Fresh Thinking, Smart Banking

THE ABRIDGED UNAUDITED
CONSOLIDATED FINANCIAL STATEMENTS
For the half-year ended 30 June 2026

BancABC part of atlasmara

Total assets growth	Total deposits growth	Total income growth	Total loans and advances growth
44%	74%	28%	31%

Capital Adequacy Ratio

21% Unaudited 30 June 2026

12% Minimum regulatory capital

CHAIRMAN'S STATEMENT
FOR THE HALF-YEAR ENDED 30 JUNE 2026

The Board presents the unaudited half year financial statements of African Banking Corporation of Zimbabwe Limited and its Subsidiary (“the Group”) for the six months ended 30 June 2026.

The period was characterised by measurable improvement in domestic macroeconomic stability, against a backdrop of continued global uncertainty. In line with its strategy, the Group remained focused on customer acquisition, earnings growth and strengthening its statement of financial position.

While significant progress was achieved in growing the franchise and the balance sheet, the Group remains focused on improving the conversion of this growth into sustainable earnings, maintaining appropriate funding economics and preserving strong capital, liquidity and asset quality.

Operating Environment

The world economic outlook weakened on the backdrop of geopolitical risks, energy shocks and global supply chain disruptions. Domestically, despite the challenging external conditions, economic performance remained resilient, recording strong economic growth, underpinned by strong performance in agriculture and mining, boosted by high gold prices and recovering platinum and lithium output. During the half year period, a tight monetary policy remained central to preserving local currency stability, supported by money supply discipline and sustained foreign currency inflows. Strong foreign currency generation during the six months ended 30 June 2026 saw foreign currency earnings increase to US$10.72 billion from US$7.25 billion in 2025, while foreign exchange reserves rose to US$1.6 billion at 30 June 2026 from US$1.2 billion at 31 December 2025.

Notwithstanding these positive developments, the Group remains mindful of tight liquidity conditions, the high level of dollarisation in the economy, competition for deposits and the resulting implications for the cost and stability of funding. These factors continue to require disciplined balance-sheet and liquidity management.

Financial Performance

The Group recorded a profit after tax of ZWG140.7 million for the half year ended 30 June 2026 compared to ZWG147.4 million in the corresponding period in 2025. Revenue growth was driven by increase in net interest income from lending activities, and solid treasury trading income, fees and commission income benefitting from higher transactional volumes, improved revenue diversification, robust digital platforms and newly introduced products, partially offset by increase in operating expenses despite continued strategic investments such as upgraded core banking systems, new in-store banking kiosks and other customer touch points.

The Group's statement of financial position recorded strong growth during the six months ended 30 June 2026, with total assets increasing by 44% to ZWG10.4 billion supported by strong deposit mobilization with total deposits from customers and banks amounted to ZWG8.0 billion, of which customer deposits amounted to ZWG 7.1 billion, and a 31% increase in loans and advances to ZWG3.0 billion compared to 31 December 2025, reflecting continued business growth and customer confidence. The growth in deposits capacitated the group to fund high quality earning assets while managing the cost of funds and interest rate risk.

Governance, Risk and Control Environment

The Group continued to place strong emphasis on sound governance, prudent risk management and effective internal controls as the foundation of sustainable growth.

The Group remained fully compliant with regulatory capital and liquidity requirements and reported a capital adequacy ratio of 21%, above the regulatory minimum of 12%. The Group nevertheless continues to monitor the rate at which balance-sheet growth is consuming capital headroom, as well as the structural maturity profile of assets and liabilities and the cost of short-term funding.

Asset quality remained within the regulatory threshold at Group level, although the Group continues to monitor areas of portfolio stress and the increase in expected credit loss allowances as the loan book expands. Maintaining disciplined underwriting, appropriate provisioning and effective recovery management remains essential.

The Group continued to strengthen its risk management frameworks, systems and control environment to support its growing operations. Particular focus remains on liquidity management, cyber and information-security resilience, model governance, financial controls and the timely remediation of audit and regulatory findings.

Changes to the Board and Executive Management

Post the reporting date, the Group mourned the passing on of Mr Andrew Paul Lane-Mitchell on 11 July 2026. Mr Lane-Mitchell served the Bank with distinction and made a significant contribution to the Group through his valuable insight, experience and unwavering commitment. On behalf of the Group, I extend our sincere condolences to his family, friends and loved ones. The Group has commenced the necessary succession and governance processes to ensure continuity of oversight and appropriate Committee composition.

Sustainability and Stakeholder Impact

As part of its commitment to responsible corporate citizenship, the Group continued to invest in initiatives that promote education, financial literacy, youth development and community wellbeing. During the period, the Group supported several schools, universities and educational programmes, while also delivering financial literacy initiatives targeting women, students and small business owners. Support for youth development was further strengthened through partnerships across a range of sporting disciplines, including a US$200,000 contribution towards grassroots football development through ZIFA. The Group also continued to support community wellness initiatives aimed at promoting healthy lifestyles and broader social wellbeing. Through these interventions, the Group remains committed to creating sustainable positive impact in the communities it serves.

The Group remains focused on ensuring that these initiatives are aligned to the Group’s sustainability priorities, governance frameworks and long-term stakeholder values.

Environmental, Social and Governance (“ESG”)

During the period, the Group continued to strengthen its sustainability framework, governance and reporting practices in line with evolving regulatory requirements and international best practice. Progress was also made in developing a structured ESG measurement and reporting framework to support the Group's long-term sustainability objectives. Key initiatives undertaken during the period included:

•Training ESG Champions across key business functions, including Credit, Corporate and Investment Banking, Retail and Business Banking, Risk and Compliance.

•Enhancing the ESG scorecard used within the credit assessment process to strengthen environmental and social risk considerations in lending decisions.

•Appointed a Board-level ESG Champion on 30 September 2025 to provide oversight and drive the Group's sustainability agenda.

•Approving policies and frameworks designed to support sustainable and green financing initiatives.

•Conducting sustainability assessments of the Group's facilities and operations to identify opportunities for energy efficiency improvements and carbon footprint reduction.

Outlook

The operating environment is expected to remain broadly stable through the remainder of the year, although fiscal and monetary policy developments, liquidity dynamics and the possibility of an El Niño-induced event may present potential risks in the next agricultural season. Against this backdrop, the Group remains focused on sustainable growth, efficiency and sound risk management.

The Group’s priority for the remainder of 2026 is to ensure that the strong expansion achieved in the first half translates into improved risk-adjusted earnings. This will require disciplined asset creation, improved funding efficiency, careful liquidity management, strong cost control, preservation of asset quality and continued investment in operational and cyber resilience.

Conclusion

The Group enters the second half of 2026 with a stronger and significantly expanded franchise, supported by a growing statement of financial position, diversified earnings streams and a continued focus on customer-centric innovation. The Group is encouraged by the growth achieved, while recognising that continued success will depend on improving the economics and efficiency of that growth. Notwithstanding the uncertainties inherent in the operating environment, the Group remains focused on disciplined execution, prudent risk management and delivering sustainable value to stakeholders.

I wish to thank our customers, regulators, business partners, management and staff for their steadfast support and contribution to the Group's success.

F. King

Independent Non-Executive Chairman

MANAGING DIRECTOR'S STATEMENT
FOR THE HALF-YEAR ENDED 30 JUNE 2026

Business Performance and Strategy Execution

The Group delivered a strong performance during the six months period ended 30 June 2026, reflecting disciplined execution of its strategy and continued progress against its growth objectives. Despite tight liquidity conditions and increased competition for deposits across the banking sector, the Group achieved strong growth in customer deposits, lending activity and transaction volumes, resulting in a significantly expanded statement of financial position.

Performance was supported by increased customer activity, continued revenue diversification and sustained investment in digital capabilities. Enhanced adoption of digital channels supported growth in transactional income, while foreign exchange trading, card-based revenues and net interest income remained important contributors to earnings. The growth achieved during the period was accompanied by increased funding and operating costs in supporting the various initiatives which directly or indirectly impacted the positive performance.

The results demonstrate the resilience and growing scale of the Group’s franchise, while also highlighting the importance of translating that scale into sustainable earnings and improved returns.

Executing Our Growth Strategy

The Group continued to make meaningful progress in executing its growth strategy during the period, driven by focused deposit mobilisation, deeper customer engagements and the expansion of strategic partnerships. Total deposits increased by 74% to ZWG8.0 billion, reflecting strong deposit mobilisation across the Group’s customer and institutional relationships.

Given the pace of liability growth, management is placing increased emphasis on the quality, tenor and cost of deposits, as well as the disciplined deployment of liquidity into appropriately priced earning assets.

We continued to enhance customer reach and convenience through our network of 15 branches, 52 kiosks and 20 ATMs, while leveraging technology to strengthen service delivery across our channels. Our continued investment in customer acquisition and relationship management supported growth across key segments, including the corporate, public sector and mining sectors.

Strategic partnerships remained an important enabler of our growth ambitions. During the period, the Group concluded a five-year partnership with Visa and established new correspondent banking relationships, strengthening our cross-border banking capabilities and enhancing our capacity to support customers' international trade, payments and foreign currency settlement requirements.

Digital Transformation and Innovation

Digital transformation remains a key pillar of our growth strategy. During the period, the Group successfully implemented an upgraded core banking platform, providing an improved foundation for operational efficiency, scalability, product innovation and customer experience.

The Group’s digital banking business continued to grow, supported by increased transaction volumes, card usage and point-of-sale acquiring activity. The Group advanced its paperless banking agenda through digital customer onboarding, automated card issuance, cardless withdrawals and expanded digital lending solutions. The Group continued to harness automation and artificial intelligence to improve operational efficiency, strengthen risk and compliance oversight, and enhance the customer experience.

The Group recognises that technology investment must increasingly translate into measurable reductions in processing costs, improved turnaround times, greater channel migration and stronger customer outcomes. These benefits will be actively tracked during the second half of the year.

Risk Management and Compliance

As the Group continued to grow, risk management remained a key area of focus, ensuring that business growth was supported by sound governance, effective controls and prudent risk-taking. Asset quality remained sound, with a non-performing loan ratio of 3.7%, comfortably below the regulatory threshold of 5%. The Group nevertheless remains alert to emerging stress within selected portfolios and continues to strengthen early-warning, collections and recovery processes. The increase in expected credit loss allowances as the portfolio expands is also being closely monitored to ensure provisioning remains appropriate and consistent with IFRS 9 requirements.

The Group continued to invest in anti-money laundering controls, fraud monitoring systems, cybersecurity capabilities and business continuity infrastructure to safeguard customers and support operational resilience. During the period, the Reserve Bank of Zimbabwe awarded the Bank a "Very Good" rating following a full-scope Exchange Control Inspection, achieving a score of 4.27 out of 5. We also commenced recertification under the Payment Card Industry Data Security Standard (“PCI DSS”), reinforcing our commitment to maintaining the highest standards of data security and customer trust.

As technology dependency increases, management will continue to prioritise cybersecurity, third-party technology risk, business continuity and the timely remediation of regulatory and audit findings.

People and Culture

Our people remain central to the Group's success. During the period, we continued investing in talent development, leadership succession, sales capability enhancement and specialised skills training to support our growth strategy and evolving customer needs. Employee wellness remained a key priority, supported through various health, wellness and staff engagement initiatives across the Group.

As automation and digital adoption accelerate, management is also focused on ensuring that workforce structure, skills and productivity evolve with the operating model so that technology investment delivers sustainable efficiency benefits.

