SECURITIES AND EXCHANGE COMMISSION OF ZIMBABWE

ANNUAL REPORT
2025

SCAN to access the Investment 101 Handbook

SECURITIES AND EXCHANGE COMMISSION OF ZIMBABWE

2025 ANNUAL REPORT

Table of Contents

Executive Summary

Key Achievements

1. **Signing of the MoA with NUST:** First step towards establishing the Capital Market Institute

2. **Property Acquisition:** 2 Hendriks Way, Avondale, Harare

3. **Tax Reform Support:** Contributed to improved market attractiveness through reduction of CGWT from 2% to 1%.

4. **Regulatory Expansion** Advanced virtual asset and VASP provisions under Finance Act No. 7 of 2025

Revenue Performance

Securities levy collections
ZWG 28.26m

License Fees
ZWG 26.15m

Other Income
ZWG 18.04m

TOTAL REVENUE
ZWG 72.45m

5.89%
annual decline in revenue

Strategic Priorities

Innovation and Technology: Enhance regulatory efficiency and modernise market oversight.

Market Breadth and Depth: Support Alternative Investment Asset Classes and services

Enhanced Capacity Building: Progress the establishment of the Capital Market Institute

Financial Inclusion: Promote SME participation and broaden access to capital markets.

Regulatory Oversight: Develop frameworks for virtual assets and emerging market activities.

Operational Efficiency: Leverage digitisation to support institutional efficiency and effectiveness.

Challenges

Emerging Market Complexity: Virtual asset regulation requires agility and responsive supervision.

Market Volatility: Revenue consistency may be affected by changing market conditions.

Compliance Gaps: Compliance remains uneven, particularly in informal sectors.

Awareness Needs: Continuous stakeholder education is required to strengthen participation and adherence.

Outlook

The Commission remains focused on market integrity, innovation, and inclusivity. The introduction of virtual asset regulation signals a progressive shift toward a modernised financial ecosystem. Supported by policy reforms, infrastructure investment, and education initiatives, the Commission is well-positioned to achieve sustainable growth, stronger investor confidence, and expanded market participation.

About the Securities and Exchange Commission of Zimbabwe

Organisational Overview

The Securities and Exchange Commission of Zimbabwe (SECZim) is an independent regulatory authority responsible for supervising and regulating the securities and capital markets in Zimbabwe. The Commission was established in 2004 and operationalised in 2008 in terms of the Securities and Exchange Act (Chapter 24:25) and operates under the policy oversight of the Ministry of Finance, Economic Development and Investment Promotion (MoFEDIP).

The Commission's core mandate is to foster a fair and transparent securities market, safeguard investor interests while ensuring market integrity and efficiency.

To execute this mandate, SECZim licenses and registers market participants, monitors the conduct of intermediaries and enforces compliance with applicable securities laws and regulations.

SECZim is governed by a Board of Commissioners responsible for providing strategic direction and oversight of the Commission's operations. The day-to-day management of the Commission is led by the Chief Executive Officer, who is appointed by the Board. The Commission's operations are primarily funded through regulatory fees and levies charged to market participants, including licensing and registration fees.

Vision, Mission & Values

Vision:
A regulator of a diverse and efficient capital market anchored on robust institutions by 2030.

Mission:
To protect investors through effective regulation of the capital market and promote innovation.

Values

Accountability:
Stewardship and transparency in the use of resources and powers entrusted to us.

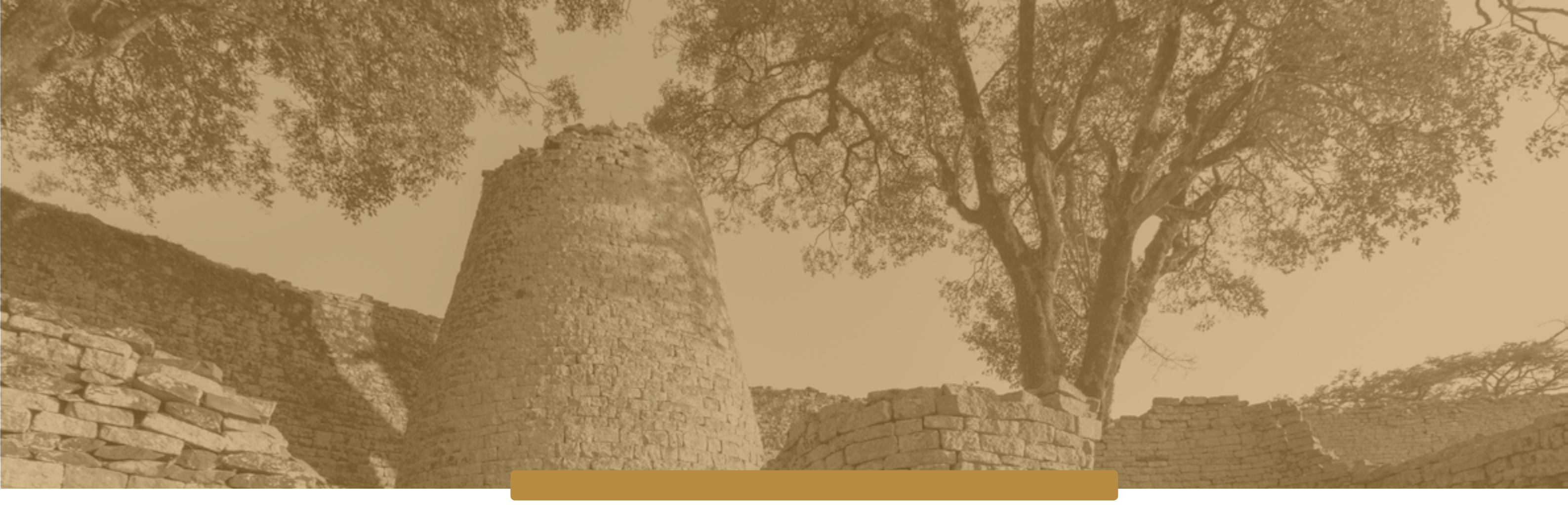
Fairness:
Just, consistent, open and impartial in all our actions and decisions.

Competence:
Continually upgrading our skills to keep abreast with market developments and best practice.

Integrity:
Upholding the highest standards of professionalism.

Teamwork:
Cohesive and high performing team that delivers its mandate.

Innovation:
Practical implementation of ideas that result in the introduction of new products and services in the capital market we regulate.



Corporate Information

REGISTERED OFFICE
20 York Avenue
Newlands
Harare

CONTACT DETAILS
2 Hendrikz Way
Avondale
Harare
E-mail: seczim@seczim.co.zw
Website: www.seczim.co.zw

EXTERNAL AUDITORS
Grant Thornton
Camelsa Business Park
135 E.D. Mnangagwa Road
Highlands
Harare

STATUTORY AUDITORS
Office of the Auditor General
5th Floor, Burroughs House
S. V. Muzenda Street and George Silundika Avenue
Harare

ATTORNEYS
Muvingi Mugadza Legal Practitioners
7 Pegasus House
Samora Machel Avenue
Harare

Dube, Manikai and Hwacha Legal Practitioners
4 Fleetwood Road
Alexandra Park
Harare

Bera Masamba Legal Practitioners
Ground Floor, Belgravia Office Park
Sam Nunjoma Street Extension and Maasdorp Avenue
Belgravia
Harare

Mushoriwa Moyo Legal Practitioners
37 Lawson Avenue
Milton Park
Harare

Maguchu Muchada Business Attorneys
Block A, Smatsatsa Office Park
Borrowdale Road
Harare

BANKERS
Stanbic Bank Zimbabwe Limited
Nelson Mandela Branch
64 Nelson Mandela Avenue
Harare

NMB Bank Limited
First Floor, Unity Court
Corner Kwame Nkrumah Avenue and First Street
Harare

The People's Own Savings Bank
Causeway Branch
Corner Third Street and Central Avenue
Harare

CBZ Bank Limited
Kwame Nkrumah Branch
60 Kwame Nkrumah Avenue
Harare

Nedbank Limited
Jason Moyo Branch
99 Jason Moyo Avenue
Harare

Central African Building Society
3 Northend Close
Northridge Park
Highlands
Harare

01 Governance

Governance

The Board Committees, new appointments and the number of meetings held in 2025 are reflected in Table 1 below:

Table 1: Board Meetings 2025

Member	Audit Committee	Licensing, Litigation and Legislative Committee	Risk Management and Compliance Committee	Human Resources Committee	Finance and Strategy Committee	Investor Education Committee	Commissioners Board Meeting and AGM	Commissioners Statutory meeting with the line Minister	Commissioners meeting with the Investor Protection Board
D. Patel Appointed 17/11/25	n/a	n/a	n/a	n/a	n/a	n/a	1 / 1	1/ 1	1/1
W.B. Manhimanzi	n/a	4/5	1/1	4/5	4/4	n/a	6/7	2/2	2/2
Prof. M. Sibanda	n/a	n/a	4/4	n/a	4/4	4/4	7 /7	1/2	2/2
M. Mantiziba	n/a	5/5	n/a	6/6	n/a	4/4	7/7	1/2	2/2
C.R. Mudenda	5/5	5/5	n/a	6/6	n/a	n/a	7/7	1/2	2/2
G.N. Muzondo	5/5	n/a	4/4	n/a	n/a	3/4	5/7	0/2	2/2
W. Magombedze	5/5	5/5	n/a	6/6	n/a	n/a	6/7	1/2	2/2
T. Mushambadope	n/a	n/a	3/4	n/a	4/4	4/4	6/7	2/2	2/2
N.F. Tirivanhu **Appointed** 11/04/25	n/a	n/a	3/3	n/a	3/3	3/3	5/5	1/2	2/2
Y. Banda Term Expired 10/04/25	n/a	n/a	n/a	1/1	n/a	n/a	2/2	n/a	n/a
E.R. Chitanda Term expired 10/04/25	n/a	n/a	n/a	1/1	n/a	1/1	2/2	n/a	n/a

SECZim LEADERSHIP FOR THE YEAR 2025

SECZim COMMISSIONERS
AS AT 31 DECEMBER 2025

Dakshesh Patel
Non-Executive Chairperson
Appointed 17 November 2025

William B. Manhimanzi
Non-Executive Vice Chairperson
Appointed as member 8 June 2022
Appointed as Acting Chairperson 8 June 2025 to 31 October 2025

Professor Mabutho Sibanda
Non-Executive Commissioner
Appointed June 2022

Margaret Mantiziba
Non-Executive Commissioner
Appointed 1 September 2023

Caroline R. Mudenda
Non-Executive Commissioner
Appointed 1 December 2023

Grace N. Muzondo
Non-Executive Commissioner
Appointed 1 February 2024

William Magombedze
Non-Executive Commissioner
Appointed 1 July 2024

Tichaona Mushambadope
Non-Executive Commissioner
Appointed 1 July 2024

Nyaradzo F. Tirivanhu
Non-Executive Commissioner
Appointed 11 April 2025

SECZim MANAGEMENT
AS AT 31 DECEMBER 2025

The Commission's day to day management is under the Chief Executive Officer and members of the Executive Committee.

Grace Berejena
Appointed as
Acting Chief Executive Officer
1 November 2025 to 30 April 2026

Ferida Matambo
Director Finance and Administration

Norman Maferefa
Director Operations

Farai Mpofu
Appointed Acting Director Policy and Market Development
27 November 2025 to 30 April 2026

Lyinah Madende
Director Corporate Services

CHAIRPERSON'S STATEMENT

It is my pleasure to present the Annual Report of the Securities and Exchange Commission of Zimbabwe for the year ended 31 December 2025.

The year under review presented transformative opportunities for Zimbabwe's capital markets, driven by evolving economic conditions, technological innovation and changing investor needs. Amid this dynamic environment, the Commission remained resolute in advancing its mandate to promote fair, efficient and resilient markets while safeguarding investor confidence. Through targeted regulatory reforms, enhanced oversight and active stakeholder engagement, the Commission strengthened the foundations for sustainable market growth. As financial innovation reshapes global markets, Zimbabwe has a unique opportunity to harness technology, expand access to investment opportunities and position its capital markets as a catalyst for economic growth, competitiveness and national development.

Dakshesh Patel
Non-Executive Chairperson

Global Economic Environment

The global economy in 2025 continued on a gradual recovery path, supported by easing inflationary pressures and more stable monetary policies in major economies. The International Monetary Fund projected global growth at approximately 2.8%, with emerging and developing economies continuing to demonstrate greater resilience than many advanced economies. Global capital markets benefited from improved investor sentiment and increased portfolio flows into emerging and frontier markets.

Notwithstanding these positive developments, geopolitical tensions, elevated debt levels, trade fragmentation and financial market volatility continued to present risks to global economic growth. These developments underscore the importance of maintaining robust regulatory frameworks that promote market integrity, stability and investor protection.

Domestic Economic Developments

Domestically, the economy demonstrated resilience during the year, supported by macroeconomic stabilisation efforts and improved performance in key sectors such as mining and agriculture. Gross Domestic Product growth was estimated at 6.6%, driven largely by strong agricultural output and continued growth within the mining sector.

While monetary and fiscal measures contributed towards greater exchange rate and inflation stability, liquidity constraints within the formal financial sector continued to impact economic activity and capital market performance. The Zimbabwe Stock Exchange experienced subdued trading activity and continued to record delistings, reflecting broader economic challenges and constrained investor participation.
Despite these headwinds, ongoing economic reforms and policy interventions provide a foundation for improved investor confidence and long-term growth. The Commission remains committed to supporting these efforts through effective regulation and the development of vibrant, innovative and inclusive capital markets.

SECZim Financial Performance

The Commission operated in a challenging environment during the year, with revenue performance affected by subdued trading activity on the Zimbabwe Stock Exchange, market delistings and the transition of the Victoria Falls Stock Exchange regulatory framework to the International Financial Services Centre. Notwithstanding these challenges, prudent financial management and disciplined expenditure controls enabled the Commission to maintain financial stability, recording total revenue of ZWG72,452,472, operating expenditure of ZWG65,316,165 and a surplus of ZWG118,366 (after net monetary loss of ZWG7,017,941). The Commission also received a Government Grant of USD1 million, which was utilised towards the acquisition of property at No. 2 Hendrikz Way, Avondale, strengthening its asset base and long-term sustainability. Going forward, the Commission will continue to focus on revenue diversification, operational efficiency and financial sustainability.

Progress and Achievements

During the year, the Commission made significant progress in advancing its regulatory mandate through enhanced market surveillance, compliance monitoring, enforcement activities and investor education, thereby promoting transparency, investor protection and confidence in the capital markets. A key milestone was the enactment of Finance Act No. 7 of 2025, which expanded the Commission's mandate to regulate Virtual Assets and Virtual Asset Service Providers (VASPs), positioning it to support innovation within a framework of market integrity and investor protection. The Commission strengthened collaboration with domestic, regional and international regulators, while continuing its efforts towards attaining full membership of IOSCO through technical support and alignment with international standards. In addition, the Commission intensified investor education, stakeholder engagement and digital outreach initiatives to promote financial inclusion and broaden participation in the capital markets, particularly among small businesses, entrepreneurs, youth, women and participants in the informal economy.

Board and Governance Matters

The year under review marked an important transition in the Commission's leadership, reflecting both continuity and renewal in its governance and management structures. We bade farewell to Commissioner Yona Banda, former Chairman, and Commissioner Ethel Chitanda, former Vice Chairperson, whose terms of office ended in April 2025. During the year, Mr. Anymore Taruvinga resigned as Chief Executive Officer of the Commission. On behalf of the Board and the Commission, I extend our sincere appreciation to them for their dedicated service, leadership and valuable contributions to the development of Zimbabwe's capital markets and wish them success in their future endeavours.

The Board welcomed the appointment of Commissioner Nyaradzo Faith Tirivanhu. Commissioner William Manhimanzi, who had been serving as Acting Chairman, was appointed Vice Chairman following the renewal of his term, while the term of Commissioner Professor Mabutho Sibanda was also renewed.

I am honoured to have been appointed Chairman of the Commission and remain committed to providing strategic leadership that supports the Commission's mandate and long-term aspirations.

Looking Ahead

Looking ahead, the Commission remains focused on building a modern, innovative and inclusive capital market that supports Zimbabwe's economic transformation agenda. Key priorities include developing a robust regulatory framework for digital assets and Virtual Asset Service Providers, leveraging blockchain technology and tokenisation to broaden market participation, enhance financial inclusion, improve cross-border transactions and create new investment opportunities. In collaboration with Government, regulators and industry stakeholders, the Commission will promote responsible innovation while safeguarding investor protection and financial stability.

In support of National Development Strategy 2, the Commission will prioritise the development of a vibrant debt capital market to mobilise long-term capital for infrastructure and productive sectors through instruments such as infrastructure bonds, green bonds, Treasury Bills and other debt securities. Efforts will also focus on developing derivatives, risk management products and sustainable finance initiatives, including carbon credit markets, to enhance market depth, liquidity and value creation. Through strengthened engagement with policymakers, industry participants and development partners, the Commission seeks to foster innovation, expand access to capital and position Zimbabwe as a competitive, technology-driven investment destination.

Appreciation

On behalf of the Board, I extend my sincere appreciation to Management, staff, fellow Commissioners, the Ministry of Finance, Economic Development and Investment Promotion, market participants, regulated entities and all stakeholders for their dedication, support and commitment to advancing the Commission's mandate. Their collective contribution has been instrumental in promoting the development, stability and growth of Zimbabwe's capital markets. Together, we remain committed to building a stronger, more resilient and inclusive capital market that contributes meaningfully to Zimbabwe's economic prosperity.

Dakshesh Patel
Chairperson

Acting Chief Executive Officer's Report

Grace Berejena
Acting Chief Executive Officer

Market Developments

The 2024 market saw a policy-driven turnaround, paving way to a market recovery post currency reforms and tax reductions. Trading activity during the first half of the year remained relatively subdued, reflecting tight liquidity conditions and cautious investor sentiment, with the Zimbabwe Stock Exchange (ZSE) All Share Index declining by approximately 9.5% within the five months to May 2025.

However, the market improved in the second half of the year as the general macroeconomic fundamentals recovered supported by a reduction in Capital Gains Withholding Tax on marketable securities from 2% to 1% complemented by a suspension of the vesting period. The market continued to benefit from increasing general macroeconomic stability that was registered up to the end of the year.

Turnover

Annual turnover on the ZSE increased by 126.44%, from ZWG 2.48 billion 2024 to close the year at ZWG 5.62 billion in 2025. Activity on FINSEC also more than doubled, with turnover increasing by 120.29% from ZWG 0.01 billion in 2024 to ZWG 0.02 billion in 2025. Overall, annual turnover for the two local currency platforms (ZSE and FINSEC combined) rose by 126.42%, reaching ZWG 5.64 billion in 2025, up from ZWG 2.49 billion in 2024.

Table 2: ZSE and FINSEC ZiG Turnover

	Turnover (ZWG' billion)		
	2025	2024	Change
ZSE	5.62	2.48	126.44%
FINSEC	0.02	0.01	120.29%
Total	**5.64**	**2.49**	**126.42%**

At USD323.65 million, total annual market turnover for the combined three exchanges grew by 71.88% in USD terms from 2024. The VFEX on its own, registered a 96.31% increase in turnover.

