FBC Securities (Private) Limited
(Registered Stockbroker) - Member of the Zimbabwe Stock Exchange

Audited Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2024

CHAIRMAN'S REPORT
31 December 2024

Introduction
I present to you the Chairman's statement for the year ended 31 December 2024. The year was characterised by constant environmental changes particularly within the monetary policy and regulatory spaces. The dynamic operating economic environment experienced in 2024 demanded that we become agile in order to remain relevant to our clients, shareholders and the rest of our stakeholders. Strengthening our ties with our clients allowed us to understand their evolving demand patterns for financial and investment products. Internally we diligently deployed the firms' balance sheet into a diversified portfolio of repricing assets. The hedging strategies employed ensured protection of the regulatory capital and the company's balance sheet against the harsh effects of inflation and loss of value of the local currency.

Economic Overview
The economic landscape in 2024 was defined by multiple phases, each presenting unique challenges such as inflationary pressures, local currency volatility, and liquidity constraints. The first quarter was particularly turbulent, with sharp exchange rate fluctuations and rising inflation. To address these issues, the Reserve Bank of Zimbabwe launched the Zimbabwe Gold (ZWG) currency on April 5, 2024, through debasement of the previous ZWL currency using a factor of 2,498.7242, as a measure to stabilize the economy and combat runaway inflation. This initiative was met with cautious optimism by businesses and households alike. Later in the year, on September 28, 2024, the ZWG underwent a 44% official devaluation. Post-devaluation, the market experienced a period of relative stability, though liquidity challenges persisted, contributing to lower trading volumes. By the close of the year, local currency inflation had been suppressed and the exchange stabilized to close the year at 25.7985 ZWG per 1 US dollar. Throughout these fluctuations, the Company remained resilient, focusing on identifying and developing niche markets to ensure a steady flow of business and long-term sustainability.

Market Overview
The introduction of the new currency on April 5, 2024, prompted the rebasing of the Zimbabwe Stock Exchange (ZSE) All-Share Index to 100. Before this rebasing, the index had grown significantly by 334% between January 1 and April 5, driven by heightened demand for hedging assets among market participants. However, after the currency reform, the index's upward momentum slowed, closing the year at 117% above the rebased level. This moderation was largely a result of the central bank's stringent monetary policy measures.

On the Victoria Falls Stock Exchange (VFEX), the All-Share Index rose by 47.70% during the year. The exchange also recorded a 116% increase in turnover, fuelled by the migration of several high-demand counters from the ZSE in the prior year. Furthermore, the VFEX saw a 6% growth in market capitalization, primarily due to new listings that transitioned from the traditional ZSE platform.

Of greater concern during the year was the gradual yet debilitating shrinkage of the investable universe, as several companies entered judicial administration, either voluntarily or involuntarily. This trend created a sense of caution among investors, prompting them to redirect their funds toward perceived safe havens on the listed space, with some ultimately resorting to competing products such as fixed income instruments, real estate and alternative investments. As a result, liquidity for mid-tier and smaller-capitalization companies declined noticeably.

Financial Performance
The Company closed the year with total assets of ZWG33m, mainly made up of hedging securities, inline with the broader strategy of holding repricing assets in the face of a volatile operating environment. In inflation adjusted terms, total operating income was ZWG12.5m anchored by unrealised gains accruing from the business' asset mix make up the balance sheet. An inflation adjusted profit of ZWG0.9m was obtained during the year.

Strategic Highlights
In response to the foregoing operating conditions the business maintained a lean structure to contain operating overheads while enlarging the product suite for increased client coverage. Going forward the business is looking at consolidating forays into nontraditional markets such as transaction advisory services, international broking services and complementing our peer subsidiary units on services such as wealth management and custodial services.

Sustainability and Corporate Responsibility
We remain committed to integrating sustainability into our operations, recognising the growing importance of responsible investing and sustainable finance. In alignment with the Group's Sustainability and Climate-Related Risks & Opportunities Management Strategy and regulatory expectations, we continue to enhance our risk assessment frameworks, promote green investment opportunities and support clients in navigating evolving sustainability disclosures. Beyond our core business, we have championed financial literacy among school children through an online broadcast during the Global Money Week, reinforcing our commitment to fostering financial inclusion and empowerment. By leveraging our expertise in capital markets, we aim to facilitate sustainable value creation for investors while contributing to Zimbabwe's broader economic resilience and climate transition.

Board Appointment
During the course of the year Mr. Abel Magwaza, was appointed to board of the Company. Mr. Magwaza brings in a wealth of experience attained in his over 20 years of service in the financial services industry. We welcome him to the board and looking forward to his contributions.

Condolence Message
I wish to express my deepest sorrow and heartfelt condolences on the untimely passing of Dr. Israel Murefu on the 24th of January 2025. At the time of his death Dr. Murefu was a serving board member of the Company. We are humbled by his diligent stewardship, excellence and unwavering commitment to FBC Securities (Pvt) Ltd and the Group at large. His wise counsel shall be missed.

Governance
The Company's operations are overseen by a Board of Directors, consisting of two executive directors and seven non-executive directors. This diverse group brings a broad range of skills and expertise, significantly enriching the Board's decision-making processes. The Board remains committed to upholding the highest standards of corporate governance, regularly reviewing its alignment with both local regulations and internationally accepted practices. This is achieved through the work of its dedicated committees, which ensure ongoing compliance with guidelines issued by the Zimbabwe Stock Exchange (ZSE) and the Securities Exchange Commission of Zimbabwe (SECZ). Compliance checklists are meticulously maintained and updated to reflect current requirements.

The Board holds ultimate responsibility for steering the Company's strategic direction, setting key objectives, and establishing policies to guide operations. To ensure these policies are effectively implemented, the Board employs a robust system of oversight, supported by specialized committees such as the Board Finance and Strategy Committee and the Risk and Compliance Committee. These committees operate with authority delegated by the Board, ensuring accountability and transparency across all levels of the organization.

Below is the quarterly attendance register for the main board;

NAME	2024 MAIN BOARD			
	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Trynos Kufazvinei	√	√	√	√
Benson Gasura	√	√	√	√
Abel Magwaza	√	√	√	√
Webster Rusere	√	√	√	√
Tichaona K Mabeza	√	√	√	√
Kleto Chiketsani	√	√	√	√
Israel Murefu	X	√	√	X

√ Present
X Apologies

In addition to the Board's efforts, the Company benefits significantly from the wise counsel provided by the Group sub-committees. These include the Group Finance and Strategy Committee, the Group Risk and Compliance Committee, and the Group Human Resources and Remuneration Committee. Their expertise and guidance further strengthen the Company's governance framework and support its long-term strategic goals

Outlook
Looking ahead to 2025, we expect a landscape filled with both challenges and opportunities, necessitating a business strategy that is both cautious and optimistic. A critical focus will be on understanding shifting trends and the intricate connections between consumer behaviour, advancements in artificial intelligence, and evolving regulatory frameworks. Moreover, macroeconomic factors; including changes in money supply and foreign exchange rates, will play a pivotal role in influencing our product and its consumption patterns.

On a positive note, we are encouraged by the concerted efforts of the Zimbabwe Stock Exchange, Victoria Falls Stock Exchange, the Securities and Exchange Commission of Zimbabwe, and the Government of Zimbabwe through the Ministry of Finance and Economic Development. Their initiatives to make the country's capital markets more available, accessible, and affordable to both issuers and investors are commendable. These efforts are likely to bridge the confidence deficit caused by past suspensions and de-listings. Notable developments include the reduction of the Capital Gains Withholding Tax from 2% to 1%, effective January 2025, and the introduction of new products such as commodities exchanges, in which the Company has already expressed interest in participating. Coupled with ongoing collaborative engagements with sector players, these measures are fostering a more dynamic and inclusive financial ecosystem.

In response to these developments, the Company has taken proactive steps to ensure its staff are upskilled to understand and utilize these new products as financial solutions for our network of clients. This commitment to continuous learning and adaptation positions the Company to capitalize on emerging opportunities and deliver enhanced value to all stakeholders.

Appreciation
In conclusion, I would like to extend my gratitude to our network of stakeholders, in particular all FBC Securities (Pvt) Ltd clients, for their enduring support. I also extend my appreciation to our dedicated team of employees whose relentless hard work and unwavering commitment continue to be instrumental in our quest for adaptability and growth. Finally, I would like to thank my fellow board members for their guidance and support.

As we move ahead, we remain resolute to our thirteen guiding business principles in entrenching us as a top tier stockbroking services firm in Zimbabwe, delivery superior service and value to all our stakeholders.

Yours Faithfully,

....
Trynos Kufazvinei
Chairman

BOARD OF DIRECTORS
31 December 2024

TRYNOS KUFAZVINEI – B Acc (Hons), CA(Z), MBA
(NON EXECUTIVE CHAIRMAN)
Trynos is a Chartered Accountant (Zimbabwe) who completed his articles with Pricewaterhouse and also holds a Masters degree in Business Administration from the University of Manchester, United Kingdom. Trynos is responsible for the finance and administration matters of the FBC Holdings Limited Group. He has over 22 years experience in finance and administration. Trynos joined FBC Bank Limited in January 1998 as Head of Finance and Administration and was appointed to the FBC Bank Board in October 2003. He became Group Finance Director in 2004 following the creation of the FBC Group.

BENSON GASURA – AIBZ, REGISTERED STOCKBROKER (ZSE), MBA
(MANAGING DIRECTOR)
Benson is a registered stockbroker and an Associate of the Institute of Bankers of Zimbabwe ("AIBZ"). He holds a Masters degree in Business Administration from the Midlands State University. He was responsible for setting up FBC Securities (Private) Limited since inception. Prior to joining the Company, Benson was General Manager in three other well established stock broking firms. He has over 12 years experience in financial services.

ABEL MAGWAZA(BA (Hons) Accounting, MSc Accounting & Finance, ACIS, FCCA, CA(Z), ACA, MBA
(NON EXECUTIVE DIRECTOR)
Abel Magwaza brings over two decades of experience in the financial services sector, having held various roles in Banking, Asset Management, and Insurance. He is a member of several organizations, including the Institute of Chartered Accountants in England and Wales (ICAEW), the Institute of Chartered Accountants of Zimbabwe (ICAZ), the Association of Chartered Certified Accountants (ACCA), and the Institute of Chartered Secretaries and Administrators (CIS). Abel holds a Bachelor's Degree in Accounting, a Master of Science in Accounting and Finance, and a Master of Business Administration. He joined FBC Bank in 2006 as an Accountant, was promoted to Head of Finance and Administration in 2011, and became Executive Director of Finance & Administration in 2017. As of January 1, 2024, he serves as the Group Finance Director.

WEBSTER RUSERE – AIBZ, MBA
(NON EXECUTIVE DIRECTOR)
Webster commenced his banking career in 1982 and rose through the corporate and retail banking ranks to become Head of Global Trade Finance and Cash Management Services in 1995. He also served in other senior positions covering Local and Foreign Treasury Management, International Trade Finance, Correspondent Banking and Fund Management. He joined FBC Bank Limited in March 2000 as Project Manager and rose to become Managing Director of FBC Bank Limited in November 2000. After the expiry of the DRC management contract in 2004, he was appointed Head of Retail Banking Department. He held the position of Managing Director of FBC Building Society for 4 years and was appointed Managing Director of FBC Bank Limited on the 1st of June 2011.

KLETO CHIKETSANI – Bachelor of Business Studies (Honours) (UZ), AIISA
(NON EXECUTIVE DIRECTOR)
Kleto has 22 years experience in reinsurance gathered with two leading reinsurers in Zimbabwe. He is a founder member of FBC Reinsurance Limited, having joined the company (then Southern Africa Reinsurance Company Limited) on 1 January 1995 as Senior Underwriter and rose through the ranks to become Executive Director Operations of FBC Reinsurance Limited in 2006. He holds a Bachelor of Business Studies (Honours) Degree from the University of Zimbabwe and is also an Associate of the Insurance Institute of South Africa. He was appointed Managing Director of FBC Reinsurance Limited on 1 March 2012.

TICHAONA MABEZA - Bachelor of Business Studies (UZ), ACIS
(NON EXECUTIVE DIRECTOR)
Tichaona has over 18 years experience in finance. His working experience started when he joined a local insurance broker in 1988 as an accounting trainee rising through the ranks to become an Accountant in 1993. He rose though the ranks over the years to become General Manager - Finance and Corporate Services. Tichaona became Group Company Secretary of FBC Holdings Limited with effect from August 2004. He was appointed as a non executive director of FBC Securities (Private) Limited on 30 January 2012.

