Annual Report 2024

Infrastructure and Development Bank of Zimbabwe

"Transforming and Retooling Towards a DFI of Scale"

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Abbreviations and Definitions

AADFI	African Association of Development Finance Institutions
AFD	French Development Agency
AfDB	African Development Bank
BSAC	Bulawayo Students Accommodation City
CFF	Climate Finance Facility
CMMD	Compliance Review and Mediation Department
CSP	Customer Security Programme
CUZ	Catholic University of Zimbabwe
DAE	Direct Access Entity
DFI	Development Finance Institution
EMA	Environmental Management Agency
EOSD	European Organisation for Sustainable Development
EPC+F	Engineering, Procurement, Construction and Financing
ESG	Environmental, Social, and Governance
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESS	Environmental & Social Sustainability
ESSMS	Environmental and Social Sustainability Management System
EXCO	Executive Committee of the IDBZ
FODPZ	Federation of Organisations of Disabled People in Zimbabwe
GCF	Green Climate Fund
GDP	Gross domestic product
GoZ	Government of Zimbabwe
GRI	Global Reporting Initiative
ICT	Information Communication Technology
IDBZ	Infrastructure and Development Bank of Zimbabwe
IEVD	Independent Evaluation Department
IPPs	Independent Power Producers
IRBM	The Integrated Results Based Management
IRM	Independent Review Mechanism
IVCF	Infrastructure Value Chain Financing and Private Sector Support
LTS	Long Term Strategy
LUSAC	Lupane Students Accommodation Complex
MALCO	Management Assets and Liabilities Committee
MoNHSA	Ministry of National Housing and Social Amenities
MOTID	Ministry of Transport and Infrastructural Development
MTR	Mid-Term Review Report
NASCOH	National Association of Societies for the Care of the Handicapped
NDS 1	National Development Strategy 1
NPL	Non-Performing Loan
NRZ	National Railways of Zimbabwe
OPC	Office of the President and Cabinet
PCR	Project Completion Report
PECG Act	Public Entities Corporate Governance Act
PPDF	Project Preparation and Development Fund
PPDPA Act	Public Procurement and Disposal of Public Assets Act.
PRAZ	Procurement Regulatory Authority of Zimbabwe
PSGRS	Prudential Standards, Guidelines and Rating System
PSISP	Public Sector Investment Programme
Q1, Q2, Q3 and Q4	First, Second, Third and Fourth Quarter of the Year
RBZ	Reserve Bank of Zimbabwe
SDGs	Sustainable Development Goals
SPOC	Special Procurement Oversight Committee
SSCI	Sustainability Standards and Certification Initiative
UNCRPD	United Nations Convention on the Rights of Persons with Disabilities
WASH	Water, Sanitation and Hygiene
WHITE	Water and Sanitation, (ii) Housing, (iii) Irrigation Development (iv) Transport, and (v) Energy
WP&B	Work Programme and Budget
ZDB	Zimbabwe Development Bank

Corporate Information

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CEO

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Board Member

Dr. Barbara Mbuyisa
Board Member

Dr. Naomi N. Wekwete
Board Member

Mr. Reginald Mugwara
Board Member

Ms. Sibusisiwe P. Bango
Board Member

Dr. Nobert O. Mugwagwa
Board Member

Mr. Tadios Muzoroza
Board Member

Mrs. Arina Manyanya
Board Member

Corporate Management

Mr. Zondo T. Sakala
Chief Executive Officer

Mr. Cassius Gambinga
Director - Finance

Mr. Daniel Makono
Director - Legal Counsel and Bank Secretary

Dr. Reggie Dangarembwa
Director - Infrastructure Projects 1

Eng. Nicodimus Chidhakwa
Director - Infrastructure Projects 2

Mr. Norbet Mutasa
Director - Private Sector Operations

Mr. Willing Zvirevo
Director - Resource Mobilisation and Climate Finance

Mr. Majaya Katoma
Director - Treasury

Eng. Fredy Masuka
Director - Procurement Management

Corporate Management (continued)

Mr. Phillip Tadiwa
Director - Compliance Review and Mediation

Mr. Simbarashe Makombera
Director - Corporate Services and Human Resources

Mr. Weston Nembaware
Executive Assistant to the CEO

Mr. Kennias Kanguru
Head Internal Audit

Mr. Takaidza Mabuto
Head - Risk Management

Mr. Alexio Mashonganyika
Head - Credit and Policies

Mr. Douglas Mapuranga
Head - ICT

Mr. Phillip Chitsika
Chief Economist, Strategy and Performance Monitoring

Mrs. Priscillah Zvobgo
Chief Communications Officer

2024 Performance Highlights

GOVERNANCE & INSTITUTIONAL EFFICIENCY

Overall Bank Performance

80.5%
Bank Work Programme & Budget Performance Score

Knowledge Generation & Sharing

Five (5)
Research papers disseminated

Governance

96.7%
Compliant with the National Code on Corporate Governance

GCF
Accredited Entity

B+
Rating by AADFI PSGRS

Institutional Efficiency

77%
Overall customer satisfaction

96%
Staff retention rate

78%
Internal ICT projects completion rate

OPERATIONAL PERFORMANCE

Infrastructure Projects

US$55.4 million
new projects committed to the Pipeline

US$0.09 million
disbursed towards project preparation

US$7.0 million
Bankable projects

Projects implemented:

- Waneka Phase 3 Housing Development **[99%]**
- 07 on Pagomo Cluster Houses Development **[82%]**
- Kadoma Cluster Housing Development Demo Units **[99%]**
- Kadoma Cluster Housing Development Civil Works **[88%]**
- Kadoma Cluster Housing Development Overall Completion **[23%]**
- Spitzkop Housing **[15%]**
- Mabuto Villas Clusters **[89%]**
- Honister Clusters **[5%]**
- Gutu Solar **[20%]**
- Kanyemba Zambezi Lodges Phase 1 **[100%]**
- Kanyemba Zambezi Lodges Phase 2 **[100%]**

Private Sector Support

US$6.96 million
loan book

US$4.25 million
disbursements

FINANCIAL PERFORMANCE

Resource Mobilisation

A total **US$22.96 million** resources mobilised

US$10.2 million
additional capital raised

US$2.56 million
project implementation finance raised

US$10.2 million
short term lending and placement finance raised

- Climate Finance Facility (CFF) officially registered
- Government has committed to provide US$3 million seed capital in 2024

Financial Sustainability

ZiG239.8 million
Operating profit before tax

ZiG787 million
capitalisation level

ZiG1.3 billion
asset base

4.85%
non-performing loans

OUTCOMES

Increased stock of sustainable infrastructure | Employment creation | Decent accommodation | Improved learning outcomes | Improved aesthetics and physical appearance of the community | Improved access to students' accommodation and facilities | Improved security of students especially the girlchild | Demonstration effect which crowds in private sector participation | Improved access to water, sanitation, and electricity | Improved access to transport and communication | Improved knowledge in the economy | Improved innovation (new products, business processes and policies)

Chairman's Statement

BACKGROUND

The Zimbabwean economy is estimated to have grown by 2% in 2024 supported by: growth in accommodation and food service activities (12.0%); information and communication (11%); construction (6.2%); transportation and storage (5.6%); and electricity, gas, steam & air conditioning supply (3.1%). Significant recovery is expected in various sectors, particularly agriculture, mining, and information and communication, contributing to an overall GDP growth of 6.0% in 2025.

During the year, the country's financial markets were dominated by short term deposits, high interest rates, and tight liquidity. These conditions were inimical to the Bank's operations.

The introduction of the Zimbabwe Gold (ZiG) in April 2024 managed to contain Zimbabwean Dollar (ZWL) inflation pressures which was estimated at 371% (year-on-year) with a weighted inflation of 54.48%. In the ensuing six (6) months to September 2024, the ZiG ushered in a stable macroeconomic environment, with ZiG month-on-month inflation averaging below 1%. A 43% devaluation of the currency on the 27th of September 2024 from an exchange rate of US$1: 13.99 to US$1:24.39 led to a spike in month-on-month inflation to 37.20% in October 2024. The Central Bank responded by further tightening the monetary policy (increase in reserve ratio requirement, increase in the policy rate, and further constraining money supply). Resultantly, the exchange rate stabilised to end the year at US$1: ZiG25.80 from a peak of US$28.68 on 31 October 2024. In turn, month-on-month inflation thawed to 3.70% in December 2024 from the peak of 37.20%. However, investor confidence remains fragile, resulting in a general reluctance by investors to commit capital to new projects requiring long-term capital. The scarcity of bankable projects also remains a major setback in national efforts to scale up infrastructure investments.

Going forward, the Government is expected to maintain a conservative fiscal policy and tight monetary policy for macroeconomic stability, a sine-qua-non for creating stable market conditions that are necessary for the mobilisation of long-term funding required for infrastructure and development financing. The Government macroeconomic policy framework for 2025 and recent capital injections into the Bank provides an enabling environment for the execution of the Bank's mandate.

CONTRIBUTION TO VISION 2030

Inspired by the Vision 2030 and guided by the National Development Strategy 1 (NDS1), the Bank managed to complete projects for student accommodation in Bulawayo, hospitality lodges in Kanyemba, and housing projects in Harare. The Bulawayo Student Accommodation Complex was commissioned by the H.E. the President of Zimbabwe Cde E. D. Mnangagwa on the 15th of November 2024. Over the years, the Bank's interventions have contributed to ensuring safe, affordable and adequate housing for all as more than 500 beneficiaries on the Bank-supported projects have already built their houses. Additionally, 1032 students (with 60% female) have gained access to safe and affordable accommodation in Bulawayo, which will positively contribute to their learning outcomes, health and security. Through both its public & private sector operations, the Bank supported companies in timber processing, energy generation, agriculture, housing construction, and tourism. Preparation of a solar project in Gutu, Masvingo

Province, was at an advanced stage. The Bank has also supported the creation of more than 520 jobs in 2024 through funding private sector entities and implementation of various projects. Among the beneficiaries of these projects are increasing numbers of women and youth. The implementation of some of these projects has seen the Bank put in motion the Government's call to harness private sector funding for infrastructure development through Public-Private Partnerships.

INSTITUTIONAL REFORMS

With effect from 1 January 2024, the Bank's name was changed from Infrastructure Development Bank of Zimbabwe to Infrastructure and Development Bank of Zimbabwe. The change of name was prompted by the need to have a name that fully reflects the Bank's broader mandate which entails infrastructure development as well as development financing across all sectors of the economy.

The Bank's primary focus sectors under the **Infrastructure Pillar** are Water and Sanitation, Housing, Irrigation, Transport and Energy (WHITE); while the secondary focus sectors are Health, Education, Tourism and Information Communication Technology. The **Development Pillar** will focus on: infrastructure value chain, green transition, industrialisation, export generation, value addition and beneficiation. As such, the Bank will seek to promote infrastructure development, industrialisation, export generation, value addition and beneficiation, irrigation development, and facilitate green transition in line with country's Nationally Determined Contributions and Vision 2030.

As outlined in its Long-Term Strategy: 2021-2030, the Bank is guided by the following principles in the execution of its mandate; (i) financial sustainability, (ii) transformational impact; (iii) sustainable development, and (iv) inclusivity by considering gender equality, persons with disabilities (PWDs), other special groups and equitable geographical coverage.

The Bank continues to foster collaborations with various Government Agencies, Development Partners and the Private Sector to harness funding and technical expertise.

APPRECIATION

The Bank is deeply grateful for the steadfast support of the Office of the President and Cabinet, the Ministry of Finance, Economic Development and Investment Promotion, the Reserve Bank of Zimbabwe, various Government Line Ministries and Departments, Public Agencies, Cooperating Partners, investment partners, as well as other key stakeholders. Their support has been instrumental in driving the Bank's success, and we acknowledge our indebtedness to them.

I extend my gratitude to the Board, Management, and Staff for their tireless efforts in advancing the Bank's mandate in pursuit of national development objectives.

KUPUKILE MLAMBO (DR)
Chairman of the Board

17 March 2025

Chief Executive Officer's Statement

The Bank›s 2024-2026 Work Programme and Budget prioritised financial sustainability and maintaining a good risk profile. During 2024, the IDBZ made significant progress by completing implementation of three projects and embarking on the development of additional initiatives in its strategic focus areas. The Bank is proactively adapting its operational strategies to mitigate the impact of an unstable macroeconomic environment and limited liquidity, ensuring resilience for mandate delivery.

BANK OPERATIONS

In the year under review, four (4) projects worth US$7.0 million were successfully developed to bankability and approved for funding. The projects are: Marlborough Cluster Housing Development (Sierra Apartments) (US$1 million), Mabuto Villas Hatfield Cluster Housing Development (US$1.1 million), Penhalonga Energy (US$1.1 million), and Gutu Solar (US$3.8 million).

In 2024, the Bank managed to raise an equivalent of US$2.56 million (ZiG66.04 million) towards project implementation. The Bank also mobilised US$6.3 million (ZiG162.53) million for short-term lending and placements in support of players in the infrastructure value chain, agriculture, education, energy, health, housing, manufacturing, and tourism.

Significant progress was registered for the following projects that were under implementation:

(i). ***Waneka Phase 3 Housing Development (at 99% completion):*** The project is in Graniteside, Harare Province, and will yield walled and gated 48 two-bedroomed flats with supporting infrastructure (water, sewer, electricity and paved parking space).

(ii). ***07 on Pagomo Phase 1 Cluster Housing Development (at 82% completion):*** The project is located in Monavale, Harare Province. At the end of Phase 2, the project will have delivered 40 four-bedroomed cluster duplexes with supporting infrastructure (paved parking space, water, sewer and electricity).

(iii). ***Kadoma Clusters Housing Development – 3 demo housing units were at 99% and civil works were at 88% completion:*** The project is in Mornington, Kadoma, Mashonaland West Province and is expected to deliver 30 three-bedroomed cluster housing units with water, solar power and sewer biodigester.

(iv). ***Mabuto Villas Hatfield Cluster Housing Development (at 89% completion):*** The project is in Hatfield, Harare Metropolitan Province, and is expected to deliver 20 three-bedroomed cluster housing units with supporting infrastructure (paved roads, water, sewer and electricity). All structural works and fittings were targeted for completion in Q1 2025, to facilitate issuance of a Certificate of Completion for the project.

(v). ***Kanyemba Zambezi Lodges Phase 1 & 2 (at 100% completion):*** The project is in Kanyemba, Mbire District, Mashonaland Central Province. Phase 1 delivered 3 lodges with a capacity of 7 beds, a dining room and a 40-seater conference centre. Phase 2 delivered additional 3 lodges with a capacity of 9 beds, bringing the total capacity to 16 beds.

(vi). ***Gutu Solar – (at 20% completion):*** The project is in Gutu, Masvingo Province and is a joint venture between the Bank and Gutu Rural District Council. It entails construction of a 5MW solar plant which will feed power into the national grid.

Chief Executive Officer's Statement (continued)

(vii). *Honister Cluster Housing Development – (at 5% completion)*: The project is located in Borrowdale, Harare Metropolitan Province, and is on Bank-owned land. It is a joint venture between the Bank and private institutional investors. The project entails construction of 72 cluster housing units broken down as 26 x 3-bedroom and 46 x 2-bedroom housing units, with supporting infrastructure. (water, sewer, paved roads, and electricity).

(viii). *Spitzkop Housing – (at 15% completion):* The project in Spitzkop, Gwanda in Matabeleland South Province. It entails the development of 133 serviced high-density residential stands measuring 300m^2 each with supporting infrastructure (surfaced roads, water, sewer and streetlighting).

BANK CAPITALISATION

In 2024, the Bank received a significant capital injection from Government, comprising a cash injection of ZWL6 billion in the second quarter, and US$10 million in Treasury Bills issued in the fourth quarter. In the 2025 National Budget, the Bank was allocated ZiG150 million for capitalisation. This has gone a long way in enhancing the Bank's core capital position, which closed the year at a level equivalent to US$23.4 million. The Bank intends to bolster its balance sheet by continuing to collaborate with its shareholders on various capitalisation initiatives, including the transfer of valuable land assets and mining claims to the Bank, regular budgetary allocations, and capitalisation through Treasury Bills. Efforts to bring in external Shareholders also continue.

FINANCIAL PERFORMANCE

During the period under review, the Bank recorded operating profit before tax of ZiG239.8 million compared to profit of ZiG134.7 million in 2023. Net revenue for the period was ZiG221.1 million compared to a negative of ZiG28.6 million in prior year. During the year, the Bank completed the Sumben Housing Development Project from which a total income of ZiG184.3 million was recorded. Additionally, the growth in the loan book and lower cost of funds contributed to better margins supported revenue growth.

Operating expenses increased from ZiG157.4 million in the prior period to ZiG228.4 million during the year mainly as a result of inflation pressures and currency depreciation. To curtail further increases, Management employed several cost containment measures to align costs to revenue generation and cashflows.

Total assets increased by 53% during the period to end the year at ZiG1.3 billion. The major drivers of the balance sheet growth were increase in loans and advances by 119% to ZiG440.8 million and capital injection of US$10 million by the shareholders.

Management has continued to effectively manage liquidity and costs, as well as targeting projects with shorter revenue cycles.

APPRECIATION

The Bank is deeply grateful for the unwavering support and commitment of several key stakeholders, including the Ministry of Finance, Economic Development and Investment Promotion, the Reserve Bank of Zimbabwe and Development Partners. Additionally, the Bank appreciates the guidance and leadership provided by its Board of Directors, recognising their invaluable contributions to its success. I would also like to extend my heartfelt appreciation to Clients and the Bank's Staff, whose collective efforts have been instrumental in advancing our goals under Vision 2030.

ZONDO T. SAKALA
Chief Executive Officer

17 March 2025

CHAPTER

01

OPERATING LANDSCAPE: TOWARDS UPPER MIDDLE CLASS ECONOMY

Chapter 1: Operating Landscape

BUILDING RESILIENCE FOR SUSTAINED ECONOMIC TRANSFORMATION

1.1 MACROECONOMIC ENVIRONMENT

1.1.1 Global

In 2024, the global economy experienced a tight macroeconomic environment characterized by constrained financing conditions, declining commodity prices, and geopolitical tensions. Resultantly, global growth slightly decreased from 3.2 % in 2024 to 3.3% in 2023. In the outlook, global growth is projected at 3.3% in 2025 and 2026. Growth is expected to be supported by an improvement in real incomes as inflation continues to moderate, low commodity prices resulting in declining production costs and the easing of policy rates and financing conditions. Risks to the growth outlook include, trade policy and policy uncertainty, geopolitical tensions, and conflict escalations.

The Sub-Saharan Africa region recorded a 3.8% growth in 2024 and is expected to grow by 4.2% in 2025 and 2026. Risks to growth in many African economies emanate from potential adverse changes in trade policies, expected downturn in China, geopolitical tensions, political instability, and armed conflicts within the region.

Global inflation is expected to average 4.2% in 2025 and 3.5% in 2026. The moderation in inflation is supported by the decline in commodity prices, easing of labour markets, and slowdown in wage growth.

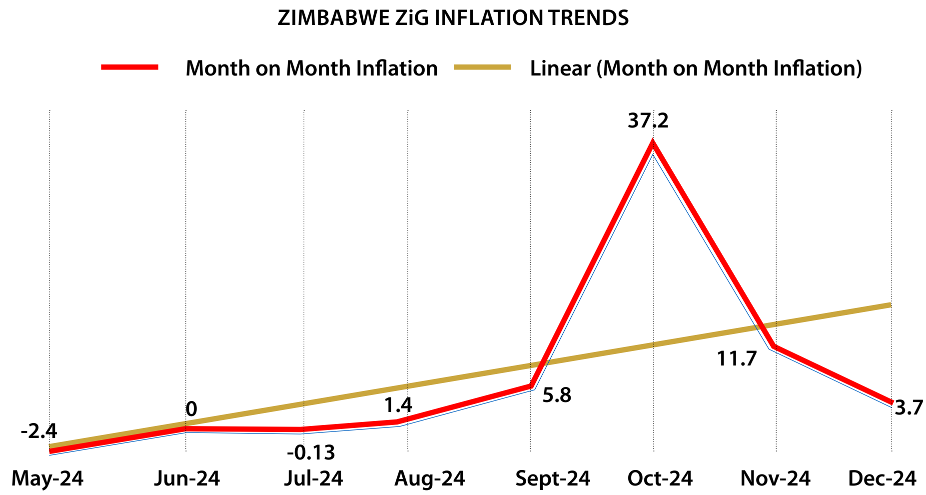
1.1.2 Domestic

In 2024, Zimbabwe faced a volatile macroeconomic environment characterised by exchange rate instability, high inflation, tight liquidity conditions and infrastructure bottlenecks (inadequate power supply, inadequate potable water, poor rail infrastructure). The country registered an estimated 2% GDP growth in 2024 against the projected growth of 3.5% due to the impact of the El Nino induced drought.

In the outlook, growth is expected to rebound to 6% anchored on improved power supply, a good agricultural season, and a stable macroeconomic environment (stable exchange rate and low inflation).

The currency depreciated by 99% during the period January to March 2024 on the interbank foreign exchange market from US$ 1: ZWL9,499.97 in January to ZWL18 944.44 in March 2024. The Government introduced a structured currency and continued with conservative monetary and fiscal policies to foster macroeconomic stability. However, the new currency further depreciated from US$ 1: ZiG13.56 when it was introduced on 05 April 2024 to ZiG24.39 on 27 September 2024. The Central Bank responded by further tightening the monetary policy (increase in reserve ratio requirement, increase in the policy rate, and further constraining money supply). Resultantly, the exchange rate stabilised to end the year at US$1: ZiG25.80 from a peak of ZiG28.68 on 31 October 2024. In turn, month-on-month inflation thawed to 3.70% in December 2024 from the peak of 37.20% in October 2024.

Figure 1: Zimbabwe Inflation from January 2024 to December 2024



Source: ZimStats, January 2025

The volatile macroeconomic environment coupled with lack of bankable projects undermined the Bank's resource mobilisation initiatives. Under the circumstances, investors preferred short-dated investments to long-term projects, reflecting low investor confidence.

1.1.3 Climate Change

Zimbabwe is highly vulnerable to climate change as it experiences frequent and intense droughts, erratic rainfall, and extreme weather events such as cyclones. These challenges exacerbate food insecurity, strain water resources, reduce agricultural productivity, and disrupt livelihoods, particularly in rural areas. Moreover, the country's aging infrastructure and limited adaptive capacity intensify the effects of climate change, making it harder to build resilience.

Within this context, the IDBZ plays a critical role in addressing these challenges by mobilising climate finance and directing it toward priority sectors such as renewable energy, climate-smart agriculture, and water infrastructure. These investments are essential for mitigating the impacts of climate change while fostering, financial sustainability, economic growth and sustainable development. Barriers to climate finance include; inadequate climate finance flows, and insufficient institutional capacity to design and implement scalable, climate-resilient projects. By aligning its operations with national climate strategies and leveraging international climate finance mechanisms, the IDBZ contributes to addressing Zimbabwe's climate vulnerabilities and advancing its low-carbon, climate-resilient development agenda.

1.2 INFRASTRUCTURE DEVELOPMENT UPDATE

Zimbabwe requires huge investment in infrastructure to improve competitiveness, benefit from regional trade and the attainment of Vision 2030. If the investment plan had been adhered to since 2019, the AfDB (2019, pg. 188) estimates that US$2.739 billion investment in infrastructure would be required in 2025 for:

i. transport infrastructure (roads, rail, airports, ports and ICT);
ii. energy infrastructure (power generation -2000MW new power required;
iii. transmission and distribution and renewable energy- 700MW);
iv. water and sanitation infrastructure (rehabilitation and construction of treatment plants
v. communication (fibre optic network, data centres and telecommunications); and
vi. social infrastructure (education, health and housing).

Furthermore, Government is prioritising completion of ongoing infrastructure projects for the achievement of NDS1 targets and invest in project preparation and development to ensure availability of well-prepared, and shovel-ready projects for fundraising and implementation.

More investments will be required in 2025 given the outstanding investments since 2019 and requirements for climate proofing agriculture.

1.2.1 Water and Sanitation

The Water and Sanitation (WASH) sector in Zimbabwe is vital to ensuring public health, socio-economic development, and climate resilience. As access to water is a basic human right, the sector requires significant government intervention and investment to foster equitable access while creating an enabling environment for private sector participation. However, aging infrastructure, population growth, and the effects of climate change have exacerbated challenges, making the need for modernization and resilience a priority. In 2024, the Government of Zimbabwe made significant investments in dam projects and borehole drilling to improve the water supply situation. Efforts are underway to facilitate private sector participation in the improvement of the water and sanitation in the country. The IDBZ continues to identify and develop projects addressing urgent needs, such as the upgrading of WASH infrastructure and support irrigation development.

1.2.2 Housing

The NDS1 target for housing delivery was 220,000 housing units. As of April 2023, the Government had delivered approximately 700,000 units. During this period, the IDBZ contributed towards the development of 1 400 housing units by providing serviced stands (with requisite infrastructure for water, sewer, roads and storm water drainage reticulation) and flats. During the Mid-Term Review of NDS1 the Government revised the housing delivery target to one million housing units by 2025, requiring an estimated US$1.6 billion. The Bank remains committed towards contributing to achievement of the NDS1 target.