Table 3: USD Total Market Turnover

	Turnover (USD' m)		
	2025	2024	Change
VFEX	111.79	56.94	96.31%
ZSE	211.18	130.91	61.32%
FINSEC	0.679	0.45	51.56%
Total	**323.65**	**188.30**	**71.88%**

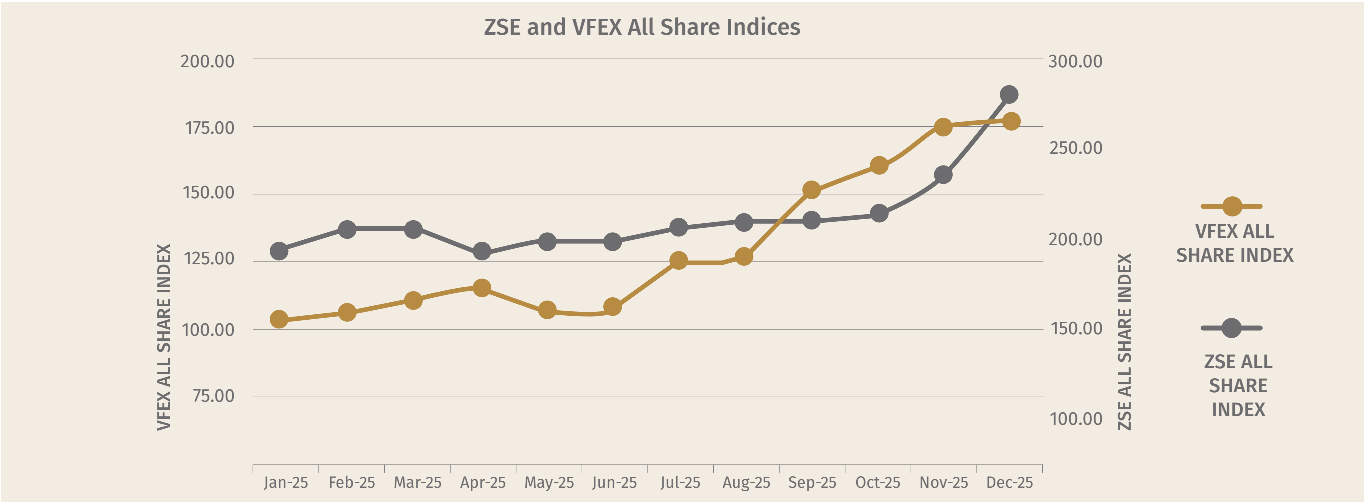
Market Capitalisation

The ZSE market capitalisation increased by 33.35% in USD terms to close at USD 3.53 billion as at 31 December 2025 while the VFEX closed the year with a gain of 66.50% to close at USD 2.13 billion as of 31 December 2025.

Table 4: Market Capitalisation (2024 - 2025)

	2025	2024	Change
Market Capitalisation	**USD Billion**	**USD Billion**	**%**
ZSE	3.527	2.645	33.35%
VFEX	2.131	1.280	66.50%
FINSEC	0.019	0.021	-0.100%
Total	**5.676**	**3.945**	**43.87%**

Figure 1: Index Performance- ZSE and VFEX All Share Indices for the year 2025



Listings

At the end of 2025, the ZSE had forty-eight (48) listings split into:

- four (4) Exchange Traded Funds (ETF's),
- two (2) Real Estate Investment Trusts (REITs) and
- forty-two (42) equity listings of which thirty-eight (38) are active.

Econet Wireless Holdings announced a voluntary delisting from the ZSE and subsequent listing of its infrastructure subsidiary by introduction on the VFEX in 2026.

The VFEX closed the year with seventeen (17) listings split into:

- two (2) DRs,
- one (1) debt instrument and
- thirteen (13) equity instruments of which eleven (11) are active.
- One (1) REIT

Funds Under Management

The asset management industry's Funds Under Management (FUM) recorded a year-on-year growth of 8.34% from the ZWG90.60 billion reported as at 31 December 2024 to close the year at ZWG98.16 billion. The FUM were dominated by quoted equities and property which constituted 38.87% and 33.25% of total FUM respectively.

Licenses Issued

The Commission issued licences during the year 2025 as follows:

Table 5: Newly licenced Securities Market Intermediaries and Collective Investment Schemes

Licence Category	Number of firms licenced
Securities Investment Management firms	3
Securities Dealing firms	1
Securities Investment Advisory firms	2
Collective Investment Schemes Funds	5

Anti-Money Laundering (AML), Combating the Financing of Terrorism (CFT), and Countering Proliferation Financing (CPF) (3rd Round of Mutual Evaluation and NTF Subcommittee)

The Commission is a member of Mutual Evaluation National Coordination Committee comprising of focal persons from key stakeholders across the AML/CFT/CPF value chain. The Committee is mandated to coordinate the preparations of the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) Mutual Evaluation scheduled for 2026–2027.

The Commission was endorsed to be co-chair of the National Taskforce (NTF) on AML/CFT/CPF Supervision and Compliance Subcommittee. SECZim and Financial Intelligence Unit (FIU) will be co-chairing the Compliance and Supervision Subcommittee for the next five years.

Financial Highlights

During the year under review, inflation-adjusted income declined by 6% to ZWG72.5 million, while expenditure increased by 23% to ZWG65.3 million. Despite the growth in operating costs, the Commission recorded a surplus of ZWG118,366. This represented a significant decrease from the surplus of ZWG1.958 million reported in 2024, following a net monetary loss on currency conversion amounting to ZWG7 million.

Liquidity remained under pressure, with the current ratio closing the year at 1.032:1. Management continues to monitor liquidity levels closely and implement measures aimed at strengthening the Commission's financial position and sustainability.

Table 6: A summary of the financial highlights for the year ended December 2025

	INFLATION ADJUSTED		HISTORICAL COST	
	2025	**2024**	**2025**	**2024**
	ZWG	**ZWG**	**ZWG**	**ZWG**
Income	71,499,241	58,246,392	69,570,637	32,150,483
Fair Value Gain on investment property	953,231	18,738,409	953,231	16,534,583
Total Income	72,452,472	76,984,801	70,523,868	48,685,066
Expenditure	(65,316,165)	(53,277,328)	(64,897,156)	(33,605,817)
Surplus for the year before net monetary loss	7,136,307	23,707,473	5,626,712	15,079,249
Net Monetary Loss	(7,017,941)	(21,749,413)		
Surplus for the Year	**118,366**	**1,958,060**	**5,626,712**	**15,079,249**
Non-Current assets	66,734,148	35,610,424	66,216,693	21,451,472
Current Assets	8,678,607	13,443,099	8,501,500	11,497,693
Total Assets	**75,412,755**	**49,053,523**	**74,718,193**	**32,949,165**
Equity	32,018,125	30,702,975	31,323,563	16,756,826
Liabilities	43,394,630	18,350,548	43,394,630	16,192,339
Total Equity and Liabilities	**75,412,755**	**49,053,523**	**74,718,193**	**32,949,165**

Outlook

The reduction in Capital Gains Withholding Tax (CGWT) to 1% has played a pivotal role towards revitalising trading activity on the market. This adjustment is also a huge step towards regaining market competitiveness within the region. Looking ahead, sustained macroeconomic stability will be a key determinant in shaping market dynamics.

Despite these positive developments, there remains an urgent need to improve market liquidity. To adapt to the evolving operating environment and align with international best practices, the market should embrace alternative asset classes.

Furthermore, operationalising the capital market institute will significantly strengthen institutional capacity.

02

Sustainability Report

SUSTAINABILITY REPORT

SECZim remains committed to embedding sustainability into its regulatory mandate and institutional operations. In alignment with the jurisdictional roadmap for the adoption of ISSB standards IFRS S1 and S2, this section reports on the Commission's environmental, social, and governance (ESG) performance for the year ended 31 December 2025.

Environmental

Energy and Carbon Footprint Reduction

The Commission continued to leverage technology as a primary controller for reducing its environmental footprint. Key initiatives during the year included:

- Solar energy powering the Commission's data centre, reducing reliance on the national grid.
- ICT-enabled remote working arrangements, contributing to measurable reductions in staff commuting and associated carbon emissions.
- Exploration of e-learning platforms to extend ESG awareness and training with minimal physical resource use.

Environmental Clean-Up Programme

Aligned to the national campaign, a dedicated environmental clean-up day is observed on the first Friday of each month, engaging staff and stakeholders in maintaining a clean and sustainable environment within the Commission's vicinity. This initiative reflects the Commission's taking responsibility for their immediate environment and serving as environmental partners to the communities in which it operates.

SECZim staff participating in the national clean-up campaign.

Social

Human Capital and Wellness

An intentional wellness programme has been rolled out to ensure staff well-being and peak performance, encompassing:

- Regular health screening checks for all members of staff.
- Sports tournaments involving Securities Market Intermediaries (SMIs) and stakeholders, fostering collaboration and promoting healthy lifestyles.
- Flexible working arrangements that support work-life balance and employee productivity.
- Structured professional development and capacity-building programmes to maintain regulatory excellence.

SECZim staff take to the pitch in a friendly soccer match against the Zimbabwe Stock Exchange (ZSE).

Diversity and Inclusion

The Commission has adopted deliberate policies to advance gender balance and youth recruitment across its workforce. These efforts have yielded measurable results:

47% Female Staff Ratio

Youth Active Recruitment Drive

Flexible Work Arrangements

The workforce remains largely youthful, with 67% under the age of 40. The increase across the 20–39 and 40–49 age groups reflect continued workforce growth and strengthening of both early-career and mid-level expertise. Employees aged 50 and above continue to provide valuable experience, contributing to leadership stability and institutional knowledge retention.

Table 7: Employee Age Group Distribution

Age Group	Number of Employees	Percentage
20–29	14	36%
30–39	12	31%
40–49	6	15%
50–59	6	15%
60+	1	3%
Total	**39**	**100%**

The Commission continues to build an inclusive environment that reflects the diversity of the Zimbabwean society it serves. The Commission adopted Value for Money Procurement, which includes the less advantaged and marginalised members of society. The Commission's service charter is displayed at the offices and digitally, in three languages promoting financial.

SECZim employees participating on a team building challenge at the First Mutual Health Zimazing Race.

Governance

Sustainability Strategy and Oversight

In preparation for mandatory sustainability reporting for financial year ending December 2026, the Commission has embarked on a comprehensive inward and outward-looking sustainability strategy. Governance oversight for sustainability matters is vested in the Finance and Strategy Committee of the Board, ensuring accountability at the highest institutional level.

ISSB Standards Adoption

The Commission formalised its commitment to transparency in sustainability reporting by partnering with the Public Accountants and Auditors Board (PAAB) as a taskforce member to launch a jurisdictional roadmap for the adoption of ISSB Standards IFRS S1 (General Requirements) and IFRS S2 (Climate-related Disclosures). This initiative ensures that Securities Market Intermediaries (SMIs) disclose relevant, decision-useful sustainability information to primary users of general-purpose financial reports.

Economic Viability and Regulatory Environment

The Commission recognises that its long-term sustainability is intertwined with the viability of the sector it regulates. The Ministry of Finance, Economic Development, and Investment Promotion introduced two significant regulatory instruments during the year:

- SI 57/2024 – increased license fees by an average of 17% to support sustainable sector operations.
- SI 110/2024 – eliminated the vesting period and reduced capital gains tax to 2%, enhancing market attractiveness and investor participation.

These measures are aimed at enhancing the economic viability of the securities sector and ensuring the Commission's continued operational sustainability.

Responsible Procurement

The Commission upholds principles of responsible and inclusive procurement, prioritising local suppliers and empowerment initiatives in its procurement processes in line with national economic development objectives.

Looking Ahead: The Commission will continue to deepen its ESG integration, with formal sustainability disclosures aligned to IFRS S1 and S2 standards mandatory adoption with management or internal audit attestations on assurance, expected to commence for the financial year ending December 2026. ICT platforms will be further leveraged for ESG awareness campaigns and transparent disclosures to all market stakeholders.

Solar energy powering the Commission's data centre, reducing reliance on the national grid.

03 Commission Programmes

Picture captured during a career fair at Dzikwa Trust centre where the Commission was exhibiting

COMMISSION PROGRAMMES

1. Policy and Governance

1.1. Securities Legislative developments

There were several reviews to the securities rules during the year under review. The legislation provides for the continued viability of the Commission and the market, to align with the economic environment and to ensure effective regulation of the market.

The following rules were published in 2025:

- Securities Registration, Licensing and Corporate Governance (Amendment) Rules, SI 28 of 2025 published on 28 March 2025.
- Securities and Exchange (Self-listings Rules for Exchanges) (Amendment) Rules, SI 49 of 2025 published on 9 May 2025.
- Finance Act (No.7) of 2025 providing for registration of Virtual Assets and Virtual Assets Service Providers effective from 1 January 2026.

1.2. Information and Communication Technology (ICT)

The SECZim Information and Communication Technology (ICT) strategic focus is on the following areas:

- Digital transformation through digital tools to enhance efficiency.
- Improving the Commission's cybersecurity posture.
- Innovation by leveraging existing and emerging technologies such as Artificial Intelligence.

The Information and Communication Technology (ICT) function continued with initiatives to digitise the commission's business processes. During the year under review a Compliance Rating Portal was developed to enable Securities Market Intermediaries (SMIs) to submit compliance data. The online platform allows SECZim to monitor, manage, and display a licensed entity's adherence to specific regulations or standards. SMIs represented by their compliance officers were trained on how to use the portal.

The Commission held a local universities competition whose objective is the development of Prudential and Anti-Money Laundering Risk-Based Supervision system prototypes. The process entailed detailed workshops involving SECZim technical experts and Harare Institute of Technology (HIT), Midlands State University (MSU), National University of Science and Technology (NUST) and the University of Zimbabwe (UZ). The prototype demonstrations were held on 1st-2nd December 2025 where a panel of assessors composed of SECZim staff and two (2) external ICT experts from the Ministry of Information Communication Technology, Postal and Courier Services (MoICTPCS) evaluated the submissions culminating in HIT winning the Prudential RBS prototype category and NUST winning the AML RBS prototype category.

During 2025 SECZim relocated from Smatsatsa Office Park, Borrowdale to Number 2 Hendrikz Way, Avondale. On 01 October 2025, the process involved temporarily

SECZim Acting CEO and Director for Policy and Market Development with the NUST winning team at the CodeFest Awards Ceremony.

housing servers at an outsourced datacenter, rebuilding the datacenter at the new site, installing a solar carport, installing local area networks and transferring all communication systems including Internet and telephone lines. Upon completion of necessary on premises works, SECZim servers were relocated from the temporary colocation site to the new SECZim offices during the weekend of 07 November 2025.

1.2.1 Performance Overview

SECZim ICT systems maintained strong availability throughout 2025. Nineteen of twenty monitored services achieved an annual average uptime above 95%, with the majority consistently at 99–100%. The single significant exception was the Disaster Recovery (DR) site, which lost connectivity during the Q4 office relocation to 2 Hendrikz.

97.2%
Network Uptime
Annual average

98.8%
Core Infrastructure Availability
Annual average

98.5%
Business Applications
Annual average

67.80%
Employee ICT Satisfaction Survey
Annual average

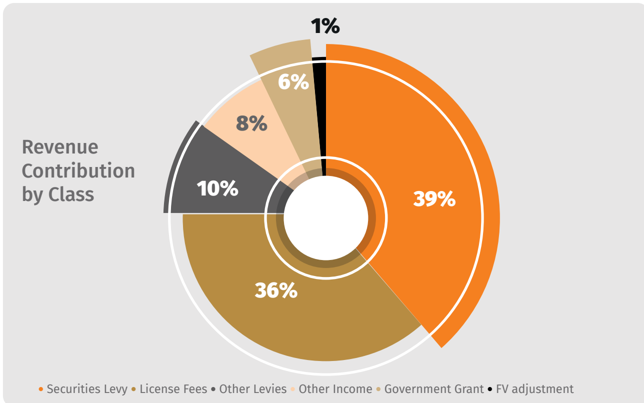
Cybersecurity awareness training remained critical in 2025 because human users remain the most exploitable, and the weakest link in organisational security. The cyber threat landscape continues to evolve rapidly as threat actors use AI and automation to exploit vulnerabilities. The ICT department offered staff training on trending cyber threats to enable detection of new patterns, including micro-lessons aligned with real job tasks and threats users face, delivered via bulletins. An end of year interactive cybersecurity awareness training session was held with SECZim staff to foster deeper understanding and improve knowledge retention. To detect and remediate ICT security weaknesses, the commission awarded a contract to Frampol for Vulnerability Assessment and Penetration Testing services scheduled for quarter one (Q1) 2026.

1.3. Finance and Administration

Table 8: Budget Performance

	Actual ZWG	Budget ZWG	% Change
Income	72,452,472	61,001,084	19%
Expenditure	65,316,165	60,623,099	-8%
Net Monetary Loss	(7,017,941)	-	0%
Surplus for the year	118,366	377,985	-69%

Figure 2: Revenue Analysis



1.3.1 Government Grant

In 2025, the Commission requested for Government support of ZWG19,000,000 to sustain its operational viability. However, the Commission received a grant of USD1,000,000 from MoFEDIP for the acquisition of property at 2 Hendrikz Way, Avondale, Harare. In addition, the Commission also received ZWG2,668,200 specific to relocation expenses at the new property.

Figure 3: Expenditure Analysis

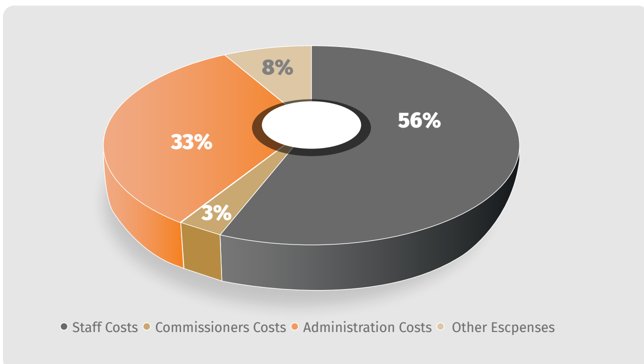
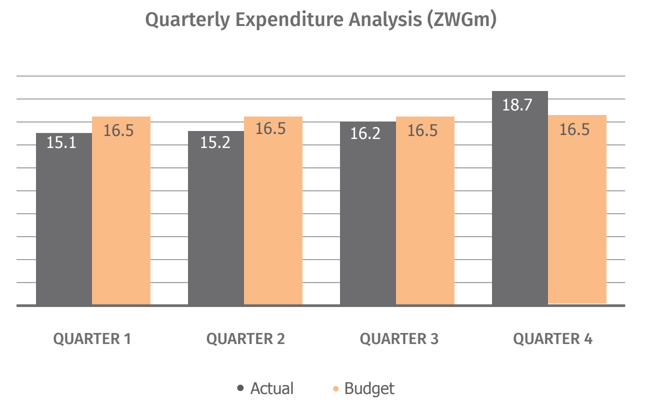


Figure 4: 2025 Quarterly Actual vs Budget Expenditure



1.3.2 Capital Expenditure Budget

The Commission purchased 5 motor vehicles for conditions of service from a Government Grant received from MoFEDIP late 2024.