ISRAEL MUREFU - Bachelor of Law Honours (UZ), MBA (UZ), FIPMZ, Dip IPMZ, M.ZIM
(NON EXECUTIVE DIRECTOR)
Israel holds a Bachelor of Law (Honours) Degree and an MBA from the University of Zimbabwe. He also holds a post graduate diploma in Human Resources Management from the Institute of Personal Management and is a Fellow of the same Institute and a Member of the Zimbabwe Institute of Management. Israel has over 21 years experience as a Human Resources Practitioner with several local and International firms including holding positions of Employee Relations Manager and Human Resources Manager with two local multinational banks. He is currently the Divisional Director, Group Human Resources of FBC Holdings Limited and was appointed as a non executive director of FBC Securities (Private) Limited on 30 January 2012.

DIRECTORS' REPORT
31 December 2024

The Directors have the pleasure in submitting their report and audited financial statements of the Company for the financial year ended 31 December 2024.

ACTIVITIES AND INCORPORATION
FBC Securities (Private) Limited, which is incorporated and domiciled in Zimbabwe, is a registered stockbroker. Its major activity is to act as a stockbroker on the Zimbabwe Stock Exchange.

AUTHORISED AND ISSUED SHARE CAPITAL
The Company's authorised share capital is ZWG223 divided into 50 000 ordinary shares.The issued shares amount to 45 000 ordinary shares.

RESERVES
The Company's total shareholders' equity attributable to equity holders as at 31 December 2024 was ZWG12 567 104 (2023: ZWG9 006 238) ZWL). Further details of the movement in reserves are shown in the statement of changes in equity.

FINANCIAL RESULTS
The financial statements and this commentary are stated in the Zimbabwe Gold ("ZWG").

FBC Securities (Private) Limited's financial highlights
for the year ended 31 December 2024

	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Statement of comprehensive income				
Profit/(Loss) before income tax	(53,932)	3,102,117	4,345,238	397,801
Profit/(Loss) for the year	891,113	2,544,613	3,407,937	346,486
Statement of financial position				
Total equity	12,567,104	9,006,238	11,730,024	868,728
Total assets	32,528,875	27,882,483	29,875,988	2,557,935
Share statistics				
Shares in issue - actual	45 000	45 000	45 000	45 000
Shares in issue - weighted	45 000	45 000	45 000	45 000
Basic loss per share (cents)	-	-	-	-
Dividend per share (cents)	-	-	-	-
Ratios				
Return on equity	7%	28%	29%	40%

Minimum statutory capital
As at 31 December 2024, the Company's adjusted liquid capital computed under Securities Exchange Commission of Zimbabwe was ZWG7 068 499 against a statutory minimum capital requirement of ZWG4 223 942.

Profitability
The Company recorded an inflation adjusted profit for the year of ZWG891 113 for the year ended 31 December 2024 (2023: ZWG2 544 613)

Statement of financial position
The Company's financial position closed the year at ZWG32 528 875 compared to ZWG27 882 483 in the prior year.

COMPLIANCE WITH LEGAL AND REGULATORY REQUIREMENTS
In the opinion of the Directors, the accompanying financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Other Business Entities Act [Chapter 24:31] and the Securities and Exchange Act [Chapter 24:25].

INDEPENDENT AUDITOR
Messrs KPMG Chartered Accountants (Zimbabwe) were appointed as the independent auditors of the company at the past Annual General Meeting as required by the Companies and Other Business Entities Act [Chapter 24:31].

By order of the Board

T. K. Mabeza
Company Secretary

31 March 2025

FBC Securities (Private) Limited
(Registered Stockbroker) - Member of the Zimbabwe Stock Exchange

Audited Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2024

THE DIRECTORS' STATEMENT OF RESPONSIBILITY
For The Year Ended 31 December 2024

The Company's Directors are responsible for the preparation, integrity and objectivity of financial statements, comprising the statement of financial position as at 31 December 2024, statement of profit or loss and comprehensive income, changes in equity and cash flows for the year then ended and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the manner required by the Companies and Other Business Entities Act [Chapter 24:31] and the Securities and Exchange Act [Chapter 24:25].

To enable the directors to meet those responsibilities:
The Board and management set standards and management implements systems of internal control, accounting and information systems aimed at providing reasonable assurance that assets are safeguarded and the risk of error, fraud or loss is reduced in a cost effective manner, and make appropriate accounting estimates. These controls, contained in established policies and procedures, include the proper delegation of responsibilities and authorities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

The Group's Internal Audit Department, which operates independently, appraises, evaluates and, when necessary, recommends improvements in the systems of internal control and accounting practices, based on audits carried out on various functions or aspects of the business.

The Group Audit and Finance Committee, together with the Group Internal Audit department, play an integral role in matters relating to financial and internal control, accounting policies, reporting and disclosure.

To their best knowledge and belief, based on the above, the Directors are satisfied that no material breakdown in the operation of the systems of internal control and procedures has occurred during the period under review.

The Directors have reviewed the performance and financial position of the Company to the date of signing of these financial statements and the prospects, based on the budgets, and are satisfied that the Company is a going concern and therefore continue to adopt the going concern assumption in the preparation of these financial statements. However, the Directors believe that under the current economic environment a continuous assessment of the ability of the Company to continue to operate as a going concern will need to be performed to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements.

It is the responsibility of the independent auditor to report on the financial statements. Their report to the shareholders of the Company is set out on pages 9 to 10.

Approval of financial statements
The Directors' report and the financial statements were approved by the Board of Directors on the 31st of March 2025. and were signed by:

....	....	....
A Magwaza	**B Gasura**	**T Mabeza**
Director	**Director**	**Company Secretary**

PREPARER OF FINANCIAL STATEMENTS
These annual financial statements have been prepared under the supervision of Joaquim Matsvimbo and have been audited in terms of the Companies and Other Business Entities Act [Chapter 24:31].

....
J Matsvimbo

CORPORATE GOVERNANCE REPORT
For The Year Ended 31 December 2024

THE BOARD
FBC Securities (Private) Limited's Board is committed to the principles of openness, integrity and accountability. It recognises the developing nature of corporate governance and assesses its compliance with local and internationally generally accepted corporate governance practices on an ongoing basis through its various committees. Guidelines issued by the Zimbabwe Stock Exchange (''ZSE'') and the Securities Exchange Commission of Zimbabwe (''SECZ'') from time to time are strictly adhered to and compliance check lists are continuously reviewed.

The Board of Directors comprises two executive directors and seven non-executive directors. The composition of the Board shows a good mix of skill and experience. The Company derives tremendous benefit from the diverse level of skills and experience of its Board of Directors.

The Board is responsible to the shareholders for setting the direction of the Company through the establishment of strategies, objectives and key policies. The Board monitors the implementation of these policies through a structured approach to reporting and accountability.

GROUP BOARD COMMITTEES
The Company is also serviced by FBC Holdings Limited (the "parent company") Board Committees. The Group Board of Directors has constituted separate committees, Group Audit, Finance and Strategy, Compliance and Risk, and Human Resources and Remuneration, whose respective responsibilities span across the Group's subsidiaries. The members of the Committees are shown below:

(1) BOARD AUDIT COMMITTEE

Members
Chipo Mtasa (Chairperson)
Aeneas Chuma
Charles Msipa
Rutenhuro Moyo

The Committee is chaired by a non-executive director and comprises non-executive directors only. The Divisional Director of Internal Audit, the Group Finance Director, the Group Chief Executive and other executives attend the committee by invitation. The committee is constituted at Group level and oversees subsidiary companies.

The Committee meets regularly to:
• Review compliance with statutory regulations;
• Review the effectiveness of internal controls;
• Review and approve the financial statements; and
• Review reports of both internal and independent auditors' findings, instituting special investigations where necessary.

(2) BOARD FINANCE AND STRATEGY COMMITTEE

Members
Canada Malunga (Chairman)
Franklin Kennedy
David Makwara
Trynos Kufazvinei
Rutenhuro Moyo

The Board Finance and Strategy Committee has a written terms of reference. This committee is constituted at Group level and oversees the subsidiary companies. It is chaired by a non-executive director. Meetings of the Committee are attended by invitation, by other senior executives.

The committee meets at least four times a year to review the following amongst other activities:
• The Company's strategy and budget;
• The Company's performance against agreed benchmarks; and
• The adequacy of the Company's management information systems.

(3) BOARD RISK AND COMPLIANCE COMMITTEE

Members
Rutenhuro Moyo (Chairman)
Aeneas Chuma
Franklin Kennedy
Sifiso Ndlovu

The Committee is constituted at Group level and is responsible for the Group Risk Management function. It is chaired by a non executive director. The Committee's primary objective is to maintain oversight of the Group's risk and regulatory compliance processes and procedures and monitor their effectiveness. The Committee keeps under review, developments and prospective changes in the regulatory environment and monitors significant risk and regulatory issues affecting the Group, noting any material compliance/ regulatory breaches and monitoring resolution of any such breaches.

(4) BOARD HUMAN RESOURCES AND REMUNERATION COMMITTEE

Members
Charles Msipa (Chairman)
Chipo Mtasa
Herbert Nkala
Vimbai Nyemba

The committee is chaired by a non-executive director and comprises mainly non-executive directors. This committee is constituted at Group level and oversees the subsidiary companies. Meetings of the committee are attended by invitation by the Divisional Director of Human Resources.

The Committee's primary objective is to ensure that the right calibre of management is attracted and retained. To achieve this it ensures that the executive directors, senior managers and staff are appropriately rewarded for their contributions to the Company's performance.

The Committee is also responsible for the Company's Human Resources policy issues, terms and conditions of service.

Non-executive directors are remunerated by fees and do not participate in any performance-related incentive schemes.

INTERNAL FINANCIAL CONTROLS
The Directors are responsible for the Company's internal control system, which incorporates procedures that have been designed to provide reasonable assurance that assets are safeguarded, proper accounting records are maintained, and financial information is reliably reported.

The key procedures which the Board considers essential to provide effective control include:
a) Decentralised organisational structure with strong management working within defined limits of responsibility and authority.
b) An annual budgeting process with quarterly re-forecasts to reflect changing circumstances, and the identification of key risks and opportunities.
c) Detailed monthly management accounts with comparisons against budget through a comprehensive variance analysis.

In the year under review nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these internal control procedures and systems has occurred.

Management Team
The operational management of the Company is delegated to the Management Team, which is headed by the Managing Director.

The management team comprises:
Managing Director
Finance Executive
Head of Sales and Trading
Chief Equities Dealer
Financial Accountant

It meets monthly or more frequently if necessary and acts on behalf of the Board.

GROUP INTERNAL AUDIT
The Group Internal Audit Department examines and evaluates the Company's activities with the aim of assisting management with the effective discharge of their responsibilities. It reviews the reliability and integrity of financial and operating information, the systems of internal control, the efficient management of the Company's resources, the conduct of operations and the means of safeguarding assets.

The Divisional Director of Group Internal Audit reports to the Chairman of the Group Audit Committee.

INDEPENDENT AUDITORS' REPORT

KPMG

KPMG
Mutual Gardens 100 The Chase (West)
Emerald Hill, Harare, Zimbabwe
Telephone +263 430 2600
Internet www.kpmg.com/zw

Independent Auditors' Report
To the shareholders of FBC Securities (Private) Limited

Opinion
We have audited the inflation financial statements of FBC Securities (Private) Limited (the Company), which comprise the inflation adjusted statement of financial position as at 31 December 2024, the inflation adjusted statement of profit or loss and other comprehensive income, the inflation adjusted changes in equity and the inflation adjusted cash flows for the year then ended, and notes to the inflation adjusted financial statements, comprising material accounting policies and other explanatory information as set out on pages 21 to 73.

In our opinion, the inflation adjusted financial statements present fairly, in all material respects, the inflation adjusted financial position of FBC Securities (Private) Limited as at 31 December 2024, and its inflation adjusted financial performance and inflation adjusted cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the manner required by the Companies and Other Business Entities Act [Chapter 24:31] and Securities and Exchange Act (Chapter 24:25)

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the inflation adjusted Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the inflation adjusted financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information
The directors are responsible for the other information. The other information comprises the information included in the document titled '"FBC Securities (Private) Limited Financial Statements for the year ended 31 December 2024" and the unaudited financial information in the inflation adjusted financial statements titled "Historical cost", but does not include the inflation adjusted financial statements and our auditor's report thereon.

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

In connection with our audit of the inflation adjusted financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the inflation adjusted financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the inflation adjusted financial statements
The directors are responsible for the preparation and fair presentation of the inflation adjusted financial statements in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Other Business Entities Act [Chapter 24:31], and the Securities and Exchange Act (24:25) and for such internal control as the directors determine is necessary to enable the preparation of inflation adjusted financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the inflation adjusted financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

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

- Identify and assess the risks of material misstatement of the inflation adjusted financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the inflation adjusted financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the inflation adjusted financial statements, including the disclosures, and whether the inflation adjusted 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.

