

TRADING UPDATE

For the Third Quarter Ended 30 September 2025

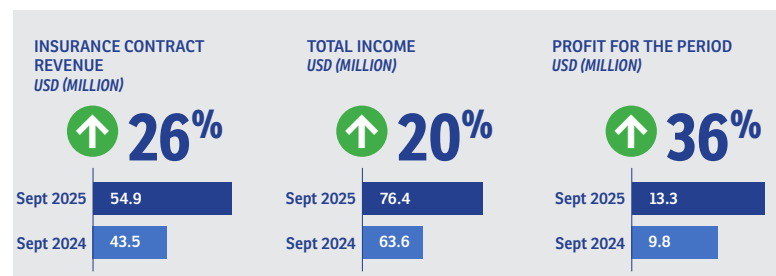


BUSINESS ENVIRONMENT

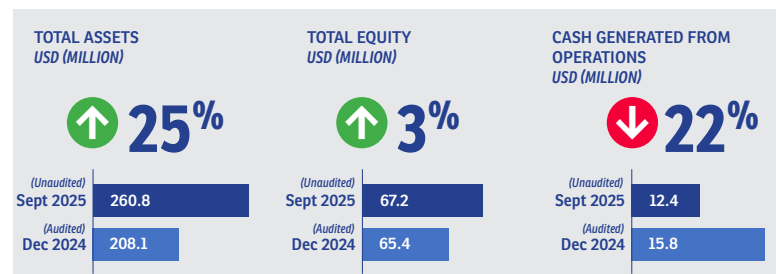
During the first 9 months of the year 2025, the African Development Bank recorded an economic rebound for Southern African economies anchored by Eswatini, Zambia and Zimbabwe. Zimbabwe's rebound has been driven by favourable rainfall, a record-breaking tobacco harvest of 355 million kilograms and a 37% surge in gold deliveries amounting to 32.9 tonnes. Strong global demand and firm prices for gold, platinum, and other strategic minerals contributed to export earnings reaching an unprecedented USD10.3 billion reflecting renewed momentum and resilience in Zimbabwe's mining sector. While on the monetary supply side, the Zimbabwe Gold (ZWG) currency remained stable, curbing inflation and reinforcing monetary stability. Accordingly, the Reserve Bank of Bank of Zimbabwe (RBZ) has revised upward the annual Gross Domestic Product (GDP) growth forecast from 6% to 6.6%.

GROUP PERFORMANCE OVERVIEW

Unaudited Comprehensive income highlights



Financial position highlights



Insurance contract revenue

The Group recorded insurance contract revenue of USD54.9 million, representing a 26% increase from USD43.5 million in the prior year. This growth was driven by increased new business, expansion into local and external markets, and product diversification. In terms of cluster contribution, the reinsurance cluster led with 75% (2024: 71%), followed by the Life and Pensions cluster at 18% (2024: 25%), and the Short-term Insurance cluster at 7% (2024: 4%).

Total income

Total income grew by 20% to USD76.4 million from USD63.6 million on the back of the growth in insurance contract revenue, non-insurance income growth and positive investment income mainly fair value gains from financial assets.

Profit for the period

The Group posted a 36% growth in profit for the period to USD13.3 million from USD9.8 million. Profit was driven by growth in total income, cost containment and the growth in investment income compared to same period prior year with all key business units achieving profitability.

Total assets and cashflows

Total assets reached USD260.8 million, representing a 25% increase from USD208.1 million, driven primarily by growth in investment properties and financial assets. The Group generated USD12.4 million in net cash from operations during the period, reinforcing its pursuit of Cash Wallet power.

OPERATIONAL REVIEW

The Reinsurance and Reassurance cluster recorded a 24% surge in income, rising to USD44.1 million from USD35.7 million in the prior year. This significant growth was propelled by an influx of new business from emerging markets, increased participation in high-performing accounts, and steady organic growth across both local and international markets. Notably, the cluster made significant inroads into in African during the period, positioning itself for further expansion across the continent.

The Short-term Insurance cluster achieved a remarkable turnaround, with a 90% growth in income to USD3.8 million from USD2.0 million recorded during the same period last year. This impressive growth was attributed to a strategic refocus on core direct business, which has boosted underwriting capacity, especially in bonds and guarantees which now account for 60% of total business underwritten.

The Property cluster recorded property income of USD3.8 million, a 73% growth from USD2.2 million compared to same period prior year. The growth was driven by increases in turnover rentals and fair value gains from investment properties. Occupancy levels averaged 80%, a drop from 86% from prior year due to subdued demand for CBD office space. Notwithstanding, the Property cluster remains an value preservation investment given the Group's long-term liabilities property and infrastructure development strategy.

The Insurance Broking cluster delivered strong growth, with income rising by 25% to USD1.0 million from USD0.8 million in the prior period. The good performance was driven by new business and impressive business renewal rates which contributed to a 17% increase in net brokerage income reaching USD0.9 million and accounting for 90% of total income. The business continues to expand its reach through strategic partnerships, exploring new markets and territories, to diversify and broaden its revenue streams.

The Life and Pensions cluster's income grew by 35% to USD20.2 million from USD15.0 million. This impressive growth was primarily anchored by the continued disruptive nature of the Vaka Yako product, new business pipelines, and organic growth. During the period, the Individual Life business accounted for 80% of the business written, while Employee Benefits contributed 20%. The cluster also benefited from strong investment income, buoyed by a thriving regional stock market. Looking ahead, the business remains committed to research and development, driving innovation in product design

to capture both existing and diaspora markets, and providing comprehensive life solutions that cater to individuals across all life stages.

The Wealth Management cluster reported a 10% increase in income, reaching USD3.4 million compared to USD3.1 million in the previous period. The increase was on account of expansion to new business lines, both locally and regionally, leveraging the Group's geographical footprint.

BUSINESS GROWTH STRATEGY AND OUTLOOK

Looking ahead, the economic growth of the Continent remains volatile driven by internal vulnerabilities such as inflation and lack of domestic investment, external vulnerabilities include foreign exchange reserves, overdependence on fuels, and climatic factors such as erratic rainfall. ZHL continues to seek ways to strategically position itself to convert these volatilities into opportunities.

As we close 2025, the Group will buttress on the following:

- Sustaining the current investment momentum in infrastructure development projects managed under the Eagle Real Estate Investment Trust (REIT). The two anchor projects, Mazowe Walk and Victoria Falls Mixed Use Development have been iconic in the implementation of green construction practices, ecological preservation, honouring cultural heritage and promoting urban growth. The Group's thought leadership in this area has attracted like-minded partnerships promoting local investment in infrastructure development.
- Implementing the Emeritus International capital raise which will not only add competitive capital to the regional operations but also take advantage of the relatively low insurance penetration levels present on the Continent by expanding further north. ZHL remains committed to maintaining and building foreign investments that leverage on regional integration and trade policies while strengthening resilience to global shocks and the adverse impacts of currency risks.
- Harnessing digital architecture to enhance customer service and market penetration especially into underserved, informal and diaspora markets. To ensure complementarity to the investment in digital transformation, the Group has made an equal investment in talent management seeding an organic competitive edge for the future.

By order of the board



Ruvimbo Chidora
Company Secretary

14 November 2025

