securities held by the Group) as well as financial assets measured at FVOCI, but not to investments in equity instruments.

The ECL impairment loss allowance is an unbiased, probability-weighted amount determined by evaluating a range of possible outcomes that reflects reasonable and supportable information that is available without undue cost or effort of past events, current conditions and forecasts of forward-looking economic conditions. The ECL model is dependent on the availability of relevant and accurate data to determine whether a significant increase in credit risk occurred since initial recognition, the probability of default (PD), the loss given default (LGD), and the possible exposure at default (EAD). Of equal importance is sound correlation between these parameters and forward-looking economic conditions.

ECL reflects the Group's own expectations of credit losses. However, when considering all reasonable and supportable information that is available without undue cost or effort in estimating ECL, the Group should also consider observable market information about the credit risk of the financial instrument or similar financial instruments. In the absence of sufficient data, management apply expert judgement within an established governance framework to determine the required parameters. The expert judgement process is based on available internal and external information.

In determining the ECL allowances for financial assets, the following significant judgements and estimates were considered.

- In the absence of sufficient depth of data and the sophistication of credit risk management systems and protocols, management applies expert judgement within a governance framework to determine the required parameters. The expert judgement process is based on available internal and external information. Due to differences in availability of data and maturity of credit risk management across the Group, different approaches are used to determine the key parameters.
- Judgement is applied in identifying the qualitative and quantitative triggers and thresholds used to identify significant increases in credit risk since initial recognition of the financial assets. Depending on the availability of reasonable and supportable information without undue cost or effort, significant increases in credit risk is identified through, amongst others, increases in behaviour scores, arrears aging, and portfolio assessments.
- In some instances the 12-month PDs are calculated by a behaviour scoring model that takes into account internal and external information, where available. The 'behaviour PDs' are linked to empirical default rates. A specific change in the behaviour score (and associated PD) indicates that the credit risk has increased significantly since initial recognition. Identifying the specific change in the PD that would trigger a significant increase in credit risk includes a degree of judgement. The behaviour scorecard is monitored and is recalibrated if necessary. Translating 12-months PDs into lifetime PDs requires management judgement and is based on the timing of defaults observed historically. In low default, commercial and corporate portfolios PDs are calculated using a combination of internal ratings, default experience and PD floors based on sovereign credit ratings for the jurisdiction.
- Various arrear aging thresholds are also used to determine whether a significant increase in credit risk took place since initial recognition. Judgement is applied to determine the appropriate arrears threshold for different financial assets. The Group also makes use of the rebuttable presumption that a significant increase in credit risk has taken place when a financial asset is 30 days past due or one payment in arrears.
- The Group applies judgement in identifying default and credit-impaired financial assets. In making this judgement, the Group considers the arrears category where the balance has been allocated to, whether the balance is in legal review, debt review or under administration or expert judgement. Financial assets are credit impaired when one or more events with a detrimental impact on the expected cash flows have taken place.
- A key judgement in determining the LGDs is the time period that the cash flows must be estimated for. The time period is estimated based on historical data that can be volatile. When the cash flows are too volatile the time period is capped to limit volatility. LGDs are influenced by estimates of the amounts to be recovered from the realisation of collateral and the estimated costs to realise the collateral.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.15 Financial instruments (continued)

- The Group applies judgement in selecting the following macroeconomic factors: CPI inflation and unemployment rate. Management applied judgement in determining the number of scenarios to be used, the probability assigned to each scenario, and the time period used to estimate the impact of forward-looking information of the ECL losses. By nature, the estimation of the values of macroeconomic factors in the near future is judgemental and subject to uncertainty.
- In the absence of a reliable correlation between macroeconomic factors and ECL losses, the Group applies expert judgement to decide whether a management overlay provision should be included in the measurement of ECL losses.

Estimates regarding credit risk parameters and the impact of forward-looking information used in the calculation of the ECL loss amount should be reviewed at each reporting date and updated if necessary.

The ECL loss amount depends on the specific stage where the financial instrument has been allocated to within the ECL model:

- **Stage 1:** At initial recognition a financial instrument is allocated into stage 1, except for purchased or originated credit impaired financial instruments.
- **Stage 2:** A financial instrument is allocated to stage 2 if there has been a significant increase in credit risk since initial recognition of the financial instrument.
- **Stage 3:** A financial instrument is allocated to stage 3 if the financial instrument is in default or is considered to be credit impaired.

Under IFRS 9, impairment loss allowances are measured on either of the following bases:

- **12-month ECLs:** This is the portion of the lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date (stage 1); and
- **Lifetime ECLs:** these are ECLs that result from all possible default events over the expected life of a financial instrument (stage 2 and 3).

The Reserve Bank of Zimbabwe (RBZ) also requires the Group to provide for provisions for loan losses rather than impairment losses as determined in accordance with IFRS 9. Where the provision as per RBZ guidelines is higher than the IFRS 9 impairment losses, the excess is treated as an appropriation of equity. The excess is transferred between the Regulatory provision reserve and retained earnings and unwinds when the IFRS impairment is higher than the regulatory provision as in accordance with the provisions of the Banking Regulations, 2000, Statutory Instrument 205 of 2000.

Group's assessment

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured as twelve-month ECLs:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Financial assets where credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Group has elected to apply the IFRS 9 simplified approach in measuring expected credit losses for non-banking business. This uses a provision matrix when determining the lifetime expected loss allowance for all trade receivables, contract assets, and lease receivables and cash and cash equivalents.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers quantitative and qualitative information, based on the Group's historical experience, credit assessment, and including forward-looking information. The Group's assessment of a significant increase in credit risk from initial recognition consists of a primary and secondary risk driver as follows:

- The primary risk driver aligns to the quantitative credit risk assessments performed, such as the credit score, credit rating, probability of default or arrears aging of a financial instrument.
- The secondary risk assessment considers a broad range of qualitative risk factors based on a forward-looking view such as economic and sector outlooks. The secondary risk assessment can be performed on a portfolio basis as opposed to a quantitative assessment which is done at a financial instrument level.

Group's assessment (continued)

These primary and secondary risk drivers are included by the Group as part of the ongoing credit risk management.

When making a quantitative assessment, the Group uses the change in the probability of default occurring over the expected life of the financial instrument. This requires a measurement of the probability of default at initial recognition and at the reporting date. A rebuttable assumption is that the credit risk, since initial recognition, has increased significantly if a financial instrument is 30 days past due on any payments or is one payment in arrears. It is not anticipated that this assumption will be rebutted.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk. The ECL calculation of a financial instrument takes into account both the contractual and available behavioural repayment patterns over the relevant estimation period.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.15 Financial instruments (continued)

A financial asset is in default when the financial asset is credit-impaired or if the Basel definition of default is met. Where applicable, the rebuttable presumption that default does not occur later than when a financial asset is 90 days past due, is applied.

Measurement of expected credit losses

ECLs are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

For presentation the ECL allowances are deducted from the gross carrying amount of the assets. ECLs are presented separately in the income statement.

Significant judgments and estimates

In determining the ECL allowances for loans and advances the following significant judgements and estimates were considered. The availability of information and the sophistication of credit risk management systems and protocols will influence the judgements made and estimates considered.

- The Group applies judgement in determining whether a significant increase in credit risk took place since initial recognition of financial assets at amortised cost. Judgement was applied in identifying the qualitative and quantitative triggers and thresholds used to identify significant increases in credit risk since initial recognition of the financial assets. Depending on the availability of reasonable and supportable information without undue cost or effort, significant increases in credit risk is identified through increases in behaviour risk, arrears aging, and portfolio assessments. The Group makes use of the rebuttable presumption that a significant increase in credit risk has taken place when a financial asset is 30 days past due or one payment in arrears. The assessments are carried out on a regular basis as part of the credit risk management activities of the Group.
- The Group applies judgement in identifying default and credit-impaired financial assets. The Group considers the arrears category where the balance has been allocated to or whether the balance is in legal review, debt review or under administration. Balances are considered to be in default when the balances have been past due for 90 days or more or have been identified to be in default after applying expert judgement. Financial assets are credit impaired when one or more events with a detrimental impact on the expected cash flows have taken place.
- The calculation of the ECL balance is primarily influenced by the stage allocation of the balance and the risk parameters. The Group makes use of estimates of PDs, LGDs and EADs to calculate the ECL balance for financial assets at amortised cost. Depending on the relevant information available, PDs are based on a behavioural scoring model and historic default rate curves or are determined through internally developed statistical models. LGDs are derived from a default recovery time series model that takes recency of payments into account or through internally developed statistical models. EADs are determined with reference to expected amortisation schedules and taking into account credit conversion factors as applicable for undrawn or revolving facilities.
- The ability to include forward-looking information in the measurement of ECL balances is dependent on the existence of reliable and quantifiable correlation between forward-looking factors and changes in the ECL balance. When such correlations do not exist and where applicable, management applies expert judgement to determine an overlay provision to incorporate best estimates of the impact of forward-looking information. Any overlay provision is based on available information and qualitative risk factors within a governed process.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- Loan commitments and financial guarantee contracts: generally, as a provision; and
- Where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

Write-off

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.16 Foreign currency transactions

Foreign currency transactions are translated at the spot exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the relevant functional currency at rates of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are recognised at fair value are translated into the functional currency at foreign exchange rates ruling at the dates the fair values were determined.

Non-monetary assets and liabilities denominated in foreign currencies that are recognised at historical cost are translated into the functional currency at the rate of exchange ruling at the date of the initial recognition of the asset and liability and are not subsequently translated. Exchange gains and losses on the translation and settlement during the period of foreign monetary assets and liabilities are recognised in profit or loss as other income. Exchange differences for non-monetary items are recognised in other comprehensive income when the changes in the fair value of the non-monetary item are recognised in other comprehensive income and in profit or loss if the changes in fair value of the non-monetary item are recognised in profit or loss. Where the exchange rate is officially fixed by government, the Group will assess the extent to which immediate value can be obtained at the official exchange rate.

2.17 Employee benefits

Employee benefits are all forms of consideration given by the Group in exchange for services rendered by employees.

(i) Post-employment benefits

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund is available or a reduction in future payments is probable.

(ii) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer to those benefits and when the Group recognises costs for restructuring. If the benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted. Termination benefits for voluntary redundancies are recognised as an expense at the earlier of when the employee accepts the offer; and when a restriction on the Group's ability to withdraw the offer takes effect.

(iii) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(iv) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods determined using the projected unit credit method. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will occur, and where a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in profit or loss net of any reimbursement. Where the effect of discounting is material, provisions are discounted. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Future operating costs or losses are not provided for.

2.19 Share-based payments

Equity-settled share based payment transactions

The services received from employees in terms of equity-settled share-based payment transactions are measured at the fair value of the equity instruments granted. The fair value of those equity instruments is measured at grant date and are not subsequently re-measured. If the equity instruments granted vest immediately and the employee is not required to complete a specified period of service before becoming unconditionally entitled to those instruments, the service received is recognised in full on grant date in profit or loss, with a corresponding increase in share-based payment reserve.

Where the equity instruments do not vest until the employee has completed a specified period of service, it is assumed that the services rendered by the employee, as consideration for those equity instruments, will be received in the future, during the vesting period. These services are accounted for in profit or loss as they are rendered during the vesting period, with a corresponding increase in the share-based payment reserve.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.19 Share-based payments (continued)

Cash-settled share-based payment transactions

The services received in cash-settled share-based payment transactions with employees and the liability to pay for those services, are recognised at fair value as the employee renders services. Until the liability is settled, the fair value of the liability is remeasured at each reporting date and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

The fair value of the liability is measured at the fair value of the awards or options, by applying standard option pricing models, taking into account terms and conditions on which the share awards or options were granted, and the extent to which the employees have rendered services to date.

2.20 Leases

The Group assesses whether a contract is a lease in the scope of IFRS 16: Leases, by determining whether the contract gives it the right to use a specified underlying physical asset for a lease term greater than twelve months, unless the underlying asset is of low value. Where the Group is a lessee and the lease is deemed in scope, it recognises a liability equal to the present value of lease payments over the lease term, discounted using the incremental borrowing rate applicable in the economic environment of the lease. The lease liability is recognised in 'Other payables'. A corresponding right-of-use asset equal to the liability, adjusted for any lease payments made at or before the commencement date, is recognised in 'Property and equipment'. The lease term includes any extension options contained in the contract that the Group is reasonably certain it will exercise.

The Group subsequently depreciates the right-of-use asset using the straight-line method over the lease term and measures the lease liability using the effective interest method. Depreciation on the asset is recognised in 'Depreciation and amortisation', and interest on the lease liability is recognised in 'Lease interest expense'.

2.21 Impairment of non-financial assets

The carrying amounts of the Group's other assets, other than financial assets and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount is the greater of the fair value less costs to sell and value in use. 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 assessment of the time value of money and of the risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation if no impairment loss had been recognised. Impairment losses are recognised in profit or loss.

2.22 Sale and repurchase agreements

The Group enters into purchases (sales) of the investments under agreements to resell (repurchase) identical investments at a certain date in the future at a fixed price. Investments sold under repurchase agreements continue to be recognised in the statement of financial position and are measured in accordance with the appropriate and applicable accounting policy. The proceeds from the sale of the investments are reported under deposits. The difference between the sale and repurchase agreement is treated as interest and accrued over the life of the agreement using the effective interest method. Securities lent to counterparties are also retained in the financial statements. Securities borrowed are not recognised in the financial statements, unless they are sold to third parties, in which case the purchase and sale are recorded with the gain or loss included in investment income. The obligation to return them is recorded at fair value as a trading liability.

2.23 Dividends

Dividends payable to holders of equity instruments are recognised in the period in which they are declared.

2.24 Inventory

Inventory comprises largely of costs for the construction of houses for sale under housing projects. Inventory is measured at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses. The cost of inventories is based on the first in first out principle and includes borrowing costs capitalised in accordance with the Group's accounting policies and expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Additional disclosure in respect of inventory are included in note 22.1.

2.25 Segment reporting

The Group's results are analysed and reported consistently with the way that the chief operating decision maker (management and the executive directors) consider information when making operating decisions and also with the basis on which resources are allocated and performance assessed by management and directors. The operating segments are Life Assurance, General Insurance, Banking and Lending, Asset Management, and other (being the Holding Company and other less significant Group entities).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.25 Segment reporting (continued)

There are four principal business activities from which the Group generates revenues. These are insurance revenue (Life assurance and General insurance), fee and commission income (Asset management) and banking interest and fee income (Banking and Lending). In addition to this, investment returns are also earned on funds invested. The revenues generated in each reported segment can be seen in the analysis of Profits and Losses in note 3.

Life business

This segment operates in life assurance, pension and employee benefits services. There are two businesses in this segment, Old Mutual Life Assurance and Old Mutual Funeral Services.

General insurance

Provides non-life insurance products through Old Mutual Insurance.

Banking

The components in this segment are CABS and Old Mutual Finance (Private) Limited and their main line of business is lending and banking.

Asset management

This segment offers asset management through Old Mutual Investment Group.

Holding Co and other

Comprises the activities related to the management of the Group's capital structure. This includes the management of shareholder investment assets including the associated shareholder investment return. The main business entity in this segment is Old Mutual Zimbabwe Limited (the Company) and its Trusts (refer to note 32.1 for the lists of the Trusts). The other business segments are Old Mutual Digital Services Company (Private) Limited which provides digital services through wallet and two micro-insurance products and Old Mutual Securities which is a stock broking entities. All reported segments meet the required criteria prescribed under IFRS 8 'Operating Segments'.

2.26 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operational decisions. The Group has related party relationships with its subsidiaries, fellow subsidiaries of Old Mutual Limited, company directors, other key shareholders and key management personnel. Transactions and balances are reflected in note 36.

2.27 Share capital

Ordinary and preference share capital is classified as equity if they are non-redeemable by the holder, and if dividends are discretionary. Coupon payments on preference share instruments are recognised as distributions within equity.

Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the holder or if dividend payments are not discretionary. If the preference shares are non-redeemable by the holder and the entity has an obligation to deliver cash (or other financial assets) which the entity cannot defer until liquidation, then the preference shares would be classified as a liability. Coupon payments thereon are recognised in profit or loss as an interest expense.

2.28 Gold coins

The Reserve Bank of Zimbabwe, on 25 July 2022, launched gold coins (Mosi-oa-Tunya) into the market to provide a store of value alternative to the USD in a bid to reduce demand for US dollars and help stabilise the local currency. The gold coins are sold at the prevailing international price of gold plus 5 percent to cover the cost of production and distribution of the coin. The bank publishes the gold coin price everyday which is based on the previous day's London Bullion Market Association (LBMA) PM Fix plus the cost of producing the coin. Gold coins are initially recognised at cost plus transaction costs. Subsequently, the investment in gold coins is measured at fair value.

2.29 Change in accounting estimate

Useful lives and residual values of movable properties

The Group assesses useful lives and residual values of property and equipment each year, taking into consideration past experience, technology changes and the local operating environment. Residual values were reassessed during the year and were still in line with those determined last year. In the current year, the Group also reassessed the useful lives of its motor vehicles class as demonstrated in the table below:

Motor vehicles type	Previous estimate	New estimate
Light motor vehicles	5 years	5 years
Buses	5 years	10 years
Mini-buses	5 years	10 years
Trucks	5 years	10 years

The re-assessment for the buses, mini-buses and trucks has been applied prospectively as a change in accounting estimate. Refer note 2.10 for the useful lives of property and equipment and note 15 for the carrying amount of property and equipment balances.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.30 Change in legacy debt receivable accounting estimate

The Group and the Company previously calculated impairment on the legacy debt receivable using key assumptions of a discount rate of 14.53% with cashflows equally divided in 8 instalments over 20 years. The Group and Company reperformed an analysis of the legacy debt impairment based on the 31 December 2025 legacy debt position taking into account observed settlement trends in the market between the Government of Zimbabwe and the other market players. The recoverable amount of the legacy debt receivable was determined by discounting the expected cashflows at 19.45% based on expected cashflows spread over 22 years. This resulted in an additional impairment loss of USD10 million for the year ended 31 December 2025.

2.31 IFRS 18 Transition Disclosures

Impact on Statement of profit or loss and other comprehensive income

Following the adoption of IFRS 18 'Presentation and Disclosure in Financial Statements' effective 1 January 2025, the Group updated the presentation of certain income and expense line items in the Statement of Profit or Loss to align with IFRS 18. These reclassifications relate solely to presentation and have no impact on total profit or loss, assets, liabilities or equity for the comparative period. Comparative figures have been restated accordingly. A reconciliation of the amounts as previously disclosed under IAS 1 'Presentation of Financial Statements' in the statement of profit or loss to the restated amounts in accordance with IFRS 18 is shown below.

For the year ended 31 December 2024

	Amounts previously Presented - IAS 1 USD 000	Notes	Adjustment USD 000	Restated amount IFRS 18 USD 000
Interest income	-	a	40,559	40,559
Interest expenses	-	a	(10,702)	(10,702)
Net interest income (new)	-		29,857	29,857
Fee and commission income	-	b	64,752	64,752
Fee and commission expense	-	b	(17,275)	(17,275)
Net fee and commission income (new)	-		47,477	47,477
Insurance revenue	64,737		-	64,737
Insurance service expenses	(70,140)		-	(70,140)
Net expenses from reinsurance contracts	(7,803)		-	(7,803)
Insurance service result	(13,206)		-	(13,206)
Investment return	81,444		-	81,444
Finance expenses from insurance contracts	(25,994)		-	(25,994)
Change in investment contract liabilities	(7,728)		-	(7,728)
Net investment result	47,722		-	47,722
Banking interest and similar income	40,559	a	(40,559)	-
Fee, commission and income from service contracts	64,752	b	(64,752)	-
Other income	11,253	c	(11,253)	-
Non-insurance revenue and income	116,564		(116,564)	-
Other income	-	c	11,253	11,253
Allowance for expected credit loss	(4,171)		-	(4,171)
Impairment loss	(7,460)		-	(7,460)
Banking interest expenses and similar expense	(10,702)	a	10,702	-
Fees, commission and other acquisition costs	(17,275)	b	17,275	-
Other operating and administration expenses	(79,455)		-	(79,455)
Net monetary adjustment	6,969		-	6,969
Operating profit (new)	-		-	38,986
Share of results from associates	107		-	107
Profit before income tax	39,093		-	39,093
Income tax expense	(11,010)		-	(11,010)
Profit for the year	28,083		-	28,083

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.31 IFRS 18 Transition Disclosures (continued)

Impact on Statement of profit or loss and other comprehensive income (continued)

Notes

- Banking interest and similar income and banking interest expenses and similar expense have been relabelled interest income and interest expense respectively to better reflect the nature of the underlying revenue streams and to align with IFRS 18 presentation requirements.
- Fee, commission and income from service contracts and fees, commission and other acquisition costs have been relabelled fees and commission income and fee and commission expense respectively to better reflect the nature of the underlying revenue streams and to align with IFRS 18 presentation requirements.
- Other income has been reclassified within the operating income category.

Impact on Statement of cash flows

The adoption of IFRS 18 did not change total net cash flows or cash and cash equivalents. There were no cash flow classifications that required amendment to align with the presentation categories. However, the reconciliation of operating cash flows now begins with the operating profit rather than profit before tax as was presented under IAS 1. This is highlighted below:

	USD 000
Start of cash flow using the indirect method in prior year (IAS 1) - Profit before tax	39,093
Start of cash flow using the indirect method in restatement (IFRS 18) - Operating profit	38,986
Difference - share of results from associates	107

COMPANY

For the year ended 31 December 2024

Financial assets measured at fair value

Investment income	-	a	129,630	129,630
Other losses	-	b	(1,448)	(1,488)
Impairment loss	-		(7,460)	(7,460)
Other operating and administration expenses	-		(12,071)	(12,071)

Investment return	129,630	(129,630)	-
Other income	(1,448)	1,448	-

Total revenue and other income

Impairment loss	(7,460)	7,460	-
Other operating and administration expenses	(12,071)	12,071	-

Total expenses

	(19,531)	19,531	-
Operating profit (new)	-	108,651	108,651
Share of results from associates	107	-	107
Profit before income tax	108,758	-	108,758
Income tax expense	(5,975)	-	(5,975)
Profit for the year	102,783	-	102,783

Notes

- To align with IFRS 18 presentation requirements.
- To align with IFRS 18 presentation requirements.
- Other income has been reclassified within the operating income category.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.31 IFRS 18 Transition Disclosures (continued)

Impact on Statement of cash flows

The adoption of IFRS 18 did not change total net cash flows or cash and cash equivalents. There were no cash flow classifications that required amendment to align with the presentation categories. However, the reconciliation of operating cash flows now begins with the operating profit rather than profit before tax as was presented under IAS 1. This is highlighted below:

USD 000

Start of cash flow using the indirect method in prior year (IAS 1) - Profit before tax	108,758
Start of cash flow using the indirect method in restatement (IFRS 18) - Operating profit	108,651
Difference - share of results from associates	107

2.32 Forthcoming requirements

New and amended IFRS Standards that are effective for the current year

In the current year, the Group has applied amendments to IFRS Accounting Standards issued by IASB that are mandatorily effective for an accounting period that begins on or after 1 January 2025.