KPMG

Themba Mudidi
Chartered Accountant (Zimbabwe)
Registered Auditor
PAAB Practicing Certificate Number 0437

31 March 2025

For and on behalf of, KPMG Chartered Accountants (Zimbabwe), Reporting Auditors

Mutual Gardens
100 The Chase (West)
Emerald Hill
P.O Box 6, Harare
Zimbabwe

FBC Securities (Private) Limited
(Registered Stockbroker) - Member of the Zimbabwe Stock Exchange

Audited Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2024

STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	Note	Audited Inflation Adjusted 31 Dec 2024 ZWG	Audited Inflation Adjusted 31 Dec 2023 Restated** ZWG	Unaudited Historical Cost 31 Dec 2024 ZWG	Unaudited Historical Cost 31 Dec 2023 Restated** ZWG
ASSETS					
Equipment	7	873 829	709 915	873 829	65 345
Investment property	8	5 985 252	9 426 204	5 985 252	867 643
Intangible asset	9	-	-	-	
Financial assets at fair value through other comprehensive income	4	7 723 805	5 059 539	7 723 805	465 709
Financial assets at fair value through profit or loss	4	6 513 353	9 097 101	6 513 353	837 350
Trade and other receivables	5	762 029	1 354 263	519 061	116 945
Deferred tax asset	6	4 677 493	1 895 368	2 267 574	173 639
Cash and cash equivalents	3	5 993 113	340 092	5 993 113	31 304
Total assets		**32 528 875**	**27 882 483**	**29 875 988**	**2 557 935**
EQUITY AND LIABILITIES					
Current Liabilities					
Trade and other payables	10	14 324 190	15 328 643	14 324 190	1 410 938
Deferred tax liability	6	5 693 529	3 675 135	3 877 722	290 008
Current tax liability		(55 949)	(127 532)	(55 949)	(11 739)
Total current liabilities		**19 961 771**	**18 876 245**	**18 145 963**	**1 689 206**
Equity and reserves					
Share capital	11	201	201	-	-
Share premium	12	2 006 571	2 006 571	180	180
Amounts awaiting allotment	12	633 145	633 145	57	57
Non-distributable reserve	13.1	666 926	666 926	60	60
Financial assets at fair value through other comprehensive income	13.2	8 314 728	5 783 675	7 335 508	440 317
Revaluation reserve	13.3	725 072	586 372	607 804	49 635
Retained profit		220 461	(670 651)	3 786 416	378 479
Total equity		**12 567 104**	**9 006 238**	**11 730 024**	**868 728**
Total equity and liabilities		**32 528 875**	**27 882 483**	**29 875 988**	**2 557 935**

The financial statements were authorised for issue by the Board of Directors on 31 March 2025 and are signed on its behalf by:

....	....	....
A. Magwaza	**B. Gasura**	**T. Mabeza**
DIRECTOR	**DIRECTOR**	**COMPANY SECRETARY**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2024

	Note	Audited Inflation Adjusted 31 Dec 2024 ZWG	Audited Inflation Adjusted 31 Dec 2023 Restated** ZWG	Unaudited Historical Cost 31 Dec 2024 ZWG	Unaudited Historical Cost 31 Dec 2023 Restated** ZWG
Interest Income	14	179 239	11 332	169 167	424
Interest Expense	15	(803 860)	(886 759)	(434 853)	(31 488)
Net Interest Income		(624 621)	(875 428)	(265 686)	(31 064)
Brokerage fees	16	3 811 200	3 761 425	2 256 503	179 305
Other income	17	9 290 876	7 473 514	10 029 783	1 377 428
Operating income		12 477 455	10 359 511	12 020 600	1 525 669
Operating expenses	18	(13 637 849)	(21 657 169)	(7 675 362)	(1 127 868)
Monetary gain		1 106 462	14 399 774	-	-
Profit before income tax		(53 932)	3 102 117	4 345 238	397 801
Income tax expense	19	945 045	(557 504)	(937 301)	(51 316)
Profit for the year		891 113	2 544 613	3 407 937	346 486
Other comprehensive income					
Gains on property,plant and equipment revaluation		186 801	45 535	751 742	52 357
Tax		(48 101)	(11 725)	(193 574)	(13 482)
Gain on financial assets at fair value through other comprehensive income		2 664 266	3 311 285	7 258 096	432 195
Tax		(133 213)	(165 564)	(362 905)	(21 610)
Total comprehensive income for the year		3 560 866	5 724 144	10 861 296	795 946

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2024

Audited Inflation Adjusted

Year ended 31 December 2023	Retained Share capital ZWG	Share premium ZWG	Revaluation Reserve ZWG	Amounts awaiting allotment ZWG	Financial assets at fair value reserve ZWG	Non distributable reserves ZWG	profits /(losses) ZWG	Total ZWG
Balance as at 1 January 2023	201	2 006 571	552 562	633 145	2 637 954	666 926	(3 215 264)	3 282 095
Profit for the year	-	-	-	-		-	2 544 613	2 544 613
Gain on revaluation of PPE			33 809					33 809
Gain on financial assets at fair value through OCI					3 145 721			3 145 721
Total comprehensive income	**201**	**2 006 571**	**586 372**	**633 145**	**5 783 675**	**666 926**	**(670 651)**	**9 006 238**
Transactions with shareholders:								
Dividend paid	-	-	-	-		-	-	-
Balance as at 31 December 2023	**201**	**2 006 571**	**586 372**	**633 145**	**5 783 675**	**666 926**	**(670 651)**	**9 006 238**
Year ended 31 December 2024								
Opening balance as at 1 January 2024	201	2 006 571	586 372	633 145	5 783 675	666 926	(670 651)	9 006 238
Profit for the year	-	-	-	-		-	891 113	891 113
Gain on revaluation of PPE	-	-	138 700	-	-	-	-	138 700
Gain on financial assets at fair value through OCI	-	-	-	-	2 531 053	-	-	2 531 053
Transfers to/from retained earnings	-	-	-	-	-	-	-	-
Total comprehensive income	**201**	**2 006 571**	**725 072**	**633 145**	**8 314 728**	**666 926**	**220 461**	**12 567 104**
Transactions with shareholders:								
Dividend paid	-	-	-	-	-	-	-	-
Balance as at 31 December 2024	**201**	**2 006 571**	**725 072**	**633 145**	**8 314 728**	**666 926**	**220 461**	**12 567 104**

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2024

Unaudited Historical Cost

Year ended 31 December 2023	Retained Share capital ZWG	Share premium ZWG	Revaluation Reserve ZWG	Amounts awaiting allotment ZWG	Financial assets at fair value reserve ZWG	Non distributable reserves ZWG	profits /(losses) ZWG	Total ZWG
Balance as at 1 January 2023	0	180	10 760	57	29 732	60	31 994	72 783
Profit for the year	-	-	-	-		-	346 486	346 486
Gain on revaluation of PPE			38 875					38 875
Gain on financial assets at fair value through OCI					**410 585**			**410 585**
Total comprehensive income	**0**	**180**	**49 635**	**57**	**440 317**	**60**	**378 479**	**868 728**
Transactions with shareholders:								
Dividend paid	-	-	-	-		-	-	-
Balance as at 31 December 2023	**0**	**180**	**49 635**	**57**	**440 317**	**60**	**378 479**	**868 728**
Year ended 31 December 2024								
Opening balance as at 1 January 2024	0	180	49 635	57	440 317	60	378 479	868 728
Profit for the year	-	-	-	-		-	3 407 937	3 407 937
Gain on revaluation of PPE			558 169					558 169
Gain on financial assets at fair value through OCI					6 895 191			6 895 191
Transfers to/from retained earnings			-				-	-
Total comprehensive income	**0**	**180**	**607 804**	**57**	**7 335 508**	**60**	**3 786 416**	**11 730 024**
Transactions with shareholders:								
Dividend paid	-	-	-	-	-	-	-	-
Balance as at 31 December 2024	**0**	**180**	**607 804**	**57**	**7 335 508**	**60**	**3 786 416**	**11 730 024**

STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

	Note	Audited Inflation Adjusted 31 Dec 2024 ZWG	Audited Inflation Adjusted 31 Dec 2023 Restated** ZWG	Unaudited Historical Cost 31 Dec 2024 ZWG	Unaudited Historical Cost 31 Dec 2023 Restated** ZWG
Cash flow from operating activities					
Profit before income tax		(53 932)	3 102 117	4 345 238	397 801
			-		-
Adjustments for non-cash items:			**-**		**-**
Monetary gain		(1 106 462)	(14 399 774)		-
Net unrealised exchange gains and losses		4 766 484	(294 189)	4 766 484	8 067
Depreciation	7	117 895	124 694	14 639	2 403
Unrealised gains on financial assets at fair value through profit or loss	4	(7 996 544)	6 530 814	(7 996 544)	(426 422)
Fair value adjustment on investment property	8	3 440 952	(6 083 293)	(5 117 609)	(803 610)
Operating cash flows before working capital changes		**(831 607)**	**(11 019 632)**	**(3 987 793)**	**(821 761)**
Changes in operating assets and liabilities:					
Decrease/(Increase) in financial assets at fair value		10 580 292	(15 537 568)	2 320 541	(345 798)
Increase in trade and other receivables		592 235	(700 874)	(402 117)	(104 429)
Increase in trade and other payables		(5 770 936)	10 317 286	8 146 769	1 314 946
Cash generated from operating activities		**4 569 983**	**(16 940 788)**	**6 077 400**	**42 959**
Income tax paid		622 196	(633 074)	(44 210)	(10 743)
Net cash generated in operating activities		**5 192 179**	**(17 573 862)**	**6 033 190**	**32 215**
Cash flow from investing activities					
Proceeds from available for sale securities		-	-	-	-
Purchase of equipment	7	(95 007)	(35 180)	(71 381)	(950)
Proceeds from sale of property plant and equipment		-	-	-	-
Net cash used in investing activities		**(95 007)**	**(35 180)**	**(71 381)**	**(950)**
Cash flows from financing activities					
Dividends paid to the shareholder		-	-	-	-
Net cash generated from financing activities		**-**	**-**	**-**	**-**
Net decrease in cash and cash equivalents		**5 097 172**	**(17 609 042)**	**5 961 809**	**31 265**
Cash and cash equivalents at beginning of the year		340 092	423 195	31 304	8 106
Effect of changes in exchange rates			294 189		(8 067)
Effects of inflation on cash and cash equivalents		555 849	17 231 750		-
Cash and cash equivalents at the end of year	3	**5 993 113**	**340 092**	**5 993 113**	**31 304**

NOTES TO THE FINANCIAL RESULTS
For the year ended 31 December 2024

1 GENERAL INFORMATION
FBC Securities (Private) Limited ("the Company"), which is incorporated and domiciled in Zimbabwe provides the services of a stockbroker and is a wholly owned subsidiary of FBC Holdings Limited which is listed on the Zimbabwe Stock Exchange('ZSE"). There have been no significant changes in the nature of these activities during the financial year.

1.1 Basis of preparation
The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the manner required by the Companies and Other Business Entities Act [Chapter 24:31] and the Securities and Exchange Act [Chapter 24:25].

The financial statements maintained are based on records maintained under historical convention, as restated to take account of the effects of inflation in accordance with the International Accounting Standard 29, IAS 29, and (Financial Reporting in Hyperinflationary economy).

Since 1 July 2019, Zimbabwe was considered to be a hyperinflationary economy as the 3 year cumulative inflation figure was above 100%.
The basic principle in IAS 29 is that the financial statements of an entity that reports in the currency of a hyperinflationary economy should be stated in terms of measuring unit current at the balance sheet date.

Comparative figures for prior period(s) should be restated into the same current measuring unit. [IAS 29.8]

In accordance with IAS 29, the financial statements and the corresponding figures for the previous period have been restated to take account of the changes of the general purchasing power of the Zimbabwe Gold.

The restatement is based on conversion factors derived after adjusting the published Zimbabwe Consumer Price Index (CPI) with the monthly movements of the Total Consumption Poverty Line (TCPL) compiled by the Zimbabwe Central Statistical Office.

The indices and conversion factors used were as follows.

Date	Indices	Conversion Factor
December 2024	166.30	1.0000
March 2024	429,220	1.66305
December 2023	65,703	6.53268

The financial statements are presented in Zimbabwe Gold (ZWG), the functional currency of the Company and are rounded off to the nearest dollar.

