ABC Asset Management Private (Limited)
Annual Financial Statements

31 December 2024

Unit Trusts | Stock Markets | Real Estates | Bonds

ABC Asset Management part of atlasmara

NATURE OF BUSINESS:

ABC Asset Management (Private) Limited (the "Company"), incorporated and domiciled in Zimbabwe is registered as an investment manager by the Securities and Exchange Commission of Zimbabwe under the Zimbabwe Securities Act (Chapter 24:25). The Company provides fund management services in Zimbabwe. The Company is a subsidiary of ABC Holdings (Zimbabwe) Limited which is owned by ABC Holdings Limited (incorporated and domiciled in Botswana) which is in turn owned by Atlas Mara Limited.

DIRECTORS:

Ndlovu P.	(Chairperson)
Robin P.	(Independent Non-Executive Director)
Van Heerden W. J.	(Independent Non-Executive Director) (Appointed 1 February 2025)
Mushanguri L.	(Independent Non-Executive Director) (Appointed 16 March 2024)
Muchada K.	(Independent Non-Executive Director) (Resigned 31 March 2024)
Muzondo S.	(Managing Director) (Appointed 1 January 2025)
Magutakuona J. E. F.	(Managing Director) (Resigned 9 April 2024)

SECRETARY:

Makamure R. N.

REGISTERED OFFICE:

1 Endeavour Crescent
Mount Pleasant Business Park
HARARE

AUDITORS:

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors
Camelsa Business Park
135 E.D. Mnangagwa Road
Highlands
HARARE

LAWYERS:

Sawyer and Mkushi Legal Practitioners
11th Floor Social Security Centre House
Corner Sam Nujoma Street and Julius Nyerere Way
HARARE

MAIN BANKERS:

African Banking Corporation of Zimbabwe Limited
1 Endeavour Crescent
Mount Pleasant Business Park
Golden Stairs Road
Mount Pleasant
HARARE

Central Africa Building Society
Northend Close
Northridge Park
Borrowdale
HARARE

Contents

These inflation adjusted annual financial statements are expressed in Zimbabwe Gold (ZWG).

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

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

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

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

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

The Company's inflation adjusted annual financial statements which are set out on pages **7** to **98** pages were, in accordance with their responsibilities, approved by the Board of Directors on ....11..... April 2025 and are signed on its behalf by:

....
Muzondo S.
Managing Director

....
Ndlovu P.
Chairman

These inflation adjusted annual financial statements were prepared under the supervision of:

....
Mukutirwa N.
Finance Director PAAB Number (4732)

INDEPENDENT AUDITOR'S REPORT

Grant Thornton
Camelsa Business Park
135 E.D. Mnangagwa Road
PO Box CY 2619
Causeway, Harare
Zimbabwe

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To the members of ABC Asset Management (Private) Limited

Report on the Audit of the Inflation Adjusted Annual Financial Statements

Qualified Opinion

We have audited the inflation adjusted annual financial statements of ABC Asset Management (Private) Limited (the Company) set out on **7** to **98** pages, which comprise the inflation adjusted statement of financial position as at 31 December 2024, and the inflation adjusted statement of profit or loss and other comprehensive income, the inflation adjusted statement of changes in equity and the inflation adjusted statement of cash flows for the year then ended, and the notes to the inflation adjusted financial statements, including material accounting policies.

In our opinion, except for the matter described in the *Basis for Qualified Opinion* section of our report, the inflation adjusted annual financial statements present fairly, in all material respects, the inflation adjusted financial position of ABC Asset Management (Private) Limited as at 31 December 2024, and its inflation adjusted financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Valuation of property units

The opening investment property balances of the Company as at 1 January 2022, recognised in the inflation adjusted annual financial statements for the year ended 31 December 2022 were misstated. In performing the property valuations as at 31 December 2022, inappropriate void rates were used. Though the void rates which are a significant input assumption when valuing properties using the income approach were correctly factored into the valuations of the properties, the void rates did not reflect the rental income from the current leases and other assumptions that market participants would use when pricing investment property.

As a result, the opening financial assets at fair value through profit or loss balances as at 1 January 2023 recognised in the inflation adjusted statement of financial position, and the fair value gains on financial assets at fair value through profit or loss recognised in the statement of profit or loss and other comprehensive income for the year ended 31 December 2023 are misstated. The opinion on the 2023 inflation adjusted annual financial statements was modified in respect of this matter and the misstatements have not been corrected in the inflation adjusted annual financial statements for the year ended 31 December 2023 in accordance with International Accounting Standard (IAS) 8, 'Accounting Policies, Changes in Accounting Estimates and Errors'. The effects on the inflation adjusted annual financial statements of this misstatement have not been determined.

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 Inflation adjusted Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other information

Our opinion on the inflation adjusted annual financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

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

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

Management is responsible for the preparation and fair presentation of the inflation adjusted annual financial statements in accordance with IFRSs, and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31), and the Securities Act (Chapter 24:25) and for such internal control as is necessary to enable the preparation of Inflation adjusted financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the inflation adjusted annual financial statements, the Directors are responsible for assessing the 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 Company or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Inflation Adjusted Annual Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other legal and regulatory requirements
In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion, the inflation adjusted annual financial statements have been properly prepared, in all material respects in accordance with the requirements of the Companies and Other Business Entities Act (Chapter 24:31) and the Securities Act (Chapter 24:25).

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

Grant Thornton

Farai Chibisa
Partner
Registered Public Auditor (PAAB No: 0547)

Grant Thornton 19 May 2025
Chartered Accountants (Zimbabwe)
Registered Public Auditors
HARARE

Statement of financial position
as at 31 December 2024

		Inflation adjusted		Historical cost	
		2024	2023	2024	2023
ASSETS	**Notes**	**ZWG**	**ZWG**	**ZWG**	**ZWG**
Amounts due from group companies	15.2	32 537	63 080	32 537	3 777
Cash and cash equivalents	5	2 468 851	14 194 029	2 468 851	849 915
Trade and other receivables	6	2 627 163	3 043 841	2 627 163	182 260
Gold coins	8	1 272 175	1 763 037	1 272 175	105 568
Financial assets at fair value through profit or loss	7	212 367 178	303 838 286	212 367 178	18 193 329
Current tax asset	11.2	1 423 979	-	1 423 979	-
Property and equipment	10	153 008	52 956	72 185	450
Total assets		220 344 891	322 955 229	220 264 068	19 335 299
EQUITY AND LIABILITIES					
EQUITY					
Share capital	12.2	10 867	10 867	1	1
Share premium	12.3	1 026 984	1 026 984	83	83
Retained earnings		169 460 130	234 724 756	170 590 111	14 113 939
Total equity		170 497 981	235 762 607	170 590 195	14 114 023
LIABILITIES					
Amounts due to group companies	15.3	9 721 486	4 961 127	9 721 486	297 065
Trade and other payables	13	2 402 013	2 635 341	2 402 013	157 800
Shareholder's loan	17	-	4 374 989	-	261 967
Current tax liabilities	11.2	-	2 478 101	-	148 384
Provisions	14	4 479 852	34 530 102	4 479 852	2 067 604
Deferred tax liabilities	11.3	33 243 559	38 212 962	33 070 522	2 288 456
Total liabilities		49 846 910	87 192 622	49 673 873	5 221 276
Total equity and liabilities		220 344 891	322 955 229	220 264 068	19 335 299

....
Muzondo S.
Managing Director

....
Ndlovu P.
Chairman

Statement of profit or loss and other comprehensive income
for the year ended 31 December 2024

		Inflation adjusted		Historical cost	
	Notes	**2024 ZWG**	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
Fees and commission income	**18**	16 198 523	27 215 913	9 380 610	933 161
Fair value adjustments on listed equities	**7.1**	(42 441 354)	26 029 566	23 859 073	3 578 086
Fair value adjustments on unlisted equities	**7.2**	(356 136)	(795 496)	277 249	22 034
Fair value adjustments on unquoted property units	**7.3**	(69 491 140)	123 583 505	145 423 936	12 517 028
Fair value adjustments on gold coin investments	**8**	(490 862)	982 339	1 166 607	95 840
Foreign exchange gains on financial assets at amortised cost	**9**	-	14 203 481	-	689 607
Other foreign exchange gains/(losses)		15 095 411	(33 365 944)	16 686 127	(962 481)
Dividend income from financial assets at fair value through profit or loss		2 049 513	4 435 945	1 425 929	165 337
Rental income		9 326	30 170	7 516	1 231
Operating (loss)/ income		(79 426 719)	162 319 479	198 227 047	17 039 843
Other income	**19**	1 155 815	-	1 063 256	-
Operating expenses	**20**	(25 464 748)	(63 543 677)	(13 625 867)	(1 939 109)
Expected credit loss allowances on trade and other receivables	**6**	-	(20 160)	-	(1 207)
Operating (loss)/profit		(103 735 652)	98 755 642	185 664 436	15 099 527
Finance income	**21**	171 996	13 308 436	155 636	17 853
Finance costs	**22**	(75 000)	(2 025 214)	(14 022)	(46 179)
Gain on net monetary position		35 061 733	47 253 256	-	-
(Loss)/profit before income tax		(68 576 923)	157 292 120	185 806 050	15 071 201
Income tax expense	**11.1**	3 312 297	(22 752 542)	(29 329 879)	(2 218 046)
(Loss)/profit for the year		(65 264 626)	134 539 578	156 476 172	12 853 155

Statement of profit or loss and other comprehensive income for the year ended 31 December 2024 (continued)

		Inflation adjusted		Historical cost	
	Notes	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Other comprehensive income for the year		-	-	-	-
Total comprehensive (loss)/ income for the year		(65 264 626)	134 539 578	156 476 172	12 853 155

Statement of changes in equity
for the year ended 31 December 2024

	Inflation adjusted			
	Share capital ZWG	Share premium ZWG	Retained earnings ZWG	Total ZWG
Year ended 31 December 2023				
Balance as at 1 January 2023	10 867	1 026 984	100 185 178	101 223 029
Total comprehensive income for the year	-	-	134 539 578	134 539 578
Profit for the year	-	-	134 539 578	134 539 578
Balance as at 31 December 2023	10 867	1 026 984	234 724 756	235 762 607
Year ended 31 December 2024				
Balance as at 1 January 2024	10 867	1 026 984	234 724 756	235 762 607
Total comprehensive income for the year	-	-	(65 264 626)	(65 264 626)
Loss for the year	-	-	(65 264 626)	(65 264 626)
Balance as at 31 December 2024	10 867	1 026 984	169 460 130	170 497 981

Statement of changes in equity
for the year ended 31 December 2024 (continued)

	Historical cost			
Year ended 31 December 2023	**Share capital ZWG**	**Share premium ZWG**	**Retained earnings ZWG**	**Total ZWG**
Balance as at 1 January 2023	1	83	1 260 784	1 260 868
Total comprehensive income for the year	-	-	12 853 155	12 853 155
Profit for the year	-	-	12 853 155	12 853 155
Balance as at 31 December 2023	1	83	14 113 939	14 114 023
Year ended 31 December 2024				
Balance as at 1 January 2024	1	83	14 113 939	14 114 023
Total comprehensive income for the year	-	-	156 476 172	156 476 172
Profit for the year	-	-	156 476 172	156 476 172
Balance as at 31 December 2024	1	83	170 590 111	170 590 195

Statement of cash flows
for the year ended 31 December 2024

	Notes	Inflation adjusted 2024 ZWG	Inflation adjusted 2023 ZWG	Historical cost 2024 ZWG	Historical cost 2023 ZWG
Cash flows from operating activities					
(Loss)/profit before tax		(68 576 923)	157 292 120	185 806 050	15 071 201
Adjustment for:					
Expected credit loss allowance on trade and other receivables	6	-	20 160	-	1 207
Fair value adjustments on listed equities	7.1	42 441 354	(26 029 566)	(23 859 073)	(3 578 086)
Fair value adjustments on unlisted equities	7.2	356 136	795 496	(277 249)	(22 034)
Fair value adjustments on property units	7.3	69 491 140	(123 583 505)	(145 423 936)	(12 517 028)
Fair value adjustments on gold coin investments	8	490 862	(982 339)	(1 166 607)	(95 840)
Foreign exchange gains on financial assets at amortised cost	9	-	(14 203 481)	-	(689 607)
Depreciation charge	10	24 578	34 822	5 089	59
Profit on disposal of property units	19	(1 155 815)	-	(1 063 256)	-
Finance income	21	(171 996)	(13 308 436)	(155 636)	(17 853)
Finance costs	22	75 000	2 025 214	14 022	46 179
Dividend income		(2 049 513)	(4 435 945)	(1 425 929)	(165 337)
Cash inflows from/(utilised in) operating activities before working capital changes		40 924 823	(22 375 460)	12 453 474	(1 967 139)
Working capital changes:					
Decrease in amounts due from group companies		30 543	(61 700)	(28 760)	(3 760)
Increase in trade and other receivables		447 221	(844 067)	(2 473 663)	(149 057)
Increase in trade and other payables		(233 328)	1 623 008	2 244 213	57 696
Increase in provisions		(30 050 250)	37 124 911	2 412 248	1 890 418
Increase in amounts due to group companies		4 760 359	858 685	9 424 421	276 932
Cash generated from operations		56 804 191	(6 050 083)	24 031 933	105 090