Focus for the Second Half of 2026

As the Group enters the second half of 2026, management remains focused on translating the Group's balance sheet growth into sustainable earnings through disciplined asset creation, enhanced transactional banking activity and continued customer acquisition. In an environment characterised by tight liquidity conditions and a disciplined monetary policy stance, emphasis will be placed on growing stable deposits, optimising cost of funding and deploying liquidity into quality assets.

The Group will also focus on maximising the benefits of the recently upgraded core banking platform through enhanced product capabilities, improved customer experience, greater operational efficiency and accelerated digital adoption. We will continue to strengthen our transaction banking and cross-border banking capabilities through the expanded correspondent banking network and strategic partnerships, while maintaining investment in cybersecurity, fraud prevention and technology resilience to safeguard customer deposits and information in an increasingly digital operating environment. Maintaining strong asset quality, prudent risk management and operational resilience will remain central to the execution of our strategy and delivery of sustainable value to stakeholders.

The Group's central objective for second half of 2026 is therefore clear: to convert the significant franchise and balance-sheet growth achieved in the first half into stronger, sustainable and risk-adjusted earnings.

I would like to thank the Board for its guidance and oversight, colleagues across the Group for their commitment and hard work, and our customers, partners and communities for their continued confidence and support.

T. Munaiwa
Managing Director

DIRECTORS' STATEMENT OF RESPONSIBILITIES

FOR THE HALF-YEAR ENDED 30 JUNE 2026

In an increasingly dynamic operating environment, the Group continuously reviews, strengthens, and enhances its governance framework, policies, procedures and practices to ensure they remain fit for purpose and responsive to emerging risks, evolving stakeholder expectations, and regulatory developments. These ongoing efforts are aimed at ensuring compliance with applicable laws, regulations, and supervisory requirements, while maintaining alignment with recognised best practices in corporate governance. Through this approach, the Group seeks to foster a culture of accountability, prudent risk management, and sustainable value creation.

The Board of Directors

The Board of Directors ("The Board") is responsible for providing strategic leadership and direction to the Group, including the approval of the Group's strategic objectives and the oversight of their effective implementation by management. In discharging its responsibilities, the Board establishes clear performance expectations and measurable objectives, while ensuring the maintenance of a robust governance framework that promotes prudent decision-making, effective risk management, accountability, and sustainable organisational performance.

The Board comprises individuals with diverse skills, professional expertise, and industry experience, enabling it to bring a broad range of perspectives and independent judgment to the Group's deliberations and decision-making processes. This collective depth of knowledge strengthens the Board's ability to provide effective oversight, challenge management constructively, and make informed decisions in an increasingly complex and evolving operating environment.

During the period under review, the Board continued to provide strategic oversight of key transformation initiatives, including the Group's digitisation and automation programmes, strengthened operational resilience, and robust business continuity arrangements.

The composition of the Board complies with the requirements of the Banking Act [Chapter 24:20], read together with Prudential Standard No. 02-2025/BSSFS: Corporate Governance, as well as recognised principles and standards of sound corporate governance. The roles, responsibilities, powers, and accountabilities of the Board and its Committees are clearly articulated in the Board Charter and the respective Committee Terms of Reference. These instruments are reviewed annually and updated where necessary to ensure continued effectiveness, regulatory compliance, and alignment with evolving governance expectations and best practices.

Independence of the Directors

Board independence remains a cornerstone of the Group's corporate governance framework, as it underpins objective decision-making, effective oversight, and the exercise of independent judgment in the best interests of the Group and its stakeholders. The Board is composed of a majority of independent non-executive directors. This strong independent presence enhances the Board's ability to provide unbiased oversight, constructively challenge management, and ensure that deliberations and decisions are balanced, rigorous, and evidence based.

In accordance with Section 20B of the Banking Act [Chapter 24:20] and the Group's governance policies, all Directors are required to complete and submit annual Declarations of Interest, which form a key component of the Group's formal assessment of director independence. Directors are further obliged to disclose, on an ongoing basis, any actual, potential, or perceived conflicts of interest that may arise during the year.

Board and Director Evaluations

The Board also undertakes an annual evaluation of its effectiveness, as well as that of its Committees and individual Directors. This assessment evaluates the following areas:

- Board effectiveness and self-assessment;
- Chairperson performance assessment;
- Individual Director assessments; and
- Board Committee effectiveness assessments.

The evaluation conducted for the year ended 31 December 2025 confirmed that the Board, its Committees, and individual Directors continued to discharge their responsibilities effectively. The assessment also identified opportunities for enhancement, and appropriate actions are being implemented to address the areas for improvement. The Board is satisfied that the evaluation results reflect continued progress in Board effectiveness, governance maturity, and strategic oversight.

Directors' Training and Professional Development

The Group is committed to the continuous professional development of its directors, recognising that ongoing learning is essential to maintaining an effective and informed Board.

During the half-year ended 30 June 2026, the Board underwent training on Artificial Intelligence. Post the half year, the Board also underwent training on Ethics and Corporate Culture and Values, and the Audit Committee attended the 2026 KPMG Audit Committee Forum.

Board Composition and Succession Planning

As at 30 June 2026, the Board was comprised of nine (9) directors, which included an independent non-executive Chairman, six (6) independent non-executive directors, and two (2) executive directors.

However, it witnessed the sad passing of Mr Andrew Paul Lane-Mitchell on 11 July 2026. Mr. Lane-Mitchell served the Group with distinction and brought valuable insight, experience, and commitment to the Board during his tenure. The Group extends its sincere condolences to his family, friends, and loved ones.

The Board remains committed to maintaining an appropriate balance of skills, experience, diversity, and independence in accordance with its succession planning framework and applicable regulatory requirements.

The Board maintains a structured and comprehensive succession planning framework designed to ensure leadership continuity and preserve institutional knowledge while supporting orderly Board renewal. The succession plan is informed by the Group's current and future strategic needs and is aligned to the critical competencies required for effective governance, oversight, and decision-making. Through ongoing succession planning, the Group seeks to maintain a resilient and forward-looking Board capable of responding effectively to evolving business, regulatory, and market developments.

Board Meetings and Attendance

The Board and its Committees meet every quarter, with additional meetings held when necessary. Meetings are also conducted in a manner that promotes open communication, active participation and timely resolution of issues.

For the period ended 30 June 2026, the main Board had held four (4) meetings, which comprised two (2) quarterly meetings and two (2) special meetings. The record of attendance of each director is indicated below:

Name of Director	Designation	Total Meetings Held	Total Present	% Attendance
F. King	Independent Non-Executive Chairman	4	4	100%
N. Nyagura	Independent Non-Executive Director	4	4	100%
T. Mutarisi	Independent Non-Executive Director	4	4	100%
M.R. Davis	Independent Non-Executive Director	4	4	100%
P.M. Shuro	Independent Non-Executive Director	4	4	100%
A.P. LaneMitchell	Independent Non-Executive Director	4	4	100%
M. Chigunduru	Independent Non-Executive Director	4	4	100%
T. Munaiwa	Managing Director	4	4	100%
E. N. Mungoni	Finance Director	4	4	100%

BOARD COMMITTEES

The Board has five (5) Committees, all of which are chaired by Independent Non-Executive Directors. The Committees support the Board in the execution of its oversight responsibilities.

Board Audit Committee

The Committee comprises Independent Non-Executive Directors. The Committee engages regularly with both internal and external auditors on accounting policies, financial reporting, audit findings, regulatory compliance, and the effectiveness of the Bank's control environment. It reviews the Bank's financial statements to ensure their integrity, transparency, and compliance with applicable accounting standards and regulatory requirements.

For the period ended 30 June 2026, the Committee held three (3) meetings, which comprised two (2) quarterly meetings and one (1) special meeting, and the record of attendance of each director is as follows:

Name of Director	Designation	Total Meetings Held	Total Present	% Attendance
P.M. Shuro	Independent Non-Executive Chairman	3	3	100%
A.P Lane Mitchell	Independent Non-Executive Member	3	3	100%
T. Mutarisi	Independent Non-Executive Member	3	3	100%

Board Risk Committee

The primary objective of the Risk Committee is to provide oversight in respect of the Group's risk appetite framework, enterprise wide risk management, capital management, governance and compliance requirements. It also provides oversight and advice to the Board on current and emerging risk exposures, risk management strategies, and their effectiveness. In addition, the Committee is mandated to oversee the implementation of the Group's Environmental, Social and Governance strategic initiatives, as well as the Group's adherence to data protection and privacy laws.

It evaluates the effectiveness of risk management policies, processes, and controls to ensure risks are appropriately identified, assessed, managed, monitored, and reported. The Committee comprises Independent Non-Executive Directors and reports to the Board after each meeting on key risk matters, emerging risks, and areas requiring Management attention.

As at 30 June 2026, the Committee had held two (2) meetings and the record of attendance of each director is as follows:

Name of Director	Designation	Total Meetings Held	Total Present	% Attendance
M.M. Chigunduru	Independent Non-Executive Chairperson	2	2	100%
T. Mutarisi	Independent Non-Executive Member	2	2	100%
F. King	Independent Non-Executive Member	2	2	100%

Board Loans Review Committee

The Committee comprises Independent Non-Executive Directors and is responsible for overseeing the Group's lending strategy, credit policies, and credit risk exposure. It reviews the quality and performance of the loan portfolio to ensure compliance with the Group's credit risk appetite, approved policies, applicable laws, and regulatory requirements. The Committee also monitors portfolio growth, asset quality, and impairment provisions, and oversees the management and recovery of delinquent exposures.

For the period ended 30 June 2026, the Committee held two (2) meetings and the record of attendance of each director is as follows:

Name of Director	Designation	Total Meetings Held	Total Present	% Attendance
A.P. Lane Mitchell	Independent Non-Executive Chairman	2	2	100%
P. M. Shuro	Independent Non-Executive Member	2	2	100%
M. M. Chigunduru	Independent Non-Executive Member	2	2	100%

Board Credit Committee

The Board Credit Committee deliberates and considers credit applications beyond the mandate of the Management Credit Committee. For the period ended 30 June 2026, the Committee considered sixteen (16) credit applications, six (6) were recommended to the Main Board for approval. The Committee held four (4) meetings and the record of attendance of each director is as follows:

Name of Director	Designation	Total Meetings Held	Total Present	% Attendance
M.R. Davis	Independent Non-Executive Chairman	4	4	100%
T. Munaiwa	Managing Director	4	4	100%
N. Nyagura	Independent Non-Executive Member	4	4	100%

Board Information and Communication Technology Committee

The Committee comprises Independent Non-Executive Directors and is responsible for overseeing the Group's technology and digital strategy. It reviews key technology initiatives, significant ICT investments, and technology-related expenditure to ensure alignment with the Group's strategic objectives. The Committee also monitors emerging technology trends and oversees the effectiveness of the Bank's ICT governance, cybersecurity, and technology risk management frameworks to ensure technology risks are appropriately managed.

For the period ended 30 June 2026, the Committee held two (2) quarterly meetings and the record of attendance of each director is as follows:

Name of Director	Designation	Total Meetings Held	Total Present	% Attendance
N. Nyagura	Independent Non-Executive Chairman	2	2	100%
M.R. Davis	Independent Non-Executive Member	2	2	100%
F. King	Independent Non-Executive Member	2	2	100%

Board Remuneration and Nominations Committee

The Committee is constituted at ABC Holdings (Zimbabwe) Limited, the Bank's parent. It has the responsibility of setting the employment and remuneration terms for employees as well as providing oversight of issues related to Directors' nominations and appointment.