1.2 The gain or loss on the net monetary position
The gain or loss on the net monetary position can be determined as follows:
(i) derived as the difference resulting from the restatement of non-monetary assets, owners' equity and items in the statement of profit or loss and OCI and the adjustment of index linked assets and liabilities (Approach 1); or
(ii) Estimated by applying the change in the general price index to the weighted average for the period of the net amounts of monetary assets and liabilities (Approach 2).

FBC Securities (Private) Limited has elected to use Approach 1
During the year then ended 31 December 2024 the company recorded a monetary gain of ZWG1,106,462.

2. MATERIAL ACCOUNTING POLICIES
The significant accounting policies applied in the preparation of the financial statements. are as stated below. The accounting policies are consistent with those prepared in the previous years as required in terms of the adoption of the accounting standards.

STANDARDS ISSUED AND EFFECTIVE

New standards and amendments – applicable 1 January 2024

The following International Financial Reporting Standards and amendments are effective for the first time for the December 2024 year-end reporting period

Standard	Effective Date	Executive summary
Lease liability in sale and leaseback – amendments to IFRS 16	1 January 2024	In September 2022, the IASB finalised narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 Leases which explain how an entity accounts for a sale and leaseback after the date of the transaction. The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate. No impact has resulted from these amendments.
Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants – Amendments to IAS 1 Presentation of Financial Statements	1 January 2024	Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement for at least 12 months after the reporting date. The International Accounting Standards Board (IASB) has removed the requirement for a right to be unconditional and instead now requires that a right to defer settlement must exist at the reporting date and have substance. Similar to existing requirements in IAS 1, the classification of liabilities is unaffected by management's intentions or expectations about whether the company will exercise its right to defer settlement or will choose to settle early. A company will classify a liability as non-current if it has a right to defer settlement for at least 12 months after the reporting date. This right may be subject to a company complying with conditions (covenants) specified in a loan arrangement. After reconsidering certain aspects of the 2020 amendments1, the IASB reconfirmed that only covenant with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. No significant impact has resulted from these amendments.
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements	1 January 2024	In response to investors' calls for more transparency of supplier finance arrangements' impacts on the financial statements, the International Accounting Standards Board (IASB) has amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The amendments introduce additional disclosure requirements for companies that enter into these arrangements. However, they do not address the classification and presentation of the related liabilities and cash flows.

The following standards and interpretations had been issued but were not mandatory for reporting periods ending on 31 December 2024

Lack of Exchangeability - Amendments to IAS 21	1 January 2025	Under IAS 21 The Effects of Changes in Foreign Exchange Rates, a company uses a spot exchange rate when translating a foreign currency transaction. However, in rare cases, it is possible that one currency cannot be exchanged into another. This lack of exchangeability might arise when a government imposes controls on capital imports and exports, for example, or when it provides an official exchange rate but limits the volume of foreign currency transactions that can be undertaken at that rate. Consequently, market participants are unable to buy and sell currency to meet their needs at the official exchange rate and turn instead to unofficial, parallel markets. Although few jurisdictions are affected by this, it can have a significant accounting impact for those companies affected. In August 2023, the International Accounting Standards Board (IASB) amended IAS 21 to clarify: when a currency is exchangeable into another currency; and how a company estimates a spot rate when a currency lacks exchangeability. A currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. When a currency is not exchangeable, a company needs to estimate a spot rate. A company's objective when estimating a spot rate is only that it reflects the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments contain no specific requirements for estimating a spot rate. Therefore, when estimating a spot rate a company can use: 1. an observable exchange rate without adjustment; or 2. another estimation technique. In light of historical challenges around exchangeability in the Zimbabwean context, this standard may be applicable to the group in the event of these issues recurring. Management will continue to assess the potential impact of the amendment to IAS 21 on the Group's foreign currency denominated transactions and balances.

NOTES TO THE FINANCIAL RESULTS (CONTINUED)
For the year ended 31 December 2024

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	1 January 2026	Financial assets with an ESG-linked feature could meet SPPI The International Accounting Standards Board (IASB) has now amended IFRS 9 Financial Instruments following its post-implementation review (PIR) of the classification and measurement requirements. The amendments include guidance on the classification of financial assets, including those with contingent features. The IASB has also amended IFRS 7 Financial Instruments: Disclosures. Companies will now be required to provide additional disclosures on financial assets and financial liabilities that have certain contingent features. Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI, which is a condition for measurement at amortised cost. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss. Although the new amendments are more permissive, they apply to all contingent features, not just ESG-linked features. While the amendments may allow certain financial assets with contingent features to meet the SPPI criterion, companies may need to perform additional work to prove this. Judgement will be required in determining whether the new test is met. The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g. where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract. Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are: 1. not related directly to a change in basic lending risks or costs; and 2. are not measured at fair value through profit or loss Settlement of financial liabilities by electronic payments The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognised and derecognised and to provide an exception for certain financial liabilities settled using an electronic payment system. Companies can choose to apply the exception for electronic payments on a system-by- system basis. Given the widespread use of electronic payment systems, determining whether the exception criteria would be met for each one may require significant time and effort. If the derecognition exception criteria are not met, determining the settlement date may also present challenges and companies may be required to change their existing systems and processes. However, the amendments provide an exception for the derecognition of financial liabilities. The exception allows the company to derecognise its trade payable before the settlement date, when it uses an electronic payment system that meets all of the following criteria: 1. no practical ability to withdraw, stop or cancel the payment instruction; 2. no practical ability to access the cash to be used for settlement as a result of the payment instruction; and 3. the settlement risk associated with the electronic payment system is insignificant. No impact has resulted from these amendments.

2.2 Going concern
The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current financing. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

The company is in a net current liability position of ZWG1 298 662. However, FBC Holdings Limited, the sole shareholder of the Company, has committed to supporting the Company to ensure that it remains a going concern and honours all its obligations. In response to current operating conditions, the business continues to manage overheads while expanding its product offerings and plans to consolidate its presence in nontraditional markets and enhance collaboration with subsidiary units in wealth management and custodial services.

2.3 Foreign currency translation
a) Functional and presentation currency
Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in the Zimbabwe Gold, ("ZWG"), which is the Company's functional and presentation currency.

b) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are remeasured. Foreign exchange gains or 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 comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

2.4 Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.5 Financial assets
Initial Measurement
Financial instruments are initially measured at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs.

Classification
The Company classifies its financial assets in the following categories: at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the financial assets were acquired.

The director determines the classification of its financial assets at initial recognition.
(a) Financial assets at fair value through profit or loss
Financial assets held for trading shall be classified in this group if acquired principally for the purpose of selling in the short term. Trading generally reflects active and frequent buying and selling, and financial instruments held for trading generally are used with the objective of generating a profit from short-term fluctuations in price or dealer's margin.

(b) Financial assets at fair value through other comprehensive income
Zimbabwe Stock Exchange (ZSE) equity instrument shall be classified under fair value through other comprehensive income measurement group and into the amortised cost measurement group. Therefore, the cumulative gain or loss previously recognised in other comprehensive income is removed from equity and adjusted against the fair value of the financial asset at the revaluation date.

Unlisted investments are shares that are not listed on a registered Stock Exchange, therefore, the prices are not quoted in any active market and are classified as level 3 financial instruments, in terms of IFRS 13, Fair value measurement ("IFRS 13"), in the fair value hierarchy.

Recognition and measurement
Regular purchases and sales of financial assets are recognized on the trade date - the date on which the Company commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value.

Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the statement of comprehensive income in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income when the Company's right to receive payments is established.

2.6 Offsetting financial instruments
Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains or losses arising from a group of similar transactions.

2.7 Trade receivables
Trade receivables are amounts due from customers for 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. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less allowance for impairment.

2.8 Impairment of financial assets
(a) Assets carried at amortized cost
The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of a financial asset or a group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of comprehensive income. If a loan and receivable balance has a variable interest rate, the discount rate for measuring any impairment allowance is the current effective interest rate determined under the contract. As a practical expedient, the Company may measure the impairment allowance on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment allowance decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment allowance is recognised in the statement of comprehensive income.

2.9 NON-CURRENT ASSETS
2.9.1 Equipment
(a) Recognition and measurement
The cost of an item of equipment shall be recognised as an asset if, and only if; it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Initial measurement
An item of equipment that qualifies for recognition as an asset shall be initially measured at cost.

Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use, the cost of dismantling the asset and removing items and restoring the site on which they are located.

Measurement subsequent to initial recognition
IAS 16 permits two accounting models:

- Cost model. The asset is carried at cost less accumulated depreciation and impairment.
- Revaluation model. The asset is carried at a revalued amount, being its fair value at the date of revaluation less subsequent depreciation and impairment, provided that fair value can be measured reliably.

FBC Securities accounting policy on measurement after initial recognition of property, plant and equipment is the revaluation model. FBC Securities applies the revaluation model on all classes of its property, plant and equipment.

An independent valuation of the assets was performed by an external valuer to determine the fair value of the assets as at 31 December 2024. The revaluation surplus net of deferred taxes was credited to other comprehensive income and is shown in the 'revaluation reserves' in shareholders' equity.

(b) Subsequent costs
The cost of replacing part of an item of equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive income within 'operating expenses' during the financial period in which they are incurred. Subsequent costs can also be recognised as separate assets.

Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Computer hardware	5 years
Motor vehicles	5 years
Office equipment	10 years
Furniture and fittings	10 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date. Gains or losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income within other income.

The carrying amounts of the Company's items of equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment allowance is recognised whenever the carrying amount exceeds its recoverable amount.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than the estimated recoverable amount.

(c) Derecognition
The carrying amount of an item of equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal.

2.9.2 Intangible Assets

Recognition and measurement
An intangible asset shall be recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

Initial measurement
An intangible asset shall be measured initially at cost.

An entity uses judgement to assess the degree of certainty attached to the flow of future economic benefits that are attributable to the use of the asset on the basis of the evidence available at the time of initial recognition, giving greater weight to external evidence. The cost of a separately acquired intangible asset shall comprise its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and any directly attributable cost of preparing the asset for its intended use.

Measurement subsequent to initial recognition
Cost model: after initial recognition, an intangible asset shall be carried at its cost less any accumulated amortisation and any accumulated impairment losses.

2.9.3 Investment Property

Investment property is recognized as an asset when it is probable that future economic benefits that are associated with the investment property will flow to the Group and the cost of the property can be reliably measured. Investment property is initially measured at cost and subsequently measured at fair value.

Investment property is property held to earn rentals and/or for capital appreciation. It is stated at its fair value at the reporting date as determined by independent professional valuers. Gains or losses arising from changes in the fair value of investment property are included in the statement of profit or loss in the period in which they arise. The fair value of investment property is based on the nature, location, and condition of the asset. The fair value is calculated by reference to market evidence of most recent proceeds achieved in arm's length transactions of similar properties.

Transfers from investment property are made when there is a change in use, evidenced by commencement of owner occupation for a transfer from investment property to owner-occupied property. The property's deemed cost for subsequent accounting is its fair value at the date of change in use.

Investment property is derecognized on disposal or when the property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Gains or losses from disposal is determined as the difference between the net proceeds and the carrying amount of the asset is recognized in the statement of comprehensive income in the period of disposal.

2.10 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 any tax effects.

2.11 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. 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 amortized cost using the effective interest method.

2.12 Provisions

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

2.13 Current and deferred tax

The income tax expense for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the income tax is also recognised in other comprehensive income or directly in equity. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes liabilities, where appropriate, on the basis of amounts expected to be paid to the tax authorities. Deferred tax is recognised, using the liability method, on temporary differences arising between assets and liabilities and their carrying amounts in the financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realized, or the deferred tax liability is settled. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

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

2.14 Revenue recognition

Revenue is derived substantially from the business of stock broking and related activities and comprises fee and commission income. Revenue is measured at the fair value of the consideration received or receivable. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due.

2.14.1 Brokerage fee and commission income

Brokerage fee and commission income are generally recognised on an accrual basis when the service has been provided. Brokerage fee and commission income arising from negotiating, or participating in the negotiation of, a transaction for a third party, such as the arrangement of the acquisition of shares or other securities or the purchase or sale of businesses, are recognised on completion of the underlying transaction. Payments for shares are typically made upfront or on a Trading +3 days basis.

A contract shall create enforceable rights and obligations. It may be written, oral or implied by customary business practice. Contracts are combined when they are entered into at or near the same time and are negotiated as a package, payment of one depends on the other, or goods/services promised are a single performance obligation. A contract modification is accounted for as a separate contract or continuation of the original contract prospectively or with cumulative catch-up, depending on facts and circumstances.