Several planned capital expenditure (CAPEX) initiatives such as the development of AML, supervision and surveillance systems were not implemented during the period due to funding constraints. Budgetary limitations made it impractical to procure and deploy fully developed commercial solutions. However, the Commission adopted a strategic interim solution of collaborating with universities to develop prototype systems pending availability of adequate funding.

1.3.3 Going Concern

The Commission recorded a surplus of ZWG118,366. Current assets exceeded current liabilities by ZWG275,304, recording a current ratio of 1.03:1. The Ministry of Finance, Economic Development and Investment Promotion has pledged to continue to provide support to the Commission.

1.3.4 Outlook

In Q1 2026, the Commission recorded a surplus of ZWG16,099,464 and a current ratio of 5.14:1. The increase in revenue was driven by heightened trading activity on the Zimbabwe Stock Exchange, primarily attributable to the anticipated delisting of Econet Wireless, with investors taking position in the market which significantly boosted market turnover. However, with further potential delistings anticipated, this will exert pressure on the Commission's revenue base, thereby negatively impacting cash inflows. Furthermore, the slashing of regulatory fees by 50%, particularly the licence fees, is expected to further strain the Commission's cashflows. Ministry of Finance, Economic Development and Investment Promotion has allocated a budget of ZWG 29,360,000 for recurrent expenditure for the year ending 31 December 2026, which will strengthen the working capital of the Commission.

SECZim Acting CEO and CPC CEO posing for a picture with Management from the Commissions at the MOU signing Ceremony.

2. Capital Market Development and Regulation

2.1. Operations

2.1.1. Licences issued as of 31 December 2025

The Commission issued six (6) new licenses and registered four (4) collective investment schemes during the reporting period. Table 9 presents the new licences approved in 2025, while Table 10 outlines changes by licence category.

Table 9: Licences approved in 2025

Licence Category	Number of firms licensed
Securities Investment management firms	3
Securities Advisory firm	2
Securities Dealing Firm	1
Collective Investment Schemes	4

Table 10: Changes in number of licensees per category

	Licence Category	# of SMIs FY2024	# of SMIs FY2025	Additions	Cancellations
1	Securities Exchanges	4	4	0	0
2	Central Securities Depositories	2	2	0	0
3	Securities Investment Management firms	34	37	3	0
4	Securities Dealing firms	22	23	1	0
5	Securities Custodial firms	6	6	0	0
6	Securities Trustee firms	7	7	0	0
7	Securities Transfer firms	3	3	0	0
8	Securities Investment Advisory firms	55	56	2	1
9	Collective Investment Schemes Funds	87	92	5	0
	Total	**220**	**230**	**11**	**1**

ZB Capital (Private) Limited voluntarily surrendered its advisory licence in January 2025 following restructuring within ZB Financial Holdings. The cancellation was completed in March 2025 after the institution settled all outstanding obligations.

2.1.2. Guidelines and directives issued in 2025

To facilitate an enabling environment for an orderly capital market, SECZim enacted the following guidelines and directives in 2025:

2.1.2.1. Capital Adequacy Directive for Securities Market Intermediaries, November 2025

The Directive provides amendments to the Capital Adequacy Directive for Securities Market Intermediaries, July

2017. The 2025 Directive sought to introduce three (3) key improvements aimed at promoting appropriate, adequate risk proof capital for the Capital Market entities.

These three include:

- Review of Operational Risk Requirement,
- Alignment with the International Organisation of Securities Commissions (IOSCO) Principle 30, and
- Revision of risk haircuts based on re-benchmarking against peer jurisdictions.

2.1.2.2. Guidelines on Suspicious Activity Indicators and Red Flags for Securities Investments, December 2025

These guidelines provide a consolidated list of red flag indicators to help Securities Investment Managers, and Trustees to detect potential money laundering, terrorist financing, proliferation financing and other financial crimes in their day-to-day business activities. The guidelines cover:

- Controls and Technology,
- Process when a Red Flag is discovered,
- Suspicious Indicators/Red Flags in Securities Investments,
- Suspicious Indicators/Red Flags in CIS, ETFs, and REITs,
- Best Practices for Securities Investment Managers,
- Training of employees, and
- Penalties and risks of missing a red flag.

2.1.2.3. Supervisory activities

Onsite inspections, thematic reviews, and offsite monitoring constitute key supervisory tools used by the Commission to ensure that licensees adhere to applicable laws and regulations.

2.1.2.3.1. Prudential onsite inspections conducted in 2025

During 2025, the Commission performed six (6) onsite prudential examinations in accordance with the 2025 supervisory plan. The tables below show the number of inspections, outcomes, and corrective measures for Securities Investment Managers, Securities Dealing Firms, Securities Trustees, alternative trading platforms, and collective investment schemes, respectively.

Table 11: Prudential Inspections for Securities Investment Managers/Asset Management, Collective Investment Schemes and Trustees Firms in 2025

Number of Inspections	Major Findings	Corrective Actions
One (1) Securities Investment Managers/Asset Manager (including six (6) Collective Investment Schemes	Corporate governance deficiencies, particularly regarding the independence of the Compliance function and the composition of the Board-level Internal Audit Committee.	Asset Management firm concerned was directed to meet the corporate governance stipulations provided in S.I 100 of 2010 within the ensuing quarter.
	Failure to establish effective client and investor communication mechanisms.	Manager directed to incorporate effective client and investor communication mechanisms in the Client Service Charter
One (1) Securities Trustee	Corporate governance deficiencies, particularly regarding the appointment of a substantive Principal Officer	Trustee directed to appoint substantive Principal Officer by 30 September 2026.

Table 12: Prudential Inspections for Securities Dealing Firms, Custodial Banks and Transfer Secretaries in 2025

Number of Inspections	Major Findings	Corrective Actions
Two (2) Securities Dealing Firms	Executive Directors constituting membership of Board Audit Committee, thereby undermining the independence of audit function and its objective decision making.	The entities advised to revise terms of reference for Audit Committee and only allow executive directors to attend meeting by invitation.
	Entities operating without Internal audit function even as an outsourced function, leading to weak internal controls environment and inability to safeguards the shareholders and clients' investments.	The Securities Dealing firms instructed to establish or outsource an internal audit function in line with good corporate governance requirements.
	Audited Financial statements noted to be inaccurate and with improper accounting of certain transactions leading to accounts being revised by external auditors.	The entity immediately ordered to revise the financial statements and external auditors requested to provide assurance.
	The dealing firm incurring cumulative operating losses resulting in a net effect of capital reduction and insolvency.	The entity instructed to recapitalise in line with minimum capital requirements for stockbroking firms.
One (1) Transfer Secretary	The Transfer Secretary found with huge balances of unclaimed dividends which represented missed opportunities for investors to reinvest or utilise the funds.	Transfer Secretary instructed to reduce the unclaimed dividends balances through adoption of preventive detective and corrective controls designed to reduce the balances to a lower level.
	Lack of external audit assurance on dividend trust accounts.	Transfer Secretary instructed to engage an external auditor for the audit of trust accounts.
One (1) Custodian Bank	Custodian had challenges in submitting audit certificates for external audit of trust accounts	The Custodian was instructed to submit trust accounts audits certificate as evidence of the conduct of external audit of the accounts.

Table 13: Prudential Inspections for Alternative Trading Platforms (ATPs) in 2025

Number of Inspections	Major Findings	Corrective Actions
One (1) Alternative Trading Platform	Non- maintenance of a staff trading policy	Management to develop and implement a comprehensive staff trading policy that outlines guidelines and procedures for employee trading activities by 31 December 2025.
	Risk Management policy deficiencies	The firm was instructed to conduct a thorough review of its risk management framework to ensure its relevance and effectiveness in addressing the ATP's specific risks by 31 December 2025.

2.1.2.3.2. Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT)

In addition to the prudential inspections, eight (8) AML/CFT inspections were conducted during the year ended 31 December 2025. The inspections targeted two (2) securities dealing firms and six (6) Securities Investment Management Firms. The results of the inspections are in table 14.

Table 14: AML/CFT Inspections for securities dealing firms in 2025

Number of Inspections	Deficiencies Identified	Rating	Priority Level	Corrective Actions
Two (2) Securities Dealing Firms	Missing KYC information	Fair	High	The Securities Dealing Firms were issued with corrective orders which highlighted the corrective actions they should take.
	Lack of evidence of monitoring transactions	Fair	High	
	Lack of key components in the AML Policies	Fair	High	
	Lack of evidence of sanctions screening	Weak	High	

Table 15: AML/CFT Inspections for securities investment management firms in 2025

Number of Inspections	Deficiencies Identified	Rating	Priority Level	Corrective Actions
Six (6) Securities Investment Managers	Missing KYC information in the client files.	Weak - Fair	High	The Securities Investment Managers were issued with corrective orders which highlighted the corrective actions they should take to rectify the deficiencies identified.
	Lack of client risk assessment	Fair	High	
	Lack of evidence of monitoring transactions	Fair	High	
	Lack of evidence of sanctions screening	Weak - Fair	High	
	Poor record keeping	Fair	High	
	Policies with gaps		High	
	AML/CFT internal audit issues not addressed on time	Fair	High	

2.1.2.4. AML/CFT and Prudential Penalties issued for the year ended 31 December 2025

2.1.2.4.1. AML/CFT Penalties

The Commission issued monetary penalties for violations of Statutory Instrument 57 of 2024 and the Money Laundering and Proceeds of Crime Act. Table 16 shows the penalties levied for AML/CFT offenses during the year ended 31 December 2025.

Table 16: AML/CFT Penalties

Licence category	Reasons for penalties	Number of institutions levied	Total amount
Asset Management Firms (Securities Investment Managers)	Late submission of returns	9	USD4,200
Stockbroking Firms (Securities Dealing Firms)	Late submission of returns	2	USD200
Securities Investment Advisory Firms	Late submission of returns	6	USD2,000
Gross Amount			**US$6,400**

Picture above captured during the 2025 Annual General Meeting.

2.1.2.4.2. Prudential Penalties

In accordance with paragraph 9 of Statutory Instrument 57 of 2024, the Commission imposed penalties worth USD5,200 for late submission of prudential returns.

Table 17: Prudential Penalties

Licence category	Reasons for penalties	Number of institutions levied	Total amount
Asset Management Firms (Securities Investment Managers)	Late submission of returns	13	USD3,400
Stockbroking Firms (Securities Dealing Firms)	Late submission of returns	5	USD500
Securities Trustees	Late submission of returns	2	USD1,300
Gross Amount			**US$5,200**

2.1.3. Funds under management

For the year ended 31 December 2025, total Funds Under Management (FUM) stood at ZWG98.16 billion (FY2024: ZWG90.60 billion). This total includes USD-denominated FUM of USD2.66 billion, which was converted to local currency (ZWG) at the prevailing exchange rate as at 31 December 2025. The industry average FUM for the period ended 31 December 2025 was ZWG2.80 billion. Figure 5 below illustrates the FUM trend from Q4 2023 to Q4 2025.

Figure 5: Trend of Funds under Management (Q4-2023 to Q4-2025)

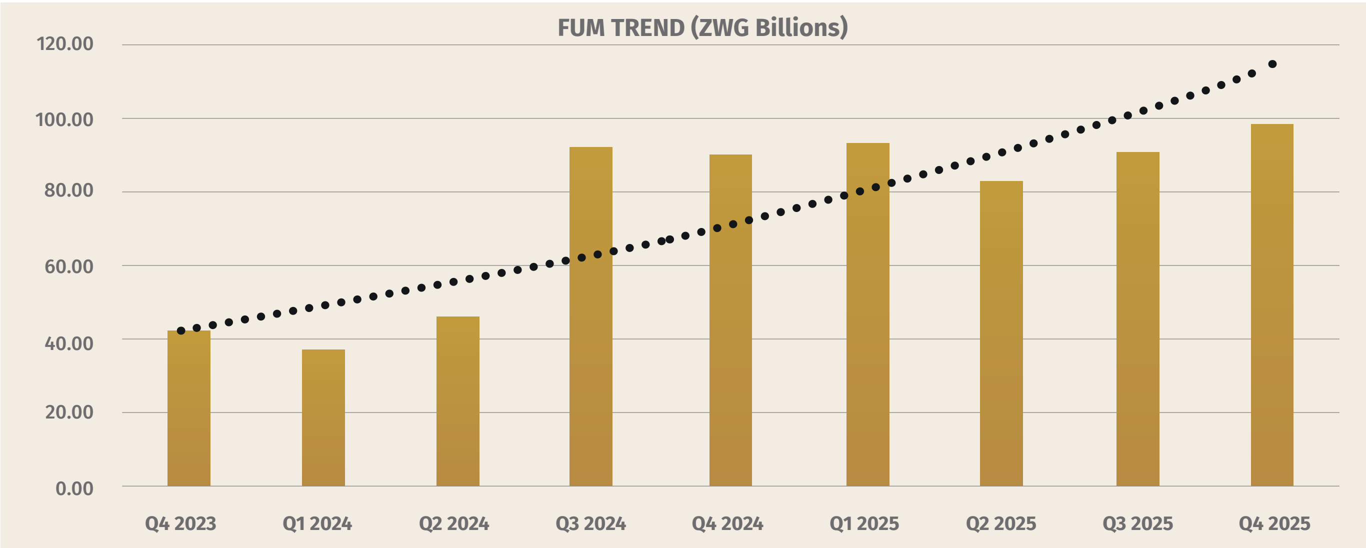


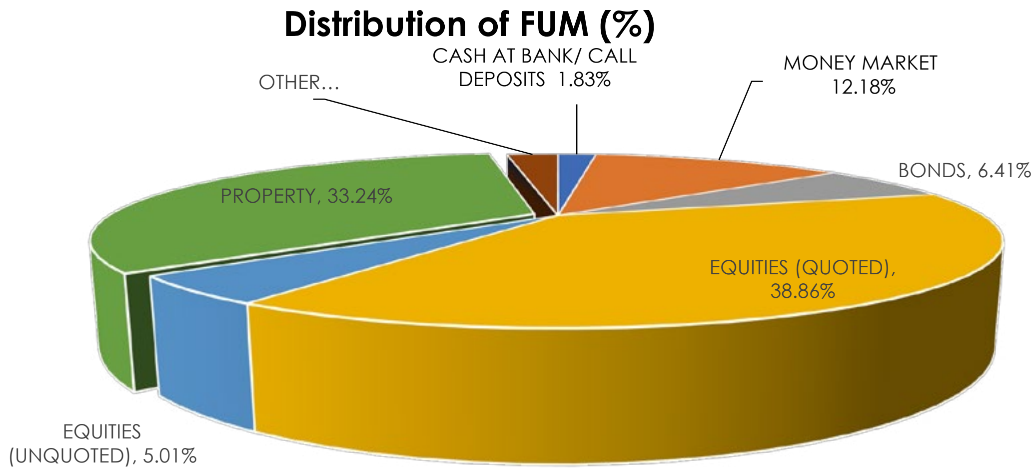
Table 18: FUM breakdown for the year ended 31 December 2025

Asset Class	Value (ZWG)	Value (USD Equivalent)	%/Asset Class
Cash at bank/ call deposits	1,800,533,768	69,302,743	1.83%
Money market	11,932,092,946	459,267,570	12.16%
Bonds	6,291,250,107	242,150,908	6.41%
Equities (quoted)	38,145,644,252	1,468,230,042	38.87%
Equities (unquoted)	4,921,911,326	189,444,908	5.02%
Property	32,626,803,608	1,255,809,259	33.25%
Non-performing assets	31,568	1,215	0.00%
Other	2,418,034,950	93,070,431	2.46%
Total	**98,136,302,526**	**3,777,277,076**	**100.00%**

The sector's exposure to the stock market increased from 32.33% in the previous year to 38.87% as at 31 December 2025. Funds Under Management (FUM) in property investments fell from 47.00% in the previous year to 33.25%. Investments in the money market grew from 6.97% in December 2024 to 12.16% by year-end 2025, while allocations to unquoted equities saw a modest rise from 4.26% to 5.02%. Investments in bonds rose from 6.37% in the prior year to 6.41%. Cash, call deposits, and other investment categories accounted for the remaining 4.29% of total FUM, up from 3.05% in FY2024. Figure 6 below illustrates the FUM distribution as at 31 December 2025.

SECZim Acting CEO and NUST Pro-Vice Chancellor for Innovation and Business Development, Prof William Goriwondo, shaking hands following the signing ceremony of the Memorandum of Understanding (MOU).

Figure 6: Distribution of Funds under Management as at 31 December 2025



2.1.4 Assets under custody

During the year ended 31 December 2025, Total Assets under Custody (AUC) amounted to ZWG98.31 billion representing a 28.19% increment from ZWG76.69 billion reported in the previous year ended 31 December 2024. As at 31 December 2025, local clients accounted for 76.29% of AUC whilst foreign clients accounted for 23.71%. Comparatively, from the prior year, local clients accounted for 70.05% of AUC whilst foreign clients accounted for the remaining 29.80%. Table 19 provides a breakdown of AUC by firm.

Table 19: AUC by firm (2024 and 2025)

INSTITUTION	AUC 2025 (ZWG)	AUC 2025 (USD EQUIVALENT)	AUC 2024 (ZWG)	AUC 2024 (USD EQUIVALENT)	% CHANGE (USD)
CABS Custodial Services	33,154,266,814	1,276,111,376	25,337,249,479	982,121,033	29.93%
CBZ Custodial Services	13,742,959,075	528,968,006	10,653,161,415	412,937,241	28.10%
FBC Custodial Services	6,770,329,554	260,590,729	5,402,133,924	209,397,210	24.45%
Stanbic Custodial Services	42,075,775,711	1,619,501,234	34,152,957,930	1,323,835,026	22.33%
ZB Custodial Services	2,568,576,348	98,864,786	1,148,648,251	44,523,839	122.05%
TOTAL	**98,311,907,502**	**3,784,036,131**	**76,694,150,999**	**2,972,814,349**	**27.29%**

2.1.5 Zimbabwe Stock Exchange (ZSE), Victoria Falls Stock Exchange (VFEX) and Financial Securities Exchange (FINSEC) turnover

Table below provides the ZSE and FINSEC turnover for the year ended 31 December 2025 in comparison to the previous year (2024).

Table 20: ZSE and FINSEC Turnover

ZIMBABWE STOCK EXCHANGE TURNOVER					
	2025 (ZWG)	2024 (ZWG)	2025 (USD EQUIVALENT)	2024 (USD EQUIVALENT)	USD PERCENTAGE CHANGE
	5,426,022,521	2,071,725,011	203,699,082.33	119,303,081.77	70.74%
EXCHANGE TRADED FUNDS	4,233,584	10,317,401	159,225.04	543,121.66	-70.68%
	194,683,602	167,813,177	7,321,589.22	10,799,832.90	-32.21%
FINSEC - TURNOVER					
	2025 (ZWG)	2024 (ZWG)	2025 (USD EQUIVALENT)	2024 (USD EQUIVALENT)	USD PERCENTAGE CHANGE
EQUITIES	18,020,064	7,080,691	679,485.58	274,461.34	147.57%

2.1.6 Enforcement Actions

The Commission undertook enforcement actions against various capital market participants for breaches of securities regulations and AML/CFT requirements. Notable violations included failures to settle securities transactions and the execution of unsanctioned net-off arrangements.