Statement of cash flows
for the year ended 31 December 2024 (continued)

		Inflation adjusted		Historical cost	
	Notes	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Dividends received		2 049 513	4 435 945	1 425 929	165 337
Interest received	21.1	171 996	13 308 436	155 636	17 853
Interest paid	22.1	(75 000)	(61 301)	(14 022)	(1 399)
Net cash from operating activities		58 950 700	11 632 997	25 599 476	286 881
Cash flows from investing activities					
Purchase of listed equities	7.1	(22 145 730)	(2 710 568)	(8 354 753)	(101 884)
Proceeds from sale of listed equities	7.1	19 912 907	3 546 069	7 512 406	97 112
Purchase of property units	7.3	(10 508 767)	(6 549 094)	(15 695 312)	(205 947)
Proceeds on maturity of financial assets at amortised cost		-	20 270 994	-	797 611
Acquisition of equipment	10	124 630	-	76 824	-
Net cash (utilised in)/generated from investing activities		(12 616 960)	14 557 401	(16 460 835)	586 892
Cash flows from financing activities					
Repayment of borrowings	16	-	(306 936)	-	(7 008)
Proceeds from shareholders' loan	17	(378 635)	-	(225 182)	-
Repayment of shareholders' loan	17	101 014	-	50 807	-
Net cash utilised financing activities		(277 621)	(306 936)	(174 375)	(7 008)
Net (decrease) / increase in cash and cash equivalents		46 056 119	25 883 462	8 964 266	866 765
Effects of foreign exchange movements on cash		(7 345 330)	(63 272)	(7 345 330)	(31 636)
Inflation effect on cash		(50 435 967)	(12 293 865)	-	-
Cash and cash equivalents at the beginning of the year		14 194 029	667 704	849 915	14 786
Cash and cash equivalents at the end of the year	5	2 468 851	14 194 029	2 468 851	849 915

Notes to the financial statements
for the year ended 31 December 2024

1 General information

ABC Asset Management (Private) Limited (the "Company"), incorporated and domiciled in Zimbabwe is registered as an investment manager by the Securities and Exchange Commission of Zimbabwe under the Zimbabwe Securities Act (Chapter 24:25). The Company provides fund management services in Zimbabwe. The Company aims to create a financial institution that provides leadership, liquidity, access to investors, product innovation and technology to support economic growth and strengthen financial systems. The Company is a subsidiary of ABC Holdings (Zimbabwe) Limited which is owned by ABC Holdings Limited (incorporated and domiciled in Botswana) which is in turn owned by Atlas Mara Limited.

2 Material accounting policies

This note provides the principal accounting policies applied in the preparation of these financial statements to the extent that they have not already been disclosed in other notes. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the ABC Asset Management (Private) Limited have been prepared in accordance with International Financial Reporting Standards ("IFRS"), and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRS IC") applicable to companies reporting under IFRS and in the manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) except for non-compliance with respect to the application of IAS 21 and IAS 8 and their consequential effects on the hyperinflationary adjustments made in terms of IAS 29, as well as the impact of conversion rates used to convert US$ valuation inputs to determine the ZWG fair value of property units in the prior year and current year and the accounting for the custodial services bank account among others.

For purposes of fair presentation in accordance with IAS 29, the historical cost information has been restated for changes in the general purchasing power of the Zimbabwe dollar ("ZWG"). Accordingly, the inflation adjusted financial statements represent the primary financial statements of the Company. The historical cost financial information has been provided only as supplementary information.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.1 Basis of preparation (continued)

2.1.1 Inflation adjustment

On 11 October 2019, the Public Accountants and Auditors Board (the "PAAB") issued pronouncement 01/2019, which advised that Zimbabwe had met conditions for application of IAS 29 for financial periods ended or after 1 July 2019.

IAS 29 requires that financial statements whose functional currency is the currency of a hyperinflationary economy be stated in terms of ameasuring unit current at the statement of financial position date, and that corresponding figures for previous periods be restated in the same terms.The restatement caters for the changes in the general purchasing power of the Zimbabwe Dollar and is calculated by means of conversion factorsderived from the month- on-month consumer price index ("CPI") prepared by the Zimbabwe National Statistics Agency. The conversion factors used to restate the financial statements as at 31 December 2023 are as follows:

Date	2024 Consumer price index	2024 Conversion factor	2023 Consumer price index	2023 Conversion factor
December	65 703	1.00	13 673	4.81
November	53 916	1.22	13 349	4.92
October	49 223	1.33	13 114	5.01
September	44 721	1.47	12 713	5.17
August	42 660	1.54	12 286	5.35
July	46 634	1.41	10 933	6.01
June	42 711	1.54	8 707	7.55
May	18 705	3.51	6 662	9.86
April	15 480	4.24	5 507	11.93
March	13 950	4.71	4 766	13.79
February	13 849	4.74	4 483	14.66
January	13 820	4.75	4 190	15.68

The main considerations and procedures applied for the above-mentioned restatement of transactions and balances are as follows:

• corresponding figures for the previous period are restated in terms of the measuring unit current at the statement of financial position date by applying the change in the index;

• monetary assets and liabilities that are carried at amounts current at the statement of financial position date are not restated since they are already stated in terms of the measuring unit current at the statement of financial position date;

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.1 Basis of preparation (continued)

2.1.1 Inflation adjustment (continued)

• generally non-monetary assets and liabilities that are not carried at amounts current at reporting date are restated by applying the change in the index from the date of the transaction as detailed below:

• equipment and accumulated depreciation

- the original purchase cost of equipment is restated from the date of the purchase of each item, or if acquired before 31 December 2018, using the conversion rate from 31 December 2018 to the statement of financial position using the applicable general price index. The depreciation charge for the current period is calculated on the basis of the restated equipment. Opening accumulated depreciation is also calculated on the basis of the restated equipment;

- additions to equipment are restated using the relevant conversion factors from the date of the transaction to the reporting date, or if acquired before 31 December 2018, using the conversion rate from 31 December 2018;

- for disposals, the original date of purchase and the historical cost is determined and the restated balance is deducted from the equipment balance.

• non-monetary assets carried at fair value are not restated as they are carried at amounts current at the end of the period;

• components of shareholders equity are restated by applying the general price level from the beginning of the period or date of contribution, if later;

• statement of comprehensive income items are restated to the measuring unit current at the reporting date by applying a general price index from the date of the underlying transaction or events. The restatement of the comprehensive statement items is done on a monthly basis with the exception of items such as depreciation which are calculated separately. Depreciation is calculated based on the restated carrying amount of the vehicles and equipment.

• the effect of inflation on the net monetary position of the Company is included in profit or loss as a gain or loss on the net monetary position; and

• items in the statement of cash flows are expressed in terms of the measuring unit current at the reporting date.

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates, (the "functional currency"). The financial statements are presented in the ZWG which is both the functional and presentation currency of the Company.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.1 Basis of preparation (continued)

2.1.2 Foreign currency translation

Currency developments in Zimbabwe

Zimbabwe has witnessed significant monetary and exchange control policy changes from 2016 through to 2023. These changes in prior years, resulted in the promulgation of Statutory Instrument ("S.I.") 33 of 2019 Presidential Powers (Temporary Measures) Amendment of the Reserve Bank of Zimbabwe Act and Issue of Real Time Gross Settlement Electronic Dollars) (RTGS Dollars)) Regulation, 2019 ("SI 33 of 2019") on 22 February 2019 which introduced the Real Time Gross Settlement ("RTGS") dollar. An Exchange Control Directive RU 28 of 2019 was also issued on the same day which introduced an interbank exchange rate for the RTGS dollar to the US$ as well as other currencies that existed in the multicurrency regime.

In addition, S.I. 33 of 2019 prescribed, among other directives, that for accounting and other purposes, all local assets and local liabilities in Zimbabwe that were immediately before the effective date of the statutory instrument valued in United States of America dollars (other than assets and liabilities referred to in section 44 C (2) of the Reserve Bank of Zimbabwe Act (Chapter 22:15) would on and after the effective date be deemed to be values in RTGS dollars at a rate of 1:1 to the US$. As at 31 December 2018, the RTGS dollar had not been promulgated as prescribed under S.I. 33 of 2019.

On 24 June 2019, Statutory Instrument 142 of 2019 Reserve Bank of Zimbabwe (Legal Tender) Regulation 2019 ("S.I. 142 of 2019") abolished the multicurrency regime and introduced the ZWG as the sole legal tender in Zimbabwe.

As a result of the currency changes announced by the Government, the directors assessed, in accordance with IAS 21 and the guidance issued by the Public Accountants and Auditors Board ("PAAB"), whether the functional and presentation currency remained appropriate. In this regard, the following aspects were considered as articulated in IAS 21:

- The currency of the country whose economy determines sale prices of goods and services;
- The currency that influences the price for the Company's products;
- The currency that influences labour, material and other costs of running the Company's operations;
- The currency in which operating receipts are retained.

In the view of the directors, the ZWG is the key driver of the factors noted above for the purpose of preparing the financial statements for the year ended 31 December 2023. The ZWG was determined as the Company's functional and presentation currency for the purpose of accounting and reporting with effect from 22 February 2019.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.1 Basis of preparation (continued)

2.1.2 Foreign currency translation (continued)

(a) Functional and presentation currency (continued)

Currency developments in Zimbabwe (continued)

Transactions between 1 January 2019 and 22 February 2019 were translated at a rate of US$1: ZWG1 in accordance with S.I. 33 of 2019 and subsequently all foreign denominated transactions were translated using the interbank foreign exchange rate.

The interbank market for the ZWG and the US$ that was introduced by the Reserve Bank of Zimbabwe on 22 February 2019 through Exchange Control Directive RU 28 of 2019 remained in force up to 26 March 2020.

In response to the COVID-19 pandemic, the Reserve Bank of Zimbabwe fixed the interbank foreign exchange rate at 1 US$: 25 ZWG for the period from 27 March 2020 to 23 June 2020.

For the period from 1 January 2020 to 22 June 2020, the Company translated foreign denominated transactions and balances using the interbank foreign exchange rates to comply with the various changes in monetary policy in Zimbabwe, which were not considered an appropriate spot rate for translation of foreign denominated transactions and balances as required by IAS 21. The determination of an exchange rate is considered a significant judgement due to its nature and the number of alternative exchange rates that could have been applied.

With effect from 23 June 2020, the Reserve Bank of Zimbabwe established the Foreign Exchange Auction Trading System. Bidding on the foreign exchange auction system is conducted under specified terms and conditions. At the end of each auction, the highest bid rate accepted, the lowest bid rate accepted and the weighted average auction rate are published together with other relevant information. The auction system is widely available and therefore, the IAS 21 spot rate definition is considered to have been met as at 31 December 2023 and for the year then ended in relation to foreign denominated financial statement line items

(b) Transactions and balances

A foreign currency transaction is recorded, on initial recognition, by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.1 Basis of preparation (continued)

2.1.2 Foreign currency translation (continued)

(b) Transactions and balances

At the end of the reporting period:
- foreign currency denominated monetary items are translated using the closing foreign exchange rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the foreign exchange rate at the date when the fair value was determined.

Exchange differences arising from the settlement of monetary items or from translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise. Foreign exchange gains and losses that relate to borrowings are presented in profit or loss, within finance costs.

When a gain or loss on a non-monetary item is recognised in other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised in other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

2.1.3 New or revised Standards or Interpretations

New Standards adopted as at 1 January 2024

Several IFRS amendments and interpretations apply for the first time in 2024, but do not have an impact on the financial statements of the Company. The Company has not early adopted any other standard, interpretation or amendment that has been issued.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.1 Basis of preparation (continued)

2.1.3 New or revised Standards or Interpretations

New Standards adopted as at 1 January 2024

Several IFRS amendments and interpretations apply for the first time in 2024, but do not have an impact on the financial statements of the Company. The Company has not early adopted any other standard, interpretation or amendment that has been issued.

(a) New Standards adopted as at 1 January 2024

Number	Effective date	Executive summary
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	1 January 2024	IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.
IFRS S2 Climate-related Disclosures	1 January 2024	IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating providing resources to the entity.
Classification of liabilities as Current or Non-current (Amendments to IAS 1)	1 January 2024	The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position,debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.
Lease liability in a Sale and Leaseback Amendments to IFRS 16)	1 January 2024	The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.1 Basis of preparation (continued)

2.1.3 New or revised Standards or Interpretations (continued)

(a) New Standards adopted as at 1 January 2024 (continued)

Number	Effective date	Executive summary
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	1 January 2024	The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	1 January 2024	The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

(b) Standards, amendments and interpretations to existing Standards that are not yet effective and have not been adopted early by the Company

Number	Effective date	Executive summary
IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	1 January 2026	The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9.
Lack of Exchangeability (Amendments to IAS 21)	1 January 2025	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.
IFRS 18 Presentation and Disclosures in Financial Statements	1 January 2027	IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information, in financial statements.
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027	IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.1 Basis of preparation (continued)

2.1.3 New or revised Standards or Interpretations (continued)

(b) Standards, amendments and interpretations to existing Standards that are not yet effective and have not been adopted early by the Company (continued)

Number	Effective date	Executive summary
Amendments to IAS 21 Lack of Exchangeability (Amendments to IAS 21)	1 January 2025	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with anormal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

There are no other standards, amendments and interpretations that are not yet effective that are likely to have a material impact on the Company.