2.15 Employee benefits

(i) Termination benefits
Termination benefits are benefits payable as a result of the Company's decision to terminate employment before the normal retirement date (or contractual date) or whenever an employee accepts voluntary redundancy in exchange for those benefits. Termination benefits are recognised as an expense at the earlier of the following dates:
(a) When the Company can no longer withdraw the offer for these benefits; and
(b) When the Company recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminal benefits.

Termination benefits for voluntary redundancies are recognised if the Company 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.

(ii) Short term employee benefits
Short-term employee benefits are employee benefits (other than termination benefits) which fall due wholly within twelve months after the end of the period in which the employees render service. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

(iii) Post-employment benefits
Post-employment benefits are employee benefits (other than termination benefits) which are payable after completion of employment. Obligations for contributions to defined contribution pension plans are recognized as an expense in profit or loss when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Pension obligation
The Company provides for retirement benefit obligation in respect of its employees as follows;
- FBCH Pension Fund - Defined Contribution Fund, and
- National Social Security Authority ("NSSA") - a Statutory Defined Contribution Fund.

Contributions to NSSA are made in terms of statutory regulations and are charged against income as incurred.

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

2.16 Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or 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 fairvalue 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.

NOTES TO THE FINANCIAL RESULTS (CONTINUED)
For the year ended 31 December 2024

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Critical accounting estimates and judgements

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

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

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

b) Useful lives of Property,Plant and Equipment
The determination of estimated useful life for property and equipment is carried out at each reporting date. At the end of each financial year, the management assesses all property taking into account the market values,physical status,technological trends and historical usage.Judgement was applied by making comparisons between the market values and books values. Management determined that there is no significant difference,hence book values were applied.Refer to accounting policy note 2.8 for the useful lives of property, plant and equipment.

c) Functional currency assessment for the year 2024 financial statements
Functional and presentation currency
Despite a significant increase in foreign currency transactions in the market during the review period, FBC Securities did not see a corresponding rise in foreign currency stock market trading activity. Consequently, management evaluated the appropriateness of continuing to use Zimbabwe Gold (ZWG) as the functional currency, as required by International Accounting Standard (IAS) 21.

The Effects of Changes in Foreign Exchange Rates.

In the assessment, management considered the following IAS 21 parameters:
(i) The currency that primarily influences the sales prices for goods and services.
(ii) The currency of the competitive forces and regulations that mainly determine the sales prices of goods and services.
(iii) The currency that predominantly influences labor, material, and other costs of providing goods and services (typically the currency in which these costs are denominated and settled).
(iv) The currency in which funds from financing activities are generated and the currency in which receipts from operating activities are usually retained.

During the year 2024, FBC Securities generated at least 90% of its income in local currency, ZWG. The Zimbabwe Stock Exchange (ZSE) platform, which facilitates equity trading and constitutes the core business of FBC Securities, operates in ZWG. Consequently, there have been no fundamental changes to the functional currency.

Additionally, the costs associated with labour and overheads are predominantly denominated in ZWG, aligning with the company's revenue generation in the local currency.

Based on this assessment, management concluded that there has been no change in the functional currency from Zimbabwe Gold (ZWG). Therefore, the company's financial statements are presented in Zimbabwe Gold (ZWG), and all values are rounded to the nearest ZWG except when otherwise indicated.

		Audited Inflation Adjusted		Unaudited Historical Cost	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
3	**CASH AND CASH EQUIVALENTS**				
	Cash at bank and on hand	1 349 383	330 683	1 349 383	30 438
	Money market placements	4 643 730	9 409	4 643 730	866
	Cash and cash equivalents	**5 993 113**	**340 092**	**5 993 113**	**31 304**
	Current	5 993 113	340 092	5 993 113	31 304
	Non-current	-	-	-	-
		5 993 113	**340 092**	**5 993 113**	**31 304**
4	**FINANCIAL ASSETS**				
	Financial assets at fair value through other comprehensive income	7 723 805	5 059 539	7 723 805	465 709
	Financial assets at fair value through profit or loss	6 513 353	9 097 101	6 513 353	837 350
		14 237 158	**14 156 640**	**14 237 158**	**1 303 060**
	Financial assets at fair value through profit or loss				
	Fair value balance as at 1 January	9 097 101	3 512 491	837 350	67 281
	Purchases	316 178	14 402 791	250 917	466 825
	Disposals	(3 127 036)	(4 830 041)	(2 699 881)	(198 869)
	Unrealised fair value gains	7 996 544	(6 530 814)	7 996 544	426 422
	Realised fair value gains/(losses)	128 423	822 318	128 423	75 691
	Effects of IAS 29 application	(7 897 858)	1 720 356		-
	Fair value balance as at 31 December	**6 513 353**	**9 097 101**	**6 513 353**	**837 350**

Financial assets at fair value through profit or loss comprises of gold coins and listed shares at market value and are presented within 'operating activities' as part of changes in working capital in the statement of cash flows.

Changes in fair values of financial assets at fair value through profit or loss are recorded in other (losses)/income in the statement of profit and other comprehensive income. The fair value of all equity securities is based on the current bid prices in an active market, the Zimbabwe Stock Exchange ("ZSE"). The fair value of gold coins is based on the gold prices as published by the Reserve Bank of Zimbabwe.

	Audited Inflation Adjusted 31 Dec 2024 ZWG	Audited Inflation Adjusted 31 Dec 2023 Restated** ZWG	Unaudited Historical Cost 31 Dec 2024 ZWG	Unaudited Historical Cost 31 Dec 2023 Restated** ZWG
Financial assets at fair value through other comprehensive income				
Fair value balance as at 1 January	5 059 539	1 637 395	465 709	31 364
Unrealised fair value gains	2 664 266	3 311 285	7 258 096	432 195
Purchases	-	110 859	-	2 151
Effects of IAS 29 application		-	-	-
Fair value balance as at 31 December	**7 723 805**	**5 059 539**	**7 723 805**	**465 709**

Financial assets at fair value through other comprehensive income comprises of 10 534 shares in ZSE Ltd. This shareholding represents 10.26% of the issued share capital of ZSE Ltd. The Company's investment in Zimbabwe Stock Exchange constitutes 18 percent of the company's total assets.

The value of these shares is not quoted in any active market and are classified as level 3 financial instruments, in terms of IFRS 13, Fair value measurement (IFRS 13), in the fair value hierarchy. In determining the value of the shares as at 31 December 2024, management used the Net Assets Value.

		Audited Inflation Adjusted		Unaudited Historical Cost	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
5	**TRADE AND OTHER RECEIVABLES**				
	Amounts due from clients	41 645	791 198	41 645	72 826
	Other receivables (note 5.1)	720 383	563 066	477 416	44 118
		762 029	1 354 263	519 061	116 945

Below is an ageing analysis showing the extent of exposure to credit risk arising from stock broking activities:

	INFLATION ADJUSTED			HISTORICAL COST		
As at 31 December 2024	Up to 1 month ZWG	1 to 6 months ZWG	Total ZWG	Up to 1 month ZWG	1 to 6 months ZWG	Total ZWG
Amounts due from clients	41 645	-	41 645	41 645	-	41 645
Other receivables (note 5.1)	-	720 383	720 383	-	477 416	477 416
Total	**41 645**	**762 029**	**762 029**	**41 645**	**477 416**	**519 061**
As at 31 December 2023						
Amounts due from clients	-	791 198	791 198	-	72 826	72 826
Other receivables (note 5.1)	-	563 066	563 066	-	44 118	44 118
Total	**-**	**1 354 262**	**1 354 262**	**-**	**116 945**	**116 945**

NOTES TO THE FINANCIAL RESULTS (CONTINUED)
For the year ended 31 December 2024

		Audited Inflation Adjusted		Unaudited Historical Cost	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
5.1	**Other receivables**				
	Intercompany receivable (note 20.1(c))	475 258	450 803	475 258	41 495
	Prepayments	245 126	112 262	2 158	2 624
		720 383	563 066	477 416	44 118
6	**DEFERRED TAX**				
	The analysis of deferred tax asset and deferred tax liabilities is as follows:				
	Deferred tax asset				
	– Deferred tax asset to be recovered after more than 12 months	4 677 493	1 895 368	2 267 574	173 639
	– Deferred tax asset to be recovered within 12 months	4 677 493	1 895 368	2 267 574	173 639
	Deferred tax liabilities:				
	– Deferred tax liability to be recovered after more than 12 months	(5 693 529)	(3 675 135)	(3 877 722)	(290 008)
	– Deferred tax liability to be recovered within 12 months	-	-	-	-
		(5 693 529)	(3 675 135)	(3 877 722)	(290 008)
	Deferred tax liability	(1 016 036)	(1 779 767)	(1 610 148)	(116 369)
	The gross movement on the deferred tax account is as follows:				
	As at 1 January	(1 779 767)	(2 081 787)	(116 369)	(29 961)
	Charge to profit and loss	(1 779 767)	(2 081 787)	(116 369)	(29 961)
	Statement of comprehensive income charge	181 315	(240 687)	(3 031 236)	(22 154)
	Current Tax credit				
	Effects of IAS 29	(955 041)	1 240 766		
	As at 31 December 2024	**(1 016 036)**	**(1 779 767)**	**(1 610 148)**	**(116 369)**

		Computer equipment	Equipment, Furniture and fittings	Motor vehicles	Total
7	**INFLATION ADJUSTED**	ZWG	ZWG	ZWG	ZWG
	Year ended 31 December 2023				
	Opening net book amount	446 801	307 094	-	753 895
	Additions	28 653	6 526	-	35 180
	Disposals	-	-	-	-
	Revaluation surplus	32 305	13 229	-	45 535
	Depreciation charge	(93 658)	(31 036)	-	(124 694)
	Depreciation charge disposals	-	-	-	-
	Closing net book amount	**414 102**	**295 814**	**-**	**709 915**
	At 31 December 2023				-
	Cost	475 455	313 620	-	789 075
	Accumulated depreciation	(93 658)	(31 036)	-	(124 694)
	Accumulated impairment			-	-
	Revaluation surplus	11 744	33 791	-	45 535
	Net book amount	**393 540**	**316 375**	**-**	**709 915**
	Year ended 31 December 2024				-
	Opening net book amount	393 540	316 375	-	709 915
	Additions	95 007	-	-	95 007
	Disposals	-	-	-	-
	Revaluation surplus	63 303	123 499	-	186 801
	Depreciation charge	(86 258)	(31 638)	-	(117 895)
	Depreciation charge disposals				
	Closing net book amount	**465 592**	**408 236**	**-**	**873 829**
	At 31 December 2024				-
	Cost	488 548	316 375	-	804 923
	Accumulated depreciation	(86 258)	(31 638)	-	(117 895)
	Accumulated impairment			-	-
	Revaluation surplus	63 303	123 499	-	186 801
	Net book amount	**465 593**	**408 236**	**-**	**873 829**

The valuation of other property and equipment was derived using the sales comparison approach. Sales prices of comparable property and equipment of a similar nature was adjusted for differences in key attributes such as property size, age and general condition.

	Computer equipment	Equipment, Furniture and fittings	Motor vehicles	Total
HISTORICAL COST	ZWG	ZWG	ZWG	ZWG
Year ended 31 December 2023				
Opening net book amount	8 558	5 882	-	14 441
Additions	560	391	-	950
Disposals	-	-	-	-
Revaluation surplus	28 901	23 456	-	52 357
Depreciation charge	(1 796)	(608)	-	(2 403)
Depreciation charge disposals	-	-	-	-
Closing net book amount	**36 224**	**29 121**	**-**	**65 345**
At 31 December 2023				-
Cost	9 145	6 273	-	15 418
Accumulated depreciation	(1 823)	(608)	-	(2 430)
Accumulated impairment	-	-	-	-
Revaluation surplus	28 901	23 456		52 357
Net book amount	**36 224**	**29 121**	**-**	**65 345**
Year ended 31 December 2024				-
Opening net book amount	36 224	29 121	-	65 345
Additions	71 381	-	-	71 381
Disposals	-	-	-	-
Revaluation surplus	369 715	382 027		751 742
Depreciation charge	(11 727)	(2 912)	-	(14 639)
Depreciation charge disposals	-	-	-	-
Closing net book amount	**465 593**	**408 236**	**-**	**873 829**
At 31 December 2024				-
Cost	107 605	29 121	-	136 726
Accumulated depreciation	(11 727)	(2 912)	-	(14 639)
Accumulated impairment	-	-	-	-
Revaluation surplus	369 715	382 027	-	751 742
Net book amount	**465 593**	**408 236**	**-**	**873 829**

NOTES TO THE FINANCIAL RESULTS (CONTINUED)
For the year ended 31 December 2024

		Audited Inflation Adjusted		Unaudited Historical Cost	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
8	**INVESTMENT PROPERTY**				
	Balance as at 1 January	9 426 204	3 342 911	867 643	307 701
	Additions	-	-	-	-
	Fair value adjustments	(3 440 952)	6 083 293	5 117 609	559 942
	Disposal	-	-	-	-
	Transfer from property and equipment	-	-	-	-
	Balance as at 31 December	**5 985 252**	**9 426 204**	**5 985 252**	**867 643**

The fair value of the property was determined by independent professional valuers, Bard Real Estate who hold recognised relevant professional qualifications and have recent experience in the locations and categories of the investment properties valued using the open market value method.