2.1.7 Money Laundering /Terrorist Financing (ML/TF) Risk Assessment Ratings

Table 21 presents the overall assessment results for the year ended 31 December 2025.

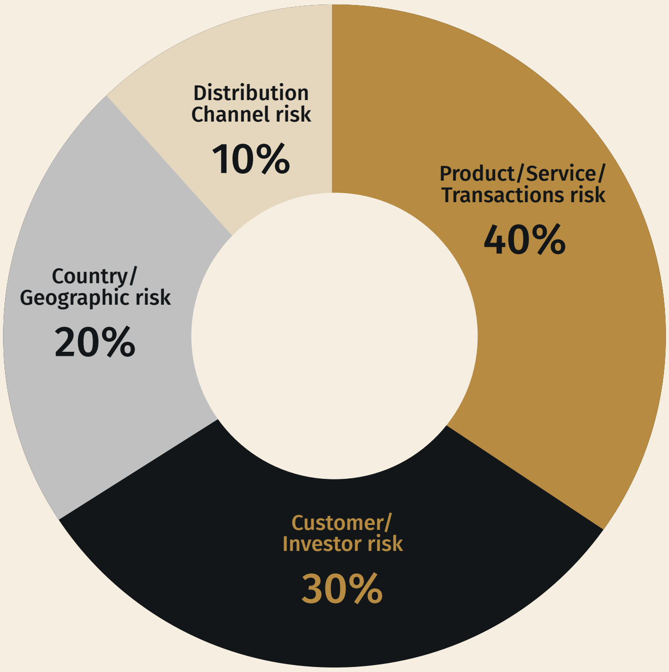
Table 21: Overall Assessment Results for the year ended 31 December 2025

CATEGORY	RATING	SCORE	WEIGHTING	OVERALL
Asset Managers	MEDIUM	0.4000	0.1299	0.0500
Dealing Firms	MEDIUM LOW	0.3900	0.1266	0.0500
Custodians	MEDIUM	0.4100	0.1331	0.0500
Exchanges	MEDIUM	0.4200	0.1364	0.0600
Trustees	MEDIUM LOW	0.3800	0.1234	0.0500
Transfer Secretaries	MEDIUM	0.4100	0.1331	0.0500
Advisors	MEDIUM LOW	0.3400	0.1104	0.0400
Central Securities Depositories	MEDIUM LOW	0.3300	0.1071	0.0400
OVERALL			**MEDIUM LOW**	**0.3900**

PARAMETERS				
LOW	**MEDIUM LOW**	**MEDIUM**	**MEDIUM HIGH**	**HIGH**
<20%	<40%	<60%	<80%	>=80%

Overall sectoral ML/TF risk was assessed as Medium Low, with a residual risk score of 0.39, reflecting a marginal improvement from a risk score of 0.40 reported for the year ended 31 December 2024. This indicates stable risk conditions. Figure 7 shows the distribution of inherent risk factors within the sector.

Figure 7: Distribution of inherent risk factors for Q4 2025



The ML/TF risk environment within the securities sector remains stable but requires sustained supervisory engagement to improve effectiveness beyond minimum compliance. The Commission's risk-based approach ensures resources are focused where they are most needed, while safeguarding market integrity and financial inclusion.

2.1.7.1. Sectoral Risk Assessment (SRA)

In the first quarter of 2025, the Commission completed its third Sectoral Risk Assessment (SRA) for the securities sector, covering the period 2024–2025. The assessment evaluated ML/TF risks across all licensed institutions. The overall residual risk for the securities sector was rated medium (0.40), reflecting a slight improvement from the previous score of 0.41. Terrorists Financing (TF) and Proliferation Financing (PF) risks remained low. Sub sectoral risk profiles varied, with asset managers, custodians, infrastructures, and transfer secretaries all rated medium, while dealing firms, trustees, and investment advisors were rated low. Notably, certain products such as Contracts for Difference (CFDs) were flagged as high risk due to their complexity and cross-border features.

The assessment identified common vulnerabilities including weak transaction monitoring, incomplete KYC files, inadequate beneficial ownership verification, and low levels of suspicious transaction reporting. Sector-specific red flags and control gaps were also outlined per subsector to guide targeted mitigation.

To address these issues, the Commission is strengthening its risk-based supervision by prioritising higher-risk entities for on-site inspections, issuing subsector-specific AML/CFT/CPF guidelines, and enhancing staff capacity. The SRA also forms the foundation for shaping the 2025–2026 supervisory strategy.

2.1.8. The 4th Public-Private Sector Dialogue (PPSD)

The Commission participated in the Anti-Money Laundering and Financial Crime 4th Public–Private Sector Dialogue (PPSD) Conference from 10 to 11 October 2025 in Victoria Falls. The dialogue was hosted the Financial Intelligence Unit of Zimbabwe under the theme, "Consolidating progress and driving action towards a high level of AML/CFT effectiveness."

2.1.9. Coordination and Cooperation

The Commission continued to receive requests from the Zimbabwe Republic Police, Criminal Investigation Department, Asset Forfeiture Unit (ZRP/CID AFU) and provided the necessary assistance with its investigations.

On 08 April 2025, the Commission conducted training for CID investigators at their CID Headquarters in Harare to enhance their understanding of the capital market. Further, the Commission continues to contribute to the National Taskforce on AML/CFT.

2.1.10. Engagement with ESAAMLG

The Commission participated in various meetings during the ESAAMLG Secretariat Mission to Zimbabwe between 17 to 19 November 2025. The objective being early engagement on Mutual Evaluation. It participated in high-level strategic meeting with Ministers and AML/CFT Authorities, technical briefing with National AML/CFT Committee, technical Session with supervisory and regulatory bodies meetings.

The Commission also participated in the In-Country Standards Training Course from 15 to 19 December 2025. The major focus of the training was the awareness of revised recommendations and preparations required thereof. This training was mainly facilitated by ESAAMLG Secretariat to prepare authorities for the 2026 country Mutual Evaluation.

2.1.11. Compliance Indexes

To ensure increased market compliance with relevant laws, regulations and practices the Commission developed prudential and AML/CFT compliance indices.

2.1.11.1 Prudential compliance index

In June 2024, the Commission developed a prudential compliance index measuring SMIs level of compliance based on stipulations of the governing Acts (Securities and Exchange Act [Chapter 24:25], Asset Management Act [Chapter 24:26] and the Collective Investment Schemes Act [Chapter 24:19]), directives, guidelines and capital adequacy frameworks.

Securities Market Intermediaries (SMIs) attending an AML/CFT Training.

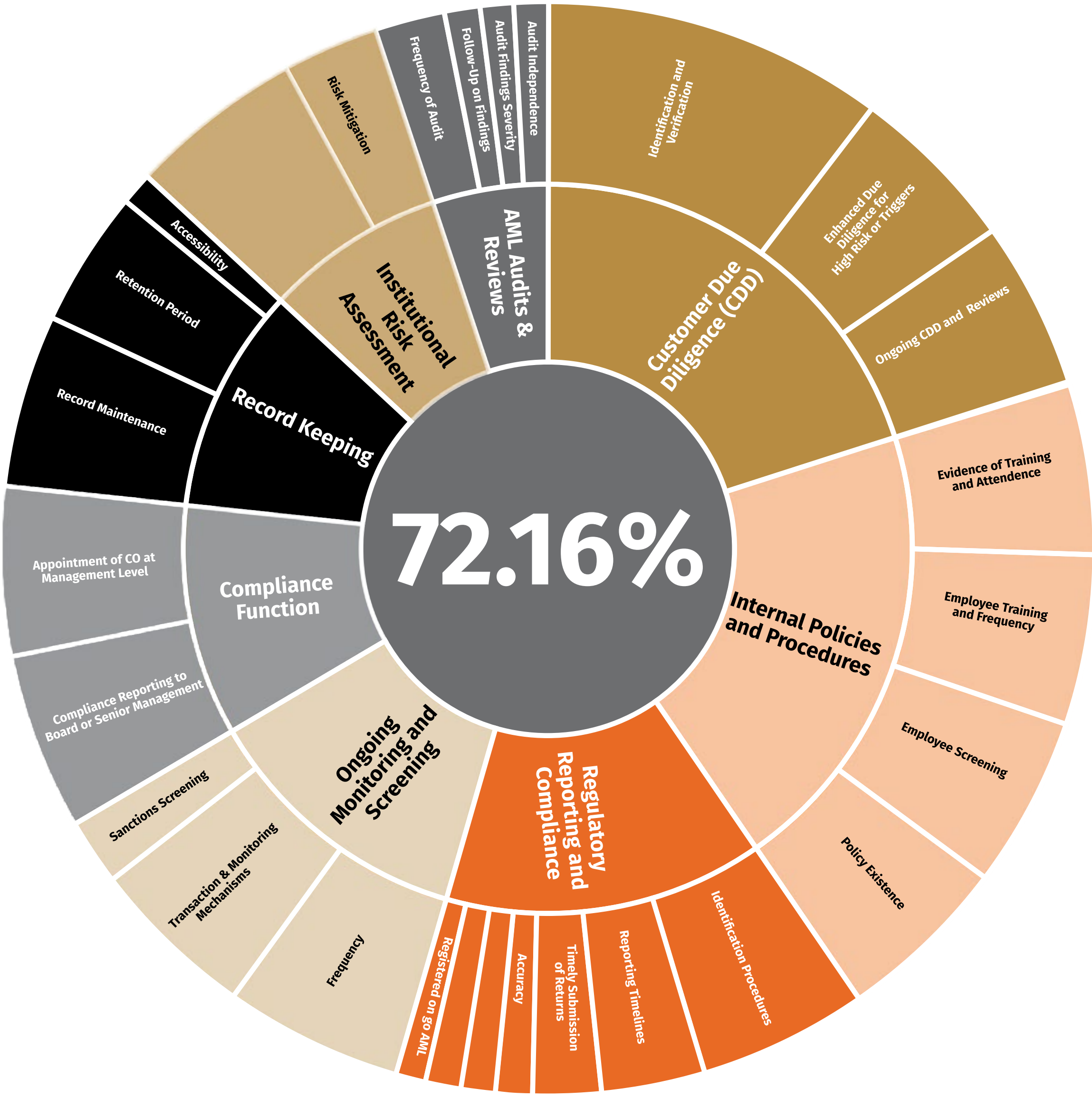
Table 22: Prudential Compliance Index 2025

SUMMARY 2025	
SECTOR	**INDUSTRY AVERAGE**
Securities Dealers	78.39%
Asset Management Firms	85.67%
Transfer Secretaries	92.16%
Market Infrastructures	86.07%
CAPITAL MARKET COMPLIANCE SCORE	**85.59%**

2.1.11.2 AML/CFT Compliance Index

The overall compliance level remains relatively stable at 72.16%, indicating that the institution has generally maintained its AML/CFT/CPF compliance framework. While the current levels reflect a satisfactory degree of compliance, continued improvements through training are being implemented to strengthen effectiveness and address identified gaps.

Figure 8: AML Compliance Index Variables as at 31 December 2025



Students playing a capital market word search at an outreach session.

2.1.12. Outreach and Awareness

In 2025, the Commission continued to consolidate its capacity building and awareness raising programmes. A number of outreach and training sessions were conducted either virtually or physically.

2.1.13. Prudential trainings

The Commission held four prudential training sessions, in 2025, to conscientise capital market players on key regulatory issues. Table below provides an outline of areas covered by the training, impact on compliance and attendance levels.

SECZim delivering a presentation at the Quality Corporate Governance Centre (QCGC).

Table 23: Prudential Trainings

Areas Covered by Training	Impact on Compliance	Attendance Levels
Enhanced Audited Financial Statements Disclosures	Enhanced disclosures by capital market participants to ensure that investors are adequately informed of material business activities and the regulatory compliance status of Securities Market Intermediaries (SMIs).	+/- 70 attendees
AML, Market Conduct and Prudential Joint workshop (Bulawayo)	The workshop provided guidance to Compliance Officers on key market conduct considerations, as well as recent changes to the Capital Adequacy Directive	+/- 100 attendees
FSCA (South Africa) & SEC, Zimbabwe: Market Conduct Supervision on Capital Markets	The week-long training was facilitated by the Financial Sector Conduct Authority (South Africa) to equip SECZim Prudential Supervision staff with skills in market conduct supervision.	SECZim and FSCA (South Africa) market conduct supervision staff.
Virtual training on Automated Compliance scoring	The training provided Compliance Officers with the technical knowledge required to complete the digital compliance scoring platform.	+/-50 attendees

2.1.14. AML/CFT trainings

2.1.14.1. Market-wide Trainings

The Commission conducted two market-wide AML/CFT trainings in 2025. The first training was a two-day AML/CFT workshop for securities sector participants held on 21 and 22 March 2025 in Mutare. The workshop focused on strengthening compliance with AML/CFT obligations and enhancing institutional capacity to identify, assess, and mitigate money laundering, terrorist financing, and proliferation financing risks.

The second training was conducted from 3 to 5 August 2025 in Bulawayo. The training was attended by representatives from regulated institutions, mainly Principal Officers, Compliance Officers, and Finance personnel. It covered key AML/CFT compliance obligations, emerging sector risks, regulatory expectations, and practical compliance challenges affecting securities market intermediaries.

2.1.14.2. Specialised Trainings

On 28 April 2025, the Commission conducted a specialised training for the Board and senior management of ABC Holdings. The training was also attended by representatives from the Reserve Bank of Zimbabwe (Bank Supervision, Surveillance and Financial Stability Division). The purpose of the training was to induct newly appointed Board members and provide a refresher to existing Board members and senior management on their corporate governance, AML/CFT oversight, and compliance responsibilities.

Investor Education and Public Relations Manager delivering a presentation at the 2025 HR Symposium.

2.2 Policy and Market Development

2.2.1 Investor Education

Table 24: Below is a summary of Investor Education and Public Relations activities carried out during 2025.

CAMPAIGN	STAKEHOLDER	MEDIA	DETAILS
Global Money Week **"Protect your money, secure your future"**	Students Youth	Online Physical	The 13th edition of Global Money Week (GMW) ran from 17-23 March 2025 under the theme "Think before you follow, wise money tomorrow." SECZim in partnership with the Reserve Bank of Zimbabwe (RBZ), Insurance and Pensions Commission (IPEC), Postal and Telecommunication Regulatory Authority (POTRAZ), Deposit Protection Corporation (DPC) and their regulated entities conducted GMW campaigns throughout March 2025 to increase outreach. SECZim participated in exhibitions held in Matabeleland North and Harare reaching 8580 students and 413 teachers
Schools Outreach	Students Teachers	Physical	SECZim conducted outreach in 4 provinces throughout 2025 reaching 1,597students and 70 teachers.

School	Province	No. of Students	No. of Teachers
Arundel School	Harare	12	1
Carinate Academy	Mat. South	9	1
Errymaple High School	Midlands	156	9
Thornhill High School	Midlands	232	6
Monte Cassino Girls High School	Mash East	450	28
Prince Senior School	Mash East	35	2
B & P Study Centre	Harare	54	3
Reghardt Learning Centre	Harare	12	2
Rusununguko High School	Mash East	637	18
Total		**1,597**	**70**

Zengeza 1 High students posing for a group picture after winning the Capital Market High School Quiz Pool Competitions.

CAMPAIGN	STAKEHOLDER	MEDIA	DETAILS
The Capital Markets High Schools Quiz	Government and Private Schools	Physical	The 4th edition of the Capital Markets High Schools Quiz was successfully held in June 2025 with 40 schools from across all provinces participating, up from 20 schools from previous years. Marist Nyanga High School emerged the 2025 winner. SECZim through Investor Protection Fund (IPF) contributed US$1,000 towards the prize money and handed over 8 toolkits to winners of each pool.

Schools that participated in the 2025 quiz

POOL A	POOL B
1. Zengeza 1 High School	1. Mabvuku High School
2. Lifelong Education College	2. Arundel High School
3. Chipindura High School	3. Monte Casino High School
4. Dominican Convent Bulawayo	4. Moleli High School
5. Rusungunuko High School	5. Rehoboth Spring Junior School
POOL C	**POOL D**
1. Daramombe High School	1. Sandringham High School
2. St Dominics Chishawasha	2. Pamushana High School
3. St Johns Emerald Hill	3. Jameson High School
4. Thornhill High School	4. East Wise High School
5. Harare High School	5. Cygnet Private College
POOL E	**POOL F**
1. Chinembiri Secondary School	1. Murehwa High School
2. Founders High School	2. St Johns High School Chikwaka
3. Ocean Waves High School	3. St Columba's High School
4. Northwest High School	4. John Talach High School
5. Prince Senior School	5. Millerite International School
POOL G	**POOL H**
1. Midlands Christian College	1. Errymaple High School
2. Delmonds Academy	2. Usher High School
3. Marist Brothers Nyanga	3. Munashe High Private School
4. Kuwadzana 1 High School	4. Msengezi High School
5. Bradley High School	5. Roosevelt High School

CAMPAIGN	STAKEHOLDER	MEDIA	DETAILS
Workshops • **SMEs Workshop** • **ToT Workshop** • **QCGC Financial Literacy workshop**	SMEs Government SMIs Students Teachers	Physical	The Commission advanced its education and engagement mandate through a series of impactful workshops. On 21 August, it hosted the SME Half Day Workshop under the theme *"Enhancing Sustainable Businesses: Capital market opportunities and challenges from an SME perspective"*, where stakeholders including ZSE, VFEX, FINSEC, AIMZ, SECZim, SMEDCO, and SMEAZ pledged to deepen SME participation in capital markets through tailored financial products, investor education, funding initiatives, and policy advocacy. Following the signing of an MoU with the Ministry of Primary and Secondary Education on 6 October, the Train-the-Trainer Workshop was held on 12–13 November at Sir John Kennedy School in Kadoma, equipping teachers with validated capital market education materials and toolkits to integrate into the school curriculum. Complementing these efforts, the Commission partnered with the Quality Corporate Governance Centre (QCGC) to deliver a Financial Literacy Workshop for student leaders, introducing them to capital market fundamentals. Collectively, these initiatives reflect the Commission's strategic thrust to broaden financial literacy, strengthen SME engagement, and build sustainable participation in Zimbabwe's capital markets.

SECZim teaching students about the capital market at the 2025 Global Money Week Exhibition at RBZ Sports Club in Harare.

CAMPAIGN	STAKEHOLDER	MEDIA	DETAILS
Exhibitions	General Public Women SMEs Youth	Physical	SECZim intensified its visibility and outreach efforts through active participation in national exhibitions and stakeholder forums. These engagements were strategically aligned with the Commission's mandate to promote investor education, foster financial literacy, and strengthen relationships with diverse stakeholder groups.

SECZim exhibiting at the Zimbabwe Agricultural Show.

Zimbabwe Agricultural Show (25–30 August 2025)

Under the theme *"Building Bridges"*, SECZim showcased its pivotal role in the capital markets. The Commission engaged with a wide spectrum of audiences, including students, prospective investors, strategic partners, and journalists. This platform reinforced SECZim's commitment to bridging knowledge gaps and promoting inclusive participation in the financial sector.