For the period ended 30 June 2026, the Committee had held two (2) quarterly meetings, and the record of attendance of each director is as follows:

Name of Director	Designation	Total Meetings Held	Total Present	% Attendance
I. Magaya	Non-Executive Chairman	2	2	100%
C. Shoniwa	Non-Executive Member	2	2	100%
K. Dowers	Non-Executive Member	2	2	100%

Management Committees

The Group operates twelve (12) management committees that support effective oversight of its operations, performance, and service delivery standards. The committees monitor key business activities, ensure compliance with regulatory and internal requirements, and support the implementation of the Group's policies, procedures, and strategic initiatives. The Group's procedure manuals are reviewed periodically and approved by the Executive Committee to ensure they remain relevant and responsive to the evolving business and regulatory environment.

RISK MANAGEMENT FRAMEWORK

Risk Appetite and Tolerance

The Group's business involves the analysis, evaluation, acceptance, and targeted management of risk. Taking risks is core to the financial services business and an inevitable consequence of being in business. The Group aims to achieve an appropriate balance between risk and return and to minimize potential adverse effects on the Group's financial performance. The Group's risk management policies are designed to identify and analyze these risks, set appropriate risk limits and controls, and monitor the risks through reliable, up-to-date information systems. The Group regularly reviews its risk management policies and procedures to reflect changes in markets, products, market fundamentals as well as emerging best practices.

The Group's Risk Committee oversees risk management under policies approved by the Board. The Board approves principles for overall risk management and policies covering specific areas, such as market risk, liquidity risk, and credit risk. In addition, Internal Audit is responsible for the independent review of risk management systems and the control environment..

Three Lines of Defense Mode

The Group's governance follows the Three Lines of Defense Model. The First Line, namely business units, own and manage risk, adhering to the controls in place on a day-to-day basis. The Second Line, namely Risk, provides independent oversight of the policies and processes. The Third Line, being Internal Audit, provides independent assurance over the effectiveness of risk management, control, and governance processes.

The significant risks are strategic, credit risk, liquidity risk, market risk, and cyber risk. Market risk includes foreign currency exchange risk, interest rate risk, and price risk.

Liquidity Risk

• Risk Identification and Assessment Process

Risk identification is performed through ongoing credit proposal reviews, periodic Risk and Control Self-Assessments (RCSAs), incident analysis, internal and external loss data analysis, scenario analysis, stress testing, regulatory horizon scanning, and scheduled management workshops. Risks are assessed for likelihood and impact using a consistent scale and criteria and are subject to escalation thresholds that trigger management action and committee oversight.

• Composite Risk Methodology

For each risk type, the inherent risks before controls are identified and assessed and thereafter moderated by the adequacy and effectiveness of the control environment to determine the overall composite residual risk. This composite rating guides prioritization, resource allocation, and Board oversight whilst aligning to the GLYOR (Green, Lime, Yellow, Orange & Red) rating scale used in the risk metrics.

• ESG and Climate Risk Integration

Environmental, Social, and Governance (ESG) and climate-related risks are integrated into the overall risk appetite and risk management framework. ESG considerations are embedded in strategic planning, credit origination, credit review, portfolio monitoring, operational resilience, and include assessment of physical and transition climate risks.

• Risk Reporting and Management Information

Risk Dashboards and Key Risk Indicators (KRIs) are produced at defined frequencies for management, executive committees, and the Board. Breaches of limits or risk appetite trigger formal escalation and remediation plans. Risk reporting includes trend analysis, stress/scenario outcomes, and forward-looking insights.

Strategic Risk

Emerging and Forward-Looking Risks

Strategic risk is the risk that the Group's business strategies are ineffective, poorly executed, or insufficiently resilient to changes in the business environment. The Group devotes substantial management and planning resources to developing strategic plans for organic growth and identifying potential opportunities, supported by substantial expenditure to drive growth. If these strategic plans are not delivered as anticipated, the Group's earnings could grow more slowly or decline altogether. In addition, the Group's strategy could be affected by revenue volatility driven by factors such as macroeconomic conditions, inflexible cost structures, uncompetitive products, pricing, and structural inefficiencies.

An Independent Non-Executive Director holds the role of Chairman and is separate from the Managing Director/Chief Executive role, which an Executive Director holds. The Board guides and approves the strategies formulated by the executive team and has delegated oversight of risk management and control functions to the Board Audit, Loans Review, and Risk Management Committees. The Managing Director is responsible for implementing the strategies approved by the Board, which, in turn, reviews the performance and continuing applicability of the strategies every quarter.

The Group operates a structured horizon-scanning process to identify and evaluate emerging forward-looking risks driven by macroeconomic change, technology and cyber threats, regulatory reform, climate transition, and shifts in customer behavior. Emerging risks are reviewed periodically and, where material, escalated to the Group Risk Committee and subsequently to the Board.

Credit risk

Credit risk is the risk that the Group's customers, clients, or counterparties default on their loan or credit commitments. This exposes the Group to the risk that a counterparty will cause a financial loss to the Group by failing to discharge an obligation. Significant changes in the economy or in the health of a particular industry segment that represents a concentration in the Group's portfolio could result in losses different from those provided for as of the statement of financial position date. Country (or sovereign) risk is part of overall credit risk and is managed within the credit risk management function, as it has a major impact on individual counterparties' ability to perform. Management, therefore, carefully manages its exposure to credit risk. Credit exposures arise principally in loans and advances to customers but can also arise from credit enhancement provided, such as financial guarantees, letters of credit, endorsements, and acceptances.

The Group Risk Department reviews African Banking Corporation of Zimbabwe Limited's and ABC Easy Loans (Private) Limited's exposures regularly and reports to the Board. Credit risk is traditionally the single largest risk for the Group's business, and thus management carefully manages credit origination, deposit covenant performance and perfection of security. The Group has defined and documented a Credit Policy, which serves as the basis for credit decisions. This Policy includes a framework of limits and delegation of credit approval authority, which are strictly adhered to. The Group has a Board Credit Committee that operates within the scope defined by the Board.

The Group Management Credit Committee is responsible for credit approvals in line with the limits framework and the committee reports to the Board Credit Committee. The Risk Department regularly reviews adherence to Policy and required standards. The Board Loans Review Committee and the Board Credit Committee at the Subsidiary level also monitor the health of the credit portfolios at least quarterly and increase provisions or enhance controls as required. The Group has standard provisioning policies that, at a minimum, comply with the prudential guidelines of the Reserve Bank of Zimbabwe and IFRS 9, 'Financial instruments'. Provisions are determined monthly as per IFRS 9, 'Financial instruments' guidelines, and are subject to regular review by the Group Risk Department. Regular internal audit oversight is also applied to the credit book.

Risk Identification and Assessment Process

Risk identification is performed through periodic review of credit proposals, Risk and Control Self-Assessments (RCSAs), incident analysis, internal and external loss data analysis, scenario analysis, stress testing, regulatory horizon scanning, and scheduled management workshops. Risks are assessed for likelihood and impact using consistent scale and criteria, and are subject to escalation thresholds that trigger management action and committee oversight.

Composite Risk Methodology

For each risk type, inherent risk before controls is assessed and then moderated by the adequacy and effectiveness of the control environment to determine the overall composite residual risk. This composite rating guides prioritization, resource allocation, and Board oversight and aligns to the Low–Moderate–High scale used in the risk matrices.

ESG and Climate Risk Integration

Environmental, Social, and Governance (ESG) and climate-related risks are integrated into the overall risk management framework and risk appetite. ESG considerations are embedded in strategic planning, credit origination, review, portfolio monitoring, and operational resilience, including assessment of physical and transition climate risks.

Risk Reporting and Management Information

Risk dashboards and Key Risk Indicators (KRIs) are produced at defined frequencies for management, executive committees, and the Board. Breaches of limits or risk appetite trigger formal escalation and remediation plans. Risk reporting includes trend analysis, stress/scenario outcomes, and forward-looking insights.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its obligations when they fall due, due to customer deposits being withdrawn, cash requirements from contractual commitments, or other cash outflows, such as debt maturities. Such outflows would deplete available cash resources for client lending, trading activities, and investments. In extreme circumstances, a lack of liquidity could result in reductions to the statement of financial position and the sale of assets, or potentially an inability to fulfill lending commitments. The risk that the Group will be unable to do so is inherent in all banking operations and can be affected by a range of institution-specific and market- wide events, including, but not limited to, credit events, merger and acquisition activities, systemic shocks, and natural disasters.

Liquidity Risk Management Process

The Group holds liquid reserves in tradable instruments on money market placements, which are available if required. Liquidity is assessed by currency and by time bracket, and liquidity management depends on accurate cash flow projections coupled with monitoring of future funding requirements. The Group's liquidity management process is monitored by the Global Markets and Treasury ("GMT") department and includes:

• Day-to-day funding, managed by monitoring future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature or are borrowed by customers

• Maintaining a portfolio of marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow

• Monitoring statement of financial position liquidity ratios against internal and regulatory requirements.

• Managing the concentration and profile of debt maturities; and

• Monitoring and reporting the form of cash flow measurement and projections for the next day, week, and month, respectively, as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

The Global Markets and Treasury department also monitors unmatched medium-term assets, the level and type of undrawn lending commitments, the usage of overdraft facilities, and the impact of contingent liabilities such as standby letters of credit and guarantees.

Liquidity management oversight is undertaken by the Assets and Liabilities Management Committee ("ALCO").

Market risk

The Group is exposed to market risks, which arise when the fair value or future cash flows of a financial instrument fluctuate due to changes in market prices. Market risks arise from open positions in interest rate, foreign currency, and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices, such as interest rates, credit spreads, foreign exchange rates, and equity prices.

Market exposures related to dealing positions are housed and managed in the Global Markets and Treasury Department within a framework of pre-approved dealer, currency, and counterparty limits.

The Risk Department is responsible for monitoring limits and pricing, thereby ensuring that any errors or unauthorized transactions are promptly identified whilst ALCO undertakes the oversight role.

Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to fluctuations in prevailing market interest rates, affecting both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may also reduce losses in the event of unexpected movements.

ALCO is responsible for overseeing this risk and meets monthly to review this and other related risks. ALCO operates within the prudential guidelines and policies established by the Board.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology, and infrastructure, and from external factors other than credit, market, and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

Operational risk arises from all of the Group's operations. The Group's objective is to manage operational risk, balancing the avoidance of financial losses and damage to the Group's reputation with overall cost-effectiveness and innovation. In all cases, Group policy requires compliance with all applicable legal and regulatory requirements. The Group Risk and Controls Committee ("GRCC") is responsible for developing and implementing controls to address operational risk whilst the Group Risk Committee oversees this and other risks at Board level.

Cyber and Information Security Risk

Cyber and Information Security risks arise from the potential compromise of systems, networks, or data and may result in financial loss, service disruption, or reputational damage. The Group maintains information security policies, access and identity controls, security monitoring, vulnerability management, and incident response procedures. Material cyber incidents and key metrics are reported to senior management and the Board.