2.2 Financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:
• those to be measured subsequently at fair value (either through other comprehensive income ("OCI") or through profit or loss), and
• those to be measured at amortised cost.
The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("FVOCI").

The Company reclassifies debt securities investments when and only when its business model for managing those assets changes.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.2 Financial assets (continued)

(i) Classification (continued)

Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Company considers all of the relevant information about how the business is managed, including:
• the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
• how the performance of the portfolio is evaluated and reported to the Company's management;
• 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 the investment manager is 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 of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets. The Company has determined that it has two business models:
• Held-to-collect business model: These financial assets are held to collect contractual cash flows.
• Other business model: These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

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 a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest ("SPPI"), the Company 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 this assessment, the Company considers:

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.2 Financial assets (continued)

(i) Classification (continued)

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

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

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

• Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in profit or loss using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in profit or

• Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss in the period in which it arises.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.2 Financial assets (continued)

(iii) Measurement (continued)

Equity instruments

The Company subsequently measures equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in profit or loss as applicable.

(iv) Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Refer to note 4.1 for further details on impairment and risk exposure.

The Company measures allowance for expected credit losses at an amount equal to lifetime expected credit losses, except for the following which are measured at 12-month expected credit losses:
• financial assets that are determined to have low credit risk at the reporting date; and
• other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort.

This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:
• the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company ; or
• the financial asset is more than 90 days past due.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.2 Financial assets (continued)

(iv) Impairment (continued)

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Expected credit losses are discounted using the effective interest rate of the financial asset.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and not in the event of default, insolvency or bankruptcy of the Company or the counter-party.

2.3 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method less allowance for expected credit losses. Details about the Company's impairment policies and the calculation of the loss allowance are provided in note 4.1(a).

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.3 Trade and other receivables (continued)

Other receivables generally arise from transactions outside the usual operating activities of the Company. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained.

2.4 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in their fair value.

2.5 Property units

Property units are a form of a collective investment, pooling investors' money into a property which is managed by a fund manager, and allocating units to different participants, derived based on an independent professional valuations of an underlying property. The property units are held either to earn rentals or for capital appreciation or for both. Property units are stated at fair value at the reporting date. Fair value is based on open market value of the underlying property and any gain or loss arising is recognised in profit or loss.

2.6 Gold coins

The Company holds gold coins which are classified as financial assets at fair value through profit or loss as they fail the SPPI test, which is a prerequisite for financial instruments to be classified at amortised cost or FVOCI.

Gold coins are initially measured at cost and subsequently at fair value, with any change therein recognised in profit or loss. Gains or losses arising from changes in the fair values of gold coins are included in profit or loss in the year in which they arise. The fair value is determined according to the global gold market price per ounce at the reporting date.
The gold coins have the following qualities;
i. Liquid asset status
ii. Prescribed asset status
iii. Collateral acceptability
iv. Tradable
v. Serial numbering
vi. Central bank buy-back when required by the holder of the gold coin.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.7 Property and equipment

Equipment comprises computer hardware, furniture and fittings, office equipment and leasehold improvements.

Equipment is stated at historical cost less accumulated depreciation and impairment losses in the statutory records. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are either included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance costs are charged to profit or loss in the financial period in which they are incurred.

Depreciation is calculated on a straight line basis so as to allocate the cost of the assets less their residual values over their estimated useful lives, as follows:

Office equipment	10 years
Furniture and fittings	5 - 10 years
Computer equipment	3 - 5 years
Leasehold improvements	10 years

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The carrying amounts are reviewed at each reporting date to assess whether there is any indication of impairment and an assets carrying amounts is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.8 Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets ("cash-generating units"). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.9 Current income and deferred tax

The income tax expense or credit for the year is the tax payable or tax recoverable on the current year's taxable income, based on the applicable income tax rate assessable in Zimbabwe, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax and deferred tax is included in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also included in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted in Zimbabwe at the reporting date. Management periodically evaluates the position taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax is recognised in full using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, or an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.9 Current income and deferred tax (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and where the deferred tax balances relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis, or realise the asset and settle the liability simultaneously. Current income tax assets and income tax liabilities are offset where the entity has a legally enforceable right to offset.

2.10 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds, net of tax.

2.11 Dividends

Dividend distributions to the Company's shareholders are recognised as a liability and a deduction in equity in the period in which the dividends are declared by the Company's directors.

A liability is recognised for the amount of any dividend declared, being appropriately authorised by the directors of the Company and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.12 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

2.13 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.13 Provisions

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations is minimal.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present value at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.14 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest rate method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Fees paid on the establishment of borrowings are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised when the obligation specified in the contract is discharged, cancelled or has expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liabilities for at least twelve months after the end of the reporting period.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.15 Revenue recognition

The Company applies IFRS 15, Revenue from contracts with customers, to all revenue arising from contracts with clients, unless the contracts are in the scope of the standards on leases, insurance contracts and financial instruments. The Company recognises revenues to depict the transfer of promised service to customers in an amount that reflects the consideration the Company expects to be entitled in exchange for the service, basing on the following five-step model whereby the Company:

- Identifies the contract(s) with a customer
- Identifies the performance obligations in the contract
- Determines the transaction price
- Allocates the transaction price to the performance obligations in the contract
- Recognises revenue when (or as) the entity satisfies a performance obligation.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered in the course of business. Revenue is derived substantially from the business of asset management and related activities and comprises fee and commission income.

Fee and commission income

Fees and commissions are generally recognised on an accrual basis when the service has been provided and receipt of the fee is probable.

2.16 Other income

(a) Dividend income

Dividend income is recognised when a contractual right exists to receive the dividend. This occurs when dividends have been declared by the directors of the investee company.

(b) Finance income

Finance income is included in profit or loss on all interest bearing financial instruments on an accruals basis using the effective interest rate method.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.16 Other income (continued)

(b) Finance income (continued)

The effective interest rate method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the gross carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options). The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cashflows for the purposes of measuring the impairment loss.

2.17 Managed funds and trust activities

The Company acts as a trustee and in other fiduciary capacities that result in the holding or placement of assets on behalf of individuals, trusts, retirement benefit plans and other institutions and receives a management fee for providing these services. The assets and income generated by these assets, are excluded from these financial statements because they are not owned by the Company. The managed funds are recorded off statement of financial position in accordance with paragraph 21 of the First Schedule, of the Zimbabwe Securities and Exchange Act (Chapter 24:25) and are disclosed in note 24.

2.18 Unclaimed shares

As part of the process of automation of listed shares on the Zimbabwe Stock Exchange ("ZSE"), reconciliations were done by transfer secretaries in 2014 to determine ownership of the shares. All administrative weaknesses of the manual system were corrected since the introduction of the Automated Trading System ("ATS") in 2014. There were shares that were identified by the transfer secretary as belonging to ABC Asset Management during the reconciliation process. These shares were transferred to the Excess Shares Account as 'unclaimed shares' and subsequently transferred from the Excess Shares Account to the proprietary account of the Company after the lapse of five years in accordance with the Securities Exchange Commission of Zimbabwe guidelines.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.19 Employee benefits

(a) Short-term benefits

These benefits include salaries and related payments, leave pay, medical scheme payments and other employee payments related to employment conditions. The Company provides other benefits which include education facilities, low interest loans for vehicles and housing plans and other plans approved by the Board.

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 if the Company 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.

The Company's obligation in respect of accumulated leave days is recognised in full in the financial statements on an undiscounted basis and is expensed as the related services are provided.

(b) Profit sharing and bonus plans

The Company recognises a liability and an expense for profit-sharing, based on a formula which takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Company recognises a liability where there is a past practice that has created a constructive obligation.

(c) Pension obligations

The Company operates a defined contribution plan for all permanent employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity that is privately administered. The Company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The pension plan is funded by payments from employees and the Company and by taking into account the recommendations of independent actuaries. Contributions to this fund are recognised in profit or loss as incurred. The Company has no further obligations once the contributions have been paid.

(d) National Social Security Authority Fund

The Company and its employees contribute to the National Social Security Authority Scheme. This is a social security scheme which was promulgated under the National Social Security Act (Chapter 17:04). The Company's obligations under the scheme are limited to specific contributions legislated from time to time.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

2 Material accounting policies (continued)

2.19 Employee benefits (continued)

(d) National Social Security Authority Fund (continued)

The Company's contributions to the pension plans are included in profit or loss in the period to which the contributions relate.

2.20 Going concern

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

On 11 March 2020, the World Health Organisation ("WHO") declared the Coronavirus COVID-19 outbreak to be a pandemic due to its rapid spread across the globe. Many Governments including the Zimbabwean Government took stringent measures to help contain the virus, including: mandatory lockdown, requiring self-isolation/quarantine by those potentially affected, implementing social distancing measures and controlling or closing borders. Since March 2020, the Government of Zimbabwe introduced varying degrees of country-wide lockdowns affecting economic activity. The Company has been able to continue operating due to its designation an essential service.

While most countries have been affected to different degrees by the pandemic, COVID-19 has led to a relatively weaker economic outlook and uncertainties across the globe. This includes disruptions to supply chains and domestic production.

3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Notes to the financial statements
for the year ended 31 December 2024 (continued)

3 Critical accounting estimates and judgements (continued)

Critical accounting estimates and assumptions (continued)

(a) Measurement of fair value

The Company measures a number of its financial assets at fair value, being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market between market participants at the measurement date. The Company may rely on independent opinions of experts in the related fields. Fair value is a market based measurement and uses the assumptions that market participants would use when pricing an asset or liability under current market conditions. When determining fair value it is presumed that the Company is a going concern and is not an amount that represents a forced transaction, involuntary liquidation or a distressed sale. The existence of quoted prices in an active market represents the best evidence of fair value. Where such prices exist, they are used in determining the fair value of financial assets and financial liabilities.

Where quoted market prices are unavailable, the Company establishes fair value using valuation techniques that incorporate observable inputs, either directly, such as quoted prices, or indirectly, such as those derived from quoted prices, for such assets and liabilities. Where such inputs are not available, the Company makes use of theoretical inputs in establishing fair value (unobservable inputs). Such inputs are based on other relevant input sources of information and incorporate assumptions that include prices for similar transactions, historical data, economic fundamentals, and research information, with appropriate adjustments to reflect the terms of the actual instrument being valued and current market conditions. Changes in these assumptions would affect the reported fair values of these financial instruments. Valuation techniques used for financial instruments include the use of financial models that are populated using market parameters that are corroborated by reference to independent market data, where possible, or alternative sources, such as, third-party quotes, recent transaction prices or suitable proxies. The fair value of certain financial instruments is determined using industry standard models such as, discounted cash flow analysis. These models are generally used to estimate future cash flows and discount these back to the valuation date. For complex or unique instruments, more sophisticated modelling techniques may be required, which require assumptions or more complex parameters.

The Company holds investments in property units, unquoted equities and quoted equities, note 7. The fair value of property units is derived from an allocation of the valuation of the underlying properties as determined by independent professional valuers at the reporting date, based on each property unit owner's shareholding. The fair value of unquoted equities is determined at each reporting date by an independent valuation by a professional firm.

Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of judgement (i.e. interest rates, volatility and estimated cash flows) and therefore cannot be determined with precision.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

3 Critical accounting estimates and judgements (continued)

Critical accounting estimates and assumptions (continued)

(a) Measurement of fair value (continued)

The users of the financial statements must therefore note that whilst management has taken the necessary steps in coming up with the fair valuation, significant judgements were applied in the current year as a result of the uncertainties resulting from the volatile economic environment and currency shifts.

(b) Income taxes

Determining the Company's tax charge for the year involves estimation and judgement, which includes interpretation of local tax laws and an assessment of whether the tax authorities will accept the position taken. These judgements take account of external advice where appropriate, and the Company's view on settling with the tax authorities.

The Company is subject to income taxes under the Zimbabwean tax jurisdiction. Significant estimates are required in determining the liability for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded such differences will impact the income tax and deferred tax liabilities in the period in which such determination is made.

Notes to the financial statements
for the year ended 31 December 2024

4 Financial risk management

4.1 Financial risk factors

The Company's business involves taking on risks in a targeted manner and managing them professionally. Taking risk is core to the financial services business, and the operational risks are an inevitable consequence of being in business. The Company's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Company's financial performance. The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

Risk management is carried out by the ABC Holdings (Zimbabwe) Limited Group Risk Committee, under policies approved by the Board of Directors (the "Board"). The Board approves principles for overall risk management, as well as policies covering specific areas, such as credit risk, liquidity risk and market risk. In addition, group internal audit is responsible for the independent review of risk management processes and the control environment.

The most significant types of risk are credit risk, liquidity risk and market risk. Market risk includes foreign exchange risk, fair value and cash flow interest rate risk and price risk.