Women's Fair (27 September 2025)

Hosted by the Embassy of Nicaragua, the Women's Fair provided SECZim with an opportunity to interact with 20 women-led SMEs. The Commission emphasized the importance of financial literacy and highlighted the role of capital markets in enabling sustainable business growth. This engagement underscored SECZim's dedication to supporting women entrepreneurs and advancing gender-inclusive economic development.

SECZim exhibiting at the 15th SMEs International Expo.

15th SMEs International Expo (9–10 October 2025)

SECZim participated as both presenter and exhibitor at the Expo held at Harare Gardens under the theme *"Resilience and Agility: Navigating Change for SMEs Future-Proofing in a Climate-Conscious World"*. The Commission used this forum to identify funding challenges faced by SMEs, insights which will inform its 2026 initiatives. SECZim's presence reinforced its role as a catalyst for SME growth and resilience in evolving economic conditions.

National Youth Empowerment Symposium (21–22 October 2025)

SECZim joined over 120 exhibitors at Glamis Stadium in engaging with the youth. The Commission provided education on capital markets and highlighted its role in empowering the next generation. This initiative demonstrated SECZim's commitment to nurturing financial literacy among young people and ensuring their active participation in shaping Zimbabwe's economic future.

CAMPAIGN	STAKEHOLDER	MEDIA	DETAILS
Defence and Law Enforcement Public Lectures	Defence CID/ZRP	Physical	Following an invitation from CID/ZRP regarding facilitation of a capital market session on 8th April 2025, SECZim is a permanent resource to CID Headquarters Detectives Training Centre delivering lecturers on capital market regulation, architecture, awareness and AML/CFT issues. On 18 September 2025, the Commission delivered a capital market lecture at the Zimbabwe National Defence University (ZNDU) to 45 officers. The lecture provided a unique platform to introduce future military and strategic leaders to the critical role of capital markets in national economic development, detailing the market's structure and its regulation. The Commission formally presented ZNDU with the Capital Market Toolkit for sustainable capital market awareness.
Dzikwa Trust Career Guidance Day	Students	Physical	SECZim participated at the Dzikwa Trust Career Guidance Day on 23 September 2025 to expose youths to Zimbabwe's job market and to outline the requisite skills. 30 students visited the Commission's stand. The Trust is an Educational Scholarship Programme supporting over 400 orphans and vulnerable children in Dzivarasekwa.
Media Engagement	Journalists SMIs	Physical	A Media Capital Market Capacity Building Workshop was held on 14 October 2025, bringing together 20 participants from various media houses. The workshop was aimed at deepening understanding of the capital market ecosystem and promoting understanding of the capital market through robust analysis and reporting by media practitioners. The Zimbabwe Union of Journalists (ZUJ) hosted the National Journalism and Media Awards (NJAMA) on the 23rd of October in Harare where the Commission, as an extension of the annual media capacity building workshop, sponsored the Financial Journalist of the year Category award.
University Public Lectures	Students Lecturers	Physical	SECZim hosted 54 students and two lecturers from the Chinhoyi University of Technology (CUT) Accounting Club. The visit aimed to enhance the students' understanding of the Commission's operations and provide insights into the functioning of the capital market. On 24 October 2025, a public lecture was held at the University of Zimbabwe for 110 members of the University of Zimbabwe Association of Financial Engineers (UZAFE). The session focused on the Commission's regulatory role, investor protection, and the opportunities available to young people in the capital market.
Zimbabwe Diaspora Celebration & Business Summit	Diaspora	Physical	The Commission participated in the 3rd Edition of Zimbabwe Diaspora Celebration & Business Summit, hosted by the Zimbabweans in Diaspora Organisation (ZIDO) on 19 December 2025. Recognising the diaspora community as a key stakeholder and vital source of investment, this high-profile event provided a significant platform for direct engagement, complemented by a mini presentation.

CAMPAIGN	STAKEHOLDER	MEDIA	DETAILS
Annual Capital Markets Awards	SMIs	Physical	On Thursday 11 December at the Hyatt Regency in Harare, the Commission participated as a Corporate Sponsor and presenter at the Annual Capital Markets Awards organised by the Financial Markets Indaba in partnership with the Capital Markets Association of Zimbabwe.
Collaboration and partnership agreements	Universities Capital Market Players Schools Investors/ Consumers.	Physical	The Memorandum of Cooperation (MoC) between SECZim and Consumer Protection Commission on consumer protection matters was signed on 6th November 2025. This agreement should enhance consumer protection and market integrity, including establishing a robust framework for proactive risk identification and mitigation through information sharing, partnering on educational campaigns to demystify investment products, and creating a streamlined process for swift complaint resolution. The Memorandum of Understanding (MoU) between SECZim and Ministry of Primary and Secondary Education (MoPSE) was signed on 6 October 2025. MoPSE (MoU) aimed at establishing a collaborative framework between MoPSE and the Commission. The primary objective of this partnership is to facilitate the integration and implementation of capital market education within Zimbabwe's primary and secondary schools across all provinces. The Memorandum of Agreement (MoA) between SECZim and National University of Science and Technology (NUST) was signed on 12 December 2025. This MoA establishes a collaborative partnership aimed at capacity building for the Zimbabwean capital market. This partnership called the Capital Market Institute (CMI) will bridge the gap between capital market theory and practice, developing a curriculum for continuous professional development (CPD), carrying out bespoke training to individuals and entities that may require such compliance, product-related and awareness purposes and training and CPDs.
Social Media Engagements	Public	Online	Engagement with the social media community is ongoing, with 1% per quarter growth target and 4% annual growth target. Most platforms exceeded the target. Notable growth was recorded on LinkedIn and the SECZim website followed by YouTube and X (Twitter). TikTok presents a significant opportunity for growth. SECZim joined Tik Tok in June 2025 to ensure that all audiences have access to capital market information.

Platform	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Growth	Growth Percentage
Facebook	10444	10475	10514	10575	+131	1.25%
LinkedIn	2476	2836	2887	3469	+993	40.10%
Twitter	9080	9165	9376	9485	+405	4.46%
Instagram	2101	2163	2250	2271	+170	8.09%
YouTube	272	281	307	320	+48	17.6 %
Website	14653	20139	24569	30418	+15855	108.20%
Tik Tok	-	57	71	71	+14	24.56%

<table>
<tr><th>CAMPAIGN</th><th>STAKEHOLDER</th><th>MEDIA</th><th>DETAILS</th></tr>
<tr><td>Webinars</td><td>Public</td><td>Online</td><td>SECZim conducted the following webinars:
<table>
<tr><th>Topic</th><th>Number of Participants</th></tr>
<tr><td>ESG investing</td><td>130</td></tr>
<tr><td>Real Estate Investment Trusts</td><td>159</td></tr>
<tr><td>Regulatory Sandbox</td><td>137</td></tr>
<tr><td>Protecting Investors from Financial Scams</td><td>106</td></tr>
<tr><td>Unlocking Real Estate Investment Opportunities through REITs in Zimbabwe</td><td>233</td></tr>
<tr><td>Unlocking Funding Opportunities for SMEs through the Capital Market Webinar</td><td>265</td></tr>
<tr><td>Investment 101: Start Small, Start Now, Grow Steady</td><td>100</td></tr>
</table></td></tr>
<tr><td>Capital Markets Awareness Survey</td><td>Public</td><td>Physical and
Online</td><td>The capital markets awareness survey was administered during outreach and at exhibitions. The survey feeds into the Capital Markets Awareness Index which measures Knowledge, Attitude and Practice. Below are the awareness levels per quarter:
• Q1 0.358
• Q2 0.467
• Q3 0.333
• Q4 0.563
The awareness level for the year remained low at 0.346%
<table>
<tr><th></th><th>Survey Findings</th><th>Benchmark</th><th>Low</th><th>Moderate</th><th>High</th><th>Assessment</th></tr>
<tr><td>Overall Investor Awareness Index</td><td>0.346</td><td>1.000</td><td>less or equal to 0.45</td><td>greater than 0.45 and less or equal to 1.35</td><td>greater than 1 .35</td><td>Low</td></tr>
</table></td></tr>
<tr><td>Corporate Social Responsibility (CSR)</td><td>Public</td><td>Physical</td><td>The #MySchool#MyCommunity which is a CSR initiative spearheaded by SECZim aimed at improving capital market awareness and financial literacy school students and communities across all provinces of Zimbabwe. The project leverages the Capital Market Toolkit and strategic partnerships to mobilise resources, train teachers through a "train the trainer" methodology and conduct interactive outreach sessions in schools with the goal of raising capital market awareness to 5% by 2026. Since its launch, several internal and external stakeholders have already participated in the initiative, conducting outreach sessions across various provinces in Zimbabwe and making meaningful inroads in communities that have historically had limited exposure to capital market education. Building on this momentum, SECZim plans to resume the programme in 2026 and is actively seeking partnerships from stakeholders who wish to contribute to this national financial inclusion drive by adopting schools in their communities.

The Matobo community borehole project, a Corporate Social Responsibility initiative undertaken in partnership with Arctic Blue Asset Management (Private) Limited, was in progress Q4 2025. Commissioning is planned for H1 2026.</td></tr>
</table>

CAMPAIGN	STAKEHOLDER	MEDIA	DETAILS
Branding Management	Internal and external stakeholders	Physical and online	On the operational front, branding initiatives following the move from the Smatsatsa office were on 80% completion by the end of 2025.
Newsletter Publication	Public, SMIs, Peer regulators, investors	Online	Newsletters for Q1-Q4 were published attracting advertising revenue of USD2100, from among securities market intermediaries (SMIs) and issuers.
Client Satisfaction Survey	Public, SMIs, Investors	Online	**82%** of respondents expressed satisfaction with SECZim's regulatory role against a target of **75%.**

2.2.2. Corporate Finance and Policy

2.2.2.1. Research and collaboration

The Commission continued to promote broad-based market development through targeted research and collaboration. During the year, draft research papers were prepared on:

- Alternative Capital Raising through Crowd funding
- Leveraging the Capital Market for Sustainable Economic Development: Bulawayo Economic Development Conference paper
- Sovereign Wealth Funds and the Capital Markets: Synergies and Potential Opportunities
- Leveraging Capital Markets for SME Growth as input into the SMEs workshop 2025 by SECZim
- Ministry of Industry and Commerce Book Project: Capital Deficiency and Industrial Development

2.2.2.2. Financial Sector Development Strategy (FSDS)

With emphasis through the National Development Strategy 1 (2021–2025) on implementation of a comprehensive Financial Sector Development Strategy (FSDS) to support financial sector stability and economic growth, the Commission participated in technical and steering committee engagements that were coordinated by the Ministry of Finance, Economic Development and Investment Promotion (MoFEDIP) during the period under review. SECZim input towards the FSDS remained focused on inclusive market development in response to the changing operating environment aimed at promoting financial market deepening for sustainable economic growth and development beyond the NDS1 period.

2.2.2.3. National Development Strategy 1 (2021–2025) and Contributions to NDS 2

The National Development Strategy 1 (NDS1) identified capital market development as a key mechanism for mobilizing long-term funding to support economic growth, infrastructure rehabilitation, and private sector expansion. The strategy emphasizes broadening and deepening of the capital market to support national development strategic initiatives and promoting investor confidence for increased participation by both domestic and foreign investors through enhanced regulation and governance. These initiatives are intended to position the capital market as an inevitable alternative financing mechanism.

2.2.2.4. Key Capital Market Focus Areas in 2025:

- Deepening capital markets through new instruments (REITs, ETFs, bonds)
- Increasing listings, including privatization of state-owned enterprises
- Promoting infrastructure financing through capital markets
- Enhancing foreign investor participation
- Strengthening regulatory frameworks
- Expanding institutional investor participation (pensions and insurance)
- Supporting SME access to funding through the capital market

2.2.2.5 FINTECH

Table 25: Sandbox Engagements during the year 2025

Nature of Product	Target Market	Product/ Service Deployment
Crowdfunding	SMEs	Webb App
Securities Lending and Borrowing	Capital Market Investors	SLB Hybrid model
Asset Tokenisation	Retail and Institutional investors	Blockchain
Synthetic Trading	Local and international Traders	Firebase based platform

Table 25 demonstrates increasing traction in the innovation office over and above use cases identified through engagements in 2025 ranging from smart contracts, robo-advisory, virtual asset issuance, brokerage, CFDs and ETFS.

2.2.2.6 Capital Market Institute

During the year, significant progress was achieved towards operationalising the Institute. The Capital Market Institute was formally established following the signing of a Memorandum of Agreement between SECZim and the National University of Science and Technology (NUST) on 12 December 2025. Following this development, joint committees and working groups were established with the mandate to develop training programmes, structured curriculum/modules and examinations to support ongoing capacity and competency of participants in the capital market.

2.2.2.7 Corporate Actions

The Commission approved the following corporate actions in 2025:

Table 26: Approved Corporate Actions

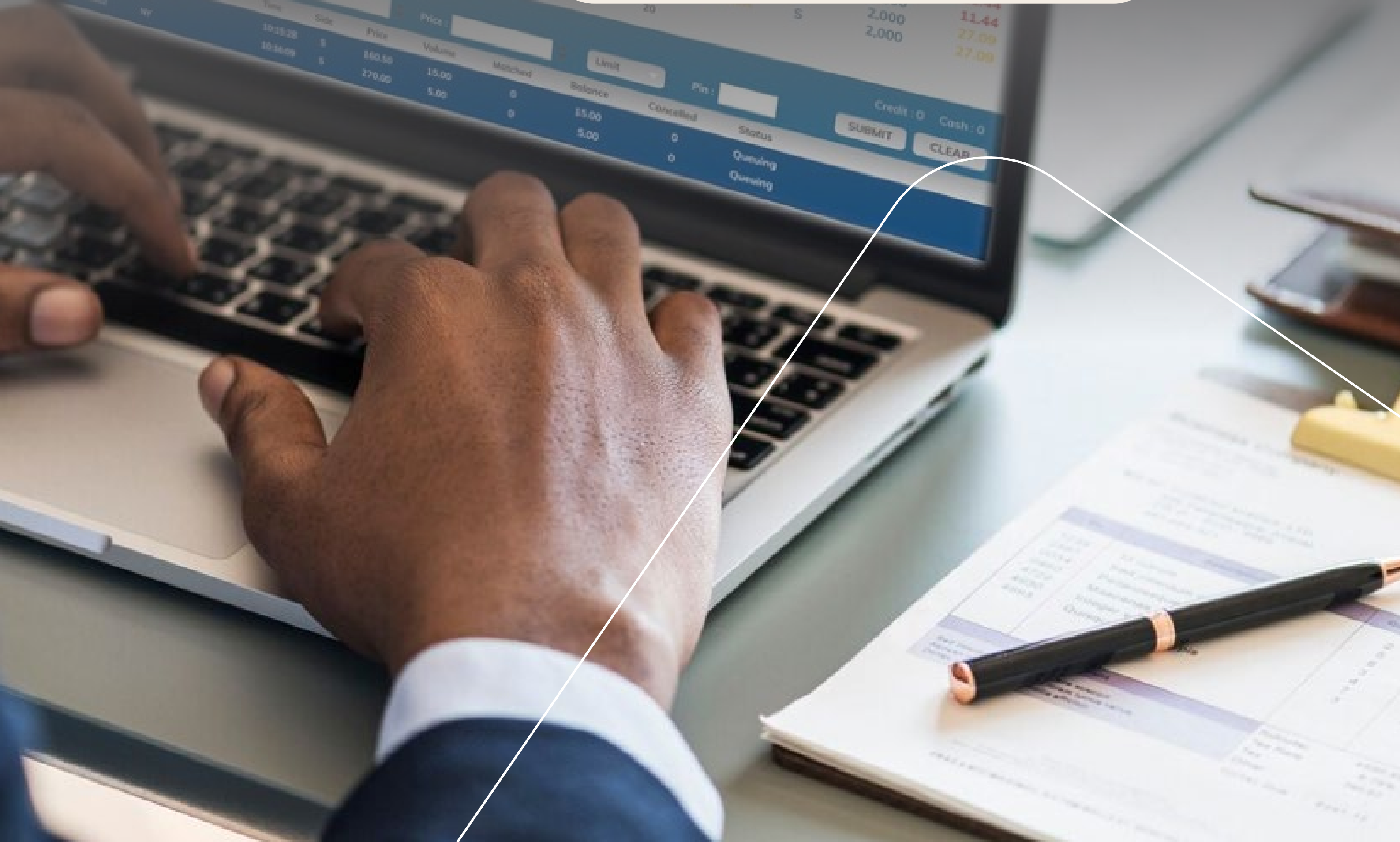
Counter/ Product	Corporate Action	Platform	Month
Old Mutual Top Ten ETF	Delisting	ZSE	January
National Foods Limited	Delisting	VFEX	January
Khayah Cement Limited	Delisting	ZSE	May
Truworths	Delisting	ZSE	July
Zimbabwe Stock Exchange Holdings (ZSEH)	Listing	ZSE	July
Meikles Limited	Suspension Lifted	ZSE	July
Kavango Resources Plc	Listing	VFEX	Sept
National Tyre Service Limited (NTS)	Delisting	ZSE	December

Going forward, the Commission will continue to promote market breadth and depth through:

- Adapting to the changing operating environment to align with investor needs
- Lobbying for an enabling environment for alternative investment asset classes
- Adopting a digitization journey by automating regulatory processes to enhance efficiency and market access
- Broad-based investor education and awareness for enhance market participation and liquidity
- Support ongoing Government efforts to promote the ease of doing business

04

Financial Statements



Grant Thornton

Securities and Exchange Commission of Zimbabwe
Annual Financial Statements
31 December 2025

NATURE OF BUSINESS:

The Securities and Exchange Commission of Zimbabwe was established through enactment of the Securities and Exchange Act (Chapter 24:25). Section 3 of the Act provides for the establishment of the Securities and Exchange Commission, which is the regulatory body for the securities and capital markets in Zimbabwe. The Commission's sources of income are levies of the value traded on the Zimbabwe Stock Exchange (ZSE), Victoria Falls Stock Exchange (VFEX) and Financial Securities Exchange (FINSEC) stock markets, other levies, annual license fees and annual registration fees from licenses as set by statutory instrument 100 of 2010 as amended, statutory instrument 100 of 2016, statutory instrument 62 of 2017, statutory instrument 215 of 2022, statutory instrument 141 of 2023 and statutory instrument 147 of 2024.

BOARD OF COMISSIONERS:

Dakshesh Patel	(Chairman – Appointed 17 November 2025)
William Manhimanzi	(Vice-Chairman)
Mabutho Sibanda	(Commissioner)
Margaret Mantiziba	(Commissioner)
Caroline Mudenda	(Commissioner)
Grace Muzondo	(Commissioner)
William Magombedze	(Commissioner)
Tichaona Mushambadope	(Commissioner)
Nyaradzo Faith Tirivanhu	(Commissioner Appointed – 11 April 2025)

COMMISSION SECRETARY:

Lyinah Madende

REGISTERED OFFICE:

2 Hendrikz Way
Avondale
HARARE

AUDITORS:

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

Responsibilities of Management and Those Charged with Governance for the financial statements for the year ended 31 December 2025

It is the Commissioners' responsibility to ensure that the financial statements fairly present the state of affairs of the Commission. The external auditors are responsible for independently auditing and reporting on the financial statements.