Business Continuity and Crisis Management

Business Continuity Plans (BCP) and Disaster Recovery (DR) capabilities are maintained and tested to ensure continuity of critical services during disruptions. A defined crisis management structure governs decision-making, communications, and prioritization of recovery. Lessons learned from exercises and events inform continuous improvement. The ICT Steering Committee undertakes management-level oversight, whilst Board oversight is by the Board ICT Committee.

Legal Risk

Legal risk is the risk that a transaction or contract cannot be consummated due to a legal barrier, such as inadequate documentation, a regulatory prohibition on a specific counterparty, or the unenforceability of contracts, such as netting and collateral arrangements, in bankruptcy. The Legal Department maintains and approves all existing and new legal documents to ensure compliance with statutory laws and regulatory guidelines.

Compliance Risk

Compliance risk is the current and prospective risk of damage to the Group's business model or objectives, reputation, and financial soundness arising from non-adherence to regulatory requirements and the expectations of key stakeholders, including clients, staff, and society. Compliance risk, therefore, not only exposes the Group to fines, penalties, civil claims, loss of authorization to operate and an inability to enforce contracts, but also to reputational damage. The Board has established systems, processes, and an independent compliance function to assist in mitigating and managing compliance risk.

The Group has classified compliance risk management as integral to its risk management framework. Executive and senior management have nurtured a vibrant compliance culture that firmly supports sound business ethics and customer-centric values. The Group is committed to meeting legislative, regulatory, and international best practice requirements.

Reputational Risk

Reputational risk is the risk that the Group could lose market share due to the market's perception that it is not soundly conducting its business. The Group has in place active procedures for monitoring customer complaints to ensure continuous improvement in its service delivery standards.

Solvency Risk

Solvency risk refers to the uncertainty that the Group may have insufficient capital resources to:

• Meet minimum regulatory requirements.

• Absorb any incipient losses that may arise during the course of business;

• Support the targeted credit rating; and

• Support growth and other strategic options.

Regulators assess the Group's capital position and target capital levels on an ongoing basis. Targets may increase in the future, and rules governing the measurement of capital may be adversely changed, which would constrain the Group's planned activities and adversely affect the Group's earnings. During periods of market dislocation, increasing the Group's capital resources to meet targets may prove more difficult or costly.

To address these issues, the Group has an Internal Capital Adequacy Assessment Program ("ICAAP") in line with Basel II, under which banks develop internal capital plans and assess their capitalization against the Group's risk profile. The Group will continue to strengthen its ICAAP by embedding appropriate Economic Capital methodologies into internal models as data capabilities evolve.

Model Risk Management

Model risk is managed through governance structures covering model development, validation, approval, implementation, and ongoing performance monitoring. Independent validation is performed at defined intervals for material models supporting IFRS 9, ICAAP, pricing, and stress testing. Model changes follow formal approval and documentation standards.

Environmental, Social, and Governance ("ESG") and Climate Risk

As part of its commitment to sustainability and responsible banking practices, the Group is proactively integrating climate risk management into its operations to ensure a sustainable future. Key initiatives include:

• Training ESG Champions across various functions, such as Credit, Corporate and Investment Banking, Retail and Business Banking, Risk, and Compliance;

• Establishing robust policies, approved by the Board, to support a transition to a greener portfolio;

• Appointing a Board-level ESG Champion with expertise in ESG and climate risk;

• Incorporating environmental and social considerations into credit proposals through a scorecard, informing decision-making;

• Conducting a thorough review of operations and physical facilities to identify opportunities for sustainable energy adoption and carbon footprint reduction.

The Group will continue to strengthen its ESG journey, creating enduring value for stakeholders while contributing meaningfully to a more sustainable future.

Risk and Credit Ratings

The Reserve Bank of Zimbabwe conducts examinations of banks and financial institutions it regulates.

The Central Bank last conducted an on-site inspection in September 2023, and the ratings were as follows:

Composite rating

Examination ratings	Nov-25	Sep-23	May-14	Sep-08
Overall risk rating	Satisfactory	Moderate	Moderate	Moderate
Capital adequacy, asset quality, management, earnings, liquidity, and sensitivity rating	2	3	3	2

Overall risk ratings – matrix 2025

Type of risk	Level of inherent risk	Adequacy of risk management systems	Overall composite risk	Direction of overall composite risk
Credit risk	Moderate	Acceptable	Moderate	Stable
Liquidity	High	Acceptable	High	Stable
Interest rate	Moderate	Acceptable	Moderate	Stable
Foreign exchange	Moderate	Acceptable	Moderate	Stable
Strategic risk	Moderate	Acceptable	Moderate	Stable
Operational risk	Moderate	Acceptable	Moderate	Stable
Legal	High	Acceptable	Moderate	Increasing
Compliance	Moderate	Acceptable	Moderate	Stable
Reputation	Low	Acceptable	Moderate	Stable
Overall	**Moderate**	**Acceptable**	**Moderate**	**Stable**

CAMELS rating – matrix 2025

Component rating	Composite	Capital adequacy	Asset quality	Management	Earnings	Liquidity	Sensitivity to market risk
1 Nov 2025	2	2	2	2	3	3	2
1 Sep 2023	3	3	3	3	3	3	2
1 May 2014	3	2	4	3	4	3	3
1 Sep 2008	2	2	2	3	2	3	2

The Group was assigned a composite CAMELS rating of "2," which is "Satisfactory," for its 2025 on-site examination.

Banking institutions in this group are fundamentally sound. For a banking institution to receive this rating, generally no component rating should be more severe than 3. Only moderate weaknesses are present and are well within the board of directors' and management's capabilities and willingness to correct. These banking institutions are stable and are capable of withstanding business fluctuations. These banking institutions are in substantial compliance with laws and regulations. Overall risk management practices are satisfactory relative to the institution's size, complexity, and risk profile. There are no material supervisory concerns and, as a result, the supervisory response is informal and limited.

External Credit Ratings

Rating agent	ICRA	ICRA	GCR		
Date of rating	May-26	May-25	Aug-22	Sep-21	May-20
Expiry date	May-27	May-26	Jul-23	May-22	Aug-21
Long term	BBB+	BBB-	BBB+	BBB+	BBB+

International Credit Rating Agency assigned a "BBB+" rating with an upgrade in the outlook from "Evolving" to "Positive" for African Banking Corporation of Zimbabwe Limited on the 15th of May 2026, assuming no material adverse events affecting the business occur during the year.

The assigned rating reflects a balanced assessment of BancABC's business model, competitive advantages, market conditions, and overall financial stability, which together contribute to the entity's creditworthiness under the ICRA credit rating methodology for banking institutions.

The "Positive" outlook reflects BancABC's improved profitability and adequate capital buffers, which support its financial stability. However, there have been working capital constraints requiring close monitoring.

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Note	30-Jun-26 ZWG' 000	31-Dec-25 ZWG' 000
ASSETS			
Cash and cash equivalents and balances with the central bank	4	2 860 429	1 883 325
Amounts due from group companies	22.1	6 164	17 794
Investment securities	5	2 674 768	1 134 626
Loans and advances to customers	6	3 034 673	2 312 585
Current income tax asset		73 937	11 845
Other assets	7	236 846	522 546
Non-current assets held for sale	8	206 885	143 105
Property and equipment	9	601 927	570 971
Right-of-use assets		25 321	29 828
Investment properties	10	567 568	487 439
Intangible assets		132 867	115 288
Total assets		**10 421 385**	**7 229 352**
LIABILITIES AND EQUITY			
Liabilities			
Deposits from banks	11	822 127	456 541
Deposits from customers	11	7 144 641	4 123 795
Borrowed funds	12	305 986	391 367
Provisions and other liabilities	13	139 913	292 400
Deferred tax liabilities		184 133	189 788
Total liabilities		**8 596 800**	**5 453 891**
Equity			
Share capital	14.1	30	161
Share premium	14.2	487 008	256 597
Capital awaiting allotment	14	-	230 280
Revaluation reserve		209 887	209 887
Financial assets at fair value through other comprehensive income reserve		16 267	15 838
Retained earnings		1 111 393	1 062 698
Total equity		**1 824 585**	**1 775 461**
Total liabilities and equity		**10 421 385**	**7 229 352**

AFRICAN BANKING CORPORATION OF ZIMBABWE LIMITED

ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2026

UNAUDITED SEPARATE STATEMENT OF FINANCIAL POSITION

As at 30 JUNE 2026

	Note	30-Jun-26 ZWG' 000	31-Dec-25 ZWG' 000
ASSETS			
Cash and cash equivalents and balances with the central bank	4	2 839 178	1 882 736
Amounts due from group companies	22.1	7 664	34 356
Investment securities	5	2 674 768	1 134 626
Loans and advances to customers	6	2 773 548	2 124 727
Current income tax asset		78 466	11 631
Other assets	7	180 971	383 461
Non-current assets held for sale	8	206 885	143 105
Investment in subsidiary		17 098	17 098
Property and equipment	9	598 118	565 960
Right-of-use assets		25 325	29 828
Investment properties	10	567 568	487 439
Intangible assets		132 867	115 288
Total assets		**10 102 456**	**6 930 255**
LIABILITIES AND EQUITY			
Liabilities			
Deposits from banks	11	822 127	456 541
Deposits from customers	11	7 144 641	4 123 795
Borrowed funds	12	113 680	169 474
Provisions and other liabilities	13	130 616	289 454
Deferred tax liabilities		189 011	194 853
Total liabilities		**8 400 075**	**5 234 117**
Equity			
Share capital	14.1	30	161
Share premium	14.2	487 008	256 597
Capital awaiting allotment	14	-	230 280
Revaluation reserve		209 887	209 887
Financial assets at fair value reserve through other comprehensive income reserve		16 267	15 838
Retained earnings		989 189	983 375
Total equity		**1 702 381**	**1 696 138**
Total liabilities and equity		**10 102 456**	**6 930 255**

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 30 JUNE 2026

	Note	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Interest and similar income	16	397 450	219 481
Interest expenses and similar charges	16	(198 042)	(55 741)
Net interest income before expected credit loss allowance		**199 408**	**163 740**
Expected credit losses allowance	17	(22 966)	(23 395)
Net interest income after expected credit loss allowance		**176 442**	**140 345**
Non-interest income	18	607 715	568 023
Operating income		**784 157**	**708 368**
Operating expenses	19	(612 482)	(504 966)
Profit before income tax		**171 675**	**203 402**
Income tax expense	20	(31 006)	(55 955)
Profit for the period		**140 669**	**147 447**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Net fair value adjustments on financial assets at fair value			
through other comprehensive income		450	-
Tax effect on fair value adjustments		(21)	-
		429	-
			-
Other comprehensive income for the period, net of tax		**429**	-
Total comprehensive income for the period		**141 098**	**147 447**

UNAUDITED SEPARATE STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 30 JUNE 2026

	Note	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Interest and similar income	16	305 316	177 862
Interest expenses and similar charges	16	(180 381)	(47 541)
Net interest income before expected credit loss allowance		**124 935**	**130 321**
Expected credit losses allowance	17	(18 813)	(19 322)
Net interest income after expected credit loss allowance		**106 122**	**110 999**
Non-interest income	18	595 117	562 208
Operating income		**701 239**	**673 207**
Operating expenses	19	(585 978)	(485 055)
Profit before income tax		**115 261**	**188 152**
Income tax expense	20	(17 473)	(51 346)
Profit for the period		**97 788**	**136 806**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Net fair value adjustments on financial assets at fair value			
through other comprehensive income		450	-
Tax effect on fair value adjustments		(21)	-
		429	-
Other comprehensive income for the period, net of tax		**429**	-
Total comprehensive income for the period		**98 217**	**136 806**