Title	Key requirements	Effective date
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'	Entities are required to use a spot exchange rate when translating foreign currency transactions. However, there are instances where an appropriate exchange rate cannot be determined due to the currency not being exchangeable. Prior to the amendment the standard was not clear on when the currency is not exchangeable and did not provide a definition of exchangeability but instead defined the closing rate as the spot exchange rate at the end of the reporting period and the spot exchange rate is defined as the exchange rate for immediate delivery. The amendments require entities to apply a consistent two-step approach in assessing whether a currency can be exchanged into another currency and when it cannot. The first step in the approach is to assess whether the foreign currency meets the definition of exchangeability. A currency is 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 an enforceable right and obligation. If the currency does not meet the definition of exchangeability mentioned above, then the next step in the approach is to estimate the spot exchange rate using either an observable exchange rate without adjustment or another estimation technique. Comparative financial statements shall not be restated. The amendments require an entity to provide additional disclosures when the foreign currency or the functional currency is not exchangeable.	1 January 2025

Future amendments early adopted in the 2025 annual financial statements.

At the date of authorisation of these financial statements, the Group has applied the following new and revised IFRS Accounting that have been issued but are not yet effective:

Title	Amendment	Effective date
IFRS 18 'Presentation and Disclosures in Financial Statements'	IFRS 18 sets out overall requirements for the presentation and disclosure in financial statements. It requires an entity to present a complete set of financial statements at least annually, with comparative amounts for the preceding year (including comparative amounts in the notes). It replaces IAS 1 'Presentation of Financial Statements'. The Group early adopted IFRS 18 in the preparation of the financial statements. There have been changes to the presentation of the statement of comprehensive income and the related notes, refer to note 2.31	1 January 2027

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Material Accounting Policy Information (continued)

2.32 Forthcoming requirements (continued)

Future amendments not early adopted in the 2025 annual financial statements

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

Title	Key requirements	Effective date
Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	The amendments to IFRS 9 focuses on new guidance for classifying financial liabilities that can be settled with equity instruments, revised framework for evaluating when modifications lead to derecognition, additional practical expedients for applying the ECL model and retrospective application with specific exceptions and relief provisions. IFRS 7 requires entities to provide additional disclosures for contracts accounted for as own-use under these amendments	1 January 2026
IFRS 8 'Operating segments'	The IFRS Interpretations Committee has published a tentative agenda decision relating to the IFRS 8 – Operating Segments and the disclosure of income and expense line items for reportable segments. The decision addresses the application of IFRS 8.23 which requires specific line items to be disclosed if those amounts are either included in the measurement of segment profit or loss or are reviewed by the chief operating decision officer even if not included in that measure of segment of profit or loss. Amongst others these line items include material items of income and expense as considered in the context of IAS 1.97. IAS 1.97 requires that the nature of any item of income or expense must be disclosed if it is deemed material. An item of income and expense is considered material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity (IAS 1:7). The tentative decision notes that in disclosing material items of income and expenses an entity: • Would apply the definition of materiality as defined in IAS 1 to assesses whether the disclosure of information is material in the context of its financial statements taken as a whole; • In assessing whether an item is material, consider both qualitative and quantitative factors, representing the nature or magnitude of information, or both; • Consider an item of income and expense without regard to whether that item is presented or disclosed applying a requirement in IFRS Accounting Standards other than paragraph 97 of IAS 1. The tentative agenda decision has not been finalised and is open for comment.	To be determined

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

3 Segment information

A1 Statement of profit or loss for the year ended 31 December 2025

Revenue

	Banking & Lending USD 000	Life Assurance USD 000	General Insurance USD 000	Asset Management USD 000	Holding Co & Other USD 000	Consolidation Adjustments USD 000	Total USD 000
Interest income	46,119	-	-	-	-	(168)	45,951
Interest expense	(9,331)	-	-	-	(168)	1,523	(7,976)
Net interest income	36,788	-	-	-	(168)	1,355	37,975
Fee and commission income	72,479	4,663	-	12,596	1,917	(4,134)	87,521
Fee and commission expenses	(13,874)	(505)	-	-	(745)	-	(15,124)
Net fee and commission income	58,605	4,158	-	12,596	1,172	(4,134)	72,397
Insurance revenue	-	36,898	47,485	-	-	-	84,383
Insurance service expenses	-	(27,980)	(37,556)	-	-	-	(65,536)
Net expenses from reinsurance contracts	-	475	(5,116)	-	-	-	(4,641)
Insurance service result	-	9,393	4,813	-	-	-	14,206
Investment return	4,826	154,820	3,275	251	40,099	(31,102)	172,169
Finance expenses from insurance contracts	-	(107,277)	-	-	-	-	(107,277)
Change in investment contract liabilities	-	(35,128)	-	-	-	-	(35,128)
Net investment result	4,826	12,415	3,275	251	40,099	(31,102)	29,764
Other income	8,626	4,482	(514)	(119)	14,049	(9,214)	17,310
Allowance for expected credit loss	(1,677)	-	-	-	-	-	(1,677)
Movement in impairment provision	-	-	-	-	(10,144)	-	(10,144)
Other operating and administration expenses	(66,512)	(7,393)	(3,764)	(9,924)	(24,208)	12,316	(99,485)
Operating profit	40,656	23,055	3,810	2,804	20,800	(30,779)	60,346
Share of results from associate	-	-	-	-	260	-	260
Profit before income tax	40,656	23,055	3,810	2,804	21,060	(30,779)	60,606
Income tax (expense)/credit	(15,759)	(564)	(1,450)	(1,692)	(977)	13	(20,429)
Profit for the year	24,897	22,491	2,360	1,112	20,083	(30,766)	40,177

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

3 Segment information

A2 Statement of profit or loss for the year ended 31 December 2024

Revenue

	Banking & Lending USD 000	Life Assurance USD 000	General Insurance USD 000	Asset Management USD 000	Holding Co & Other USD 000	Consolidation Adjustments USD 000	Total USD 000
Interest income	40,643	-	-	-	-	(84)	40,559
Interest expense	(11,278)	-	-	-	(18)	594	(10,702)
Net interest income	29,365	-	-	-	(18)	510	29,857
Fee and commission income	60,995	2,300	-	4,979	-	(3,522)	64,752
Fee and commission expenses	(15,527)	(803)	-	-	(1,150)	205	(17,275)
Net fee and commission income	45,468	1,497	-	4,979	(1,150)	(3,317)	47,477
Insurance revenue	-	20,656	44,081	-	-	-	64,737
Insurance service expenses	-	(37,152)	(32,988)	-	-	-	(70,140)
Net expenses from reinsurance contracts	-	(1,397)	(6,406)	-	-	-	(7,803)
Insurance service result	-	(17,893)	4,687	-	-	-	(13,206)
Investment return	-	70,382	838	87	131,106	(120,969)	81,444
Finance income from insurance contracts	-	(25,994)	-	-	-	-	(25,994)
Change in investment contract liabilities	-	(7,728)	-	-	-	-	(7,728)
Net investment result	-	36,660	838	87	131,106	(120,969)	47,722
Other income	17,987	(9,630)	-	6,829	2,552	(6,485)	11,253
Allowance for expected credit losses	(4,171)	-	-	-	-	-	(4,171)
Movement in impairment provision	-	-	-	-	(7,460)	-	(7,460)
Other operating and administration expenses	(54,488)	(5,574)	(3,381)	(8,052)	(20,501)	12,541	(79,455)
Net monetary adjustment	-	6,202	-	(2,480)	3,247	-	6,969
Operating profit	34,161	11,262	2,144	1,363	107,776	(117,720)	38,986
Share of results from associate	-	-	-	-	107	-	107
Profit/(loss) before income tax	34,161	11,262	2,144	1,363	107,883	(117,720)	39,093
Income tax expense	(708)	(2,850)	(998)	(1,420)	(4,959)	(75)	(11,010)
Profit/(loss) for the year	33,453	8,412	1,146	(57)	102,924	(117,795)	28,083

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

3 Segment information

B1 Statement of financial position as at 31 December 2025

Assets

	Banking & Lending USD 000	Life Assurance USD 000	General Insurance USD 000	Asset Management USD 000	Holding Co & Other USD 000	Consolidation Adjustments USD 000	Total USD 000
Intangible assets	4,232	-	-	91	316	-	4,639
Property and equipment	46,217	18,492	1,522	553	1,888	6,480	75,152
Investment property	15,331	372,574	882	-	300	(6,480)	382,607
Investments in subsidiary companies	-	464	-	-	344,610	(345,074)	-
Investment in associate	-	-	-	-	3,823	-	3,823
Deferred tax assets	129	-	-	55	2,532	-	2,716
Loans and advances	263,001	-	-	-	-	(3,198)	259,803
Investments and securities	64,566	600,199	12,010	2,115	42,626	(9,895)	711,621
Reinsurer contracts	-	775	7,921	-	-	-	8,696
Current tax receivable	211	192	-	-	-	-	403
Amounts due by group companies	-	10,293	-	1,030	7,847	(19,170)	-
Other assets	46,699	43,035	4,681	2,767	19,492	-	116,674
Cash and cash equivalents	203,374	20,178	688	522	9,041	(12,292)	221,511

Total assets

643,760	1,066,202	27,704	7,133	432,475	(389,629)	1,787,645
----------------	------------------	---------------	--------------	----------------	------------------	------------------

Liabilities

Insurance contract liabilities	-	775,159	9,217	-	-	-	784,376
Investment contract liabilities	-	154,043	-	-	-	-	154,043
Deferred tax liabilities	4,473	2,524	-	-	535	(44)	7,488
Current tax payables	1,723	29	84	589	699	-	3,124
Amounts due to group companies	250	9,698	102	969	92,997	(19,170)	84,846
Other payables	39,866	17,242	793	862	20,533	(4,046)	75,250
Credit lines	60,678	-	-	-	2,000	(9,003)	53,675
Amounts owed to bank depositors	358,582	-	-	-	-	(12,292)	346,290

Total liabilities

465,572	958,695	10,196	2,420	116,764	(44,555)	1,509,092
----------------	----------------	---------------	--------------	----------------	-----------------	------------------

Net assets

178,188	107,507	17,508	4,713	315,711	(345,074)	278,553
----------------	----------------	---------------	--------------	----------------	------------------	----------------

Shareholders' equity

Share capital and premium	7,872	6,673	3	2,038	19,770	(36,356)	-
Non-distributable reserve	250	5,842	660	-	3,682	(10,434)	-
Revaluation reserve	28,673	482	-	-	92	-	29,247
Share based payment reserve	1,002	744	422	212	10,511	(7,571)	5,320
Regulatory provisions reserve	334	-	-	-	-	-	334
Currency translation reserve	-	1,903	-	-	1,165	(1,340)	1,728
Retained earnings	140,057	91,863	16,423	2,463	280,491	(299,547)	231,750
	178,188	107,507	17,508	4,713	315,711	(355,248)	268,379
Non-controlling interests	-	-	-	-	-	10,174	10,174
Total equity	178,188	107,507	17,508	4,713	315,711	(345,074)	278,553

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

3 Segment information

B2 Statement of financial position as at 31 December 2024

Assets

	Banking & Lending USD 000	Life Assurance USD 000	General Insurance USD 000	Asset Management USD 000	Holding Co & Other USD 000	Consolidation Adjustments USD 000	Total USD 000
Intangible assets	212	-	-	136	326	-	674
Property and equipment	41,782	16,717	1,474	519	696	4,570	65,758
Investment property	21,411	355,817	477	-	300	(4,570)	373,435
Investments in subsidiary companies	-	1,723	-	-	331,440	(333,163)	-
Investment in associate	-	-	-	-	3,707	-	3,707
Deferred tax assets	184	-	375	-	1,429	-	1,988
Loans and advances	197,722	-	-	-	-	(2,600)	195,122
Investments and securities	42,104	476,469	8,218	860	34,641	(8,615)	553,677
Reinsurer contracts	-	55	6,924	-	-	-	6,979
Amounts due by group companies	-	4,357	-	441	2,403	(7,201)	-
Other assets	62,919	24,033	6,580	1,986	28,123	-	123,641
Cash and cash equivalents	139,927	20,666	919	189	9,428	(19,864)	151,265
Total assets	506,261	899,837	24,967	4,131	412,493	(371,443)	1,476,246

Liabilities

Insurance contract liabilities	-	699,781	9,531	-	-	-	709,312
Investment contract liabilities	-	87,131	-	-	-	-	87,131
Deferred tax liabilities	3,540	1,909	194	263	2,943	(511)	8,338
Current tax payables	-	1,547	-	118	182	339	2,186
Amounts due to group companies	93	7,978	696	1,049	88,282	(8,826)	89,272
Other payables	30,948	9,670	-	-	16,001	(3,437)	53,182
Credit lines	60,312	-	-	-	1,000	(5,949)	55,363
Amounts owed to bank depositors	241,133	-	-	-	-	(19,865)	221,268
Total liabilities	336,026	808,016	10,421	1,430	108,408	(38,249)	1,226,052

Net assets

Net assets	170,235	91,821	14,546	2,701	304,085	(333,194)	250,194
-------------------	----------------	---------------	---------------	--------------	----------------	------------------	----------------

Shareholders' equity

Share capital and premium	7,876	5,725	96	1,038	9,616	(24,351)	-
Non-distributable reserve	250	5,138	412	-	3,437	(9,237)	-
Revaluation reserve	30,300	707	-	-	92	-	31,099
Share based payment reserve	1,004	655	422	212	10,511	(7,484)	5,320
Regulatory provisions reserve	-	-	-	-	-	-	-
Currency translation reserve	-	(6,469)	-	-	9,312	(1,115)	1,728
Retained earnings	130,805	86,066	13,616	1,451	271,117	(300,660)	202,394
	170,235	91,821	14,546	2,701	304,085	(342,847)	240,541
Non-controlling interests	-	-	-	-	-	9,653	9,653
Total equity	170,235	91,821	14,546	2,701	304,085	(333,194)	250,194

4 INTEREST INCOME AND INTEREST EXPENSE

Interest income

Investments	2,277	3,397
Loans and advances	43,674	37,162
Total interest income	45,951	40,559
Comprising:		
Financial assets at amortised cost	45,951	40,559

Interest expense

Credit lines	(5,667)	(9,251)
Money market deposits	(2,277)	(1,280)
Savings deposits	(32)	(171)
Total interest expense	(7,976)	(10,702)
Comprising:		
Financial liabilities at amortised cost	(7,976)	(10,702)

Net interest income

	GROUP 2025 USD 000	GROUP 2024 USD 000
Net interest income	37,975	29,857

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

5 FEE AND COMMISSION INCOME

Banking operations:

Commissions

Service fees

Administration fees

Total fee income and commission from banking operations

Long term insurance business

Asset management business

Other fees and commission income

GROUP 2025 USD 000	GROUP 2024 USD 000
9,064	7,901
53,075	45,606
10,340	6,480
72,479	59,987
4,663	2,300
8,462	1,457
1,917	1,008
87,521	64,752

Asset management fees include fees earned by the Group on trust and fiduciary activities in which the Group holds or invests assets on behalf of its customers.

6 INSURANCE REVENUE

For the year ended 31 December 2025

Contracts not measured under the PAA

Amounts relating to changes in liabilities for remaining coverage:

Expected incurred claims

Expected other insurance service expenses

Risk adjustment recognised for the risk expired

CSM recognised for services provided

Recovery of insurance acquisition cash flows

Life risk and annuities USD 000	Life Savings USD 000	General Insurance USD 000	Total USD 000
27	-	-	27
203	14,623	-	14,826
(6)	26	-	20
1	2,059	-	2,060
1	2	-	3
226	16,710	-	16,936
19,963	-	47,484	67,447
20,189	16,710	47,484	84,383

Contracts measured under the PAA

Total Insurance Revenue:

For the year ended 31 December 2024

Contracts not measured under the PAA

Amounts relating to changes in liabilities for remaining coverage:

Expected incurred claims

Expected other insurance service expenses

Risk adjustment recognised for the risk expired

CSM recognised for services provided

Other

Recovery of insurance acquisition cash flows

11	54	-	65
155	5,009	-	5,164
65	182	-	247
5	275	-	280
681	-	-	681
202	1	-	203
1,119	5,521	-	6,640
14,016	-	44,081	58,097
15,135	5,521	44,081	64,737

Contracts measured under the PAA

Total Insurance Revenue:

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

7 INSURANCE SERVICE EXPENSES

Incurring claims
Other insurance service expenses
Amortisation of insurance acquisition cash flows
(Reversal of losses)/losses on onerous contracts
Adjustments to liabilities for incurred claims
Total insurance service expenses

GROUP 2025 USD 000	GROUP 2024 USD 000
33,578	28,074
25,848	24,861
11,224	9,338
(5,953)	11,803
839	(3,936)
65,536	70,140

8 INVESTMENT RETURN

Dividend income - investments and securities
Interest income - cash and cash equivalents
Rental income from investment property
Total fair value gains and losses recognised in profit or loss
Total investment returns included in profit or loss

28,522	31,401
5,875	2,808
17,514	20,992
120,258	26,243
172,169	81,444

COMPANY 2025 USD 000	COMPANY 2024 USD 000
27,482	15,607
123	122
10,879	113,901
38,484	129,630

9 FINANCE EXPENSES FROM INSURANCE CONTRACTS

Changes in fair value of underlying items of DPC*
Interest accreted
Effect of changes in interest rates and other financial assumptions
Effect of measuring changes in EACR and adj CSM at ROIR*
Total finance expenses from insurance contracts

GROUP 2025 USD 000	GROUP 2024 USD 000
106,849	19,826
427	7,252
(1,470)	556
1,471	(1,640)
107,277	25,994

*DPC: Discretionary Participating Contracts
EACR: Estimated at Current Rates
CSM: Contractual Service Margin
ROIR: Rate of Initial Recognition

10 OTHER INCOME

Exchange gains
Other income*

7,377	7,537
9,933	3,716
17,310	11,253

*Other income includes micro-finance administration fees, recovery income, management fees and funeral services income.

COMPANY 2025 USD 000	COMPANY 2024 USD 000
9,975	6,099
200	(7,734)
854	187
11,029	(1,448)

Management fees
Foreign exchange gains/(losses)
Other

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

11 OTHER OPERATING AND ADMINISTRATION EXPENSES

Administrative expenses

Banking operational costs
Travel and subsistence
Office space costs
Fees and levies
Directors fees
Insurance
Actuarial and consultancy fees
Advertising and marketing
Information Technology costs
Lease interest expense
Depreciation and amortisation

Auditors' remuneration

Statutory audit services - current year
Non-assurance fees

Staff costs

Wages and salaries
Retirement defined contribution obligations
Social security costs
Bonus and incentive remuneration
Other staff costs

Other expenses*

Attributable insurance expenses

GROUP 2025 USD 000	GROUP 2024 USD 000
5,080	2,506
2,636	2,463
6,814	5,156
2,834	783
967	942
1,696	2,338
481	1,379
8,451	6,399
15,096	9,690
111	190
5,467	5,099
49,633	36,945
1,948	2,447
24	22
1,972	2,469
39,745	31,669
3,274	3,156
1,153	919
8,391	5,620
5,778	5,773
58,341	47,137
16,819	11,265
(27,280)	(18,361)
99,485	79,455

Administrative expenses

Asset management expenses
Advertising and marketing
Travel and subsistence
Office space costs
Directors fees
Consultancy fees
Information Technology costs
Interest expense - lease asset
Depreciation of property, plant and equipment

Auditors' remuneration

Statutory audit services - current year

Staff costs

Wages and salaries
Retirement obligations
Bonus and incentive remuneration
Social security costs
Share based payments
Other staff costs

Other expenses*

Total other operating expenses

COMPANY 2025 USD 000	COMPANY 2024 USD 000
151	233
1,889	1,715
189	178
270	254
204	200
2,224	489
476	263
18	5
320	324
5,741	3,661
392	434
2,013	1,635
194	116
5,429	3,478
69	39
412	985
641	621
8,758	6,874
1,247	1,102
16,138	12,071

*Other expenses include motor vehicle repairs and maintenance, security, telephone, data, stationery and bank charges.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

12 INCOME TAX EXPENSE

Normal income tax - Current tax expense

Shareholders
Policyholders

Deferred tax

Deferred (income)/expense tax relating to the origination and reversal of temporary difference

Total deferred tax

Deferred tax

Shareholders
Policyholders

Total income tax expense

Reconciliation of the effective tax rate

Standard rate of taxation
Adjusted for:

Exempt income: interest income, dividends

Income taxed at other than tax rate

Disallowable expenses: entertainment expenses, management fees, unrealised losses

Effective tax rate

GROUP 2025 USD 000	GROUP 2024 USD 000
22,524	8,086
62	2,237
22,586	10,323
(2,157)	687
(2,157)	687
(2,132)	721
(25)	(34)
(2,157)	687
20,429	11,010
%	%
26	26
8	2
(10)	(28)
(10)	(10)
28	40
34	28

The overall effective tax rate for the Group is influenced by:

- OMLAC is taxed favourably in terms of a special formula as per the 8th schedule. Total expenses are disallowed and only realised gains are taxed.
- Effective 1 January 2025 as per Finance Act No 7 of 2024 which was gazetted on 31 December 2024, receipts from non-mortgage activities by building societies will now be taxed as corporate income tax and this applies to CABS.
- OMZIL company's income is mainly fair value gains which are exempt from current tax and give rise to deferred tax liability only at 1% for listed equities and 5% for unlisted equities. Most of the expenses are disallowed because they are incurred to earn exempt income.