1.2.3 Irrigation

The irrigation sector in Zimbabwe plays a pivotal role in driving agricultural productivity and ensuring food security, making it one of the Government's key development priorities under the NDS1. Zimbabwe's is prone to adverse weather conditions, therefore, efficient and sustainable irrigation systems are critical to mitigating the impacts of climate change and enhancing resilience in the agricultural sector.

In 2024, the Government of Zimbabwe in conjunction with Development Partners contributed 3,051ha while private sector players through the Irrigation Development alliance contributed 11,910ha towards irrigation bringing a total of land under irrigation to 14,961ha in 2024.

The IDBZ has identified irrigation as one of its focus areas, aligning its efforts with the government's strategic objectives. The Bank's interventions in the irrigation sector demonstrate its commitment to fostering agricultural growth, enhancing food security, and supporting sustainable development in Zimbabwe, while reinforcing its role as a critical driver of infrastructure development.

1.2.4 Transport

The transport sector is a cornerstone of Zimbabwe's development agenda and a key focus under the NDS1. As a landlocked country strategically positioned at the heart of Southern Africa, Zimbabwe serves as a critical transit hub for regional trade and connectivity. Its transport infrastructure, comprising road and rail networks, is vital for facilitating economic growth, improving market access, and fostering regional integration.

Zimbabwe's transport infrastructure that includes road, rail and networks and airport infrastructure are in urgent need of rehabilitation and modernisation to meet the increasing demand. This sector requires substantial government investment to cushion private sector participation, particularly through Public-Private Partnerships (PPPs). In 2024, significant investments were made by the Government in the transport sector. Notable projects include the Harare-Masvingo- Beitbridge Road Rehabilitation and Modernisation, Harare-Mutare Road Dualisation, Trabablas Interchange Construction Project, and Beitbridge Border Post Rehabilitation.

1.2.5 Energy

Energy supply plays a fundamental role in driving industrial growth, service delivery, and social well-being. However, the sector faces significant challenges as the demand for energy far outstrips supply, resulting in frequent power shortages that adversely affect economic activities. To address the energy supply gap, the Government has put in place measures to improve energy security by diversifying energy sources as well as encouraging Independent Power Producers (IPPs) to augment national power generation and demand side management.

The Government targets to increase the country's power generation capacity by 10.6% to reach 10 000GW in 2025. Commissioning of the Hwange Unit 5 and onboarding new IPPs are expected to boost the country's energy generation capacity among other initiatives.

1.2.6 Secondary Sectors (Education, Tourism, ICT and Health)

Under NDS1, the Government of Zimbabwe aimed to enhance educational infrastructure by constructing 3,000 new schools by 2025 to address the shortage of learning facilities, particularly in rural areas. By the end of November 2024 about 83 schools out of the planned 3,000 schools were completed due to funding constraints. This calls for innovative funding mechanisms, such as public-private partnerships, to close the educational infrastructure deficit.

The increasing adoption of technology in commerce, education, healthcare, and governance underscores the importance of robust ICT infrastructure for achieving sustainable development. One of the development challenges in the ICT sector is the digital divide where there is limited rural connectivity and inadequate investment in technological advancements across industry. The IDBZ seeks to harness the transformative role of technology to innovation support innovation, economic diversification, and improved quality of life.

Government is focused at ensuring universal access to health services through the provision of adequate health infrastructure and modern equipment among others. The Government health Programme include: the rehabilitation and upgrading of existing hospitals; procurement of medical equipment and procurement of ambulances and utility vehicles. The Bank's interventions in the sector seeks to complement Government and private sector players efforts through funding health infrastructure, medical staff accommodation, and to support operations.

Tourism has emerged as a major driver of economic and social development through, generating foreign earnings, creating incomes, stimulating domestic consumption and creating employment for both low-skilled and semi-skilled workers with a bias towards women and the youth in both urban and rural areas. Tourism in Zimbabwe is based on the country's natural endowments that include National Parks and National monuments.

Impediments to tourism growth include the following:
i. inadequate internal airline connectivity and poor road network;
ii. fragmentation of institutions;
iii. limited skills and experience;
iv. underdeveloped domestic tourism; and
v. limited application of ICT.

The Bank's tourism interventions are anchored on its infrastructure development projects footprint and exploring the emerging tourism growth areas. In addition, the Bank will continue to lend in the sector in line with its development mandate.

1.2.7 Bank's Context in Global, Regional and Domestic Development Landscape

The operations of the Bank continue to be guided by its Long-Term Strategy:2021-2030 (LTS) which aligns with the country's NDS1, Vision 2030, the AU's Agenda 2063, the United Nations Sustainable Development Goals (SDGs) and the Paris Agreement on Climate Change.

The Bank's work contributes directly and indirectly towards the attainment of the country's SDGs targets that seeks to promote the well-being and living standards of citizens through poverty elimination, increased access to quality education, clean water and sanitation facilities, affordable clean energy and promote sustainable development of cities and calls for climate action.

In support of both the SDGs and AU's Agenda 2063, the country seeks to achieve Vison 2030 for a Prosperous and Upper Middle-Income Society by 2030. For achievement of this vision, the GoZ produced the NDS1 (2021-2025) whose pillars are;
i. Economic Growth and Stability,
ii. Food & Nutrition Security,
iii. Moving the Economy up the Value Chain and Transformation,
iv. Human Capital Development and Innovation,
v. Infrastructure and Utilities,
vi. Housing and Social Amenities,
vii. Digital Economy,
viii. Health Delivery,
ix. Image Building – Engagement and Re-engagement,
x. Social Protection,
xi. Devolution and Decentralisation,
xii. Youth Sport and Culture,
xiii. Drug and Substance Abuse,
xiv. Environmental Protection,
xv. Climate Resilience and Resource Management, and
xvi. Governance.

The IDBZ actively contributes to (v), (vi), (vii), (xiv) and (xv), and supports (i), (ii), (iii), (iv) (viii) and (xi) through its interventions in the primary focus sectors of (i) Water and Sanitation, (ii) Housing, (iii) Irrigation Development, (iv) Transport, and (v) Energy, as well as secondary sectors of Health, Education, Tourism, and Information Communication Technology (ICT).

Furthermore, the IDBZ as an Accredited Entity (AE) under the Green Climate Fund (GCF) working towards certification by The European Organisation for Sustainable Development (EOSD) Sustainability Standards and Certification Initiative (SSCI) demonstrates its continued commitment towards environment protection and combat climate change.

Table 1.2.1: IDBZ's Contribution to Global, Regional, and Domestic Development Agenda

IDBZ Focus Sector	SDG	AU Agenda 2063	NDS 1 Sector and Outcome
Water and Sanitation	The interventions of the IDBZ in the water and sanitation sector seeks to improve access to water and sanitation services by all Zimbabweans towards the achievements of SDGs 3, 6, 8, 10 and 13	• Aspiration 1 – prosperous Africa based on inclusive growth and sustainable development. • Goal 1 – High standard of living, quality of life and well being • Goal 3 – health and well-nourished citizens • Goal 10 - world class infrastructure cris-crosses Africa	• Sector - Social infrastructure • Outcome - improved infrastructure and access to services (water and sanitation)
Housing	Interventions in the housing sector seeks to improve access to adequate safe and affordable housing and social amenities in support of most SDGs specifically SDG 11 – Sustainable Cities and Communities.		• Sector - Social (Urban and Rural Housing) • Outcome - improved access to affordable and quality housing and social amenities.
Irrigation	Interventions by the Bank in the irrigation sector seeks to enhance agricultural productivity in support of SDG 2 impacting on SDGs 1, 8 and 13	• Aspiration 1 – prosperous Africa based on inclusive growth and sustainable development. • Goal 5 - modern agriculture for increased productivity and production	• Sector - Economic Infrastructure • Outcome - improved infrastructure and access to services.
Transport	Interventions in the transport sector, the Bank seeks to enhance transport connectivity in fulfilment of SDG 9 – Industry, Innovation, and Infrastructure. The intervention has impact on SDGs 10, 11, and 13.	• Aspiration 1 – prosperous Africa based on inclusive growth and sustainable development. • Goal 4 – transformed economies and job creation. • Goal 10 - world class infrastructure cris-crosses Africa.	• Sector - Economic Infrastructure • Outcome - improved infrastructure and access to services.
Energy	IDBZ investment in the energy sector will lead to improved access to energy for all Zimbabweans answering the call to SDG 7. This supports the achievement of SDGs 9, 10, and 13.	• Aspiration 1 – prosperous Africa based on inclusive growth and sustainable development. • Goal 7 - environmentally sustainable climate resilience economies and communities. • Goal 4 – transformed economies and job creation.	• Sector - Economic Infrastructure • Outcome - improved infrastructure and access to services.

CHAPTER 02

BANK CONTRIBUTION TOWARDS DEVELOPMENT

Chapter 2:

BANK CONTRIBUTION TOWARDS DEVELOPMENT

2.1 RESOURCE MOBILISATION

The Bank's endeavour to scale up debt issuances under its Infrastructure Bonds Programme met with a shift in investor preferences, as institutional investors increasingly shunned monetary assets in favour of real estate assets. This was largely driven by a desire to preserve value by holding defensive assets.

Despite the challenges highlighted in section 1.1.2, the Bank managed to mobilise resources to the tune of US$14.64 million:

i. Project financing (US$2.56 million against a target of US$8 million);
ii. Capitalisation (US$10.18 million against a target of US$1 million); and
iii. Short term lending – ZWL25 billion (equivalent to US$1.9 million) through the RBZ Medium-Term Bank Accommodation Facility window.

Through collaborative partnerships and innovative financing models, the Bank aims to navigate the complexities of the current environment and bolster its capacity to support high-impact infrastructure development initiatives.

2.1.1 Bank Capitalisation

In line with its Recapitalisation Strategy, the Bank is pursuing various capitalisation initiatives to achieve a capitalisation level of US$500 million in the medium term and US$1 billion by 2030. These initiatives include the proposed transfer by Government of valuable land assets to the Bank for capitalisation, regular capital allocations through the national budget, and capitalisation through Treasury Bills. This foundational support from the Bank's shareholders will enable the institution to build a more compelling investment case, which will be key in attracting investment partners and broadening the Bank's funding sources.

Government injected a total of US$10.18 million towards the Bank's capitalisation in 2024, made up of a cash injection of ZWL6 billion (equivalent to US$0.18 million) in Quarter 2 2024 and Treasury Bonds which were received in Quarter 4 2024. This, coupled with an improvement in sales of housing projects in the second half of the year, enabled the Bank to close the year with a core capital position (Tier 1 capital) of US$23.4 million.

2.1.2 Project Preparation Funding

The Bank runs a Project Preparation and Development Fund (PPDF) as part of its efforts to address the early-stage project preparation and development funding gap. However, due to a constrained capital position, the Bank could not allocate any meaningful resources towards project preparation in 2024. Instead, priority was given to channelling limited resources towards projects that were already under implementation. This resulted in a very limited number of projects that could be packaged for fundraising.

With co-financing from the French Development Agency (AFD), the Bank was able to complete the preparation of the 5MW Gutu Solar Project, which is now in the financing and implementation phase.

Addressing the dearth of bankable projects in the market remains a key priority of the Bank. Thus, the Bank continues to engage its shareholders and other development-oriented stakeholders for support with patient resources that can be channelled towards project preparation. This is critical in building a larger pipeline of bankable projects to anchor the Bank's fundraising initiatives.

2.1.3 Project Implementation Financing

A shortage of bankable projects that are fully packaged for investment remains the major bottleneck in resource mobilisation initiatives. The Bank had a very limited number of investment-ready projects to fundraise for in 2024. An amount equivalent to US$2.56 million was raised towards project financing during the year. The funds were raised for the following projects:

i. Mabuto Villas Hatfield Cluster Housing Development and Marlborough Cluster Housing Development (Sierra Apartments) – US$2.03 million; and
ii. Bulawayo Students Accommodation City (BSAC) – US$0.53 million.

The Bank continues to engage the market seeking to raise US$1.43 million for implementation of the Kadoma Cluster Housing Development Project. The completion of three demo units is expected to trigger sales on the project, which will help generate investor appetite. Fundraising for the 5MW Gutu Solar Project (US$3.4 million) and Phase 1 of the Lupane Students Accommodation Complex (US$6.6 million) is targeted for H1 2025.

2.1 RESOURCE MOBILISATION (CONTINUED)

2.1.4 GCF Accreditation

The Bank is an Accredited Entity of the Green Climate Fund (GCF), the world's largest source of climate finance. The Bank is a fully Accredited Entity (AE) to the GCF. The accreditation is for 5 years from 18 January 2023 to 17 January 2028. The accreditation enables the Bank to access funding from US$10 million up to US$50 million for the implementation of climate mitigation and adaptation projects with minimal to medium environmental and social risks. The IDBZ's role is to develop a pipeline of bankable adaptation and mitigation programmes/projects, which focus on climate resilient agriculture, renewable energy, integrated waste management systems, and clean urban public transport systems. The financing instruments used are equity, debt and guarantees. The Bank, on its own or with other partners, develops a pipeline of bankable adaptation and mitigation projects which are submitted to the GCF for funding consideration through the Ministry of Environment, Climate and Wildlife, the National Designated Authority (NDA) for the GCF. The Bank is currently working on the following five green climate projects, which are at the Concept Note (CN) development stage.

Table 2.1.1: Green climate projects

Programme/ Project	NDS1 Thematic Area	Estimated Project Cost (US$ millions)	Project Scope/Benefits to be realised/Outputs	Project Status
Irrigation				
1. Horticulture Investment Fund for Enhanced Climate Resilience (HIFECR)	▪ Food and Nutrition Security ▪ Environment, Climate, and Natural Resources Management	50.0	▪ Creation of a Fund to support horticulture through loans and credit guarantees to smallholder farmers (through aggregators) and micro, small and medium enterprises (MSMEs) in the fruits and vegetable value chains. ▪ IDBZ will provide co-financing - US$10 Million over 10 years - which will be blended with GCF resources.	▪ The HIFECR concept has been submitted to the GCF with support from the Africa Adaptation Initiative (AAI). ▪ Preparations for the GCF Coordination Framework Committee workshop to be held on the 19th to the 21st of March 2025. With the aim to secure a No-Objection Certificate from the National Designated Authority (NDA), paving the way for project proposal submission. ▪ The Bank is working with the African Adaptation Initiative to apply for the GCF project preparatory facility for the project.
Transport				
2.Accelerating Electric Mobility Transition in Zimbabwe Zimbabwe Electric Mobility Fund (IDBZ/ UNDP)	Infrastructure and utilities Economic growth & E-Mobility transition Environment, Climate, and Natural Resources Management	40.0	▪ The concept focuses on reducing greenhouse gases and other emissions from Zimbabwe's road transportation sector by promoting local manufacturing and the adoption of electric vehicles. ▪ The project envisions two main components: addressing financial barriers to credit and improving the enabling environment of e-mobility in Zimbabwe.	▪ The concept was approved at a stakeholders validation workshop and is awaiting the GCF Coordination Framework Committee workshop to be held on the 19th to the 21st of March 2025. With the aim to secure a No-Objection Certificate from the National Designated Authority (NDA), paving the way for project proposal submission.
3. Harare-Chitungwiza Light Rail Project (Harare Light Rail P/L a JV between Sesani/ Harare City Council/ IDBZ)		1 000.0 (US$41.5 million required from GCF in guarantees and PPDF)	▪ Harare Light Rail (Pvt) Ltd (HLR) was granted a Concession by the Government of Zimbabwe to develop and operate a city-wide metro rail. ▪ The Project Promoters are Sesani (Pvt) Ltd, Bitumen World and DBF Capital. ▪ The Bank is working with the Promoters to develop a GCF concept focused on securing a Financial Guarantee from the GCF which will help unlock funding for the project.	▪ The project has been reviewed post the stakeholder's validation workshop. ▪ The concept is awaiting the GCF Coordination Framework Committee workshop to be held on the 19th to the 21st of March 2025. With the aim to secure a No-Objection Certificate from the National Designated Authority (NDA), paving the way for project proposal submission.
Energy				

2.1 RESOURCE MOBILISATION (CONTINUED)

Table 2.1.1: Green climate projects (continued)

Programme/ Project	NDS1 Thematic Area	Estimated Project Cost (US$ millions)	Project Scope/Benefits to be realised/Outputs	Project Status
4. Zimbabwe Renewable Energy Facility (ZREF) Renewable Energy Facility (IDBZ/UNDP)	Energy and Power Development Environment, Climate, and Natural Resources Management Infrastructure and Utilities		▪ Creation of a facility that will provide debt and financial guarantees for renewable energy projects developed by IPPs, to stimulate private sector investment in the renewable energy sector.	▪ The CN has been updated to address issues raised during the stakeholder validation workshop in September 2024. ▪ The concept is awaiting the GCF Coordination Framework Committee workshop to be held on the 19th to the 21st of March 2025. With the aim to secure a No-Objection Certificate from the National Designated Authority (NDA), paving the way for project proposal submission.
5. IPP Liquidity Support Guarantee Fund (GreenCo Zimbabwe)		40.0	▪ Creation of a facility that will provide debt and financial guarantees for renewable energy projects developed by IPPs, to stimulate private sector investment in the renewable energy sector.	▪ The Promoters are updating the CN to address issues raised by the Bank. ▪ The concept is awaiting the GCF Coordination Framework Committee workshop to be held on the 19th to the 21st of March 2025. With the aim to secure a No-Objection Certificate from the National Designated Authority (NDA), paving the way for project proposal submission.

2.1.5 Climate Finance Facility

The Climate Finance Facility (CFF) is a dedicated facility which is structured as a ring-fenced Trust Fund that will mobilise resources from diverse sources for deployment towards green projects. Key workstreams towards the setting up of the Facility have been completed, including defining the Fund's governance and operating structure; constitution of the interim Board of Trustees; registration of the CFF Trust; and development of the Fund's Operating Guidelines and Operationalisation Roadmap.

2.1.5.1 CFF Prospectus

With technical support from the World Bank, the development of the CFF Prospectus was concluded in Q3, 2024. The document will be used in marketing the Facility to prospective funding partners. The Prospectus articulates the investment case for the CFF; profiles sector/pipeline opportunities for green infrastructure in Zimbabwe; and articulates how the Facility will identify, process, monitor, and evaluate investment opportunities. Foundational documents, including the CFF prospectus and operational roadmap, have been fully approved, providing a solid framework for its implementation.

2.1.5.2 Seed Capital from Government

Initial support from Government is critical in catalysing funding from Development Partners. In this regard, in 2023 the Bank secured a commitment from Treasury to provide seed capital of US$3 million, on the back of which the Fund would be marketed to targeted Development Partners for additional funding support. The Bank is continuing its engagements with Treasury for release of the seed capital.

In addition, Treasury has approached the African Development Bank seeking US$6 million in grants towards the initial capitalisation and operationalisation of the CFF. The Bank's plan, working with Cooperating Partners who have convening power, is to hold a Donor Roundtable to market the Facility to prospective funding partners once the seed capital has been secured.

2.1 RESOURCE MOBILISATION (CONTINUED)

2.1.6 Sustainability Standards and Certification Initiative

The Bank has continued its involvement in the European Organisation for Sustainable Development (EOSD) Sustainability Standards and Certification Initiative (SSCI), which began in 2018. Notable progress has been made across all eight Modules, resulting in overall completion rate of 44% for the SSCI Project at year end, compared to a target Certification Level of 70%.

This initiative allows the Bank to integrate sustainable practices into its operations, thereby driving towards a sustainable and resilient DFI. The SSCI embodies sustainability principles, encourages innovation, promotes climate resilience, and supports financial inclusion. Due to the Bank's drive towards sustainability, it is dedicated to managing climate and environmental risks while striving to establish a sustainable business model and contribute to a socially enduring economy. Through adopting sustainability standards, the Bank will attract green funding.

2.2 PRIMARY FOCUS SECTORS INTERVENTIONS

1.2.1 Water and Sanitation

The Bank partnered with UNICEF on a Water Sanitation and Hygiene (WASH) for small towns Programme which is aimed at upgrading the towns' Water Sanitation and Hygiene systems to mitigate increased climate change related risks. Six towns namely Beitbridge, Chipinge, Shurugwi, Chiredzi, Plumtree and Victoria Falls were identified among those whose WASH systems are vulnerable to climate change impacts. The Bank, with assistance from UNICEF, is working on the Concept Note for the Programme for submission to the Green Climate Fund (GCF) consideration.

The Bank is also facilitating engagement among private partners, local authorities and parent ministries to address water supply issues in Harare.

1.2.2 Housing

In 2024, housing projects worth US$32.9 million were committed to the Bank's Pipeline of Projects as shown in Table 2.2.1.

Table 2.2.1: Housing Projects Committed to the Pipeline.

Project Name	Description	Location	Estimated Project Cost (US$ millions)
Mabuto Villas Hatfield Cluster Housing Development	Construction of 20 three bedroomed cluster housing units in Hatfield. The Bank provided US $1.055 million for project implementation.	Harare	1.6
Masvingo Students Accommodation	Construction of high-rise student accommodation block to accommodate 250 students	Masvingo	8.0
Moreson Farm Events Centre	Construction of an event centre and accommodation facilities.	Chivhu	0.4
ZIMDEF Students Accommodation	Construction of high-rise student accommodation block to accommodate 1000 students	Masvingo	17.5
ZIMDEF Staff Accommodation	Construction of high-rise professional staff accommodation block to accommodate 50 families.	Masvingo	5.0
Masvingo Regional Offices	Construction of double storey office complex with ancillary services.	Masvingo	0.4
Total			**32.9**

Two housing projects with an estimated value of US$2.1 million were developed to bankability as shown in Table 2.2.2.

2.2 PRIMARY FOCUS SECTORS INTERVENTIONS (CONTINUED)

Table 2.2.2: Projects Developed to Bankability

Project Name	Description	Total Project Cost (US$ million)
Mabuto Villas Hatfield Cluster Housing Development	Construction of 20 three bedroomed cluster housing units in Hatfield, Harare.	1.1
Marlborough Cluster Housing Development (Sierra Apartments)	Development of Four (4) Triple-Storey Blocks of fifty-seven (57) Two and Three-Bedroomed Apartments	1.0
Total		**2.1**

In 2024, five housing projects were under implementation as depicted in Table 2.2.3.

Table 2.2.3: Projects Under Implementation

Project Name	Description	Status as at 31 December 2024
Mabuto Villas Hatfield Cluster Housing Development	Construction of 20 three-bedroomed cluster housing units in Hatfield, Harare. The Bank provided funding to the tune of US $1.055 million	▪ 89% complete. ▪ When fully implemented, the project will deliver 20 three-bedroom cluster housing units with supporting infrastructure (paved roads, water, sewer and electricity). ▪ Expected to be complete in 2025.
Waneka Housing Development Phase 3	Construction of two blocks of two-bedroomed flats totalling 48 units in Graniteside, Harare.	▪ Project practically complete
07 on Pagomo Cluster Housing Development	Construction of 10 four-bedroomed duplex flats in Monavale, Harare. The Bank provided funding to the tune of US$0.93 million.	▪ 82% complete ▪ When fully implemented, the project will deliver 40 four-bedroomed duplex flats with supporting infrastructure (paved roads, water, sewer and electricity). ▪ Expected to be complete by February 2025.
Kadoma Cluster Housing Development	Construction of 30 three-bedroomed cluster housing units in Mornington, Kadoma. The Bank is funding construction to the tune of US$1.9 million. Three demo units have been completed.	▪ 23% complete. ▪ When fully implemented, the project will deliver 30 housing units with supporting infrastructure (paved roads, water, sewer and electricity). ▪ Expected to be completed by 2026.
Honister Cluster Housing Development	Construction of 42 three-bedroomed and four bedroomed cluster housing units in Borrowdale, Harare.	The project is under implementation and expected to be complete by in 2025.

The Bank was granted a mandate by Kwangu/Ngakwami Presidential Title Deeds Programme Trust, to administer the contracting of consultants and contractors, including supervision of the works under the Programme. The Bank also undertook value-for-money audits for Contractors on behalf of Ministry of Local Government and Public Works' Department of Public Works for the New Parliament Building Works.

2.2 PRIMARY FOCUS SECTORS INTERVENTIONS (CONTINUED)

2.2.3 Irrigation

The IDBZ actively supported the irrigation sector through technical reviews and independent value-for-money audits on government irrigation projects. These audits, conducted for the Department of Irrigation under the Ministry of Lands, Agriculture, Fisheries, Water, and Rural Development (MOLAFWRD), ensure transparency, accountability, and the efficient utilization of resources. The following are the various ongoing irrigation development projects the Bank is involved in:

i. Ruti Irrigation Scheme, Manicaland;
ii. Zhovhe Houses, Matabeleland South;
iii. Mpudzi Irrigation Scheme, Manicaland;
iv. Tugwi Mukosi, Masvingo;
v. Mushumbi/ Arda Doreen's Pride, Mashonaland Central;
vi. Buffalo Range, Masvingo;
vii. Magudu Range, Masvingo; and
viii. Kanyemba, Mashonaland Central.

In addition to its advisory role, the IDBZ is spearheading the preparation and development of transformative irrigation projects, including the Tugwi-Mukosi Dam irrigation project. This project has the potential to significantly enhance agricultural output. The Bank is also working in partnership with ZESA Enterprises (ZENT), Farmers, and Gazaland Development Trust on the rehabilitation of the Middle Sabi Irrigation Scheme. This initiative seeks to revitalize irrigation capacity in the region, further strengthening agricultural productivity and ensuring sustainable water use for farming activities.