AFRICAN BANKING CORPORATION OF ZIMBABWE LIMITED

ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2026

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 30 JUNE 2026

	Share capital ZWG' 000	Share premium ZWG' 000	Capital Awaiting Allotment ZWG' 000	Revaluation reserve ZWG' 000	Financial assets at fair value through other comprehensive income reserve ZWG' 000	Retained earnings ZWG' 000	Total ZWG' 000
Balance at 1 January 2025	161	256 597	230 280	189 784	14 437	1 053 907	1 745 166
Profit for the period	-	-	-	-	-	147 447	147 447
Dividend	-	-	-	-	-	(141 064)	(141 064)
Balance at 30 June 2025	**161**	**256 597**	**230 280**	**189 784**	**14 437**	**1 060 290**	**1 751 549**
Balance at 1 January 2026	161	256 597	230 280	209 887	15 838	1 062 698	1 775 461
Profit for the period	-	-	-	-	-	140 669	140 669
Dividend	-	-	-	-	-	(91 974)	(91 974)
Transfer	(131)	230 411	(230 280)	-	-	-	-
Other comprehensive income for the period	-	-	-	-	429	-	429
Balance at 30 June 2026	**30**	**487 008**	**-**	**209 887**	**16 267**	**1 111 393**	**1 824 585**

UNAUDITED SEPARATE STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 30 JUNE 2026

	Share capital ZWG' 000	Share premium ZWG' 000	Capital Awaiting Allotment ZWG' 000	Revaluation reserve ZWG' 000	Financial assets at fair value through other comprehensive income reserve ZWG' 000	Retained earnings ZWG' 000	Total ZWG' 000
Balance at 1 January 2025	161	256 597	230 280	189 784	14 437	1 016 021	1 707 280
Profit for the period	-	-	-	-	-	136 806	136 806
Dividend	-	-	-	-	-	(141 064)	(141 064)
Balance at 30 June 2025	**161**	**256 597**	**230 280**	**189 784**	**14 437**	**1 011 763**	**1 703 022**
Balance at 1 January 2026	161	256 597	230 280	209 887	15 838	983 375	1 696 138
Profit for the period	-	-	-	-	-	97 788	97 788
Dividend	-	-	-	-	-	(91 974)	(91 974)
Transfer	(131)	230 411	(230 280)	-	-	-	-
Other comprehensive income for the period	-	-	-	-	429	-	429
Balance at 30 June 2026	**30**	**487 008**	**-**	**209 887**	**16 267**	**989 189**	**1 702 381**

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 30 JUNE 2026

	Note	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Cash flows from operating activities			
Profit before income tax		171 675	203 402
Adjusted for:			
Expected credit loss allowance:	17	22 966	23 395
Net interest income	16	(199 408)	(163 740)
Unrealised foreign exchange gains		(563)	(1 715)
Fair value adjustments		(27 628)	-
Profit on disposal		(193)	(375)
Depreciation of property and equipment		24 686	13 212
Depreciation of right-of-use assets		4 495	-
Amortisation of intangible assets		6 765	-
Other provisions charged to profit or loss		(42 081)	15 141
Leave pay provision charged to profit or loss		11 235	-
Changes in operating assets and liabilities:			
Increase in loans and advances to customers		(726 525)	(538 759)
Decrease/(increase) in other assets		285 700	(98 190)
Decrease in non-current assets held for sale		12 059	-
Increase in deposits from banks		365 586	102 799
Increase in deposits from customers		2 988 542	714 799
Decrease in other liabilities		(116 872)	(5 814)
Decrease/(increase) in amounts due from group companies		11 630	(28 273)
Decrease in amounts due to group companies		-	(9 781)
Cash (used in)/generated from operations		**2 792 069**	**226 101**
Interest received		332 753	220 499
Interest paid		(159 184)	(56 759)
Income taxes paid		(98 769)	(47 943)
Net cash generated from operating activities		**2 866 869**	**341 898**
Cash flows from investing activities			
Purchases of investment securities		(5 092 994)	(416 852)
Proceeds from disposal of investment securities		3 599 471	49 845
Purchase of property and equipment		(56 022)	(30 443)
Proceeds from disposal of property and equipment		573	375
Purchase of investment property		(128 340)	-
Purchase of intangible assets		(24 346)	(11 577)
Net cash utilised investing activities		**(1 701 658)**	**(408 652)**
Cash flows from financing activities			
Dividends paid		(91 974)	(87 926)
Proceeds from borrowed funds		27 976	85 863
Repayment of borrowed funds during the period		(114 203)	(44 593)
Principal elements of lease payments		(4 770)	(1 474)
Net cash utilised in financing activities		**(182 971)**	**(48 130)**
Net increase/(decrease) in cash and cash equivalents		**982 240**	**(114 884)**
Effects of exchange rate changes on cash and cash equivalents held		(5 136)	104 058
Cash and cash equivalents at the beginning of the period	4	**1 883 325**	**1 621 583**
Cash and cash equivalents at the end of the period	4	**2 860 429**	**1 610 757**

UNAUDITED SEPARATE STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 30 JUNE 2026

	Note	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Cash flows from operating activities			
Profit before income tax		115 261	188 152
Adjusted for:			
Expected credit loss allowance:	17	18 813	19 322
Net interest income	16	(124 935)	(130 321)
Unrealised foreign exchange gains		(375)	(1 635)
Profit on disposal		(193)	(375)
Fair value adjustments		(27 628)	-
Depreciation of property and equipment		24 334	12 676
Depreciation of right-of-use assets		4 495	-
Amortisation of intangible assets		6 765	-
Other provisions charged to profit or loss		(40 736)	19 107
Leave pay provision charged to profit or loss		10 694	-
Changes in operating assets and liabilities:			
Increase in loans and advances to customers		(654 543)	(460 132)
Decrease/(increase) in other assets		202 490	(75 384)
Decrease in non-current assets held for sale		12 059	-
Increase in deposits from banks		365 586	102 799
Increase in deposits from customers		2 987 871	714 799
(Decrease)/increase in other liabilities		(124 025)	19 107
Decrease/(increase) in amounts due from group companies		26 692	(33 471)
Decrease in amounts due to group companies		-	(9 755)
Cash generated from operations		**2 802 625**	**364 889**
Interest received		246 056	179 390
Interest paid		(142 907)	(56 759)
Income taxes paid		(90 016)	(45 370)
Net cash generated from operating activities		**2 815 758**	**442 150**
Cash flows from investing activities			
Purchases of investment securities		(5 092 972)	(416 852)
Proceeds from disposal of investment securities		3 599 471	49 845
Purchase of property and equipment		(56 871)	(30 443)
Proceeds from disposal of property and equipment		573	375
Purchase of investment property		(128 340)	-
Purchase of intangible assets		(24 345)	(11 577)
Net cash utilised in investing activities		**(1 702 485)**	**(408 652)**
Cash flows from financing activities			
Dividend paid		(91 974)	(87 926)
Repayment of borrowed funds during the period		(55 256)	(44 593)
Principal elements of lease payments		(4 770)	(938)
Net cash utilised in financing activities		**(152 000)**	**(133 457)**
Net increase/(decrease) in cash and cash equivalents		**961 273**	**(99 959)**
Effects of exchange rate changes on cash and cash equivalents held		(4 831)	107 382
Cash and cash equivalents at the beginning of the period	4	**1 882 736**	**1 608 720**
Cash and cash equivalents at the end of the period	4	**2 839 178**	**1 616 143**

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 JUNE 2026

1.GENERAL INFORMATION

African Banking Corporation of Zimbabwe Limited trading as BancABC (the "Bank or Company") is incorporated and domiciled in Zimbabwe and is a registered commercial bank in terms of the Zimbabwe Banking Act (Chapter 24:20). The Bank and its subsidiary ABC Easy Loans (Private) Limited (together the "Group") provide retail banking, corporate banking, treasury, microfinancing, and corporate advisory services in Zimbabwe. ABC Easy Loans (Private) Limited trading as (BancEasy") provides microfinancing services in Zimbabwe. The abridged unaudited consolidated financial statements of the Group for the half-year ended 30 June 2026 comprise the Company and its subsidiary.

The unaudited consolidated financial statements were approved for issue by the Board of Directors on 21 August 2026.

2.ACCOUNTING POLICIES

The accounting policies applied in the preparation of these abridged unaudited consolidated financial statements are largely consistent with those followed in the preparation of the audited Group's annual consolidated financial statements for the year ended 31 December 2025..

3.BASIS OF ACCOUNTING

The abridged unaudited consolidated financial statements of African Banking Corporation of Zimbabwe Limited have been prepared in accordance with IAS 34 Interim Financial Reporting and in accordance with interpretations issued by the International Financial Reporting Interpretations Committee ("IFRS IC") applicable to companies reporting under IFRS and in the manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) and the Zimbabwe Banking Act (Chapter 24:20) as relevant.

These unaudited consolidated financial statements do not include all the information required for a complete set of International Financial Reporting Standards ("IFRS") financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements. They should therefore be read in conjunction with the Group's consolidated annual report for the year ended 31 December 2025.

3.1.CHANGE IN FUNCTIONAL CURRENCY

Following an assessment of the primary economic environment in which the Group operates, Board and management concluded that the United States Dollar became the currency that most faithfully represents the economic effects of the Group's transactions, events and conditions. Accordingly, the Group changed its functional currency from Zimbabwe Gold (ZWG) to United States Dollar (USD) with effect from 1 January 2025.

The change in functional currency was determined after considering the below parameters and factors:

- The currency that mainly influences interest rates and fees;
- The currency that mainly influences labour, materials and other Group costs;
- The currency in which funds from financing activities are generated; and
- The currency in which receipts from operating activities are usually retained.

The change is made in the context of Zimbabwe's economy, which operates under a multicurrency regime as promulgated by Statutory Instrument 218 of 2023, allowing the use of multi currencies including USD; and which is expected to continue until 2030.

Upon the change in functional currency on 1 January 2025, all assets, liabilities and equity balances were translated into USD at the spot exchange rate on the date of change in accordance with IAS 21. The translated amounts became the new carrying amounts for subsequent accounting purposes..

3.2.PRESENTATION CURRENCY

The abridged unaudited consolidated financial statements are presented in Zimbabwe Gold ("ZWG"), which is the Group's presentation currency for the half-year ended 30 June 2026 and as prescribed by paragraph 194 of the Monetary Policy Statement presented by the Reserve Bank Governor on 6 February 2025, that every licensed person must adopt a common presentation currency, ZWG, for reporting purposes. Although the Group's functional currency is USD, the financial statements are presented in ZWG to comply with local regulatory reporting requirements

The exchange rate used to translate 30 June 2026 "ZWG" figures to USD was the prevailing official exchange rate of ZWG 26.7986 to USD 1. All amounts have been rounded to the nearest thousands, except when otherwise indicated.

3.3 USE OF JUDGEMENTS AND ESTIMATES

In preparing these abridged financial statements, management has made judgments and estimates about the future that affect the application of the Group`s accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those disclosed in the latest annual financial statements.

3.4 GOING CONCERN

In preparing these abridged unaudited consolidated financial statements, the Directors have assessed the Group's ability to continue as a going concern. Having considered the Group's current financial position, forecasts, and borrowing facilities, the Directors are satisfied that the Group has sufficient resources to continue in operation for at least the next 12 months from the date of approval of these abridged financial statements.