The investment property is valued using the comparison basis.The comparison basis makes use of prices of properties in the same location and with a similar building specifications, based on the nature, location and condition of the asset and is calculated by reference to market evidence of most recent proceeds achieved in arms length transactions of similar properties.

The fair value of the Company's investment property is classified as Level 3 in the fair value hierarchy, through the use of unobservable inputs such as rental rates per square meter and capitalisation rates which have estimation uncertainty inherent in their values.

		Software	Software	Software	Software
		ZWG	ZWG	ZWG	ZWG
9	**INTANGIBLE ASSETS**				
	Opening net book amount	-	-	-	-
	Additions	-	-	-	-
	Revaluation surplus	-	-	-	-
	Amortisation charge	-	-	-	-
	Closing net book amount	**-**	**-**	**-**	**-**
	Cost or valuatoin	-	-	27	27
	Revaluation Surplus	-	-	-	-
	Accumulated armotisation	-	-	(27)	(27)
	Net book amount	**-**	**-**	**-**	**-**

		Audited Inflation Adjusted		Unaudited Historical Cost	
		31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
		ZWG	ZWG	ZWG	ZWG
10	**TRADE AND OTHER PAYABLES**				
	Amounts due to related parties	13 626 076	13 594 657	13 626 076	1 251 332
	Other liabilities (subnote below)	698 115	1 733 985	698 115	159 606
		14,324,190	**15,328,643**	**14,324,190**	**1,410,938**
	Current	14 324 190	15 328 643	14 324 190	1 410 938
	Non-current	-	-	-	-
		14 324 190	**15 328 643**	**14 324 190**	**1 410 938**
10.1	**Other liabilities**				
	Other	208 634	557 177	208 634	51 286
	Provision for performance related bonus	359 217	565 224	359 217	52 027
	Statutory Payments	130 264	611 583	130 264	56 294
		698 115	**1 733 985**	**698 115**	**159 606**
	Current	698 115	1 733 985	698 115	159 606
	Non-current	-	-	-	-
		698 115	**1 733 985**	**698 115**	**159 606**
11	**SHARE CAPITAL**				
	Authorised				
	50 000 ordinary shares with a nominal value of US$0.001 each	223	223	0	0
	Issued and fully paid:	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares
	45 000 issued and fully paid ordinary shares with a nominal value of US0.001 each	201	201	0	0
	The unissued share capital is under the control of the Directors subject to the restrictions imposed by the Companies Act (Chapter 24:03) and the Articles and Memorandum of Association of the Company.				
12	**SHARE PREMIUM AND AMOUNTS AWAITING ALLOTMENT**				
	Share premium	2 006 571	2 006 571	180	180
	Share premium arose upon rights issue and issue of share above the nominal value in the years 2011 and 2012.				
	Amounts awaiting allotment	633 145	633 145	57	57
	Amounts awaiting allotment represent debt converted to equity in 2015.				
13	**RESERVES**				
13.1	**NON-DISTRIBUTABLE RESERVE**				
	As at 1 January	666 926	666 926	60	60
	Transfer on redenomination of share capital	-	-	-	-
	As at 31 December	**666 926**	**666 926**	**60**	**60**
	The reserve arose as the net effect of restatement of assets and liabilities preciously denominated in Zimbabwean dollars on 1 January 2009.				
13.2	**FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**				
	As at 1 January	5 783 675	2 637 954	440 317	29 732
	Revalaution of finanacial asset	6 895 191	3 145 721	6 895 191	410 585
	As at 31 December	**12 678 866**	**5 783 675**	**7 335 508**	**440 317**
	Financial assets at fair value through other comprehensive income comprises of 10 534 shares in ZSE Ltd. This shareholding represents 10.26% of the issued share capital of ZSE Ltd. The Company's investment in Zimbabwe Stock Exchange constitutes 18 percent of the company's total assets.				
	The value of these shares is not quoted in any active market and are classified as level 3 financial instruments, in terms of IFRS 13, Fair value measurement (IFRS 13), in the fair value hierarchy. In determining the value of the shares as at 31 December 2024, management used the Net Assets Value.				
13.3	**REVALUATION RESERVE**				
	As at 1 January	586 372	552 562	49 635	10 760
	Revaluation of property and equipment	558 169	33 809	558 169	38 875
	As at 31 December	**1 144 540**	**586 372**	**607 804**	**49 635**
	The revaluation reserve relates to the revaluation of property and equipment.				
14	**INTEREST AND RELATED INCOME**				
	Interest income	179,239	11 332	169,167	424
		179 239	**11 332**	**169 167**	**424**

NOTES TO THE FINANCIAL RESULTS (CONTINUED)
For the year ended 31 December 2024

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
15 INTEREST AND RELATED EXPENSE				
Interest expense	803,860	886 759	434,853	31 488
	803 860	886 759	434 853	31 488
16 BROKERAGE FEE				
Fees and commission income	4 149 307	4 030 989	2 541 033	192 289
Non-member instituitions rebates	(338 107)	(269 564)	(284 530)	(12 984)
	3 811 200	3 761 425	2 256 503	179 305
17 OTHER INCOME				
Fair value gains on financial assets at fair value through profit or loss	8 145 286	(5 708 496)	8 124 967	502 113
Other Operating Income	8 231 784	6 156 060	805 045	51 375
Exchange loss	(4 766 484)	(781 845)	(4 766 484)	(87 101)
Rental Income	483 774	445 638	307 475	26 724
Dividend Income	637 468	641 832	441 171	37 694
Advisory Income	-	637 031	-	43 012
Revaluation of Investment property	(3 440 952)	6 083 293	5 117 609	803 610
	9 290 876	7 473 514	10 029 783	1 377 428
18 OPERATING EXPENSES				
Administration expenses	1 036 843	2 312 092	640 156	109 018
Depreciation	117 895	124 694	14 639	2 403
Staff costs	12 483 111	19 220 383	7 020 568	1 016 446
	13 637 849	21 657 169	7 675 362	1 127 868
18.1 Staff costs				
Salaries and allowances	11 945 623	17 871 555	6 666 794	969 119
Compulsory social security contributions	121 368	227 400	79 884	7 979
Pension contributions	416 120	1 121 427	273 890	39 348
	12 483 111	19 220 383	7 020 568	1 016 446
19 INCOME TAX EXPENSE				
Deferred tax expense	1 148 890	2 441 597	3 031 236	224 739
Current tax credit on profit for the year	(2 093 935)	(1 884 093)	(2 093 935)	(173 423)
Income tax expense	(945 045)	557 504	937 301	51 316
Further information about the deferred tax is presented in note 6				
The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the principal tax rate of 24.72% (2021:24.72%) as follows:				
Profit before income tax	(53 932)	3 102 117	4 345 238	397 801
Income tax on profit for the year at statutory rate of 24.72% (2022:24.72%)	(13 888)	766 843	1 118 899	98 337
Tax effect of:		-		-
Non taxable income*	(113 601)	(641 832)	(113 601)	(9 318)
Expenses not deductible for tax purposes**	43 333	61 404	43 333	5 652
Other liabilities including payroll related provisions***	(111 328)	(471 010)	(111 328)	(43 355)
Effects of IAS 29	(749 560)	842 099		-
Effective income tax expense	(945 045)	557 504	937 301	51 316

*Included in exempt income is dividend income
**Expenses not deductable for tax purposes constitute depreciation, intermediary tax, entertainment costs and donations.
***Other liabilities including payroll related provisions constitute leave pay provision, provision for long service award and provision for bonus

20 RELATED PARTY TRANSACTIONS
A number of transactions are entered into with related parties in the normal course of business. These include amounts that arise from stock broking, insurance and banking activities. Transactions with related parties are carried out on arm's length basis. The volumes of related party transactions, outstanding balances at year end are as follows;

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
20.1 Transactions and balances with group companies				
a) Commission and advisory income earned				
Gross commission earned	191 566	378 016	87 155	13 265
Advisory Income earned	201 971	448 455	120 116	28 096
	393 537	**826 471**	**207 271**	**41 361**
b) Balances with group companies				
Cash balances with FBC Bank Limited	1 349 383	293 719	1 349 383	27 036
Money market placements with Microplan	4 655 081	9 409	4 655 081	866
Amounts receivable from group companies	128 993	440 745	128 993	40 569
Amounts payable to group companies:	-			-
-FBC Bank Limited	(8 772 898)	-	(8 772 898)	-
-FBC Holdings Limited	(4 544 030)	(9 181 431)	(4 544 030)	(845 112)
	(7 183 470)	**(8 437 558)**	**(7 183 470)**	**(776 642)**
20.2 Transactions and balances with key management personnel				
Key management includes directors (executive and non-executive) and members of the senior management.				
a) Commission income				
-from trades by directors and key management personnel	3 096	4 144	1 846	145
-from trades by companies related to directors and key management personnel	89 180	237 384	74 533	8 330
	92 276	**241 527**	**76 379**	**8 476**
b) Key management compensation				
The compensation paid or payable to key management for employee services is shown below:				
Salaries and other short-term employee benefits	14 625	10 311 570	9 939	361 856
Post-employment benefits	-	-	-	-
	14 625	**10 311 570**	**9 939**	**361 856**
20.3 Transactions and balances with other related parties				
a) Fees and Commission earned				
FBC Insurance Limited	54	-	32	-
FBC Reinsurance Limited	219 149	65 331	135 436	2 293
FBC Holdings	174 334	761 141	71 803	39 069
FBC Ventures	-	-	-	-
	393 537	**826 471**	**207 271**	**41 361**
b) Fees and Commission expense				
FBC Bank	(72 021)	(160 546)	(47 404)	(6 439)
c) Interest income				
FBC Building Society	658	11 332	190	424
Microplan Financial Services	178 581	-	168 977	-
	179 239	**11 332**	**169 167**	**424**
d) Interest expense				
FBC Holdings	(803 860)	(886 759)	(434 853)	(31 488)

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For the year ended 31 December 2024

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024	31 Dec 2023 Restated**	31 Dec 2024	31 Dec 2023 Restated**
	ZWG	ZWG	ZWG	ZWG
21 FINANCIAL INSTRUMENTS BY CATEGORY				
Assets as per statement of financial position				
Loans and receivables:				
Trade and other receivables	762 029	1 354 263	519 061	116 945
Financial assets at fair value through profit or loss				
Financial assets at fair value through profit or loss	6 513 353	9 097 101	6 513 353	837 350
Financial assets at fair value through other comprehensive income				
Financial assets at fair value through other comprehensive income	7 723 805	5 059 539	7 723 805	465 709
Liabilities as per statement of financial position				
Other financial liabilities:				
Trade and other payables	14 324 190	15 328 643	14 324 190	1 410 938

22 FAIR VALUE OF ASSETS AND LIABILITIES
IFRS 13, 'Fair value measurement' requires an entity to classify its assets and liabilities according to a hierarchy that reflects the observability of significant market inputs. The three levels of the fair value hierarchy are defined below.

Quoted market prices - level 1
Assets and liabilities are classified as level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis.This level includes listed equities traded on the Zimbabwe Stock Exchange.

Valuation technique using observable inputs - level 2
Assets and liabilities classified as level 2 have been valued using models whose inputs are observable in an active market either directly (that is, as prices) or indirectly (that is, derived from prices).

Valuation technique using significant and unobservable inputs - level 3
Assets and liabilities are classified as level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). A valuation input is considered observable if it can be directly observed from transactions in an active market, or if there is compelling external evidence demonstrating an executable exit price.

The following table shows the Company's assets and liabilities that are held at fair value disaggregated by valuation technique (fair value hierarchy):

	Quoted market prices Level 1 ZWG	Observable inputs Level 2 ZWG	Significant unobservable inputs Level 3 ZWG	Total ZWG
As at 31 December 2024				
Assets				
Financial assets at fair value through profit or loss	6 513 353	-	-	6 513 353
Financial assets at fair value through other comprehensive income	-		7 723 805	7 723 805
Investment Property			5 985 252	5 985 252
Equipment			873 829	873 829
As at 31 December 2023				
Assets				
Financial assets at fair value through profit or loss	837 350	-	-	837 350
Financial assets at fair value through other comprehensive income	-		465 709	465 709
Investment Property	-		867 643	867 643
Equipment			65 345	65 345

Comparison of carrying amounts and fair values for assets and liabilities not held at fair value
The fair value of trade and other receivables and trade and other payables approximate the carrying amount due to the short term nature of the financial assets and liabilities.