(a) Credit risk

The Company takes on exposure to credit risk, which is the risk that a counterparty will cause a financial loss to the Company by failing to discharge an obligation. Significant changes in the economy, or in the financial health of a particular industry segment that represents a concentration in the Company's portfolio, could result in losses that are different from those provided for at the statement of financial position date. Country (or sovereign) risk is part of overall credit risk and is managed as part of the credit risk management function as it has a major impact on individual counterparties' ability to perform. Management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from balances with banks and financial institutions and trade and other receivables. ABC Holdings (Zimbabwe) Limited Group Risk Department ("Risk Department") reviews the Company's risk exposures regularly and reports to the Board.

The Board has defined and documented a credit policy for the Company which forms the basis of credit decisions. This policy includes a framework of limits and delegation of credit approval authority which are strictly adhered to. No single individual has the power to authorise credit exposures.

The Group Risk Department regularly reviews adherence to required standards. The ABC Holdings (Zimbabwe) Limited Group Risk Committee reports to the Board and is responsible for approval of credit decisions that are above trading limits, recommendations on exposure limits and provisioning policies.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(a) Credit risk (continued)

Risk limit control and mitigation policies

The Company manages, limits and controls concentrations of credit risk in respect of individual counterparties and groups. The Company structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one counterparty, or groups of counterparties. Such risks are on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk are approved by the Board of Directors and reviewed regularly.

Exposure to credit risk is also managed through regular analysis of the ability of debtors to settle amounts due to the Company for asset management services provided.

The following table presents the maximum exposure to credit risk of recognised statement of financial position and unrecognised off - statement of financial position financial instruments.

Credit risk exposures relating to unrecognised financial assets are as follows:

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Cash and cash equivalents	50 674 197	139 107 788	50 674 197	8 329 542
Money market investments	80 078 490	19 790	80 078 490	1 185
Total funds under management	130 752 687	139 127 578	130 752 687	8 330 727

Total maximum exposure derived from each unrecognised financial asset is as follows:

	Inflation adjusted		Historical cost	
	2024	2023	2024	2023
Cash and cash equivalents	39%	34%	39%	34%
Money market investments	61%	66%	61%	66%
	100%	100%	100%	100%

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(a) Credit risk (continued)

As at 31 December credit risk exposures relating to recognised financial assets are as follows:

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Cash and cash equivalents	2 468 851	14 194 029	2 468 851	849 915
Amounts due from group companies	32 537	63 080	32 537	3 777
Trade and other receivables (excluding prepayments and statutory receivables)	2 047 607	3 043 841	2 047 607	182 260
	4 548 995	17 300 950	4 548 995	1 035 952

For recognised assets, the exposures set out above are based on net carrying amounts as reported in the statement of financial position.

Total maximum exposure derived from each recoanised financial asset is as follows:

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Cash and cash equivalents	54%	82%	54%	82%
Trade and other receivables	45%	18%	45%	18%
	100%	100%	100%	100%

Management is confident in their ability to continue to control and sustain minimal exposure of credit risk to the Company through continuous improvement in credit selection and monitoring processes.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(a) Credit risk (continued)

(i) Cash and cash equivalents

The Company limits its exposure to credit risk through dealing with well-established financial institutions with high credit standing, and thus management does not expect any counterparty to fail to meet its obligations. The Company does not consider there to be any significant concentration of credit risk.

The financial institutions holding the Company's cash and cash equivalents have the following credit ratings according to the Global Credit Rating Company:

	Inflation adjusted					
	BBB+ ZWG	BB+ ZWG	BB- ZWG	AA- ZWG	A+ ZWG	Total ZWG
As at 31 December 2024						
Balances with banks	-	7 876	-	-	-	7 876
Term deposits	130	-	314	-	-	443
	130	7 876	314	-	-	8 319
Funds Under Management	-	-	96 962 313	105 042 701	103 029 152	305 034 166
As at 31 December 2023						
Balances with banks	-	131 533	-	-	-	131 533
Term deposits	2 171	-	5 244	-	-	7 415
	2 171	131 533	5 244	-	-	138 948
Funds Under Management	-	-	87 608 215	215 275 313	297 327 731	600 211 259

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(a) Credit risk (continued)

Cash and cash equivalents (continued)

	Historical cost					
	BBB+ ZWG	BB+ ZWG	BB- ZWG	AA- ZWG	A+ ZWG	Total ZWG
As at 31 December 2024						
Balances with banks	-	7 876	-	-	-	7 876
Term deposits	130	-	314	-	-	443
	130	7 876	314	-	-	8 319
Funds Under Management	-	-	38 805	42 039	41 233	122 077
	BBB+ ZWG	BB+ ZWG	BB- ZWG	AA- ZWG	A+ ZWG	Total ZWG
As at 31 December 2023						
Balances with banks	-	7 876	-	-	-	7 876
Term deposits	130	-	314	-	-	444
	130	7 876	314	-	-	8 320
Funds Under Management	-	-	10 199	25 062	34 615	69 876

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(a) Credit risk (continued)

(ii) Impairment of financial assets

The Company has four types of financial assets that are subject to the expected credit loss model:
- trade and other receivables;
- debt securities at amortised cost;
- debt securities; and
- other financial assets at amortised cost

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade and other receivables

The Company applies the IFRS 9 simplified approach to measuring lifetime allowance from expected credit losses on all trade receivables.

The expected loss rates are based on the payment profiles of debtors over a period of 12 months before 31 December 2023 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the debtors to settle the receivables. Macroeconomic conditions prevailing in the economy such as inflation, interest rates and other relevant factors accordingly adjust the historical loss rates based on expected changes in these factors.

The Company establishes an allowance for expected credit losses that represents its estimate of expected credit losses in respect of other receivables. The Company does not consider there to be any significant concentration of credit risk in respect of which adequate impairment has not been raised.

All financial instruments are carried at amounts not materially different from their fair value as at 31 December 2023 and 31 December 2021 because of the short term nature of the financial instruments.

Debt securities at amortised cost

All of the Company's debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. Management consider 'low credit risk' risk where instruments have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(a) Credit risk (continued)

(ii) Impairment of financial assets (continued)

Other financial assets at amortised cost

Other financial assets at amortised cost include amounts due from group companies and other receivables. All of the Company's other financial assets at amortised cost are considered to have low credit risk.

Analysis of allowance for expected credit losses

On that basis, the allowance for expected credit losses as at 31 December 2024 and 31 December 2023 were determined as follows:

Notes to the financial statements
for the year ended 31 December 2023 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(a) Credit risk (continued)

Analysis of allowance for expected credit losses (continued)

	Inflation adjusted				
31 December 2023	**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**Total**
Expected loss rate	0%	0%	0%	0%	0%
Gross carrying amount - trade and other receivables	2 051 236	-	-	-	2 051 236
Allowance for expected credit losses (note 6)	(3 629)	-	-	-	(3 629)
31 December 2022					
Expected loss rate	2%	0%	0%	0%	2%
Gross carrying amount - trade and other receivables	2 936 695	-	-	-	2 936 695
Allowance for expected credit losses (note 6)	(60 609)	-	-	-	(60 609)

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(a) Credit risk (continued)

Analysis of allowance for expected credit losses (continued)

	Historical cost				
31 December 2024	**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**Total**
Expected loss rate	0%	0%	0%	0%	0%
Gross carrying amount - trade and other receivables	2 051 236	-	-	-	2 051 236
Allowance for expected credit losses (note 6)	(3 629)	-	-	-	(3 629)
31 December 2023					
Expected loss rate	2%	0%	0%	0%	2%
Gross carrying amount - trade and other receivables	175 844	-	-	-	175 844
Allowance for expected credit losses (note 6)	(3 629)	-	-	-	(3 629)

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Liquidity risk

Liquidity risk is the risk that the Company may fail to meet its payment obligations when they fall due. Prudent liquidity management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company identifies this risk through periodic liquidity gap analysis and the maturing profile of assets and liabilities. Where major gaps appear, action is taken in advance to close or minimise the gaps.

The liquidity of the Company is managed by Finance. Surplus cash held by the Company over and above the balance required for working capital management is invested in interest bearing instruments with appropriate maturities taking into consideration the Company's operational needs.

The table below analyses the Company's financial assets and financial liabilities into relevant maturity groups based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Liquidity risk (continued)

	Inflation adjusted				
As at 31 December 2024	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Total ZWG
Assets					
Amounts due from group companies	32 537	-	-	-	32 537
Cash and cash equivalents	2 468 851	-	-	-	2 468 850
Trade and other receivables (excluding prepayments and statutory receivables)	2 389 036	238 127	-	-	2 627 163
Gold coins	-	1 272 175	-	-	1 272 175
Financial assets at fair value through profit or loss	198 348 442	-	14 018 736	-	212 367 178
Total financial assets	203 238 866	1 510 302	14 018 736	-	218 767 904
Liabilities					
Amounts due to group companies	-	9 721 486	-	-	9 721 486
Trade and other payables (excluding statutory liabilities)	2 316 727	85 286	-	-	2 402 013
Total financial liabilities	2 316 727	9 806 772	-	-	12 123 499

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Liquidity risk (continued)

	Inflation adjusted				
	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Total ZWG
Liquidity gap	200 922 139	(8 296 470)	14 018 736	-	206 644 405
Cumulative liquidity gap	200 922 139	192 625 669	206 644 405	206 644 405	-
As at 31 December 2023					
Assets					
Amounts due from group companies	63 080	-	-	-	63 080
Cash and cash equivalents	14 194 029	-	-	-	14 194 029
Trade and other receivables (excluding prepayments and statutory receivables)	2 843 478	32 608	-	-	2 876 086
Gold coins	-	1 763 037	-	-	1 763 037
Financial assets at fair value through profit or loss	69 717 930	-	234 120 356	-	303 838 286
Total financial assets	86 818 517	1 795 645	234 120 356	-	322 734 518

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Liquidity risk (continued)

	Inflation adjusted				
	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Total ZWG
Liabilities					
Amounts due to group companies	-	4 961 127	-	-	4 961 127
Trade and other payables (excluding statutory liabilities)	947 872	1 424 318	-	-	2 372 190
Shareholder's loan	-	-	4 374 989	-	4 374 989
Total financial liabilities	947 872	6 385 445	4 374 989	-	11 708 306
Liquidity gap	85 870 645	(4 589 800)	229 745 367		311 026 212
Cumulative liquidity gap	85 870 645	81 280 845	311 026 212	311 026 212	-

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Liquidity risk (continued)

	Historical cost				
As at 31 December 2024	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Total ZWG
Assets					
Amounts due from group companies	32 537	-	-	-	32 537
Cash and cash equivalents	2 468 851	-	-	-	2 468 851
Trade and other receivables (excluding prepayments)	2 389 036	238 127	-	-	2 627 163
Financial assets at fair value through profit or loss	198 348 442	-	14 018 736	-	212 367 178
Gold coins	-	1 272 175	-	-	1 272 175
Total financial assets	203 238 866	1 510 302	14 018 736	-	218 767 904
Liabilities					
Amounts due to group companies	-	9 721 486	-	-	9 721 486
Trade and other payables (excluding statutory liabilities)	2 316 727	85 286	-	-	2 402 013
Total financial liabilities	2 316 727	9 806 772	-	-	12 123 498

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Liquidity risk (continued)

	Historical cost				
	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Total ZWG
Liquidity gap	200 922 139	(8 296 470)	14 018 736	-	206 644 407
Cumulative liquidity gap	200 922 139	192 625 669	206 644 406	206 644 406	-
As at 31 December 2023					
Assets					
Amounts due from group companies	3 777	-	-	-	3 777
Cash and cash equivalents	849 915	-	-	-	849 915
Trade and other receivables (excluding prepayments)	172 215				172 215
Financial assets at fair value through profit or loss	4 174 594	-	14 018 735	-	18 193 329
Gold coins	-	105 568	-	-	105 568
Total financial assets	5 200 501	105 568	14 018 735	-	19 324 804
Liabilities					
Amounts due to group companies	297 065	-	-	-	297 065
Trade and other payables (excluding statutory liabilities)	56 757	85 286	-	-	142 043

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Liquidity risk (continued)

	Historical cost				
	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Total ZWG
Shareholder's loan	-	-	261 967	-	261 967
Total financial liabilities	353 822	85 286	261 967	-	701 075
Liquidity gap	4 846 679	20 282	13 756 768		18 623 729
Cumulative liquidity gap	4 846 679	4 866 961	18 623 729	18 623 729	-

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(c) Market risk

The Company takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in foreign currencies, equities and interest bearing assets and liabilities to the extent that these are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices.

Market risk measurement techniques

The major measurement techniques used to measure and control market risk are outlined below.

(i) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate and foreign exchange risk, whether those changes are caused by factors specific to the individual financial instrument to its issuer or factors affecting all financial instruments traded in the market.

The Company is exposed to equity securities price risk because of investments held by the Company and classified on the statement of financial position as financial assets at fair value through profit or loss. The Company is not exposed to commodity price risk as it had no assets nor obligations that expose it to that risk at the reporting date. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Board. A significant component of the Company's investments in equity of other entities are publicly traded on the Zimbabwe Stock Exchange and the Victoria Falls Stock Exchange.