Normal income tax

Deferred tax

Current taxation

Total income tax expense

Reconciliation of the effective tax rate

Standard rate of taxation
Adjusted for:

Exempt income: interest income, dividends, unrealised gains

Disallowable expenses: entertainment expenses, management fees, unrealised losses

Effective tax rate

COMPANY 2025 USD 000	COMPANY 2024 USD 000
(2,407)	2,301
4,585	3,674
2,178	5,975
%	%
26	26
(17)	(21)
(19)	(38)
2	17
9	5

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

13 EARNINGS PER SHARE

The calculation of basic earnings per share was based on the profit attributable to ordinary equity holders of the parent divided by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. The Group had no potentially dilutive ordinary shares.

13.1 Basic and diluted (cents)

Earnings

Basic and diluted earnings attributable to equity holders of the parent (USD 000)

Number of shares used in calculations (weighted)

Number of shares

GROUP 2025	GROUP 2024
11.81 39,201	8.31 27,609
332,046,876	332,046,876

GROUP 2025 USD 000	GROUP 2024 USD 000
--------------------------	--------------------------

674	693
4,458	202
(493)	(227)
-	6
4,639	674

9,549	5,091
(4,910)	(4,417)
4,639	674

14. INTANGIBLE ASSETS

Carrying amount at beginning of year

Additions

Amortisation

Effects of changes in presentation currency

Carrying amount at end of year

Cost

Accumulated amortisation

Carrying amount at end of year

COMPANY 2025 USD 000	COMPANY 2024 USD 000
----------------------------	----------------------------

94	121
(26)	(24)
-	(3)
68	94

129	129
(61)	(35)
68	94

Intangible assets comprise of software licences. There are no intangible assets whose title is restricted and none of the intangible assets have been pledged as security for liabilities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

15 PROPERTY AND EQUIPMENT

GROUP

31 December 2025

Carrying amount at beginning of year	53,858	4,665	5,498	908	829	65,758
Additions	5,880	4,234	5,066	555	144	15,879
Property revaluation loss	(1,852)	-	-	-	-	(1,852)
Right of use modifications	-	-	-	-	375	375
Disposals	-	(3)	(31)	-	-	(34)
Depreciation	(13)	(1,687)	(2,691)	(326)	(257)	(4,974)

Carrying amount at end of year

	Owner-occupied property USD 000	Motor vehicles USD 000	Computer equipment USD 000	Fixtures & fittings USD 000	Right of use asset USD 000	GROUP Total USD 000
Carrying amount at end of year	57,873	7,209	7,842	1,137	1,091	75,152
Cost/Valuation	58,473	13,3055	21,692	2,855	2,403	98,728
Accumulated depreciation	(600)	(6,096)	(13,850)	(1,718)	(1,312)	(23,576)
Carrying amount at end of year	57,873	7,209	7,842	1,137	1,091	75,152

31 December 2024

Carrying amount at beginning of year	69,273	3,873	5,806	881	936	80,769
Additions	-	2,009	1,785	419	79	4,292
Property revaluation loss	(13,058)	-	-	-	-	(13,058)
Right of use modifications	-	-	-	-	430	430
Reclassifications	(704)	-	-	-	-	(704)
Disposals	-	-	(11)	(11)	-	(22)
Depreciation	(520)	(1,342)	(2,032)	(362)	(616)	(4,872)
Effects of changes in presentation currency	(1,133)	125	(50)	(19)	-	(1,077)

Carrying amount at end of year

Carrying amount at end of year	53,858	4,665	5,498	908	829	65,758
Cost/Valuation	54,445	9,074	16,657	2,300	1,884	84,360
Accumulated depreciation	(587)	(4,409)	(11,159)	(1,392)	(1,055)	(18,602)
Carrying amount at end of year	53,858	4,665	5,498	908	829	65,758

The carrying amount of owner-occupied property is the fair value of property as determined bi-annually by internal professional valuers, having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. Fair values are determined by having regard to recent market transactions for similar properties in the same location as the Group's owner-occupied property (see note 16 for property sensitivities).

The valuation techniques and significant unobservable inputs used in measuring the fair values of owner-occupied properties are consistent with those applied to investment properties at the reporting date.

If the revalued land and buildings had been measured under the cost model the carrying amount in the current year would have been USD8million (2024: USD8.5million).

COMPANY

31 December 2025

Carrying amount at beginning of year	184	81	62	6	333
Additions	816	81	26	-	923
Right of use modifications	-	-	-	195	195
Depreciation charge for the year	(148)	(64)	(38)	(44)	(294)

Carrying amount at end of year

	Motor vehicles USD 000	Computer equipment USD 000	Fixtures & fittings USD 000	Right of use asset USD 000	COMPANY Total USD 000
Carrying amount at end of year	852	98	50	157	1,157
Cost/Valuation	1,282	841	667	256	3,046
Accumulated depreciation	(430)	(743)	(617)	(99)	(1,889)
Carrying amount at end of year	852	98	50	157	1,157

31 December 2024

Carrying amount at beginning of year	191	274	170	31	666
Additions	-	31	9	-	40
Depreciation charge for the year	(103)	(52)	(129)	(16)	(300)
Effects of changes in presentation currency	96	(172)	12	(9)	(73)

Carrying amount at end of year

Carrying amount at end of year	184	81	62	6	333
Cost/Valuation	466	760	641	61	1,928
Accumulated depreciation	(282)	(679)	(579)	(55)	(1,595)
Carrying amount at end of year	184	81	62	6	333

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

16 INVESTMENT PROPERTY

Carrying amount at beginning of year
Additions
Disposal
Improvements
Gain/(loss) from fair value adjustments
Effects of changes in presentation currency
Carrying amount at end of year

Comprising:

Leasehold property
Freehold property

The fair value of freehold property leased to third parties under operating leases

Rental income from investment property
Direct operating expenses arising from rented-out investment property

GROUP 2025 USD 000	GROUP 2024 USD 000
373,435	460,853
3,978	1,358
(8,890)	(58,417)
7,303	6,773
6,781	(32,451)
-	(4,681)
382,607	373,435
5,460	5,630
377,147	367,805
382,607	373,435
296,082	285,261
34,768	45,062
(17,254)	(24,070)
17,514	20,992
COMPANY 2025 USD 000	COMPANY 2024 USD 000
300	403
-	(103)
300	300
300	300

Carrying amount at beginning of year
Loss from fair value adjustments
Carrying amount at end of year

Comprising:

Freehold property

The carrying amount of investment property as well as owner-occupied property is the fair value of property as determined bi-annually by internal professional valuers, having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The fair values are tested by comparing with values determined by three independent external valuers for a sample of properties accounting for at least 65% of the total value of the property portfolio, or for at least the top twenty five buildings by value. Rentals are benchmarked in USD but payable in both ZWG and USD.

The Group properties were valued in accordance with the International Valuation Standards with income generating properties valued using the Direct Capitalisation Method (DCM) while landholdings and residential properties were valued using the market approach.

Valuation inputs used were based on observed market transactions during the period.

Capitalisation rates applied in the valuation were based on prior transactions as well as the few observed current market transactions, with adjustments done to consider building specific factors and subject property performance. Despite the various macro-economic pressures in the market collections and void rates within the portfolio remained steady with some pockets of improvement in subsectors such as industrial, retail and office parks.

Key valuation inputs

The table below sets out information about inputs used at 31 December 2025 in measuring investment properties categorised under level 3 of the IFRS 13 fair value hierarchy. Level 3 is when unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

16 INVESTMENT PROPERTY (continued)

Type of property	Value USD 000	Key unobservable inputs	Interrelationship between unobservable inputs and fair value measurement
Office, Retail and Industrial Properties Valuation approach: Income capitalisation	2025: USD298,131 (2024: USD297 393)	Office - Capitalisation rates: 7.50% to 12% (2024: 7.30% to 10.25%) - Market rentals per m2: USD3 to USD11 (2024: USD4 to USD10) - Vacancy rates: 0% to 71% (2024: 0% to 72%) Retail - Capitalisation rates: 6.5% to 12.5% (2024: 6.5% to 13%) - Market rentals per m2: USD1.40 to USD18 (2024: USD1.79 to USD13.65) - Vacancy rates: 0% to 68% (2024: 0% to 52%) Industrial - Capitalisation rates: 7.25% to 13% (2024: 6.25% to 13%) - Market rentals per m2: USD0.60 to USD5.80 (2024: USD1 to USD3.50) - Vacancy rates: 0% to 37% (2024: 0% to 48%)	The estimated fair value would increase/(decrease) if: > net rental income increased/(decreased) > capitalisation rates were lower/(higher) > vacancies decreased/(increased)
Residential Valuation approach:	2025: USD7,741 (2024: USD4,247)	Residential rent from USD200 to USD1,800 (2024: USD250 to USD500)	• The estimated fair value would increase/(decrease) if prices for comparable properties increased/
Land Valuation approach:	2025: USD76,735 (2024: USD71,795)	Land value per m2: USD90 (2024: USD80).	• The estimated fair value would increase/(decrease) if prices for comparable properties increased/

Sensitivity analysis - valuation inputs

A 1% increase in capitalisation rates would decrease the fair value by:
 A 1% decrease in capitalisation rates would increase the fair value by:
 A 10% increase in market rentals per m2 would increase the fair value by:
 A 10% decrease in market rentals per m2 would decrease the fair value by:
 A 10% increase in average land values for land for land holdings per m2 would increase the fair value by:
 A 10% decrease in average land values for land for land holdings per m2 would decrease the fair value by:

Landholdings constitute 20% of overall property value.

2025 USD 000 Fair Value movement	2024 USD 000 Fair Value movement
(36,106)	(35,201)
45,611	41,706
35,537	34,674
(35,537)	(34,674)
7,769	7,769
(7,769)	(7,769)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

17 INVESTMENT IN ASSOCIATE

	Number of issued ordinary preference and shares	Interest %	2025 Carrying value of shares USD 000	2024 Carrying value of shares USD 000
Bright Zimbabwe Holdings (Private) Limited	45,938	40%	3,823	3,707

Dividends received from the associate below represent the actual amounts attributable and hence received by the Group. The other summary information that precedes the reconciliation to the Group's carrying amount represents amounts included in the IFRS financial statements of the associate, not the entity's share of these amounts, although they are adjusted to reflect fair value adjustments upon acquisition or accounting policy alignments.

The summarised financial information below represents amounts in Bright Zimbabwe Holdings (Private) Limited (Bright Zimbabwe) financial statements prepared in accordance with IFRS Accounting Standards.

	2025 USD 000	2024 USD 000
Current assets	2,900	2,208
Non-current assets	328	269
Current liabilities	(1,486)	(1,023)
Equity attributable to owners of the parent company	1,742	1,454
Revenue	3,963	3,537
Profit for the year	650	267
Total comprehensive income	650	267
Share of profit for the year	260	107
Dividends received from the associate during the year	145	145
Reconciliation of the above summarised financial information to the carrying amount of the interest in Bright Zimbabwe recognised in the consolidated financial statements:		
Net assets	1,742	1,454
Proportion of the group's ownership interest in the associate	697	581
Goodwill	2,830	2,830
Other adjustments	296	296
Carrying amount of the Group's interest in the associate	3,823	3,707

Bright Zimbabwe did not have any contingencies or commitments as at 31 December 2025 (2024: USD nil).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

18 DEFERRED TAX

GROUP

At 31 December 2025

Deferred tax liability

Shareholders

Policyholders

Deferred tax asset

Shareholders

Aggregate deferred tax

At 31 December 2024

Deferred tax liability

Shareholders

Policyholders

Deferred tax asset

Shareholders

Aggregate deferred tax

The Group has concluded that there is high probability that there will be future taxable profits against which the recognised deferred tax asset will be utilised.

COMPANY

Deferred tax liabilities

At 31 December 2025

Deferred tax liability

At 31 December 2024

Deferred tax liability

	At beginning of the year USD 000	Charge to equity USD 000	Profit or loss charge USD 000	Effects of changes in presentation currency USD 000	At end of year USD 000
At 31 December 2025					
Deferred tax liability					
Shareholders	8,016	579	(1,404)	-	7,191
Policyholders	322	-	(25)	-	297
	8,338	579	(1,429)	-	7,488
Deferred tax asset					
Shareholders	(1,988)	-	(728)	-	(2,716)
	(1,988)	-	(728)	-	(2,716)
Aggregate deferred tax	6,350	579	(2,157)	-	4,772
At 31 December 2024					
Deferred tax liability					
Shareholders	7,002	(867)	2,085	(204)	8,016
Policyholders	425	20	(34)	(89)	322
	7,427	(847)	2,051	(293)	8,338
Deferred tax asset					
Shareholders	(624)	-	(1,364)	-	(1,988)
	(624)	-	(1,364)	-	(1,988)
Aggregate deferred tax	6,803	(847)	687	(293)	6,350

	At the beginning of the year USD 000	Profit or loss USD 000	At end of the year USD 000
At 31 December 2025			
Deferred tax liability			
	2,872	(2,407)	465
	2,872	(2,407)	465
At 31 December 2024			
Deferred tax liability	571	2,301	2,872
	571	2,301	2,872

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

19 LOANS AND ADVANCES

Concentration - gross loans and advances

Housing

Unsecured personal loans

Commercial and industrial

Gross loans and advances

Less provision for impairment

Net loans and advances

Maturity analysis - gross and loans advances

On demand to 3 months

3 months to 12 months

1 year to 5 years

Over 5 years

Non performing loans

Analysis of past due but not impaired

0 to 30 days past due

31 to 90 days past due

	GROUP 2025 USD 000	GROUP 2024 USD 000
	24,190	16,496
	68,995	44,706
	172,971	139,732
	266,156	200,934
	(6,353)	(5,812)
	259,803	195,122
	27,906	26,554
	68,307	49,604
	108,567	121,948
	61,376	2,828
	266,156	200,934
	2,554	2,980
	13,995	27,712
	17,331	10,784
	31,326	38,496

19.1 Sectoral analysis of loans and advances

The business monitors concentrations of credit risk on loans and advances by sector. An analysis of concentrations of credit risk from loans and advances at the balance sheet date is shown below:

Sector

Agriculture

Construction, transport and communication

Distribution

Financial Services

Manufacturing and Mining

Mortgages

Private/Individuals

Energy

Services

Total gross loans

	GROUP 2025 USD 000	GROUP 2024 USD 000
	75,434	56,645
	17,695	6,946
	10,874	20,612
	1,700	3,872
	43,020	29,233
	30,835	18,233
	70,948	46,285
	11,494	14,873
	4,156	4,235
	266,156	200,934

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

19 LOANS AND ADVANCES (continued)

19.2 Impairment and credit quality analysis

	Subject to 12 month ECL		Subject to lifetime ECL				Total	
			Not credit impaired		Credit impaired (excluding purchased/originated)			
	Gross carry- ing amount USD 000	Allowance for ECL USD 000	Gross carry- ing amount USD 000	Allowance for ECL USD 000	Gross carry- ing amount USD 000	Allowance for ECL USD 000	Gross carry- ing amount USD 000	Allowance for ECL USD 000
As at 1 January 2025	131,069	561	66,592	(3,635)	3,273	(2,738)	200,934	(5,812)
	55,246	(586)	9,714	(1,152)	262	1,197	65,222	(541)
Originations, purchases and interest accruals	134,710	(1,500)	9,030	(1,020)	830	(370)	144,570	(2,890)
Repayments and other derecognitions excluding write-offs	(73,560)	210	(7,340)	1,080	(1,590)	1,970	(82,490)	3,260
Transfer to 12 month ECL	520	-	(520)	90	-	-	-	90
Transfer to lifetime ECL (not credit impaired)	(8,774)	342	8,774	(1,362)	-	-	-	(1,020)
Transfer to lifetime ECL (credit impaired)	(912)	203	(190)	50	1,102	(443)	-	(190)
Changes to model and risk parameters used for ECL calculation	3,262	159	(40)	10	(80)	40	3,142	209
As at 31 December 2025	186,315	(25)	76,306	(4,787)	3,535	(1,541)	266,156	(6,353)

	Subject to 12 month ECL		Subject to lifetime ECL				Total	
			Not credit impaired		Credit impaired (excluding purchased/originated)			
	Gross carrying amount USD 000	Allowance for ECL USD 000	Gross carrying amount USD 000	Allowance for ECL USD 000	Gross carrying amount USD 000	Allowance for ECL USD 000	Gross carrying amount USD 000	Allowance for ECL USD 000
As at 1 January 2024	109,504	(962)	64,567	(3,407)	3,542	(2,152)	177,613	(6,521)
	21,565	1,523	2,025	(228)	(269)	(586)	23,321	709
Originations, purchases and interest accruals	90,660	186	6,653	(1,445)	77	(74)	97,390	(1,333)
Repayments and other derecognitions excluding write-offs	(64,841)	309	(5,340)	1,169	(3,888)	787	(74,069)	2,265
Transfer to 12 month ECL	516	(6)	(508)	91	(8)	4	-	89
Transfer to lifetime ECL (not credit impaired)	(2,040)	191	2,189	(751)	(149)	107	-	(453)
Transfer to lifetime ECL (credit impaired)	(2,730)	(102)	(969)	301	3,699	(691)	-	(492)
Changes to model and risk parameters used for ECL calculation	-	945	-	407	-	(719)	-	633
As at 31 December 2024	131,069	561	66,592	(3,635)	3,273	(2,738)	200,934	(5,812)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2025

		GROUP 2025 USD 000	GROUP 2024 USD 000
20	INVESTMENTS AND SECURITIES		
20.1	Analysis of investments		
	Equity securities		
	- listed	433,906	321,960
	- unlisted	161,117	130,997
	Total Equities (note 20.3)	595,023	452,953
	Unit trust investments	45	621
	Public sector securities	2,071	28,275
	Debentures	34,480	14,675
	Treasury bills (see note 20.6)	5,272	5,104
	Deposits and money market securities	74,730	52,049
		711,621	553,677
20.2	Impairment on treasury bills, deposits and money market securities		
	12-month ECL not credit impaired		
	Loss allowance analysis		
	Loss allowance on 1 January	(156)	(2,141)
	Increase in the loss allowance	(203)	-
	Investment securities that have matured	-	1,985
	Balance as at 31 December	(359)	(156)
	There were no investment and securities subject to Lifetime ECL.		
20.3	Spread of equity securities by sector		
	Commodities	163,303	73,954
	Communications	23,062	25,058
	Consumer	272,981	185,024
	Financial	89,441	98,629
	Property	11,528	42,666
	Manufacturing	23,337	22,648
	Mining	11,371	4,974
		595,023	452,953
20.4	Movements of investment and securities		
	Opening balance	553,677	577,358
	Fair value movements through profit or loss	113,593	(14,266)
	Additions	141,954	90,568
	Disposals	(42,670)	(26,128)
	Maturities	(54,933)	(53,284)
	Effects of changes in presentation currency	-	(20,571)
	Closing balance	711,621	553,677

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

20 INVESTMENTS AND SECURITIES (continued)

20.5 Investment in unlisted equities with 20% and above shareholding

Investee	% holding	2025 USD 000	2024 USD 000
Takura Fund II (Limited Partner) "B shares" (held by Shareholders and OMLAC Main Fund)	40%	26,257	20,902
Great Zimbabwe Hydro (held by OMLAC Main Fund)	31%	1,032	1,032
Lobels Holdings Limited (held by OMLAC Main Fund)	49%	9,773	8,348
Manica Boards and Doors (MBD) (held by OMLAC Main Fund)	55%	4,663	4,499
Kupinga Renewable Energy (held by OMLAC Main Fund)	40%	1,108	1,011
Closefin (Held by OMLAC Main Fund)	21%	1,302	1,560
Plaza Bakery (held by OMLAC Main Fund)	49%	589	597
Zimcampus preference shares (held by OMLAC Main Fund and OMLAC Special Fund)	29%	4,051	5,074
Solgas ordinary shares (held by OMLAC Main Fund)	49%	281	26
Richaw Solar Tech ordinary shares (held by OMLAC Main Fund)	49%	651	651
Takura Fund III (Limited Partner) "D shares" (held by Shareholders and OMLAC Main Fund)	74%	49,701	51,198
Southern Property (Private) Limited (held by OMLAC Main Fund)	20%	748	730
Tenpill (held by Shareholders and OMLAC Main Fund)	48%	11,655	11,648
Nedbank Zimbabwe (held by Shareholders)	23%	6,577	7,736
Centagrid (held by OMLAC Main Fund, Special Fund and Insurance Fund)	26%	2,241	2,590
Glytime Foods (held by OMLAC Main Fund)	44%	2,123	1,646
		122,752	119,248

The above investments in which the Group holds more than 20% have been accounted for at fair value under IFRS 9 rather than as investment in associates under IAS 28, as these investments, with the exception of the investment in Nedbank Zimbabwe, back insurance contracts with discretionary participating features and investment contracts.

The Group has accounted for unlisted investments of this nature on the basis of IFRS 9, as Financial Assets at Fair Value through Profit or Loss, notwithstanding the percentage holding in each entity. These funds back investment contracts with discretionary participating features and investment contracts.

Although the Group holds 74.3% in Takura Fund III, this fund has not been consolidated as Directors have assessed that they do not exercise control over this fund which would necessitate consolidation. The fund is a pooled investment and the Group does not have power to exercise decisions over how the fund is managed, over key management personnel or their appointment or influence key operational decision making and accordingly this fund has been recognised at fair value in accordance with IFRS 9.

The Group has significant influence in Manica Boards and Doors due to its shareholding and representation on the Board, however, the Group applied the venture capital consolidation exemption per IAS 28 and measured the investment at fair value through profit or loss in accordance with IFRS 9 as the asset backs investment-linked insurance contracts.