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

The financial statements are prepared with the aim of complying fully with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), which includes standards and interpretations approved by the IASB and Standing Interpretations Committee (SIC) interpretations issued under previous constitutions.

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

The Commission's financial statements which are set out on pages 55 to 82, were, in accordance with their responsibilities, approved by the Commissioners on ..27 March..... 2026 and are signed on its behalf by:

....	....	pp ....
Dakshesh Patel	William Magombedze	Grace Berejena
Chairman	**Audit Committee Chairman**	**Acting Chief Executive Officer**

These financial statements were prepared under the supervision of:

....
Ferida Matambo
Finance Director
(PAAB No. 03347)

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Securities and Exchange Commission of Zimbabwe

Report on the Audit of the Inflation Adjusted Financial Statements

Opinion

We have audited the inflation adjusted financial statements of Securities and Exchange Commission of Zimbabwe (the Commission) set out on pages 55 to 82, which comprise the inflation adjusted statement of financial position as at 31 December 2025, and the inflation adjusted statement of profit or loss and other comprehensive income, the inflation adjusted statement of changes in funds and the inflation adjusted statement of cash flows for the year then ended, and the notes to the inflation adjusted financial statements, including a summary of material accounting policies.

In our opinion, the accompanying inflation adjusted financial statements present fairly, in all material respects, the inflation adjusted financial position of Securities and Exchange Commission of Zimbabwe as at 31 December 2025, and its inflation adjusted financial performance and its inflation adjusted cashflows for the year then ended, in accordance with the IFRSs Accounting Standards as issued by the International Accounting standards board.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters noted below relate to the financial statements:

Key Audit Matter	How our audit addressed the key audit matter
Revenue recognition There is a presumed fraud risk with regards revenue recognition as guided by International Standard on Auditing (ISA 240 Revised: The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements). There is a risk that revenue is presented at amounts higher than what has been actually generated by the Commission. This is a significant risk and accordingly a key audit matter.	Our audit procedures incorporated a combination of tests of the Commission's controls relating to revenue recognition and the appropriateness of revenue recognition policies as well as substantive procedures in respect of testing the occurrence assertion. Our substantive procedures included but were not limited to the following: • Reviewed that revenue recognition criteria is appropriate and in line with the requirements of IFRS 15. • Identified key controls and tested these controls to obtain satisfaction that they were operating effectively for the year under review. • Tested the design and operating effectiveness of internal controls implemented as well as test of details to ensure accurate processing of revenue transactions. • The results of our controls testing have been the basis for the nature and scoping of the additional test of details, which mainly consisted of testing individual transactions by reconciling them to external sources (supporting documentation). • Performed cut-off tests on year end balances to ensure revenue is recognised in the correct period. • Analytical procedures and assessed the reasonableness of explanations provided by management. We satisfied ourselves that the recognition of revenue is appropriate.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs Accounting Standards as issued by the International Accounting standards board, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Commission'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 management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Report on other legal and regulatory requirements

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the Securities and Exchange Act (Chapter 24:25).

The Engagement Partner on the audit resulting in this independent auditors' report is Farai Chibisa.

Grant Thornton

Farai Chibisa
Partner

Registered Public Auditor (PAAB No: 0547)

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors

1 April 2026

HARARE

Statement of income and expenditure and other comprehensive income
for the year ended 31 December 2025

		INFLATION ADJUSTED		HISTORICAL COST	
		2025	2024	2025	2024
	Note	ZWG	ZWG	ZWG	ZWG
Income					
Securities levy	4	28 257 994	18 456 472	28 048 646	10 899 117
Other levies	5	7 353 442	6 648 152	7 302 257	3 960 047
License fees	6	26 148 204	24 134 511	25 946 877	12 268 214
Interest income	7	140 415	131 947	139 735	80 942
Government grant	9	4 088 144	5 533 669	3 036 773	3 000 000
Other income	8	5 511 042	3 341 641	5 096 349	1 942 163
Fair value adjustment on investment property	18	953 231	18 738 409	953 231	16 534 583
		72 452 472	76 984 801	70 523 868	48 685 066
Expenditure					
Staff costs	10	(36 379 539)	(30 663 468)	(36 135 770)	(18 634 890)
Commissioner costs	11	(2 015 309)	(812 595)	(2 000 486)	(717 027)
Administration costs	12	(21 851 270)	(18 628 922)	(21 702 879)	(12 308 660)
Foreign exchange loss		(217 787)	(735 081)	(217 845)	(640 413)
Depreciation		(2 691 051)	(1 822 966)	(2 673 673)	(916 004)
Impairment losses on receivables	20.2	(1 608 823)	(66 063)	(1 619 254)	(55 632)
Lease finance charges	15.2	(552 386)	(548 233)	(547 249)	(333 191)
		(65 316 165)	(53 277 328)	(64 897 156)	(33 605 817)
Surplus for the year before net monetary loss		7 136 307	23 707 473	5 626 712	15 079 249
Net monetary loss		(7 017 941)	(21 749 413)	-	-
Surplus for the year after net monetary loss		118 366	1 958 060	5 626 712	15 079 249
Taxation		-	-	-	-
Surplus for the year after tax		118 366	1 958 060	5 626 712	15 079 249
Other comprehensive income					
Gain on property and equipment revaluation	16	1 196 784	-	8 940 025	-
Tax effect on property revaluation		-	-	-	-
Other comprehensive income for the year net of tax		1 196 784	-	8 940 025	-
Total comprehensive income for the year		1 315 150	1 958 060	14 566 737	15 079 249

Statement of financial position
for the year ended 31 December 2025

	Note	INFLATION ADJUSTED 2025 ZWG	INFLATION ADJUSTED 2024 ZWG	HISTORICAL COST 2025 ZWG	HISTORICAL COST 2024 ZWG
Assets					
Non-current assets					
Property and equipment	14	46 459 142	8 441 667	46 343 371	778 547
Right of use assets	15.1	-	6 068 558	-	2 408 611
Intangible assets	17	402 984	402 984	1 300	1 300
Investment property	18	18 965 911	20 413 515	18 965 911	18 012 680
Long term receivables	20.1	906 111	283 700	906 111	250 334
Non-current assets		66 734 148	35 610 424	66 216 693	21 451 472
Current assets					
Bank and cash balances	19	2 533 766	1 464 374	2 533 766	1 292 149
Accounts receivable	20	3 758 186	880 158	3 758 186	776 643
Prepayments	21	2 386 655	11 098 567	2 209 548	9 428 901
Current assets		8 678 607	13 443 099	8 501 500	11 497 693
Total assets		75 412 755	49 053 523	74 718 193	32 949 165
Accumulated fund and liabilities					
Reserves					
Accumulated fund		30 461 662	30 343 296	22 382 210	16 755 498
Revaluation reserve	16	1 556 463	359 679	8 941 353	1 328
Total equity		32 018 125	30 702 975	31 323 563	16 756 826
Non-current liabilities					
Lease Liability	15.2	-	2 300 361	-	2 029 815
Deferred Government Grant	23	32 761 152	-	32 761 152	-
Non current liabilities		32 761 152	2 300 361	32 761 152	2 029 815
Current liabilities					
Accounts payables	22	8 403 303	15 491 699	8 403 303	13 669 719
Lease liability current portion	15.2	-	558 488	-	492 805
Deferred Government Grant	23	2 230 175	-	2 230 175	-
Current liabilities		10 633 478	16 050 187	10 633 478	14 162 524
Total accumulated fund and liabilities		75 412 755	49 053 523	74 718 193	32 949 165

………………………………	………………………………	PP………………………………
Dakshesh Patel	William Magombedze	Grace Berejena
Chairman	**Audit Committee Chairman**	**Acting Chief Executive Officer**

Statement of changes in funds
for the year ended 31 December 2025

	INFLATION ADJUSTED		
	Accumulated fund ZWG	Revaluation surplus ZWG	Total ZWG
Balances at 1 January 2024	28 385 236	359 679	28 744 915
Total comprehensive income for the year	1 958 060	-	1 958 060
Balances at 31 December 2024	30 343 296	359 679	30 702 975
Total comprehensive income for the year	118 366	1 196 784	1 315 150
Balances at 31 December 2025	30 461 662	1 556 463	32 018 125

	HISTORICAL COST		
	Accumulated fund ZWG	Revaluation surplus ZWG	Total ZWG
Balances at 1 January 2024	1 676 249	1 328	1 677 577
Total comprehensive income for the year	15 079 249	-	15 079 249
Balances at 31 December 2024	16 755 498	1 328	16 756 826
Total comprehensive income for the year	5 626 712	8 940 025	14 566 737
Balances at 31 December 2025	22 382 210	8 941 353	31 323 563

Statement of cashflows
for the year ended 31 December 2025

	Note	INFLATION ADJUSTED		HISTORICAL COST	
		2025	2024	2025	2024
		ZWG	ZWG	ZWG	ZWG
Cash flows from operating activities					
Surplus from operations		118 366	1 958 060	5 626 712	15 079 249
Adjusted for:					
Effects of changes in monetary value		6 227 160	12 836 656	-	-
Depreciation		2 691 051	4 385 104	2 673 673	916 004
Profit on disposal of non-current assets		(272 561)	(37 123)	(272 561)	(32 757)
Lease finance charges	15.2	552 386	548 233	547 249	333 191
Interest income		(140 415)	(131 947)	(139 735)	(80 942)
Fair value adjustment on investment property	18	(953 231)	(18 738 409)	(953 231)	(16 534 583)
Operating cash flows before changes in working capital		8 222 756	820 574	7 482 107	(319 838)
Changes in working capital					
(Increase)/decrease in accounts receivables		(2 878 028)	1 073 304	(2 981 543)	(617 984)
Decrease/(increase) in prepayments		8 711 912	(10 765 749)	7 219 353	(9 403 306)
Increase in accounts payable		(7 088 396)	10 590 034	(5 266 416)	13 271 602
Increase in government grant		34 991 327	-	34 991 327	-
Net cash flows from operating activities		41 959 571	1 718 163	41 444 828	2 930 474
Cash flows from investing activities					
Interest income		140 415	131 947	139 735	80 942
Long term receivables		(622 411)	(267 729)	(655 777)	(249 037)
Proceeds from sale of property and equipment		12 505	37 123	12 505	32 757
Aquisition of property and equipment	14	(38 803 919)	(1 253 562)	(38 597 306)	(766 062)
Net cash flows utilised in investing activities		(39 273 410)	(1 352 221)	(39 100 843)	(901 400)
Cash flows from financing activities					
Lease payments	15.2	(1 616 770)	(1 832 263)	(1 102 367)	(974 960)
Net Increase/(Decrease) in cash and cash equivalents		1 069 392	(1 466 321)	1 241 617	1 054 117
Cash and cash equivaleants at 1 January 2025		1 464 374	2 930 695	1 292 149	238 032
Cash and cash equivalents at 31 December 2025	19	2 533 766	1 464 374	2 533 766	1 292 149

Notes to the financial statements
for the year ended 31 December 2025

1 General information

1.1 Nature of business and incorporation

The Securities and Exchange Commission of Zimbabwe (the Commission) was established through enactment of the Securities and Exchange Act (Chapter 24:25). Section 3 of the Act provides for the establishment of the Securities and Exchange Commission, which is the regulatory body for the securities and capital markets in Zimbabwe. The Commission's sources of income are a levy of the value traded on the Zimbabwe Stock Exchange (ZSE), Victoria Falls Stock Exchange (VFEX) and Financial Securities Exchange (FINSEC) stock markets, other levies, annual license fees and annual registration fees from licenses as set by statutory instrument 100 of 2010 as amended, statutory instrument 100 of 2016, statutory instrument 62 of 2017, statutory instrument 215 of 2022, statutory instrument 141 of 2023 and statutory instrument 147 of 2024. The registered office of the Commission is 2 Hendrikz Way, Avondale, Harare.

2 Material accounting policies

2.1 Basis of preparation

Statement of compliance

The Commission's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and in the manner required by the Securities and Exchange Act (Chapter 24:25).

The financial statements of the Commission are prepared under the historical cost conversion. For the purpose of fair presentation in accordance with International Accounting Standard (IAS) 29- Financial Reporting In *Hyperinflationary Economies*, this historical cost information has been restated for changes in the general purchasing power of the ZWG and appropriate adjustments and reclassifications have been made. Accordingly, the inflation adjusted financial statement represent the primary financial statements of the Commission.

The Consumer Price Indices adopted are as follows:-

Year ended	Conversion factor
31 December 2025	1.000
31 December 2024	1.133

Notes to the financial statements
for the year ended 31 December 2025 (continued)

2.2 Functional and presentation currency

These financial statements are presented in Zimbabwe Gold (ZWG), being the functional and reporting currency of the primary economic environment in which the Commission operates.

2.3 New or revised standards or interpretations

(a) New standards, amendments and interpretations effective for the first time for 31 December 2025 year end and could be applicable to the Commission:

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

The amendments clarify the guidance in IAS 1 by:

- The amendments elaborate on guidance set out in IAS 1 by clarifying that the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period;
- The amendments elaborate on guidance set out in IAS 1 by stating that management's expectations around whether they will defer settlement or not does not impact the classification of the liability;
- And also adding guidance about lending conditions and how these can impact classification and including requirements for liabilities that can be settled using an entity's own instruments
- The amendments affect entities with borrowing arrangements so therefore the impact could be widespread; and
- These amendments could have a significant impact on an entity's presentation of their borrowings which in turn could impact important financial ratios.

The amendments are effective for reporting periods beginning on or after **1 January 2024**.

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

- The objective is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose, financial reports in making decisions
- The Company shall apply this Standard in preparing and reporting sustainability-related financial disclosures in accordance with IFRS Sustainability Disclosure Standards. Sustainability-related risks and opportunities that could not reasonably be expected to affect an entity's prospects are outside the
- Fair presentation requires disclosure of relevant information about sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects, and their faithful representation in accordance with the principles set out in this Standard. To achieve faithful representation, an entity shall provide a complete, neutral and accurate depiction of those
- Materiality is an entity-specific aspect of relevance based on the nature or magnitude, or both, of the items to which the information relates, in the context of the entity's sustainability-related financial
- The amendments are effective for accounting periods beginning or after 1 January 2024. Earlier application is permitted.

IFRS S2 (Climate-related Disclosures)

- IFRS S2 has been developed to capture climate-specific requirements which includes:
- Strategy disclosures that distinguish between physical and transitional risks;
- Disclosure of their plans to respond to climate-related risks and opportunities, including how climate-related targets are set and any targets it is required to meet by law or regulation; and
- Companies should perform scenario analysis to explain how various climate-related events may impact the business in the future; and

Notes to the financial statements
for the year ended 31 December 2025 (continued)

- Climate-related metrics and target disclosures should include:
- Cross-industry metrics that are relevant to all companies e.g. greenhouse gas emissions, refer to our publication on 'What are sustainability scope 1, 2 and 3 emissions?' for more information on greenhouse gas emissions;
- Industry-based metrics relevant to companies within the related industries; and
- Company specific metrics considered by the board or management when measuring progress towards

The amendments are effective for reporting periods beginning on or after **1 January 2024.**

(b) New standards, amendments and interpretations issued and effective for 31 December 2025 year end that are relevant to the Commission but have not been early adopted:

Amendments to IAS 21: Lack of Exchangeability

The amendments include both updates to guidance to assist preparers in correctly accounting for foreign currency items and increases the level of disclosure required to help users understand the impact of a lack of exchangeability on the financial statements.

The amendments:

- introduce a definition of whether a currency is exchangeable, and the process by which an entity should assess this exchangeability. This includes application guidance included in a new Appendix A;
- provide guidance on how an entity should estimate a spot exchange rate in cases where a currency is
- require additional disclosures in cases where an entity has estimated a spot exchange rate due to a lack of exchangeability, including the nature and financial impact of the lack of exchangeability, and details of the spot exchange rate used and the estimation process.
- These amendments only affect entities that are required to report foreign currency transactions where there is a long-term lack of exchangeability between currencies; and
- Affected entities may be required to adjust the carrying value of any monetary items that have been translated from a foreign currency which is not exchangeable, and will be required to provide additional disclosures on how the new spot rate has been determined.

The amendments are effective for reporting periods beginning on or after **1 January 2025.**

Notes to the financial statements
for the year ended 31 December 2025 (continued)

2.3 New or revised standards or interpretations (continued)

(c) New standards, amendments and interpretations issued but not effective for 31 December 2025 year end that are relevant to the Commission but have not been early adopted (continued):

IFRS 18: Presentation and Disclosures in Financial Statements

IFRS 18 was developed to address the lack of detailed requirements in IAS 1 for the following areas:

- the classification of income and expenses in the statement of profit or loss;
- the presentation of subtotals in the statement of profit or loss; and
- the aggregation and disaggregation of information presented in the primary financial statements or

- IFRS 18 requires foreign exchange differences to be classified in the same category of the statement of profit or loss as the income and expenses from items that gave rise to the foreign exchange differences.
- The assessment of an entity's main business activities is therefore going to be a key judgement which may significantly impact the geography of where items appear in the statement of profit or loss.
- IFRS 18 introduces the concept of a 'management-defined performance measure' (MPM) in order to address the significant diversity in practice currently seen when it comes to so-called 'alternative performance measures' and any non-GAAP performance measures.
- The Standard requires entities that present expenses classified by function to disclose the amount of depreciation, amortisation, employee benefits, impairment losses and write-down of inventories included in each line in the operating category of the statement of profit or loss.

The amendments are effective for reporting periods beginning on or after **1 January 2027.**

Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments

- The IASB issued amendments to the classification and measurement of financial instruments to promote consistency. The amendments were developed to address the following areas:

a. Derecognition of financial instruments when an electronic payment system is used

- New guidance has been added to IFRS 9 to specifically address when a financial liability should be derecognised when it is settled by electronic payment. Previously, an entity was required to wait until the settlement date of the transaction to discharge the liability, but the new guidance allows for theliability to be discharged before the settlement date if:

- the payment cannot be withdrawn, stopped or cancelled
- the entity no longer has the practical ability to access the cash, and
- settlement risk associated with the electronic payment system is insignificant.

b. Classification of financial assets: Contractual cash flows that are solely payments of principal and interest on the principal amount outstanding

- IFRS 9 has always required an entity to consider the characteristics of its contractual cash flows to appropriately classify a financial asset. The amendments provide some additional guidance to help an entity assess whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. Given the importance of this determination, new guidance has been provided, including examples of contractual cash flows that are solely payments of principal and interest on the principal outstanding, to ascertain whether or not the arrangements would be consistent with a basic lending arrangement.