The table below summarises the impact of increases / (decreases) of the Zimbabwe Stock Exchange and Victoria Falls Stock Exchange equity index on the Company's post-tax profit for the year and on equity. The analysis is based on the assumption that the equity index increases / (decreases) by 5% with all other variables held constant and all the Company's equity instruments move according to the historical correlation with the index:

	Inflation adjusted		Historical cost	
Impact on post-tax profit	**2024 ZWG**	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
Increase in market price (+5%)	(3 263 231)	270 725	7 823 809	362
Decrease in market price (-5%)	3 263 231	(270 725)	(7 823 809)	(362)

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(c) Market risk

Market risk measurement techniques (continued)

(i) Price risk (continued)

Post-tax profit for the year would increase/(decrease) as a result of gains/(losses) on equity securities classified as financial assets at fair value through profit or loss.

(ii) Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

The Company takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise. The Board sets limits on the level of mismatch of interest rate repricing that may be undertaken, which is monitored daily by Finance. The Company analyses its interest rate exposure on a dynamic basis and various scenarios are simulated.

The Company is exposed to various risks with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

The table below summarises the Company's exposure to interest rate risk. Included in the table are the Company's financial assets and financial liabilities at carrying amounts categorised by the earlier of contractual repricing or maturity dates.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Market risk (continued)

(ii) Cash flow and fair value interest rate risk (continued)

	Inflation adjusted					
As at 31 December 2024	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Non interest bearing ZWG	Total ZWG
Assets						
Amounts due from group companies	-		-	-	32 537	32 537
Cash and cash equivalents	-	174	-	-	2 468 503	2 468 677
Trade and other receivables	-	-	-	-	2 627 163	2 627 163
Gold coins	-	-	-	-	1 272 175	1 272 175
Financial assets at fair value through profit or loss	-	-	-	-	212 367 178	212 367 178
Total financial assets	-	174	-	-	218 767 556	218 767 730
Liabilities						
Amounts due to group companies	-	-	-	-	9 721 486	9 721 486
Trade and other payables	-	-	-	-	2 402 013	2 402 013

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Market risk (continued)

(ii) Cash flow and fair value interest rate risk (continued)

	Inflation adjusted					
	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Non interest bearing ZWG	Total ZWG
Total financial liabilities	-	-	-	-	12 123 499	12 123 499
Interest rate repricing gap	-	174	-	-	206 644 057	206 644 231
Cumulative interest rate repricing gap	-	174	174	174	206 644 229	-
As at 31 December 2023						
Assets						
Amounts due from group companies	-	-	-	-	63 080	63 080
Cash and cash equivalents	-	2 909	-	-	14 191 120	14 194 029
Trade and other receivables	-	-	-	-	3 043 841	3 043 841
Gold coins	-	-	-	-	1 763 037	1 763 037

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Market risk (continued)

(ii) Cash flow and fair value interest rate risk (continued)

	Inflation adjusted					
	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Non interest bearing ZWG	Total ZWG
Financial assets at amortised cost	-	-	-	-	-	-
Financial assets at fair value through profit or loss	-	-	-	-	303 838 286	303 838 286
Total financial assets	-	2 909	-	-	322 899 364	322 902 273
Liabilities						
Amounts due to group companies	-	-	-	-	4 961 127	4 961 127
Trade and other payables	-	-	-	-	2 635 341	2 635 341
Shareholder's loan	-	-	4 374 989	-	-	4 374 989
Total financial liabilities	-	-	4 374 989	-	7 596 468	11 971 457

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Market risk (continued)

(ii) Cash flow and fair value interest rate risk (continued)

	Inflation adjusted					
	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Non interest bearing ZWG	Total ZWG
Interest rate repricing gap	-	2 909	(4 374 989)		315 302 896	310 930 816
Cumulative interest rate repricing gap	-	2 909	(4 372 080)	(4 372 080)	310 930 816	-

	Historical cost					
As at 31 December 2024	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Non interest bearing ZWG	Total ZWG
Assets						
Amounts due from group companies	-	-	-	-	32 537	32 537
Cash and cash equivalents	-	174	-	-	2 468 503	2 468 676
Trade and other receivables	-	-	-	-	2 627 163	2 627 163
Gold coins	-	-	-	-	1 272 175	1 272 175

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Market risk (continued)

(ii) Cash flow and fair value interest rate risk (continued)

	Historical cost					
	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Non interest bearing ZWG	Total ZWG
Financial assets at fair value through profit or loss	-	-	-	-	212 367 178	212 367 178
Total financial assets	-	174	-	-	218 767 556	218 767 789
Liabilities						
Amounts due to group companies	-	-	-	-	9 721 486	9 721 486
Trade and other payables	-	-	-	-	2 402 013	2 402 013
Total financial liabilities	-	-	-	-	12 123 499	12 123 499

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Market risk (continued)

(ii) Cash flow and fair value interest rate risk (continued)

	Historical cost					
	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Non interest bearing ZWG	Total ZWG
Interest rate repricing gap	-	174	-	-	206 644 057	206 644 291
Cumulative interest rate repricing gap	-	174	174	174	206 644 231	-
As at 31 December 2023						
Assets						
Amounts due from group companies	-	-	-	-	3 777	3 777
Cash and cash equivalents	-	174	-	-	849 741	849 915
Trade and other receivables	-	-	-	-	182 260	182 260
Gold coins	-	-	-	-	105 568	105 568

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Market risk (continued)

(ii) Cash flow and fair value interest rate risk (continued)

	Historical cost					
	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Non interest bearing ZWG	Total ZWG
Financial assets at fair value through profit or loss	-	-	-	-	1 859 160	1 859 160
Total financial assets	-	174	-	-	3 000 506	3 000 742
Liabilities						
Amounts due to group companies	-	-	-	-	297 065	297 065
Trade and other payables	-	-	-	-	157 800	157 800
Shareholder's loan	-	-	261 967	-	-	261 967
Total financial liabilities	-	-	261 967	-	454 865	716 832

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Market risk (continued)

(ii) Cash flow and fair value interest rate risk (continued)

	Historical cost					
	Up to 1 month ZWG	1 month to 3 months ZWG	3 months to 12 months ZWG	Greater than 1 year ZWG	Non interest bearing ZWG	Total ZWG
Interest rate repricing gap	-	174	(261 967)	-	2 545 641	2 283 910
Cumulative interest rate repricing gap	-	174	(261 793)	(261 793)	2 283 848	-

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(ii) Cash flow and fair value interest rate risk (continued)

Interest rate sensitivity analysis

The table below illustrates the impact of a possible 50 basis points interest rate movement:

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Shift in yield curves of +50 basis points	(232 712)	(3 209 457)	(232 712)	(667 889)
Percentage of shareholders equity (+50 basis points)	-0.14%	-0.02%	-0.14%	-0.02%
Shift in yield curves of -50 basis points	232 712	3 209 457	232 712	667 889
Percentage of shareholders equity (-50 basis points)	0.14%	0.02%	0.14%	0.02%

(iii) Foreign exchange risk

Foreign exchange risk is the risk arising from fluctuations in foreign exchange rates and their effect on future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency.

The Group Risk Department sets limits on the level of exposure by currency and in aggregate.

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US$.

The following table details the Company's sensitivity to an increase or decrease of 0.5% (+50 basis points) in the Zimbabwe dollar against the US$ with all other variables held constant. 0.5% (+50 basis points) represents management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding monetary items impacted by movements in foreign currency exchange rates and is calculated by adjusting the translation of foreign currency amounts at the period end for a 10% change in foreign currency exchange rates.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(iii) Foreign exchange risk

Impact of change in foreign currency exchange rates	Inflation adjusted and historical cost	
	2024	2024
	10% increase	10% decrease
	ZWG	ZWG
Impact of profit before income tax	(2 564)	2 098

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

The following table details the Company's US$ assets and liabilities:	2024 10% increase USD	2024 10% decrease USD
Balances with banks	23 806	19 478
Provisions	3 928	3 214
Net position	19 878	16 264

4.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders, and, to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt where relevant.

The Company strives to comply with the regulatory capital requirements set by the Securities Exchange Commission of Zimbabwe. As at 31 December 2023, the Company complied with the risk adjusted capital requirement of ZWG 797 028 and liquid capital requirement of ZWG 100 or thirteen weeks operating expenses cover whichever is higher. The risk-based approach covers a wide spectrum of risks which include price, credit, liquidity amongst other risks.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.2 Capital risk management (continued)

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Shareholders' equity	170 497 981	235 762 607	170 590 195	14 114 023
Minimum capital requirement			500 000	500 000

The Company's capital is above the minimum capital requirement.

4.3 Fair value of financial assets

Observable inputs reflect market data obtained from independent sources and unobservable inputs reflect the Company's market assumptions. These two types of inputs have created the following fair value hierarchy:

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

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

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

The hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible.

The Company's financial assets are carried at fair value. None of the Company's financial liabilities were carried at fair value.

The following table presents the Company's assets that are measured at fair value at 31 December. Included under level 3 are unquoted equities and unquoted property units. A reconciliation of these level 3 financial assets has been provided under notes 7.2 and 7.3 respectively.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.3 Fair value of financial assets (continued)

	Inflation adjusted		
Financial assets at fair value through profit or loss	Level 1 ZWG	Level 3 ZWG	Total ZWG
As at 31 December 2024			
Listed equities	36 911 604	-	36 911 604
Unlisted equities	-	317 591	317 591
Unquoted property units	-	175 137 983	175 137 983
Gold coins	1 272 175	-	1 272 175
	38 183 779	175 455 574	213 639 353
Financial assets at fair value through profit or loss			
As at 31 December 2023			
Listed equities	69 044 203	-	69 044 203
Unlisted equities	-	673 727	673 727
Unquoted property units	-	234 120 356	234 120 356
Gold coins	1 763 037	-	1 763 037
	70 807 240	234 794 083	305 601 323

	Historical cost		
Financial assets at fair value through profit or loss	Level 1 ZWG	Level 3 ZWG	Total ZWG
As at 31 December 2024			
Listed equities	36 911 604	-	36 911 604
Unlisted equities	-	317 591	317 591
Unquoted property units	-	175 137 983	175 137 983
Gold coins	1 272 175	-	1 272 175
	38 183 779	175 455 574	213 639 353
Financial assets at fair value through profit or loss			
As at 31 December 2023			
Listed equities	4 134 252	-	4 134 252
Unlisted equities	-	40 342	40 342
Unquoted property units	-	14 018 735	14 018 735
Gold coins	105 568	-	105 568
	4 239 820	14 059 077	18 298 897

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.3 Fair value of financial assets (continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily Zimbabwe Stock Exchange and Victoria Falls Stock Exchange listed equity securities classified as financial assets at fair value through profit or loss.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table shows the valuation techniques used in measuring level 3 category fair values for financial instruments as well as significant unobservable inputs used.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.3 Fair value of financial assets (continued)

Financial instrument	Valuation technique	Level 3 - Significant unobservable inputs	Range of estimates of cash flow factors 2024	Range of estimates of cash flow factors 2023	Interrelationship between significant unobservable inputs and fair value measurement
					The estimated fair value would increase/(decrease) if:
Unlisted equities	EV/EBIDTA multiples approach	Marketability discount factor	Marketability discount factor 15.3%	Marketability discount factor 15.3%	The marketability discount factor was lower/(higher)
		Minority discount factor	Minority discount factor 16.9%	Minority discount factor 16.9%	The minority discount factor was lower/(higher)
		Comparable size factor	Comparable size factor 0% - 15%	Comparable size factor 0% - 15%	The comparable size factor was lower/(higher)
		Country risk	A discount / premium to each peer company was applied using Aswath Damodaran	A discount / premium to each peer company was applied using Aswath Damodaran	The country risk factor was lower/(higher)

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.3 Fair value of financial assets (continued)

Financial instrument	Valuation technique	Level 3 - Significant unobservable inputs	Range of estimates of cash flow factors 2024	Range of estimates of cash flow factors 2023	Interrelationship between significant unobservable inputs and fair value measurement
					The estimated fair value would increase/(decrease) if:
Property units	Market comparison approach	Rate per square metre	ZWG 5.13 - ZWG 53.28		The rate per square was higher/(lower)
	Income capitalisation approach	Capitalisation rate	10% - 12%	8% - 12%	The capitalisation rate was lower/(higher)
		Void rates	0%	0%	The void rate was lower/(higher)
		Rental per square metre	ZWG 0.46 - ZWG 2.66		The rental per square was higher/(lower)

Notes to the financial statements
for the year ended 31 December 2024 (continued)

4 Financial risk management (continued)

4.3 Fair value of financial assets (continued)

Comparison of carrying amounts and fair values for assets and liabilities not held at fair value

The fair value is an estimate of the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of assets and liabilities not measured at fair value on the entity's statement of financial position are summarised as follows.

Financial assets

The carrying amounts of trade and other receivables, financial assets at amortised cost and cash and cash equivalents closely approximates their fair value as the instruments are short term in nature and the impact of discounting is not significant.