There are no material uncertainties related to events or conditions that may cast significant doubt about the Group's ability to continue as a going concern. Therefore, the abridged unaudited consolidated financial statements have been prepared on the going concern basis, which assumes that the Group will continue to operate for the foreseeable future.

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 JUNE 2026

4. CASH AND CASH EQUIVALENTS AND BALANCES WITH THE CENTRAL BANK

	Group	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Cash on hand	544 441	388 901
Balances with banks and the central bank	554 383	383 006
Loans and advances to banks	151 975	227 038
Statutory reserves	1 609 630	884 380
Total	**2 860 429**	**1 883 325**

	Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Cash on hand	544 414	388 901
Balances with banks and the central bank	533 158	382 416
Loans and advances to banks	151 975	227 038
Statutory reserves	1 609 631	884 381
Total	**2 839 178**	**1 882 736**

Balances with banks and central bank comprise of balances with less than three months maturity from date of acquisition, including deposits held at call with banks, other short-term liquid investments with original maturities of three months or less. These balances are utilised to facilitate customer transactions.

The funds in the statutory reserves account are mandatorily held at Central Bank and are not available to finance the Group's Day to day operations.

5. INVESTMENT SECURITIES

	Group	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Financial assets at amortised cost	2 668 685	1 129 025
Financial assets at fair value through other comprehensive income	6 083	5 601
Total	**2 674 768**	**1 134 626**

	Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Financial assets at amortised cost	2 668 685	1 129 025
Financial assets at fair value through other comprehensive income	6 083	5 601
Total	**2 674 768**	**1 134 626**

6. LOANS AND ADVANCES TO CUSTOMERS

	Group	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Overdrafts	829 256	336 832
Staff loans	274 444	191 047
Term loans	1 373 535	1 669 955
Loans to small to medium enterprises	742 375	215 969
Gross loans and advances to customers	**3 219 610**	**2 413 803**
Less: Expected credit losses	(184 937)	(101 218)
Net loans and advances to customers	**3 034 673**	**2 312 585**

	Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Overdrafts	829 175	309 122
Staff loans	274 445	175 343
Term loans	1 111 124	1 532 666
Loans to small to medium enterprises	731 816	198 229
Gross loans and advances to customers	**2 946 560**	**2 215 360**
Less: Expected credit losses allowance	(173 012)	(90 633)
Net loans and advances to customers	**2 773 548**	**2 124 727**

6.1 Gross Credit Risk Concentration

	Group	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Agriculture	236 248	224 679
Mining and energy	487 267	515 283
Wholesale service and retail	835 595	101 433
Manufacturing	220 993	596 349
Individuals	1 439 507	976 059
Total gross loans	**3 219 610**	**2 413 803**
Less: Expected credit losses allowance	(184 937)	(101 218)
Total	**3 034 673**	**2 312 585**

	Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Agriculture	232 933	206 215
Mining and energy	480 392	472 915
Wholesale service and retail	823 816	93 098
Manufacturing	217 873	547 308
Individuals	1 191 546	895 824
Gross loans and advances to customers	**2 946 560**	**2 215 360**
Less: Expected credit losses allowance	(173 012)	(90 633)
Total	**2 773 548**	**2 124 727**

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (continued

FOR THE HALF-YEAR ENDED 30 JUNE 2026

6.2 Maturity Profile for Gross Loans and Advances to Customers

	Group	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Due within 1 month	153 493	297 813
Due between 1 month and 3 months	270 691	392 278
Due between 3 months and 12 months	1 033 186	600 503
Greater than 1 year	1 762 240	1 123 209
Total	**3 219 610**	**2 413 803**

	Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Due within 1 month	140 478	273 319
Due between 1 month and 3 months	247 727	360 039
Due between 3 months and 12 months	945 562	551 140
Greater than 1 year	1 612 793	1 030 862
Total	**2 946 560**	**2 215 360**

7. OTHER ASSETS

	Group	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Other receivables	165 267	452 334
Prepayments	71 579	70 212
Total	**236 846**	**522 546**

	Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Other receivables	109 847	313 249
Prepayments	71 124	70 212
Total	**180 971**	**383 461**

8. NON-CURRENT ASSETS HELD FOR SALE

	Group	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Opening net carrying amount	143 105	-
Additions	48 211	143 105
Disposals	(12 059)	-
Fair value adjustment	27 628	-
At 30 June - net carrying amount	**206 885**	**143 105**

	Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Opening net carrying amount	143 105	-
Additions	48 211	143 105
Disposals	(12 059)	-
Fair value adjustment	27 628	-
At 30 June - net carrying amount	**206 885**	**143 105**

On 31 December 2025, the Group reclassified certain residential stands and residential flats from investment property to non-current assets held for sale in accordance with IFRS 5: Non-Current Assets Held for Sale and Discontinued Operations. These properties are located in Tynwald, Barrington, Hopelynn, Hopeville and Sentosa. The reclassification arose following a strategic decision by management to dispose of these assets to optimise the Group's property portfolio.

As of the reporting date, the Group has entered into binding agreements of sale with various purchasers for these residential stands and properties. The sale of these properties is considered highly probable, and management expects the transactions to be completed within 12 months of the reporting date.

Purchasers will obtain possession and occupation of the properties only upon transfer, which will occur once the full purchase price has been confirmed. At that point, risks and rewards of ownership will pass to the purchasers

9. PROPERTY AND EQUIPMENT

	Group				
Half-year ended 30 June 2026	Land and buildings ZWG'000	Leasehold improvements ZWG'000	Motor vehicles ZWG'000	Furniture, fittings and equipment ZWG'000	Total ZWG'000
Opening net carrying amount	433 602	12 567	7 290	117 512	570 971
Additions	-	866	26 547	28 609	56 022
Disposals	-	-	(380)	-	(380)
Depreciation charge	(3 540)	(880)	(3 075)	(17 191)	(24 686)
Closing net carrying amount	**430 062**	**12 553**	**30 382**	**128 930**	**601 927**
Year ended 31 December 2025					
Opening net carrying amount	428 054	7 236	12 167	142 193	589 650
Additions	-	7 824	1 126	41 297	50 247
Revaluation surplus	15 731	-	-	-	15 731
Disposals	-	-	-	(31 354)	(31 354)
Impairment	-	(697)	(2 305)	(4 395)	(7 397)
Depreciation charge	(10 183)	(1 796)	(3 698)	(30 229)	(45 906)
Closing net carrying amount	**433 602**	**12 567**	**7 290**	**117 512**	**570 971**

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE HALF-YEAR ENDED 30 JUNE 2026

	Company				
Half-year ended 30 June 2026	Land and buildings	Leasehold improvements	Motor vehicles	Furniture, fittings and equipment	Total
	ZWG'000	ZWG'000	ZWG'000	ZWG'000	ZWG'000
Opening net carrying amount	433 602	12 567	7 290	112 501	565 960
Additions	-	867	25 034	30 971	56 871
Disposals	-	-	(380)	-	(380)
Depreciation charge	(3 540)	(880)	(2 997)	(16 917)	(24 334)
Closing net carrying amount	**430 062**	**12 554**	**28 947**	**126 555**	**598 118**
Year ended 31 December 2025					
Opening net carrying amount	428 054	7 236	12 167	105 747	553 204
Additions	-	7 824	1 126	41 297	50 247
Revaluation surplus	15 731	-	-	-	15 731
Disposals	-	-	-	(241)	(241)
Impairment	-	(697)	(2 305)	(4 395)	(7 397)
Depreciation charge	(10 183)	(1 796)	(3 698)	(29 907)	(45 584)
Closing net carrying amount	**433 602**	**12 567**	**7 290**	**112 501**	**565 960**

10. INVESTMENT PROPERTIES

	Group	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Opening net carrying amount	487 439	666 347
Acquisition of investment properties	128 340	123 300
Transfers	(48 211)	(143 105)
Disposal of investment property	-	(200 641)
Foreign currency translation reserve	-	41 538
At 30 June - net carrying amount	**567 568**	**487 439**

	Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Opening net carrying amount	487 439	666 347
Acquisition of investment properties	128 340	123 300
Transfer	(48 211)	(143 105)
Disposal of investment property	-	(200 641)
Foreign currency translation reserve	-	41 538
At 30 June - net carrying amount	**567 568**	**487 439**

11.DEPOSITS

	Group	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Deposits from banks	822 127	456 541
Deposits from customers	7 144 641	4 123 795
Total	**7 966 768**	**4 580 336**

	Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Deposits from banks	822 127	456 541
Deposits from customers	7 144 641	4 123 795
Total	**7 966 768**	**4 580 336**

11.1 Sectorial distribution of customer deposits

	Group	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Agriculture	30 336	17 714
Individuals and households	83 344	48 693
Financial institutions	242 527	90 820
Wholesale, service and retail	6 631 206	3 874 676
Mining and energy	144 739	84 576
Manufacturing	12 489	7 316
Total	**7 144 641**	**4 123 795**

	Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Agriculture	30 336	17 714
Individuals and households	83 344	48 693
Financial institutions	242 527	90 820
Wholesale, service and retail	6 631 206	3 874 676
Mining and energy	144 739	84 576
Manufacturing	12 489	7 316
Total	**7 144 641**	**4 123 795**

12. BORROWED FUNDS

	Group	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Off-shore borrowings	113 680	169 474
Local borrowing	192 306	221 893
Total	**305 986**	**391 367**

	Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Off-shore borrowings	113 680	169 474
Total	**113 680**	**169 474**

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE HALF-YEAR ENDED 30 JUNE 2026

13. PROVISIONS AND OTHER LIABILITIES

	Group	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Accruals	17 365	21 332
Provisions	39 340	70 186
Lease liability	27 603	32 373
Other	55 605	168 509
Total	**139 913**	**292 400**

	Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Accruals	17 365	21 332
Provisions	34 007	64 049
Lease liability	27 629	32 373
Other	51 615	171 700
Total	**130 616**	**289 454**

14. RECLASSIFICATION OF CAPITAL AWAITING ALLOTMENT

The Board approved the allotment of shares in May 2026 relating to amounts previously recognised as capital awaiting allotment. Based on the approval obtained, the Group reclassified the capital awaiting allotment balance to Share Premium. Number of additional ordinary shares allotted were 29 905 shares at ZWG 1 dollar.

	Group & Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Opening net carrying amount	230 280	230 280
Transfer to share premium	(230 280)	-
At 30 June - net carrying amount	**-**	**230 280**

14.1. Share Capital

	Group & Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Opening net carrying amount	161	161
Transfer to share premium	(131)	-
At 30 June - net carrying amount	**30**	**161**

14.2. Share Premium

	Group & Company	
	30-Jun-26	31-Dec-25
	ZWG' 000	ZWG' 000
Opening net carrying amount	256 597	256 597
Transfer from capital awaiting allotment	230 280	-
Transfer from share capital	131	-
At 30 June - net carrying amount	**487 008**	**256 597**

15. DIVIDEND PAYMENT

The Group declared and paid a dividend of ZWG 91.97 million to ABCH(Z), its sole shareholder, for the year ended 31 December 2025.

