THE ABRIDGED UNAUDITED
CONSOLIDATED FINANCIAL STATEMENTS
For the half-year period ended 30 June 2025

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CHAIRMAN'S STATEMENT
FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2025

Resilience and Strategic Execution in a Dynamic Environment

On behalf of the Board of Directors, it is my privilege to present the abridged consolidated financial results for BancABC Zimbabwe and its subsidiary ("the Group") for the six months ended 30 June 2025. In a period characterised by a complex macroeconomic backdrop and disciplined monetary conditions, the Group delivered a strong performance, underscoring the resilience of the business model and the focused execution of the strategic priorities. The Group achieved a significant return to profitability, demonstrating the Group's ability to navigate market dynamics while continuing to invest in long-term value creation for our clients, shareholders, and stakeholders.

Navigating Headwinds and Harnessing Tailwinds

The domestic economy is exhibiting clear signals of a firm recovery, charting a path toward a projected 6% GDP growth for the year 2025. This follows a slowdown of 2% in 2024, a year defined by the macroeconomic headwinds of an El Niño-induced drought and softer international commodity prices. The first half of 2025 has been marked by a reversal of these factors, with favourable climatic shifts bolstering agricultural output and historically firm gold prices providing a significant tailwind to the mining sector. This resurgence, combined with a stable domestic operating environment, provides a constructive foundation for growth.

On the global stage, the economic landscape continues to be shaped by evolving trade policies and shifting supply chains, presenting both challenges and opportunities for emerging economies. Despite this complex international backdrop, Zimbabwe's external sector has demonstrated remarkable resilience. Exports surged by 11% to US$3.1 billion in the first five months of the year, a testament to the strength of the country's core export industries. This robust performance, which has narrowed the trade deficit to US$887 million from US$1.0 billion in the prior year, signals the potential for a sustained current account surplus and enhances the nation's external stability. Diaspora remittances, particularly from the United Kingdom and South Africa, remain a vital and consistent source of foreign currency inflows, further reinforcing the country's external position.

From a monetary perspective, the authorities have successfully maintained a framework of stability. The foreign exchange rate has remained anchored, with a depreciation of only 4.4% in the first half to ZWG26.95 per US$1. The policy allows businesses greater latitude in pricing, fostering a more efficient interplay of supply and demand, contributing to stability in both the official and parallel foreign exchange markets. While annual ZWG inflation has remained elevated, primarily due to base effects from currency movements in late 2024, month-on-month inflation remains contained below 1%. We are encouraged by the authorities' projection for annual inflation to decelerate toward 30% by year-end. In the USD-denominated segment of the economy, the Group is closely monitoring inflation, which has remained persistent and presents a key consideration for managing operating costs across the Group.

The prevailing tight liquidity environment, a deliberate and necessary stance to entrench macroeconomic stability, has moderated growth in banking sector deposits and credit. Foreign currency deposits constitute a significant 82% of total deposits, reflecting the prevailing structure of the economy. In this context, the contraction of the ZWG loan book was a market-wide phenomenon. Conversely, USD-denominated lending has continued its expansion, growing by US$97 million to US$1.9 billion as of April 2025. Looking ahead, we anticipate the disciplined monetary stance will continue. This macroeconomic reality reinforces our strategy of diversifying our funding base, including the continued sourcing of external lines of credit to support our clients' working capital needs.

Change in Functional Currency

The Group has changed its functional currency from Zimbabwe Gold ("ZWG") to United States Dollar ("USD or US$") effective 1 January 2025. The presentation currently remains ZWG. 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. The Group`s functional currency has been changed to USD because a significant portion of its transactions, assets and liabilities are denominated in USD, makes it a more appropriate reflection of the Group`s economic reality.