Financial liabilities

The carrying amounts of financial liabilities closely approximate their fair values. The impact of discounting is not significant due to the market terms (rates and tenure) available and because the instruments are short term in nature.

	Inflation adjusted		Historical cost	
5 Cash and cash equivalents	**2024 ZWG**	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
Balances with banks	2 468 677	14 191 120	2 468 677	849 741
Term deposits	174	2 909	174	174
	2 468 851	14 194 029	2 468 851	849 915

Term deposits mature within 90 days from origination date and earn interest at rates ranging between 80% and 86% (2024: 80% and 85%).

	Inflation adjusted		Historical cost	
6 Trade and other receivables	**2024 ZWG**	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
Fee and commission income receivable	2 051 236	2 936 695	2 051 236	175 844
Less: allowance for expected credit losses	(3 629)	(60 609)	(3 629)	(3 629)
Net fee and commission income receivable	2 047 607	2 876 086	2 047 607	172 215

Notes to the financial statements
for the year ended 31 December 2024 (continued)

6 Trade and other receivables (continued)

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Prepayments	238 127	6 786	238 127	406
Other receivables	341 429	160 969	341 429	9 639
	2 627 163	3 043 841	2 627 163	182 260
Maturity profile				
Due within 1 month	2 389 036	3 037 055	2 389 036	181 854
Due between 1 month and 3 months	238 127	6 786	238 127	406
	2 627 163	3 043 841	2 627 163	182 260
Allowance for expected credit losses				
As at 1 January	60 609	194 371	3 629	2 422
Expected credit losses charge	-	20 160	-	1 207
Effects of inflation	(56 980)	(153 922)	-	-
As at 31 December	3 629	60 609	3 629	3 629

The Company does not hold any collateral as security for the trade receivables balances.

The other classes within trade and other receivables do not contain impaired balances.

Allowances for expected credit losses

Expected credit losses allowances	-	(20 160)	-	(1 207)
As at 31 December	-	(20 160)	-	(1 207)

7 Financial assets at fair value through profit or loss

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Equities	37 229 195	69 717 930	37 229 195	4 174 594
Listed equities (Note 7.1)	36 911 604	69 044 203	36 911 604	4 134 252
Unlisted equities (Note 7.2)	317 591	673 727	317 591	40 342

Notes to the financial statements
for the year ended 31 December 2024 (continued)

7 Financial assets at fair value through profit or loss (continued)

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Unquoted property units (Note 7.3)	175 137 983	234 120 356	175 137 983	14 018 735
	212 367 178	303 838 286	212 367 178	18 193 329

7.1 Investment in listed equities

	Inflation adjusted 2024 ZWG	Inflation adjusted 2023 ZWG	Historical cost 2024 ZWG	Historical cost 2023 ZWG
As at 1 January	69 044 203	43 744 896	4 134 252	545 092
Additions	22 145 730	2 710 568	8 354 753	101 884
Disposals	(19 912 907)	(3 546 069)	(7 512 406)	(97 112)
Fair value adjustments	(42 441 354)	26 029 566	23 859 073	3 578 086
- Realised fair value adjustments	6 757 963	1 311 843	6 757 963	78 551
- Unrealised fair value adjustments	(49 199 317)	24 717 723	17 101 110	3 499 535
Foreign exchange gains	8 075 932	105 242	8 075 932	6 302
As at 31 December	36 911 604	69 044 203	36 911 604	4 134 252

7.2 Investment in unlisted equities

	Inflation adjusted 2024 ZWG	Inflation adjusted 2023 ZWG	Historical cost 2024 ZWG	Historical cost 2023 ZWG
As at 1 January	673 727	1 469 223	40 342	18 308
Unrealised fair value adjustments	(356 136)	(795 496)	277 249	22 034
As at 31 December	317 591	673 727	317 591	40 342

Investment in unlisted equities comprises a 6.24% equity shareholding in Astra Industries Limited. The fair value has been determined by an independent valuation performed by a professional services firm.

7.3 Investment in unquoted property units

	Inflation adjusted 2024 ZWG	Inflation adjusted 2023 ZWG	Historical cost 2024 ZWG	Historical cost 2023 ZWG
As at 1 January	234 120 356	103 987 757	14 018 735	1 295 760
Additions	10 508 767	6 549 094	15 695 312	205 947
Fair value adjustments	(69 491 140)	123 583 505	145 423 936	12 517 028
- Unrealised fair value adjustments	(69 491 140)	123 583 505	145 423 936	12 517 028
As at 31 December	175 137 983	234 120 356	175 137 983	14 018 735

Notes to the financial statements
for the year ended 31 December 2024 (continued)

7 Financial assets at fair value through profit or loss (continued)

7.3 Investment in unquoted property units (continued)

The fair value of unquoted property units is derived from an allocation of the valuation of the underlying properties as determined by independent professional valuers at the reporting date, based on each property unit owner's holding.

Financial assets at fair value through profit or loss are presented within 'investing activities' in the statement of cash flows.

The fair value of all listed equity securities is based on their current bid prices in an active market. The underlying properties from which the property units values are derived, are based on valuations performed by independent professional valuers.

The above equity securities and property units are managed and their performance evaluated on a fair value basis in accordance with the Company's risk management strategy and information about the classes of financial instruments is reported on that basis.

	Inflation adjusted		Historical cost	
8 Gold coins	**2024 ZWG**	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
As at 1 January	1 763 037	780 698	105 568	9 728
Unrealised fair value adjustments	(490 862)	982 339	1 166 607	95 840
As at 31 December	1 272 175	1 763 037	1 272 175	105 568

Notes to the financial statements
for the year ended 31 December 2024 (continued)

9 Financial assets at amortised cost (continued)

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Financial assets at amortised cost				
As at 1 January	-	7 250 292	-	90 344
Maturities	-	(20 270 994)	-	(797 611)
Interest accrued	-	13 298 051	-	17 660
Foreign exchange gains	-	14 203 481	-	689 607
Effects of IAS 29	-	(14 480 830)	-	-
As at 31 December	-	-	-	-
Allowance for expected credit losses				
As at 1 January	-	96 876	-	1 207
Expected credit losses charge	-	(96 876)	-	(1 207)
As at 31 December	-	-	-	-

A rights offer was issued by Econet Wireless Zimbabwe Limited ("EWZL") in 2017, offering members , pro rata to their existing shareholding, 82 ordinary shares for every 100 shares already held, at a subscription price of USD$0.05 per share. Each rights offer share was linked to a debenture with an issue price of USD$0.04665 each and a coupon rate of 5% per annum thus giving a redemption value of USD$0.06252 each on maturity on 30 April 2024.

The Company holds 5 531 541 EWZL debentures. In 2021, EWZL sought and obtained further approvals from the Reserve Bank of Zimbabwe for the early redemption of the debentures in Zimbabwe dollars calculated at the prevailing interbank foreign rate. The early redemption was conducted over an extended period of time as per Reserve Bank of Zimbabwe Regulations, from April 2021 to April 2024. The Company elected to hold the debentures until end of April 2024. At the beginning of April 2024, EWZL made an announcement of it's intention to do a rights issue to raise foreign currency required to redeem all the debentures.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

10 Property and equipment

	Inflation adjusted				
	Leasehold improvements	Computer equipment	Office equipment	Furniture and fittings	Total
Year ended 31 December 2024	ZWG	ZWG	ZWG	ZWG	ZWG
Opening net carrying amount	11 295	3 778	-	37 883	52 956
Additions	-	78 733	-	45 897	124 630
Depreciation charge	(2 608)	(16 448)	-	(5 522)	(24 578)
Closing net carrying amount	8 687	66 063	-	78 258	153 008
As at 31 December 2024					
Cost	26 073	453 432	30 634	189 330	699 469
Accumulated depreciation	(17 386)	(387 369)	(30 634)	(111 072)	(546 461)
Net carrying amount	8 687	66 063	-	78 258	153 008
Year ended 31 December 2023					
Opening net carrying amount	13 903	30 470	-	43 405	87 778
Depreciation charge	(2 608)	(26 692)	-	(5 522)	(34 822)
Closing net carrying amount	11 295	3 778	-	37 883	52 956
As at 31 December 2023					
Cost	26 073	374 699	30 634	143 433	574 839
Accumulated depreciation	(14 778)	(370 921)	(30 634)	(105 550)	(521 883)
Net carrying amount	11 295	3 778	-	37 883	52 956

Notes to the financial statements
for the year ended 31 December 2024 (continued)

10 Property and equipment

	Historical cost				
	Leasehold improvements	Computer equipment	Office equipment	Furniture and fittings	Total
Year ended 31 December 2024	ZWG	ZWG	ZWG	ZWG	ZWG
Opening net carrying amount	1	3	-	446	450
Additions	-	49 528	-	27 296	76 824
Depreciation charge	-	(3 905)	-	(1 184)	(5 089)
Closing net carrying amount	1	45 626	-	26 558	72 185
As at 31 December 2024					
Cost	2	49 592	2	27 799	77 395
Accumulated depreciation	(1)	(3 966)	(2)	(1 241)	(5 210)
Net carrying amount	1	45 626	-	26 558	72 185
Year ended 31 December 2023					
Opening net carrying amount	1	13	-	495	509
Depreciation charge	-	(10)	-	(49)	(59)
Closing net carrying amount	1	3	-	446	450
As at 31 December 2023					
Cost	2	64	2	503	571
Accumulated depreciation	(1)	(61)	(2)	(57)	(121)
Net carrying amount	1	3	-	446	450

Notes to the financial statements
for the year ended 31 December 2024 (continued)

11 Income tax

	Inflation adjusted		Historical cost	
11.1 Income tax expense	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Current tax expense (Note 11.2)	1 657 106	2 574 858	(1 452 187)	154 178
Deferred tax expense (Note 11.3)	(4 969 403)	20 177 684	30 782 066	2 063 868
Income tax expense	(3 312 297)	22 752 542	29 329 879	2 218 046
The income tax on the Company's profit before income tax differs from the theoretical amount that would arise using the basic tax rate as follows:				
(Loss)/profit before income tax	(68 576 923)	157 292 120	185 806 050	15 071 201
Notional income tax on profit for the year at a statutory rate of 25.75% (2023: 24.72%)	(17 658 558)	38 882 612	47 845 058	3 725 601
Items taxed at different rates	(25 960 951)	(60 530 956)	(25 960 951)	(3 624 493)
Expenses not deductible for tax purposes	7 445 772	35 354 010	7 445 772	2 116 938
Permanent differences as a result of IAS 29 application	32 861 440	9 046 875	-	-
Income tax expense	(3 312 297)	22 752 542	29 329 879	2 218 046
Effective tax rate	4.83%	18.64%	15.79%	18.64%

11.2 Current tax liabilities

	Inflation adjusted 2024 ZWG	Inflation adjusted 2023 ZWG	Historical cost 2024 ZWG	Historical cost 2023 ZWG
As at 1 January	2 478 101	(464 952)	148 384	(5 794)
Current tax expense for the year (Note 11.1)	1 657 106	2 574 858	(1 452 187)	154 178
Effects of changes in foreign exchange	(120 176)	-	(120 176)	-
Effects of IAS 29 application	(5 439 010)	368 195	-	-
As at 31 December	(1 423 979)	2 478 101	(1 423 979)	148 384

Notes to the financial statements
for the year ended 31 December 2024 (continued)

11 Income tax (continued)

11.3 Deferred taxes

The analysis of deferred tax assets and liabilities is as follows:

	Inflation adjusted		Historical cost	
Deferred tax assets	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
- Deferred tax assets to be recovered within twelve months	448 725	8 710 387	600 919	521 564
	448 725	8 710 387	600 919	521 564
Deferred tax liabilities				
- Deferred tax liabilities to be recovered after more than twelve months	(33 692 284)	(46 923 349)	(33 671 440)	(2 810 020)
	(33 692 284)	(46 923 349)	(33 671 440)	(2 810 020)
Deferred tax liabilities (net)	(33 243 559)	(38 212 962)	(33 070 522)	(2 288 456)
The movement on the deferred tax account is as follows:				
As at 1 January	(38 212 962)	(18 035 278)	(2 288 456)	(224 588)
Charged to profit or loss (Note 11.1)	4 969 403	(20 177 684)	(30 782 066)	(2 063 868)
As at 31 December	(33 243 559)	(38 212 962)	(33 070 522)	(2 288 456)
The deferred tax expense included in profit or loss comprises the following temporary differences:				
Accelerated tax depreciation	(21 547)	18 634	(3 636)	105
Fair value adjustments on financial assets at fair value through profit or loss	13 169 998	(26 660 830)	(30 556 364)	(2 537 414)
Unrealised foreign exchange gains	82 613	1 403 439	(301 421)	(2 650)
Expected credit loss allowances	-	(71 996)	-	(897)
Unused tax losses	-	(62 225)	-	(775)
Profit share provision	(7 460 580)	4 265 417	(253 518)	416 658
Shared services costs provision	(801 081)	929 878	332 873	61 105
	4 969 403	(20 177 683)	(30 782 066)	(2 063 868)

Notes to the financial statements
for the year ended 31 December 2024 (continued)