Table 2.2.4: Irrigation projects under preparation and development

Project Name	Description	Location	Project Cost (US$ million)
Middle Sabi Irrigation Scheme	Rehabilitation and revitalisation of the Middle Sabi Irrigation Schemes covering 6 000ha.	Middle Sabi, Chipinge	16.2
Tugwi Mukosi Irrigation	Feasibility study for the development of Tugwi Mukosi Irrigation project covering 25 000ha	Masvingo	0.9
Total			**17.1**

2.2.4 Transport

The Bank offered technical advisory services for the Ministry of Transport and Infrastructural Development (MOTID). The Bank undertook independent reviews of key PPP projects to ensure value for money and alignment with national priorities. These projects include:

i. Upgrade, construction and tolling of the of Old Gwanda Road;
ii. Upgrade, construction, tolling, and modernization of the Harare-Nyamapanda Road and the Nyamapanda Border Post; and
iii. Upgrade and modernization of the Forbes Border Post.

2.2 PRIMARY FOCUS SECTORS INTERVENTIONS (CONTINUED)

Table 2.2.5: 2024 Advisory Services to MOTID

Project	Estimated Project Value (US$ millions)	Description	IDBZ Role	Expected OUTPUTS	PROGRESS
Old Gwanda Road (Bulawayo – Gwanda)	110.0	Upgrading, Rehabilitation, Construction, and Tolling of Old-Gwanda Road by Zwane Enterprises.	Advisory Role – Review of Feasibility Study, Financial Model, and Concession Agreement.	• Rehabilitated 120km of Old Gwanda Road, including two new bridges, and two toll gates at each end.	Implementation stage
Harare-Nyamapanda Highway & Nyamapanda Border Post	263.6	Upgrading, Construction, and Tolling of Harare Nyamapanda Highway, plus Nyamapanda Border Modernisation by HENA Concessions. The project will also see the modernisation of Nyamapanda Border Post – new border buildings, roads, and weigh bridges, including digitalisation of border operations	Advisory Role – Review of Feasibility Study, Financial Model, and Concession Agreement	• Upgraded 240km of Highway, including 22km dual carriageway • Modernised Nyamapanda Border Post	Implementation stage
Forbes Border Post Upgrading and Modernisation.	231.9	Upgrading, Reconstruction, and Modernisation of Forbes Border Post by Forbes Border Consortium.	Advisory Services – review of Feasibility Study, Financial Model, and Concession Agreement.	• New border building, • One way access and egress roads, • Truck parking, • New staff houses, • Lighting, and digital immigration and Customs Systems.	Project preparation.
Total	**605.5**				

2.2.5 Energy

The Bank has partnered with several stakeholders, including local authorities and state entities, to develop renewable energy solutions. Notable projects under the Bank's portfolio include:

i. The 5MW Gutu Solar Project in partnership with the Gutu Rural District Council.
ii. The 10MW Nyazura Solar Project in collaboration with the Makoni Rural District Council.
iii. A Solar Plant Development at the Middle Sabi Irrigation Scheme in partnership with ZESA Enterprises (ZENT).
iv. The Assembly and Manufacture of Lithium-ion batteries in Marondera, a collaboration with Kundai Resources Private Limited.

Table 2.2.6: Energy projects under preparation and development

Project Name	Description	Location	Estimated Project Cost (US$ million)
Assembly and Manufacture of Lithium-ion batteries	Assembly and Manufacture of Lithium-ion batteries by Kundai Resources Pvt Ltd	Marondera, Mashonaland East	8.1
Nyazura Solar	Construction of a 10MW solar plant in Nyazura.	Nyazura, Manicaland	10.0

Table 2.2.7: Energy projects Developed to Bankability

Project Name	Description	Location	Estimated Project Cost (US$ million)
Gutu Solar	Construction of a 5 MW solar plant in Gutu.	Gutu District, Masvingo	3.8

2.3 SECONDARY FOCUS SECTORS INTERVENTIONS

2.3.1 Health

The Bank supported the construction of a Medical Centre in Khumalo Suburb of Bulawayo to the tune of US$125,000. The total amount required to complete the Centre is US$1.8 million. The project is expected to be completed in 2026.

2.3.2 Education

In 2024, engagements were made with the Ministry of Primary and Secondary Education (MOPSE) and MOFEDIP for the construction of 3 000 new schools around the country. The Bank will be the technical and financial advisor for this programme.

2.3.3 Tourism

In 2024, the Bank reconstructed the Kanyemba Zambezi Lodge after it had been destroyed by fire. The Lodge is a joint venture between the Bank and Sterling Resorts (Private) Limited. The new facility comprises a furnished 40-seater conference centre, six chalets with a bed capacity of 16 and a catering facility. The Bank will further expand the facility through financing of 3 chalets in 2025, to bring total bed capacity of the facility to 25.

The Bank has also the following projects under preparation and development; Clipsham Views Hotel and Conference Centre in Masvingo, and Binga Hotel and Conference Centre, Gwayi Farm and a second piece of land in Kanyemba. The Bank is scouting for partners in the hospitality sector to develop and operate the facilities.

The Bank is a shareholder in Mosi-Oa-Tunya Development Company (Private) Limited (Mosi). Mosi is a Special Purpose Vehicle that was created by Government ahead of the 2013 United Nations World Tourism Organisation (UNWTO) conference with the specific objective to develop and implement tourism projects throughout the country starting with Victoria Falls.

2.4 IMPLEMENTATION MONITORING AND EVALUATION FOR BANK SUPPORTED PROJECTS

2.4.1 Implementation Monitoring and Self-Evaluation

The Bank updated its online projects documentation systems database and streamlined progress reporting of all projects under implementation. The Bank undertook monthly and quarterly progress monitoring to ensure effective and efficient project implementation for all the projects. The Bank continues to proactively address project implementation challenges to ensure timely, cost-effective, and quality project completion.

The Bank produced the following Project Completion Reports (PCRs) to evaluate the efficiency and effectiveness of project implementation:

i. Cyclone Idai Emergency Disaster Response Programme; and
ii. Ministry of Primary and Secondary Education (MOPSE) Schools Infrastructure Feasibility Study.

The reports are available on the Bank's website.

By end of year under review, the following Project Completion Reports (PCRs) were under preparation:

i. Clipsham Views Housing Development Project [Masvingo];
ii. UDCORP/IDBZ Collaboration on the development of Low-cost Housing across the country;
iii. Bulawayo Student Accommodation Complex [Bulawayo];
iv. Sumben Housing Development Project [Harare]; and
v. MONHSA US$25 million Housing Revolving Facility [development of low-cost housing across the country].

PCRs evaluate the Bank's effectiveness, efficiency and sustainability in the utilisation of resources to achieve planned outputs. Through PCRs the Bank documents lessons learnt which for the improvement of project identification, development, preparation, design, procurement, resource mobilisation and implementation for future projects.

2.4 IMPLEMENTATION MONITORING AND EVALUATION FOR BANK SUPPORTED PROJECTS (CONTINUED)

2.4.2 Independent Evaluations

The Bank operationalised the Independent Evaluations Department (IEVD) in 2024. The IEVD is responsible for the evaluations of the Bank projects, policies, programmes, and processes. The Bank prepared the governance framework for the independent evaluation function. The following project evaluation assignments were at different preparation stages as shown in Table 2.4.1.

Table 2.4.1: Project Evaluation Reports under preparation

Name of Project	Stage
Waneka Housing Development Phases 1 & 2	• The inception report was approved. Data collection tools were finalized. • Data collection and report writing outstanding.
Cyclone Idai Emergency Response Program.	• Engagement of external consultant.
Glen View Water and Sanitation.	• Engagement of external consultant.
Elizabeth Park Housing Project.	• Engagement of external consultant.

2.5 ADVISORY SERVICES

2.5.1 Management of the Public Sector Investment Programme (PSIP)

The Bank continues to engage the Government for the management of PSIP projects. The management of these projects will enhance the effectiveness and efficiency of the implementation of the projects. The Bank was managing collection of housing loans issued by Government and by end of 2024, 96.65% of targeted collections was achieved.

2.6 INFRASTRUCTURE VALUE CHAIN FINANCING AND PRIVATE SECTOR SUPPORT

The Bank's Private Sector lending book closed the year at US$7 million against a target of US$11.7 million. The tight liquidity conditions during the year negatively impacted on the loan book size. The Bank supported projects in the following sectors: housing, energy, agriculture, mining, manufacturing, irrigation, health and tourism. The outcomes of the Bank support are outlined in Table 2.6.1.

Table 2.6.1: Outcomes of infrastructure value chain and private sector financing

Sector	Outcomes
Housing	130 jobs were created, 42 cluster houses were added to the housing stock
Energy	30 jobs were created, 1 200 prepaid electricity metres were installed, and 1,269 electricity transformers were fitted with theft and anti-vandalism gadgets. 59 employees' residence had solar home systems ranging from 1.5KVA to 10 KVA installed. One corporate organisation had solar installation on its two branches as back-up power.
Mining	21 jobs were created
Manufacturing	57 jobs were retained
Irrigation	2 930 smallholder farmers had a guaranteed market and the irrigation scheme employed 76 people.
Agriculture	38 tonnes of paprika were harvested, 230 tonnes of sesame were bought from smallholder farmers of which 224 tonnes were exported to Mozambique and Japan earning US$344,000.
Health	30 jobs were created during construction.
Tourism	40-seater conference centre was refurbished, 16 bed capacity lodge was reconstructed and 48 jobs were created during construction.

2.7 DEVELOPMENT EFFECTIVENESS

The Bank continues to support infrastructure and development investments across various sectors. In 2024, it committed US$55.4 million worth of projects to its Project Pipeline, and projects with an estimated value of US$7.0 million reached bankability. Additionally, US$2.56 million was raised to finance project implementation activities, and US$0.09 million was disbursed towards project preparation and development. The Bank also received a total of US$10.2 million for capitalisation. Through these initiatives, the Bank enhanced the livelihoods of all Zimbabweans. Project implementation generated substantial employment opportunities on-site, along the supply chain, and during the operational phase. The Bank's involvement in capital markets expands investment options, while its efforts in the housing sector help reduce the housing backlog.

2.7 DEVELOPMENT EFFECTIVENESS (CONTINUED)

Support of private sector promotes development and capacitates infrastructure value chain players. Significant support was given to players in the housing, health, education, tourism, manufacturing, energy, and agriculture. To promote knowledge generation and sharing, the Bank produced short analytical papers focusing on Artificial Intelligence (AI) and Block Chain Deployment in Energy Projects; Africa Transformation, the African Development Group, the Reform of the Global Financial Architecture; Status of the Water and Sanitation in Zimbabwe; Financial Sustainability of Development Finance Institutions (DFIs) - An SSCI Perspective; Transport Sector in Zimbabwe - Status, Challenges and Prospects; and Policy Strategy on Infrastructure Development.

2.7 DEVELOPMENT EFFECTIVENESS (CONTINUED)

2.7.1 Results Chain

Table 2.7.1: Inputs/Activities, Outputs, Outcomes, and Impacts

INPUTS/ ACTIVITIES	OUTPUTS	OUTCOMES	EXPECTED IMPACT
Project Preparation and Development • Project identification • Project preparation and development	• New projects committed to the Pipeline – **US$55.4 million.** • Project studies and preparation funding disbursed – **US$0.09 million**	• Improved availability of multisectoral bankable and shovel ready projects - US$7.0 million projects reached bankability.	• Wider investment options for investors. • Improved investment in infrastructure.

Resource Mobilisation
- Bank capitalisation
- Project preparation and development funding
- Project implementation financing
- Climate finance
  • Green Climate Fund (GCF)
  • Climate Finance Facility (CFF)
	• Additional Bank capitalisation raised – **US$10.18 million**
	• Resources mobilised for project implementation financing – **US$2.56 million**
	• Climate Finance
	• 3 Concept Notes for GCF funding were developed and reviewed by stakeholders:
	i. Horticulture Investment Fund for Enhanced Climate Resilience (HIFECR) (IDBZ)
	ii. Zimbabwe Renewable Energy Facility (IDBZ/UNDP/Old Mutual)
	iii. Harare Light Rail Project (Sesani/Harare City Council/IDBZ)
	iv. Accelerating Electric Mobility Transition in Zimbabwe Zimbabwe Electric Mobility Fund (IDBZ/UNDP)
	v. IPP Liquidity Support Guarantee Fund (GreenCo Zimbabwe)
	• The Concepts Notes are expected to be cleared by the National Designated Agent for submission to the GCF in 2025.
		• Strengthened Bank Balance Sheet.
		• Increase in projects under implementation.
		• Enhanced the Bank's Climate Finance capability.
			• Increased business opportunities for the Bank – strategic partnerships and own balance sheet lending.
			• Improvement in the infrastructure stock.
			• Deeper and wider capital markets.
			• High impact investments.

Project Implementation	Completion rate of projects under implementation: • Waneka Phase 3 Housing Development **[99%]** • 07 on Pagomo Cluster Houses Development **[82%]** • Kadoma Cluster Housing Development Demo Units **[99%]** • Kadoma Cluster Housing Development Civil Works **[88%]** • Kadoma Cluster Housing Development Overall Completion **[23%]** • Spitzkop Housing **[15%]** • Mabuto Villas Clusters **[89%]** • Honister Clusters **[5%]** • Gutu Solar **[20%]** • Kanyemba Zambezi Lodges Phase 1 **[100%]** • Kanyemba Zambezi Lodges Phase 2 **[100%]**	Increased stock of sustainable infrastructure • Decent accommodation • Improved access to water, sanitation, and electricity. • Improved access to transport and communication. • Improved access to tourism facilities	• Increase in GDP per capita. • Improved standards of living. • Employment creation • Increase in foreign currency inflows
Infrastructure Value Chain and Development Financing - ***Business development and consummation of structured deals.***	• Loan book size (US$6.96 million) • Disbursements (US$4.25 million)	• Improved capacity utilisation. • Diversified income streams for the Bank. • Increased employment opportunities. • Increased irrigable land. • Improved learning outcomes Increased foreign currency generation. • Increased infrastructure stock (housing and road rehabilitation)	• Food security • Improved access to energy • Employment creation. • Increased foreign currency availability. • Import substitution. • Improved access to decent accommodation. • Increase in skills
Knowledge generation and sharing - ***Research papers*** - ***Policy analysis and review*** - ***PESTEL analysis*** - ***workshop attendance and presentations*** - ***competitor analysis***	• Six (6) research papers disseminated.	• Improved knowledge in the economy. • Improved innovation (new products, business processes and policies). • Improved partnerships	• Increased investments in infrastructure development. • Enhance the Bank's competitiveness. • Enhanced capability of the Bank to deliver on its mandate. • Improved Bank's agility.

CHAPTER 03

STRENGTHENING CAPACITY TO DELIVER

Chapter 3:

STRENGTHENING CAPACITY TO DELIVER

3.1 OPERATIONAL EFFICIENCY

3.1.1 Policies

In response to the dynamic operating environment during 2024, the Bank deepened its loan portfolio monitoring. Various Policies, Guidelines and Manuals were reviewed and realigned to match best practice and current operating environment.

3.1.2 Internal Audit

Internal Audit Unit is mandated by the Board to provide objective assurance and advisory services. The mandate specifies the authority, role, and responsibilities of the Internal Audit function and is documented in the Internal Audit Charter. The Internal Audit function systematically evaluates and enhances the effectiveness of governance, risk management, and control processes throughout the Bank and its subsidiaries and special purpose entities.

3.1.3 Information Communication Technology

In 2024, the Bank enhanced its ICT security environment. The Bank's information system controls environment was rated satisfactory in several audits conducted during the same period. Notably, the cyber threat landscape is increasingly becoming complex, and incidents of crime-as-a-service are increasing globally. The Bank remains committed to investing in its cyber defence posture as it continues its digital transformation journey.

3.1.4 Quality of Bank Operations and Portfolio Performance

The loan portfolio continued to perform satisfactorily amid inflationary headwinds and local currency depreciation against major global currencies. As of 31 December 2024, the Non-Performing Loan (NPL) ratio was 4.85% against the regulatory prudential limit of 5%. The Bank maintained a high collection rate on the active book by the end of 2024. The continued positive performance across the loan portfolio remains anchored on the Bank's proactive monitoring efforts and adherence to loan covenants.

3.2 KNOWLEDGE GENERATION AND SHARING

In 2024, the following short research papers were produced and disseminated:

i. Water and Sanitation Sector in Zimbabwe: Status, Challenges and Opportunities – The paper highlighted that Zimbabwe should consider adoption of BOT arrangements and offering tax holidays to players willing to participate in the water and sanitation sector;
ii. Powering the Future: Artificial Intelligence (AI) and Block Chain Deployment in Energy Projects - This paper reviews the potential and benefits of harnessing Artificial Intelligence (AI) and Blockchain Technology (BCT) in renewable energy infrastructure development in Zimbabwe.
iii. Financial Sustainability of DFIs: An SSCI Perspective – The paper highlights factors that affect financial sustainability, and strategies to safeguard financial sustainability;
iv. Transport Sector in Zimbabwe: Status, Challenges, and Prospects – The Paper is about the status, challenges, funding requirements and opportunities in the transport (road, rail, and air) systems in Zimbabwe;
v. Africa Transformation, the African Development Group, the Reform of the Global Financial Architecture – The Paper covers; Africa's infrastructure needs in general, Zimbabwe's infrastructure needs and challenges, drivers of Africa's transformation, the global financial architecture and its shortcomings, and solutions to address the shortcomings of the global financial system; and
vi. Policy Strategy on Infrastructure Development – The paper explores necessary conditions to broaden funding sources and accelerate infrastructure investments across various sectors. The capacitation of the IDBZ to leverage its full potential can go a long way in catalysing private sector participation in infrastructure development.

The Bank developed the Knowledge Generation and Sharing Policy and the Innovation Policy. Additionally, the Bank is revising its Knowledge Centre Concept in line with the new reality post COVID-19.

3.3 SOCIAL, ENVIRONMENTAL AND SUSTAINABLE DEVELOPMENT

The Bank remained focused on entrenching environmental and social sustainability safeguards in its operations and those of its clients. The Bank ensures that its projects and those of its clients go through the Environmental and Social Impact Assessment (ESIA) process before implementation and undertakes periodic monitoring during both the implementation and post implementation phases. To this effect, the Bank monitored all projects which were under implementation during the year (refer to Table 2.2.3). Compliance with the Environmental and Social Management Plans (ESMPs) in these projects was satisfactory, averaging 95% during each round of monitoring.

The Bank also monitored projects supported through the infrastructure value chain and development support. The Bank encouraged the clients to develop their own Environmental and Social Management policies and offered to provide assistance where needed. Communities in the vicinity of these projects testified that there were no negative environmental and social management issues of concern associated with the operations of these Bank clients. The Bank is satisfied with the environmental and social performance of its projects and those of its clients.

3.4 DISABILITY, GENDER EQUALITY AND SOCIAL INCLUSION

Following approval of the Bank's Disability and Accessibility Policy and the appointment of a Disability Champion, work is ongoing towards ensuring disability inclusion is integrated into all aspects of the organisation.

The Bank recognises that a gender lens enhances the effectiveness and sustainability of its operations. The level of female staff in the Bank as at 31 December 2024 was 36.3% against a target of 42%. Even though the Bank has not reached its targeted level in 2024 it has scored significant progress from its level of 25% in 2016.

Deliberate efforts are being made to mainstream the needs of the disabled, women, and youths in project design and implementation of all Bank-supported projects. The Bank is also encouraging its clients to mainstream gender in their projects or business activities. Overall, there was an increase in the proportion of female beneficiaries on Bank-supported projects, from 34% in 2023 to 39% in 2024.

3.5 CORPORATE SOCIAL INVESTMENT

The IDBZ's corporate social responsibility (CSR) initiatives for 2024 demonstrated its commitment to community development and education. The Bank established a Scholarship Fund aimed at assisting financially disadvantaged but academically gifted children in support of the NDS1 target of human capital development and empowering next generation of leaders. In 2024, financial support was extended to six children in primary school (four) & secondary school (two) .

Beyond education, the Bank supported the rehabilitation of the Tsonzo Rural Hospital and Fair Fields Children's Home in Manicaland in partnership with the Zimbabwe Defence Forces during their Community Assistance Week. This intervention led to the improvement in the lives of vulnerable communities.

As a responsible corporate citizen, the IDBZ continues to work towards making a positive impact on the lives of Zimbabweans targeting its focus areas.

3.6 PROCUREMENT

In 2024, the Bank was exempted from the application of the PPDPA Act and adopted its own procurement policies. The Government's e-GP system was implemented, and the Bank's procurement and asset disposal plans were approved, totalling US$49.4 million and US$1.8 million, respectively. The Bank was certified to provide consultancy services and participated in several key projects. Procurement contracts worth US$833,137.72 were awarded, and asset disposals amounted to US$406,066. For 2025-2027, the Bank aims to enhance procurement through sustainable practices, compliance, e-procurement, capacity building, framework agreements, and value for money initiatives.

3.6.1 Procurement Contracts

The Bank awarded procurement contracts worth US$833,137.72 in 2024, including consulting services, framework agreements for non-consulting services, works, and goods. Ongoing procurement contracts include consulting services for website design and works for housing projects. A total of 244 purchase orders were placed, with local and foreign payments amounting to US$447,777 and US$575,604, respectively.

3.6.2 Asset Disposal

The Bank concluded asset disposals worth US$406,066 in 2024. Major disposals included a residential building in Kariba and commercial stands in Zvishavane, with actual disposal values of US$110,000 and US$293,066, respectively.

3.6.3 Procurement challenges in 2024

Challenges included a tight liquidity situation causing delays or deferrals in procurements and foreign currency exchange rate distortions leading to overpricing by suppliers.

3.6.4 Major achievements for the period under review

The Bank improved operational efficiency and value for money by adhering to target cycle timelines and budgets. It also secured consultancy services mandates with ZIDA, MOTID, and Kwangu/Ngakwami Trust.

3.7 HUMAN CAPITAL MANAGEMENT

The Bank's staff complement increased marginally from 120 in 2023 to 123 in 2024. The total staff complement constitutes 67% of the total staff establishment. To ensure adequacy of skills and competencies to support the delivery of the Bank's mandate the Bank embarked on re-tooling and capacity building programme in 2024. In that regard, 32 capacity building initiatives were undertaken during the period. The Bank continues to enjoy a harmonious industrial relations. The Bank's staff retention index was 96% against a target of 95%.

Staff Wellness
The IDBZ is committed to supporting the physical and psychological health, safety and well-being of its employees. The Bank undertook the following staff wellness initiatives in 2024:

i. Social Friday Sporting Activities
ii. Health Checks
iii. Health Talk – Unlocking the Power of Physical Fitness for a Healthier you!
iv. Commemorations – World AIDS Day Awareness; Breast Cancer Awareness Month and Prostate Cancer Awareness Month

Going forward, the Bank will seek to enhance its operational efficiency and create an agile institution premised on a performance driven culture.

CHAPTER

04

GOVERNANCE, ETHICS AND INTEGRITY

Chapter 4:
GOVERNANCE, ETHICS, AND INTEGRITY

4.1 CORPORATE GOVERNANCE STATEMENT FOR FY2024

4.1.1 Introduction

The Infrastructure and Development Bank of Zimbabwe ("IDBZ/the Bank") is a development finance institution which was established through an act of parliament, the Infrastructure and Development Bank of Zimbabwe Act [Chapter 24:14] and is charged with a mandate to champion development work and financing in Zimbabwe.

In the execution of its statutory mandate, the Bank observes principles and tenets of good corporate governance and ensures that these are embedded in all the business processes, thus ensuring effective and efficient product and service delivery in an economically, socially, and environmentally sustainable manner. Compliance with legal and regulatory requirements and conformance to international best practice governance standards and guidelines forms the bedrock of the Bank's corporate governance architecture.

Corporate governance in IDBZ is anchored on the principles of fairness, transparency, accountability, financial sustainability, environmental sustainability, and championing and mainstreaming environmental, social and governance (ESG) principles. These principles are the foundation upon which the Bank strives to build a profitable, socially responsible, economically viable and environmentally sustainable business that serves the interest of all stakeholders.

4.1.2 Governance Framework

4.1.2.1 Infrastructure and Development Bank of Zimbabwe Act [Chapter 24:14]

The IDBZ was established in 2005 as a successor organisation to the Zimbabwe Development Bank ("ZDB") and is governed in terms of an Act of Parliament, the Infrastructure and Development Bank of Zimbabwe Act [Chapter 24:14] ("the IDBZ Act"). The Bank is regulated by the Minister of Finance, Economic Development and Investment Promotion. This role is shared with the Reserve Bank of Zimbabwe through the Finance Act Number 3 of 2014 which amended the Banking Act [Chapter 24:20] to bring IDBZ under the supervisory purview of the Central Bank.

4.1.2.2 Banking Act

As a financial services sector player, specific provisions of the Banking Act apply to the governance of the IDBZ as provided in General Notice 115 of 2017. Those prescribed provisions relate to corporate governance and risk management.

4.1.2.3 National Code on Corporate Governance (the Code)

In a Circular by the Corporate Governance Unit (CGU) dated 8 March 2024, the IDBZ was expressly exempted from the application of the Public Entities Corporate Governance Act [Chapter 10:31] (PECGA). This followed the amendment to Section 3 of the PECGA, which was introduced under the Finance Act (No.7) of 2024. However, the IDBZ is still required to comply with the National Code on Corporate Governance Zimbabwe (the Code) which is included as the First Schedule to the PECGA. The Bank has systems and processes to monitor compliance with the requirements of the Code.

