

NATIONAL RAILWAYS OF ZIMBABWE CONTRIBUTORY PENSION FUND

ABRIDGED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

		2025	2024
	Notes	TRANSLATED ZWG	INFLATION ADJUSTED ZWG
INCOME			
Direct Income			
Contribution Income	i	53,019,931	29,550,526
Interest on contribution arrears		14,444,152	7,045,940
Interest Income on investments		13,325,189	10,614,597
Dividend Income		32,876,809	51,948,228
Net Rent	ii	290,314,136	227,711,638
Surplus/(loss) on asset disposal	iii	14,179,513	14,343,165
Total direct Income		418,159,730	341,214,094
Indirect Income			
Revaluation and Exchange gains/(losses)	iv	743,331,157	707,649,394
TOTAL INCOME		1,161,490,887	1,048,863,488
LESS			
EXPENDITURE			
Direct Expenditure			
Pension Benefits Paid	v	(460,323,159)	(287,186,059)
Investment expenses		(15,129,081)	(1,361,961)
Administration and Governance Expenses	vi	(107,157,891)	(104,809,807)
Total Direct expenses		(582,610,131)	(393,357,827)
Indirect Expenditure			
Amortisation, depreciation and impairment of assets		(1,141,722)	(5,913,909)
Provisions and write offs		(5,585,565)	(1,530,289)
Actuarial gain (DB funds)		25,599,201	289,460,669
Monetary (loss)/gain		-	(7,660,018,593)
Total indirect expenditure		18,871,914	(7,378,002,122)
TOTAL EXPENDITURE		(563,738,217)	(7,771,359,949)
Surplus of Income over Expenditure/ (Excess of Expenditure over income)		597,752,670	(6,722,496,461)
Net assets available for benefits at beginning of year		7,832,219,919	14,554,716,380
Net assets available for benefits at end of year		8,429,972,589	7,832,219,919

NATIONAL RAILWAYS OF ZIMBABWE CONTRIBUTORY PENSION FUND

ABRIDGED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

		2025		2024
		TRANSLATED		INFLATION ADJUSTED
	Notes	ZWG	ZWG	
<u>NON-CURRENT ASSETS</u>				
Operating Assets		18,127,098		21,288,663
Local Investments		6,113,346,550		5,313,332,312
Real Estate	vii	5,037,138,116		4,462,214,193
Equities	viii	141,698,374		283,325,587
Good Tenancy Deposit and Self Insurance Fund Investments		46,464,481		20,559,333
Debentures and Mortgages		4,134,387		4,254,366
Approved Holdings	ix	883,911,192		542,930,691
Investments in Unit Trusts		-		48,142
Deposits and Short Term Investments		-		-
Investments outside Zimbabwe	x	2,221,445,121		2,520,734,030
Employer indebtedness	xi	64,940,085		12,570,450
		8,417,858,854		7,867,925,455
<u>CURRENT ASSETS</u>				
		142,842,745		91,079,110
Interest and Dividends Due		2,615,919		224,343
Rent Debtors less expected credit loss provision		103,397,808		78,690,396
Staff loans		1,418,234		457,520
Other Debtors		6,876,935		1,933,951
Cash on Hand and at Bank		28,533,849		9,772,900
TOTAL ASSETS		8,560,701,599		7,959,004,565
Total Non-Actuarial Liabilities		(130,729,010)		(126,784,646)
NET ASSETS AVAILABLE FOR BENEFITS AT YEAR END		8,429,972,589		7,832,219,919
<u>ACTUARIAL LIABILITIES</u>				
Active members		2,380,458,946		1,852,890,965
Pensioners		4,979,440,516		3,871,130,483
Deferred pensioners		226,614,116		200,233,099
Exit revaluation gains		759,586,622		1,659,256,990
Unclaimed benefits		63,921		29,722
Total Actuarial Liabilities		8,346,164,121		7,583,541,259
Surplus		83,808,468		248,678,660
TOTAL RESERVES AND ACTUARIAL LIABILITIES		8,429,972,589		7,832,219,919

Notes

(i) Contributions

The contributions amount is made up of amounts billed to the Employer organisations (NRZ, RMS, REC and NRZCPF) during the year as indicated in Table 1 below. NRZ and REC Contributions were billed 50% in USD 50% in ZWG as from October 2025

Table 1

	2025 TRANSLATED ZWG	2024 INFLATION ADJUSTED ZWG
Member contributions	30,177,388.00	15,875,351.00
Redundancies amounts	14,821,028.00	7,492,756.00
Employer contributions	8,021,515.00	6,182,419.00
Total	53,019,931.00	29,550,526.00

Member and employer contribution receipts were as follows-

Year 2025

The NRZ paid ZWG 2.5m & USD 300k, no contributions from RMS and the REC paid ZWG 40 517

Year 2024

The NRZ paid ZWG 8.3m, no contributions from RMS and the REC paid ZWG 3165.