11 Income tax (continued)

11.3 Deferred taxes (continued)

	Inflation adjusted			
Deferred tax liabilities	**Accelerated tax depreciation on equipment ZWG**	**Unrealised foreign exchange gains ZWG**	**Fair value adjustments on financial assets at fair value through profit or loss ZWG**	**Total ZWG**
Year ended 31 December 2023				
As at 1 January 2023	(21 586)	(1 811 933)	(19 851 073)	(21 684 592)
Credited / (charged) to profit or loss	18 634	1 403 439	(26 660 830)	(25 238 757)
As at 31 December 2023	(2 952)	(408 494)	(46 511 903)	(46 923 349)
Year ended 31 December 2024				
As at 1 January 2024	(2 952)	(408 494)	(46 511 903)	(46 923 349)
Credited / (charged) to profit or loss	(21 547)	82 613	13 169 998	13 231 065
As at 31 December 2024	(24 499)	(325 881)	(33 341 905)	(33 692 284)

Notes to the financial statements
for the year ended 31 December 2024 (continued)

11 Income tax (continued)

11.3 Deferred taxes (continued)

	Inflation adjusted				
Deferred tax assets	**Unused tax losses**	**Expected credit loss allowances**	**Profit share provision**	**Shared services costs provision**	**Total**
	ZWG	**ZWG**	**ZWG**	**ZWG**	**ZWG**
Year ended 31 December 2023					
As at 1 January 2023	62 225	71 996	3 400 678	114 414	3 649 313
Credited / (charged) to profit or loss	(62 225)	(71 996)	4 265 417	929 878	5 061 074
As at 31 December 2023	-	-	7 666 095	1 044 292	8 710 387
Year ended 31 December 2024					
As at 1 January 2024	-	-	7 666 095	1 044 292	8 710 387
Credited / (charged) to profit or loss	-	-	(7 460 580)	(801 081)	(8 261 662)
As at 31 December 2024	-	-	205 515	243 211	448 725

Notes to the financial statements
for the year ended 31 December 2024 (continued)

11 Income tax (continued)

11.3 Deferred taxes (continued)

Deferred tax liabilities	Historical cost			
	Accelerated tax depreciation on equipment ZWG	Unrealised foreign exchange gains ZWG	Fair value adjustments on financial assets at fair value through profit or loss ZWG	Total ZWG
Year ended 31 December 2023				
As at 1 January 2023	(124)	(21 810)	(248 127)	(270 061)
Charged to profit or loss	105	(2 650)	(2 537 414)	(2 539 959)
As at 31 December 2023	(19)	(24 460)	(2 785 541)	(2 810 020)
Year ended 31 December 2024				
As at 1 January 2024	(19)	(24 460)	(2 785 541)	(2 810 020)
Charged to profit or loss	(3 636)	(301 421)	(30 556 364)	(30 861 420)
As at 31 December 2024	(3 655)	(325 881)	(33 341 905)	(33 671 440)

Notes to the financial statements
for the year ended 31 December 2024 (continued)

11 Income tax (continued)

11.3 Deferred taxes (continued)

	Historical cost				
Deferred tax assets	Unused tax losses ZWG	Expected credit loss allowances ZWG	Profit share provision ZWG	Shared services costs provision ZWG	Total ZWG
Year ended 31 December 2023					
As at 1 January 2023	775	897	42 375	1 426	45 473
Credited to profit or loss	(775)	(897)	416 658	61 105	476 091
As at 31 December 2023	-	-	459 033	62 531	521 564
Year ended 31 December 2024					
As at 1 January 2024	-	-	459 033	62 531	521 564
Credited to profit or loss	-	-	(253 518)	332 873	79 355
As at 31 December 2024	-	-	205 515	395 404	600 919

Notes to the financial statements
for the year ended 31 December 2024 (continued)

12 Share capital

	Inflation adjusted		Historical cost	
12.1 Authorised share capital	**2024 ZWG**	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
4 000 ordinary shares with a nominal value of ZWG 1 each	4 000	4 000	4 000	4 000
12.2 Issued and fully paid				
2 198 ordinary shares with a nominal value of ZWG 1 each	10 867	10 867	1	1

The unissued share capital is under the control of the directors subject to the limitations imposed by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) and the Articles of Association of the Company.

	Inflation adjusted		Historical cost	
12.3 Share premium	**2024 ZWG**	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
Share premium	1 026 984	1 026 984	83	83

	Inflation adjusted		Historical cost	
13 Trade and other payables	**2024 ZWG**	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
Value-added-tax	258 228	263 151	258 228	15 757
Amounts due on property units purchases	1 676 739	81 980	1 676 739	4 909
Amounts due on property units development	85 286	1 424 318	85 286	85 286
Directors' fees	-	706 087	-	42 279
Deferred income	-	159 805	-	9 569
Other payables	381 760	-	381 760	-
	2 402 013	2 635 341	2 402 013	157 800
Maturity profile				
Due within 1 month	2 316 727	1 211 027	2 316 727	72 514
Due between 1 month and 3 months	85 286	1 424 314	85 286	85 286
	2 402 013	2 635 341	2 402 013	157 800

Notes to the financial statements
for the year ended 31 December 2024 (continued)

13 Trade and other payables (continued)

Amounts due on property units development relate to outstanding payments on the development of the underlying property as at reporting date. The development costs are allocated to the holders of the property units and invoiced pro-rata to the unit holding. The underlying property to which the development costs relate was 99% complete according to the developers certification at the reporting date. The corresponding entry is recorded as fair value gains in profit or loss.

		Inflation adjusted		Historical cost	
		2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
14	**Provisions**				
	Audit fees provision (Note 14.1)	591 044	1 088 147	591 044	65 156
	Shared services costs provision (Note 14.2)	2 146 186	1 862 760	2 146 186	111 539
	Profit share provision (Note 14.3)	798 115	31 011 705	798 115	1 856 929
	Leave pay provision (Note 14.4)	944 507	567 490	944 507	33 980
		4 479 852	34 530 102	4 479 852	2 067 604
14.1	The movement in the audit fees provision is as follows:				
	As at 1 January	1 088 147	246 751	65 157	3 075
	Arising during the year	406 888 022	2 719 486	525 887	62 082
	Effects of IAS 29	(407 385 125)	(1 878 090)	-	-
	As at 31 December	591 044	1 088 147	591 044	65 157

The Company recognises a provision for audit fees as a present legal obligation arising from a statutory requirement to have an audit performed by independent auditors in accordance with the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) and the Zimbabwe Asset Management Act (Chapter 24:26). The accrual is done monthly and is based on an estimated audit fee determined by fees billed in previous financial years, changes in business operations and other economic factors.

		Inflation adjusted		Historical cost	
		2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
14.2	The movement in the shared services costs provision is as follows:				
	As at 1 January	1 862 761	-	111 539	-
	Arising during the year	731 034 069	4 885 957	2 034 647	111 539
	Effects of IAS 29	(730 750 644)	(3 023 196)	-	-
	As at 31 December	2 146 186	1 862 761	2 146 186	111 539

Notes to the financial statements
for the year ended 31 December 2024 (continued)

14 Provisions (continued)

14.2 The movement in the shared services costs provision (continued)

The Company recognises a provision for shared services costs rendered by the Group which include the support of information technology systems and hardware, utilities such as water, electricity and office space amongst others. The provision is measured at the present value of management's best estimate of the expenditure which is subsequently recognised through intercompany transactions at a later date and transferred to "amounts due to group companies" for settlement.

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
14.3 The movement in the profit share provision is as follows:				
As at 1 January	31 011 705	13 756 788	1 856 929	171 419
Arising during the year	(1 058 814)	28 148 913	(1 058 814)	1 685 510
Effects of IAS 29	(29 154 776)	(10 893 996)	-	-
As at 31 December	798 115	31 011 705	798 115	1 856 929

The Company recognises a provision for profit-share based on 10% of net profit attributable to the Company's shareholders. The provision is recognised because of past practice that has created a

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
14.4 The movement in the leave pay provision is as follows:	567 491	216 090	33 980	2 693
Arising during the year	205 217 494	1 371 597	969 919	31 311
Paid during the year	(155 784)	(1 041)	(59 392)	(24)
Effects of IAS 29	(204 684 694)	(1 019 155)	-	-
As at 31 December	944 507	567 491	944 507	33 980

The Company recognises a provision for short-term employment benefits such as annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services and are measured at the amounts expected to be paid when the obligations are settled. Leave is earned and accrued on a monthly basis at a rate of one twelfth of one's annual leave entitlement. Accrued or accumulated annual leave will only be encashed and paid to employees upon the termination of employment. In case of resignation or termination, the employee shall be entitled to be paid for all leave days outstanding to the employee's credit as at the effective date of such resignation or termination.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

15 Related party transactions

The Company is controlled by ABC Holdings (Zimbabwe) Limited (incorporated in Zimbabwe), which owns 100% of the ordinary shares. The ultimate parent company is Atlas Mara Limited through ABC Holdings Limited (incorporated in Botswana), which owns 100% of the ordinary shares of ABC Holdings (Zimbabwe) Limited.

A number of transactions are entered into with related parties in the normal course of business. These include loans, funds management and investment transactions.

15.1 Investment management services

ABC Asset Management (Private) Limited entered into several investment management agreements with related parties on an arms length basis, under terms and conditions similar to those granted to external clients. There was no allowance for expected credit losses against any related party balances for the year ended 31 December 2024 (2023: ZWG nil). Investments placed on behalf of related parties and the requisite management fees earned during the year were as follows:

		Inflation adjusted		Historical cost	
		2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
15.1.1	Directors and other key management personnel (and close family members)				
	Management fees earned	-	20	-	12
15.1.2	**Associated entities**				
	Funds under management				
	ABC Pension Fund	122 629 072	819 607	122 629 072	49 077
	ABC Holdings Zimbabwe	4 943 354	33 040	4 943 354	1 978
	ABC Easy Loans	1 337	9	1 337	1
	ABC Stockbrokers	3 500 230	23 394	3 500 230	1 401
		131 073 993	876 050	131 073 993	52 457
	Management fees earned				
	ABC Pension Fund	2 765 646	2 890	433 100	16
	ABC Holdings Zimbabwe	425 799	105 607	66 680	5 481
	ABC Easy Loans	8 930	-	1 398	2 675
	ABC Stockbrokers	159 009	120 570	24 901	3 074
		3 359 384	229 067	526 079	11 246

Notes to the financial statements
for the year ended 31 December 2024 (continued)

15 Related party transactions (continued)

15.1.3 Transactions with related parties

	Inflation adjusted		Historical cost	
Income	**2024 ZWG**	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
Non-member institution rebates	99 345	40 628	37 479	3 020
Expenses				
Transaction costs on equity trades	-	30 370	-	1 411

The income relates to commissions received from ABC Stockbrokers (Private) Limited in the form of non-member institution rebates for equity trades. The expenses represent transaction costs incurred as a result of ABC Stockbrokers (Private) Limited providing brokerage services to the entity. These transactions occurred in the normal course of business and are entered at arms length.

	Inflation adjusted		Historical cost	
15.2 Amounts due from group companies	**2024 ZWG**	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
ABC Stockbrokers (Private) Limited	32 537	63 080	32 537	3 777

The balances due from group companies relate to outstanding management fees and non-member institution rebates from equity trades with ABC Stockbrokers (Private) Limited. There are no stipulated payment terms and the balance is classified as current.

	Inflation adjusted		Historical cost	
	2024 ZWG	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
The movement in the amounts due from group companies is analysed as follows:				
As at 1 January	63 080	1 380	3 777	17
Non-member institution rebates	99 345	40 628	37 479	6 077
Repayments	(22 845)	(101 374)	(8 719)	(2 317)
Effects of IAS 29	(107 043)	122 446	-	-
	32 537	63 080	32 537	3 777

Notes to the financial statements
for the year ended 31 December 2024 (continued)

15 Related party transactions (continued)

15.1.3 Transactions with related parties (continued)

15.3 Amounts due to group companies

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
African Banking Corporation of Zimbabwe Limited	9 721 486	4 961 127	9 721 486	297 065
The balance is denominated in ZWG, attracts interest at a rate of 60% per annum and is payable on demand.				
The movement in the amounts due to group companies is analysed as follows:				
As at 1 January	4 961 127	1 615 601	297 065	20 132
Funds utilised	36 396 050	12 599 931	13 891 622	287 963
Repayments	(11 704 067)	(482 641)	(4 467 201)	(11 030)
Effects of IAS 29	(19 931 624)	(8 771 764)	-	-
	9 721 486	4 961 127	9 721 486	297 065

The balances due to group companies arise from bridging finance for short term business opportunities and for bridging funding gaps that may arise due to delays in receipt of management fees from clients.