Nedbank Zimbabwe has not been equity accounted, but has been fair valued as per IFRS 9. The Group is not represented on the Nedbank Zimbabwe Board, does not have significant transactions with Nedbank Zimbabwe and as such, the Directors do not believe that OMZIL is in a position to exercise significant influence over Nedbank Zimbabwe, notwithstanding the size of the shareholding.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

20 INVESTMENTS AND SECURITIES (continued)

20.5 Investment in unlisted equities 20% and above shareholding (continued)

Investee	Nature of business activities
Takura Fund II (Limited Partner)	Private equity funds with diversified investments
Great Zimbabwe Hydro	5MW grid tied hydro power plant located in Masvingo (under construction)
Lobel's Holdings	Bread and confectionary manufacturer
Manica Boards and Doors (MBD)	Manufactures fibreboard and doors for local and export market
Kupinga Renewable Energy	1.6MW runoff river grid tied hydro power plant located in Chipinge
Closefin	A special purpose vehicle invested in TSL, an agriculture conglomerate
Plaza Bakery	Bread and confectionary manufacturer located in Kwekwe.
Zimcampus	Mixed use students' accommodation complex
Solgas	5MW grid connected PV solar plant located in Hwange (operating)
Richaw Solar Tech	5MW grid connected PV solar plant located in Gwanda (under construction)
Takura Fund III (Limited Partner)	Private equity funds with diversified investments
Southern Property	A multi-purpose warehouse facility for the handling and storage of tobacco
Tenpill	5 star tourism facility located on the banks of the Zambezi River- Victoria Falls
Nedbank Zimbabwe	Banking services and products
Centagrid	25MW grid connected PV solar plant located in Nyabira
Glytime Foods	Foods manufacturing company which focus on manufacturing and distributing health-oriented cereals and snack products for both local and export markets

The above investees are all domiciled and operate in Zimbabwe. The Group has invested in these entities for the purpose of earning returns in the form of capital appreciation and dividends.

All the above investments, with the exception of Nedbank Zimbabwe were made out of policyholder funds.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

20 Investments and securities (continued)

20.6 Treasury bills maturity analysis

On demand to 3 months

3 months to 12 months

1 year to five years

Over 5 years

Total

GROUP 2025 USD 000	GROUP 2024 USD 000
-	2,415
1,517	1,035
3,340	1,654
415	-
5,272	5,104

In the absence of an active bond market and formal auction for government securities, treasury bills fair value computations have become a matter of significant judgement in the Zimbabwean market. Treasury bills which in other markets provide guidance to fixed income investors through a yield curve are currently being issued through private placements while in the secondary market the same paper is trading at heterogeneous yields. Given the challenges mentioned above, a number of factors had to be considered in coming up with what would be considered fair discount rates for the treasury bills designated at fair value as disclosed in the table below:

Type of asset	Valuation technique	Key inputs	Range
Treasury bills	Discounted Cash flow (DCF)	- Interest rate - Money market rates	0% to 10.89% 4.5% to 5.5%

20.7 Sensitivity analysis - Listed Equities

	Actual reported 31 Dec 2025 USD 000	+/- 20% stock movement USD 000	+/- 50% stock movement USD 000	+/- 75% stock movement USD 000
Equities - after increase	433,906	520,687	650,859	759,336
Equities - after decrease	433,906	347,125	216,953	108,476
Increase or decrease in fair value movement	-	86,781	216,953	325,430
Impact on profit and net asset value	-	20,394	50,984	76,476
	Actual reported 31 Dec 2024 USD 000	+/- 20% stock movement USD 000	+/- 50% stock movement USD 000	+/- 75% stock movement USD 000
Equities - after increase	321,960	386,352	482,940	563,430
Equities - after decrease	321,960	257,568	160,980	80,490
Increase or decrease in fair value movement	-	64,392	160,980	241,470
Impact on profit and net asset value	-	15,132	37,830	56,745

The Group has significant holdings in equities, consequently movements in the market index, all other factors held constant, will have a significant impact on reported profits for the year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

20 Investments and securities (continued)

20.8 Analysis of investments

At fair value through profit or loss
Equity securities (see note 20.9)
Unit trusts
Deposits and money market securities

20.9 Spread of equity securities by sector

At fair value through profit or loss
Commodities
Consumer
Financial services
Manufacturing

20.10 Movements of investment and securities

Opening balance
Fair value movements through profit and loss
Additions
Disposals
Effects of changes in presentation currency

COMPANY 2025 USD 000	COMPANY 2024 USD 000
29,701	20,081
25	519
1,425	57
31,151	20,657
10,863	493
3,629	3,961
14,835	15,355
374	272
29,701	20,081
20,657	21,075
4,641	6,843
5,869	24
(16)	(348)
-	(6,937)
31,151	20,657

Unquoted equities included in investments were valued at fair value.

21 INVESTMENTS IN SUBSIDIARY COMPANIES

Company

	Number of issued ordinary & preference shares 2025	% interest 2025	Number of issued ordinary & preference shares 2024	% interest 2024
Total				
Unlisted - subsidiaries				
Old Mutual Life Assurance				
Company Zimbabwe Limited	13,184,355	100%	13,184,355	100%
Central Africa Building Society	15,000,000	100%	15,000,000	100%
Old Mutual Investment Group				
Zimbabwe (Private) Limited	10,100	100%	10,000	100%
Old Mutual Securities (Private) Limited	621	100%	621	100%
Old Mutual Finance (Private) Limited	10,000	100%	10,000	100%
RM Insurance Holdings Limited	940,520	58.63%	940,520	58.63%
Old Mutual Digital Services (Private) Limited	1,921	100%	1,916	100%

All the above companies have a year end of 31 December and their financial results have been incorporated and are included in the Group financial statements from the effective date that the Group controls the entity.

The non-controlling interests share of profit for the financial year has been calculated on the basis of the Group's effective ownership in RM Insurance Holdings Limited, being the principal subsidiary where a non-controlling interest exists.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

Carrying value of shares

Unlisted - subsidiaries

Old Mutual Life Assurance Company Zimbabwe Limited
Central Africa Building Society
Old Mutual Investment Group Zimbabwe (Private) Limited
Old Mutual Securities (Private) Limited
Old Mutual Finance (Private) Limited
RM Insurance Holdings Limited
Old Mutual Digital Services (Private) Limited

COMPANY 2025 USD 000	COMPANY 2024 USD 000
111 441	105,653
193,206	198,149
19,499	8,990
262	278
3,424	3,051
12,408	9,419
4,370	5,900
344,610	331,440
331,440	223,021
6,524	105,306
6,646	3,113
344,610	331,440

Carrying amount at the beginning of the year

Net gain from fair value adjustments

Additions

Carrying amount at the end of the year

Key valuation inputs

Investment in subsidiaries are carried at fair value and are categorised under level 3 of the IFRS 13 fair value hierarchy. Level 3 is when unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

At 31 December 2025

Financial assets measured at fair value

Designated (fair value through profit or loss)

Total financial assets measured at fair value

Opening balance USD 000	Gains recognised in profit or loss USD 000	Additions USD 000	Closing balance USD 000
331,440	6,524	6,646	344,610
331,440	6,524	6,646	344,610

At 31 December 2024

Financial assets measured at fair value

Designated (fair value through profit or loss)

Total financial assets measured at fair value

223,021	105,306	3,113	331,440
223,021	105,306	3,113	331,440

22 OTHER ASSETS

Accrued investment income
Prepayments
Inventory - Capitalised project costs (see note 22.1 below)
Banking settlement and other clearing accounts.
RBZ legacy debt (see note 22.2 below)
Trade debtors
Tenant debtors
Investment settlement account
Other non-financial assets **
Other assets*

GROUP 2025 USD 000	GROUP 2024 USD 000
7,679	743
10,138	6,258
1,540	1,938
25,440	24,460
13,514	25,337
3,229	2,256
13,387	15,303
15,217	5,243
13,411	21,987
13,119	20,116
116,674	123,641

*Other assets comprise of non-trading receivables which include non-banking settlement and other clearing accounts, accounts, staff loans and penalties on late payments receivables for lending business.

**Other non-financial assets include fuel stocks and assets in transit.

22.1 Inventory - capitalised project costs

Opening balance

Additions

Cost of sales

1,938	2,243
29	-
(427)	(305)
1,540	1,938

22.2 RBZ Legacy Debt

Principal amount

Accumulated impairment loss

Net amount receivable

84,315	89,499
(70,801)	(64,162)
13,514	25,337

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

22 OTHER ASSETS (continued)

22.2 RBZ Legacy Debt (continued)

On the 24th of June 2019, the Government issued Statutory Instrument 142 (SI 142) which was followed up by the Reserve Bank of Zimbabwe (RBZ)'s Exchange Control Directive RU/102 of 2019 which directed authorised dealers to transfer to the RBZ, Zimbabwe Dollar balances at an exchange rate of ZWL:USD1 in relation to foreign currency legacy debts to be registered with the RBZ. The value in use of the receivable has been determined after taking into account key assumptions of a 19.45% (2024: 14.53%) discount rate for a tenure of 22 years. The State through the Ministry of Finance, Economic Development and Investment Promotion, subsequently assumed responsibility for the discharge of the debt.

Legacy Debts registration process

External lines of credit
Amounts owing to related parties
Amounts owing to 3rd parties
Amounts settled to date

2025 Approved USDm	2024 Approved USDm
26	26
84	84
1	1
(27)	(25)
84	86
GROUP 2025 USD 000	GROUP 2024 USD 000
10,144	7,460

22.3 Impairment of legacy debt Movement in impairment provision

The Group made applications relating to amounts incurred in USD between 2012 and 2018, when the functional currency was USD and prior to promulgation of SI 33 of February 2019, to providers of offshore lines of credit as well as related parties within the wider Old Mutual Limited Group.

Registration of the associated amounts under the RBZ blocked funds arrangement was completed with the transfer in 2019 and 2020 of amounts of ZWL111m to the RBZ at an exchange rate of USD1:ZWL1. CABS and OMZIL recognised a foreign currency denominated financial instrument in the financial statements in respect of the funds transferred to the RBZ as a legitimate expectation to receive foreign currency had been created, with exchange gains and losses as well as credit losses being recognised in the statement of profit or loss.

Upon transferring local funds for the registration of legacy debts/blocked funds, a legitimate expectation to receive a cashflow to allow for settlement of the registered obligation was created and an asset continues to be recognised on the Group's statement of financial position for the statutory receivable. This asset has been valued on the assumption that a right to acquire an amount equivalent to the debt registered at a future date now exists. The carrying value of the financial instrument reflects management's assessment of the present value of the expected net cashflows to be received under this arrangement.

In 2022 Parliament passed the Finance Act No 7 2021. The Act provides for the Government to take responsibility for discharging the outstanding registered blocked funds on the RBZ's balance sheet. The mode of discharge of the blocked funds, was to be through the issuance of zero-coupon USD denominated bonds with a provision for other detailed terms and conditions to be determined by the Minister of Finance, Economic Development and Investment Promotion.

As reported in the previous financial year, the Group is in discussions with the Ministry of Finance, Economic Development and Investment Promotion around the final resolution of the issue regarding the outstanding amounts. As at the time of reporting no settlement had been finalised with the Ministry of Finance, Economic Development and Investment Promotion. The Group revised the carrying value of the legacy debt receivable in 2025 based on market indications around the expected maturity dates of debt instruments being issued by the Government to other counterparties in similar circumstances.

The Group believes that the risk of non-realisation of cashflows under the arrangement is remote given the passing of Finance Act No 7 of 2021 and due to the fact that the RBZ has previously supported repayments under the legacy debt registered for CABS as they have fallen due, with indications having been provided that support will continue to be provided for the remaining amounts in CABS and OMZIL. The impairment represents a remeasurement of timing of expected cashflows based on management's assessment of the projected settlement horizon.

22.4 Legacy debt receivable Dividend receivable Investment receivable Gold coins Other assets

COMPANY 2025 USD 000	COMPANY 2024 USD 000
13,406	23,547
100	-
1,000	-
115	68
2,554	2,228
17,175	25,843

*Other assets include fuel stocks and assets in transit.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

22 OTHER ASSETS (continued)

22.5 RBZ Legacy Debt

Principal amount
Accumulated impairment loss
Net amount receivable

COMPANY 2025 USD 000	COMPANY 2024 USD 000
83,815	83,815
(70,409)	(60,268)
13,406	23,547

23 CASH AND CASH EQUIVALENTS

Cash balances
Bank balances

GROUP 2025 USD 000	GROUP 2024 USD 000
44,037	39,416
177,474	111,849
221,511	151,265

Bank balances

COMPANY 2025 USD 000	COMPANY 2024 USD 000
2,987	6,221
2,987	6,221

The Group and the Company tested for impairment on cash and cash equivalents, considering forward looking information and credit risk of counterparties, and concluded that the risk was low and impairment was not material.

24 INSURANCE AND REINSURANCE CONTRACTS

Insurance contracts

Total life and guaranteed savings:
Life Risk and Annuities
Life Savings

General Insurance

Total insurance contracts

Reinsurance contracts

Total life and guaranteed savings:
Life Risk and Annuities
Life Savings

General Insurance

Total reinsurance contracts

GROUP 31-Dec-25 Assets USD 000	GROUP 31-Dec-25 Liabilities USD 000	GROUP 31-Dec-24 Assets USD 000	GROUP 31-Dec-24 Liabilities USD 000
-	775,159	-	699,781
-	12,699	-	9,540
-	762,460	-	690,241
-	9,217	-	9,531
-	784,376	-	709,312
775	-	55	-
775	-	55	-
-	-	-	-
7,921	-	6,924	-
8,696	-	6,979	-

Movements in the carrying amounts of Insurance and reinsurance contracts

The following reconciliations show how the net carrying amounts of insurance and reinsurance in each line of business changed during the year as a result of cash flows and amounts recognised in the statement of profit or loss.

For each line of business, the Group presents a table that separately analyses movements in the liability for remaining coverage and movement in the liability for incurred claims and reconciles these movements to the line items in the statement of profit or loss.

A second reconciliation is presented for contracts not measured under the PAA, which separately analyses changes in the estimates for the present value of future cash flows, the risk adjustment for non-financial risk and the CSM.

The estimates of the present value of the future cash flows from insurance and reinsurance assets represents the Group's maximum exposure to credit risk from these assets.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.1 Insurance contracts: Life Risk and Annuities

a (i) Analysis by remaining coverage and incurred claims

GROUP

Year ended 31 December 2024

Net opening balance (insurance contracts)

Opening insurance assets
Opening insurance liabilities

Changes in profit or loss

Insurance revenue:

Contracts under the modified retrospective approach
Contracts under the fair value approach
Other contracts

Insurance service expenses:

Incurred claims and other insurance service expenses
Amortisation of insurance acquisition cash flows
Losses and reversal of losses on onerous contracts
Adjustments to liabilities for incurred claims

Insurance service result

Insurance finance expense

Total changes in profit or loss

Investment components

Cash flows

Premiums received
Insurance acquisition cash flows paid
Insurance claims paid, including investment components
Other expenses paid

Total cash flows (insurance contracts)

Net closing balance (insurance contracts)

Closing insurance assets

Closing insurance liabilities

Net closing balance (insurance contracts)

	Liability for remaining coverage		Liabilities for incurred claims			Total USD 000
	Excluding component loss USD 000	Loss component USD 000	Contracts not under PAA USD 000	Contracts under PAA Estimates of present value of future cash flows USD 000	Risk-adjustment for non-financial risk USD 000	
	-	-	-	-	-	-
Opening insurance assets	2,602	1,402	12	5,444	80	9,540
Opening insurance liabilities	2,602	1,402	12	5,444	80	9,540
Changes in profit or loss						
Insurance revenue:	(20,189)	-	-	-	-	(20,189)
Contracts under the modified retrospective approach	-	-	-	-	-	-
Contracts under the fair value approach	246	-	-	-	-	246
Other contracts	(20,435)	-	-	-	-	(20,435)
Insurance service expenses:	2,312	8	331	15,853	37	18,541
Incurred claims and other insurance service expenses	-	(497)	331	15,643	-	15,477
Amortisation of insurance acquisition cash flows	2,312	-	-	-	-	2,312
Losses and reversal of losses on onerous contracts	-	505	-	-	-	505
Adjustments to liabilities for incurred claims	-	-	-	210	37	247
Insurance service result	(17,877)	8	331	15,853	37	(1,648)
Insurance finance expense	41	388	-	-	-	429
Total changes in profit or loss	(17,836)	396	331	15,853	37	(1,219)
Investment components						
Cash flows						
Premiums received	19,985	-	-	-	-	19,985
Insurance acquisition cash flows paid	(1,835)	-	-	-	-	(1,835)
Insurance claims paid, including investment components	-	-	3	(8,196)	-	(8,193)
Other expenses paid	33	(81)	(321)	(5,209)	(1)	(5,579)
Total cash flows (insurance contracts)	18,183	(81)	(318)	(13,405)	(1)	4,378
Net closing balance (insurance contracts)	2,949	1,717	25	7,892	116	12,699
Closing insurance assets	-	-	-	-	-	-
Closing insurance liabilities	2,949	1,717	25	7,892	116	12,699
Net closing balance (insurance contracts)	2,949	1,717	25	7,892	116	12,699

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.1 Insurance contracts: Life Risk and Annuities (continued)

a (i) Analysis by remaining coverage and incurred claims (continued)

GROUP

Year ended 31 December 2024

Net opening balance (insurance contracts)

Opening insurance assets

Opening insurance liabilities

Changes in profit or loss

Insurance revenue:

Contracts under the modified retrospective approach

Contracts under the fair value approach

Other contracts

Insurance service expenses:

Incurred claims and other insurance service expenses

Amortisation of insurance acquisition cash flows

Losses and reversal of losses on onerous contracts

Adjustments to liabilities for incurred claims

Insurance service result

Insurance finance expense

Total changes in profit or loss

Investment components

Cash flows

Premiums received

Insurance acquisition cash flows paid

Insurance claims paid, including investment components

Other expenses paid

Total cash flows (insurance contracts)

Effects of changes in presentation currency and other

Net closing balance (insurance contracts)

Closing insurance assets

Closing insurance liabilities

Net closing balance (insurance contracts)

	Liability for remaining coverage		Liabilities for incurred claims			Total USD 000
	Excluding component loss USD 000	Loss component USD 000	Contracts not under PAA USD 000	Contracts under PAA Estimates of present value of future cash flows USD 000	Risk-adjustment for non-financial risk USD 000	
	-	-	-	-	-	-
	3,864	2,492	831	3,888	58	11,133
	3,864	2,492	831	3,888	58	11,133
	(15,135)	-	-	-	-	(15,135)
	-	-	-	-	-	-
	(1,118)	-	-	-	-	(1,118)
	(14,017)	-	-	-	-	(14,017)
	271	4,478	-	5,990	22	10,761
	-	-	-	10,156	-	10,156
	271	-	-	-	-	271
	-	4,478	-	-	-	4,478
	-	-	-	(4,166)	22	(4,144)
	(14,864)	4,478	-	5,990	22	(4,374)
	6,167					6,167
	(8,697)	4,478	-	5,990	22	1,793
	15,483	-	-	-	-	15,483
	(271)	-	-	-	-	(271)
	-	-	(4)	(34,714)	-	(34,718)
	-	-	(243)	(2,088)	-	(2,331)
	15,212	-	(247)	(36,802)	-	(21,837)
	(7,777)	(5,568)	(572)	32,368		18,451
	2,602	1,402	12	5,444	80	9,540
	-	-	-	-	-	-
	2,602	1,402	12	5,444	80	9,540
	2,602	1,402	12	5,444	80	9,540

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.1 Insurance contracts: Life Risk and Annuities (continued)

a (ii) Insurance contracts: Analysis by measurement component - contracts not measured under PAA

	Estimates of present value of future cashflows USD 000	Risk adjustment for non-financial risk USD 000	Contractual Service Margin	Total USD 000
			Other contracts USD 000	
GROUP				
Year ended 31 December 2025				
Opening insurance liabilities	3,491	(357)	25	3,159
Changes in the income statement				
Changes that relate to current services	100	(12)	(1)	87
CSM recognised for services provided	-	-	(1)	(1)
Release of risk adjustment for the risk expired	-	6	-	6
Tax recovered from Policyholders	(8)	-	-	(8)
Experience adjustments	108	(18)	-	90
Changes that relate to future services	188	(16)	4	176
Contracts initially recognised in the year	(5)	1	4	-
Changes in estimates that adjust the CSM	-	-	-	-
Changes in estimates that result in losses and reversal of losses on onerous contracts	193	(17)	-	176
Insurance service result	288	(28)	3	263
Insurance finance expense	419	9	-	428
Total changes in the income statement	707	(19)	3	691
Cash flows				
Premiums received	(512)	(27)	26	(513)
Insurance acquisition cash flows paid	(2)	-	-	(2)
Insurance claims paid, including investment components	3	-	-	3
Other expenses paid	(321)	-	-	(321)
Total cash flows (insurance contracts)	(832)	(27)	26	(833)
Closing insurance liabilities	3,366	(403)	54	3,017

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.1 Insurance contracts: Life Risk and Annuities (continued)

a (ii) Insurance contracts: Analysis by measurement component - contracts not measured under PAA

	Estimates of present value of future cashflows USD 000	Risk adjustment for non-financial risk USD 000	Contractual Service Margin	Total USD 000
			Other contracts USD 000	
GROUP Year ended 31 December 2024				
Opening insurance liabilities	614	22	-	636
Changes in the income statement				
Changes that relate to current services	(38)	(240)	2	(276)
CSM recognised for services provided	-	-	2	2
Release of risk adjustment for the risk expired	-	(117)	-	(117)
Tax recovered from Policyholders	-	-	-	-
Experience adjustments	(38)	(123)	-	(161)
Changes that relate to future services	(2,825)	(117)	(3)	(2,945)
Contracts initially recognised in the year	3	-	(3)	-
Changes in estimates that adjust the CSM	1	(1)	-	-
Changes in estimates that result in losses and reversal of losses on onerous contracts	(2,829)	(116)	-	(2,945)
Insurance service result	(2,863)	(357)	(1)	(3,221)
Insurance finance expense	6,167	-	-	6,167
Total changes in the income statement	3,304	(357)	(1)	2,946
Cash flows				
Premiums received	(583)	-	-	(583)
Insurance acquisition cash flows paid	20	-	-	20
Insurance claims paid, including investment components	105	-	-	105
Other expenses paid	242	-	-	242
Total cash flows (insurance contracts)	(216)	-	-	(216)
Effects of changes in presentation currency and other	(211)	(22)	26	(207)
Closing insurance liabilities	3,491	(357)	25	3,159