Notes to the financial statements
for the year ended 31 December 2025 (continued)

- IFRS 9 also describes certain situations where financial assets may have contractual cash flows that are described as principal and interest, but the payments made do not actually represent a basic lending arrangement. This may be the case if a financial asset has non-recourse features. The amendments to IFRS 9 provide a clearer definition of a non-recourse feature, which is now outlined as a financial asset where the entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

c. **Classification of financial assets: Contractually linked instruments**

- IFRS 9 has also been updated to provide additional guidance to clarify the characteristics of contractually linked instruments as well as the definition of the underlying pool used to assess whether a transaction contains contractually linked instruments. The amendments also specify that transactions that contain multiple debt instruments are not automatically contracts with multiple contractually linked instruments, and so they must be carefully assessed before a final determination is made.

d. **Amendments made to the disclosures of financial instruments: Investments in equity instruments designated at fair value through other comprehensive income**

- The amendments to IFRS 7 add new required disclosures for any investments in equity instruments designated at fair value through other comprehensive income. These include disclosures of the fair value gain or loss presented in other comprehensive income for the period, showing separately the fair value gain or loss related to investments derecognised or held, as well as the transfer of cumulative gain or loss within equity related to derecognised investments.

e **Amendments made to the disclosures of financial instruments: Contractual terms that could change the amount of contractual cash flow based on contingent events**

- IFRS 7 has been amended to require additional new disclosures for each class of financial asset measured at amortised cost or fair value through other comprehensive income, as well as financial liabilities measured at amortised cost. When there are contractual terms that could change the contractual cash flows based on the outcome of a contingent event not directly related to basic lending risk, an entity must now disclose certain information surrounding the related contingent event as well as possible changes to cash flows and the gross carrying value and amortised cost of the related financial asset or liability. These new disclosures are also now reflected in IFRS 19.
- These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

The amendments are effective from annual reporting periods beginning on or after **1 January 2026**.

Annual Improvements to IFRS Accounting Standards – Volume 11

- The publication is a collection of amendments to IFRS Accounting Standards discussed by the IASB during the current project cycle for annual improvements. The IASB uses the Annual Improvements process to make necessary, but non-urgent, amendments to IFRS Accounting Standards that will not be included as part of any other project. A summary of the issues addressed is set out below:

a. **IFRS 1 -First-time Adoption of International Financial Reporting Standards**

Amends paragraphs B5–B6 of IFRS 1:

- to improve consistency with the requirements in IFRS 9, and
- to add cross-references to improve the understandability of IFRS 1

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

b. **IFRS 7 - Financial Instruments: Disclosures**
Amends paragraph B38 of IFRS 7:
• to replace an obsolete reference to paragraph 27A of IFRS 7 with a reference to paragraphs 72–73 of IFRS 13 'Fair Value Measurement', and
• to replace the phrase 'inputs that were not based on observable market data' with 'unobservable inputs' to make the wording consistent with the
wording in paragraph 72 of IFRS 13.

c. **Guidance on implementing IFRS 7 - Financial Instruments: Disclosures**
Amends paragraph IG14 to make its wording consistent with the requirements in paragraph 28 of IFRS 7 and with the wording and concepts in IFRS 9 and IFRS 13

d. **IFRS 10 - Consolidated Financial Statements**

e. **IAS 7 - Statement of Cash**
Amends paragraph 37 of IAS 7 to replace the term 'cost method' with 'at cost'.

These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

2.4 Property and equipment (continued)

Recognition and measurement
Depreciation commences when the asset is available for use. Assets are depreciated using the straight line method to allocate the cost over the assets' estimated useful lives. The estimated useful lives are as follows:

Buildings	40 years
Furniture, fittings and equipment	5 years
Computer equipment	2.5 years
Motor vehicles	5 years
Lease	3 years
Solar plant	10 years

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of equipment are determined as the difference between the sales proceeds and the carrying amount of the asset at the date of disposal and taken into account in determining operating profit.

2.5 Revaluation policy
The directors also apply significant judgment, estimates and assumptions on carrying out the revaluation of property, plant and equipment and intangible assets in line with the policy on revaluation. The directors engage a professional valuer to perform an independent valuation.

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

2.6 Intangible assets

Intangible assets acquired separately are initially measured and recognised at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is charged to profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and are assessed for impairement whenever there is an indication that the intangible assets are impaired. The amortisation expense and impairment losses on intangible assets

Intangible assets are amortised over a period of 5 years, but are tested for impairment annually. Gains or losses arising from de-recognition or disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss.

2.7 Investment property

Investment property is measured using the fair value model. Under this model the property is fair valued at the end of each reporting period or earlier. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Gains or losses on fair valuation of the investment property are recognised directly in the profit and loss in that reporting period. Transfers to or from investment property are done as and when there is a change of use.

2.8 Revenue

Revenue is recognized on an accruals basis. Securities levy is determined as 0.16% of the value traded on the Zimbabwe Stock Exchange and Financial Securities Exchange stock markets by each stockbroker. Investment advisor levy is 0.35% of the investment advisor's gross income. Corporate action levy is 0.1% of the value of new shares listed by an issuer. Investment manager's levy is 0.5% of the investment managers' gross income. Central Securities Depository (CSD) levy is 0.5% of the CSD's gross income, securities custody levy is 0.5% of the custodian's gross income and securities transfer levy is 0.35% of the transfer secretary's gross income. Asset manager levy is 0.5% of the gross income of asset managers. License fees for stockbrokers, dealers and stock broking firms are set according to Statutory Instrument 100 of 2010 and Statutory Instrument 108 of 2014, statutory instrument 62 of 2017 and statutory instrument 106 of 2017 and 57 of 2024. The statutory instrument 110 of 2024 reduced Capital Gains Withholding Tax from 4% to 2% and the non applicability of Capital Gains Tax to 31 December 2024.

License renewal fees are due by the 10th of each quarter and are recognized as revenue in the year of licensing. Application fees are recognized when the applicant has been issued with a license.

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

2.8 Revenue (continued)

Unsuccessful applicants are refunded 75% of the application fees while 25% is withheld as administration fees. The amount withheld is classified in other income on the statement of comprehensive income. Late payment penalty fees are classified under other income.

Levies

The levies income is derived from securities levy, securities exchange levy, corporate action levy, investment advisor levy, investment manager levy, custody levy, central securities depository levy and transfer secretary levy.

Securities levy

Securities levy was 0.16% of the value traded on the Zimbabwe Stock Exchange (ZSE) and FINSEC Bourse. This is collected on a weekly basis. Securities Exchange levy due from ZSE and FINSEC were 0.5% of gross income. These are collected on a monthly basis.

Other Levies

Corporate action levy is 0.1% of the value of new shares listed on the Zimbabwe Stock Exchange as and when they are issued. Levies due on a monthly basis are, investment advisor levy at 0.35% of the gross income of investment advisors. Investment manager's levy at 0.5% of the investment managers' gross income. Central Securities Depository (CSD) levy at 0.5% of the CSD's gross income, securities custody levy at 0.5% of the custodians' gross income and the securities transfer levy at 0.35% of the transfer secretaries' gross income. Investment manager levy is 0.5% of the gross income of asset managers.

Grants

Government grants are recognized in the statement of comprehensive income on a systematic basis over the periods in which the Commission recognizes expenses or related costs for which the grants are intended to compensate.

2.9 Employee benefits

Employee benefits are the consideration given by the Commission in exchange for services rendered by employees. In summary such benefits are:

Short term benefits

Benefits earned by employees under normal employment terms including salaries, wages, bonuses and leave pay. These are expensed as they are incurred and accordingly, provisions are made for unpaid bonuses and leave pay.

Notes to the financial statements
for the year ended 31 December 2025 (continued)

2.9 Employee benefits (continued)

Post-employment benefits (continued)

The National Social Security Scheme is a defined contribution fund. All employees are also members of the Commission's defined contribution pension scheme with Old Mutual. The employer's oligations for contributions to defined contribution pension plans are recognised as an expense in the Statement of Comprehensive Income as they incurred.

3 Financial Instruments

Classification and measurement of financial instruments

The IASB developed the IFRS 9 Expected Credit Loss (ECL) impairment model with the objective of transitioning from an incurred loss approach to an expected loss model which requires entities to recognize impairment losses in advance of an exposure having objective evidence of impairment. The Commission's ECLs are measured through a loss allowance at an amount equal to:

• 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or

• Full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

Exposures are generally considered to have a low credit risk where there is a low risk of default, the exposure has a strong capacity to meet its contractual cash flow obligations and adverse changes in economic and business conditions are unlikely to reduce the exposure's ability to fulfil its contractual obligations.

The Commission recognises ECLs on the following financial instruments: trade debtors, staff loans and savings bonds. The assessment of significant increase in credit risk for the Commission's trade debtors, staff loans and savings bonds exposures is based on changes in prospects of collecting contractual cashflows due from them. The determination of significant increase in probability of default includes consideration of all reasonable and supportable forward-looking information available without undue cost or effort. The forward-looking information is based on the Commission's economic expectations, industry and sub-sector-specific expectations, as well as expert management judgement and is hence expected to increase the volatility of impairment provisions as a result of continuous changes in future expectations.

Fair value measurement considerations

The fair values of quoted financial assets are based on quoted bid prices. If the market for a financial asset is not active, the Commission establishes fair value using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models.

Notes to the financial statements
for the year ended 31 December 2025 (continued)

3 Financial Instruments (continued)

Fair value measurement considerations (continued)
Based on forward looking information which includes the economic outlook, sector analysis and future prospects, the Commission makes assumptions and calculates the probability of default at the reporting date. These judgements result in an expected credit loss for each financial asset which is impaired through the statement of profit or loss and other comprehensive income.

Financial assets at amortized cost
Financial assets classified under amortized cost are measured at their initial acquisition amount less principal repayment plus/minus amortization of discount and less impairment losses. Financial assets measured at amortized cost classification meet the following criteria: The Commission's business model is to hold those financial assets in order to collect the contractual cash flows rather than to sell the asset to realize any capital gains. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss
The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, a dealer, broker, pricing service, or regulatory agency and those prices represents actual and regulatory occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Commission is the current bid price and fall under level 1 of the fair value hierarchy.

Financial assets at fair value through other comprehensive income
The Company applies the new category under IFRS 9 of debt instruments measured at FVOCI when both of the following conditions are met:

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

Gains and losses arising from changes in fair value are recognised directly in other comprehensive income in the investments revaluation reserve with the exception of impairment losses, interest calculated using the effective interest rate method and foreign exchange gains and losses on monetary assets, which are recognised directly in profit or loss.

The company made an irrevocable election to measure unquoted investments at fair value through other comprehensive income on initial recognition.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

4 Trade and other receivables

Trade and other receivables are measured at amortised cost using the effective interest rate method. A provision for expected credit loss on trade receivables is established and measured when the debtor is recognized. Factors considered in calculating the expected credit loss include forward looking information regarding financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization and all future indicators affecting the debtor's probability of default. Expected credit losses are expensed in the statement of profit or loss. Subsequent recoveries of amounts previously impaired are credited against the trade receivables expected credit loss impairment provision.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held on call with banks, and investments in money market instruments. Cash and cash equivalents are measured at fair value, with any impairment or appreciation in value of foreign currency denominated balances arising from changes in exchange rates, being written off or credited against the exchange gains and losses account in profit or loss. In the statement of financial position, bank overdrafts are shown under current liabilities.

4.11 Loans, borrowings and trade and other payables

These financial liabilities are measured at amortised cost using the effective interest rate method.

4.12 Deferred Governement Grant

Grants for capital expenditure are recognised as deferred income and amortised over the life of the assets.

4.13 Offsetting

If a legally enforceable right exists to set-off recognised amounts of financial assets and liabilities, which are in determinable monetary amounts and the Commission intends to settle on a net basis, the relevant financial assets and liabilities are offset.

4.14 Capital exposure

The Commission is not subjected to any externally imposed capital requirements.

4.15 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Commission has related party relationships with its key management, commissioners and the Government of Zimbabwe.

The preparation of financial statements require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Actual results may differ from these estimates.

Notes to the financial statements
for the year ended 31 December 2025 (continued)

4.16 Measurement of fair values

A number of the Commission's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or liability, the Commission uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Commission recognises transfers between levels of the fair value hierarchy at the end of each reporting period during which the change occurred.

4.17 Share capital

Ordinary shares are classified as equity.

4.18 Foreign currency transactions

Transactions in foreign currencies are transalated to their respective presentation currency using spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate at the reporting date.

All differences arising on settlement or translation of monetary items are taken to profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

4.19 Climate related matters

Management has assessed that there is no impact of climate- related matters on the Commission's financial statements (both current and potential future effects) on the financial perfomance, financial position and cashflows.

Notes to the financial statements
for the year ended 31 December 2025 (continued)

	INFLATION ADJUSTED		HISTORICAL COST	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
4 Securities levy	28 257 994	18 456 472	28 048 646	10 899 117
5 Other levies				
Corporate action levy	537 121	-	535 012	-
Investment advisor levy	528 278	442 216	524 834	243 117
CSD levy	86 214	63 828	85 592	41 695
Investment management levy	5 363 561	5 437 263	5 324 183	3 258 462
Custody levy	510 863	416 242	507 436	247 765
Transfer secretary levy	327 405	288 603	325 200	169 008
	7 353 442	6 648 152	7 302 257	3 960 047
6 License fees				
Dealing firms	2 289 875	1 838 790	2 274 471	944 424
Stock brokers	1 304 729	1 402 053	1 292 425	663 336
Transfer Secretaries	335 158	301 015	332 502	154 080
Custodians	1 939 831	1 569 072	1 924 814	815 252
Zimbabwe Stock Exchange	2 509 006	2 755 870	2 489 219	1 491 368
Investment advisor	3 294 711	3 091 177	3 270 555	1 553 389
Investment Management Licence	10 000 108	9 261 188	9 923 200	4 926 564
CSD licence	462 654	374 825	458 980	205 055
Collective Investment schemes	3 870 281	3 277 910	3 839 830	1 382 348
ATP Licence	141 851	262 611	140 881	132 398
	26 148 204	24 134 511	25 946 877	12 268 214
7 Interest income				
Interest on short term investments	12 563	80 316	12 535	46 969
Interest on staff loans	127 852	51 631	127 200	33 973
	140 415	131 947	139 735	80 942
8 Other income				
Late payment surcharge	2 572 145	1 665 256	2 551 814	847 056
Sundry income	2 937 532	1 667 158	2 543 184	1 093 422
Tender fees	1 365	9 227	1 351	1 685
	5 511 042	3 341 641	5 096 349	1 942 163
9 Grant income				
Funding of operational expenses	2 102 004	5 533 669	1 561 420	3 000 000
Armotisation of deferred grant income	1 986 140	-	1 475 353	-
Grant income recognised during the year	4 088 144	5 533 669	3 036 773	3 000 000
Deferred grant income	34 991 327	9 741 725	34 991 327	8 596 000
	39 079 471	15 275 394	38 028 100	11 596 000

Notes to the financial statements
for the year ended 31 December 2025 (continued)

	Note	INFLATION ADJUSTED		HISTORICAL COST	
		2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
10 Staff costs					
Salaries		25 112 131	20 395 847	24 930 819	12 136 746
Bonuses		2 515 142	1 420 143	2 511 762	1 253 121
Pension		1 156 982	1 021 642	1 149 180	617 753
Leave pay		421 063	1 315 169	415 209	768 100
Other staff costs		2 645 059	2 581 859	2 626 302	1 459 045
Staff training		1 882 368	1 265 068	1 874 898	879 098
Staff recruitment		67 155	155 432	66 116	126 637
Medical aid		2 579 639	2 508 308	2 561 484	1 394 390
		36 379 539	30 663 468	36 135 770	18 634 890
11 Commissioner costs					
Retainer		936 338	466 994	928 862	412 073
Sitting fees		1 078 971	345 601	1 071 624	304 954
		2 015 309	812 595	2 000 486	717 027
12 Administration costs					
Travel		5 255 729	5 478 276	5 225 558	3 527 502
Consultancy		1 234 737	511 869	1 231 590	313 506
Repairs and maintenance		5 212 416	3 711 415	5 182 652	2 069 158
Advertising and promotions		1 721 450	1 207 214	1 713 470	799 524
Audit fees external		595 504	741 380	595 504	654 186
Audit fees internal		310 118	514 109	308 338	274 926
Legal fees		-	79 618	-	70 254
Donations and gifts	13	138 471	53 014	137 304	6 109
Bank charges		503 593	633 783	500 093	405 162
2% charge on transfers		822 597	785 612	817 122	508 458
Bad debts		-	27 973	-	24 683
Telephone & Postage		1 628 954	1 433 162	1 616 829	825 525
Electricity & Water		205 821	216 258	204 762	123 871
Rates		3 203	-	3 198	-
Entertainment		238 475	217 203	237 179	125 226
SMIs Training Exp		714 253	111 327	708 504	58 073
Insurance		584 284	342 919	580 134	181 638
Levies		342 927	278 057	340 519	158 182
Licences		797 462	1 119 251	792 582	819 799
Subscriptions		854 127	318 102	845 183	920 813
Security		366 172	360 625	344 291	180 579
Printing & Stationery		320 977	487 755	318 067	261 486
		21 851 270	18 628 922	21 702 879	12 308 660
13 Donations					
Donations and gifts		138 471	53 014	137 304	6 109

Notes to the financial statements
for the year ended 31 December 2025 (continued)

14 Property and equipment

	INFLATION ADJUSTED					
	Land 2025 ZWG	Buildings 2025 ZWG	Motor Vehicles 2025 ZWG	Computer Equipment 2025 ZWG	Furniture and Fittings 2025 ZWG	Total 2025 ZWG
Cost/valuation						
At 1 January 2025	-	-	2 065 863	5 414 075	4 595 986	12 075 924
Additions	8 083 667	21 896 316	7 886 305	889 157	48 474	38 803 919
Disposals	-	-	-	(52 697)	-	(52 697)
Revaluation	-	-	(988 826)	(3 379 149)	219 387	(4 148 588)
Cost/valuation at 31 December 2025	8 083 667	21 896 316	8 963 342	2 871 386	4 863 847	46 678 558
Depreciation						
At 1 January 2025	-	-	738 513	1 873 436	1 022 311	3 634 260
Depreciation for the year	-	219 416	1 241 312	468 733	25 924	1 955 385
Disposals	-	-	-	(24 857)	-	(24 857)
Revaluation	-	-	(1 979 825)	(2 317 312)	(1 048 235)	(5 345 372)
Depreciation balance at 31 December 2025	-	219 416	-	-	-	219 416
Carrying amount						
Balance at 1 January 2025	-	-	1 327 352	3 540 639	3 573 676	8 441 667
Balance at 31 December 2025	8 083 667	21 676 900	8 963 342	2 871 386	4 863 847	46 459 142

The company engaged a professional independent valuer, Bard Real Estate, who carried out valuation of the Commission's property and equipment. The valuation was carried out as at 31 December 2025.