23 RISK MANAGEMENT
23.1 Introduction and overview
FBC Securities (Pvt) Limited (the Company) has continued to maintain a strong risk management culture in response to the changing operating environment in order to achieve an appropriate balance between risks and rewards. The Group has an independent Risk Management

Division which assists the Company's Management in risk identification and monitoring and recommends risk mitigation strategies.

Managing risk effectively in a financial institution requires a comprehensive risk management governance structure that promotes the following elements of a sound risk management framework:
- Sound Board and Management oversight,
- Adequate policies, procedures, and limit framework,
- Adequate Risk Monitoring and Management Information Systems (MIS); and
- Adequate Internal Controls

FBC Securities (Pvt) Limited manages risks through a comprehensive framework of risk principles, organizational structure and risk processes that are closely aligned with the activities of the Company.

Risk Management Framework
The Board has established a risk governance structure that is consistent with the size and complexity of the Company's operations.

FBC Securities (Pvt) Limited's Board of Directors has the ultimate responsibility of ensuring that an adequate and effective system of internal controls is established and maintained. The Board delegates part of its responsibilities to the following Board Committees:
- Board Finance and Strategy Committee;
- Audit Committee; and
- Risk and Compliance Committee.

The specific duties delegated to each Board Committees and the respective Management Committees are outlined in the terms of reference for the specific committees.

In addition to the above Committees, the following four risks related functions are directly involved in enterprise- wide risk management:
- Group Risk Management Division;
- Group Information Security Division;
- Group Credit Management Division;
- Group Internal Audit; and
- Group Legal and Compliance.

Group Risk Management Division assumes the leading role in the oversight of, and management of all risks that the FBC Securities (Pvt) Limited is exposed to in its various activities. The Head of Risk Management Division is responsible for setting up the framework that ensures the effective management and alignment of risks. Group Risk Management Division participates in the process of identifying, quantifying, communicating, mitigating, monitoring, and planning for effective risk management.

The Group Credit Management Division reviews and examines the adequacy of the FBC Securities (Pvt) Limited's Credit Policy. The Divisional Director of Group Credit Management Division is responsible for setting up the framework that ensures the effective management and alignment of credit risk. Group Credit Management Division is responsible for the oversight of the Company's credit risk.

The Group Information Security Division is dedicated to ensuring the confidentiality, integrity, and availability of the company's information assets. Its mandate includes developing and implementing information security policies and standards aligned with regulatory requirements and industry best practices. The Division conducts regular risk assessments to identify vulnerabilities in information systems and maintains an incident response plan to effectively manage security breaches. Additionally, the Group Information Security Division provides training programs to raise employee awareness about information security risks and compliance obligations, implements monitoring tools for real-time threat detection, and collaborates with the Group IT & MIS Division and other departments to integrate security measures into all organizational operations. Through these initiatives, the Group Information Security Division plays a vital role in safeguarding the organization's information assets.

Group Legal and Compliance is an independent core risk management function. The Group Compliance Department is responsible for assessing conformity to all laws, regulatory guidelines, and codes of conduct, instructions, and procedures that are applicable to the Company.

The assessments form the basis for the Company's compliance programme. The Department is accountable to the Board Risk and Compliance Committee for the formulation, implementation and monitoring the process of compliance risk management and integrating it into the daily activities of the Company. The Department is also responsible for the management of legal risk through the provision of legal advice to the Company, the formulation and review of all legal documentation that pertains to the Company.

Group Internal Audit independently audits the adequacy and the effectiveness of the FBC Securities (Pvt) Limited's risk management, internal controls and governance processes. The Divisional Director of Group Internal Audit reports administratively, to the Group Chief Executive, however, he provides independent assurance to the Board Audit Committee and has unrestricted access to the Chairman of the Audit Committee.

NOTES TO THE FINANCIAL RESULTS (CONTINUED)
For the year ended 31 December 2024

The principal risk types that FBC Securities (Pvt) Limited is exposed to and continues to manage, are listed below:

- Strategic risk;
- Capital risk;
- Market risk;
- Liquidity risk;
- Credit risk;
- Reputational risk;
- Operational risk;
- Cyber risk
- Legal and Compliance risk.

Strategic risk
Strategic risk refers to the potential for losses arising from adverse business decisions, improper implementation of decisions, or a lack of responsiveness to changes in the business environment. This risk can significantly impact the firm's ability to achieve its strategic objectives i.e., profitability and business growth objectives.

FBC Securities manages strategic risk through annual strategy planning initiatives facilitated through the Group. This process culminated into comprehensive annual strategic documents that outlines clearly objectives, evaluates potential risks and rewards, and aligns and allocates resources to the firm's strategic goals.

Quarterly reviews, that is, evaluation and monitoring of strategy implementation are carried out through the use of key performance indicators (KPIs). The firm's various key performance indicators (KPIs) are measured to determine progress toward implementation of strategic objectives.

The regular reviews ensure that any deviations from the strategic plan are addressed promptly. The FBC Securities Management Risk and Compliance Committee, the FBCH Management Risk and Compliance Committee and FBCH Board Risk and Compliance Committee presides over matters pertaining to strategic risk on a quarterly basis.

Capital Risk
Capital risk refers to the potential for the firm to face financial difficulties due to inadequate capital to support its business operations and growth objectives. This risk can manifest from poor investment decisions, unexpected losses, or inadequate capital management practices. The Company regularly assesses its capital adequacy, ensuring that it maintains sufficient capital as mandated by regulatory requirements

The Group has established a prudent dividend policy that balances shareholder returns with the need to retain capital for business operations and growth. This policy is regularly reviewed in light of the firm's financial performance and capital requirements. Capital adequacy reports are discussed at various platforms that include FBCH Board Finance and Strategy Committee, the FBC Securities Management Risk and Compliance Committee, the FBCH Management Risk and Compliance Committee and FBCH Board Risk and Compliance Committee that meet on a quarterly basis.

Market Risk
Market risk is the risk of losses arising from fluctuations in market prices, including equity prices, interest rates, and foreign exchange rates. The firm manages market risk through a combination of diversification and hedging strategies. The firm holds self-insurance fund (SIF) comprising of a diversified equities portfolio, real estate portfolio and foreign currency net open position (NOP) all designed to absorb market shocks. Portfolio performance assessments are done quarterly with any deviations promptly addressed. FBC Securities Management Risk and Compliance Committee, the FBCH Management Risk and Compliance Committee and FBCH Board Risk and Compliance Committee presides over matters pertaining to market risk on a quarterly basis.

Liquidity Risk
Liquidity risk is the risk that the firm may be unable to meet its short-term financial obligations. The Company maintains a comprehensive liquidity management framework, which includes cash flow forecasting and maintaining sufficient liquid assets. The money market, and the self-insurance fund portfolios are the major sources of funding for the firm. Any deviations from the Company liquidity requirements are addressed through liquidation of the money market and SIF portfolios. Liquidity risk assessments are carried out quarterly and reports are discussed at the FBC Securities Management Risk and Compliance Committee, the FBCH Management Risk and Compliance Committee and FBCH Board Risk and Compliance Committee meetings.

Credit Risk
Credit risk arises from the potential failure of counterparties to meet their contractual obligations. The Company's exposure to credit risk is considered to be low given that trades on the Zimbabwe Stock Exchange (ZSE) and Victoria Falls Stock Exchange (VFEX) are predominantly on a cash-basis and cash settlements for trades is achieved through custodial services. Despite this position, credit risk assessments for the firm are carried out by the Group Risk Management Division with risk assessments reports presided over by the FBC Securities Management Risk and Compliance Committee, the FBCH Management Risk and Compliance Committee and FBCH Board Risk and Compliance Committee that meet on a quarterly basis.

Reputational Risk
Reputational risk is the risk of damage to the firm's reputation due to negative publicity or service failures. The firm is committed to maintaining high standards of client service and transparency. Reputational risk assessments for the Company are carried out by the Group Risk Management Division with risk assessments reports presided over by the FBC Securities Management Risk and Compliance Committee, the FBCH Management Risk and Compliance Committee and FBCH Board Risk and Compliance Committee that meet on a quarterly basis.

Operational Risk
Operational risk encompasses the risk of loss resulting from inadequate or failed internal processes, people, systems, or external events. The firm has an established internal control framework clearly outlined in the policies and procedure manuals. These are reviewed at least once annually to ensure continuous alignment to the obtaining operating environment. The Company undertakes regular risk and control assessments to identify, measure and mitigate operational risks. There are various staff training programs in place to ensure continuous learning and development of skills. The Group has clearly defined Risk Governance Committees where operational risk issues are discussed, these include Group Business Continuity Management Committee, FBC Securities Management Risk and Compliance Committee, the FBCH Management Risk and Compliance Committee and FBCH Board Risk and Compliance Committee that meet on a quarterly basis.

Cybersecurity Risk
Cybersecurity risk is the risk of loss due to breaches of information systems. The Group has full-fledged Group Information Security Department that is mandated to implement the Group's comprehensive cybersecurity framework, including data protection protocols and regular security audits. Employee training on cybersecurity awareness is facilitated and conducted by Group Information Security Department to minimize risks associated with human error. The Group has also appointed a Data Protection Officer (DPO) in line with Cyber and Data Protection act.

Cyber risk assessments reports are discussed at FBC Securities Management Risk and Compliance Committee, the FBCH Management Risk and Compliance Committee and FBCH Board Risk and Compliance Committee that meet on a quarterly basis.

Legal and Compliance Risk
Legal and compliance risk refers to the potential for financial loss or reputational damage due to non-compliance with laws, regulations, or contractual obligations. This risk can arise from changes in legislation, regulatory scrutiny, or litigation. The FBCH Group has established Group Legal and Group Compliance Divisions, including a Compliance Officer at Company level are mandated with the maintenance of a comprehensive legal compliance framework that includes policies and procedures designed to ensure adherence to applicable laws and regulations.

Regular updates are made to reflect changes in the legal landscape. Compliance training programs are facilitated and provided to employees through the Group Compliance Division to ensure enhanced understanding legal obligations and the importance of compliance in daily operations. This includes training on anti-money laundering (AML), know your customer (KYC), and other relevant regulations.

Periodical legal and compliance risk assessments are carried out and discussed on various platforms that include Management AML/CFT Committee which meets monthly, and the FBC Securities Management Risk and Compliance Committee, the FBCH Management Risk and Compliance Committee and FBCH Board Risk and Compliance Committee meetings on a quarterly basis. Legal and Compliance Risk assessment reports and process manuals reviews are discussed at various platforms within the Group which includes, FBC Securities Management Risk and Compliance Committee, the FBCH Management Risk and Compliance Committee and FBCH Board Risk and Compliance Committee which meet on a quarterly basis.

23.2 FINANCIAL RISK MANAGEMENT
Financial risk factors
The Company has exposure to the following risks from financial instruments:
(1) Credit risk,
(2) Liquidity risk,
(3) Market risks,
    (i) Interest rate risk,
    (ii) Currency risk and
    (iii) Price risk
(4) Settlement risk

The Company seeks to control these risks by diversifying its exposures and activities among clients, and by limiting its positions in various instruments and investments.

23.2.1 Credit risk
Credit risk arises from the potential failure of counterparties to meet their contractual obligations. The Company's exposure to credit risk is considered to be low given that trades on the Zimbabwe Stock Exchange (ZSE) and Victoria Falls Stock Exchange (VFEX) are predominantly on a cash-basis and cash settlements for trades is achieved through custodial services. Despite this position, credit risk assessments for the firm are carried out by the Group Risk Management Division with risk assessments reports presided over by the FBC Securities Management Risk and Compliance Committee, the FBCH Management Risk and Compliance Committee and FBCH Board Risk and Compliance Committee that meet on a quarterly basis

Write-off policy
The Company writes off an irrecoverable debt up to a certain level, anything beyond the limit is written off when the Group Credit Department determines that the debts are uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the borrower/issuer financial position such that the borrower/issuer can no longer pay the obligation.

No credit limits were exceeded during the reporting period and management does not expect any losses from non performance by these counterparties.