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.1 Insurance contracts: Life Savings

b (i) Analysis by remaining coverage and incurred claims

GROUP

Year ended 31 December 2025

Net opening balance (insurance contracts)

Opening insurance liabilities

Opening insurance assets

Changes in profit or loss

Insurance revenue

Contracts under the modified retrospective approach

Contracts under the fair value approach

Other contracts

Insurance service expenses:

Incurred claims and other insurance service expenses

Amortisation of insurance acquisition cash flows

Losses and reversal of losses on onerous contracts

Adjustments to liabilities for incurred claims

Insurance service result

Insurance finance expense

Total changes in profit or loss

Investment components

Cash flows

Premiums received

Insurance acquisition cash flows paid

Insurance claims paid, including investment components

Other expenses paid

Total cash flows (insurance contracts)

Net closing balance (insurance contracts)

Closing insurance assets

Closing insurance liabilities

Net closing balance (insurance contracts)

	Liability for remaining coverage		Liabilities for incurred claims			Total USD 000
	Excluding component loss USD 000	Loss component USD 000	Contracts not under PAA USD 000	Estimates of present value of future cash flows USD 000	Risk-adjustment for non-financial risk USD 000	
Year ended 31 December 2025						
Net opening balance (insurance contracts)						
Opening insurance liabilities	-	-	-	-	-	-
Opening insurance assets	681,243	7,140	1,858	-	-	690,241
	681,243	7,140	1,858	-	-	690,241
Changes in profit or loss						
Insurance revenue	(16,710)	-	-	-	-	(16,710)
Contracts under the modified retrospective approach	-	-	-	-	-	-
Contracts under the fair value approach	(16,483)	-	-	-	-	(16,483)
Other contracts	(227)	-	-	-	-	(227)
	2	(6,548)	15,985	-	-	9,439
Insurance service expenses:						
Incurred claims and other insurance service expenses	-	(68)	15,985	-	-	15,917
Amortisation of insurance acquisition cash flows	2	-	-	-	-	2
Losses and reversal of losses on onerous contracts	-	(6,480)	-	-	-	(6,480)
Adjustments to liabilities for incurred claims	-	-	-	-	-	-
	(16,708)	(6,548)	15,985	-	-	(7,271)
Insurance service result	(16,708)	(6,548)	15,985	-	-	(7,271)
Insurance finance expense	106,848	-	-	-	-	106,848
	90,140	(6,548)	15,985	-	-	99,577
Total changes in profit or loss	90,140	(6,548)	15,985	-	-	99,577
Investment components	(58,958)	-	58,958	-	-	-
Cash flows						
Premiums received	44,503	-	-	-	-	44,503
Insurance acquisition cash flows paid	-	-	-	-	-	-
Insurance claims paid, including investment components	-	-	(57,802)	-	-	(57,802)
Other expenses paid	(104)	3,841	(17,796)	-	-	(14,059)
	44,399	3,841	(75,598)	-	-	(27,358)
Total cash flows (insurance contracts)	44,399	3,841	(75,598)	-	-	(27,358)
Net closing balance (insurance contracts)	756,824	4,433	1,203	-	-	762,460
Closing insurance assets	-	-	-	-	-	-
Closing insurance liabilities	756,824	4,433	1,203	-	-	762,460
	756,824	4,433	1,203	-	-	762,460
Net closing balance (insurance contracts)	756,824	4,433	1,203	-	-	762,460

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.1 Insurance contracts: Life Savings (continued)

b (i) Analysis by remaining coverage and incurred claims (continued)

GROUP	Liability for remaining coverage		Liabilities for incurred claims			Total USD 000
			Contracts not under PAA USD 000	Contracts under PAA		
	Excluding component loss USD 000	Loss component USD 000			Estimates of present value of future cash flows USD 000	
Year ended 31 December 2024						
Net opening balance (insurance contracts)						
Opening insurance assets	-	-	-	-	-	-
Opening insurance liabilities	760,114	7,295	1,812	-	-	769,221
	760,114	7,295	1,812	-	-	769,221
Changes in profit or loss						
Insurance revenue:	(5,522)	-	-	-	-	(5,522)
Contracts under the modified retrospective approach	-	-	-	-	-	-
Contracts under the fair value approach	(5,522)	-	-	-	-	(5,522)
Other contracts	-	-	-	-	-	-
Insurance service expenses:	1	7,365	19,025	-	-	26,391
Incurred claims and other insurance service expenses	-	-	19,025	-	-	19,025
Amortisation of insurance acquisition cash flows	1	-	-	-	-	1
Losses and reversal of losses on onerous contracts	-	7,365	-	-	-	7,365
Adjustments to liabilities for incurred claims	-	-	-	-	-	-
Insurance service result	(5,521)	7,365	19,025	-	-	20,869
Insurance finance expense	19,826	-	-	-	-	19,826
Total changes in profit or loss	14,305	7,365	19,025	-	-	40,695
Investment components	(25,152)	-	25,152	-	-	-
Cash flows	-	-	-	-	-	-
Premiums received	45,725	-	-	-	-	45,725
Insurance acquisition cash flows paid	(1)	-	-	-	-	(1)
Insurance claims paid, including investment components	-	-	(25,042)	-	-	(25,042)
Other expenses paid	-	-	(19,035)	-	-	(19,035)
Total cash flows (insurance contracts)	45,724	-	(44,077)	-	-	1,647
Effects of changes in presentation currency	(113,747)	(7,520)	(54)	-	-	(121,321)
Net closing balance (insurance contracts)	681,244	7,140	1,857	-	-	690,241
Closing insurance assets	-	-	-	-	-	-
Closing insurance liabilities	681,244	7,140	1,857	-	-	690,241
Net closing balance (insurance contracts)	681,244	7,140	1,857	-	-	690,241

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.1 Insurance contracts: Life Savings (continued)

b (ii) Insurance contracts: Analysis by measurement component - contracts not measured under PAA

GROUP	Estimates of present value of future cashflows USD 000	Risk adjustment for non-financial risk USD 000	Contractual service margin		Total USD 000
			Contracts under fair value approach USD 000	Other contracts USD 000	
Year ended 31 December 2025					
Opening insurance liabilities	689,740	500	-	1	690,241
Changes in the income statement					
Changes that relate to current services	1,295	(26)	(2,039)	(21)	(791)
CSM recognised for services provided	-	-	(2,039)	(21)	(2,060)
Release of risk adjustment for the risk expired	-	(26)	-	-	(26)
Tax recovered from Policyholders	-	-	-	-	-
Experience adjustments	1,295	-	-	-	1,295
Changes that relate to future services	(26,309)	(267)	19,947	149	(6,480)
Contracts initially recognised in the year	5	1	-	-	6
Changes in estimates that adjust the CSM	(19,894)	(202)	19,947	149	-
Changes in estimates that result in losses and reversal of losses on onerous contracts	(6,420)	(66)	-	-	(6,486)
Insurance service result	(25,014)	(293)	17,908	128	(7,271)
Insurance finance expense	106,848	-	-	-	106,848
Total changes in the income statement	81,834	(293)	17,908	128	99,577
Cash flows					
Premiums received	44,503	-	-	-	44,503
Insurance claims paid, including investment components	(57,802)	-	-	-	(57,802)
Other expenses paid	(14,059)	-	-	-	(14,059)
Total cash flows (insurance contracts)	(27,358)	-	-	-	(27,358)
Closing insurance liabilities	744,216	207	17,908	129	762,460

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.1 Insurance contracts: Life Risk and Annuities (continued)

b (ii) Insurance contracts: Analysis by measurement component - contracts not measured under PAA

GROUP	Estimates of present value of future cashflows USD 000	Risk adjustment for non-financial risk USD 000	Contractual service margin		Total USD 000
			Contracts under fair value approach USD 000	Other contracts USD 000	
Year ended 31 December 2024					
Opening insurance liabilities	768,957	56	197	10	769,220
Changes in the income statement					
Changes that relate to current services	8,164	13	(113)	(8)	8,056
CSM recognised for services provided	-	-	(113)	(8)	(121)
Release of risk adjustment for the risk expired	-	15	-	-	15
Tax recovered from Policyholders	-	-	-	-	-
Experience adjustments	8,164	(2)	-	-	8,162
Changes that relate to future services	12,467	431	(84)	(1)	12,813
Contracts initially recognised in the year	82	4	(84)	-	2
Changes in estimates that adjust the CSM	88	(2)	-	(1)	85
Changes in estimates that result in losses and reversal of losses on onerous contracts	12,297	429	-	-	12,726
Insurance service result	20,631	444	(197)	(9)	20,869
Insurance finance expense	19,826	-	-	-	19,826
Total changes in the income statement	40,457	444	(197)	(9)	40,695
Cash flows					
Premiums received	25,902	-	-	-	25,902
Insurance claims paid, including investment components	(21,315)	-	-	-	(21,315)
Other expenses paid	(10,390)	-	-	-	(10,390)
Total cash flows (insurance contracts)	(5,803)	-	-	-	(5,803)
Effects of changes in presentation currency and other	(113,871)	-	-	-	(113,871)
Closing insurance liabilities	689,740	500	-	1	690,241

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.1 Insurance contracts: Property and Casualty

c (i) Analysis by remaining coverage and incurred claims

GROUP

Year ended 31 December 2025

Net opening balance (insurance contracts)

Opening insurance assets

Opening insurance liabilities

Changes in profit or loss

Insurance revenue

Contracts under the modified retrospective approach

Contracts under the fair value approach

Other contracts

Insurance service expenses

Incurred claims and other insurance service expenses

Amortisation of insurance acquisition cash flows

Losses and reversal of losses on onerous contracts

Adjustments to liabilities for incurred claims

Insurance service result

Total changes in profit or loss

Investment components

Cash flows

Premiums received

Insurance acquisition cash flows paid

Insurance claims paid, including investment components

Other expenses paid

Total cash flows (insurance contracts)

Net closing balance (insurance contracts)

Closing insurance assets

Closing insurance liabilities

Net closing balance (insurance contracts)

	Liability for remaining coverage		Liabilities for incurred claims			Total USD 000
	Excluding component loss USD 000	Loss component USD 000	Contracts not under PAA USD 000	Contracts under PAA Estimates of present value of future cash flows USD 000	Risk-adjustment for non-financial risk USD 000	
Opening insurance assets	-	-	-	-	-	-
Opening insurance liabilities	4,076	(1)	-	5,007	449	9,531
	4,076	(1)	-	5,007	449	9,531
Changes in profit or loss						
Insurance revenue	(47,484)	-	-	-	-	(47,484)
Contracts under the modified retrospective approach	(47,484)	-	-	-	-	(47,484)
Contracts under the fair value approach	-	-	-	-	-	-
Other contracts	-	-	-	-	-	-
Insurance service expenses	9,247	22	-	28,305	(17)	37,557
Incurred claims and other insurance service expenses	-	-	-	28,305	-	28,305
Amortisation of insurance acquisition cash flows	9,247	-	-	-	-	9,247
Losses and reversal of losses on onerous contracts	-	22	-	-	-	22
Adjustments to liabilities for incurred claims	-	-	-	-	(17)	(17)
Insurance service result	(38,237)	22	-	28,305	(17)	(9,927)
Total changes in profit or loss	(38,237)	22	-	28,305	(17)	(9,927)
Investment components						
Cash flows	-	-	-	-	-	-
Premiums received	49,271	-	-	-	-	49,271
Insurance acquisition cash flows paid	(11,516)	-	-	-	-	(11,516)
Insurance claims paid, including investment components	-	-	-	(23,670)	-	(23,670)
Other expenses paid	-	-	-	(4,472)	-	(4,472)
Total cash flows (insurance contracts)	37,755	-	-	(28,142)	-	9,613
Net closing balance (insurance contracts)	3,594	21	-	5,170	432	9,217
Closing insurance assets	-	-	-	-	-	-
Closing insurance liabilities	3,594	21	-	5,170	432	9,217
Net closing balance (insurance contracts)	3,594	21	-	5,170	432	9,217

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.1 Insurance contracts: Property and Casualty (continued)

c (i) Analysis by remaining coverage and incurred claims (continued)

GROUP

Year ended 31 December 2024

Net opening balance (insurance contracts)

Opening insurance assets

Opening insurance liabilities

Changes in profit or loss

Insurance revenue:

Contracts under the modified retrospective approach

Contracts under the fair value approach

Other contracts

Insurance service expenses:

Incurred claims and other insurance service expenses

Amortisation of insurance acquisition cash flows

Losses and reversal of losses on onerous contracts

Adjustments to liabilities for incurred claims

Total changes in profit or loss

Investment components

Cash flows

Premiums received

Insurance acquisition cash flows paid

Insurance claims paid, including investment components

Other expenses paid

Total cash flows (insurance contracts)

Effects of changes in presentation currency

Net closing balance (insurance contracts)

Closing insurance assets

Closing insurance liabilities

Net closing balance (insurance contracts)

Liability for remaining coverage		Liabilities for incurred claims			Total USD 000
Excluding component loss USD 000	Loss component USD 000	Contracts not under PAA USD 000	Contracts under PAA		
			Estimates of present value of future cash flows USD 000	Risk-adjustment for non-financial risk USD 000	
-	-	-	-	-	-
6,097	104	-	9,848	658	16,707
6,097	104	-	9,848	658	16,707
(44,081)	-	-	-	-	(44,081)
-	-	-	-	-	-
-	-	-	-	-	-
(44,081)	-	-	-	-	(44,081)
12,813	40	-	19,927	208	32,988
3,747	-	-	19,927	-	23,674
9,066	-	-	-	-	9,066
-	40	-	-	-	40
-	-	-	-	208	208
(31,268)	40	-	19,927	208	(11,093)
-	-	-	-	-	-
43,944	-	-	-	-	43,944
(13,795)	-	-	-	-	(13,795)
-	-	-	(7,796)	-	(7,796)
-	-	-	(22,883)	-	(22,883)
30,149	-	-	(30,679)	-	(530)
(902)	(145)	-	5,911	(417)	4,447
4,076	(1)	-	5,007	449	9,531
-	(1)	-	-	-	(1)
4,076	-	-	5,007	449	9,532
4,076	(1)	-	5,007	449	9,531

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.2 Reinsurance contracts: Life Risk and Annuities

d (i) Analysis by remaining coverage and incurred claims

GROUP

Year ended 31 December 2025

Net opening balance (reinsurance contracts)

Opening reinsurance assets
Opening reinsurance liabilities

Changes in profit or loss

Allocation of reinsurance premiums paid
Amounts recoverable from reinsurers
Recoveries of incurred claims and other insurance service expenses
Recoveries and reversals of recoveries of losses on onerous underlying contracts
Adjustments to assets for incurred claims

Net expenses from reinsurance contracts
Net finance income from reinsurance contracts
Effect of changes in non-performance risk of reinsurers

Total changes in profit or loss

Investment components

Cash flows

Premiums paid net of ceding commission and other attributable expenses
Amounts received

Total cash flows (reinsurance contracts)

Net closing balance (reinsurance contracts)

Closing reinsurance assets
Closing reinsurance liabilities

Net closing balance (reinsurance contracts)

Recovery coverage component		Incurred claims component USD 000	Total USD 000
Excluding loss recovery component USD 000	Loss recovery component USD 000		
5	51	(1)	55
5	51	(1)	55
-	-	-	-
(638)	-	-	(638)
-	1,104	8	1,112
-	1,104	-	1,104
-	-	-	-
-	-	8	8
(638)	1,104	8	474
-	-	1	1
-	-	-	-
(638)	1,104	9	475
643	-	-	643
-	(398)	-	(398)
643	(398)	-	245
10	757	8	775
10	757	8	775
-	-	-	-
10	757	8	775

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.2 Reinsurance contracts: Life Risk and Annuities (continued)

d (i) Analysis by remaining coverage and incurred claims (continued)

GROUP

Year ended 31 December 2024

Net opening balance (reinsurance contracts)

Opening reinsurance assets
Opening reinsurance liabilities

Changes in profit or loss

Allocation of reinsurance premiums paid
Amounts recoverable from reinsurers
Recoveries of incurred claims and other insurance service expenses
Recoveries and reversals of recoveries of losses on onerous underlying contracts
Adjustments to assets for incurred claims

Net expenses from reinsurance contracts
Net finance income from reinsurance contracts
Effect of changes in non-performance risk of reinsurers

Total changes in profit or loss

Investment components

Cash flows

Premiums paid net of ceding commission and other attributable expenses
Amounts received

Total cash flows (reinsurance contracts)

Net closing balance (reinsurance contracts)

Closing reinsurance assets
Closing reinsurance liabilities

Net closing balance (reinsurance contracts)

Recovery coverage component		Incurred claims component USD 000	Total USD 000
Excluding loss recovery component USD 000	Loss recovery component USD 000		
-	-	-	-
-	-	-	-
-	-	-	-
(1,231)	-	-	(1,231)
-	(165)	(1)	(166)
-	(165)	-	(165)
-	-	-	-
-	-	(1)	(1)
(1,231)	(165)	(1)	(1,397)
-	-	-	-
(1,231)	(165)	(1)	(1,397)
1,236	-	-	1,236
-	216	-	216
1,236	216	-	1,452
5	51	(1)	55
5	51	(1)	55
-	-	-	-
5	51	(1)	55

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.2 Reinsurance contracts: Property and Casualty

e (i) Analysis by remaining coverage and incurred claims

GROUP

Year ended 31 December 2025

Net opening balance (reinsurance contracts)

Opening reinsurance assets
Opening reinsurance liabilities

Changes in profit or loss

Allocation of reinsurance premiums paid
Amounts recoverable from reinsurers
Recoveries of incurred claims and other insurance service expenses
Recoveries and reversals of recoveries of losses on onerous underlying contracts
Adjustments to assets for incurred claims

Net expenses from reinsurance contracts
Net finance income from reinsurance contracts
Effect of changes in non-performance risk of reinsurers

Total changes in profit or loss

Investment components

Cash flows

Premiums paid net of ceding commission and other attributable expenses
Amounts received

Total cash flows (reinsurance contracts)

Net closing balance (reinsurance contracts)

Closing reinsurance assets
Closing reinsurance liabilities

Net closing balance (reinsurance contracts)

Recovery coverage component		Incurred claims component USD 000	Total USD 000
Excluding loss recovery component USD 000	Loss recovery component USD 000		
(6,400)	(26)	13,350	6,924
-	-	13,350	13,350
(6,400)	(26)	-	(6,426)
(14,274)	-	-	(14,274)
-	3	9,155	9,158
-	-	9,090	9,090
-	3	-	3
-	-	65	65
(14,274)	3	9,155	(5,116)
-	-	-	-
-	-	-	-
(14,274)	3	9,155	(5,116)
26,099	26	-	26,125
-	-	(20,012)	(20,012)
26,099	26	(9,062)	5,810
5,425	3	2,493	7,921
5,425	3	2,493	7,921
-	-	-	-
5,425	3	2,493	7,921

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.2 Reinsurance contracts: Property and Casualty (continued)

e (i) Analysis by remaining coverage and incurred claims (continued)

GROUP

Year ended 31 December 2024

Net opening balance (reinsurance contracts)

Opening reinsurance assets
Opening reinsurance liabilities

Changes in profit or loss

Allocation of reinsurance premiums paid
Amounts recoverable from reinsurers
Recoveries of incurred claims and other insurance service expenses
Recoveries and reversals of recoveries of losses on onerous underlying contracts
Adjustments to assets for incurred claims

Net expenses from reinsurance contracts
Net finance income from reinsurance contracts
Effect of changes in non-performance risk of reinsurers

Total changes in profit or loss

Investment components

Cash flows

Premiums paid net of ceding commission and other attributable expenses
Amounts received

Total cash flows (reinsurance contracts)

Effects of changes in presentation currency and other

Net closing balance (reinsurance contracts)

Closing reinsurance assets
Closing reinsurance liabilities

Net closing balance (reinsurance contracts)

Recovery coverage component		Incurred claims component USD 000	Total USD 000
Excluding loss recovery component USD 000	Loss recovery component USD 000		
(12,341)	(5)	15,587	3,241
-	-	15,587	15,587
(12,341)	(5)	-	(12,346)
(14,207)	-	-	(14,207)
-	(21)	7,822	7,801
-	-	7,825	7,825
-	(21)	-	(21)
-	-	(3)	(3)
(14,207)	(21)	7,822	(6,406)
-	-	-	-
(14,207)	(21)	7,822	(6,406)
20,148	-	(10,059)	10,089
-	-	-	-
20,148	-	(10,059)	10,089
-	-	-	-
(6,400)	(26)	13,350	6,924
-	-	13,350	13,350
(6,400)	(26)	-	(6,426)
(6,400)	(26)	13,350	6,924

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.3 Effect of contracts initially recognised in the year

The following table summarises the effect on the measurement components of insurance and reinsurance contracts arising from the initial recognition of contracts not measured under the PAA that were initially recognised during the year:

f (i) Analysis by remaining coverage and incurred claims

GROUP

Year ended 31 December 2025

Insurance contracts: Life risk and annuities

Insurance acquisition cashflows

Claims and other insurance service expenses payable

Estimate of present value of cash outflows

Estimate of present value of cash inflows

Risk adjustment for non-financial risk

Contractual service margin

Losses recognised on initial recognition

Insurance contracts: Life savings

Insurance acquisition cashflows

Claims and other insurance service expenses payable

Estimate of present value of cash outflows

Estimate of present value of cash inflows

Risk adjustment for non-financial risk

Contractual service margin

Losses recognised on initial recognition

	Profitable contracts USD 000	Onerous contracts issued USD 000	Total insurance contracts issued USD 000
Insurance acquisition cashflows	(3)	(1)	(4)
Claims and other insurance service expenses payable	(13)	(3)	(16)
Estimate of present value of cash outflows	(16)	(4)	(20)
Estimate of present value of cash inflows	21	4	25
Risk adjustment for non-financial risk	(1)	-	(1)
Contractual service margin	(4)	-	(4)
Losses recognised on initial recognition	-	-	-
Insurance contracts: Life savings			
Insurance acquisition cashflows	-	(3)	(3)
Claims and other insurance service expenses payable	-	(127)	(127)
Estimate of present value of cash outflows	-	(130)	(130)
Estimate of present value of cash inflows	-	125	125
Risk adjustment for non-financial risk	-	(1)	(1)
Contractual service margin	-	-	-
Losses recognised on initial recognition	-	(6)	(6)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