16. NET INTEREST INCOME

	Group	
	30-Jun-26	30-Jun-25
	ZWG' 000	ZWG' 000
Interest and similar income		
Loans and advances:		
- to banks	13 319	7 262
- to customers	374 912	190 618
Cash and short-term funds	4 556	9 647
Financial assets at amortised cost	4 663	11 954
Total interest income	**397 450**	**219 481**
Interest expense and similar charges		
Deposits from banks	(50 489)	(7 906)
Deposits from customers	(119 254)	(24 735)
Borrowed funds	(28 299)	(23 100)
Total interest expense and similar charges	**(198 042)**	**(55 741)**
Net interest income	**199 408**	**163 740**

	Company	
	30-Jun-26	30-Jun-25
	ZWG' 000	ZWG' 000
Interest and similar income		
Loans and advances:		
- to banks	13 319	7 262
- to customers	283 770	148 973
Cash and short-term funds	3 537	9 647
Financial assets at amortised cost	4 690	11 980
Total interest income	**305 316**	**177 862**
Interest expense and similar charges		
Deposits from banks	(50 489)	(7 906)
Deposits from customers	(118 182)	(24 333)
Borrowed funds	(11 710)	(15 302)
Total interest expense and similar charges	**(180 381)**	**(47 541)**
Net interest income	**124 935**	**130 321**

17. EXPECTED CREDIT LOSSES

	Group	
	30-Jun-26	30-Jun-25
	ZWG' 000	ZWG' 000
Income statement movement comprised of		
Net change in expected credit losses	23 636	22 859
Recoveries	(1 983)	(27)
Write-offs	1 313	563
Total	**22 966**	**23 395**

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE HALF-YEAR ENDED 30 JUNE 2026

	Company	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Income statement movement comprised of:		
Net change in expected credit losses	20 340	18 839
Recoveries	(1 983)	-
Write-offs	456	483
Total	**18 813**	**19 322**

18. NON-INTEREST INCOME

	Group	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Fee and commission income (Note 18.1)	464 339	300 493
Net trading income (Note 18.2)	94 197	132 358
Other operating income (Note 18.3)	49 179	135 172
Total	**607 715**	**568 023**

	Company	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Fee and commission income (Note 18.1)	454 343	297 545
Net trading income (Note 18.2)	94 009	132 358
Other operating income (Note 18.3)	46 765	132 305
Total	**595 117**	**562 208**

18.1 Fee and commission income

	Group	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Trading fees and commissions	197 934	128 419
Net commission income	266 405	172 074
Total	**464 339**	**300 493**

	Company	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Trading fees and commissions	187 912	125 471
Net commission income	266 431	172 074
Total	**454 343**	**297 545**

18.2 Net trading income

	Group	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Foreign exchange trading	93 634	132 358
Unrealised foreign exchange gains	563	-
Total	**94 197**	**132 358**

	Company	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Foreign exchange trading	93 634	132 358
Unrealised foreign exchange gains	375	-
Total	**94 009**	**132 358**

18.3 Other operating income

	Group	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Fair value adjustments	27 628	-
Other	14 547	123 381
Rental income	7 004	11 791
Total	**49 179**	**135 172**

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE HALF-YEAR ENDED 30 JUNE 2026

	Company	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Fair value adjustments	27 628	-
Other	12 143	120 445
Rental income	6 994	11 860
Total	**46 765**	**132 305**

19. OPERATING EXPENSES

	Group	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Personnel expenses	304 325	291 301
Directors' fees	3 779	4 100
General and administrative expenses	268 442	196 836
Depreciation and amortisation expenses	35 936	12 729
Total	**612 482**	**504 966**

	Company	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Personnel expenses	291 992	280 796
Directors' fees	3 791	4 100
General and administrative expenses	254 600	187 483
Depreciation and amortisation expenses	35 595	12 676
Total	**585 978**	**485 055**

20. TAXATION

20.1 Income tax expense/(credit)

	Group	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Deferred tax	(5 671)	183 892
Current income tax	36 677	(127 937)
Income tax expense	**31 006**	**55 955**

	Company	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Deferred income tax	(5 708)	177 675
Current income tax	23 181	(126 329)
Income tax expense	**17 473**	**51 346**

20.2 Reconciliation of effective tax rate

The income tax on the Group's profit/(loss) before income tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	Group	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Profit before income tax	171 675	203 402
Notional income tax on profit for the period at a statutory rate of 25.75%	44 218	52 364
Add non-deductible expenses	17 070	10 505
Less non-taxable income	(30 282)	(6 914)
Income tax expense	**31 006**	**55 955**
Effective tax rate	**18.06%**	**27.51%**

	Company	
	30-Jun-26 ZWG' 000	30-Jun-25 ZWG' 000
Profit before income tax	115 261	188 152
Notional income tax on profit for the period at a statutory rate of 25.75%	29 693	48 452
Add non-deductible expenses	17 849	9 808
Less non-taxable income	(30 069)	(6 914)
Income tax expense	**17 473**	**51 346**
Effective tax rate	**15.16%**	**27.29%**

Management believes that the Group has the capacity to generate enough taxable profits against which the deferred tax assets can be utilised.

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE HALF-YEAR ENDED 30 JUNE 2026

21. FAIR VALUE

21.1. Fair value hierarchy

The Group measures fair values using the following fair value hierarchy, which reflects the significance of inputs used in making the measurements.

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities traded on the Zimbabwe Stock Exchange.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This level includes non-listed equity investments.

The hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible. For the valuation of all properties, management engages valuation specialists.

None of the Group's financial liabilities were carried at fair value.

At 30 June 2026	Group Level 3 ZWG' 000	Total fair value ZWG' 000
Assets		
Financial assets at fair value through other comprehensive income	6 083	6 083
Land and buildings	430 062	430 062
Investment properties	567 568	567 568
Total at fair value	**1 003 713**	**1 003 713**

At 30 June 2026	Company Level 3 ZWG' 000	Total fair value ZWG' 000
Assets		
Financial assets at fair value through other comprehensive income	6 083	6 083
Land and buildings	430 062	430 062
Investment properties	567 568	567 568
Total at fair value	**1 003 713**	**1 003 713**

22. RELATED PARTY TRANSACTIONS

African Banking Corporation of Zimbabwe Limited trading as BancABC is a wholly owned subsidiary of ABC Holdings (Zimbabwe) Limited. ABC Holdings (Zimbabwe) Limited is controlled by ABC Holdings Limited (incorporated and domiciled in Botswana). The ultimate controlling party of the Group is Atlas Mara Limited.

ABC Holdings (Zimbabwe) Limited's other main subsidiaries include:

- ABC Stockbrokers (Private) Limited
- ABC Asset Management (Private) Limited

ABC Easy Loans (Private) Limited trading as BancEasy is a wholly owned subsidiary of BancABC.

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

The Group entered into various financial services transactions with companies in the ABC Holdings Limited group during the year. All related party balances are disclosed at their carrying amounts.
Balances arising from transactions with related parties during the period as follows:

22.1 Amounts due from group companies

	Group 30-Jun-26 ZWG' 000	31-Dec-25 ZWG' 000
Amounts due from group companies		
ABC Holdings Zimbabwe Limited	6 137	1 528
ABC Stockbrokers (Private) Limited	27	4 073
ABC Asset Management (Private) Limited	-	12 193
Total	**6 164**	**17 794**

	Company 30-Jun-26 ZWG' 000	31-Dec-25 ZWG' 000
ABC Holdings Zimbabwe Limited	6 137	1 528
ABC Stockbrokers (Private) Limited	27	4 073
ABC Asset Management (Private) Limited	-	12 997
ABC Easy Loans (Private) Limited	1 500	15 758
Total	**7 664**	**34 356**

Both the balances due to group companies and balances due from group companies have no fixed repayment period. No collateral has been provided for these balances.

22.2 Remuneration Policy

The Group's policy is to remunerate Non-Executive Directors fairly and reasonably for their time, expertise, and commitment. Non-Executive Directors receive a fixed fee for their services, which is not linked to individual or Group performance. There is no equity-based compensation.

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS (continued)
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For executive directors and senior executives, the remuneration policy is designed to attract, retain, and motivate high-performing executives. The policy provides for a mix of fixed and variable remuneration, with the variable component linked to individual and company performance (profit share/annual compensation incentive). There is no equity-based compensation and remuneration is competitive with market rates.

This Remuneration Policy is reviewed annually and updated as necessary to ensure alignment with the Company's strategic objectives and regulatory requirements.

23. FINANCIAL RISK MANAGEMENT

23.1 Interest rate repricing risk

The Group is exposed to various risks with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The table below summarises the Group's exposure to interest rate risk. Included in the table are the Group's assets and liabilities at carrying amounts categorised by the earlier of contractual repricing or maturity dates.

Interest rate repricing gap analysis At 30 June 2026	Up to 1 month ZWG' 000	1 - 3 months ZWG' 000	3 - 12 months ZWG' 000	Group Greater than one year ZWG' 000	Non-interest bearing ZWG' 000	Total ZWG'000
Assets						
Cash and cash equivalents and balances with the central bank	2 860 429	-	-	-	-	2 860 429
Amounts due from group companies	-	-	6 164	-	-	6 164
Investment securities	-	48 742	168 452	2 457 574	-	2 674 768
Loans and advances to customers	153 493	270 691	1 033 186	1 577 303	-	3 034 673
Current income tax asset	-	-	-	-	73 937	73 937
Other assets	-	-	-	-	236 846	236 846
Non-current assets held for sale					206 885	206 885
Property and equipment	-	-	-	-	601 927	601 927
Right-of-use assets	-	-	-	-	25 321	25 321
Investment properties	-	-	-	-	567 568	567 568
Intangible assets	-	-	-	-	132 867	132 867
Total assets	**3 013 922**	**319 433**	**1 207 802**	**4 034 877**	**1 845 351**	**10 421 385**
Liabilities						
Deposits from banks	822 127	-	-	-	-	822 127
Deposits from customers	6 715 963	357 232	71 446	-	-	7 144 641
Borrowed funds	-	-	192 307	113 679	-	305 986
Provisions and other liabilities	-	-	-	-	139 913	139 913
Deferred tax liabilities	-	-	-	-	184 133	184 133
Equity	-	-	-	-	1 824 585	1 824 585
Total liabilities	**7 538 090**	**357 232**	**263 753**	**113 679**	**2 148 631**	**10 421 385**
Total interest rate repricing gap	**(4 524 168)**	**(37 799)**	**944 049**	**3 921 198**	**(303 280)**	**-**
Cumulative interest rate repricing gap	**(4 524 168)**	**(4 561 967)**	**(3 617 918)**	**303 280**	**-**	**-**
As at 31 December 2025	**1 296 970**	**(1 939 742)**	**(1 506 981)**	**365 123**	**-**	**-**

23.2 Interest rate repricing risk (continued)

Interest rate repricing gap analysis At 30 June 2026	Up to 1 month ZWG' 000	1 - 3 months ZWG' 000	3 - 12 months ZWG' 000	Company Greater than one year ZWG' 000	Non-interest bearing ZWG' 000	Total ZWG'000
Assets						
Cash and cash equivalents and balances with the central bank	2 839 178					2 839 178
Amounts due from group companies	7 664	-	-	-	-	7 664
Investment securities	-	48 742	168 452	2 457 574	-	2 674 768
Loans and advances to customers	140 478	247 727	1 033 186	1 352 157	-	2 773 548
Current income tax asset	-	-	-	-	78 466	78 466
Other assets	-	-	-	-	180 971	180 971
Non-current assets held for sale					206 885	206 885
Investment in subsidiary	-	-	-	-	17 098	17 098
Property and equipment	-	-	-	-	598 118	598 118
Right-of-use assets	-	-	-	-	25 325	25 325
Investment properties	-	-	-	-	567 568	567 568
Intangible assets	-	-	-	-	132 867	132 867
Total assets	**2 987 320**	**296 469**	**1 201 638**	**3 809 731**	**1 807 298**	**10 102 456**
Liabilities						
Deposits from banks	822 127	-	-	-	-	822 127
Deposits from customers	6 715 963	357 232	71 446	-	-	7 144 641
Borrowed funds	-	-	14 601	99 079	-	113 680
Provisions and other liabilities	-	-	-	-	130 616	130 616
Deferred tax liabilities	-	-	-	-	189 011	189 011
Equity	-	-	-	-	1 702 381	1 702 381
Total liabilities	**7 538 090**	**357 232**	**86 047**	**99 079**	**2 022 008**	**10 102 456**
Total interest rate repricing gap	**(4 550 770)**	**(60 763)**	**1 115 591**	**3 710 652**	**(214 710)**	**-**
Cumulative interest rate repricing gap	**(4 550 770)**	**(4 611 533)**	**(3 495 942)**	**214 710**	**-**	**-**
As at 31 December 2025	**1 184 554**	**(2 143 852)**	**(1 601 407)**	**132 988**	**-**	**-**

23.3 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its obligations when they fall due because of customer deposits being withdrawn, cash requirements from contractual commitments, or other cash outflows, such as debt maturities.