4.1.2.4 Best Practice Corporate Governance standards

The Bank also embraces the principles of good corporate governance enshrined in other governance standards both locally and internationally.

4.1.3 Board Charter

Section 56 of the Code requires the Board of every entity to prepare a Board Charter, and to conduct the business and affairs of the entity in accordance with that Charter. The Board Charter is required to give effect to the following principles, among others:

- The promotion and maintenance of a high standard of professional ethics.
- Efficient and economic use of available resources.
- The provision of services impartially, fairly, equitably and without bias.
- Co-operation with governmental institutions and other public entities.
- Openness and transparency in the internal workings and procedures of the public entity concerned, and its dealings with the public.
- Commercial viability, in the case of a public commercial entity.

The Bank has a Board Charter which is updated periodically to guide the operations of the Board.

4.1 CORPORATE GOVERNANCE STATEMENT FOR FY2024 (CONTINUED)

4.1.4 Code of Conduct and Ethical Framework

Section 55 of the Code provides that the Board should provide leadership by framing and implementing a Code of ethics, morality and professionalism for the institution, its employees, management and Board members. Pursuant to this requirement, the Bank has developed a Code of Ethics Policy which provides a framework under which Directors, Management and Staff and other stakeholders are expected to conduct themselves. The Code is designed to promote honest and ethical conduct and is founded on the Bank's core values.

4.1.5 Board of Directors

Section 4 (2) of the IDBZ Act, as amended, provides that the size of the IDBZ Board shall be a minimum of seven and a maximum of nine directors. The IDBZ Board is composed of nine members.

The Minister of Finance, Economic Development and Investment Promotion appointed four new Board Members in 2024. The appointments addressed the issue of gender balance, as three of the appointments made in 2024 are female. Table 4.1.5 shows the Board composition as at 31 December 2024.

Table 4.1.5: Board composition as at 31 December 2024

Director	Designation	Date Appointed
Kupukile Mlambo (Dr.)	Independent Non-Executive Board Chair	19 July 2022 as a Board Member, and elevated to Board Chairman with effect from 1 April 2023
Naomi N. Wekwete (Dr.)	Independent Non-Executive Deputy Chair	1 January 2024
Norbert O. Mugwagwa (Dr.)	Independent Non-Executive Director	19 July 2022
Reginald Mugwara (Mr.)	Independent Non-Executive Director	19 July 2022
Tadios Muzoroza (Mr.)	Independent Non-Executive Director	19 July 2022
Sibusisiwe P. Bango (Ms.)	Independent Non-Executive Director	19 July 2022
Andries Rukobo (Dr.)	Independent Non-Executive Director	1 January 2024
Arina Manyanya (Mrs.)	Non-Executive Director	1 February 2024
Barbara Mbuyisa (Dr.)	Independent Non-Executive Director	1 November 2024
Zondo T. Sakala (Mr.)	CEO/Ex-Officio	1 September 2020

NB: All the Board Members whose date of appointment is indicated as 19 July 2022 are serving their second, three-year terms.

4.1.6 Duties and Responsibilities of the Board

The duties and responsibilities of the Board are outlined in section 4A of the IDBZ Act [Chapter 24:14], as read together with sections 61-76 of the Code:

(a) formulating policies to ensure the efficient achievement of the Bank's objectives;
(b) supervising all the activities engaged in by the Bank;
(c) ensuring that the Bank has adequate control systems to monitor and manage risk;
(d) ensuring efficient and economic use of the Bank's resources; and
(e) formulating and enforcing rules of corporate governance and ethical practice for observance by the Bank's directors and staff.

4.1.7 Board Committees

For the effective discharge of its functions and to enhance oversight on the various areas of the Group's operations, the Board constituted and appointed five Committees which operate under clearly defined areas of responsibility and Terms of Reference. The purpose of the Committees is to enable the Board to fulfil its responsibility.

4.1.7.1 Audit Committee

The Committee ensures that the following processes are in place and are adhered to: internal controls, internal audit, external audit, and financial governance.

4.1.7.2 Finance and Risk Management Committee

The Committee provides oversight of risk management including financial and operational risk.

4.1 CORPORATE GOVERNANCE STATEMENT FOR FY2024 (CONTINUED)

4.1.7 Board Committees (continued)

4.1.7.3 Human Resources and ICT Committee

The Committee responsibility is to ensure that the Bank has adequate policies in place and is adhering to the following, namely: Human Resources Policy, Human Capital Strategy, and ICT Governance and Strategies.

4.1.7.4 Corporate Governance, Compliance, Ethics and Sustainability Committee

The Committee's responsibility is to ensure that the Bank has adequate policies in place and is adhering to the following: corporate governance principles, policies, standards and practices, and compliance requirements. The Committee also monitors the Bank's overall compliance with environmental, social and gender policies and strategies and the adequacy of measures taken to ensure responsible and high impact investments.

4.1.7.5 Investments Committee(Sitting as a Committee of the Whole)

The purpose of the Board Investments Committee is to consider proposals for new equity and/or quasi-equity investments by the Bank that falls outside of Management approval thresholds and oversees the implementation of such investment projects.

4.1.8 Board Remuneration

The IDBZ Board Remuneration Framework is determined in accordance with directives issued by the Corporate Governance Unit for all Public Entities. The Bank's Remuneration Framework is based on the board remuneration guidelines for State Enterprises developed by the Office of President and Cabinet.

For the period under review, the non-executive Board Members received remuneration based on a retainer and sitting allowance. Table 4.1.8 is a summary of total fees paid to Board Members in 2024:

Table 4.1.8: Fees paid to Board Members in 2024

Currency	Amount
Total Fees Paid in Zimbabwe Gold (ZiG)	519,878.59
Total Fees Paid in United States Dollars (US$)	22,472.00

4.1.9 Board Evaluation

The Bank undertakes an annual Board and Director Evaluation exercise. This process is designed to provide feedback to the Board regarding its performance as well as identifying skills gaps. The outcome of the evaluation exercise enables the institution to structure appropriate training and development programmes, as well as allow the Board to take stock of areas needing improvement for enhanced effectiveness and efficiency.

4.1 CORPORATE GOVERNANCE STATEMENT FOR FY2024 (CONTINUED)

4.1.10 Board and Board Committee Attendance Record for 2024

Table 4.1.10: Board and Board Committee Attendance Record

	Main Board	Audit Committee	Finance & Risk Management Committee	Human Resources & ICT Committee	Corporate Governance, Compliance, Ethics & Sustainability Committee	Investments Committee
BOARD MEMBER	**6**	**4**	**4**	**4**	**4**	**1**
Dr. K. Mlambo	6	n/a	4	3	n/a	1
Dr. N. N. Wekwete	5	n/a	3	n/a	4	1
Dr. A. Rukobo	6	n/a	n/a	4	4	1
Mr. R. Mugwara	5	4	2	n/a	n/a	-
Ms. S.P. Bango	3	2	n/a	3	n/a	-
Mrs. A. Manyanya	5	4	1**	n/a	4	1
Dr. N. Mugwagwa	6	n/a	4	n/a	4	1
Mr. T. Muzoroza	6	n/a	n/a	4	4	1
Dr. B. Mbuyisa*	-	-	-	-	-	-

** Dr. Mbuyisa was appointed to the Board of Directors with effect from 1 November 2024. However, communication regarding her appointment only reached the Bank on 4 December 2024, after all the 2024 Board and Committee Meetings were held.*
***Mrs Manyanya was appointed to this Committee in Q4/2024.*
- N/A denotes that the specific Director is not a Member of the Committee.

For Members who did not attend at least 75% of the Board and Committee Meetings, it was not without just cause. The reasons for failure to attend scheduled meetings included being indisposed as well as connectivity challenges for Members outside the country.

Going forward, adequate measures are being implemented to ensure that Members can seamlessly connect to Board and Committee meetings through virtual means. Management is in the process of sourcing a robust Boardroom Conferencing Facility during the year 2025 to replace the existing one.

The Bank ensures that risk management is embedded in all its operations as contained in its Enterprise-wide Risk Management Framework.

Chapter 4:
GOVERNANCE, ETHICS, AND INTEGRITY (CONTINUED)

4.2 RISK MANAGEMENT

4.2.1 Risk Spectrum

The Bank manages the following key risks in its operations: credit risk, project risk, liquidity risk, operational risk, market risk, strategy risk, reputational risk, and compliance risk.

4.2.1.1 Credit Risk

The key credit risk driver is potential default by individual borrowers and/ counterparties in settling their obligations. The Bank takes a forward-looking approach that ensures credit risk is managed from client onboarding stage and throughout the duration of the facility. The Bank continues to invest in systems including models that support the implementation of credit risk policies.

4.2.1.2 Project Risk

Projects by nature face the following risks: financial, technical, environmental, social, legal, procurement, and contracts management. For mitigation and control the Bank primarily employs multidisciplinary teams in the project development and implementation. This approach is augmented by the emphasis on efficient contract management, accurate financial forecasts, project evaluation and monitoring to minimise risk of project completion.

4.2.1.3 Liquidity Risk

The Bank's liquidity position is monitored daily against targets and limits set by the RBZ and according to the policies set out in the Bank's Liquidity Management Policy. The Management Asset and Liabilities Committee (MALCO) which is constituted by the Bank's Senior Management is mandated with establishing and ensuring adequate implementation of the liquidity risk management strategies.

4.2.1.4 Operational Risk

The Bank remained awake to emerging operational risks particularly cyber security risk and climate risk by mainstreaming both in its operations. The Climate Risk Management Framework guides strategies for identification, measurement, and monitoring of climate-related risks; as well as the internal control and reporting arrangements. The Bank has continued to strengthen its resilience against cyber risk through regular software upgrades, access controls and authentication, awareness campaigns and disaster recovery plans. Assurance on the adequacy of control systems within the Bank's operating environment is provided by the three independent functions namely Risk Management, Internal Audit, and Compliance Review and Mediation.

4.2.1.5 Market Risk

The Bank's MALCO manages market risk through setting up and monitoring targets which are specific to managing and mitigating market risk. Foreign exchange risk is mitigated by transacting on a back-to-back basis with the Treasury Department monitoring the position daily.

4.2.1.6 Strategy Risk

The Bank's strategy is guided by its Long-Term Strategy (LTS) with annual plans implemented through the Work Program and Budget. The annual plans and budget performance are tracked and reported to the Board of Directors on a quarterly basis to ensure the set objectives are achieved.

4.2.1.7 Reputational Risk

The Bank is exposed to reputational risk in all its activities, including delivery, performance and overall strategy execution by its officials or affiliates with project implementation being the major source. The complaints handling system remains the major tool in ensuring that complaints are registered and addressed before they degenerate into reputational risk. The Bank subscribes to independent whistle-blowing services to strengthen mitigation against behaviour that expose the Bank to reputation risk.

4.2.1.8 Compliance Risk

The Bank has an independent Compliance Review and Mediation Department (CMMD) which continuously reviews the compliance risk management framework to ensure adherence to applicable laws, regulatory requirements, internal policies and procedures. The Bank continues to foster a culture of compliance through the execution of a risk- based approach on the identification, assessment and mitigation of compliance risks.

4.2 RISK MANAGEMENT (CONTINUED)

4.2.2 External Credit Rating

The Bank was rated under the Prudential Standards, Guidelines and Rating System (PSGRS). The Framework falls under the purview of Association of African Development Finance Institutions (AADFI) and requires independent validation of the rating by an external audit firm. The Bank's PSGRS for the financial year ended 31 December 2023 was validated by the Bank's External auditors, BDO Zimbabwe. An overall rating grade of "B+" was assigned with a score of 89%. The rating scale evaluates three critical areas namely: Governance, Financial and Operational Standards. The risk assessment ratings are summarised in Table 4.2.1.

Table 4.2.2: PSGRS rating

PSGRS Standard	Weighted Contribution per Standard	Rating Year: 2023	Rating Year: 2022	Rating Year: 2021	Rating Year: 2020
Governance	40%	37%	43%	35%	43%
Financial	40%	25%	25%	20%	29%
Operational	20%	27%	16%	27%	16%
Overall Score		89%	84%	82%	88%
PSGRS Rating		B+	B+	B+	B+

4.3 DIRECTORS' REPORT

4.3.1 Business of the Infrastructure and Development Bank of Zimbabwe (IDBZ) Group

The Bank participates in infrastructure and development through financing, technical and advisory services, and development support. The specific primary sectors are: Water and Sanitation, Housing, Irrigation Infrastructure, Transport and Energy. Secondary sectors are: Health, Education, Tourism and ICT. The sectors are informed by the Bank's mandate as outlined in the IDBZ Act and Government priorities as espoused in Vision 2030 and NDS1.

4.3.2 General Policy Directions of the Minister

In terms of Section 9A (1) of the IDBZ Act, the Minister of Finance, Economic Development and Investment Promotion may give the Board general directions regarding the policy it is to observe in the exercise of its functions, and the Board shall take all necessary steps to comply with every such direction.

Section 9A (3) of the IDBZ Act requires the Board to set out in its Annual Report, the terms of every direction given to it in terms of this provision by the Minister and any views or comments the Board expressed on such direction.

During the year under review, the Board actively engaged with the Minister through holding formal meetings. Two formal meetings were held in April 2024 and in December 2024 where the Minister supported the Bank's mandate through various forms, including enhancement of the Bank's visibility.

4.3.3 Authorized and Issued Share Capital

4.3.3.1 Ordinary Share Capital

The Authorized Share Capital of the Bank remained at ZiG1 500 000 comprised of 150 000 000 ordinary shares at a nominal value of ZiG0.01 (one cent) per share. The issued ordinary shares remained unchanged at 30 054 287.

4.3.3.2 Preference Share Capital

The Preference Shares remained unchanged at 382,830 with a nominal value of ZiG100.00 per share. The non-cumulative, nonredeemable preference shares were issued to the Government of Zimbabwe in 2015.

4.3.4 Financial Results for the year

The results for the year are fully dealt with in the financial statements forming part of the Annual Report.

4.3 DIRECTORS' REPORT (CONTINUED)

4.3.5 Dividends
The Directors do not recommend a dividend for the year ended 31 December 2024.

4.3.6 Directorate
Refer to paragraph 4.1.5 of this Report

4.3.7 Directors' Interest in Infrastructure and Development Bank of Zimbabwe
During the year, no Director held either directly or indirectly any interest in the share capital of the Infrastructure and Development Bank of Zimbabwe.

4.3.8 Declaration of Assets
In line with provisions of the Banking Act [Chapter 24:20], all Directors of the Bank are required to declare their assets on appointment and annually thereafter at the anniversary of their appointment. Copies of the asset declarations are available for inspection in the Office of the Bank Secretary.

4.3.9 Directors' emoluments
Directors' emoluments are disclosed in the notes to the financial statements.

4.3.10 Interest of Directors and Officers
During the year under review, no Director or officer of the Bank had any direct or indirect interest in the projects and programmes of the IDBZ.

4.3.11 Auditors
The Auditor General appointed BDO Chartered Accountants (Zimbabwe) as the Bank's Independent Auditor effective the year 2021. For the year under review, the audit fees were pegged at US$140 000.00 including VAT and disbursements. The Auditor was appointed for a five year term.

The Directors' Report is made in accordance with a Resolution of the Board.

Kupukile Mlambo (Dr)	**Zondo T. Sakala**
Board Chairman	**Chief Executive Officer**

4.4 DIRECTORS' RESPONSIBILITY STATEMENT

4.4.1 Financial Statements for the Infrastructure and Development Bank of Zimbabwe

The Directors are responsible for the preparation and integrity of the financial statements and other information contained in this Annual Report.

To enable the Directors to meet these responsibilities, systems of accounting and internal controls are maintained that are aimed at providing reasonable assurance that assets are safeguarded and that the risk of error, fraud or loss is controlled in a cost-effective manner. The Group's Internal Audit function, which has unrestricted access to the Audit Committee, regularly evaluates these systems and makes recommendations for improvements where necessary.

The financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") and the Directors are of the opinion that they fairly present the results of operations for the year and the financial position of the company at the year end.

The financial statements have been prepared on the going concern basis and the Board has no reason to believe, based on available information and cash resources, that it is not appropriate.

The responsibility of the Independent Auditors is to report on the financial statements. Their report to the members is set out on pages 48 to 50 of this report.

The financial statements were approved by the Board of Directors on 17 March 2025 and are signed on its behalf by the Chairman of the Board and Chief Executive Officer.

C Gambinga
Director Finance

K. Mlambo
Board Chairman

Zondo T. Sakala
Chief Executive Officer

CHAPTER 05

FINANCIAL STATEMENTS

Shareholding Structure

Table.12: Shareholding Structure

Shareholder	No. of Ordinary Shares	No. of Preference Shares
Government of Zimbabwe	26 279 203	382 830
Reserve Bank of Zimbabwe	3 775 062	-
Fidelity Life Assurance Company of Zimbabwe	12	-
Finnish Fund for Industrial Cooperation Limited	5	-
African Development Bank	4	-
European Investment Bank	1	-
TOTAL	**30 054 287**	**382 830**

Notes:
The par value of each ordinary share is US$0.01
The par value of each preference share is US$100.00

Independent Auditors Report

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Harare Zimbabwe

REPORT OF THE INDEPENDENT AUDITORS

TO THE SHAREHOLDERS OF INFRASTRUCTURE AND DEVELOPMENT BANK OF ZIMBABWE

Adverse Opinion

We have audited the accompanying consolidated financial statements of **INFRASTRUCTURE AND DEVELOPMENT BANK OF ZIMBABWE AND ITS SUBSIDIARIES ('the Group")** set out on pages 51 to 100, which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, because of the significance of the matter described in the basis for Adverse Opinion section of our report, the consolidated financial statements do not present fairly the financial position of **INFRASTRUCTURE AND DEVELOPMENT BANK OF ZIMBABWE AND ITS SUBSIDIARIES** as at 31 December 2024, and its financial performance and its cashflows for the year ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

Non-compliance with International Accounting Standard 29-Financial Reporting in Hyperinflationary Economies (IAS 29)

Effective the 5th of April 2024, Zimbabwe dollars (ZWL) were converted into a new currency, Zimbabwe Gold (ZiG). For accounting and other purposes (including the discharge of financial or contractual obligations), all assets and liabilities that were, immediately before the effective date, valued and expressed in ZWL, shall be deemed to be valued in ZiG as converted in terms of section 6(1) of SI 60 of 2024.The Group assessed its functional currency for the period and concluded that it was the ZiG. In a publication by the Public Auditors and Accountants Board (PAAB) dated 8 October 2024, the PAAB assessed whether hyperinflation ceased with the introduction of the ZiG and concluded that the Zimbabwe economy remained hyperinflationary for financial reporting purposes.

Based on the above, the Group should have restated its financial statements in terms of IAS 29 (Financial Reporting in Hyperinflationary Economies). The financial statements have not been prepared in conformity with the requirements of IAS 29 as they have been prepared and presented in terms of the historical cost convention. The Standard requires that financial statements of entities that report in the currency of a hyperinflationary economy should be stated in terms of the measuring unit current at the statement of financial position date. The effect of noncompliance with IAS 29 could not be quantified but it is considered material to the financial statements.

Key audit matter

Key audit matters are those matters that in our professional judgment were of most significance in our audit of financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Modified Opinion, we have determined the matter described below to be the key audit matter to be communicated in our report:

Key audit matter	Audit response
The Bank's expected credit loss (ECL) on advances and sundry receivables amounted to ZiG 21,341,010. The determination of the ECL is a key area of judgement for management. The identification of impairment and the determination of the recoverable amount are an inherently uncertain process involving various assumptions and factors including the financial condition of the counterparty, expected future cash flows, observable market prices and expected net selling prices. The use of different modelling techniques and assumptions could produce significantly different estimates of provisions.	• We assessed and tested the design and operating effectiveness of the controls over individual and collective impairment calculations including the quality of underlying data and systems. • For loan loss provisions calculated on an individual basis we tested the assumptions underlying the impairment identification and quantification including forecasts of future cash flows, valuation of underlying collateral and estimates of recovery on default. This included taking into consideration the impact of forbearance. • For loan loss provisions calculated on a collective basis we tested, supported by our IFRS 9 specialists, the underlying models including the model approval and validation process. • We tested the appropriateness and accuracy of the inputs to those models, such as recovery and cure rates, and where available, compared data and assumptions made to external benchmarks. • We tested the accuracy and completeness of the receivables aging analysis. • Finally, we assessed and tested the design and operating effectiveness of the controls over related disclosures including forbearance and cover values.

Other information

The Directors are responsible for other information. The other information comprises of the Chairman's Statement, The CEO's Statement, Report of the Directors, Corporate Governance Statement, Director's Responsibility Statement. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated 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 other information that we have obtained prior to the date of the Auditor's Report, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Bank's ability to continue operating 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 Bank or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 based on the financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Bank'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 the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue operating 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 auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

The engagement partner on the audit resulting in this independent auditor's report is Jonas Jonga.

BDO Zimbabwe

BDO Zimbabwe Chartered Accountants
3 Baines Avenue,
Harare

17 March 2025

Jonas Jonga CA(Z) (PAAB Practicing Number (0438)
Registered Public Auditor
Partner

Consolidated Statement Of Financial Position

for the year ended 31 December 2024

	Note	31 Dec 2024 ZiG	31 Dec 2023 ZiG
ASSETS			
Cash and bank balances	5	122 718 371	63 600 013
Inventories	11	28 121 685	175 889 836
Other receivables and prepayments	10	34 380 880	98 273 203
Loans and advances to customers	9	419 461 631	194 353 328
Investment securities	6	5 997 372	2 383 989
Financial assets at fair value through other comprehensive income	7	51 425 073	82 880 552
Treasury bills and other financial assets	8	203 612 667	9 343 505
Assets pledged as collateral	8.1	124 448 662	61 960 617
Investment in associates	12.3	9 540 231	9 243 840
Investment property	13	235 534 371	120 045 249
Intangible assets	16	695 797	1 778 000
Property and equipment	15	125 038 028	53 696 953
Right of use assets	17	688 264	509 022
Deferred taxation	18.1	337 378	17 894 604
Total assets		**1 362 000 410**	**891 852 711**
EQUITY AND LIABILITIES			
LIABILITIES			
Deposits from customers	24	188 856 643	101 553 882
Local lines of credit and bonds	25	217 816 401	149 045 094
Other liabilities	26	146 511 504	217 161 586
Deferred taxation	18.2	21 129 520	-
Lease liability		545 413	124 521
Total liabilities		**574 859 481**	**467 885 083**
EQUITY			
Share capital	19	164 159	164 159
Share premium	19	389 362 924	389 362 924
Foreign currency translation reserve	20	(15 844 215)	111 701 518
Amounts awaiting allotment	19	249 959 844	42 854 793
Preference share capital	23	74 049 071	74 049 071
Fair value reserve	22	53 338 842	85 258 184
Revaluation reserve	21	127 717 160	67 245 810
Accumulated Loss		(81 180 715)	(263 515 045)
Equity attributable to parent owners of the Group		**797 567 070**	**507 121 414**
Non-controlling interest in equity		**(10 426 141)**	**(83 153 786)**
Total shareholders' equity		**787 140 929**	**423 967 628**
Total equity and liabilities		**1 362 000 410**	**891 852 711**

These financial statements were approved by the Board of Directors and signed on their behalf by:

Dr. Kupukile Mlambo
(Chairman of the Board)

17 March 2025

Thomas Z. Sakala
(Chief Executive Officer)

17 March 2025

Consolidated Statement of Profit or Loss And Other Comprehensive Income

for the year ended 31 December 2024

	Note	31 Dec 2024 ZiG	31 Dec 2023 ZiG
Interest and related income	27.1	58 379 221	19 317 787
			-
Interest and related expenses	27.2	(26 483 765)	(53 295 396)
Net interest income / (expense)		**31 895 456**	**(33 977 609)**
Property sales	28	262 771 475	1 337 935
Cost of sales	28	(78 513 464)	(1 157 370)
Net profit on property sales		**184 258 011**	**180 565**
Fee and commission income	29	4 548 817	4 953 875
Dividend income		436 926	262 822
Net revenue		**221 139 210**	**(28 580 347)**
Other income	31	2 452 072	126 773 894
Net loan impairment charge		(9 408 133)	(3 304 517)
Rent debtors impairment charge		(269 575)	(509 341)
Debtors impairment reversal		45 467	48 632 494
Treasury bills impairment charge		(5 617 618)	(8 821 242)
Fair value gain on investment property	13; 32	115 551 694	71 721 201
Net gain on financial assets at fair value through profit or loss	6 ; 30	6 997 192	1 098 307
Unrealised exchange gain	33	131 282 385	41 997 719
Operating expenses	34	(228 750 221)	(157 408 222)
Interest expense on lease liability		(24 640)	(45 038)
Profit on disposal of investment property		7 270 167	35 053 535
Profit on disposal of non-current assets held for sale		-	9 413 336
Loss on disposal of movable assets		(159 159)	-
Share of loss of associate	12.3	(669 024)	(1 329 196)
Profit for the period before taxation		**239 839 817**	**134 692 583**
Income tax (expense)/credit	35	(22 209 420)	8 243 183
Profit for the period		**217 630 397**	**142 935 766**
(Loss) on net monetary position		**-**	**(137 913 977)**
Profit for the period		**217 630 397**	**5 021 789**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Net fair value (loss) / gain on financial assets at fair value through other comprehensive income	7	(31 919 342)	20 052 199
Revaluation surplus on property and equipment	15	62 204 422	31 453 369
Other comprehensive income for the year net of tax		**30 285 080**	**51 505 568**
Total comprehensive profit for the year		**247 915 477**	**56 527 357**
Profit for the year attributable to:			
Equity holders of the parent entity		183 284 503	69 355 784
Non-controlling interest		34 345 894	(64 333 995)
		217 630 397	**5 021 789**
Total comprehensive income attributable to:			
Equity holders of the parent entity		212 724 353	40 731 467
Non-controlling interest		35 191 124	15 795 890
		247 915 477	**56 527 357**
Profit/ (loss) per share attributable to the equity holders of the Bank during the year (expressed in ZiG cents per share)			
Basic earnings per share			
From profit/(loss) for the year attributable to equity holders (ZiG cents)	36	610	168