24 INSURANCE AND REINSURANCE CONTRACTS (continued)

24.3 Effect of contracts initially recognised in the year (continued)

f (i) Analysis by remaining coverage and incurred claims (continued)

GROUP

Year ended 31 December 2024

Insurance contracts: Life risk and annuities

Insurance acquisition cashflows
Claims and other insurance service expenses payable

Estimate of present value of cash outflows

Estimate of present value of cash inflows
Risk adjustment for non-financial risk
Contractual service margin

Losses recognised on initial recognition

Insurance contracts: Life savings

Insurance acquisition cashflows
Claims and other insurance service expenses payable

Estimate of present value of cash outflows

Estimate of present value of cash inflows
Risk adjustment for non-financial risk
Contractual service margin

Losses recognised on initial recognition

Profitable contracts USD 000	Onerous contracts issued USD 000	Total insurance contracts issued USD 000
(16)	-	(16)
(42)	-	(42)
(58)	-	(58)
88	-	88
(1)	-	(1)
(29)	-	(29)
-	-	-
-	(985)	(985)
1		1
1	(985)	(984)
1	1	2
-	(51)	(51)
(2)	-	(2)
-	(1,035)	(1,035)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

25. INVESTMENT CONTRACT LIABILITIES

Liabilities at fair value through profit or loss

Movement in liabilities fair valued through profit or loss

Balance at beginning of year

New contributions received

Withdrawals

Fair value movements

Effects of changes in presentation currency

Balance at end of year

GROUP 2025 USD 000	GROUP 2024 USD 000
154,043	87,131
87,131	69,411
32,798	20,249
(1,014)	(3,418)
35,128	7,728
-	(6,839)
154,043	87,131
(84,846)	(89,272)

26. AMOUNTS DUE FROM OR (TO) GROUP COMPANIES

Old Mutual Limited (South Africa) and its subsidiaries outside Zimbabwe (note 36)

	COMPANY 2025 USD 000 Due from	COMPANY 2025 USD 000 Due to	COMPANY 2024 USD 000 Due from	COMPANY 2024 USD 000 Due to
Old Mutual Life Assurance Company Zimbabwe Limited	-	(1,618)	-	(65)
Old Mutual Zimbabwe Holdco Limited	-	(32,065)	-	(32,065)
Old Mutual Investment Group Zimbabwe (Private) Limited	284	-	91	-
Old Mutual (Zimbabwe) Foundation Trust	-	(63)	-	(68)
Old Mutual Securities (Private) Limited	-	(119)	42	-
Old Mutual Funeral Services (Private) Limited	327	-	107	-
Frittlewell Investments (Private) Limited	-	(230)	-	(230)
Old Mutual Insurance Company (Private) Limited	-	(63)	-	(47)
Central Africa Building Society	612	-	-	(155)
Old Mutual Finance (USD) Limited	-	(50,000)	-	(50,000)
The OMZIL Client Pension Exgratia Trust	-	(10)	-	(9)
The OMZIL Indigenisation Employee Share Trust	-	(21)	-	(16)
The OMZIL Management Incentive Share Trust	-	(14)	-	(12)
Old Mutual Finance (Private) Limited	178	-	41	-
Old Mutual Life Assurance Company SA Limited	1	-	-	-
Old Mutual Africa Holdings (Private) Limited	-	(1,635)	-	(3,770)
Old Mutual Digital Services (Private) Limited	434	-	379	-
Old Mutual Zimbabwe Limited Dividend Access Trust	11	-	-	-
	1,847	(85,838)	660	(86,437)

OML has been aware of discussions between the Group in Zimbabwe and the Ministry of Finance, Economic Development and Investment Promotion around the settlement of legacy debt which covers historic obligations incurred to foreign entities under the OML group. The realisation of cash flows from the State under the arrangement is a key dependency on the ability of OMZIL to discharge its obligation to the wider OML group. OML has undertaken to support options pursuant to the orderly discharge of legacy debt obligations due to them in a manner that does not negatively impact the financial soundness and stability of the Group in Zimbabwe.

The amounts due to group companies above are unsecured and are payable on demand.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

27. OTHER PAYABLES

	GROUP 2025 USD 000	GROUP 2024 USD 000
Accruals and deferred income	3,468	2,541
Trade creditors	31,718	21,011
Foreign creditors	267	303
Bonus and leave pay provisions	12,688	8,121
Audit fee provisions	476	511
Other financial liabilities*	17,836	13,350
Other liabilities	4,277	4,244
Mobile money deposits	3,689	2,297
Finance lease liability	831	804
	75,250	53,182

*Other financial liabilities comprise of clearance accounts.

	COMPANY 2025 USD 000	COMPANY 2024 USD 000
Bonus and leave pay accruals	10,097	4,861
Audit fees accrual	275	259
Sundry creditors	1,970	2,282
	12,342	7,402

29. CREDIT LINES

Trade and Development Bank (TDB)
Afrexim Bank
European Investment Bank (EIB)
Balance at end of the year

Maturity analysis

On demand to 3 months
3 months to 1 year
1 year to 5 years

	GROUP 2025 USD 000	GROUP 2024 USD 000
	25,965	10,000
	17,982	32,369
	9,728	12,994
	53,675	55,363
	25,622	12,362
	21,611	28,431
	6,442	14,570
	53,675	55,363

Afreximbank 3 month SOFR + 7.5%
Afreximbank 3 month SOFR + 5.75%
Afreximbank fixed rate + 5.00%
EIB fixed rate 4.10% + 5.00%
TDB 6 month SOFR + 5.00%

	Currency	Nominal amount	Maturity date
	USD	10,000,000	30 January 2026
	USD	40 000 000	19 March 2027
	USD	20 000 000	22 August 2027
	EUR	15 000 000	3 August 2028
	USD	50 000 000	13 July 2026

All offshore credit lines are denominated in foreign currency, predominantly USD, except for the EUR 15 million EIB Trade Finance Facility on issuance which matures in February 2028. However, in terms of settlement the EIB facility was converted and is being settled in USD to mitigate currency risk. The Group continues to meet all covenant requirements associated with these facilities, and management considers the funding sources stable and adequate for both operational and strategic liquidity needs. The security structure varies by lender and these range from being unsecured, to partially secured and fully secured.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

28. AMOUNTS DUE TO BANK DEPOSITORS

In the Group's banking business, the Group receives cash from bank depositors. The depositors receive interest on the amounts owed depending on the value of the amount borrowed and the terms of the deposit.

	GROUP 2025 USD 000	GROUP 2024 USD 000
Demand deposits	284,257	189,541
Savings deposits	2,529	1,968
Money market deposits	59,504	29,759
	346,290	221,268
Maturity analysis		
On demand to 3 months	344,805	216,595
3 months to a year	1,485	3,384
1 year to 5 year	-	989
Over 5 years	-	300
	346,290	221,268
Concentration - value		
Financial institutions	31,004	55,875
Companies and other institutions	259,597	138,349
Individuals	55,689	27,044
	346,290	221,268
Concentration - percentage	%	%
Financial institutions	9%	25%
Companies and other institutions	75%	63%
Individuals	16%	12%
	100%	100%

30. SHARE CAPITAL AND PREMIUM

Authorised share capital

292 953 125 ordinary shares
 249 035 156 'A' class ordinary shares
 83 011 718 'B' class ordinary shares
 1 preference share
 1 'A' preference share

Issued share capital

249 035 156 'A' class ordinary shares
 83 011 718 'B' class ordinary shares
 1 preference share
 1 'A' preference share

	COMPANY 2025 USD	COMPANY 2024 USD
	161	161
	137	137
	46	46
	-	-
	-	-
	138	138
	46	46
	-	-
	-	-
	184	184

Subject to the limitations imposed by the Companies and other Business Entities Act, the Articles of Association permit the Directors to allot the unissued share capital at their discretion without restriction.

These class 'A' and 'B' shares carry the same rights as the ordinary shares.

The redeemable preference share issued to Old Mutual (Zimbabwe) Dividend Access Trust is not transferable and carries the following rights:

1. It would be entitled to a non-cumulative preferential annual dividend of USD0.02.
2. It shall be redeemable at any time at the discretion of Old Mutual Zimbabwe Limited.
3. It shall participate in Surplus Assets on liquidation, subject to a limit of USD0.02.
4. Subject to certain conditions, the Directors of the Company shall be entitled to declare such additional dividends in respect of the Share as they may from time to time, in their discretion, determine, subject to the provisions of the Scheme.

Subject to the requirements of any legislation that may from time to time compel the trustees of the Dividend Access Trust to withhold any amounts (whether in respect of taxation or otherwise) they shall be obliged to pay any dividends received by them as the shareholders of the preference share to the shareholders of Old Mutual Limited registered on its Zimbabwe share register, pro-rata to their shareholding in that company.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

30. SHARE CAPITAL AND PREMIUM (continued)

The 'A' redeemable preference share was issued to the OML (Zimbabwe) Dividend Access Trust (OML DAT), is not transferrable and confers no rights to share in the assets of the Company during its continuation or on winding up other than through dividend participation or redemption in terms of the articles.

Shares held by the entity

The number of shares held by the entity and its subsidiaries, including within policyholder funds is 35,068,817 shares.

	No of shares	No of shares
Opening balance	37,959,299	40,242,408
Disposals	(2,890,482)	(2,283,109)
Closing balance	35,068,817	37,959,299

31. NOTES TO THE STATEMENTS OF CASH FLOWS

31.1 Non-cash movements and adjustments to operating profit

	GROUP 2025 USD 000	GROUP 2024 USD 000
Depreciation and amortisation	5,467	5,099
Fair value movements in investment contract liabilities	35,128	7,728
Net fair value gains for the year included in operating profit	(120,258)	(79,527)
Change in impairment provision	10,144	7,460
Expected credit loss from lending activities	1,677	4,171
Net accrued interest (income)/loss	12,885	448
Finance expenses from insurance contracts	107,277	25,994
Insurance service expense	65,536	70,140
Insurance revenue	(84,383)	(64,737)
Other write off and losses	(4,983)	-
Unrealised exchange gains	(6,747)	(7,006)
Other	-	(7,896)
	21,743	(38,126)

31.2 Changes in working capital

Decrease in other assets	(6,967)	(47,949)
Increase/(decrease) other payables and amounts due to group companies	17,642	(1,592)
Increase in investment contract liabilities	31,784	16,831
Increase in reinsurance insurance contract assets	(1,717)	(83,824)
Decrease in reinsurance contract liabilities	-	(2)
Increase in deposits	125,022	125,549
Increase in loans and advances	(64,681)	(24,030)
	101,083	(15,017)

31.3 Taxation paid

Taxation payable at beginning of year	(2,186)	(577)
Income tax charge for the year	(22,586)	(10,323)
Taxation payable at end of year	3,124	2,186
	(21,648)	(8,714)

31.4 Dividends paid

Dividends payable at beginning of year	-	4
Dividends declared during the year	(9,966)	(4,150)
Dividends payable at end of year	-	-
	(9,966)	(4,146)

31.5 Accrued interest income

Interest income received	41 198	40 779
Interest expense paid	(8 475)	(10 475)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

31. NOTES TO THE STATEMENTS OF CASH FLOWS (continued)

31.6 Non-cash movements and adjustments to operating profit

Depreciation and amortisation	
Net fair value gains for the year included in operating profit	
Movement in impairment provision	

31.7 Changes in working capital

Other assets and amounts due by Group companies	
Other payables and amounts due to Group companies	

31.8 Taxation paid

Taxation payable at beginning of year	
Income tax charge for the year	
Taxation payable at end of year	

31.9 Dividends paid

Dividends payable at beginning of year	
Dividends declared during the year	
Dividends payable at end of year	

COMPANY 2025 USD 000	COMPANY 2024 USD 000
320	324
(10,879)	(104,313)
10,144	7,460
(415)	(96,529)
(2,660)	(1,291)
4,226	4,362
1,566	3,071
(159)	(285)
(4,585)	(3,674)
671	159
(4,073)	(3,800)
-	4
(9,896)	(4,021)
-	-
(9,896)	(4,025)

32 SHARE-BASED PAYMENTS

32.1 Indigenisation Transactions

In 2012 the Group entered into an Indigenisation transaction under the Indigenisation & Economic Empowerment Act of 2008 (Chapter 14:33). OMZIL donated USD60 million to qualifying indigenous groups through trusts to acquire OMZIL shares from the main shareholder, Old Mutual Netherlands B.V. The shares were transferred to the various trusts on 1 June 2012. The grants represent a share-based payment transaction as defined in IFRS 2, Share-based payment transactions.

OMZIL may be called upon from time to time, to provide such funds as may be required by the Trustees of the various trusts in their capacities as such, to defray the costs and expenses arising out of and in connection with the administration of the trusts..

OMZIL Indigenisation Employee Share Scheme

This scheme operates for the benefit of all employees of the Group who meet the qualification criteria set by management.

OMZIL Management Incentive Share Scheme

This scheme operates for the benefit of management and its primary purpose is to attract, reward, and retain senior and middle management. Awards will be made annually on agreed terms and conditions with a vesting period of three years. Participants receive dividends from the date of the award. There are currently no shares outstanding to staff.

OMZIL Clients Pension Ex-gratia Trust

This scheme operates for the benefit of client pensioners. Once off share awards were allocated to participants. These vested immediately and were not subject to any conditions.

Old Mutual Zimbabwe Youth Fund Trust

This scheme operates for the benefit of the youth population of Zimbabwe. It is administered in collaboration with the Ministry of Youth, Sport, Arts and Recreation through the Zimbabwe Youth Council. The shares act as collateral to loans accessed from CABS by young people as defined. These share awards vested immediately and were not subject to any conditions.

32.2 Share-based payments reserve

The equity share-based payment reserve is maintained in the Group and Company from the date of issue of the share awards. On exercise of the share awards, settlement will be made through the structured entities controlled by Old Mutual Zimbabwe Limited which are listed above in note 32.1.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

33. CONTINGENT LIABILITIES

Commission of inquiry

The Government of Zimbabwe set up the Commission of Inquiry in 2015 led by Justice Smith, to investigate the causes and extent of loss of value suffered by Insurance and pension schemes during the period 1 January 2000 to 28 February 2009. Following this report several actions were taken by the Insurance and Pensions Commission (IPEC) to strengthen the regulatory environment.

IPEC issued Statutory Instrument (SI) 162 of 2023 'Pensions and Provident Funds (Compensation for Loss of Pre-2009 Value of Pension Benefits) Regulations, 2023' on 1 October 2023 as a follow up step, with the statutory instrument aimed at determining and providing compensation for loss of value of pre-2009 pensions benefits. SI 162 is in respect of Pension Funds only with the SI for Insurance Funds still pending. The statutory instrument provided guidelines to be followed in coming up with individual compensation schemes and prescribed certain parameters.

Old Mutual Life Assurance Company (OMLAC) made its submissions to IPEC, prepared in line with the stipulated guidelines, on 29 December 2023. IPEC issued a public notice on 15 March 2024 which stated that none of the assessed compensation schemes were approved and IPEC was to actively engage each pension fund to enforce compliance within the confines of the law. IPEC requested for additional information in May 2024 and submissions were made by the business. The matter is still under discussion between IPEC and industry players and is yet to be finalised. This issue remains disclosed as a contingent liability as both the amount and timing of any settlement are still to be finalised. This is consistent with treatment in the prior years.

34. POST EMPLOYMENT BENEFITS

The Group and the Company provides pension benefits to permanent employees and post-retirement benefits to qualifying employees. Pension benefits have been designed, and are administered in accordance with the Pension and Provident Funds Act (Chapter 24:09), and are defined contribution schemes.

Old Mutual Staff Pension Fund

The Fund is a defined contribution plan registered to provide retirement benefits for the Group's and Company's full-time employees.

National Social Security Authority Scheme

This scheme was promulgated under the National Social Security Authority Act 1989. The Group's and Company's obligations under the scheme are limited to specific contributions as legislated from time to time and is presently a maximum of 9% of the insured amount provided by the National Social Security Authority. The employee and the employer contribute 50% each per month.

Old Mutual Post Retirement Medical Aid Subsidy Fund

The fund is a defined contribution plan for the Group's and Company's full-time employees. The subsidy is based on the applicable contribution per member at the date of retirement.

Contributions recognised as an expense for the year

- Old Mutual Staff Pension Fund
- National Social Security Authority Scheme

GROUP 2025 USD 000	GROUP 2024 USD 000
3,274	3,156
1,153	919
COMPANY 2025 USD 000	COMPANY 2024 USD 000
194	116
69	39

Contributions recognised as an expense for the year

- Old Mutual Staff Pension Fund
- National Social Security Authority Scheme

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

35. CAPITAL COMMITMENTS

Authorised

The Group is committed to incur capital expenditure and the commitments are expected to be settled in the year 2026.

For advances

Aggregate commitments due under advances granted but not yet disbursed

GROUP 2025 USD 000	GROUP 2024 USD 000
24,961	29,184
24,961	29,184
COMPANY 2025 USD 000	COMPANY 2024 USD 000
4,028	2,363

Capital commitments

Authorised

36. RELATED PARTY DISCLOSURES

Holding company and fellow subsidiaries and associates.

The Group's immediate holding company is Old Mutual Africa Holdings which holds 75% of the Group's ordinary shares. The ultimate holding company is Old Mutual Limited, incorporated in South Africa.

Other Group companies consist of fellow subsidiaries and associates.

Transactions and balances with holding company and fellow subsidiaries

GROUP 2025 USD 000	GROUP 2024 USD 000
(2,781)	(7,207)
(32,065)	(32,065)
(50,000)	(50,000)

Fellow related parties

Old Mutual Africa Holdings

Amounts due to as at 31 December

Old Mutual Zimbabwe Holdco Limited

Amounts due to as at 31 December

Old Mutual Finance (USD) Limited

Amounts due to as at 31 December

Loans due by or to subsidiaries and other Group companies

Old Mutual Finance (USD) Limited took over the amount previously owing to Old Mutual Netherlands. Loans due by or to subsidiaries or other Group companies within Zimbabwe accrue interest at market related interest rates, and the amounts are repayable on demand.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

36 RELATED PARTY DISCLOSURES (continued)

	COMPANY 2025 USD 000	COMPANY 2024 USD 000
Old Mutual Zimbabwe Holdco Limited		
Amounts due to at end of year	(32,065)	(32,065)
Old Mutual Investment Group Zimbabwe (Pvt) Ltd		
Nature of transactions: Asset Management Fees	(132)	(233)
Management fee income	1,353	980
Management fee expense	(8)	(7)
Dividend income	100	-
Amounts due to at end of year	284	91
Central Africa Building Society		
Nature of transactions: Bank charges	(36)	(31)
Management fee income	2,278	1,892
Management fee expense	(36)	(27)
Dividend received	15,000	13,500
Interest earned on investments	123	2
Custodial fees	(19)	(17)
Rental expense	(123)	(111)
Amounts due at end of year	612	(155)
Old Mutual Finance (Private) Limited		
Nature of transactions: Management fee income	260	183
Dividend received	300	100
Amounts due to at end of year	178	41
Old Mutual (Zimbabwe) Foundation Trust		
Nature of transactions: Management fee income	122	96
Amounts due at end of year	(63)	(68)
Old Mutual Finance (USD) Limited		
Amounts due at end of year	(50,000)	(50,000)
Old Mutual Life Assurance Company Zimbabwe Limited		
Nature of transactions: Management fee income	2,632	1,837
Management fee expense	(80)	(44)
Pension contributions	(194)	(116)
Dividend received	8,044	-
Amounts due at end of year	(1,618)	(65)
Old Mutual Securities (Pvt) Ltd		
Nature of transactions: Management fee income	14	22
Amounts due at end of year	(119)	42
Old Mutual Insurance Company (Pvt) Ltd		
Nature of transactions: Management fee income	1,124	908
Amounts due at end of year	(63)	(47)
Old Mutual Funeral Services Company (Pvt) Ltd		
Nature of transactions: Management fee income	52	42
Amounts due at end of year	327	107
The OMZIL Client Pension Exgratia Trust		
Amounts due at end of year	(10)	(9)
The OMZIL Indigenisation Employee Share Trust		
Amounts due at end of year	(22)	(16)
The OMZIL Management Incentive Share Trust		
Amounts due at end of year	(14)	(12)
Old Mutual Digital Services (Pvt) Ltd		
Nature of transactions: Management fee income	140	139
Management fee expense	(67)	(58)
Amounts due at end of year	434	379

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

36 RELATED PARTY DISCLOSURES (continued)

The Company's immediate holding company is Old Mutual Africa Holdings which holds 75% of the Group's ordinary shares. The ultimate holding company is Old Mutual Limited, incorporated in South Africa.

Other group companies consist of subsidiaries associates as well as other subsidiaries of Old Mutual Limited.

Loans due by or to subsidiaries or other group companies accrue interest at market related interest rates and are repayable on demand and related party transactions are at arm's length.

Capital advances and amounts due by or to group companies are disclosed in note 26.

Key management personnel

Key management personnel and their close family members and entities which they control, jointly control or over which they exercise significant influence are considered related parties to the Group.