(ii) Net Rent

The Fund manages its investment properties through registered estate agents (Knight Frank, Dawn Property Consultancy, New Age properties, Rananga Properties, Trevor Dollar and John Pocock).

Rentals were billed and received in ZWL and USD, but accounted for in ZWL which is the country's presentation currency.

Total rental billings and the associated property related expenses were as per Table 2 below

Table 2

	2025 TRANSLATED ZWG	2024 INFLATION ADJUSTED ZWG
Rent due	347,210,232.00	286,953,532.00
Property expenses	56,896,096.00	59,241,894.00
Net Rent	290,314,136.00	227,711,638.00

(iii) Surplus/(loss) on asset disposals

In 2025, the Fund slowed down on equity disposals to give the portfolios time to recover.

Table 3

	2025 TRANSLATED ZWG	2024 INFLATION ADJUSTED ZWG			
Surplus/(loss) on asset disposal	14,179,513.00	14,343,165.00			

(iv) Other Comprehensive Income/(losses)

Other Comprehensive income is made up of fair value gains/(losses) on the Fund's investments and exchange gains/(losses). This represents the re-pricing of the investments in response to changes in the economic environment.

(v) Pension Benefits Payments

Pension benefits were settled as follows

Table 4

	2025 TRANSLATED ZWG	2024 INFLATION ADJUSTED ZWG			
Pension Benefits Paid	460,323,159.00	287,186,059.00			

The Fund distributed pension benefits in a combination of USD and ZWG based on available liquidity, prioritizing the USD component.

External pensioners received their payments bi-annually, in line with standard procedures.

(vi) Administration and Governance expenses

Admin and Governance Expenses were as per Table 5 below

Table 5

	2025 TRANSLATED ZWG	2024 INFLATION ADJUSTED ZWG			
Bank charges	978,069.00	3,270,892.00			
Staff costs	69,519,001.00	56,085,083.00			
Audit fees	993,398.00	1,434,680.00			
Board expenses	14,038,230.00	11,474,298.00			
Levies	5,944,800.00	5,375,433.00			
Actuarial expenses	1,143,151.00	477,603.00			
Legal expenses	-	240,841.00			
Fines and penalties	-	-			

Other costs	14,541,242.00	32,992,761.00		
Total	107,157,891.00	104,809,807.00		

(vii) Investment in Real Estate

The Fund's Real Estate Investment portfolio was revalued from ZWG4.67bn to ZWG5.45bn as at end of 2025 inclusive of Chisipite Shopping Centre prescribed asset.

(viii) Local Equities

As at end of 2025 The Fund held both listed(JSE) and unlisted equities. The listed equities managed through ABC asset management and Imara asset management were transferred to Revitus REIT as an underwriting obligation, while the unlisted equities are directly managed in-house. Table 6 below shows the breakdown of these local equities.

Table 6

	2025 TRANSLATED ZWG	2024 INFLATION ADJUSTED ZWG		
Listed equities	32,725,160.00	198,308,111.00		
Unlisted equities	108,973,214.00	85,017,476.00		
Total	141,698,374.00	283,325,587.00		

(ix) Approved Holdings

Table 7 below, shows the breakdown of the Fund's approved holdings

Table 7

	2025 TRANSLATED ZWG	2024 INFLATION ADJUSTED ZWG		
Bonds	11,691,549.00	5,196,374.00		
Chisipite	417,778,697.00	210,443,670.00		
Gold coins	2,025,585.00	1,353,880.00		
Revitus reit	452,415,361.00	325,936,767.00		
Total	883,911,192.00	542,930,691.00		
Percentage portion in relation to total assets	10.33%	6.82%		

The Fund's holding in approved holdings for both years, was well below the IPEC prescribed threshold of 20% of total assets.

Prescribed asset compliance increased have increased by 51% in the year 2025 mainly driven by Chisipite redevelopment cost capitalisation and positive performance of Revitus REIT on ZSE.

(x) Investments outside Zimbabwe

Investments outside Zimbabwe are made up of Bonds, Equities and Real Estate

(xi) Employer indebtedness

Employer indebtedness was as follows

Table 8

	2025 TRANSLATED ZWG	2024 INFLATION ADJUSTED ZWG		
NRZ	64,679,290.00	12,410,721.00		
RMS	260,794.00	159,729.00		
Total	64,940,085.00	12,570,450.00		
Percentage portion in relation to total assets	0.78%	0.17%		