Consolidated Statement of Changes In Equity

for the year ended 31 December 2024

	Ordinary share capital ZiG	Share premium ZiG	Amounts awaiting allotment ZiG	Currency conversion reserve ZiG	Preference share capital ZiG	Fair value reserve ZiG	Revaluation reserve ZiG	Retained earnings ZiG	Total before non-controlling interest ZiG	Non controlling interest ZiG	Total equity ZiG
Balance at 1 January 2023	**164 159**	**389 362 924**	**20 180 204**	**111 708 934**	**74 049 071**	**65 205 985**	**35 792 441**	**(332 870 857)**	**363 592 865**	**(2 796 104)**	**360 796 756**
Profit for the period	-	-	-	-	-	-	-	69 355 784	69 355 784	(64 333 995)	5 021 790
Transfer from investment in subsidiaries	-	-	-	652	-	-	-	-	652	-	652
Derecognition of subsidiary	-	-	-	-	-	-	-	28	28	-	28
Transfer from FCTR	-	-	-	(4 481)	-	-	-	-	(4 481)	(5 981)	(10 461)
Transfer to non controlling interest	-	-	-	(3 587)	-	-	-	-	(3 587)	3 587	-
Revaluation of property and equipment	-	-	-	-	-	-	31 453 369	-	31 453 369	588 619	32 041 989
Net fair value gain on financial assets at fair value	-	-	-	-	-	20 052 199		-	20 052 199	-	20 052 199
Issue of share capital	-	-	22 674 589	-	-	-	-	-	22 674 589	-	22 674 589
Allotment of shares				-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	(16 602 742)	(16 602 742)
Transfer from non controlling on disposal of investment	-	-	-	-	-	-	-	-	-	(7 170)	(7 170)
Balance as at 31 December 2023	**164 159**	**389 362 924**	**42 854 793**	**111 701 518**	**74 049 071**	**85 258 184**	**67 245 810**	**(263 515 045)**	**507 121 414**	**(83 153 786)**	**423 967 628**
Balance at 1 January 2024	**164 159**	**389 362 924**	**42 854 793**	**111 701 518**	**74 049 071**	**85 258 184**	**67 245 810**	**(263 515 045**	**507 121 414**	**(83 153 786)**	**423 967 628**
Profit for the period	-	-	-	-	-	-	-	183 284 503	183 284 503	34 345 894	217 630 397
Derecognition of subsidiary								(950 173)	(950 173)	-	(950 172)
Transfer from FCTR	-	-	-	-	-	-	-	-	-		-
Transfer to non controlling interest	-	-	-		-	-	-	-	-	-	-
Revaluation of property and equipment	-	-	-	-	-	-	62 204 422	-	62 204 422	845 230	63 049 652
Net fair value gain on financial assets at fair value	-	-	-	-	-	(31 919 342)	-	-	(31 919 342)	-	(31 919 342)
Allotment of shares	-	-	255 727 225	-	-	-	-	-	255 727 225	-	255 727 225
Discounting of Treasury Bills			(48 622 175)						(48 622 175)	-	(48 622 175)
Translation from ZWL to ZiG currency				(127 545 733)			(1 733 072)		(129 278 805)	37 536 521	(91 742 284)
Balance as at 31 December 2024	**164 159**	**389 362 924**	**249 959 843**	**(15 844 215)**	**74 049 071**	**53 338 842**	**127 717 160**	**(81 180 715)**	**797 567 069**	**(10 426 141)**	**787 140 929**

Consolidated Statement of Cash Flows
for the year ended 31 December 2024

	Note	31 Dec 2024 ZiG	31 Dec 2023 ZiG
Cash flows from operating activities			
Profit for the period		239 839 817	134 692 583
Adjustments for:			
Depreciation	15;17	11 884 703	6 814 143
Amortisation	16	1 987 586	1 816 505
Finance cost		24 640	45 038
Profit on disposal of investment property		(7 270 167)	(35 053 535)
Loss on disposal of motor vehicles		159 159	105 340
Loss on disposal of land and buildings		-	10 799 221
Profit on disposal of non current assets held for sale		-	(9 413 336)
Profit on disposal of a subsidiary		-	(116 192 864)
Loan impairment charge		9 408 133	3 304 517
Rent debtors impairment charge		269 575	509 341
Debtors impairment (recovery)		(45 467)	(48 632 494)
Treasury bills impairment (recovery)		5 617 618	8 821 242
Provisions and accruals		57 590 322	6 184 426
Unrealised exchange gain		(131 282 385)	(41 997 719)
Net (gain) on financial assets at fair value through profit or loss	6	(6 997 192)	(1 098 307)
Fair value gain on investment property	13	(115 551 694)	(71 721 201)
Share of loss of associate		669 024	1 329 196
Effect of currency conversion on cash and cash equivalent		-	60 956 423
		66 303 672	**(88 731 482)**
Changes in:			
Loans and advances to customers		(239 108 568)	(181 352 518)
Treasury bills and other financial assets		-	(70 455 415)
Other receivables and prepayments		64 653 699	(28 092 037)
Inventories		147 768 149	(7 484 756)
Deposits from customers		87 302 761	58 064 011
Other liabilities		(70 650 083)	171 136 361
Net cash utilised in operating activities		**56 269 630**	**(146 915 836)**
Cash flow from investing activities			
Acquisition of property and equipment	15	(17 651 855)	(1 126 581)
Acquisition of financial assets at fair value through other comprehensive income	7	(463 863)	(2 596 634)
Proceeds from sale of investment property		2 527 947	58 254 054
Proceeds from sale of non-current assets held for sale		-	22 212 440
Proceeds from sale of a subsidiary		-	34 116 455
Proceeds from sale of shares of a subsidiary		69 841 302	-
Proceeds from disposal of motor vehicles		93 874	-
Acquisition of investment property	13	(6 903 919)	(360 967)
Investment in associates	12.3	(1 002 233)	(664 109)
Dividend received		436 926	262 822
Net cash utilised in investing activities		**46 878 180**	**110 097 480**
Cash flow from financing activities			
Payment of dividends		-	(16 602 742)
Proceeds from issue of bonds		13 960 064	30 736 269
Increase in local lines of credit		(21 578 681)	87 444 629
Repayment of bonds		(38 812 060)	(65 223 306)
Proceeds from issue of shares	19	2 401 225	22 674 589
Net cash generated from financing activities		**(44 029 452)**	**59 029 439**
Net increase in cash and cash equivalents		59 118 358	22 211 083
Cash and cash equivalents at the beginning of the year		**63 600 013**	**41 388 930**
Cash and cash equivalents at the end of the period	**5**	**122 718 371**	**63 600 013**

Significant Accounting Policies
for the year ended 31 December 2024

1 INFRASTRUCTURE AND DEVELOPMENT BANK GROUP PROFILE AND PRINCIPAL ACTIVITIES

The Infrastructure and Development Bank of Zimbabwe ("IDBZ"/ the "Bank"/the Group") is a Development Financial Institution which was incorporated and domiciled in Zimbabwe under the IDBZ Act (Chapter 24:14). The address of the Bank's registered office is IDBZ House, 99 Gamal Abdel Nasser Road, Harare, Zimbabwe. IDBZ and its subsidiaries (together the "Group") are primarily involved in mobilising and providing finance for infrastructure development activities and management of infrastructure development projects.

The consolidated financial statements were approved by the Board of Directors on 17 March 2025

2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements for the year ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards (Accounting Standards) and International Financial Reporting Interpretation Committee ("IFRIC") interpretations and in the manner required by the Infrastructure and Development Bank of Zimbabwe Act (Chapter 24:14) and the Banking Act (Chapter 24:20).

2.1.1 Basis of consolidation

The Group's consolidated financial results incorporate the financial statements of the Bank and entities controlled by the Bank. Control is achieved when the Bank has power over the investee, is exposed or has rights to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. The Bank reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. The results of subsidiaries acquired or disposed of during the year are incorporated from the dates control was acquired and up to the date control ceased.

Subsidiaries

The financial results of the subsidiaries are prepared for the same reporting period as the Bank, using consistent accounting policies.

All intra-group balances, transactions, income and expenses, profits and losses resulting from intra-group transactions that are recognised in assets and liabilities and income and expenses are eliminated in full.

Non-controlling Interest

Non-controlling interests represent the portion of profit and net assets that is not held by the Group and are presented separately in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

Basis of measurement

The financial statements have been prepared on the historical cost basis except for land and buildings,investment property and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Bank takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share- based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.1 Basis of consolidation (continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2: inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3: inputs are unobservable inputs for the asset or liability.

Comparative financial information

On 5 April 2024 the Zimbabwe Gold (ZiG) was introduced as the countrys' new currency replacing the Zimbabwe Dollar (ZWL) effective 5 April 2024 as announced by the Governor of the Reserve Bank of Zimbabwe.

The ZiG is the Bank's Functional and Presentation currency. The financial statements have been presented in ZiG.

In translating the ZiG comparative figures, the Bank used the following approach which entailed significant judgements in converting the ZWL figures to ZiG.

- Prior year figures were uplifted to 5 April with the inflation adjusted ZWL figure then converted to ZiG using the conversion rate of ZWL 2 498.7242. The comparative figures were derived from previously audited ZWL figures.
- Amounts for Investment Property, Property Plant and Equipment and, Financial Assets at Fair Value through Other Comprehensive Income which had values which were quoted in US$ at 31 December 2023 by the respective valuers were translated to ZiG using the US$ exchange rate on 5 April 2024 of 13.5616. The respective adjusting reserves mainly; revaluation reserve (Property Plant and Equipment) Fair value reserve (Financial Assets at fair value through other comprehensive income) and, retained earnings (Investment Property) were adjusted to reflect the gain/loss in the movement of these assets remeasured to their ZiG fair value comparative amount.

The following "All Items" CPI indices were used to prepare the 2023 comparative figures

Indices and conversion factors	All Items CPI	Movement CPI	Conversion Factors	Movement Conversion Factor
CPI as at 31 March 2024	429 219.62	170 277.53	1.00	(0.66)
CPI as at 28 February 2024	258 942.08	165 726.27	1.66	(2.95)
CPI as at 31 January 2024	93 215.82	27 512.38	4.60	(1.93)
CPI as at 31 December 2023	65 703.44	22 992.72	6.53	(3.52)

The financial statements comprise the comparative statements of financial position, profit or loss and other comprehensive income, changes in equity and cash flows. The comparative statements are presented together with the comparative notes.

Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In the process of applying the Bank's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the financial statements:

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.1 Basis of consolidation (continued)

Judgement was applied on the following in preparing financial statements:

- The Group's functional and presentation currency;
- Cash generating units for impairment loss computation;
- Classification of financial instruments;
- Impairment of assets;
- Useful lives of assets;
- Income taxes;
- Allowances for credit losses;
- Employee benefits accruals and provisions
- Conversion of ZWL balances to ZiG

2.1.2 New standards, interpretations and amendments effective and not yet effective

The following amendments are effective for the period beginning 1 January 2024:

- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information;
- IFRS S2 Climate-related Disclosures;
- Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7); and

These amendments to various IFRS are mandatorily effective for reporting periods beginning on or after 1 January 2024. See the applicable notes for further details on how the amendments affected the Group.

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

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. These new amendments and interpretations issued by the IASB, have had no material effect on the bank's consolidated financial statements.

IFRS S2 Climate-related Disclosures

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 to providing resources to the entity. These new amendments and interpretations issued by the IASB, have had no material effect on the bank's consolidated financial statements.

Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7)

On 25 May 2023, the IASB issued Supplier Finance Arrangements, which amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures.

The amendments require entities to provide certain specific disclosures (qualitative and quantitative) related to supplier finance arrangements. The amendments also provide guidance on characteristics of supplier finance arrangements.

These amendments had no effect on the consolidated financial statements of the Group.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

On 22 September 2022, the IASB issued amendments to IFRS 16 – Lease Liability in a Sale and Leaseback (the Amendments). Prior to the Amendments, IFRS 16 did not contain specific measurement requirements for lease liabilities that may contain variable lease payments arising in a sale and leaseback transaction. In applying the subsequent measurement requirements of lease liabilities to a sale and leaseback transaction, the Amendments require a seller-lessee to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

These amendments had no effect on the consolidated financial statements of the Group.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

2.1.2 New standards, interpretations and amendments effective and not yet effective (continued)

Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants (Amendments to IAS 1)

The IASB issued amendments to IAS 1 in January 2020 Classification of Liabilities as Current or Non-current and subsequently, in October 2022 Non-current Liabilities with Covenants.

The amendments clarify the following:

- An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period.
- If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.
- The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.
- In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the consolidated financial statements of the Group.

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the annual reporting period beginning 1 January 2025:

- Lack of Exchangeability (Amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates);

The following amendments are effective for the annual reporting period beginning 1 January 2026:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7)
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)

The following standards and amendments are effective for the annual reporting period beginning 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

The Group is currently assessing the effect of these new accounting standards and amendments.

2.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's subsidiaries are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in the Zimbabwe Gold (" ZiG"), which is also its functional currency. The Group carried out an assessment and concluded that the ZiG was the functional currency. The Bank changed its functional currency on the 5th April from Zimbabwe Dollar ('ZWL') to the Zimbabwe Gold (' ZiG') following the introduction of a new currency by the Reserve Bank of Zimbabwe on the same date.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Foreign currency translation (continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

All foreign exchange gains and losses are presented in the statement of profit or loss and other comprehensive income within net foreign exchange gains or losses.

2.3 Consolidation

(a) Subsidiaries

The nature of project finance requires the creation of Special Purpose Vehicles (SPVs) to ring fence certain risks. The IDBZ Act allows the Bank to create SPVs to achieve its objectives. These SPVs satisfy the definition of subsidiaries for financial reporting purposes.

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights.

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Control is achieved when the Group:
- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to on or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of the investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:
- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquire and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition- by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquires identifiable net assets.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Consolidation (continued)

(a) Subsidiaries (continued)

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Inter-company transactions, balances, income and expenses on transactions between Group entities are eliminated. Profits or losses resulting from transactions with Group entities that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Loss of control

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(d) Associates and joint ventures

Associates and Joint Ventures are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the statement of comprehensive income, and its share of post acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/ (loss) of an associate' in the statement of comprehensive income.

Profits or losses resulting from upstream and downstream transactions between the Group and its associates and joint ventures are recognised in the Group's consolidated financial statements only to the extent of unrelated investor's interests in the associates.

Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Consolidation (continued)

(d) Associates and joint ventures (continued)

Dilution gains or losses arising in investments in associates or joint ventures are recognised in the statement of comprehensive income.

The Bank discontinues the use of equity method when it ceases to have significant influence over an Associate. From that point, the investment is accounted for in accordance with IFRS 9 provided the associate does not become a subsidiary. On the loss of significant influence the Bank measures any remaining investment in the associate at fair value. Any difference between the sum total of the fair value of the retained investment and proceeds from disposing of part of the investment compared to the total carrying amount of the investment at the date when significant influence or loss is recognised in profit and loss.

(e) Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to assets and obligations for the liabilities, relating to the arrangement.

The Group's joint operations are entities over which the Group has contractual arrangements to jointly share the control over the economic activity of the entities with one or more parties. The Group's interest in joint operation is accounted for in the consolidated financial statements using proportionate consolidation.

Proportionate consolidation involves combining the Group's share of the joint operation' income and expenses, assets and liabilities and cash flows of the jointly-controlled entities on a line-by-line basis with similar items in the Group's financial statements. When the Group sells assets to a joint operation, the Group recognises only the portion of gains or losses on the sale of assets that is attributable to the interest of the other operators. The Group recognises the full amount of any loss when the sale provides evidence of a reduction in the net realisable value of current assets or an impairment loss.

The Group accounts for the assets; liabilities ;revenues and expenses relating to its interest in a joint operation in accordance with the IFRS applicable to the particular assets ;liabilities; revenues and expenses.

Refer to note 12 for a detailed analysis of the Group.

When the Group purchases assets from a joint operation, it does not recognise its share of the profits of the joint ventures arising from the Group's purchase of assets until it resells the assets to an independent party. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets or an impairment loss.

2.4 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

Deferred tax

Deferred tax is recognised using the liability method in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences arising out of the initial recognition of assets or liabilities and temporary differences on initial recognition of business combinations that affect neither accounting nor taxable profit are not recognised.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Cash and cash equivalents (continued)

In determining the amounts used for taxation purposes the directors referred to applicable effective exchange rates at the date of acquisition of assets or incurring of liabilities. The Zimbabwe Revenue Authority (ZIMRA), announced methods to account for the deferred tax arising on assets purchased in US$. These methods require the preparer to first estimate the equivalent ZiG value of those assets at the time of purchase. Since the measurement of transactions in Zimbabwe dollars in the prior periods is affected by several economic variables such as mode of payment and hyperinflation this is an area where the directors have had to apply their judgement and acknowledge there could be significant variations in the results achieved depending on assumptions made.

2.5 Financial assets and liabilities

2.5.1 Date of recognition

Financial assets and liabilities are initially recognised using trade date accounting, i.e. the date that the Bank becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial instruments that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans and advances to customers are recognised when funds are transferred to the customers' accounts. The Bank recognises balances due to customers when funds are transferred to the Bank.

2.5.2 Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in Note 2.5.6. Financial instruments are initially measured at their fair value as defined in Note 2.1.1, except in the case of financial assets and financial liabilities recorded at Fair Value through Profit or Loss (FVPL) wherein transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the Bank accounts for the Day 1 profit or loss, as described below.

2.5.3 Day 1 profit or loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Bank recognises the difference between the transaction price and fair value in net trading income. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

2.5.4 Measurement categories of financial assets and liabilities

The Bank classified all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost,
- Fair value through other comprehensive income; or
- Fair value through profit and loss.

The Bank classifies and measures its derivative and trading portfolio at FVPL. The Bank may designate financial instruments at FVPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial liabilities, other than loan commitments and financial guarantees, are measured at amortised cost or at FVPL when they are held for trading and derivative instruments or the fair value designation is applied.

2.5.5 Balances due from other banks, loans and advances to customers and financial investments at amortised cost

The Bank only measures balances due from other banks, loans and advances to customers and other financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Financial assets and liabilities (continued)

2.5.6 Business model assessment

The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Bank's business model is not assessed on an instrument -by-instrument basis , but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of sales are also important aspects of the Bank's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Bank's original expectations, the Bank does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

2.5.7 The SPPI test

As a second step of its classification process the Bank assesses the contractual terms of financial instruments to identify whether they meet the Solely Payments of Principal and interest (SPPI) test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Bank applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set. In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

2.5.8 Financial assets or financial liabilities held for trading

The Bank classifies financial assets or financial liabilities as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading assets and liabilities are recorded and measured in the statement of financial position at fair value. Changes in fair value are recognised in net trading income. Interest and dividend income or expense is recorded in net trading income according to the terms of the contract, or when the right to payment has been established. Included in this classification are debt securities, equities, short positions and customer loans that have been acquired principally for the purpose of selling or repurchasing in the near term.

2.5.9 Debt instruments at FVOCI

The Bank applies this category under IFRS 9 of debt instruments measured at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset meet the SPPI test.

These instruments largely comprise assets that had previously been classified as financial investments available- for-sale under IAS 39. FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Financial assets and liabilities (continued)

2.5.10 Equity instruments at FVOCI

Upon initial recognition , the Bank occasionally elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by- instrument basis.

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other operating income when the right of the payment has been established, except when the Bank benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

2.5.11 Debt issued (bonds) and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR. A compound financial instrument which contains both a liability and an equity component is separated at the issue date.

2.5.12 Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under IFRS 9. Management only designates an instrument at FVPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis
  Or
- The liabilities are part of a group of financial liabilities , which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.
  Or
- The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVPL due to changes in the Bank's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVPL is accrued in interest income or interest expense, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Dividend income from equity instruments measured at FVPL is recorded in profit or loss as other operating income when the right to the payment has been established.

2.6 Reclassification of financial assets and liabilities

The Bank does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Bank acquires, disposes of, or terminates a business line or there is a change in business model for a group of financial instruments.

2.7 Derecognition of financial assets and liabilities

Derecognition due to substantial modification of terms and conditions

The Bank derecognises a financial asset, such as a loan to a customer , when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be POCI.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Derecognition of financial assets and liabilities (continued)

Derecognition due to substantial modification of terms and conditions (continued)

When assessing whether or not to derecognise a loan to a customer, amongst others, the Bank considers the following factors:

- Change in currency of the loan
- Introduction of an equity feature
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Bank records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

2.8 Derecognition other than for substantial modification

2.8.1 Financial assets

A financial asset (or, where applicable , a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Bank also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Bank has transferred the financial asset if, and only if, either:

- The Bank has transferred its contractual rights to receive cash flows from the financial asset or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement:
  Pass-through arrangements are transactions whereby the Bank retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:
- The Bank has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The Bank cannot sell or pledge the original asset other than as security to the eventual recipients
- The Bank has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Bank is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Bank has transferred substantially all the risks and rewards of the asset or;
- The Bank has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Bank considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer. When the Bank has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Bank's continuing involvement, in which case, the Bank also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Bank has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Bank could be required to pay. If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Bank would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Derecognition other than for substantial modification (continued)

2.8.2 Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

2.9. Impairment of financial assets

2.9.1. Overview of the ECL principles

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Bank groups its loans into Stage 1, Stage 2, Stage 3 and POCI, as described below:

- Stage 1: When loans are first recognised, the Bank recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
- Stage 2: When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- Stage 3: These are loans that are considered credit -impaired. The Bank records an allowance for the LTECLs.
- POCI: Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses. For financial assets for which the Bank has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

2.9.2. The calculation of ECLs

The Bank calculates ECLs based on probability -weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- PD The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
- EAD The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. When estimating the ECLs, the Bank considers four scenarios (a base case, an upside, a mild downside ('downside 1') and a more extreme downside ('downside 2')). Each of these is associated with different PDs, EADs and LGDs, as set out above. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset. With the exception of revolving facilities, for which the treatment is separate, the maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Bank has the legal right to call it earlier. Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9. Impairment of financial assets (continued)

2.9.2. The calculation of ECLs (continued)

The mechanics of the ECL method are summarised below:

- Stage 1: The 12months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Bank calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR. This calculation is made for each of the four scenarios, as explained above.
- Stage 2: When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.
- Stage 3: For loans considered credit -impaired, the Bank recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.
- POCI: POCI assets are financial assets that are credit impaired on initial recognition. The Bank only recognises the cumulative changes in lifetime ECLs since initial recognition, based on a probability-weighting of the four scenarios, discounted by the credit-adjusted EIR.

Treatment of loan commitments, financial guarantees and other off-balance sheet exposures

- Loan commitments and letters of credit.
- Financial guarantee contracts.

When estimating LTECLs for undrawn loan commitments, the Bank estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the four scenarios. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For revolving facilities that include both a loan and an undrawn commitment, ECLs are calculated and presented together with the loan. For loan commitments and letters of credit, the ECL is recognised within Provisions. The Bank's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the income statement, and the ECL provision. For this purpose, the Bank estimates ECLs based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs The shortfalls are discounted by the risk-adjusted interest rate relevant to the exposure. The calculation is made using a probability-weighting of the four scenarios. The ECLs related to financial guarantee contracts are recognised within Provisions.

2.9.3. Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

2.9.4. Purchased or originated credit impaired financial assets (POCI)

For POCI financial assets, the Bank only recognises the cumulative changes in LTECL since initial recognition in the loss allowance.

2.9.5. Forward looking information

In its ECL models, the Bank relies on a broad range of forward looking information as economic inputs, such as:

- GDP growth
- Unemployment rates
- Inflation

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10. Collateral valuation

To mitigate its credit risks on financial assets, the Bank seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Bank's statement of financial position. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed when market fundamentals change significantly. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily.

To the extent possible, the Bank uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, or based on housing price indices.

2.11. Collateral repossessed

The Bank's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in line with the Bank's policy. In its normal course of business, the Bank does not physically repossess properties or other assets in its retail portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession processes are not recorded on the Statement of Financial Position.