Non-derivative cash flows

The table below presents the non-derivative cash flows payable and recoverable by the Group and the Company by remaining contractual maturities at the reporting date.

Liquidity risk The Group's maturity analysis as at 30 June 2026	Up to 1 month ZWG' 000	1-3 months ZWG' 000	Group 3-12 months ZWG' 000	Greater than 1 year ZWG' 000	Total ZWG' 000
Cash and cash equivalents and balances with the central bank	2 860 429	-	-	-	2 860 429
Amounts due from group companies	-	-	6 164	-	6 164
Investment securities	-	48 742	168 452	2 457 574	2 674 768
Loans and advances to customers	94 253	166 219	634 433	2 139 768	3 034 673
Other assets (excluding prepayments)	-	-	165 267	-	165 267
Total assets	**2 954 682**	**214 961**	**974 316**	**4 597 342**	**8 741 301**
Deposits from banks	822 127	-	-	-	822 127
Deposits from customers	6 715 963	357 232	71 446	-	7 144 641
Other liabilities (excluding provisions)	-	72 970	-	-	72 970
Borrowed funds	-	-	14 601	291 385	305 986
Total liabilities	**7 538 090**	**430 202**	**86 047**	**291 385**	**8 345 724**
Liquidity gap	**(4 583 408)**	**(215 241)**	**888 269**	**4 305 957**	**395 577**
Cumulative liquidity gap	**(4 583 408)**	**(4 798 649)**	**(3 910 380)**	**395 577**	**-**
As at 31 December 2025	**1 207 544**	**(2 097 211)**	**(1 294 329)**	**520 202**	**-**

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Liquidity risk

The Group's maturity analysis as at 30 June 2026	Up to 1 month ZWG' 000	1-3 months ZWG' 000	Company 3-12 months ZWG' 000	Greater than 1 year ZWG' 000	Total ZWG' 000
Cash and cash equivalents and balances with the central bank	2 839 178	-	-	-	2 839 178
Amounts due from group companies	-	-	7 664	-	7 664
Investment securities	-	48 742	168 452	2 457 574	2 674 768
Loans and advances to customers	94 253	166 219	634 433	1 878 643	2 773 548
Other assets (excluding prepayments)	-	-	109 847	-	109 847
Total assets	**2 933 431**	**214 961**	**920 396**	**4 336 217**	**8 405 005**
Deposits from banks	822 127	-	-	-	822 127
Deposits from customers	6 715 963	357 232	71 446	-	7 144 641
Other liabilities (excluding provisions)	-	68 980	-	-	68 980
Borrowed funds	-	-	14 601	99 079	113 680
Total liabilities	**7 538 090**	**426 212**	**86 047**	**99 079**	**8 149 428**
Liquidity gap	**(4 604 659)**	**(211 251)**	**834 349**	**4 237 138**	**255 577**
Cumulative liquidity gap	**(4 604 659)**	**(4 815 910)**	**(3 981 561)**	**255 577**	**-**
As at 31 December 2025	**1 184 556**	**(2 143 858)**	**(1 297 719)**	**933 717**	**-**

23.4 Foreign currency exchange risk

Foreign exchange risk is the risk arising from fluctuations in foreign exchange rates and their effect on future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency.

The Group takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Risk Department sets limits on the level of exposure by currency and in aggregate.

As at 30 June 2026, BancABC aggregate net foreign currency open position ratio and single currency net open position ("NOP") ratio was 13% and 7%, respectively. These foreign currency open positions were within the regulatory limits of 20% and 10% respectively, as prescribed under the Banking Regulations S.I. 205 of 2000. The Bank provides weekly updates to the regulator on the status of its Net Open Position.

The tables below summarise the Group's exposure to foreign currency exchange risk as at 30 June 2026.

23.4.1 Concentration of Currency Risk

At 30 June 2026	ZWG ZWG' 000 Equivalent	US$ ZWG' 000 Equivalent	EUR ZWG' 000 Equivalent	Group GBP ZWG' 000 Equivalent	ZAR ZWG' 000 Equivalent	Other ZWG' 000 Equivalent	Total ZWG'000 Equivalent
Assets							
Cash and cash equivalents and balances with the central bank	260 422	2 381 874	66 787	20 602	120 567	10 177	2 860 429
Amounts due from group companies	6 164	-	-	-	-	-	6 164
Investment securities	112 659	2 562 086	7	-	16	-	2 674 768
Loans and advances to customers	298 210	2 734 769	292	-	1 402	-	3 034 673
Current income tax asset	-	73 937	-	-	-	-	73 937
Other assets	15 470	220 123	1 014	70	168		236 846
Total assets	**692 925**	**7 972 789**	**68 100**	**20 672**	**122 153**	**10 177**	**8 886 817**
Liabilities							
Deposits from banks and customers	1 210 051	6 587 634	21 624	3 844	49 822	93 793	7 966 768
Other liabilities	11 182	121 623	562	43	-	6 503	139 913
Borrowed funds	18 927	287 059	-	-	-	-	305 986
Total liabilities	**1 240 160**	**6 996 316**	**22 186**	**3 887**	**49 822**	**100 296**	**8 412 667**
Net financial instrument balance	**(547 235)**	**976 473**	**45 914**	**16 785**	**72 331**	**(90 119)**	**474 150**
As at 31 December 2025	**(275 958)**	**1 061 444**	**31 373**	**8 856**	**(3 936)**	**48 347**	**870 126**

At 30 June 2026	ZWG ZWG' 000 Equivalent	US$ ZWG' 000 Equivalent	ZAR ZWG' 000 Equivalent	Company GBP ZWG' 000 Equivalent	EUR ZWG' 000 Equivalent	Other ZWG' 000 Equivalent	Total ZWG'000 Equivalent
Assets							
Cash and cash equivalents and balances with the central bank	258 487	2 364 178	66 291	20 449	119 671	10 102	2 839 178
Amounts due from group companies	7 664	-	-	-	-	-	7 664
Investment securities	112 659	2 562 086	7	-	-	16	2 674 768
Loans and advances to customers	272 550	2 499 449	271	-	1 278	-	2 773 548
Current income tax asset	-	78 466	-	-	-	-	78 466
Other assets	11 820	168 195	773	54	128	-	180 971
Total assets	**663 180**	**7 672 374**	**67 342**	**20 503**	**121 077**	**10 118**	**8 554 595**
Liabilities							
Deposits from banks and customers	1 210 051	6 587 634	48 179	8 565	111 001	1 338	7 966 768
Other liabilities	9 499	114 942	524	39	-	5 612	130 616
Borrowed funds	7 032	106 648	-	-	-	-	113 680
Total liabilities	**1 226 582**	**6 809 224**	**48 703**	**8 604**	**111 001**	**6 950**	**8 211 064**
Net financial instrument balance	**(563 402)**	**863 150**	**18 639**	**11 899**	**10 076**	**3 168**	**343 531**
As at 31 December 2025	**(703)**	**590 865**	**31 373**	**8 856**	**3 936**	**78 078**	**704 533**

24. CONTINGENT LIABILITY: ZIMRA TAX AUDIT

The Zimbabwe Revenue Authority ("ZIMRA") continues to conduct a comprehensive tax audit of the Group covering various tax heads, including Pay As You Earn ("PAYE"), Value Added Tax ("VAT"), Corporate Income Tax and Withholding Tax ("WHT"). The audit remains ongoing as at 30 June 2026.

As previously reported, a key matter under review relates to the deductibility of interest incurred on customer deposits and borrowed funds. ZIMRA's position is based on the application of Section 16(1)(o) of the Income Tax Act (Chapter 23:06), which was repealed with effect from 1 January 2026. The repeal applies prospectively and does not affect the legal interpretation or treatment of transactions arising in periods prior to 1 January 2026 that remain subject to audit.

During the period under review, ZIMRA issued preliminary assessments in respect of tax years covered by the audit. Management has undertaken a detailed review of the assessments and identified a number of technical matters, including issues requiring clarification, computational errors and duplication of adjustments. The Group is engaging with ZIMRA to resolve these matters. Discussions with the tax authority remain ongoing.

Based on the information presently available, management considers that an outflow of economic resources is possible. Furthermore, owing to the ongoing review process, the unresolved technical matters and uncertainty regarding the ultimate outcome of the audit, the amount of any potential financial obligation cannot be measured reliably at the reporting date.

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Accordingly, no provision has been recognised in these abridged interim financial statements in terms of IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The matter continues to be disclosed as a contingent liability and will be reassessed as further information becomes available.

25. CAPITAL ADEQUACY

The RBZ requires each bank in Zimbabwe to maintain a minimum total regulatory capital adequacy ratio of 12% and minimum core capital of the ZWG equivalent of US$30m. The note summarises the composition of regulatory capital and ratios of the Bank.

	30-Jun-26 ZWG' 000	31-Dec-25 ZWG' 000
Tier 1		
Ordinary paid-up share capital	30	161
Share premium	487 008	256 597
Capital awaiting allotment	-	230 280
Retained earnings	1 131 741	1 149 991
Less: Exposure to insiders and connected parties	(37 597)	(30 704)
Total qualifying Tier 1 capital	**1 581 182**	**1 606 325**
Tier 2		
Revaluation reserve	209 887	209 887
Financial assets at fair value through other comprehensive income reserve	16 267	15 838
General provisions (Limited to 1.25% of Total Risk Weighted Assets)	52 434	25 743
Total qualifying Tier 2 capital (Limited to 100% of total qualifying Tier 1 capital)	**278 588**	**251 468**
Total regulatory capital	**1 859 770**	**1 857 793**
Total risk-weighted assets	**8 846 052**	**5 630 381**
Tier 1 ratio	18%	29%
Tier 2 ratio	3%	4%
Capital adequacy ratio	21%	33%

26. OFF-STATEMENT OF FINANCIAL POSITIONS ITEMS

	30-Jun-26 ZWG' 000	31-Dec-25 ZWG' 000
Commitments to lend	11 129	9 285
Financial guarantees	16 558	3 715
Total	**27 687**	**13 000**