Notes to the financial statements
for the year ended 31 December 2025 (continued)

14 Property and equipment (continued)

	INFLATION ADJUSTED			
	Motor vehicles 2024 ZWG	Computer equipment 2024 ZWG	Furniture, equipment and fittings 2024 ZWG	Total 2024 ZWG
Cost/valuation				
At 1 January 2024	1 657 491	4 616 803	4 578 524	10 852 818
Additions	408 373	818 561	26 628	1 253 562
Disposals	-	(21 289)	(9 165)	(30 454)
Cost/valuation balance at 31 December 2024	2 065 864	5 414 075	4 595 987	12 075 926
Depreciation				
At 1 January 2024	704 907	1 750 982	1 007 261	3 463 150
Depreciation for the year	33 605	143 743	24 215	201 563
Disposals	-	(21 289)	(9 165)	(30 454)
Depreciation balance at 31 December 2024	738 512	1 873 436	1 022 311	3 634 259
Carrying amount				
Balance at 1 January 2024	952 584	2 865 821	3 571 263	7 389 668
Balance at 31 December 2024	1 327 352	3 540 639	3 573 676	8 441 667

Notes to the financial statements
for the year ended 31 December 2025 (continued)

14 Property and equipment (continued)

	HISTORICAL COST					
	Land 2025 ZWG	Buildings 2025 ZWG	Motor Vehicles 2025 ZWG	Computer Equipment 2025 ZWG	Furniture 2025 ZWG	Total 2025 ZWG
Cost/valuation						
Opening balance at 1 January 2025	-	-	224 030	545 900	109 070	879 000
Additions	8 051 934	21 811 754	7 805 387	880 237	47 994	38 597 306
Disposals	-	-	-	(52 697)	-	(52 697)
Revaluation	-	-	933 925	1 497 946	4 706 783	7 138 654
Cost/valuation balance at 31 December 2025	8 051 934	21 811 754	8 963 342	2 871 386	4 863 847	46 562 263
Depreciation						
Opening balance at 1 January 2025	-	-	22 869	71 802	5 782	100 453
Depreciation for the year	-	218 892	1 234 249	465 769	25 757	1 944 667
Disposals	-	-	-	(24 857)	-	(24 857)
Revaluation	-	-	(1 257 118)	(512 714)	(31 539)	(1 801 371)
Depreciation balance at 31 December 2025	-	218 892	-	-	-	218 892
Carrying amount						
Balance at 1 January 2025	-	-	201 161	474 098	103 288	778 547
Balance at 31 December 2025	8 051 934	21 592 862	8 963 342	2 871 386	4 863 847	46 343 371

The company engaged a professional independent valuer, Bard Real Estate, who carried out valuation of the Commission's property and equipment. The valuation was carried out as at 31 December 2025.

Notes to the financial statements
for the year ended 31 December 2025 (continued)

14 Property and equipment (continued)

	HISTORICAL COST			
	Motor vehicle 2024	Computer equipment 2024	Furniture, equipment and fittings 2024	Total 2024
	ZWG	ZWG	ZWG	ZWG
Cost/Valuation				
At 1 January 2024	9 727	32 478	97 605	139 810
Additions	214 303	532 207	19 552	766 062
Disposals	-	(18 785)	(8 087)	(26 872)
Cost/valuation balance at 31 December 2024	224 030	545 900	109 070	879 000
Depreciation				
At 1 January 2024	3 557	9 651	3 661	16 869
Depreciation for the year	19 312	80 936	10 208	110 456
Disposal	-	(18 785)	(8 087)	(26 872)
Depreciation balance at 31 December 2024	22 869	71 802	5 782	100 453
Balance at 1 January 2024	6 170	22 827	93 944	122 941
Balance at 31 December 2024	201 161	474 098	103 288	778 547

Notes to the financial statements
for the year ended 31 December 2025 (continued)

	INFLATION ADJUSTED		HISTORICAL COST	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
15 Lease				
15.1 Right of use assets				
Balance at beginning of year	6 068 558	3 933 685	2 408 611	172 520
Addition	-	2 837 611	-	1 489 106
Depreciation	(735 666)	(1 621 403)	(729 006)	(805 548)
Lease remeasurement	99 544	2 547 623	97 970	1 552 533
Effects of inflation	(3 654 861)	(1 628 958)	-	-
Termination of lease	(1 777 575)	-	(1 777 575)	-
	-	6 068 558	-	2 408 611
15.2 Lease Liabilties				
Balance at beginning of year	2 858 850	1 511 318	2 522 620	122 750
Addition	-	2 837 611	-	1 489 106
Add accrued interest posted to profit or loss	552 386	548 233	547 249	333 191
less lease commitments paid during the year	(1 616 770)	(1 832 263)	(1 102 367)	(974 960)
Lease remeasurement	99 544	2 547 623	97 970	1 552 533
Arising from monetary adjustments	171 462	(2 753 672)	-	-
Termination of lease	(2 065 472)	-	(2 065 472)	-
	-	2 858 850	-	2 522 620
Current lease liability	-	558 488	-	492 805
Non-current lease liability	-	2 300 361	-	2 029 815
	-	2 858 849	-	2 522 620

The lease was terminated as a result of new office premises purchased during the year.

	INFLATION ADJUSTED		HISTORICAL COST	
16 Revaluation reserve				
Balance as at the beginning	359 679	359 679	1 328	1 328
Movement for the year	1 196 784	-	8 940 025	-
Balances at year end	1 556 463	359 679	8 941 353	1 328

Notes to the financial statements
for the year ended 31 December 2025 (continued)

		INFLATION ADJUSTED		HISTORICAL COST	
		2025	2024	2025	2024
		ZWG	ZWG	ZWG	ZWG
17	**Intangible assets**	402 984	402 984	1 300	1 300

The Commission purchased a SharePoint Licence during the year ended 31 December 2021. The license has an indefinite life span and therefore it is not being amortised. Fom the impairment assessment, there is no impairment loss on the intangible asset.

18	**Investment property**				
	Opening balance	20 413 515	18 198 615	18 012 680	1 478 097
	Fair value adjustments	953 231	18 738 409	953 231	16 534 583
	Effects of inflation	(2 400 835)	(16 523 509)	-	-
	Closing balance	18 965 911	20 413 515	18 965 911	18 012 680

The Investment property is a one storey building on 7,536 square meters in Newlands Harare which the Commission had been letting out. A market review was carried out by an independent valuer, Bard Real Estate at the end of 2025.

19	**Bank and cash balances**				
	Money market investments	506 773	-	506 773	-
	Cash at bank	2 016 054	1 459 286	2 016 054	1 287 659
	Cash on hand	10 939	5 088	10 939	4 490
		2 533 766	1 464 374	2 533 766	1 292 149
20	**Accounts receivable**				
	Trade receivables	4 230 795	498 548	4 230 795	439 914
	Impairment of trade receivables	(1 695 791)	(88 061)	(1 695 791)	(77 704)
	Loans to staff	1 209 531	457 655	1 209 531	403 830
	Impairment of staff loans	(1 721)	(628)	(1 721)	(554)
	Sundry receivables	15 372	12 644	15 372	11 157
		3 758 186	880 158	3 758 186	776 643
20.1	**Long term receivables**				
	Staff loans - non-current portion	906 111	283 700	906 111	250 334
20.2	Set out below is the movement in the allowance for expected credit losses of trade receivables:				
	At 1 January	(88 689)	(22 626)	(78 258)	(22 626)
	Provision for expected credit losses	(1 608 823)	(66 063)	(1 619 254)	(55 632)
	At 31 December	(1 697 512)	(88 689)	(1 697 512)	(78 258)
21	**Prepayments**				
	Insurance	53 521	39 191	53 379	33 380
	Seminars and Events	26 924	2 765	26 661	1 467
	Motor Vehicle - ESP	1 941 875	10 684 137	1 765 354	9 093 582
	Fuel Coupons	225 250	145 627	225 196	125 734
	Branding at 2 Hendrikz	97 974	-	97 861	-
	Other	41 111	226 847	41 097	174 738
		2 386 655	11 098 567	2 209 548	9 428 901

Notes to the financial statements
for the year ended 31 December 2025 (continued)

		INFLATION ADJUSTED		HISTORICAL COST	
		2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
22	**Accounts payables**				
	Trade payables	1 197 571	37 044	1 197 571	32 687
	Licence fees received in advance	2 101 450	1 379 961	2 101 450	1 217 664
	Payroll payables	2 976 792	3 248 488	2 976 792	2 866 433
	Provisions and accruals	2 127 490	1 084 481	2 127 490	956 935
		8 403 303	5 749 974	8 403 303	5 073 719
23	**Government grant**				
	Balance at the beginning of the year	-	-	-	-
	Additions	34 991 327	9 741 725	34 991 327	8 596 000
	Government grant - Current	2 230 175	9 741 725	2 230 175	8 596 000
	Government grant - Non Current	32 761 152	-	32 761 152	-
		34 991 327	**9 741 725**	**34 991 327**	**8 596 000**

The Commission received a grant of USD 1 000 000 from the Ministry of Finance and Economic Development for the acquisition of property at number 2 Hendrikz way, Avondale, Harare. The condition of the grant was that the Commission will share the offices with National Venture Capital Company of Zimbabwe.

24 **Related party transactions**

Key Management Personnel

	HISTORICAL COST				
	Loan Taken ZWG	Loan Taken	Interest per annum	Repayment per month ZWG	Loan balance 31-Dec-25 ZWG
Name					
N. Maferefa	80 000	24 months	15%	3 879	77 121
N. Maferefa	51 961	24 months	8%	2 398	29 426
F. Matambo	78 918	24 months	15%	3 826	35 760
F. Matambo	129 904	24 months	8%	5 995	110 009
L. Madende	62 000	24 months	15%	3 006	25 439
	402 783			19 104	277 755

	HISTORICAL COST				
	Loan Taken ZWG	Period in Months	Interest per annum	Repayment per month ZWG	Loan balance 31-Dec-24 ZWG
A. Taruvinga	43 139	12 months	15%	3 938	26 238
A. Taruvinga	77 396	24 months	8%	3 500	74 411
N. Maferefa	22 041	12 months	15%	1 999	13 320
L. Madende	84 041	36 months	15%	5 005	68 542
F. Matambo	78 918	24 months	15%	3 826	73 202
F. Matambo	90 295	24 months	8%	2 917	62 007
F. Mpofu	22 041	12 months	15%	1 999	13 320
F. Mpofu	51 344	24 months	8%	-	51 344
B. Gava	520	36 months	12%	12	79
	469 735			23 197	382 463

Notes to the financial statements
for the year ended 31 December 2025 (continued)

24 Related party transactions
Short-term Employee Benefits

	INFLATION ADJUSTED 2025 ZWG	HISTORICAL COST 2025 ZWG
Chief Executive Officer		
Salary	982 315	973 406
Allowances	245 580	243 352
Medical Aid	353 006	349 804
Bonus	251 284	251 284
Total	1 832 185	1 817 846
Directors		
Salary	2 467 671	2 450 145
Allowances	616 915	612 534
Medical Aid	466 602	463 288
Bonus	556 273	556 273
Total	4 107 461	4 082 240

24 Related party transactions
Commissioners Fees

	INFLATION ADJUSTED		
	Retainer 2025 ZWG	Sitting 2025 ZWG	Total 2025 ZWG
Y. Banda	39 825	45 805	85 630
E. Chitanda	31 793	39 511	71 304
W. Manhimanzi	129 740	138 034	267 774
M. Sibanda	106 539	136 662	243 201
C. Mudenda	106 539	157 654	264 193
M. Mantiziba	106 539	163 784	270 323
G. Muzondo	106 539	96 829	203 368
W. Magombedze	106 539	108 911	215 450
T. Mushambadope	106 539	104 286	210 825
N. Tirivanhu	77 497	67 096	144 593
D. Patel	18 249	20 399	38 648
	936 338	1 078 971	2 015 309

Notes to the financial statements
for the year ended 31 December 2025 (continued)

24 Related party transactions

Commissioners Fees(Continued)

	HISTORICAL COST		
	Retainer 2025 ZWG	Sitting 2025 ZWG	Total 2025 ZWG
Y. Banda	39 223	45 309	84 532
E. Chitanda	31 313	39 071	70 384
W. Manhimanzi	128 816	137 104	265 920
M. Sibanda	105 696	135 785	241 481
C. Mudenda	105 696	156 592	262 288
M. Mantiziba	105 696	162 723	268 419
G. Muzondo	105 696	96 129	201 825
W. Magombedze	105 696	108 124	213 820
T. Mushambadope	105 696	103 627	209 323
N. Tirivanhu	77 085	66 767	143 852
D. Patel	18 249	20 393	38 642
	928 862	1 071 624	2 000 486

	INFLATION ADJUSTED		
	Retainer 2024 ZWG	Sitting 2024 ZWG	Total 2024 ZWG
Y. Banda	79 016	36 427	115 443
E. Chitanda	57 617	40 520	98 137
W. Manhimanzi	50 339	32 196	82 535
M. Sibanda	50 339	47 510	97 849
C. Mudenda	51 295	61 098	112 393
M. Mantiziba	50 339	53 620	103 959
G. Muzondo	54 837	32 251	87 088
W. Magombedze	36 606	22 289	58 895
T. Mushambadope	36 606	19 690	56 296
	466 994	345 601	812 595

Notes to the financial statements
for the year ended 31 December 2025 (continued)

24 Related party transactions
Commissioners Fees (continued)

	HISTORICAL COST		
	Retainer 2024 ZWG	Sitting 2024 ZWG	Total 2024 ZWG
Y. Banda	69 723	32 143	101 866
E. Chitanda	50 841	35 754	86 595
W. Manhimanzi	44 419	28 409	72 828
M. Sibanda	44 419	41 922	86 341
C. Mudenda	45 262	53 912	99 174
M. Mantiziba	44 419	47 314	91 733
G. Muzondo	48 388	28 458	76 846
W. Magombedze	32 301	19 668	51 969
T. Mushambadope	32 301	17 374	49 675
	412 073	304 954	717 027

25 Going Concern

During the year ended 31 December 2025, the Commission reported a surplus of **ZWG 118 366**. The Commission's current assets exceeded current liabilities by **ZWG 275 304**. The Ministry of Finance and Economic Development and Investment Promotion has allocated a budget of **ZWG 29,360,000** for recurrent expenditure for the year ended 31 December 2026, which will further strengthen the working capital of the Commission. The Shareholder has pledged to continue to provide support to the Commission. After assessing all the relevant information about the future for at least twelve months, management is satisfied that the Commission will continue to be a going concern for the foreseeable future.

26 Functional Currency

The Commissioners' considered the following key attributes of a functional currency as guided by the provisions of International Accounting Standard (IAS) 21: Effects of Changes in Exchange Rates:

- The currency that mainly influences sales prices for goods and services;
- The currency of the competitive forces and regulations that mainly determine the sales prices of goods and services;
- The currency that mainly influences labour, material and other costs of providing goods and services;
- The currency in which funds from financing activities are generated; and
- The currency in which receipts from operating activities are usually retained.

Having considered the above attributes, the Commissioners' concluded that ZWG is the functional currency of the Commission. Management wil continue to assess the functional currency in line with the provisions of IAS 21.

27 Contingent Liabilities

There were no contingent liabilities.

28 Events after the reporting period

There were no events after the reporting period.

Securities & Exchange Commission of Zimbabwe
No. 2 Hendrikz Way,
Avondale,
Harare

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 8th Annual General Meeting of the Securities and Exchange Commission of Zimbabwe (SECZim) will be held on 15 July 2026 at 09.00 hours at Hyatt Regency The Meikles, Corner Third Street and Jason Moyo Avenue, Harare to transact the following business:

1. **ORDINARY BUSINESS**
   To attend to the following ordinary business
   a) The Chairman's welcome remarks.
   b) Quorum of the meeting.
   c) Adoption of the Notice and Agenda convening the Annual General Meeting.
   d) Confirmation of the Minutes of the 7th Annual General Meeting held on Friday 30 June 2025.
   e) Matters arising from the minutes of the 7th Annual General Meeting held on Friday 30 June 2025.

2. **CORPORATE REPORTS**
   To receive the following corporates reports for the year under review.

   a) Chairperson's Report
   To receive and consider for adoption the Chairman's Report.

   b) CEO's Report
   To receive and consider for adoption the Operations Report.

   c) Financial Report
   To receive and consider for adoption the Financial Report.

   d) Compliance Report

To receive and consider for adoption the Compliance Report.

e) Audit Report

i. To receive and consider for adoption the Audit Report from the External Auditors, Grant Thornton Auditors for the year ended 31 December 2025.

ii. To consider and confirm payment of Audit fees to Grant Thornton Auditors, being ZWG595,504.00 (Five hundred and ninety-five thousand, five hundred and four ZWG).

iii. To confirm the end of tenure for the external auditors, Grant Thornton.

iv. To consider and confirm the appointment of the Office of the Auditor General as external auditors of the Securities and Exchange Commission of Zimbabwe for the year 2026.

3. DIRECTORS FEES

To confirm the Board Fees and sitting allowances payable to Non- Executive Board Members of the Securities and Exchange Commission of Zimbabwe for the year ended 31 December 2025 being ZWG2,015,309.00 (Two million and fifteen thousand, three hundred and nine ZWG).

4. LINE MINISTER'S STATEMENT

To receive a statement from the Minister of Finance, Economic Development and Investment Promotion or his appointed Representative for the year under review and their expectations for 2026.

5. CLOSING REMARKS

Closing Remarks and end of meeting.

REGISTRATION FOR THE AGM

Stakeholders are required to register on the following link **SECZIM 8th AGM 2026.**

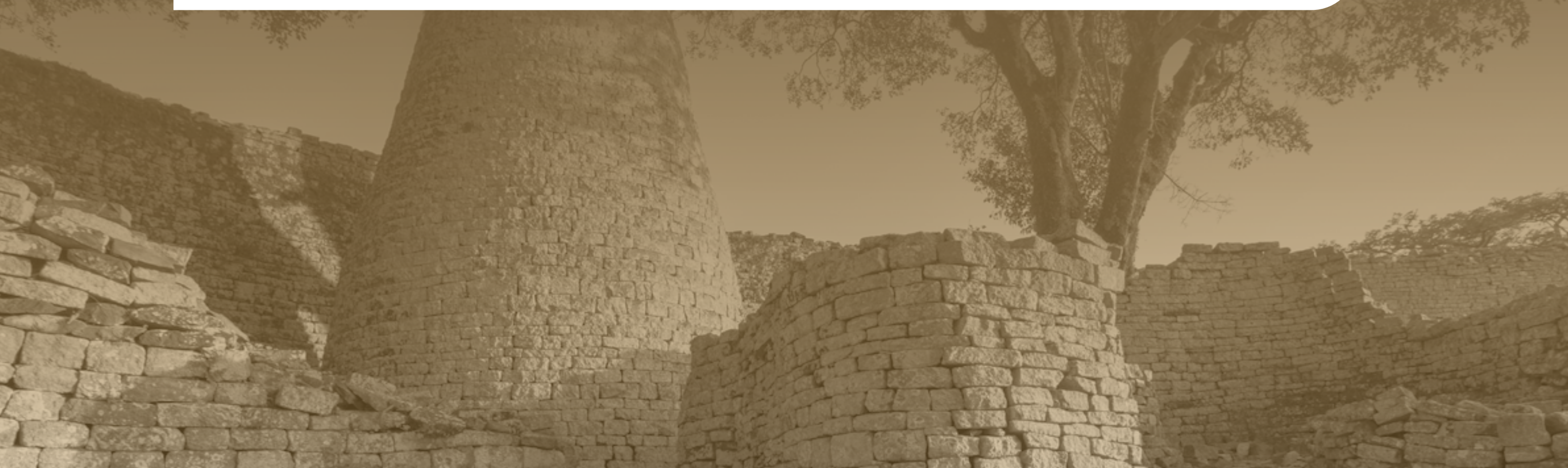
You may contact **lyinahm@seczim.co.zw** or **panashem@seczim.co.zw** for further information.

By Order of the Board

Lyninah Tendayi Madende

Corporate Services Director

19 June 2026



SECURITIES AND EXCHANGE COMMISSION OF ZIMBABWE