NOTES TO THE FINANCIAL RESULTS (CONTINUED)
For the year ended 31 December 2024

	Audited Inflation Adjusted		Unaudited Historical Cost	
Maximum exposure to credit risk before collateral held or other credit enhancement	**Maximum exposure 2024 ZWG**	**Maximum exposure 2023 ZWG**	**Maximum exposure 2024 ZWG**	**Maximum exposure 2023 ZWG**
Credit risk exposure relating to on-balance sheet assets are as follows:				
Balances with banks	1 349 383	330 683	1 349 383	30 438
Amounts due from clients	41 645	791 198	41 645	72 826
	1 391 028	**1 121 881**	**1 391 028**	**103 264**

	Amounts due from brokers and clients 2024 ZWG	Amounts due from brokers and clients 2023 ZWG	Amounts due from brokers and clients 2024 ZWG	Amounts due from brokers and clients 2023 ZWG
Amounts due from brokers and clients are summarised as follows:				
Neither past due nor impaired	41 645	791 198	41 645	72 826
Past due but not impaired	-	-	-	-
Individually impaired	-	-	-	-
Net carrying amount	**41 645**	**791 198**	**41 645**	**72 826**

Credit quality of balances with other banks and cash
Credit ratings for the banks : A-

23.2.2 Liquidity risk
Liquidity risk is the risk that the firm may be unable to meet its short-term financial obligations. The Company maintains a comprehensive liquidity management framework, which includes cash flow forecasting and maintaining sufficient liquid assets. The money market, and the self-insurance fund portfolios are the major sources of funding for the firm.

Any deviations from the Company liquidity requirements are addressed through liquidation of the money market and SIF portfolios. Liquidity risk assessments are carried out quarterly and reports are discussed at the FBC Securities Management Risk and Compliance Committee, the FBCH Management Risk and Compliance Committee and FBCH Board Risk and Compliance Committee meetings.

As at 31 December 2024	Up to 1 month ZWG	1 to 6 months ZWG	6 to 12 months ZWG	Total ZWG
Liabilities				
Trade and other payables	-	-	14 324 190	14 324 190
Total liabilities (expected contractual dates)	**-**	**-**	**14 324 190**	**14 324 190**
Assets				
Cash and cash equivalents	5 993 113	-	-	5 993 113
Financial assets at fair value through profit or loss	6 513 353	-	-	6 513 353
Trade and other receivables	519 061	-	-	519 061
Total assets (expected maturity dates)	**13 025 528**	**-**	**-**	**13 025 528**
Liquidity gap	**13 025 528**	**-**	**(14 324 190)**	**(1 298 662)**
Cumulative gap	**13 025 528**		**(1 298 662)**	**-**
As at 31 December 2023				
Liabilities				
Trade and other payables	-	-	1 410 938	1 410 938
Total liabilities (expected contractual dates)	**-**	**-**	**1 410 938**	**1 410 938**
Assets				
Cash and cash equivalents	31 304	-	-	31 304
Financial assets at fair value through profit or loss	837 350	-	-	837 350
Trade and other receivables	116 945	-	-	116 945
Total assets (expected maturity dates)	**985 599**	**-**	**-**	**985 598**
Liquidity gap	**985 599**	**-**	**(1 410 938)**	**(425 340)**
Cumulative gap	**985 599**	**985 599**	**(425 339)**	**-**

23.2.3 Market risk
Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

(i) Interest rate risk
Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The interest rate risk profile is assessed regularly based on the fundamental trends in interest rates, economic developments and technical analysis. The Company's policy is to monitor positions on a daily basis to ensure positions are maintained within the established limits.

Sensitivity
Interest rate risk exposure stems from assets and liabilities maturing (or being repriced) at different times. For example:

i) Assets mature to repay the liabilities. The risk lies in that interest rates may rise and that expensive funds may have to be used to fund assets that are yielding lower returns.

ii) Assets may mature before liabilities do, in which case they have to be reinvested until they are needed to repay the liabilities. If interest rates fall this investment may be made at rates below those being paid on the liabilities waiting to be retired.

This risk is managed by the Asset and Liabilities Committee (ALCO) through the analysis of rate sensitive assets and liabilities, using such models as Value at Risk ("VAR"), Scenario Analysis and control and management of the gap analysis. As at 31 December 2024, the Company is not exposed to significant interest rate risk.

(ii) Currency risk
Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency.

Sensitivity
The Company operates locally and has foreign customers who transact in the ZWG the functional currency of the Company, therefore has limited foreign exchange risk. As at 31 December 2024,(2023- ZWG Nil) the Company had no balances denominated in currencies either than the functional currency.

(iii) Price risk
The Company is exposed to equity securities price risk because of the investments held by the Company and classified on the statement of financial position as financial assets at fair value through profit or loss. The Company is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio.

The table below summarises the impact of increases or decreases of the Zimbabwe Stock Exchange ("ZSE") on the Company's post-tax profit for the year. The analysis is based on the assumption that the equity index has increased by 80% with all other variables held constant and the Company's equity instruments moved according to the historical correlation with the index.

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2024 ZWG	**31 Dec 2023 Restated** ZWG**	**31 Dec 2024 ZWG**	**31 Dec 2023 Restated** ZWG**
Index				
Impact of 80% equity index:				
Financial assets at fair value through profit or loss	5 210 683	7 277 681	5 210 683	669 880

23.2.4 Settlement risk
Settlement risk is the risk of loss due to failure of counterparty to honour its obligations to deliver securities or other assets as contractually agreed. With the introduction of the Central Securities Depository,this risk has been significantly reduced and transferred to the Custodians who are now responsible for all the settlements.

24 ANTI-MONEY LAUNDERING/COUNTERING OF FINANCING TERRORISM (AML/CPF)
FBC Securities (Private) Limited recognises the importance of an effective risk assessment process in mitigating risks associated with Money Laundering (ML), Terrorist Financing (TF), and Proliferation Financing (PF). Our risk assessment framework is designed to identify, analyse, and evaluate the specific risks related to Anti-Money Laundering, Combatting Terrorist Financing, and Countering Proliferation Financing (AML/CFT/CPF) within our operations. This process is conducted periodically to ensure alignment with evolving regulatory requirements and emerging risk factors in accordance with the provisions of the Money Laundering and Proceeds of Crime Act [Chapter 9:24] and other applicable regulations.

As part of our risk governance, the internal audit function assesses the implementation of the risk assessment framework to ensure its effectiveness. The latest audit confirmed that risk identification and mitigation measures are appropriately applied to operational controls, with no material gaps identified.

NOTES TO THE FINANCIAL RESULTS (CONTINUED)
For the year ended 31 December 2024

Independent Assessment of the AML/CFT/CPF Programme
An independent assessment of our AML/CFT/CPF programme has been conducted to evaluate its effectiveness and compliance with regulatory requirements. The assessment considered the following key areas:

- Regulatory Compliance: Our AML/CFT/CPF programme complies with the relevant provisions of the Money Laundering and Proceeds of Crime Act [Chapter 9:24] and other applicable regulations.
- Risk-Based Approach: Policies, procedures, and controls are developed based on our AML/CFT risk assessment, ensuring a proportionate and effective response to identified risks.
- Adequacy of Controls: Our internal policies, procedures, and controls are deemed adequate in mitigating the risks associated with ML, TF, and PF.
- Operational Effectiveness: The independent audit confirmed that our policies, procedures, and controls have operated effectively throughout the reporting period, ensuring ongoing compliance and risk mitigation. The audit findings validate that our AML/CFT/CPF programme is robust, well-structured, and effectively implemented, with necessary enhancements incorporated as required.

25 SUSTAINABILITY AND CLIMATE-RELATED DISCLOSURE
FBC Securities, a subsidiary of FBC Holdings, recognizes the critical importance of integrating sustainability and climate-related considerations into our business operations.

Governance
Sustainability and climate-related issues are championed at the FBC Holdings level through the Board Corporate Governance, Nominations and Sustainability Committee, with delegated authority from the FBC Bank Main Board. The FBC Securities Board, like all subsidiaries, has a mandate to discuss these considerations quarterly. The Board Charter has been amended to reflect this mandate, ensuring that sustainability is embedded in decision-making processes. Additionally, FBC Holdings has developed a robust policy framework to support its sustainability ambitions, including but not limited to the following:

Key Policies	Purpose
ESG Policy and Procedure Manual	Guiding ESG integration across operations.
Stakeholder Engagement Policy	Ensuring meaningful engagement with stakeholders.
Risk Appetite Statement and Risk Policy	Incorporating sustainability and climate-related risks.
Board Code of Conduct	Upholding ethical standards and integrity.
Group Products Portfolio Management Policy	Aligning product offerings with sustainability goals.
Group Innovation Policy	Encouraging innovative solutions for sustainability and climate-related challenges.

Risk Management
FBC Securities, through the Group, has integrated sustainability and climate-related risks into its enterprise risk management framework. The Management Risk and Compliance Committee Terms of Reference (TORs) were revised to include a Sustainability Manager, responsible for identifying and escalating key sustainability and climate-related risks and opportunities to FBC Holdings' management.

Relevant risk policies and processes have been updated to ensure that sustainability risks are systematically identified, assessed, and mitigated. This includes:

- Conducting climate risk assessments for investment portfolios.
- Monitoring regulatory changes related to sustainability.
- Aligning risk appetite with FBC Holdings sustainability goals.

To further strengthen implementation, FBC Holdings has established a dedicated and fully resourced Climate Finance and Sustainability support function. This shared function is integrated into the Three Lines of Defense model, working closely with business units (First Line), risk and compliance teams (Second Line), and internal audit (Third Line) to embed sustainability and climate-related considerations across the Group. This ensures systematic oversight, accountability, and the effective execution of our sustainability strategy.

Metrics & Targets
We have established key performance indicators (KPIs) to track our progress:

Metric	Target	2024 Progress/Baseline
ESG integration in decision-making	100% integration by 2025	ESG considerations included in management and Board discussions
Board diversity	Achieve 50% female representation	30% female representation on the Board
Ethical business practices	Maintain zero tolerance for ethical breaches	Zero incidents of ethical violations reported
Increase individual investors	20% growth per year	2,500 (11% of total)
Financial Inclusion	Reach 3 million through Global Money Week	1.5 million reached
Stakeholder Engagement	12 Corporate Events	6 events
Advise on the development of Sustainable investment products	5 product projects per year (green bonds, funds etc)	The Group is in the research and capacity-building phase.

FBC Securities remains committed to driving sustainability and addressing climate-related risks and opportunities. Our strategy, governance framework, and risk management processes are designed to create long-term value for our stakeholders while contributing to Zimbabwe's sustainable development.

NOTES TO THE FINANCIAL RESULTS (CONTINUED)
For the year ended 31 December 2024

26 CAPITAL ADEQUACY
FBC Securities (Pvt) Ltd capital management framework is based on SECZim risk-based capital adequacy approach as provided in the Capital Adequacy Directive for Securities Market Intermediaries of July 2017. As at 31 December 2024 the adjusted liquid capital stood at ZWG7 068 499.35 (see table 1 below) against minimum requirements of ZWG4 249 552(see table 2) resulting in a surplus of ZWG2 818 947.

Table 1: Adjusted Liquid Capital

Ordinary Share Capital	0,02
Share Premium	180,07
Revaluation Reserves on Equity and Monetary Investment	7 335 507,95
Audited Retained Earnings/Losses	378 479,40
Unaudited Profits/Losses	3 407 936,52
Owners' Equity	**11 122 103.95**
Shareholder`s Loans	4 544 029.80
Total Capital Resources (a)	**15 666 133.75**
Less: Intangible Assets + Guarantees Provided (b)	-
Goodwill	-
Capitalised Development Costs	-
Licensees. Software	-
Trademarks & Similar Rights	-
Guarantees Provided	-
Available Capital Resources (c) = a - b	**15 666 133.75**
Less Illiquid Assets (d)	8 597 634
Fixed Assets, net of related secured loans	873 829,27
Unlisted Investments	7 723 805,14
Adjusted Liquid Capital (c - d)	**7 068 499.35**

Table 2: Capital Requirements

Operational Expenditure/Fixed Expenditure Base Requirement (13 Weeks)	
OR Fixed Technology Expenditure Requirement (FTER) (Annual) (a)	1 934 887,50
Counterparty Risk Requirement (CRR): Table 2	-
Position Risk Requirement (PRR): Table 3 (b)	2 314 664,37
Settlement Risk Requirement (SRR) (c)	
Other Risks (d)	-
Total Requirement (TR) (a + b + c + d)	**4 249 551,87**
Adjusted Liquid Capital (ALC): Table 4	7 068 499,35
Capital Surplus /(Shortfall)	**2,818,947,48**

27 CONTINGENT LIABILITIES
There were no contingent liabilities as at 31 December 2024 (2023:ZWG nil).

28 COMMITMENTS FOR CAPITAL EXPENDITURE
There were no capital commitments made as at 31 December 2024 (2023: ZWG nil).