Key management personnel remuneration and other compensation
Short-term employee benefits
Post-employment benefits

GROUP 2025 USD 000	GROUP 2024 USD 000
8,075	6,117
799	512
8,874	6,629

37 UNCONSOLIDATED STRUCTURED ENTITY

During 2012, Kurera-Ukondla Youth Fund was formed as part of conforming with the Indigenisation and Economic Empowerment Act, for the sole benefit of the Youth of Zimbabwe. OMZIL appointed Trustees who were responsible for overseeing the trust's activities. In 2022, the Kurera-Ukondla Youth fund was wound down and a new fund, Old Mutual Zimbabwe Youth Fund Trust, was created to replace it. OMZIL has no interest in the profits or losses of the fund, all income and assets belongs to the Youth Fund and there is no exposure.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

38 FINANCIAL INSTRUMENTS CATEGORIES

Categories of financial instruments

The analysis of assets and liabilities into their categories as defined in IFRS 9 'Financial Instruments: Recognition and Measurement' (IFRS 9) is set out in the following table. For completeness, assets and liabilities of a non-financial nature or financial assets and liabilities that are specifically excluded from the scope of IFRS 9, are reflected in the non-financial assets and liabilities category.

GROUP	At fair value through profit or loss USD 000	At amortised cost USD 000	Non-financial assets/ liabilities USD 000	Total USD 000
At 31 December 2025				
Assets				
Intangible assets	-	-	4,639	4,639
Property and equipment	-	-	75,152	75,152
Investment property	-	-	382,607	382,607
Investment in associate	-	-	3,823	3,823
Deferred tax assets	-	-	2,716	2,716
Loans and advances	-	259,803	-	259,803
Investments and securities	595,068	116,553	-	711,621
Reinsurer contracts	-	-	8,696	8,696
Current tax assets	-	-	403	403
Other assets	-	93,166	23,508	116,674
Cash and cash equivalents	-	221,511	-	221,511
	595,068	691,033	501,544	1,787,645
Liabilities				
Insurance contract liabilities	-	-	784,376	784,376
Investment contract liabilities	154,043	-	-	154,043
Deferred tax liabilities	-	-	7,488	7,488
Current tax payable	-	-	3,124	3,124
Amounts due to group companies	-	84,846	-	84,846
Other liabilities	-	75,250	-	75,250
Amounts owed to bank depositors	-	346,290	-	346,290
Credit lines	-	53,675	-	53,675
	154,043	560,061	794,988	1,509,092
At 31 December 2024				
Assets				
Intangible assets	-	-	674	674
Property and equipment	-	-	65,758	65,758
Investment property	-	-	373,435	373,435
Investment in associate	-	-	3,707	3,707
Deferred tax assets	-	-	1,988	1,988
Loans and advances	-	195,122	-	195,122
Investments and securities	453,574	100,103	-	553,677
Reinsurer contracts	-	-	6,979	6,979
Current tax assets	-	-	-	-
Other assets	-	68,751	54,890	123,641
Cash and cash equivalents	-	151,265	-	151,265
	453,574	515,241	507,431	1,476,246
Liabilities				
Insurance contract liabilities	-	-	709,312	709,312
Investment contract liabilities	87,131	-	-	87,131
Reinsurance contract liabilities	-	-	-	-
Deferred tax liabilities	-	-	8,338	8,338
Current tax payable	-	-	2,186	2,186
Amounts due to group companies	-	89,272	-	89,272
Other liabilities	-	53,182	-	53,182
Amounts owed to bank depositors	-	221,268	-	221,268
Credit lines	-	55,363	-	55,363
	87,131	419,085	719,836	1,226,052

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

38 FINANCIAL INSTRUMENTS CATEGORIES (continued)

COMPANY	At fair value through profit or loss USD 000	At amortised cost USD 000	Non-financial assets/ liabilities USD 000	Total USD 000
At 31 December 2025				
Assets				
Intangible assets	-	-	68	68
Property and equipment	-	-	1,157	1,157
Investment property	-	-	300	300
Investments and securities	29,726	1,425	-	31,151
Investments in subsidiary companies	344,610	-	-	344,610
Investments in associates	-	-	3,823	3,823
Amounts due by group companies	-	1,847	-	1,847
Other assets	-	3,768	13,407	17,175
Cash and cash equivalents	-	2,987	-	2,987
	374,336	10,027	18,755	403,118
Liabilities				
Deferred tax liabilities	-	-	465	465
Amounts due to group companies	-	85,838	-	85,838
Current tax payable	-	-	671	671
Other payables	-	12,342	-	12,342
	-	98,180	1,136	99,316
At 31 December 2024				
Assets				
Intangible assets	-	-	-	-
Property and equipment	-	-	94	94
Investment property	-	-	333	333
Investments and securities	20,600	57	300	300
Investments in subsidiary companies	331,440	-	-	20,657
Investments in associates	-	-	-	331,440
Amounts due by group companies	-	-	3,707	3,707
Other assets	-	660	-	660
Cash and cash equivalents	-	2,296	23,547	25,843
	-	6,221	-	6,221
	352,040	9,234	27,981	389,255
Liabilities				
Deferred tax liabilities	-	-	2,872	2,872
Amounts due to group companies	-	86,437	-	86,437
Current tax payable	-	-	159	159
Other payables	-	7,402	-	7,402
	-	93,839	3,031	96,870

39 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Determination of fair value

The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset or liability is not active or quoted prices cannot be obtained without undue effort, another valuation technique is used. This is after:

- Assessing whether instruments are trading with sufficient frequency and volume such that they can be considered liquid.
- The inclusion of a measure of the counterparties' non-performance risk in the fair value measurement of loans and advances, which involves the modelling of dynamic credit spreads.
- The inclusion of own credit risk in the calculation of the fair value of financial liabilities.

There have been no significant changes in the valuation techniques applied when valuing financial instruments. The general principles applied to those instruments measured at fair value are outlined below:

Loans and advances

Loans and advances include mortgage loans, other asset-based loans, including collateralised debt obligations and other secured and unsecured loans.

In the absence of an observable market for these instruments, the fair value is determined by using internally developed models that are specific to the instrument and that incorporate all available observable inputs. These models involve discounting the contractual cash flows by using a credit-adjusted rate.

Investments and securities

Investments and securities include listed and unlisted equity securities, pooled investments, and short-term funds. Pooled investments represent the Group's holdings of shares/units in open-ended investment companies, unit trusts, mutual funds, and similar investment vehicles. Pooled investments are recognised at fair value. The fair values of pooled investments are based on widely published prices that are regularly updated or models based on the market prices of investments held in the underlying pooled investment funds.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

39 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (continued)

Investments and securities (continued)

Other investment and securities that are measured at fair value are measured at observable market prices where available. In the absence of observable market prices, these investments and securities are fair valued utilising one or more of the following techniques: discounted cash flows, the applicable of an EBITDA multiple or any other relevant technique.

Investment contract liabilities

The fair value of investment contract liabilities is determined with reference to the underlying funds that are held by the Group.

Other financial assets and liabilities

The fair values of other financial assets and liabilities are reasonably approximated by the carrying amounts reflected in the statement of financial position as they are short-term in nature or re-price to current market rates frequently.

Fair value hierarchy

Level 1 – quoted market prices: financial assets and liabilities with quoted prices for identical instruments in active markets

Level 2 – valuation techniques using observable inputs: financial assets and liabilities with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial assets and liabilities valued using models where all significant inputs are observable

Level 3 – valuation techniques using significant unobservable inputs: financial assets and liabilities valued using valuation techniques where one or more significant inputs are unobservable.

The judgement as to whether a market is active may include, for example, consideration of factors such as the magnitude and frequency of trading activity, the availability of prices, and the size of bid / offer spreads. In inactive markets, obtaining assurance that the transaction price provides evidence of fair value or determining the adjustments to transaction prices that are necessary to measure the fair value of the asset or liability requires additional work during the valuation process.

The majority of valuation techniques employ only observable market data, and so the reliability of the fair value measurement is high. However, certain financial assets and liabilities are valued on the basis of valuation techniques that feature one or more significant market inputs that are unobservable and, for them, the derivation of fair value is more judgemental. A financial asset or liability in its entirety is classified as valued using significant unobservable inputs if a significant proportion of that asset or liability's carrying amount is driven by unobservable inputs. In this context, 'unobservable' means that there is little or no current market data available for which to determine the price at which an arm's length transaction would likely to occur. It generally does not mean that there is no market data available at all upon which to base a determination of fair value (for example, consensus pricing data may be used). Furthermore, in some cases the majority of the fair value derived from a valuation technique with significant unobservable inputs may be attributable to observable inputs.

Financial assets and liabilities not measured at fair value

For items not measured at fair value the amounts presented in the financial statements closely approximate fair value. This is largely due to unavailability of consistent assumptions in the market that can be used to determine fair value.

GROUP

31 December 2025

Financial assets measured at fair value

Investment and securities

Total financial assets measured at fair value

Financial liabilities

Investment contract liabilities

Total financial liabilities measured at fair value

31 December 2024

Financial assets measured at fair value

Investment and securities

Total financial assets measured at fair value

Financial liabilities

Investment contract liabilities

Total financial liabilities measured at fair value

	Level 1 USD 000	Level 2 USD 000	Level 3 USD 000	Total USD 000
31 December 2025				
Financial assets measured at fair value				
Investment and securities	422,568	93,456	195,597	711,621
Total financial assets measured at fair value	422,568	93,456	195,597	711,621
Financial liabilities				
Investment contract liabilities	-	-	154,043	154,043
Total financial liabilities measured at fair value	-	-	154,043	154,043
31 December 2024				
Financial assets measured at fair value				
Investment and securities	321,960	621	130,993	453,574
Total financial assets measured at fair value	321,960	621	130,993	453,574
Financial liabilities				
Investment contract liabilities	-	-	87,131	87,131
Total financial liabilities measured at fair value	-	-	87,131	87,131

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

39 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (continued)

COMPANY	Level 1 USD 000	Level 2 USD 000	Level 3 USD 000	Total USD 000
31 December 2025				
Financial assets measured at fair value				
Investment and securities	21,471	25	8,230	29,726
Total financial assets measured at fair value	21,471	25	8,230	29,726
31 December 2024				
Financial assets measured at fair value				
Investment and securities	10,804	519	9,277	20,600
Total financial assets measured at fair value	10,804	519	9,277	20,600

The movement in level 3 instruments for the year can be analysed as follows:

GROUP	Opening balance USD 000	Gains/losses recognised in profit or loss USD 000	Additions USD 000	Closing balance USD 000
31 December 2025				
Financial assets measured at fair value				
Designated (fair value through profit or loss)	130,993	30,124	34,480	195,597
Total financial assets measured at fair value	130,993	30,124	34,480	195,597
31 December 2024				
Designated (fair value through profit or loss)	106,738	24,255	-	130,993
Total financial assets measured at fair value	106,738	24,255	-	130,993
COMPANY				
31 December 2025				
Financial assets measured at fair value				
Designated (fair value through profit or loss)	9,277	(1,048)	-	8,229
Total financial assets measured at fair value	9,277	(1,048)	-	8,229
31 December 2024				
Financial assets measured at fair value				
Designated (fair value through profit or loss)	6,961	2,316	-	9,277
Total financial assets measured at fair value	6,961	2,316	-	9,277

Key inputs and assumptions used in the valuation models include discount rates and price earnings ratio. The table below sets out information about significant unobservable inputs used at year end in measuring financial instruments categorised as level 3:

Valuation technique	Significant unobservable input	Average range of unobservable inputs
Discounted Cash flow (DCF)	Risk adjusted discount rate: -Equity risk premium -Nominal free risk rate -Terminal growth rate	4.62% 4.16% 3.53%
Price Earnings(PE)	PE ratio/multiple :Discount applied -Country risk discount -Marketability discount -Size discount	-6.91% to 9.61% 4.5% to 15.4% 0% to 24.9%

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

39. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (continued)

Effect of changes in significant unobservable assumptions to reasonable possible alternatives

Favourable and unfavourable changes are determined on the basis of changes in the value of the financial asset or liability as a result of varying the levels of the unobservable parameters using statistical techniques. When parameters are not amenable to statistical analysis, quantification of uncertainty is judgemental. When the fair value of a financial asset or liability is affected by more than one unobservable assumption, the figures shown reflect the most favourable or most unfavourable change from varying the assumptions individually.

The valuations of the private equity investments are performed on an asset-by-asset basis using a valuation methodology appropriate to the specific investment and in line with industry guidelines. In determining the valuation of the investment the principal assumption used is the valuation multiples applied to the main financial indicators (such as adjusted earnings). The source of these multiples may include multiples for comparable listed companies which have been adjusted for discounts for non-tradability and valuation multiples earned on transactions in comparable sectors.

The valuations of asset-backed securities are determined by discounted cash flow models that generate the expected value of the asset, incorporating benchmark information on factors such as prepayment patterns, default rates, loss severities, and the historical performance of the underlying assets. The outputs from the models used are calibrated with reference to similar securities for which external market information is available.

The following table summarises the significant inputs to value instruments categorised as Level 3 hierarchy in the Group's continuing businesses and their sensitivity to changes in the inputs used.

Types of financial instruments	31 December 2025 USD 000	31 December 2024 USD 000	Valuation Technique Used	Significant unobservable inputs	Sensitivity	
					31 December 2025 USD 000	31 December 2024 USD000
Investments and securities	161,117	130,993	Market Approach	PE Multiple	Favourable 177,229	Favourable 144,092
			Discounted Cash Flows	Cost of equity Terminal Growth rate	Unfavourable 145,005	Unfavourable 117,894

40. FINANCIAL RISK MANAGEMENT

The Group and the Company are exposed to financial risk through its financial assets, financial liabilities, reinsurance assets, investment contracts with discretionary participating features, and insurance liabilities. In particular, the key financial risk is that the proceeds from its financial assets may not be sufficient to fund the obligations arising from its insurance and investment contracts. The most important components of financial risk are interest rate risk, liquidity risk, equity price risk, currency risk, and credit risk. These risks arise from open positions in interest rate (both fair value and cash flow interest rate risk) and equity products, all of which are exposed to general and specific market movements.

Financial risk management strategy and policy

The principal technique of the Group and the Company is to match assets to the liabilities arising from insurance and investment contracts by reference to the type of benefits payable to contract holders as well as seeking to maximise the return on shareholders' funds, all within an acceptable risk framework.

The insurance contracts retain substantial exposures to the extent that the benefits payable to policyholders are not linked to the performance of the underlying assets. These exposures include duration risk, credit risk, and market risk. The notes below explain how financial risks are mitigated by the maintenance of sufficient capital.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

40. FINANCIAL RISK MANAGEMENT (continued)

Old Mutual Life Assurance Company Zimbabwe Limited (OMLAC)

	2025 USD 000	2024 USD 000
Shareholders equity	107,144	90,136
Regulatory capital adequacy requirement	60,507	43,615

Central Africa Building Society (CABS)

Shareholders equity	174,763	167,928
Regulatory capital	134,902	130,627
Total risk weighted assets	445,258	445,258
Capital adequacy ratio	24%	29%
Regulatory minimum capital adequacy ratio	12%	12%

Old Mutual Investment Group Zimbabwe (Private) Limited (OMIG)

Shareholders equity	4,317	1,867
Regulatory capital adequacy requirement	2,259	1,844

Old Mutual Securities (Private) Limited (OMSEC)

Shareholders equity	407	212
Regulatory capital adequacy requirement	370	151

RM Insurance Holdings Limited (RMI)

Shareholders equity	17,509	13,589
Regulatory capital adequacy requirement	1,500	1,500

Old Mutual Finance (Private) Limited (OMFIN)

Shareholders equity	3,424	1,910
Regulatory capital adequacy requirement	25	25

OMLAC

OMLAC is regulated by the Insurance and Pensions Commission (IPEC). The solvency capital requirement (SCR) has been calculated based on Statutory Instrument 44 of 2026 (SI44 of 2026) following the Zimbabwe Integrated Capital and Risk Program (ZICARP) framework. The higher capital cover provides a buffer against future experience being worse than assumed, of which adverse investment experience is the most significant. OMLAC was adequately capitalised on the ZICARP framework. The market risk SCR, driven primarily by equity exposure, is the single most significant component of OMLAC's SCR.

CABS

The Society's lead regulator (Reserve Bank of Zimbabwe) sets and monitors capital requirements for the Society on a quarterly basis through quarterly BSD1 Returns. As at 31 December 2025, RBZ required the Society to maintain a minimum capital adequacy ratio of 12% as measured by the ratio of total capital to risk weighed assets, with effect from 31 December 2022 the required capital increased to a minimum of the equivalent of USD30 million. As at 31 December 2025, CABS had a capital adequacy ratio of 24% versus a minimum of 12%.

OMIG

The Securities and Exchange Commission sets and monitors capital requirements for the company. The company met the regulatory requirements regarding capitalisation. The amount of the surplus available to be distributed to the shareholder, Old Mutual Zimbabwe Limited, is subject to available distributable reserves within the shareholders' equity and maintaining the minimum internal capital adequacy requirement.

OMSEC

The Securities and Exchange Commission sets and monitors capital requirements for the company. The company met the regulatory requirements regarding capitalisation.

RMI

Old Mutual Insurance Company (OMICO), RMIH's principal subsidiary, is regulated by the Insurance and Pensions Commission (IPEC) which sets and monitors capital requirements for the company. The company met the regulatory requirements regarding capitalisation.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

40. FINANCIAL RISK MANAGEMENT (continued)

OMFIN

The RBZ sets and monitors capital requirements for the company. The company met the regulatory requirements regarding capitalisation.

Capital management policies

Capital is actively managed to ensure that the Group is properly capitalised and funded at all times, having regard to its regulatory needs, with appropriate risk adjusted margins to allow prudent management of capital levels under stress scenarios. The Group has a business planning process that runs on an annual cycle with regular updates to projections. It is through this process, which includes risk and sensitivity analysis of forecasts, that the Group's capital is managed.

Specifically, the Group has adopted the following capital management policies:

- Maintenance, as a minimum, of capital sufficient to meet the statutory requirements and such additional capital as management believes is necessary to ensure that obligations to policyholders and depositors can be met on a timely basis, including under stress scenarios.
- Maintenance of an appropriate level of liquidity at all times. The Group further ensures that it can meet its expected capital and financing needs at all times, having regard to the business plans, forecasts, and any strategic initiatives.

Insurance risks

The Group controls its exposures through underwriting and re-pricing procedures to determine whether cover can be provided and the pricing of such risk. Underwriting practice relies on regular review procedures to analyse actual loss and expense experience.

Equity price risk

Equity price risk is the potential loss arising from changes in the value of equity securities. The Group's and Company's investment portfolios consists of equity securities, fixed income assets, and property. A substantial part of the equity portfolio consists of listed counters. Non-listed investments are subjected to regular financial analysis and review, while exposure levels to listed counters are regularly reviewed.

Credit risk

Credit risk is the risk that an asset, in the form of a monetary claim against a counterparty, may not result in a cash receipt (or equivalent) in accordance with the terms of a contract.

The Group is exposed to credit risk through its money market investments, cash and cash equivalents and loans and advances. The Company is exposed to credit risk through its investment holdings (i.e. money markets, cash and cash equivalents) and accounts receivable. Credit risk is managed by placing limits on exposure to a single counterparty or groups of counterparties. These limits are based on credit ratings of the counterparties conducted within the various operating companies. Credit risk is monitored with reference to credit ratings with limits placed on exposure where credit risk is below acceptable levels and through holding security from the counterparty.

Credit risk associated with property rentals is managed through a credit vetting process, the requirement for rental deposits, and close monitoring of the tenants' book.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

40. FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)

Overall credit risk

Short term funds and securities
Reinsurers' share of insurance contract provisions
Other assets
Cash and cash equivalents

GROUP 2025 USD 000	GROUP 2024 USD 000
116,553	100,103
8,696	6,979
13,387	15,303
177,474	111,849
316,110	234,234
266,156	200,934
(6,353)	(5,812)
259,803	195,122

Loans and advances

Gross amount
Allowance for impairment

Carrying amount

COMPANY 2025 USD 000	COMPANY 2024 USD 000
1,450	576
17,175	25,843
2,987	6,221
21,612	32,640

Overall credit risk

Short term funds and securities
Other assets
Cash and cash equivalents

Impaired loans and securities

Impaired loans and securities are loans and securities for which the Group determines that it is probable that it will be unable to collect all principal and interest due according to the contractual terms of the loan / securities agreement(s).

Past due but not impaired loans

Loans and securities where contractual interest or principal payments are past due, but the Group believes that impairment is not appropriate on the basis of the level of security/collateral available and/or the stage of collection of amounts owed to the Group.

Exposure to counterparties

The Group is also exposed to counter parties arising from money market trading.

Loans and advances renegotiated

Restructuring of loans include extended repayment arrangements, modifications, and deferral of repayments. Restructuring policies and practices are based on indicators and criteria that in the judgement of management, indicate that repayments will most likely continue. These policies are kept under continuous review.

Allowances for impairment

The Group establishes an allowance for impairment based on the class of each loan and in line with IFRS 9 and the Reserve Bank of Zimbabwe guideline on provisions.

Write off policy

The Group writes off a loan when the Credit Committee determines that the loans/securities are uncollectible. The determination is reached after considering information such as the occurrence of significant changes in the borrower/ issuer's financial position such that the borrower/issuer can no longer pay the obligation or that proceeds from collateral will not be sufficient to pay back the entire exposure.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

40. FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)

Collateral

The Group holds collateral against loans and advances to customers in the form of mortgage interest over property. Estimates of fair value are based on the value of collateral assessed at the time of borrowing, and generally are not updated except when a loan is individually assessed as impaired.

The Group holds collateral and other credit enhancements against certain of its credit exposures. The following table sets out the principal types of collateral held against different types of financial assets.

Collateral held and other credit enhancements

Percentage of exposure subject to collateral requirements

Type of credit exposure

	31 December 2025	31 December 2024	Principal type of collateral held
Treasury Bills	0%	0%	None
Fixed deposits*	100%	100%	Treasury Bills
Mortgage loans	100%	100%	Property
Corporate loans	87%	84%	Property
Consumer loans	85%	85%	Insurance

*Relates to CABS. Other Group subsidiaries' exposure is managed through setting and regular review of limits on counterparties.

The Group's policy is to pursue timely realisation of the collateral in an orderly manner. The Group does not generally use the non-cash collateral for its own operations.