2.12. Write-offs

Financial assets are written off either partially or in their entirety only when the Bank has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

2.13. Forborne and modified loans

The Bank sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties, rather than taking possession or to otherwise enforce collection of collateral. The Bank considers a loan forborne when such concessions or modifications are provided as a result of the borrower's present or expected financial difficulties and the Bank would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms. It is the Bank's policy to monitor forborne loans to help ensure that future payments continue to be likely to occur. Derecognition decisions and classification between Stage 2 and Stage 3 are determined on a case-by-case basis. If these procedures identify a loss in relation to a loan, it is disclosed and managed as an impaired Stage 3 forborne asset until it is collected or written off. The Bank also reassesses whether there has been a significant increase in credit risk. The Bank also considers whether the assets should be classified as Stage 3. Once an asset has been classified as forborne, it will remain forborne for a minimum 24-month probation period.

In order for the loan to be reclassified out of the forborne category, the customer has to meet all of the following criteria:
- All of its facilities has to be considered performing
- The probation period of two years has passed from the date the forborne contract was considered performing
- Regular payments of more than an insignificant amount of principal or interest have been made during at least half of the probation period
- The customer does not have any contract that is more than 30 days past due

2.14 Taxes

All the receipts and accruals of the Bank are exempt from income tax in terms of paragraph 2 of the Third Schedule of the Income Tax Act (Chapter 23:06) and by virtue of Section 10 of the Capital Gains Tax Act (Chapter 23:01). The Bank's subsidairies are liable for Income Tax (Chapter 23:06) and Capital Gains Tax (Chapter 23:01).

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Taxes (continued)

Changes in tax rates

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates/laws that have been enacted or substantively enacted by the end of the reporting period. If the tax rate increases, deferred taxes will also increase, i.e. deferred tax assets and liabilities will increase. Similarly, if the tax rate decreases, deferred taxes also decrease. The effect of the change in tax rates is shown separately on the tax rate reconciliation and is accounted for in the Statement of profit or loss.

2.14.1 Income tax

Income tax expenses comprise current, AIDS levy and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

(a) Current

Current tax comprises expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using rates enacted or substantively enacted at the reporting date in the country where the Bank operates and generates taxable income and any adjustment to tax payable in respect of previous years. Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities.

(b) Deferred taxation

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Bank expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Bank has not rebutted this presumption.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.15 Other receivables

Other receivables and prepayments are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non current assets.

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

2.16 Inventories

Inventories comprise substantially of properties under construction, for development and completed units. All inventories are valued at the lower of cost or net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Inventories (continued)

2.16.1 Property development

Inventories in respect of property development activities are carried at the lower of cost and net realisable value. Cost and net realisable values are determined as follows: The cost or fair value of properties under development for sale comprises specifically identified cost, including the acquisition cost of land or fair value as it relates to land received as part of a government grant, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of overheads and borrowing costs capitalised . Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

2.16.2 Completed property held for sale

In the case of completed properties developed by the Group, cost is determined by apportionment of the total development costs for that development project, attributable to the unsold properties. Net realisable value represents the estimated selling price less costs to be incurred in selling the property. The cost of completed properties held for sale comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

2.17 Investment property

Property that is held for long-term rental yields or for capital appreciation or both; and that is not occupied by the entities in the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment properties under construction for which the fair value cannot be determined reliably, but for which the Group expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed – whichever is earlier. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices in less active markets or discounted cash flow projections. Valuations are performed as at the statement of financial position date by professional valuators who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued.

These valuations form the basis for the carrying amounts in the consolidated financial statements. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

Fair value measurement of property under construction is only applied if the fair value is considered to be reliably measurable. It may sometimes be difficult to determine reliably the fair value of the investment property under construction. In order to evaluate whether the fair value of an investment property under construction can be determined reliably, management considers the following factors, among others:

- The provisions of the construction contract;
- The stage of completion;
- Whether the project/property is standard (typical for the market) or non-standard;
- The level of reliability of cash inflows after completion;
- Past experience with similar constructions;
- The development risk specific to the construction; and
- Status of construction permits.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability including finance lease liabilities in respect of leasehold land classified as investment property; others, including contingent rent payments, are not recognised in the consolidated financial statements.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Investment property (continued)

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those rational market participants would take into account when determining the value of the investment property. policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognised in the statement of comprehensive income.

Changes in fair value are recognised in the statement of comprehensive income. Investment property is derecognised either when it has been disposed of or when the investment property is permanently withdrawn from use and no economic benefit is expected from its disposal.

Where the Group disposes of an investment property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the statement of comprehensive income within net gain from fair value adjustment on investment property.

If an investment property becomes owner-occupied, it is reclassified as property and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an item of owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of the transfer is treated in the same way as revaluation under IAS 16, 'Property, Plant and Equipment'. Any resulting increase in the carrying amount of the property is recognised in the profit or loss to the extent that it reverses a previous impairment, with any remaining increase recognised in other comprehensive income and increases directly to revaluation surplus within equity. Any resulting decrease in the carrying amount of the property is initially charged in other comprehensive income against any previously recognised revaluation surplus, with any remaining decrease charged to statement of comprehensive income.

2.18 Property and equipment

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property and equipment transferred from customers are initially measured at fair value at the date on which control is obtained.

Property and equipment are carried at the fair value at the date of the revaluation less any subsequent accumulated depreciation and any accumulated impairment losses. Valuations are performed yearly to ensure that the carrying amount of a revalued asset does not differ materially from its fair value. At the date of the revaluation, accumulated depreciation is restated proportionately with the change in gross carrying amount so that the carrying amount after revaluation equals its revalued amount. A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Property and equipment (continued)

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

- Freehold land and buildings 50 years
- Computer and office equipment 3-5 years
- Motor vehicles 5 years
- Furniture and fittings 7 years
- Intangible assets 4 years

An item of property and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

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

2.19 Intangible assets

Software licences
Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on the basis of the expected useful lives. Software has a maximum expected useful life of 4 years. The Group also applies value in use where the asset continues in use after its useful life.

Amortisation
Computer software costs recognised as intangible assets are amortised on the straight-line basis over their estimated useful lives.

2.20 Impairment of non-financial assets

Assets that have an indefinite useful life - for example, intangible assets not ready to use - are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed 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 to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash-generating units"). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.21 Share capital

Ordinary shares
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of tax from the proceeds.

Preference share capital
Preference share capital is classified as equity if it is non-redeemable, or redeemable only at the company's option, and any dividends are discretionary. Dividends on preference share capital classified as equity are recognised as distributions within equity. Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. The liability is recognised in accordance with the Group's policy for interest-bearing borrowings and accordingly dividends thereon are recognised on an accrual basis in profit or loss as part of finance costs.

2.22 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Provisions (continued)

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 may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the 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. Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and bonus.

2.23 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers or customers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.24 Financial guarantees

Financial guarantees are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee liabilities are initially recognised at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment (when a payment under the guarantee has become probable).

2.25 Related parties

Related party transactions and outstanding balances with key management and other entities in the Group are disclosed.

2.26 Revenue recognition

Revenue is derived substantially from the business of banking, Bank'sown projects, project advisory services and related activities, and comprises of net interest income and non-interest income. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group; and when specific criteria have been met for each of the group activities as described below.

The Group bases its estimate of return on historical results taking into consideration the type of customer, type of transaction and the specifics of each arrangement.

2.26.1 Recognition of interest income

The effective interest rate method

Under both IFRS 9 , interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and financial instruments designated at FVPL.The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.The EIR (and therefore , the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges). If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk . The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest and similar income in the income statement.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.26 Revenue recognition (continued)

2.26.1 Recognition of interest income (continued)

Interest and similar income

The Bank calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets When a financial asset becomes credit -impaired and is, therefore , regarded as 'Stage 3', the Bank calculates interest income by applying the effective interest rate to the net amortised costof the financial asset. If the financial assets cures and is no longer credit-impaired, the Bank reverts to calculating interest income on a gross basis.For purchased or originated credit -impaired (POCI) financial assets, the Bank calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset.The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets.Interest income on all trading assets and financial assets mandatorily required to be measured at FVPL is recognised using the contractual interest rate in net trading income and Net gains/(losses)on financial assets at fair value through profit or loss, respectively.

2.26.2 Non-interest income

Non-interest income includes advisory and arrangement fees, net revenue from foreign exchange trading and net gains on the realisation or revaluation of investment properties. All such commissions and fees including service fees, investment management fees, placement and syndication fees are recognised as the related services are performed.

2.26.3 Dividend income

Dividend income is recognised when the right to receive income is established. Usually this is at the ex-dividend date for equity securities. Dividends are reflected as a component of non-interest income based on the underlying classification of the equity instruments.

2.26.4 Rental income

Rental income from the investment property is accounted for on an accrual basis.

2.26.5 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grant will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

2.26.6 Property sales

Gross profit arising from the sale of property is recognised on legal completion of the sale that is the point at which both parties signs the agreement of sale and the property is handed over to the purchaser.

2.27 Employee benefits

2.27.1 Pension scheme

The Group subscribes to two defined contribution pension plans; one is the Infrastructure and Development Bank of Zimbabwe's group pension scheme and the other plan is the National Social Security Authority Scheme covering substantially all of its employees, A defined contribution plan, is a plan under which the Group pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further contributions should the fund at any time not hold sufficient assets to pay all employees the benefits relating to their service in the current and prior periods. The Group's obligations for contributions to these scheme is recognised as an expense in the statement of comprehensive income as they are incurred.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.27 Employee benefits (continued)

2.27.2 Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2.27.3 Short term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.28 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. The diluted EPS figure is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of outstanding shares for the effects of all potentially dilutive ordinary shares.

2.29 Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the period in which the dividends are declared by the Bank's directors.

2.30 Fiduciary activities

The Group manages, on behalf of the Ministry of Finance, Economic Development and Investment Promotion, loan (and collection thereof) and fiscal funding disbursements to implementing agencies for infrastructure projects.

The assets and income arising thereon are excluded from these consolidated financial statements as they are not assets of the Group.

2.31 Critical accounting estimates and key sources of estimation uncertainty

The Group's financial position and its financial results are influenced by assumptions, estimates and management judgment, which necessarily have to be made in the course of the preparation of the financial statements.

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

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.31 Critical accounting estimates and key sources of estimation uncertainty (continued)

2.31.1 Impairment on loans and advances

(a) Determination of impairment allowance

The measurement of the expected credit loss allowance is an area of significant judgement. The process requires the interaction of complex LGD, EAD and PD models requires as well as the use of human judgement about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 2.9. A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Determining criteria for default;

(b) Significant increase in credit risk

The Bank defines significant increase in credit risk as a significant increase in the probability of a default occurring since initial recognition. Credit risk would have increased significantly when contractual payments are more than 30 days past due. All accounts with significant material impact are placed on watch list from 15 days past due. This increase in credit risk is determined, on a continuous basis. In this case, the Bank performs the assessment on appropriate groups or portions of a portfolio of financial instruments. The Bank applies a rebuttable presumption that the credit risk has increased significantly when contractual payments are more than 30 days past due.

(c) Default

According to the Bank's policies, default arises when an obligor/ borrower fails to meet debt service obligations within 90 days of commitment either owing to lack of capacity or unwillingness to pay. This mirrors the 90 days past due rebuttable presumption contained in the Standard.

2.31.2 Key sources of estimation uncertainty

Impairment of financial assets at fair value through other comprehensive income

This note relates to other financial assets other than debt instruments at fair value through other comprehensive income. The Group determines that financial assets at FVTOCI are impaired when there is a significant or prolonged decline in the fair value below its costs. This determination of what is significant or prolonged requires judgment. In making this judgment, the Group evaluates among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology and operational and financing cash flows.

2.31.3 Useful lives and residual values of property and equipment

The Group's management determines the estimated useful lives, residual values and related depreciation charges of its property and equipment. The estimate is based on projected life cycles for these assets. Management will increase the depreciation charges where useful lives are less than previously estimated, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned.

2.31.4 Fair value measurements and valuation processes

Some of the Group's assets are measured at fair value for financial reporting purposes. In estimating the fair value of an asset, the Group uses market observable data to the extent that it is available. Where this is not available, the Group uses third party qualified valuators to perform the valuation.

Treasury bills are valued to reflect their present values by discounting for time value of money. This is reached applying market discount rate to future cash-flows to determine the present value of cash flows. In the absence of a market discount rate, IFRS 13 allows for the development of a valuation model using inputs which can either be verifiable or are not verifiable with the extent of verifiability determining whether the valuation model belongs under Level 2 or Level 3 of the valuation input scale.

Significant Accounting Policies (continued)
for the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.31 Critical accounting estimates and key sources of estimation uncertainty (continued)

2.31.4 Fair value measurements and valuation processes(continued)

Revaluation of land and buildings and investment properties

The Group carries its land and buildings and investment properties at fair value, with changes in fair value of investment properties and land and buildings being recognised in the statement of profit or loss and other comprehensive income respectively. For land and buildings and investment properties, a valuation has been undetaken using three methods; the Comparison approach, Income approach and the Cost approach. These approaches are used for fair value estimates as these are acceptable in that they maximse market inputs in active markets even if the asset being measured is not exchanged in an active market.

Income Approach

The investment method involves the capitalisation of current and expected rental income by an appropriate yield.

Comparison Approach

This entails using evidence of past sales of comparable properties, held under similar interest which are analysed on the basis of yield, rental return, voids and arrears. The obtained comparative statistics were then applied to the subject properties being valued with adjustments made to cater for property specifi peculiarities.

Gross Replacement Costs

In comptuing the cost of replacement, rates obtained from Quantity Surveying Consultant firms were applied. Inferences were made from Turner and Townsend South Africa where construction is more active than in Zimbabwe at the moment.

The Group engaged an independent valuation specialist to assess fair values as at 31 December 2024 for the investment properties and land and buildings.

2.31.5 Going concern

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing the consolidated financial statements. Additional information on the going concern assumption is disclosed in Note 42.

3 RISK MANAGEMENT

3.1 Risk management policies

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including fair value interest rate risk, cash flow interest rate risk, foreign exchange risk, and price risk).

Risk management is a key function of management. The dynamism characterising the financial services sector has increased the importance of risk management. The Group has put in place a risk management framework to identify the type and areas of risk and to measure and assess all risks to enable management to make sound judgements and decisions and thereby limit losses.

The Board of Directors has overall responsibility for setting policies for risk management. The implementation and monitoring of the risk policies is through appropriate risk management structures with delegated authority from the Board. The Risk Management and Compliance Units independently monitors risk throughout the Group according to set risk policies and provides advice and support on compliance matters. The Group manages risk within applicable laws. Each department is responsible for ensuring that its conduct complies with all the applicable laws and regulations.

In addition, the Group Internal Audit Unit is responsible for independent review of risk management and control environment; and the Group Legal Counsel provides advice and support on legal matters.

A Finance and Risk Management Committee has been set at Board level and it consists of non-executive directors to ensure the importance of this function is emphasized at a higher level.

3.2 Credit risk

Credit risk is the possibility of loss arising from the inability of a client or a counter party to meet its commitments to the Group. It is inherent in most banking products and activities. Credit risk management and control within the Group is guided by the Group's credit policy. The credit policy outlines procedures for accurate assessment, proper approval and consistent monitoring of credit risk.

Maximum exposure to credit risk before collateral held or other credit enhancement

Credit risk exposure relating to on-balance sheet assets are as follows:	**Maximum Exposure 31 Dec 2024 ZiG**	**Maximum Exposure 31 Dec 2023 ZiG**
Cash and bank balances	122 718 371	63 600 013
Treasury bills and other financial assets	203 612 667	9 343 505
Gross loans and advances to customers	440 802 640	201 694 072
Assets pledged as collateral	124 448 662	61 960 617
Other receivables and prepayments	34 380 880	98 273 203
	925 963 220	**434 871 410**
Credit risk exposure relating to off-balance sheet assets are as follows:		
Loan commitments and guarantees	-	6 275
Maximum exposure to credit risk	**925 963 220**	**434 877 685**

Financial guarantees. Financial guarantees principally represent guarantees that require the Group to make certain payments if guarantee holders fail to meet their financial obligations. There was no potential obligation resulting from these guarantees

There is no significant risk with respect to cash and cash equivalents as the Group holds bank accounts with large financial institutions with sound financial and capital cover. The fair value of cash and cash equivalents at the reporting date approximates the carrying amount.

Loans and advances (including assets pledged as collateral) are summarised as follows:

Loans and advances (including assets pledged as collateral) are summarised as follows:	31 Dec 2024 ZiG	31 Dec 2023 ZiG
Stage 1	161 460 744	186 379 805
Stage 2	58 122 498	6 931 335
Stage 3	221 219 398	8 382 932
Gross	**440 802 640**	**201 694 072**
Less: allowance for impairment	(21 341 009)	(7 340 744)
Net	**419 461 631**	**194 353 328**

3.3 Liquidity risk

Liquidity risk is the possibility that the Group may fail to cover its financial obligations as they fall due. The risk arises as a result of mismatches between the maturities of assets and liabilities.

Management manages liquidity risk through cash flow and maturity mismatch management. They meet regularly to set and review the Group's strategies. The treasury department has the responsibility to implement and maintain a liquidity management strategy to ensure that the Group has sufficient liquidity to meet its daily liquidity obligations .

The Group has developed a comprehensive contingency liquidity plan to ensure that the Group does not get affected in case of a major market upset.

The Group uses the following strategies in its liquidity risk management:
- Day-to-day funding, managed by monitoring future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature or are borrowed by customers.
- Maintains a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- Monitoring the liquidity ratios of the statement of financial position against internal and regulatory requirements;
- Diversification of liabilities to achieve a stable funding base and avoid excessive reliance on any one counter party;
- Maturity mismatch limits for its cumulative funding positions; and
- Access to inter-bank markets.

Contract maturity analysis
Sources of liquidity are regularly reviewed by a separate team in Treasury function to maintain a wide diversification by provider, product and term.

Notes to the Consolidated Financial Statements (continued)
for the year ended 31 December 2024

As at 31 December 2024	Up to 1 month ZiG	1 to 3 months ZiG	3 to 9 months ZiG	9 to 12 months ZiG	over 12 months ZiG	Total ZiG
Assets						
Cash and bank balances	122 718 371	-	-	-	-	122 718 371
Investment securities	5 997 372	-	-	-	-	5 997 372
Financial assets at fair value through other comprehensive income	-	-	-	-	51 425 073	51 425 073
Treasury bills and other financial assets	-		-	-	133 868 658	133 868 658
Trading assets pledged as collateral	-	8 494 476	-	-	124 448 662	132 943 138
Loans and advances to customers	129 179 507	68 222 594	-	158 006 079	64 053 451	419 461 631
Total	**257 895 250**	**76 717 070**	**-**	**158 006 079**	**373 795 844**	**866 414 243**
Liabilities						
Deposits from customers	169 061 084	18 662 610	1 132 949	-	-	188 856 643
Bonds	-	-	-	-	109 040 753	109 040 753
Local lines of credit	217 816 401	-	-	-	-	217 816 401
Other liabilities	-	-	-	146 511 504	-	146 511 504
Lease Liability	-	-	-	-	545 414	545 414
Total	**386 877 485**	**18 662 610**	**1 132 949**	**146 511 504**	**109 586 167**	**662 770 715**
Gap	(128 982 235)	58 054 460	(1 132 949)	11 494 575	264 209 677	203 643 528
Contingent liabilities:						
Loan commitments and guarantees	-	-	-	-	-	-
Total gap	**(128 982 235)**	**58 054 460**	**(1 132 949)**	**11 494 575**	**264 209 677**	**203 643 528**
Total cumulative gap	**(128 982 235)**	**(70 927 775)**	**(72 060 724)**	**(60 566 149)**	**203 643 528**	

As at 31 December 2023	Up to 1 month ZiG	1 to 3 months ZiG	3 to 9 months ZiG	9 to 12 months ZiG	over 12 months ZiG	Total ZiG
Assets						-
Cash and bank balances	63 600 013	-	-	-	-	63 600 013
Investment securities	2 383 989	-	-	-	-	2 383 989
Financial assets at fair value through other comprehensive income	-	-	-	-	82 880 552	82 880 552
Treasury bills and other financial assets	-	-	-	-	9 343 505	9 343 505
Trading assets pledged as collateral	-	-	-	-	61 960 617	61 960 617
Non-current assets held for sale		-	-	-	-	-
Loans and advances to customers	25 354 718	21 716 718	-	107 041 754	40 240 138	194 353 328
Total	**91 338 720**	**21 716 718**	**-**	**107 041 754**	**194 424 812**	**414 522 004**
Liabilities						
Deposits from customers	85 474 989	1 056 434	15 022 459	-	-	101 553 882
Bonds	-	21 775 018	23 226 639	45 001 656	3 176 195	93 179 508
Local lines of credit	55 865 586	-	-	-	-	55 865 586
Other liabilities	-	-	-	217 161 586	-	217 161 586
Lease Liability	-	-	-	-	124 521	124 521
Total	**141 340 575**	**22 831 452**	**38 249 098**	**262 163 242**	**3 300 716**	**467 885 083**
Gap	(50 001 855)	(1 114 734)	(38 249 098)	(155 121 488)	191 124 096	(53 363 079)
Contingent liabilities:						
Loan commitments and guarantees	-	-	-	-	-	-
Total gap	**(50 001 855)**	**(1 114 734)**	**(38 249 098)**	**(155 121 488)**	**191 124 096**	**(53 363 079)**
Total cumulative gap	**(50 001 855)**	**(51 116 589)**	**(89 365 687)**	**(244 487 175)**	**(53 363 079)**	

Notes to the Consolidated Financial Statements (continued)
for the year ended 31 December 2024

Interest rate risk

The table below summarises the Group's exposure to interest rate risks. It includes the Group's financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

Interest rate repricing gap analysis

As at 31December 2024	Up to 1 month ZiG	1 to 3 months ZiG	3 to 9 months ZiG	9 to 12 months ZiG	over 12 months ZiG	Non interest bearing ZiG	Total ZiG
Assets							
Cash and bank balances	122 718 371	-	-	-	-	-	122 718 371
Investment securities	-	-	-	-	-	5 997 372	5 997 372
Loans and advances to customers	129 179 507	68 222 594	-	158 006 079	64 053 451	-	419 461 631
Financial assets at fair value through other comprehensive income	-	-	-	-	-	51 425 073	51 425 073
Treasury bills and other financial assets	-	-	-	-	133 868 658	-	133 868 658
Trading assets pledged as collateral	-	8 494 476	-	-	124 448 662	-	132 943 138
Total assets	**251 897 878**	**76 717 070**	**-**	**158 006 079**	**322 370 771**	**57 422 445**	**866 414 243**
Equity and liabilities							
Deposits from customers	169 061 084	18 662 610	1 132 949	-	-	-	188 856 643
Local lines of credit	217 816 401	-	-	-	-	-	217 816 401
Other liabilities		-	-	-	146 511 504	-	146 511 504
Lease Liability	-	-	-	-	-	545 414	545 414
Total equity and liabilities	**386 877 485**	**18 662 610**	**1 132 949**	**-**	**146 511 504**	**545 414**	**553 729 962**
Total interest repricing gap	**(134 979 607)**	**58 054 460**	**(1 132 949)**	**158 006 079**	**175 859 267**	**56 877 031**	**312 684 281**
Total cumulative gap	**(134 979 607)**	**(76 925 147)**	**(78 058 096)**	**79 947 983**	**255 807 250**	**312 684 281**	

As at 31 December 2023	Up to 1 month ZiG	1 to 3 months ZiG	3 to 9 months ZiG	9 to 12 months ZiG	over 12 months ZiG	Non interest bearing ZiG	Total ZiG
Assets							
Cash and bank balances	63 600 013	-	-	-	-	-	63 600 013
Investment securities	-	-	-	-	-	2 383 989	2 383 989
Loans and advances to customers	25 354 718	21 716 718	-	107 041 754	40 240 138	-	194 353 328
Financial assets at fair value through other comprehensive income	-	-	-	-	-	82 880 552	82 880 552
Treasury bills and other financial assets	-	-	-	-	9 343 505	-	9 343 505
Trading assets pledged as collateral	-	-	-	-	61 960 617	-	61 960 617
Total assets	**88 954 731**	**21 716 718**	**-**	**107 041 754**	**111 544 260**	**85 264 541**	**414 522 004**
Equity and liabilities							
Deposits from customers	85 474 989	1 056 434	15 022 459	-	-	-	101 553 882
Bonds	-	21 775 018	23 226 639	45 001 656	3 176 195	-	93 179 508
Local lines of credit	55 865 586	-	-	-	-	-	55 865 586
Other liabilities	-	-	-	217 161 586	-	-	217 161 586
Lease liability	-	-	-	-	124 521	-	124 521
Total equity and liabilities	**141 340 575**	**22 831 452**	**38 249 098**	**262 163 242**	**3 300 716**	**-**	**467 885 083**
Total interest repricing gap	**(52 385 844)**	**(1 114 734)**	**(38 249 098)**	**(155 121 488)**	**108 243 544**	**85 264 541**	**(53 363 079)**
Total cumulative gap	**(52 385 844)**	**(53 500 579)**	**(91 749 676)**	**(246 871 164)**	**(138 627 620)**	**(53 363 079)**	

3.4.3 Interest risk sensitivity analysis

The table below indicates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, and the impact on the Group's statement of comprehensive income. The rates used for the sensitivity are approved by the Management Assets and Liabilities Committee (MALCO).

Interest rate change	Effect on profit for the period 2024 ZiG	Effect on profit for the period 2023 ZiG
5% increase / (decrease)	2 918 961	7 365 223
10% increase / (decrease)	5 837 922	14 730 446

3.4.4 Foreign exchange risk

The Group is exposed to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Board sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions, which are monitored daily. The table below summarises the Group's exposure to foreign currency exchange rate risk as at 31 December.