15.4 Key management compensation

Key management includes the executive directors and senior management. The compensation paid or payable to key management for employee services is shown below:

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Salaries and other short-term employee benefits	5 436 404	126 506	2 050 955	5 870

Notes to the financial statements
for the year ended 31 December 2024 (continued)

		Inflation adjusted		Historical cost	
16	**Borrowings**	**2024 ZWG**	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
	Current	-	-	-	-
		-	-	-	-
	The movement in borrowings is as follows:				
	As at 1 January	-	633 894	-	7 899
	Interest charged (Note 22)	-	22 233	-	508
	Principal repayments	-	(306 936)	-	(7 008)
	Interest repayments	-	(61 302)	-	(1 399)
	Effects of IAS 29	-	(287 889)	-	-
	As at 31 December	-	-	-	-

Borrowings relate to a short term loan obtained from African Banking Corporation of Zimbabwe Limited for working capital requirements. The loan is for a period of 24 months from date of drawdown and bears interest at a variable base rate plus margin of 5% per annum. The variable interest rate as at 31 December 2024 was 155% per annum (2023: 200%).

The Company has pledged a portfolio of publicly listed shares amounting to ZWG45 893. However, African Banking Corporation of Zimbabwe Limited recognises only 50% (ZWG22 946) as the security value. The pledge of the shares was a condition precedent to the coming into effect of the agreement.

All borrowings are denominated in ZWG.

	Inflation adjusted		Historical cost	
Borrowings are analysed as follows:	**2024 ZWG**	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
Due between 3 months and 12 months	-	-		-
Greater than 1 year	-	-	-	-
	-	-	-	-

Notes to the financial statements
for the year ended 31 December 2024 (continued)

		Inflation adjusted		Historical cost	
		2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
17	**Shareholder's loan**				
	As at 1 January	4 374 989	17 358 260	261 967	216 296
	Loans capital repayment	(378 635)	-	(225 182)	-
	Interest repayment	(101 014)	-	(50 807)	-
	Interest charged (Note 22)	75 000	2 002 981	14 022	45 671
	Effects of IAS 29	(3 970 340)	(14 986 252)	-	-
	As at 31 December	-	4 374 989	-	261 967

The shareholder's loan was extended to the Company by ABC Holdings (Zimbabwe) Limited to support working capital requirements and to enhance investment returns and performance of both the Company and the Group. The loan is for a period of 24 months from the date of drawdown and bears interest at a rate of 25% per annum (2023: 25%). The loan is unsecured. The principal amount and interest accrued shall be settled as a bullet payment on 31 December 2024. The loan was advanced on 31 December 2021. The lender however reserves the right at its sole discretion to recall the loan at any time. The shareholders' loan is therefore payable on demand and is classified as current.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

18 Fees and commission income

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Management fees	16 032 885	26 923 734	9 266 771	921 847
Non-member institution ("NMI") rebates	165 638	292 179	113 839	11 314
	16 198 523	27 215 913	9 380 610	933 161

The Company provides investment management services to third parties, which involves the Company making allocation, purchase and sale decisions in relation to a wide range of financial instruments. Assets held in a fiduciary capacity are not included in these financial statements. The Company recognises management fees over time as the services are provided. Non-member institution ("NMI") rebates are earned from trading transactions and are recognised at a point in time.

	Inflation adjusted		Historical cost	
19 Other income	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Scheme of reconstruction	1 155 815	-	1 063 256	-
	1 155 815	-	1 063 256	-

EcoCash Holdings Zimbabwe Limited (EcoCash) pursuant to the Scheme of Reconstruction that was approved by members at the Extraordinary General Meeting ("EGM") held on the 17th of April 2024 approved the distribution of the 521 861 057 Econet shares (due under the Scheme of Reconstruction). Econet were to transfer 49 118 547 Econet shares to EcoCash to liquidate any liabilities on its balance sheet and to meet its capital expenditure requirements, leaving a balance of 472 742 510 Econet shares to be distributed to members in the manner set out as follows: 50% of the remaining consideration of 472 742 510 Econet shares due under the Scheme of Reconstruction, namely 236 371 255 Econet shares shall be distributed by Econet directly to members as scrip (the shares consideration), meaning that each shareholder shall receive 0.067807 Econet shares in scrip form for each EcoCash share held as at the record date. The ZWG cash equivalent of the remaining 236 371 255 Econet shares, calculated using the 30 Day VWAP of each Econet share for the trading period ending on the date of payment (cash consideration) shall be paid by Econet directly to shareholders of the Company as at the record date in lieu of Econet shares. Consequently, each member shall receive the ZiG cash equivalent of 0.067807 Econet shares for every EcoCash share held as at the record date.

ABC Asset Management had 2 216 044 EcoCash shares at the time of the reconstruction, which entitled the Company to 150 264 Econet shares and ZWG 1 063 256 recorded under other income.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

		Inflation adjusted		Historical cost	
		2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
20	**Operating expenses**				
	Administrative expenses	7 814 637	9 882 224	4 932 488	366 510
	Advertising and marketing	277 368	1 737 581	174 089	59 793
	Audit fees	1 077 353	2 928 909	570 982	101 694
	Consultancy fees	2 287 588	4 140 816	1 471 225	172 283
	Depreciation charge (Note 10)	24 578	34 822	5 089	60
	Staff costs (Note 20.1)	11 119 291	40 987 671	4 860 061	1 063 152
	Directors' remuneration (Note 20.2)	2 863 933	3 831 654	1 611 933	175 617
		25 464 748	63 543 677	13 625 867	1 939 109
20.1	**Staff costs**				
	Salaries and wages	4 218 381	5 469 316	2 794 115	175 536
	National Social Security Authority Scheme costs (Note 20.3)	45 694	65 188	31 096	2 205
	Pension costs (Note 20.3)	289 231	283 965	201 480	10 268
	Profit share and bonus	4 124 574	32 231 127	308 799	761 344
	Medical aid costs	334 170	724 456	196 738	25 412
	Leave pay	1 256 058	756 209	891 085	31 324
	School fees allowances	416 874	763 799	168 751	21 592
	Other	434 309	693 611	267 997	35 471
		11 119 291	40 987 671	4 860 061	1 063 152
20.2	**Director's remuneration**				
	Non-executive directors fees	2 863 933	3 831 654	1 611 933	175 617

20.3 Post employment benefits

The Company and its employees contribute to the National Social Security Authority Scheme. This is a social security scheme which was promulgated under the National Social Security Act (Chapter 17:04). The Company's obligations under the scheme are limited to specific contributions legislated from time to time. Included in profit or loss are the Company's contributions for the year.

The Company makes contributions to a defined contribution plan which is administered externally and for which both the employee and employer contribute. All employees of the Company are members of the ABC Pension Fund. Total employer contributions during the year were as follows:

Notes to the financial statements
for the year ended 31 December 2024 (continued)

20 Operating expenses (continued)

20.3 Post employment benefits (continued)

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
National Social Security Authority Scheme costs	45 694	65 188	31 096	2 205
Pension costs	289 231	283 965	201 480	10 268
	334 925	349 153	232 576	12 473

21 Finance income

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Interest on term deposits	171 996	10 385	155 636	192
Interest earned on debentures	-	13 298 051	-	17 661
	171 996	13 308 436	155 636	17 853
21.1 For the statement of cashflows the interest received is analysed as follows:				
Interest on term deposits	171 996	10 385	155 636	192
Interest earned on debentures	-	13 298 051	-	17 661
	171 996	13 308 436	155 636	17 853

22 Finance costs

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Interest on borrowings (Note 16)	-	22 233	-	508
Interest on shareholder's loan (Note 17)	75 000	2 002 981	14 022	45 671
	75 000	2 025 214	14 022	46 179

Notes to the financial statements
for the year ended 31 December 2024 (continued)

22 Finance costs (continued)

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
22.1 For the statement of cashflows the finance costs are analysed as follows:				
Interest paid on amounts due to group companies (Note 15.3)	75 000	-	14 022	-
Interest paid on borrowings (Note 16)	-	61 301	-	1 399
	75 000	61 301	14 022	1 399

23 Contingencies and capital commitments

The Company had no significant contingencies as at 31 December 2024 (2023 : ZWG nil).

The Company had no significant capital commitments as at 31 December 2024 (2023 : ZWG nil).

24 Asset management and unit trusts activities

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Funds under management	1 981 268 200	3 372 603 082	1 981 268 200	201 945 840
Analysis of the funds under management portfolio:				
Equities	1 065 220 932	1 618 175 957	1 065 220 932	96 893 674
Property units	815 593 002	1 615 299 548	815 593 002	96 721 439
Cash and cash equivalents	81 152 242	139 107 785	81 152 242	8 329 542
Money market investments	19 302 024	19 793	19 302 024	1 185
Total funds under management	1 981 268 200	3 372 603 083	1 981 268 200	201 945 840

The Company provides asset management and unit trust services to pension funds, individuals, trusts and other institutions, whereby it holds and manages their assets and receives a management fee for providing these services.

These assets are recorded off-statement of financial position in accordance with paragraph 21 of the First Schedule of the Zimbabwe Securities and Exchange Act (Chapter 24:25).

Notes to the financial statements
for the year ended 31 December 2024 (continued)

24 Asset management and unit trusts activities (continued)

In conducting the fund management business, the investments below were made with fellow group companies:

	Inflation adjusted		Historical cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Cash and cash equivalents deposits	58 879	52 531	58 879	3 145

25 Events after the reporting date

There were no material events, after the statement of financial position date that have a bearing on the understanding of these financial statements.

26 Environmental, social and governance

In line with IFRS S1 (General Requirements for Sustainability-related Disclosures) and IFRS S2 (Climate-related Disclosures), we confirm that sustainability-related risks and opportunities are integrated into our governance, strategy, risk management, and performance metrics.

Our Board oversees ESG integration, with management accountable for implementing policies across our operations and portfolios. Climate-related financial risks, both physical and transitional, are regularly assessed and integrated into investment decision-making and risk management processes.

We disclose material ESG information, including relevant emissions data and progress toward our climate targets, concerning globally recognised frameworks such as TCFD and SASB. To evaluate performance and progress:

- We disclose Scope 1, 2, and, where applicable, Scope 3 emissions related to both our operations and our investment portfolio.
- ESG ratings and climate risk scores are systematically monitored and integrated into performance reviews
- We have committed to net-zero emissions by 2050, with interim targets for 2030 aligned to the Science Based Targets initiative (SBTi) principles.

Metrics and targets used are subject to continuous improvement and refinement following industry best practices and ISSB guidance. This ESG compliance statement is prepared in good faith and reflects our current understanding of material sustainability risks and their financial implications.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

27 Money laundering and terrorist financing

Programme effectiveness statement

ABC Asset Management confirms that its Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) programme remains compliant with the requirements of the Money Laundering and Proceeds of Crime Act [Chapter 9:24], as well as regulatory guidance from the SECZ and the Financial Intelligence Unit.

The Company's policies, procedures, and internal controls are based on a comprehensive AML/CFT risk assessment and are tailored to the specific risks associated with the Company's operations. These measures have remained adequate and responsive to changes in the risk landscape.

Throughout the reporting period, the AML/CFT framework operated effectively. Monitoring systems functioned as intended, staff received appropriate training, and no significant control breaches were identified. Internal reviews confirmed the ongoing effectiveness and adequacy of the programme.

Risk assessment process

In line with regulatory requirements, ABC Asset Management has established a comprehensive risk assessment framework to identify and evaluate the risks related to money laundering (ML) and terrorist financing (TF) specific to its operations. This framework ensures that the Company can effectively identify, mitigate, and manage potential ML/TF risks across all areas of its business. Internal controls and procedures are routinely reviewed and updated to address emerging ML/TF risks and to remain compliant with applicable laws and regulations.

As part of the audit process, the effectiveness of the risk assessment framework is evaluated, including whether the Company has implemented appropriate and adequate policies, procedures, and controls to manage ML/TF risks. The assessment also determines whether these measures have operated effectively throughout the reporting period.

The Company's strong commitment to sound risk management underpins its compliance with anti-money laundering and counter-terrorism financing regulations, thereby supporting the integrity of its operations and financial reporting.

28 Capital narrations

ABC Asset Management framework is based on the Securities and Exchange Commission of Zimbabwe's risk-based capital adequacy approach as provided in the Capital Adequacy Directive for Securities Market Intermediaries of July 2017. As at 31 December 2024 the adjusted liquid capital stood at ZWG 170 195 266 against total capital requirements of ZWG 38 669 109 resulting in a surplus of ZWG 131 526 158.

Notes to the financial statements
for the year ended 31 December 2024 (continued)

28 Capital narrations (continued)

	ZWG 2024
Adjusted liquid capital	
Ordinary share capital	1
Preference share capital and distrubutable reserves	-
Share premium account	83
Audited retained earnings or accumulated losses	170 590 111
Unaudited profit or loss	-
Owners equity	**170 590 195**
+ Shareholders loans	-
+ Guarantees received	-
Total capital resources	**170 590 195**
Goodwill	-
Capitalised development costs	-
Licensees, softwares	-
Trademarks and similar rights	-
Guarantees provided	-
Available capital resources	**170 590 195**
less: Illiquid assets	
Fixed assets (net of related secured loans)	(72 185)
Investments in unlisted securities	(317 591)
Adjusted liquid capital	**170 200 419**
Total capital requirements	
13 Weeks (or Fixed technology expenditure requirement)	3 342 194
Counterparty Risk Requirement (CRR)	3 048 475
Position Risk requirement (PRR)	32 278 440
Settlement Risk Requirement (SRR)	-
Other risks	-
Total capital requirements	**38 669 109**
Capital surplus	**131 531 310**