Settlement risk

The Group's activities may give rise to risk at the time of settlement of transactions and trades. Settlement risk is the risk of loss due to the failure of a counterparty to honour its obligations to deliver cash, securities or other assets as contractually agreed. The Group charges the maximum lending rate for all parties who fail to honour their obligations on time. Settlement risk is also monitored through risk assessment of counterparties and capping of trading limits in line with the risk profile of each institution.

Regulatory Loan Loss Provisioning

Provisioning is determined on the basis of account classification whereby provisions are uniformly determined for specific grades. CABS establishes an allowance for impairment based on the class of each loan and in line with the RBZ guidelines on provisions. The provisioning methodology is summarised below:

Class	Type	Provisioning criteria	Gross loans USD 000	Allowance for impairment USD 000	Net Loans USD 000
31 December 2025					
Grade A,B,C	Pass	1-2% general provision	220,561	2,225	218,336
Grade D,E,F,G	Special mention	3-10% general provision	37,406	2,739	34,667
Grade H	Sub standard	20% specific provision on balance less security value	1,423	518	905
Grade I	Doubtful	50% of total outstanding balance less security value	1,137	607	530
Default	Loss	100% of total outstanding balance less security held	5,629	264	5,365
Portfolio total			266,156	6,353	259,803

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

40. FINANCIAL RISK MANAGEMENT (continued)

Class	Type	Provisioning criteria	Gross loans USD 000	Allowance for impairment USD 000	Net Loans USD 000
31 December 2024					
Grade A,B,C	Pass	1-2% general provision	161,790	2,316	159,474
Grade D,E,F,G	Special mention	3-10% general provision	34,994	1,978	33,016
Grade H	Sub standard	20% specific provision on balance less security value	1,309	225	1,084
Grade I	Doubtful	50% of total outstanding balance less security value	1,747	831	916
Default	Loss	100% of total outstanding balance less security held	1,094	462	632
Portfolio total			200,934	5,812	195,122

The Group also takes into account provisions requirement of IFRS 9 (Financial Instruments) and makes the most prudent provisions for its loans and advances based on the two methods. Where the regulatory provisions are higher than the IFRS 9 impairment, the excess is treated as an appropriation from retained earnings.

Currency risk

The Group has exposure to effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. To the extent possible, exchange rate risk on foreign payables is mitigated by generating business which earns foreign currency.

Foreign currency risk

The Group and the Company have settlement exposure to foreign suppliers and creditors as well as related parties who require payments to be made in foreign currency. Ability to settle is constrained by exchange control restrictions as well as the unavailability of sufficient nostro funding.

The table below shows the Group's exposure to foreign currency exchange risk.

Currency	Exchange rate	Net assets 2025 000	Net USD equivalent as at 31 December 2025 USD 000	Effects on profit of 10% depreciation 2025 USD 000	Effects on profit of 10% appreciation 2025 USD 000
Zimbabwe Gold (ZWG)	25.98	(395,679)	(15,230)	1,523	(1,523)
South African Rand (ZAR)	16.61	(44,046)	(2,651)	265	(265)
Great British Pound (GBP)	1.35	285	384	(38)	38
Euro (EUR)	1.17	353	415	(41)	41
Botswana Pula (BWP)	14.04	875	62	(6)	6
Chinese Yuan (CYN)	6.99	2,694	386	(39)	39
COMPANY					
Zimbabwe Gold (ZWG)	25.98	491,284	18,910	(1,891)	1,891
South African Rand (ZAR)	16.61	(44,845)	(2,700)	270	(270)

The table below shows the Group's closing exchange rates which were used in the financial statements.

	ZWG	ZAR	GBP	EURO	BWP	CYN
At 31 December 2025	25.98	16.61	1.35	1.17	14.04	6.99
At 31 December 2024	25.80	18.80	1.25	1.04	14.28	7.30

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

40. FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk

Interest rate risk is the risk that fluctuating interest rates will unfavourably affect the Group's earnings and the value of its assets, liabilities, and capital.

The individual life and employee benefits businesses have due regard to the nature of the liabilities. The interest rate risk of such liabilities is managed by investing in available assets to ensure matching of current liabilities. Derivative instruments are not used to manage the interest rate risk of these long term assets and liabilities.

Interest rate risk represents the price sensitivity of a fixed income security or interest-carrying asset to changes in interest rates. This risk is controlled by careful monitoring of the level of interest-bearing investments.

Exposure to interest rate risk

The management of interest rate risk against interest rate gap limits is supplemented by monitoring the sensitivity of the banking and lending's financial assets and liabilities to various standard and non-standard interest rate scenarios. Capital requirements for market risk are subject to Basel II standardised approach.

Sensitivity analysis

At the reporting date, the net interest income sensitivity of the banking book for a 2% parallel movement in interest rates measured over 12 months is highlighted below:

Interest rate sensitivity

Increase/(decrease) in interest rates on interest income

0.5%

1%

2%

-2%

-1%

-0.5%

2025 USD 000	2024 USD 000
190	149
380	299
760	597
(760)	(597)
(380)	(299)
(190)	(149)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

40. FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk (continued)

The tables below set out the carrying amounts, by maturity, of the Group's financial instruments that are exposed to interest rate risk.

GROUP

31 December 2025

Assets

Treasury bills
Loans and advances

	0 to 3 months USD 000	3 to 12 months USD 000	Over a year USD 000	Total USD 000
Treasury bills	-	1,517	3,755	5,272
Loans and advances	27,906	68,307	169,943	266,156
	27,906	69,824	173,698	271,428

Liabilities

Deposits
Credit lines

Deposits	344,805	1,485	-	346,290
Credit lines	25,622	21,611	6,442	53,675
	370,427	23,096	6,442	399,965

31 December 2024

Assets

Treasury bills
Loans and advances

Treasury bills	2,415	1,035	1,654	5,104
Loans and advances	26,554	49,604	124,776	200,934
	28,969	50,639	126,430	206,038

Liabilities

Deposits
Credit lines

Deposits	216,595	3,384	1,289	221,268
Credit lines	12,362	28,431	14,570	55,363
	228,957	31,815	15,859	276,631

Liquidity risk

Liquidity risk is the risk that cash may not be available at a reasonable cost to pay obligations when due. The tables below set out the carrying amounts, by maturity, of the Group's and the Company's financial instruments that are exposed to liquidity risk.

Maturity profile of assets and liabilities exposed to liquidity risk:

GROUP

31 December 2025

Cash and cash equivalents
Investments and securities
Loans and advances
Other assets
Insurance contract liabilities
Amounts owed to bank depositors
Credit lines
Other liabilities

	0 to 3 months USD 000	3 to 12 months USD 000	Over a year USD 000	Total USD 000
Cash and cash equivalents	221,511	-	-	221,511
Investments and securities	34,480	143,425	533,716	711,621
Loans and advances	27,906	68,307	169,943	266,156
Other assets	83,906	-	32,768	116,674
Insurance contract liabilities	(56,984)	(69,163)	(658,229)	(784,376)
Amounts owed to bank depositors	(344,805)	(1,485)	-	(346,290)
Credit lines	(25,622)	(21,611)	(6,442)	(53,675)
Other liabilities	(3,467)	(68,047)	(267)	(71,781)
	(63,075)	51,426	71,489	59,840

31 December 2024

Cash and cash equivalents
Investments and securities
Loans and advances
Other assets
Insurance contract liabilities
Amounts owed to bank depositors
Credit lines
Other liabilities

Cash and cash equivalents	151,265	-	-	151,265
Investments and securities	18,513	49,329	485,835	553,677
Loans and advances	26,554	49,604	124,776	200,934
Other assets	91,834	-	-	91,834
Insurance contract liabilities	(50,881)	(489,096)	(169,335)	(709,312)
Amounts owed to bank depositors	(216,595)	(3,384)	(1,289)	(221,268)
Credit lines	(12,362)	(28,431)	(14,570)	(55,363)
Other liabilities	-	(48,041)	(303)	(48,344)
	8,328	(470,019)	425,114	(36,577)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

40. FINANCIAL RISK MANAGEMENT (continued)

COMPANY

31 December 2025

	0 to 3 months USD 000	3 to 12 months USD 000	Over a year USD 000	Total USD 000
Cash and cash equivalents	2,987	-	-	2,987
Investments and securities	5,945	25,206	-	31,151
Other assets	3,768	-	13,407	17,175
Other payables	(2,245)	-	(10,097)	(12,342)
	10,455	25,206	3,310	38,971

At 31 December 2024

Cash and cash equivalents	6,221	-	-	6,221
Investments and securities	4,120	16,537	-	20,657
Other assets	2,297	-	23,546	25,843
Other payables	(1,477)	-	(5,925)	(7,402)
	11,161	16,537	17,621	45,319

Investments and securities noted above also include listed equities as they are easily convertible to cash.

Management of liquidity risk

The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Group's and the Company's reputation. The daily liquidity position of the Group and the Company is managed by the treasury department in liaison with the relevant management.

Liquidity gap

The Liquidity gap is the difference between assets and liabilities in a given maturity period

The banking business manages its contractual liquidity gap through treasury operations to acquire deposits of suitable tenor and price from the market. As a contingency the Group has also entered into liquidity support arrangements with suitable counter parties, to which it has ready access, in need.

Exposure to liquidity risk

The key measure used by the Group for managing liquidity risk is the ratio of net liquid assets to deposits from customers. For this purpose, net liquid assets are considered as including cash and cash equivalents and short term dealing and investment securities for which there is an active and liquid market less any deposits from banks, other borrowing, and liabilities maturing within the same short term period. Details of this ratio are given below:

	2025	2024
Liquidity ratio (CABS)	55%	63%
Regulatory Minimum (CABS)	30%	30%

The banking business monitors liquidity risk by compliance with liquidity regulations of the Building Societies Act (Chapter 24:02) as well as submission of monthly liquidity returns to the RBZ. In addition, the Group matches long term lending to inflows into long term investments, and this is monitored through the Risk Management Committee.

41. INSURANCE RISK MANAGEMENT

The Group assumes insurance risk by issuing insurance contracts, under which the Group agrees to compensate the policyholder or other beneficiary if a specified uncertain future event (the insured event) adversely affecting the policyholder occurs. Insurance risk includes mortality risk.

For accounting purposes, insurance risk is defined as risk other than financial risk. Contracts issued by the Group may include both insurance and financial risk; contracts with significant insurance risk are classified as insurance contracts, while contracts with no or insignificant insurance risk are classified as investment contracts. The Group's approach to financial risk management has been described in note 40.

Risk management objectives and policies for mitigating insurance risk

The Group effectively manages its insurance risks through the following mechanisms:

- Actuarial models, which use past experience and statistical models to calculate premiums and monitor claim patterns.
- Guidelines for concluding insurance contracts and assuming insurance risks. These include underwriting principles and product pricing procedures.
- The mix of assets, which is driven by the economic environment. The management of assets and liabilities is closely monitored to ensure that there are sufficient interest bearing assets to settle liabilities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

41. INSURANCE RISK MANAGEMENT (continued)

Terms and conditions of insurance contracts

The terms and conditions attached to insurance contracts determine the level of insurance risk accepted by the Group. The following tables outline the general form of terms and conditions that apply to contracts sold in each category of business and the nature of the risk incurred.

Category	Essential terms	Main risks	Policyholders guarantees	Policyholder participation investment returns
Employee Benefits Group life assurance	Rates are annually renewable	Mortality	Mortality	None
With-profit annuity	Regular benefit payments participating in profits in return for consideration	Longevity Investment	Underlying pricing interest rate is guaranteed. Declared bonuses cannot be reduced	Yes, see below
Retail Life Plan	Premium rates are guaranteed but reviewable for new business	Mortality	Sum assured is guaranteed	None
Funeral Plan	Premium rates are guaranteed but reviewable for new business	Mortality	Sum assured is guaranteed	None
General Insurance Property insurance	Rates are reviewed at renewal depending on loss ratio	Accidental damage or loss of the insured property	Sum insured	None
Liability policies	Rates are annually renewable	Legal liability accidentally arising from normal operations	Limit of liability / sum insured	None

The extent of the Group's discretion as to the allocation of investment return to policyholders varies based on the type of contract.

Where the contracts are pure risk type, there is no sharing of investment returns. For other contracts, investment return is attributed to the policyholder. Declared bonuses may be either vesting and/or non-vesting (in which case they can be reversed).

Risks	Definition	Risk management
Underwriting	Misalignment of policyholders to the appropriate pricing basis or impact of anti-selection, resulting in a loss.	Experience is closely monitored. Underwriting limits, health requirements, spread of risks, and training of underwriters all mitigate the risk.
Catastrophe	Natural and non-natural disasters could result in increased mortality risk and payouts on policies.	Catastrophe excess of loss re-insurance treaty covers all claims from one incident occurring within a specified period.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

41. INSURANCE RISK MANAGEMENT (continued)

Summary of key valuation assumptions (statutory basis)

Below are the key actuarial valuation assumptions per product.

Product	2025		2024	
	Funeral - Recurring Premium	Funeral - Single Premium	Funeral - Recurring Premium	Funeral - Single Premium
Old Mutual Funeral Plan				
Valuation interest rate		Yield Curve		Yield Curve
Expense inflation		Yield Curve		Yield Curve
Effective interest rate for assurance		Yield Curve		Yield Curve
Mortality basis		Zim 92		Zim 92
Renewal costs per annum		USD0.02		USD0.02
Lapse rates				
Year 1	80%	15%	80%	15%
Year 2	40%	13%	40%	13%
Year 3	30%	12%	30%	12%
Year 4	8%	10%	8%	10%
Year 5	8%	8%	8%	8%
Year 6	8%	7%	8%	7%
Year 7	8%	5%	8%	5%
Year 8	8%	3%	8%	3%
Year 9	8%	2%	8%	2%
Year 10+	8%	0%	8%	0%
Old Mutual Life Plan				
Valuation interest rate		Yield Curve		Yield Curve
Expense inflation		Yield Curve		Yield Curve
Effective interest rate for assurance		Yield Curve		Yield Curve
Mortality basis		Zim 92		Zim 92
Renewal costs per Annum		USD55.12		USD36.45
Lapse rates				
Year 1		40%		40%
Year 2		20%		20%
Year 3		10%		10%
Year 4+		2%		2%
Savings Plan				
Valuation interest rate		Yield Curve		Yield Curve
Expense inflation		Yield Curve		Yield Curve
Mortality basis		Zim 92		Zim 92
Renewal Costs per annum-premium paying		5.65% of Unit Fund		5.65% of Unit Fund
Renewal Costs per annum-premium paid up		5.65% of Unit Fund		5.65% of Unit Fund
Asset fees and charges		1.97% of the Unit Fund		1.97% of the Unit Fund
Lapse rate:				
Year 1		20%		20%
Surrender rates:				
Year 2		10%		10%
Year 3		10%		10%
Year 4+		10%		10%
Old Mutual Term Plan	Term Mass	Term Affluent	Term Mass	Term Affluent
Valuation interest rate		Yield Curve		Yield Curve
Expense inflation		Yield Curve		Yield Curve
Effective interest rate for assurance		Yield Curve		Yield Curve
Mortality basis		Zim 92		Zim 92
Renewal costs per annum		USD55.12		USD36.45
Lapse rates				
Year 1	40%	40%	40%	40%
Year 2	20%	20%	20%	20%
Year 3	15%	10%	15%	10%
Year 4+	4%	2%	4%	2%
Guaranteed Fund				
Renewal expenses		2.2% of the Unit Fund		2.1% of the Unit Fund
GLA IBNR reserves				
2024 Bornhuetter-Ferguson method				
2025 Bornhuetter-Ferguson method				

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

41. INSURANCE RISK MANAGEMENT (continued)

Underwriting risk management

Concentration risk of insurance risk

The Group manages concentration risk through various mechanisms and monitors the opportunities for mitigating actions. Such mechanisms include: underwriting principles and product pricing procedures, reinsurance and the diversification of business over several classes of insurance and large numbers of uncorrelated individual risks.

The Group monitors insurance risk per class of business. An analysis of the Group's insurance risk concentration (both before and after reinsurance) per class of business is provided below;

	GROUP Insurance contracts issued USD 000	GROUP Reinsurance contracts held USD 000	GROUP Net USD 000
As at 31 December 2025			
Life Insurance	(775,159)	775	(774,384)
Property and casualty	(9,217)	7,921	(1,296)
Total	(784,376)	8,696	(775,680)
As at 31 December 2024			
Life Insurance	(699,781)	55	(699,726)
Property and casualty	(9,531)	6,924	(2,607)
Total	(709,312)	6,979	(702,333)

The Directors do not believe that there are significant concentrations of insurance or reinsurance risks.

Credit risk

Insurance contracts issued and reinsurance contracts held

The following table provides the amounts representing the maximum exposure to credit risk at the end of the reporting period:

	GROUP 2025 USD	GROUP 2024 USD
Insurance contracts issued	(784,376)	(709,312)
Reinsurance contract held	8,696	6,979
Total	(775,680)	(702,333)

Liquidity risk

Maturity analysis for portfolios of insurance contracts issued and reinsurance contracts held that are liabilities

The table below presents a maturity analysis of the portfolios of insurance contracts and reinsurance contracts held that are in a liability position based on the estimated timing of the remaining contractual undiscounted cash flows.

The amounts presented below do not include those relating to LRC of insurance and reinsurance contracts that are measured under the PAA.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

41. INSURANCE RISK MANAGEMENT (continued)

Year ended 31 December 2025

Life insurance liabilities

Insurance contracts
Unit-linked investment contracts
and similar contracts
Investment contracts with discretionary
participating features

Property and casualty

	GROUP 0-3 months	GROUP 3-12 months	GROUP 1-5 years	GROUP Over 5 years	GROUP Total
Insurance contracts	7,557	594	1,397	3,151	12,699
Unit-linked investment contracts and similar contracts	154,043	-	-	-	154,043
Investment contracts with discretionary participating features	42,637	66,142	211,621	442,060	762,460
Property and casualty	6,790	2,427	-	-	9,217
	211,027	69,163	213,018	445,211	938,419

Year ended 31 December 2024

Life insurance liabilities

Insurance contracts
Unit-linked investment contracts
and similar contracts
Investment contracts with discretionary
participating features

Property and casualty

Insurance contracts	28	84	561	8,867	9,540
Unit-linked investment contracts and similar contracts	87,131	-	-	-	87,131
Investment contracts with discretionary participating features	41,650	486,110	162,481	-	690,241
Property and casualty	7,021	2,510	-	-	9,531
	135,830	488,704	163,042	8,867	796,443

42. GOING CONCERN

The consolidated and separate financial statements have been prepared on a going concern basis, which assumes that the Group and the Company will continue in operation for the foreseeable future. For the Group, total assets increased from USD1.5 billion in 2024 to USD1.8 billion. The total equity of USD279 million was higher than the comparable of USD250 million mainly due to profits and investment returns generated during the year. As for the Company, total assets grew from USD389 million in 2024 to USD403 million. The total equity of USD304 million was higher than the comparable of USD292 million. The Group recognised a profit after tax of USD40 million for the year ended 31 December 2025 and a profit of USD28 million in the prior year. The Company recognised a profit after tax of USD21 million for the year ended 31 December 2025 and a profit of USD103 million in the prior year.

Funds under management (FUM) for the asset management business were up by 21% to USD1.5 billion mainly due to positive investment performance and net client cash flows. The business core pillars and foundations remained in place, as evidenced by growth in total customer numbers from 2.7 million to 3.6 million, the diversified sources of revenue generated and positive operating margins in most business segments.

The financial position of the Group and the Company, their cash flows, liquidity position and borrowing facilities are described above. In addition, notes 2 and 40 to the financial statements include the Group and Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk. The Group has considerable financial resources together with long-term contracts with a number of customers and suppliers across different geographic areas and industries. The Company also has adequate financial resources to continue in operation for the foreseeable future.

We refer also to note 22.2 on the Legacy debt receivable from the Reserve Bank of Zimbabwe in connection with certain obligations to related parties outside Zimbabwe. The Directors have no reason to believe that the RBZ will not support the discharge of the external obligations. This assertion is also supported by Finance Act No 7 of 2021 which provides for the discharge of legacy debts on the RBZ's statement of financial position by the Government of Zimbabwe. The parent company, OML, has indicated that they will also support an orderly resolution of the matter in a way that does not negatively impact on the financial stability of the Group in Zimbabwe. This is in the event that support from the RBZ fails to materialise - something considered unlikely at this point.

The Directors have thus assessed the ability of the Group and the Company to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

43. ASSETS HELD UNDER FIDUCIARY CAPACITY

Managed third party funds

GROUP 2025 USD	GROUP 2024 USD
310,887	310,936

Managed funds

The Group holds a custodianship responsibility in respect of assets owned by certain pension funds and private clients. Funds under management represent assets being managed on behalf of investors and these are kept off the statement of financial position. Total funds management (including Group funds) as at 31 December 2025 were USD1.5 billion (2024: USD1.2 billion)

44. CURRENCY SENSITIVITY ANALYSIS

The table below is a sensitivity analysis of the effect of using different exchange rates to convert foreign currency (ZWG) balances to local reporting currency. The scenarios presented compare the impact of using the closing rate at 1:25.80; depreciated at 10% and 20%.

Foreign currency denominated Assets/Liabilities

Assets

Investments and securities
Loans and advances
Other receivables
Cash and cash equivalents

Liabilities

Insurance contract liabilities
Investment contract liabilities
Amounts owed to bank depositors
Credit lines
Other payables

Net liabilities

Group 2025 ZWG 000 31 Dec 2025	Group 2025 USD 000 Translated @ 25.80	Group 2025 USD 000 10% depreciation	Group 2025 USD 000 20% depreciation
590,346	22,882	20,593	18,305
485,076	18,801	16,921	15,041
388,896	15,073	13,566	12,059
715,900	27,748	24,973	22,198
2,180,218	84,504	76,053	67,603
4,487	174	157	139
385	15	13	12
1,946,813	75,458	67,912	60,366
3,158	122	110	98
621,054	24,072	21,665	19,257
2,575,897	99,841	89,857	79,872
(395,679)	(15,337)	(13,804)	(12,269)

The Group and its subsidiaries remain solvent and sufficiently capitalised at the different exchange rate sensitivities.

45. SUBSEQUENT EVENTS

There were no significant subsequent events affecting the financial statements for the year ended 31 December 2025.