Concentration of currency risk on off-balance sheet financial instruments as at 31 December was as follows:

3.4.4 Foreign exchange risk

The Group is exposed to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Board sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions, which are monitored daily. The table below summarises the Group's exposure to foreign currency exchange rate risk as at 31 December.

Concentration of currency risk on off-balance sheet financial instruments as at 31 December was as follows:

As at 31 December 2024	ZiG	US$ ZiG equivalent	ZAR ZiG equivalent	BWP ZiG equivalent	GBP ZiG equivalent	EURO ZiG equivalent	Total ZiG
Assets							
Cash and bank balances	5 324 838	117 274 390	27 069	1 533	57 764	32 777	122 718 371
Investment securities	5 997 372	-	-	-	-	-	5 997 372
Loans and advances to customers	2 885 068	416 576 563	-	-	-	-	419 461 631
Treasury bills and other financial assets	-	203 612 667	-	-	-	-	203 612 667
Assets pledged as collateral	124 448 662	-	-	-	-	-	124 448 662
Financial assets at fair value through other comprehensive income	15 708 365	35 716 708	-	-	-	-	51 425 073
Other receivables and prepayments	34 380 880	-	-	-	-	-	34 380 880
	188 745 185	**773 180 328**	**27 069**	**1 533**	**57 764**	**32 777**	**962 044 656**
Equity and liabilities							
Deposits from customers	15 752 382	173 103 196	1 065	-	-	-	188 856 643
Bonds	-	111 044 755	-	-	-	-	111 044 755
Local lines of credit	106 771 647	-	-	-	-	-	106 771 647
Lease Liability	-	545 414	-	-	-	-	545 414
Other liabilities	146 511 504	-	-	-	-	-	146 511 504
	269 035 533	**284 693 365**	**1 065**	**-**	**-**	**-**	**553 729 963**
Net foreign exchange position	**(80 290 348)**	**488 486 963**	**26 004**	**1 533**	**57 764**	**32 777**	**297 269 940**

Notes to the Consolidated Financial Statements (continued)
for the year ended 31 December 2024

3.4.4 Foreign exchange risk (continued)

As at 31 December 2023	ZiG	US$ ZiG equivalent	ZAR ZiG equivalent	BWP ZiG equivalent	GBP ZiG equivalent	EURO ZiG equivalent	Total ZiG
Assets							
Cash and bank balances	22 355 625	41 140 162	34 515	984	43 638	25 089	63 600 013
Investment securities	2 383 989	-	-	-	-	-	2 383 989
Loans and advances to customers	22 534 666	171 818 662	-	-	-	-	194 353 328
Treasury bills and other financial assets	9 343 505	-	-	-	-	-	9 343 505
Assets pledged as collateral	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	82 880 552	-	-	-	-	-	82 880 552
Other receivables an d prepayments	98 273 203	-	-	-	-	-	98 273 203
	237 771 540	**212 958 824**	**34 515**	**984**	**43 638**	**25 089**	**450 834 590**
Equity and liabilities							
Deposits from customers	96 967 130	4,586,084	668	-	-	-	101 553 882
Bonds	-	93 179 508	-	-	-	-	93 179 508
Local lines of credit	55 865 586	-	-	-	-	-	55 865 586
Lease liability	124 521	-	-	-	-	-	124 521
Other liabilities	217 161 586	-	-	-	-	-	217 161 586
	370 118 823	**97 765 592**	**668**	**-**	**-**	**-**	**467 885 083**
Net foreign exchange position	**(132 347 283)**	**115 193 232**	**33 847**	**984**	**43 638**	**25 089**	**(17 050 493)**

The Group had no off balance sheet foreign currency exposure as at 31 December 2024 (31 December 2023 - ZiG nil).

Notes to the Consolidated Financial Statements (continued)
for the year ended 31 December 2024

4 FAIR VALUE FINANCIAL ASSETS AND LIABILITIES

4.1.1 Fair value estimation
The following table presents the Group's assets and liabilities that are measured at fair value:

As at 31 December 2024	ZiG Level 1	Level 2	ZiG Level 3
Investment securities	5 997 372	-	-
Financial assets at fair value through other comprehensive income	-	-	51 425 073
Total assets	**5 997 372**	**-**	**51 425 073**
Total liabilities	**-**	**-**	**-**
At 31 December 2023			
Investment securities	2 383 989	-	-
Financial assets at fair value through other comprehensive income	-	-	82 880 552
Total assets	**2 383 989**	**-**	**82 880 552**
Total liabilities	**-**	**-**	**-**

4.1.2 Financial instruments not measured at fair value
The table below summarises the carrying amounts of those financial assets and liabilities presented in the Group's statement of financial position. The fair value of the financial instruments approximates carrying amount.

	Carrying amount 31-Dec-24 ZiG	Fair value 31-Dec-24 ZiG	Carrying amount 31-Dec-23 ZiG	Fair value 31-Dec-23 ZiG
Financial assets :				
Treasury bills and other financial assets	203 612 667	203 612 667	9 343 505	9 343 505
Loans and advances to customers	419 461 631	419 461 631	194 353 328	194 353 328
Assets pledged as collateral	124 448 662	124 448 662	61 960 617	61 960 617
Financial liabilities:				
Deposits from customers	188 856 643	188 856 643	101 553 882	101 553 882
Bonds and local lines of credit	217 816 401	217 816 401	149 045 094	149 045 094

It is assessed that the carrying amounts approximates their fair values.

(a) Loans and advances to customers

Loans and advances are net of charges for impairment. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value. As the loans and advances are issued at variable rates, the carrying amount approximates fair value.

(b) Deposits from customers

The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand. All deposits are in this category therefore the carrying amount approximates fair value.

4.1.3 Risk limit control and mitigation policies

The Group manages, limits and controls concentrations of credit risk wherever they are identified – in particular, to individual counterparties and groups, and to industries.

The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by product, and industry sector are approved by the Board of Directors.

Exposure to credit risk is also managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate. Some other specific control and mitigation measures are outlined below:

a) Collateral

The Group employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advanced, which is common practice. The Group implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgages over residential properties; and
- Charges over business assets such as premises, inventory and trade receivables.
- Sinking funds with ring fenced cashflows

Longer-term finance and lending to corporate entities are generally secured. In addition, in order to minimize the credit loss, the Group will seek additional collateral from the counterparty as soon as impairment indicators are noticed for the relevant individual loans and advances.

b) Credit-related commitments

The primary purpose of these instruments is to ensure that funds are available to a customer when required. Guarantees and standby letters of credit carry the same credit risk as loans. Documentary and commercial letters of credit – which are written undertakings by the Group on behalf of a customer authorising a third party to draw drafts on the Group up to a stipulated amount under specific terms and conditions - are collateralised by the underlying shipments of goods to which they relate and therefore carry less risk than a direct loan.

Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Group is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amounts of loss is less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Group monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

4.2 Impairment losses on financial assets

The measurement of impairment losses both under IFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Bank's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Bank's internal credit grading model, which assigns PDs to the individual grades
- The Bank's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs

Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs

- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

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5	CASH AND BANK BALANCES	31-Dec-24 ZiG	31-Dec-23 ZiG
	Cash on hand	17 169 638	34 056 480
	Balances with banks	105 548 733	29 543 533
		122 718 371	**63 600 013**
	Balances with banks		
	Balance with the Central Bank	89 409 359	11 207 524
	Bank deposits	10 544 906	8 066 937
	Placements with other banks	5 594 468	10 269 072
	Net placements due	**105 548 733**	**29 543 533**
6	**INVESTMENT SECURITIES**		
	At 1 January	2 383 989	1 285 682
	Translation from ZWL to ZiG currency	(3 383 809)	-
	Additions	-	-
	Net gain through profit or loss	6 997 192	1 098 307
	At 31 December	**5 997 372**	**2 383 989**

Changes in fair value of investment securities are presented as non-cash adjustments to cash flows from operating activities in the statement of cash flows. Changes in fair values of investment securities are recorded in statement of profit or loss and other comprehensive income. The fair value of all equity securities is based on their current bid prices in an active market, the Zimbabwe Stock Exchange ("ZSE").

7	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	31-Dec-24 ZiG	31-Dec-23 ZiG
	At 1 January	82 880 552	74 890 729
	Unrealised loss	-	(14 659 010)
	Additions	463 863	2 596 634
	Net fair value loss on financial assets at fair value through other comprehensive income	(31 919 342)	20 052 199
	At 31 December 2024	**51 425 073**	**82 880 552**
	Financial assets at fair value through other comprehensive income include the following;		
	Unlisted securities:		
	Equity securities - Zimbabwe	15 708 365	2 380 958
	Equity securities - Botswana	35 716 708	80 499 594
		51 425 073	**82 880 552**
8	**TREASURY BILLS AND OTHER FINANCIAL ASSETS**		
	Treasury bills as substitution for debt instruments	-	133
	Capitalisation Treasury Bills	199 515 280	8 957 694
	Treasury bills acquired from the market	-	-
	Accrued Interest	9 420 046	1 398 799
	Less Impairment allowances	(5 322 659)	(1 013 121)
		203 612 667	**9 343 505**

The Bank's treasury bills portfolio consists of the following:

Issuer	Issue date	Maturity amount	Maturity date	Coupon rate	Discount rate	Purpose
Government of Zimbabwe	10/08/2023	US$4 442 162	08/08/2028	5%	10%	TBs issued in lieu of outstanding amounts.
Government of Zimbabwe	22/11/2024	US$10 000 000	22/11/2029	5%	10%	Capital injection

It is the Bank's intention to hold these treasury bills to maturity and use these financial assets as collateral in raising money market deposits

8.1 Assets pledged as collateral

The nature and carrying amounts of the assets pledged as collateral are as follows:

	Assets		Related Liability	
	31-Dec-24 ZiG	31-Dec-23 ZiG	31-Dec-24 ZiG	31-Dec-23 ZiG
Treasury bills	124 448 662	61 960 617	123 833 658	54 103 645
Current	**124 448 662**	**61 960 617**	**123 833 658**	**54 103 645**

Assets pledged as collateral are financial assets purchased or acquired which are subsequently pledged as collateral for fixed deposits and bankers acceptances from other financial institutions.

9 LOANS AND ADVANCES TO CUSTOMERS	31-Dec-24 ZiG	31-Dec-23 ZiG
Individual		
- term loans and mortgages	115 749 630	30 594 072
Corporate		
- corporate customers	325 053 010	171 100 001
Gross loans and advances to customers	440 802 641	201 694 072
Less: allowance for impairment (Note 9.1.2)	(21 341 010)	(7 340 744)
Net loans and advances to customers	**419 461 631**	**194 353 328**
Current	355 408 179	154 113 190
Non-current	64 053 452	40 240 138
	419 461 631	**194 353 328**
9.1 Loan impairment allowance		
Stage 1-12 Month expected credit loss allowance charge	10 487 862	6 359 370
Stage 2- Lifetime expected credit loss allowance not credit impaired	2 190 268	483 726
Stage 3- Lifetime expected credit loss allowance credit impaired	8 662 880	497 648
Net loan impairment loss	**21 341 010**	**7 340 744**
9.1.1 Maturity analysis of loans and advances to customers		
Up to one month	129 179 507	25 354 717
Up to three months	68 222 594	21 716 718
Up to one year	158 006 078	107 041 754
Up to 3 years	61 846 835	39 992 395
Up to 5 years	1 365 371	188 896
Later than 5 years	841 246	58 848
	419 461 631	**194 353 328**

Notes to the Consolidated Financial Statements (continued)
for the year ended 31 December 2024

9.1.2 Analysis of ECL in relation to loans and advances as at 31 December 2024

	Stage1	Stage 2	Stage 3	Total
Loans and advances subject to Stage 1:12 month ECL	161 460 744	-	-	161 460 744
Loans and advancessubject to Stage 2:Life ECL not credit impaired	-	58 122 498	-	58 122 498
Loans and advances subject to Stage 3:Life ECL credit impaired	-	-	221 219 399	221 219 399
Gross loans and advances	**161 460 744**	**58 122 498**	**221 219 399**	**440 802 641**
Less impairment allowances				
Stage 1:12 month ECL	(10 487 862)	-	-	(10 487 862)
Stage 2:Life ECL not credit impaired	-	(2 190 268)	-	(2 190 268)
Stage 3:Life ECL credit impaired	-	-	(8 662 880)	(8 662 880)
Net loans and advances to customers	**150 972 882**	**55 932 230**	**212 556 519**	**419 461 631**

Analysis of ECL in relation to loans and advances as at 31 December 2023

	Stage1	Stage 2	Stage 3	Total
Loans and advances subject to Stage 1:12 month ECL	186 379 805	-	-	186 379 805
Loans and advances subject to Stage 2:Life ECL not credit impaired	-	6 931 335	-	6 931 335
Loans and advances subject to Stage 3:Life ECL credit impaired	-	-	8 382 932	8 382 932
Gross loans and advances	**186 379 805**	**6 931 335**	**8 382 932**	**201 694 072**
Less impairment allowances				
Stage 1:12 month ECL	(6 359 370)	-	-	(6 359 370)
Stage 2:Life ECL not credit impaired	-	(483 726)	-	(483 726)
Stage 3:Life ECL credit impaired	-	-	(497 648)	(497 648)
Net loans and advances to customers	**180 020 435**	**6 447 609**	**7 885 284**	**194 353 328**

9.1.3 Sectorial analysis of loans and advances to customers	**Percentage (%)**	**31-Dec-24 ZiG**	**Percentage (%)**	**31-Dec-23 ZiG**
Manufacturing	-	-	-	-
Retail	-	-	-	-
Agro processing	2	6 741 694	3	6 609 501
Financial services	-	-	-	-
Transport	-	-	-	-
Construction	16	69 748 737	9	18 381 986
Energy	-	2 077 542	1	2 716 891
Mortgages	26	113 765 063	18	35 057 267
Individuals and other services	57	248 469 605	69	138 928 427
Gross value of loans and advances	100	440 802 641	100	201 694 072
Less allowance for impairment		(21 341 010)		(7 340 744)
		419 461 631		**194 353 328**

10 OTHER RECEIVABLES AND PREPAYMENTS	**31-Dec-24 ZiG**	**31-Dec-23 ZiG**
Receivables	44 236 925	92 403 068
Less impairment loss	(23 201 832)	(19 638 115)
Net receivables	21 035 093	72 764 953
Pre-payments	13 345 787	25 508 250
	34 380 880	**98 273 203**

Notes to the Consolidated Financial Statements (continued)
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11	INVENTORIES	31-Dec-24 ZiG	31-Dec-23 ZiG
	Inventory - housing units	1 449	586 473
	Inventory - serviced stands	20 445 252	51 990 699
	Work in progress	6 651 068	122 564 515
	Consumables and materials	1 023 916	748 149
		28 121 685	**175 889 836**

Included in work in progress are land development costs for Waneka. These are qualifying costs for capitalisation in accordance with IAS 2.

12 INVESTMENTS IN SUBSIDIARIES, JOINT OPERATION AND ASSOCIATES

The Group enters into business arrangements with various entities/parties notably in the area of housing development. Judgement is applied in the assessment of the underlying agreements so as to determine whether the arrangements result in subsidiaries, joint operations, joint ventures or associates. Notes 2.3 (a) – (e) describe the Group's accounting policies on how these business arrangements are evaluated.

As at 31 December 2024 the Bank had the following investments in associates

12.1 Investment in subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			as at 31-Dec-24 %	as at 31-Dec-23 %
Waneka Properties (Private) Limited	Property development	Zimbabwe	70	70
Norton Medical Investments (Private) Limited	Medical services	Zimbabwe	60	60
Kariba Housing Development Project	Property development	Zimbabwe	90	90
Mazvel Investments (Private) Limited. Phase 1	Property development	Zimbabwe	43	57
Samukele Lodges (Private) Limited	Hospitality	Zimbabwe	100	100
Changamire Inkosi Investments (Private) Limited	Property Investment	Zimbabwe	60	60
Kanyemba Fishing Lodge (Private) Limited	Hospitality	Zimbabwe	63	37

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	interest and voting rights held by non-controlling interests		Profit/(loss) allocated to non-controlling interests		Accumulated non-controlling interests	
	31-Dec-24 %	31-Dec-23 %	31-Dec-24 ZiG	31-Dec-23 ZiG	31-Dec-24 ZiG	31-Dec-23 ZiG
Waneka Properties (Private) Limited	30	30	181 228	7 005	2 499 766	282,108
Norton Medical Investments (Private) Limited	40	40	(204 094)	(24 209)	4 296 109	119 506
Kariba Housing Development Project	10	10	-	51 281	-	6 168
Mazvel Investments (Private) Limited. Phase 1	57	57	36 172 082	(67 669 405)	(16 786 593)	(73 005 620)
Samukele Lodges (Private) Limited	100	100	-	-	-	-
Changamire Inkosi Investments (Private) Limited	40	40	845 230	15 677 059	3 433 531	(10 555 948)
Kanyemba Fishing Lodge (Private) Limited	37	63	(1 803 322)	-	-	-
Total			**36 994 446**	**(51 958 269)**	**(6 557 187)**	**(83 153 786)**

Notes to the Consolidated Financial Statements (continued)
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12.3	Carrying amount of the investment in associates	31-Dec-24 ZiG	31-Dec-23 ZiG
	Balance as at 1 January	9 243 840	5 811 024
	Translation from ZWL to ZiG currency	9 207 267	-
	Equity contribution for associate companies	1 002 233	4 762 012
	Share of loss from associates	(669 024)	(1 329 196)
	Transfer to Investment in subsidiaries	(9 243 840)	-
	Derecognition of an associate	(245)	-
	Balance as at 31 December 2024	**9 540 231**	**9 243 840**

13	INVESTMENT PROPERTY	31-Dec-24 ZiG	31-Dec-23 ZiG
	Balance as at 1 January	120 045 249	106 262 667
	Additions during the year	6 903 919	360 967
	Disposals for the year	(6 966 491)	(39 260 525)
	Transfer from non current assets held for sale	-	2 193 235
	Net gain from fair value adjustment	115 551 694	71 721 201
	Balance as at 31 December 2024	**235 534 371**	**120 045 249**
	Analysis by nature		
	Residential properties	54 169 626	37 506 827
	Commercial and industrial properties	181 364 745	82 538 422
		235 534 371	**120 045 249**

The Bank's investment properties comprise commercial and residential properties that are rented out to third parties and land held for future projects development. The investment properties were measured at fair value as per valuations made by a registered external valuer as per our valuation has been prepared in accordance with the RICS Valuation – Professional Standards (9th Edition) published by the Royal Institution of Chartered Surveyors and in accordance with IVSC International Valuation Standard 1 (IVS 1, 2011) on the basis of Fair Value for financial reporting. Documentation of ownership such as title deeds, agreements of sales, and lease agreements and documentantion such as change of use, development permits, tenancy, rental and occupancy schedules were analyzed to gauge how they fare with the market rentals, and market occupancy levels. The comparison and investment/income approach was mainly utilized to arrive at the market rentals which were capitalized to arrive at the market values. With regards to land, the comparison and residual value method was applied to arrive at the market values taking into consideration the permissible land use, location, surrounding developments, and extent of the land size.

The properties were considered as if free and clear of all encumbrances, i.e. easements, pre-emption clauses, liens or any other restrictions on title. We have not taken into account any liability of the property portfolio regarding taxes, single or recurring public or private charges, local taxes and costs

Measurement of fair value
The fair value for the Bank's investment properties was categorised under level 3 in the fair value hierarchy based on the inputs used for the valuation technique explained above.

No investment properties were pledged as collateral security for fixed term deposits.

Included in the consolidated statement of profit or loss and other comprehensive income are the following historical cost amounts which relate to investment properties held by the Group.

	31-Dec-24 ZiG	31-Dec-23 ZiG
Rental income	41 588	2 702 664

14	NON-CURRENT ASSETS HELD FOR SALE		
	Balance as at 1 January	**-**	**20 675 460**
	Disposals for the year	-	(16 725 757)
	Transfer to Investment properties	-	(2 193 235)
	Loss on monetary value	-	(1 756 468)
	Balance as at 31 December 2024	**-**	**-**

Notes to the Consolidated Financial Statements (continued)
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15 PROPERTY AND EQUIPMENT

	Freehold Land and buildings ZiG	Computer and office equipment ZiG	Motor vehicles ZiG	Fixtures and fittings ZiG	Capital work in progress ZiG	Total ZiG
COST						
At 01 January 2023	**23 113 325**	**11 989 639**	**10 449 283**	**4 039 090**	**3 991 701**	**53 583 038**
Additions	-	1 122 338	-	-	-	1 122 338
Capitalisations	-	-	-	4 242	-	4 242
Revaluation gain	21 594 104	(7 527 896)	588 475	(2 085 839)	-	12 568 845
Foreign currency translation reserve	(6 721 387)	(839 732)	(1 646 303)	(294 188)	-	(9 501 611)
Disposals	-	-	(88 198)	-	(3 991 701)	(4 079 899)
Transfer to assets held for sale	-	-	-	-	-	-
At 31 December 2023	**37 986 042**	**4 744 349**	**9 303 257**	**1 663 305**	**-**	**53 696 953**
At 01 January 2024	**37 986 042**	**4 744 349**	**9 303 257**	**1 663 305**	**-**	**53 696 953**
Additions	388 995	1 138 221	1 754 610	58 339	14 311 690	17 651 855
Capitalisations	-	14 308	-	-	-	14 308
Revaluation gain / (loss)	44 919 604	989 304	6 707 147	(285 316)	-	52 330 739
Disposals	-	-	(273 631)	-	-	(273 631)
Translation from ZWL to ZiG currency	(388 995)	2 006 545	-	254	-	1 617 804
At 31 December 2024	**82 905 646**	**8 892 727**	**17 491 383**	**1 436 582**	**14 311 690**	**125 038 028**
ACCUMULATED DEPRECIATION AND IMPAIRMENT						
At 01 January 2023	**-**	**6 065 584**	**3 547 487**	**2 283 431**	**1 044 497**	**12 940 999**
Charge for the year	462 266	2 581 641	2 089 429	816 303	-	5 949 639
Eliminated on disposals	-	-	-	-	(1 044 497)	(1 044 497)
Eliminated on revaluation	(462 266)	(8 647 225)	(5 636 916)	(3 099 734)	-	(17 846 143)
At 31 December 2023	**-**	**-**	**-**	**-**	**-**	**-**
At 01 January 2024	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	715 534	3 484 711	4 154 644	1 545 688	-	9 900 577
Eliminated on disposals	-	(4 091)	(22 803)	-	-	(26 894)
Eliminated on revaluation	(715 534)	(3 480 620)	(4 131 841)	(1 545 688)	-	(9 873 683)
Translation from ZWL to ZiG currency	-	-	-	-	-	-
At 31 December 2024	**-**	**-**	**-**	**-**	**-**	**-**
CARRYING AMOUNT						
Cost at 31 December 2023	37 986 042	4 744 349	9 303 257	1 663 305	-	53 696 953
Accumulated depreciation at 31 December 2023	-	-	-	-	-	-
Carrying amount at 31 December 2023	**37 986 042**	**4 744 349**	**9 303 257**	**1 663 305**	**-**	**53 696 953**
Cost at 31 December 2024	82 905 646	8 892 727	17 491 383	1 436 582	14 311 690	125 038 028
Accumulated depreciation at 31 December 2024	-	-	-	-	-	-
Carrying amount at 31 December 2024	**82 905 646**	**8 892 727**	**17 491 383**	**1 436 582**	**14 311 690**	**125 038 028**

16 INTANGIBLE ASSETS

COMPUTER SOFTWARE

COST	
At 01 January 2023	**7 266 019**
At 31 December 2023	**7 266 019**
At 01 January 2024	**7 266 019**
At 31 December 2024	**7 266 019**
ACCUMULATED ARMOTISATION	
At 01 January 2023	**3 671 514**
Charge for the year	1 816 505
At 31 December 2023	**5 488 019**
At 01 January 2024	**5 488 019**
Charge for the year	1 987 586
Translation from ZWL to ZiG currency	(905 382)
At 31 December 2024	**6 570 222**
CARRYING AMOUNT	
Cost at 31 December 2023	7 266 019
Accumulated amortisation at 31 December 2023	(5 488 019)
Carrying amount at 31 December 2023	**1 778 000**
Cost at 31 December 2024	7 266 019
Accumulated amortisation at 31 December 2024	(6 570 222)
Carrying amount at 31 December 2024	**695 797**

17 RIGHT OF USE ASSETS

	31-Dec-24 ZiG	31-Dec-23 ZiG
Cost		
At 01 January	1 755 674	1 241 361
Remeasurements / Adjustments	555 463	514 313
Translation from ZWL to ZiG currency	15 044	-
Balance	**2 326 181**	**1 755 674**
Accumulated Depreciation		
At 01 January	1 246 652	382 148
Charge for the year	1 984 126	864 504
Remeasurements / Adjustments	(376 072)	-
Translation from ZWL to ZiG currency	(1 216 789)	-
Balance	**1 637 917**	**1 246 652**
Carrying Amount	**688 264**	**509 022**

Notes to the Consolidated Financial Statements (continued)
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18 DEFERRED TAXATION

18.1 Deferred Tax Asset
Deferred tax asset is the amount of income taxes recoverable in future years in respect of deductible temporary differences, unused tax losses and unused tax credits.

	31-Dec-24 ZiG	31-Dec-23 ZiG
Opening Balance	17 894 604	9 651 420
Translation from ZWL to ZiG currency	(17 557 226)	-
Charge for the year	-	8 243 183
Transfer to deferred tax liability	-	-
Closing Balance	**337 378**	**17 894 604**

18.2 Deferred Tax Liability
Deferred tax liability represents the amount of income taxes payable in future years in respect of taxable temporary differences.

	31-Dec-24 ZiG	31-Dec-23 ZiG
Opening Balance	-	-
Charge for the year	22 209 420	-
Transfer from deferred tax asset	(1 079 900)	-
Closing Balance	**21 129 520**	**-**

19 SHARE CAPITAL AND SHARE PREMIUM

Authorised share capital
150 000 000 ordinary shares with a nominal value of ZiG0,01.

The directors are authorised to issue an unlimited number of preference shares as approved by shareholders.

Issued share capital	Number of shares	Share capital ZiG	Share premium ZiG	Amounts Awaiting Allotment ZiG	Total ZiG
At 1 January 2023	**24 064 721**	**164 159**	**389 362 924**	**20 180 204**	**409 707 287**
Issue of shares	3 091 389	-	-	-	-
Allotment of shares	2 898 177	-	-	22 674 589	22 674 589
At 31 December 2023	**30 054 287**	**164 159**	**389 362 924**	**42 854 793**	**432 381 876**
At 1 January 2024	**30 054 287**	**164 159**	**389 362 924**	**42 854 793**	**432 381 876**
Issue of shares	-	-	-	-	-
Allotment of shares	-	-	-	255 727 225	255 727 225
Discounting of Treasury Bills	-	-	-	(48 622 174)	(48 622 175)
At 31 December 2024	**30 054 287**	**164 159**	**389 362 924**	**249 959 844**	**639 486 926**

20 FOREIGN CURRENCY TRANSLATION RESERVE

	31-Dec-24 ZiG	31-Dec-23 ZiG
At the beginning of the year	111 701 518	111 708 934
Charge for the year	-	652.00
Foreign currency translation reserve	(127 545 733)	-
Transfer from FCTR to Retained Earnings on disposal of investments	-	(4 481.00)
Transfer from FCTR to NCI	-	(3 587.00)
At the end of the year	**(15 844 215)**	**111 701 518**

Notes to the Consolidated Financial Statements (continued)
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21	REVALUATION RESERVE	31-Dec-24 ZiG	31-Dec-23 ZiG
	At the beginning of the year	67 245 810	45 294 052
	Translation from ZWL to ZiG currency	(1 733 072)	-
	Charge for the year	62 204 422	21 951 758
	At the end of the year	**127 717 160**	**67 245 810**

22	FAIR VALUE RESERVE	31-Dec-24 ZiG	31-Dec-23 ZiG
	At the beginning of the year	85 258 184	79 864 995
	Translation from ZWL to ZiG currency	-	(14 659 010)
	Charge for the year	(31 919 342)	20 052 199
	At the end of the year	**53 338 842**	**85 258 184**

23 PREFERENCE SHARE CAPITAL

The preference shares are 5% non-cumulative, non-redeemable and paid up preference shares with a par value of ZiG100.00 pershare. A dividend is payable at the discretion of Directors and is paid out of distributable profits.

No dividend has been declared during the financial year.

Issued preference share capital	Number of shares	Preference Share capital ZiG
At 1 January 2023	**382 830**	**74 049 071**
Issue of shares	-	-
At 31 December 2023	**382 830**	**74 049 071**
At 1 January 2024	**382 830**	**74 049 071**
Issue of shares	-	-
At31 December 2024	**382 830**	**74 049 071**

24	DEPOSITS FROM CUSTOMERS	31-Dec-24 ZiG	31-Dec-23 ZiG
	Deposits from customers are primarily comprised of amounts payable on demand and term deposits.		
	Large corporate customers	181 229 708	95 901 962
	Retail customers	7 626 935	5 651 920
		188 856 643	**101 553 882**
24.1	**Maturity analysis of deposits from customers**		
	Up to one month	169 061 085	85 474 990
	Up to three months	18 662 610	1 056 434
	Above six months	1 132 948	15 022 458
		188 856 643	**101 553 882**

Deposits due to customers only include financial instruments classified as liabilities at amortised cost. The fair value of the deposits approximate the fair value due to their short tenure.

24.2 Sectorial analysis of deposits from customers

	Percentage (%)	31-Dec-24 ZiG	Percentage (%)	31-Dec-23 ZiG
Financial markets	18.67	35 252 981	69.78	57 681 155
Fund managers and pension funds	26.67	50 358 844	8.12	9 818 616
Individuals	5.92	11 179 365	0.17	2 700 880
Government and public sector institutions	31.44	59 384 364	5.13	7 218 822
Other services	17.30	32 681 089	16.80	24 134 409
	100.00	**188 856 643**	**100.00**	**101 553 882**

Notes to the Consolidated Financial Statements (continued)
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25	LOCAL LINES OF CREDIT AND BONDS	31-Dec-24 ZiG	31-Dec-23 ZiG
	Bonds	109 040 753	93 179 508
	Lines of credit	108 775 648	55 865 586
	Total	**217 816 401**	**149 045 094**
	Current		
	Non current	217 816 401	149 045 094
		217 816 401	**149 045 094**

The movement in the balances during the year was as follows;

	ZiG Bonds	ZiG Lines of credit
At 1 January 2024	**93 179 508**	**55 865 586**
New issues/funding	(38 852 341)	-
Translation from ZWL to ZiG currency	163 489 234	52 910 062
At 31 December 2024	**217 816 401**	**108 775 648**

Lines of credit and bonds are recognised initially at fair value, net of transaction costs incurred. Lines of credit and bonds are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

26	OTHER LIABILITIES	31-Dec-24 ZiG	31-Dec-23 ZiG
	Accruals	44 272 062	7 094 556
	Provision for outstanding employee leave	4 444 123	648 876
	Dividend payable	62	408
	Value Added Tax Liability	293 774	473 086
	Withholding tax services	144 223	82 693
	IMT Tax	209 681	124 813
	Sundry creditors	41 596 121	14 541 801
	Projects accounts payable	1 351	8 824
	Deferred income	-	188 249 886
	Other	55 550 107	5 936 643
		146 511 504	**217 161 586**
27	**NET INTEREST INCOME**		
27.1	**Interest and related income:**		
	Loans and advances to large corporates	45 326 882	14 372 806
	Loans and advances to individuals	79 730	78 336
	Treasury bills and other financials assets	5 113 923	1 634 652
	Placements with local banks	33	1 071
	Mortgages	6 583 689	1 631 119
	Cash and bank balances	1 274 964	1 599 803
		58 379 221	**19 317 787**
27.2	**Interest and related expense:**		
	Bonds	(6,493,995)	(8 048 204)
	Deposits from large corporates	(18 980 653)	(44 334 504)
	Deposits from individuals	(1 009 117)	(912 688)
		(26 483 765)	**(53 295 396)**
28	**SALES**		
	Property sales	262 771 475	1 337 935
	Cost of sales	(78 513 464)	(1 157 370)
	Gross profit	**184 258 011**	**180 565**

Notes to the Consolidated Financial Statements (continued)
for the year ended 31 December 2024

		31-Dec-24 ZiG	31-Dec-23 ZiG
29	**FEE AND COMMISSION INCOME**		
	Advisory and management fees	-	1 732 696
	Banking service fees	4 548 817	3 221 179
		4 548 817	**4 953 875**
30	**NET GAINS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**		
	Listed equity securities (Note 6)	6 997 192	1 098 307
31	**OTHER INCOME**		
	Rental income	41 588	2 702 664
	Bad debts (written off) recovered	-	304
	Sundry income	2 410 484	124 070 926
		2 452 072	**126 773 894**
32	**FAIR VALUE GAIN ON INVESTMENT PROPERTY**		
	Net gain from fair value adjustment	115 551 694	71 721 201
		115 551 694	**71 721 201**
33	**NET FOREIGN EXCHANGE GAINS**		
	Net realised gains from foreign currency trade	-	-
	Net unrealised gains from translation of foreign currency balances	**131 282 385**	**41 997 719**
34	**OPERATING EXPENSES**		
	Repairs and maintenance	5 896 019	4 227 232
	Staff costs	150 486 367	101 284 499
	Telecommunication and postage	121 468	547 032
	IT and software costs	14 503 012	10 885 274
	Directors remuneration	871 504	616 745
	Water, electricity and rates	4 334 903	1 848 410
	Legal and Professional fees	4 519 892	3 750 827
	Audit fees	4 163 610	3 153 856
	Depreciation	10 516 762	5 949 639
	Depreciation of right of use assets	694 010	864 504
	Amortisation	1 987 586	1 816 505
	Fuel and lubricants	7 298 622	7 703 413
	Business travel	3 912 523	3 197 966
	Donations, marketing and public relations	556 712	406 933
	Insurance and security	3 279 536	2 862 943
	Subscriptions	2 477 014	2 455 520
	Printing and stationery	391 912	346 170
	Bank charges	1 229 810	691 976
	Staff training	429 107	65 375
	Refreshments	744 518	283 494
	Administrative costs	10 335 334	4 449 907
		228 750 221	**157 408 222**
34.1	**Employee benefit costs**		
	Salaries and bonuses	96 803 733	12 302 443
	Pension costs	12 979 421	1 484 473
	Post employment medical benefits	4 610 363	3 866 975
	Leave pay expense	8 389 173	1 951 593
	Other staff expenses	27 703 677	81 679 015
		150 486 367	**101 284 499**

Notes to the Consolidated Financial Statements (continued)
for the year ended 31 December 2024

34.2 Post employment benefits	31-Dec-24 ZiG	31-Dec-23 ZiG
Pension Fund		
The Group operates a defined contribution plan for all permanent employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group 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. Contributions are paid to a separately administered fund on a mandatory basis. Contributions to this fund are charged against income when incurred. The Group has no further obligations once the contributions have been paid.		
Contributions for the year	**12 979 421**	**1 484 473**
National Social Security Authority Scheme		
The Group and all its employees contribute to the National Social Security Authority Scheme, which was promulgated under the National Social Security Act (Chapter 17:04). The Group's obligations under the scheme are limited to specific contributions legislated from time to time.		
Contributions for the year	**1 816 316**	**247 015**

35 TAXATION

Income tax		
Current tax expense	-	-
Current tax credit	(22 209 420)	8 243 183
Tax (expense)/credit	(22 209 420)	8 243 183
Reconciliation of income tax credit		
Based on results for the period at a normal rate of 25.75%		
Arising due to:		
Accounting (loss)/profit	(89 843 931)	33 346 210
Tax credit/ (expense) at 25.75%	(22 209 420)	8 243 183
Non-deductible expenses	-	-
Non-taxable income	-	-
Tax rate differential on capital gains	-	-
Tax (expense)/credit	(22 209 420)	8 243 183
The aggregate tax relating to items that are charged or credited directly to equity	(22 209 420)	8 243 183
Current tax	(22 209 420)	8 243 183
Deferred tax	-	-

36 EARNINGS PER SHARE	31-Dec-24 ZiG	31-Dec-23 ZiG
Basic and diluted loss per share		
Basic earnings per share is calculated by dividing the loss attributable to equity holders of the Bank by the number of ordinary shares in issue during the year. No dilutive instruments were held during the year. (2023 - ZiG nil)		
The calculation of basic earnings per share at 31 December was based on the- following:		
Profit attributable to equity holders	183 284 503	50 508 006
Weighted average number of issued ordinary shares	30 054 287	30 054 287
Basic profit per share (ZiG cents)	**610**	**168**

37 COMMITMENTS AND GUARANTEES

Loan commitments, guarantees and other financial facilities		
At 31 December 2024, the Group had contractual amounts for off-statement of financial position financial instruments that commit it to extend guarantees and loans as follows:		
Guarantees / loan commitments	**-**	**9 652**

38	FUNDS UNDER MANAGEMENT	31-Dec-24 ZiG	31-Dec-23 ZiG
	Government funds under management		
	The Government of Zimbabwe disburses, through the Group, fiscal allocations to parastatals and government infrastructure projects. The funds are being managed by the Group for a fee and with no credit risk residual to the Group.		
	Held on behalf of:		
	Government of Zimbabwe	350 770	145 843
	Represented by:		
	Sinking fund	-	-
	Amounts awaiting disbursement	211 588	19 496
	Loans and advances to parastatals and government implementing agencies	139 182	126 347
		350 770	**145 843**

39 RELATED PARTIES

Related party transactions are a normal feature of business and are disclosed in terms of IAS 24: Related Party Disclosures. Related party transactions may affect the assessment of operations, risk and opportunity facing the organisation.

a) Identity of related parties

The Bank has a related party relationship with its major shareholders, associates and key management personnel. Details of the Group's subsidiaries at the end of the reporting period are as follows.

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group as at 31-Dec-2024 %	as at 31-Dec-2023 %
Waneka Properties (Private) Limited	Property development	Zimbabwe	70	70
Norton Medical Investments (Private) Limited	Medical services	Zimbabwe	60	60
Kariba Housing Development Project	Property development	Zimbabwe	90	90
Mazvel Investments (Private) Limited. Phase 1	Property development	Zimbabwe	42.83	42.83
Samukele Lodges (Private) Limited	Hospitality	Zimbabwe	100	100
Changamire Inkosi Investments (Private) Limited	Property Investment	Zimbabwe	60	60
Kanyemba Fishing Lodge (Private) Limited	Hospitality	Zimbabwe	63	-

The following transactions were carried out with related parties:

A number of banking transactions are entered into with related parties in the normal course of business. For the year ended 30 June 2024, these included:

	IDBZ	MAZVEL	CLIPSHAM	WANEKA	ZIMCAMPUS	KARIBA	TOTAL
Mazvel Investments (Private) Limited	46 850 649	-	-	-	-	-	46 850 649
Waneka Properties (Private) Limited	102 675 079	-	-	-	-	-	102 675 079
ZIMCAMPUS Properties	1 574 258	-	-	-	-	-	1 574 258
Kariba Housing Development Project	-	-	-	-	-	-	-
Samukele Lodges (Private) Limited. Phase 1.	(800 744)	-	-	-	-	-	(800 744)
Changamire Inkosi Investments (Private) Limited	3	-	-	-	-	-	3
Kanyemba Fishing Lodge (Private) Limited	117 833	-	-	-	-	-	117 833
Norton Medical Investments (Private) Limited	171 521	-	-	-	-	-	171 521
TOTAL	**150 588 599**	**-**	**-**	**-**	**-**	**-**	**150 588 599**

Notes to the Consolidated Financial Statements (continued)
for the year ended 31 December 2024

b) Key management compensation

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

	31-Dec-24 ZiG	31-Dec-23 ZiG
Salaries and other short-term employee benefits	42 530 264	18 024 708
Post-employment benefits	2 245 019	341 930
Termination benefits	-	-
Total	**44 775 283**	**18 366 638**

c) Loans and advances to related parties

	other key management personnel 31-Dec-24 ZiG	Associated companies 31-Dec-24 ZiG	other key management personnel 31-Dec-23 ZiG	Associated companies 31-Dec-23 ZiG
Loans outstanding	963 631	-	62 023	-
Interest income earned	21 590	-	4 367	-

The loans issued to directors and other key management personnel are secured except for personal loans, carry fixed interest rates and are payable on reducing balance.

d) Deposits from related parties

	Directors and other key management personnel 31-Dec-24 ZiG	Associated companies 31-Dec-24 ZiG	Directors and other key management personnel 31-Dec-23 ZiG	Associated companies 31-Dec-23 ZiG
Deposits	460 584	-	119 472	-
Interest expense on deposits	-	-	-	-

The above deposits are unsecured, carry fixed interest rates and are repayable on maturity date.

e) Director's shareholdings

As at 31 December 2024, the Directors did not hold directly and indirectly any shareholding in the Group.

40 LEGAL AND COMPLIANCE RISK

Compliance risk is the current and prospective risk of damage to the organisation's business model or objectives, reputation and financial soundness arising from non- adherence to policy, legal and regulatory requirements. During the period under review, the Bank was in compliance with applicable laws including the IDBZ Act [Chapter 24:14] and Banking Act [Chapter 24:20]. The Bank's core capital was US$23.4 million as at 31 December 2024.

41 SUBSEQUENT EVENTS

On the 27th of January 2025, subsequent to the Bank's financial year end of 31 December 2024, the Infrastructure and Development Bank of Zimbabwe received notification from the Reserve Bank of Zimbabwe (RBZ), that the RBZ as the shareholder was injecting additional capital amounting to US$2 067 860.00. The injection will be through the conversion of debt owed by the IDBZ under the RBZ Medium Term Bank Accommodation Facility amounting to ZiG11 820 553 (equivalent to US$449 089), and US$1 618 771 through issuance of US$-denominated treasury bills.

42 GOING CONCERN

The Infrastructure and Development Bank of Zimbabwe (the Bank) prepared its financial statements on a going concern basis. During the year ended 31 December 2024, the Bank recorded a profit of ZiG217.6million mainly from recognition of previously deferred revenue on the Sumben Housing Development Project following project completion and sale of stands.

Management considered the following in assessing whether the going concern assumption was applicable.

1. Capitalisation and Shareholders' support
   The Bank's regulatory capital position stood at US$23.4 million as of 31 December 2024. During the year, the Bank received a total of US$10.2 million from Ministry of Finance, Economic Development and Investment Promotion which helped strengthen the Bank's capital position. Subsequently in January 2025, the Reserve Bank of Zimbabwe (RBZ) approved an equity injection of US$2 million in the Bank."

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

2. Projects under implementation
   As of 31 December 2024, the Bank had the following key projects which were nearing completion:

Project Name	Project Value	% Completion
Waneka Phase 3 Housing Development (Harare)	US$2.5 million	99%
Bulawayo Students Accommodation Complex (BSAC), Bulawayo	US$18.5 million	100%
Mornington Cluster Houses Development, Kadoma	US$2 million	14%
07 on Pagomo Cluster Houses Development Project, Monavale, Harare	US$6.2 million	78%
Wilsgrove Park Phase 2 Housing Project, Bulawayo	US$1.9 million	99%
Kanyemba Fishing Lodges – Phase 1 & 2	US$730 584	100%
Mabuto Villas (Hatfield, Harare)	US$1.055 million	89%
Hornister Cluster Houses (Borrowdale, Harare)	US$10.5 million	10%

Under the short-term Infrastructure Value Chain Financing (IVCF) product, the Bank supported the following projects:

Project Name	Project Value	% Completion
Avondale Cluster Development, JP Willard's Family Trust	US$0.5 million	100%
Trivest Investments (Pvt) Ltd	US$895 000	100%
Eyestone Quarry (Pvt) Ltd	US$1.3 million	100%
Reeldon Investments (Pvt) Limited	US$410 000	100%
Sustainable Agriculture Technology	US$100 000	100%

The Bank continues to have a robust pipeline of projects at various stages of preparation and development planning and implementation.

3. Resourcing the Bank through long term project financing instruments The Bank continues to fund projects from US$-linked Bond issuances with repayments anchored on project receivables ringfenced in a dedicated sinking fund facility. The target for the Bank is to obtain an optimum mix of short- term and long-term projects to achieve sustained growth of its financial position. During the period, the Bank raised US$2 million in indexed bonds which was deployed to infrastructure projects and the Bank remains in good market standing to raise additional funding following successful repayment of all capital and interest obligations on due dates. An additional US$0.5 million was raised for Bulawayo Student Accommodation Complex (BSAC) through capital calls."

4. Liquidity As of 31 December 2024, the Bank's liquidity ratio was 77% higher than the prudential minimum level of 30% mandated by the RBZ and Section 20 subsection 4 of the IDBZ Act, which mandates that the Bank hold a minimum of 10% of its liabilities in liquid assets. The Bank recognised revenue from Mazvel (Pvt) Ltd t/a Sumben stands which were previously recorded as deferred revenue following granting of Certificate of Completion (CoCs) on some of the stands. Mazvel no longer has obligation on payment of endowment fees to City of Harare rather the obligation falls on the beneficiaries. The Bank has also registered significant sales at Waneka & and a few stands at Wilsgrove, these are still recorded as deferred income awaiting project completion and issuance of CoCs. To date, the Bank has received a total of US$7.2million from the sale of Sumben Phase 2 and the balance of US$537,203.83 is expected to be settled early this year."

5. Staff Retention: The Bank's efforts to guarantee that employees receive market-based compensation have been successful due to the decision made by the IDBZ Board of Directors to tie salaries to US dollars. There was a 10% salary adjustment for staff members in the month of July 2024. This was followed by a salary split review from 60% Zimbabwe Gold (ZiG) and 40% US dollars (US$) to US$60%: ZiG40% in September 2024. The Bank will keep an eye on staff retention and work to match pay with other benefits and the cost of living. It is anticipated that the Bank's management's efforts will significantly boost employee motivation to fulfil the Bank's mission, which can improve the Bank's performance in the future. Management affirms that there is no substantial doubt regarding the Bank's ability to continue as a going concern. This assumption is based on the Bank's robust capital foundation, efficient liquidity management, and ongoing projects that are anticipated to generate substantial revenue."

CHAPTER 06

SHAREHOLDER INFORMATION

Notice To Shareholders
IDBZ 40th Annual General Meeting

Notice is hereby given that the 40th Annual General Meeting of Members of the Infrastructure and Development Bank of Zimbabwe (IDBZ) will held at Cresta Lodge Msasa, Cnr Samora Machel / Robert Mugabe Road, Harare on Wednesday, 25 June 2025 at 1100 hours to transact the following business:

1. To receive, consider and adopt the Annual Audited Financial Statements and Reports of the Directors and Auditors for the year ended 31 December 2024.

2. To approve the remuneration of the Auditors for the year ended 31 December 2024.

3. To note that BDO Zimbabwe Chartered Accountants were appointed as Auditors of the Infrastructure and Development Bank of Zimbabwe with effect from FY2021 for a five (5) year term.

4. To approve the remuneration of the Directors for the year ended 31 December 2024.

5. To transact any other business that may be transacted at the Annual General Meeting.

A member entitled to attend and vote at the meeting may appoint a proxy to attend, speak and vote in its stead. A proxy need not be a Member of the Bank. Proxy forms must be lodged at the Registered Office of the Bank not less than 48 hours before the time appointed for the meeting.

By Order of the Board

D. Makono
Legal Counsel and Bank Secretary

Registered Office:
99 Gamal Abdel Nasser Road (formerly Rotten Row Road)
Harare Zimbabwe
Telephone 263 (024) 2774226/7, 2750171 - 8
Fax: 263 (024) 2749012

Proxy Form

I/We,...
(FULL NAME).

Of No. ....
(PHYSICAL ADDRESS)

being the registered holder of ....

Ordinary Shares in the Infrastructure and Development Bank of Zimbabwe

hereby appoint ....

of ....

or, failing him/her, the Chairman of the meeting as my/our proxies, to vote for me/us and on my/our behalf at the **ANNUAL GENERAL MEETING** of the Bank to be held at Cresta Lodge Msasa, Cnr Samora Machel / Robert Mugabe Road, Harare on **Wednesday, 25 June 2025** commencing at 1100hrs and at any adjournment thereof.

Signed at ………………………. this……....Day of …………………………………2025

Full Name and Signature of Member

....

NOTE:
A Member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and speak in his/her stead. The person appointed need not be a member. This proxy form should reach the Registered Office of the Bank no later than 48hours before the time of the meeting.

Registered Office:
99 Gamal Abdel Nasser Road (formerly Rotten Row Road),
P O Box 1720 Harare, Zimbabwe
Tel: +263 242 774 226/7, +263 242 750 171-8z
E-mail: dmakono@idbz.co.zw

Annexes

Annexure 1: List of Contracts signed in 2024

Table 1:

S/N	Project Name	Project location	Procurement Category	Service Provider and Project Description & Location	Date of Contract signing & Contract Value
1	Consultancy Services for the Designing of the new IDBZ Masvingo Regional Office Building.	Masvingo	Consulting services	Consultant: MTI Architect Consortium Project Description: Architectural and Engineering Design services	Date: 17 December, 2024 Value: USD84 054.00
2	Additional Remedial Works at New Marimba Phase 2	Harare	Works	Contractor: Forit Contracting (Pvt) Ltd Project Description: Additional Remedial works to New Marimba Phase 2	Date: 25 July, 2024 Value: ZWL2 078 837.55
3	Reconstruction and Refurbishment of the Kanyemba Zambezi Lodges in Kanyemba -Phase 2	Kanyemba	Works	Contractor: Upgrade Projects (Pvt) Ltd Project Description: Reconstruction and refurbishment of Kanyemba Zambezi Lodges – Phase 2	Date: 7 June, 2024 Value: USD373 535.35
4	ZWL-ZiG Currency Rebasing	Harare	Non consulting services	Contractor: Neptune Software Limited Project Description: ZWL-ZiG Currency Rebasing	Date: 5 April, 2024 Value: USD62 565.00
5	Remedial Works at New Marimba Phase 2	Harare	Works	Contractor: Forit Contracting (Pvt) Ltd Project Description: Remedial works to New Marimba Phase 2	Date: 22 January, 2024 Value: USD238 162.04

Annexure 2: List of no objections granted by the SPOC

Contract Award for Engagement of EPC+F Partners for Cluster Housing Development in Harare.

Notes

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