Financial Performance - A Return to Profitability and a Fortress Statement of Financial Position

The Group's strategic execution translated into a strong financial performance. We are pleased to report a profit after tax (PAT) of ZWG146.6 million for the half-year, a significant turnaround from the loss after tax of ZWG331.7 million recorded in the corresponding period last year. This result was driven by strong performance across our core revenue lines:

- **Non-funded Income:** Growth was propelled by a material increase in digital transaction volumes, reflecting our sustained investment in technology, and robust foreign exchange trading income supported by increased client flows.
- **Net Interest Income:** Performance was anchored by the strategic expansion of our loan portfolio in key segments.

The Group's statement of financial position remains robust and continues to expand, with total assets growing by 11% to ZWG5.9 billion. This growth is a clear indicator of continued client confidence and our increasing market presence. As part of our dynamic balance sheet management strategy, we are actively evaluating our portfolio of investment properties to unlock capital and redeploy it into higher-yielding assets that align with our core growth objectives.

Loans and advances grew by 26% to ZWG1.8 billion, reflecting our commitment to supporting economic activity. While the tight liquidity environment constrained our capacity to fully meet clients demand, our loan-to-deposit ratio ("LDR") of 53% is a testament to our disciplined risk architecture and prudent capital allocation. This deliberate approach ensures we maintain strong liquidity buffers and strategic flexibility to act on market opportunities as they arise.

Our capital and liquidity positions remain a cornerstone of our financial strength, significantly exceeding all regulatory requirements:

- **Capital Adequacy Ratio (CAR):** 32% (regulatory minimum: 12%)
- **Liquidity Ratio:** 55.5% (regulatory minimum: 30%)
- **Core Capital:** US$41.2 million (regulatory minimum: US$30 million)

Tax Treatment of Interest Expenses: A challenge for the Banking Industry

The banking industry is currently facing a significant challenge regarding tax treatment of interest expenses incurred on deposits and lines of credit. According to Section 16(1)(o) of the Income Tax Act (Chapter 23:06), interest expense is considered a non-deductible tax expense, despite being directly related to interest income generation.

Banks and Bankers Association of Zimbabwe ("BAZ") are engaging with the relevant authorities to resolve this issue. We are optimistic that through these discussions, a solution that benefits the industry and supports economic growth will be found soon. These ongoing efforts aim to create a favourable tax environment for banks enabling them to better serve their customers and contribute to the country's economic development.

Executing on Our Strategic Priorities

The Group's performance is a direct result of our focused execution on key strategic pillars. We have made substantial investments in our digital transformation, deploying enhanced systems and platforms that have fortified our transactional infrastructure. This has resulted in estate-wide system availability and transaction success rates above 99.9% for three consecutive quarters, materially improving the client experience and facilitating seamless commerce in a multi-currency environment.

The Group's investments in technology and human capital are central to our objective of diversifying revenue streams and driving sustainable growth. This is complemented by a disciplined approach to cost management, ensuring every investment is geared toward generating value for our stakeholders. We are particularly encouraged by the progress in forging strategic partnerships across pivotal sectors of the economy, including mining, agriculture, and insurance. These collaborations not only position the Group for future growth but also align with the national agenda for economic development.

We recognise that operational excellence is a continuous journey. While acknowledging the service delivery challenges encountered, we have intensified our investment in performance improvement initiatives. A key focus for the second half of the year will be to deepen customer engagement and drive further adoption of our digital platforms and nationwide kiosks, thereby advancing our commitment to the national financial inclusion agenda.

To ensure our resilience in a dynamic operating environment, our five-year strategic agenda prioritises continued investment in ICT, process optimisation, and cultural transformation, while adhering to robust Environmental, Social, and Governance (ESG) guidelines to secure our long-term competitiveness.

Our Commitment to Shared Value

The Group is steadfast in its commitment to creating shared value for the communities in which we operate. Through our core CSR pillars; Women and Children, Arts and Culture, Education, and Health and Disability, the Group made meaningful contributions during the first half. Highlights include empowering women-led businesses, promoting cultural diplomacy, advancing financial literacy for over 2,000 students, funding a sustainable solar farm for a local college, and supporting health initiatives for persons with disabilities. These initiatives reflect our identity as a responsible corporate citizen dedicated to sustainable development.

Governance and Leadership

Effective 30 June 2025, Mr. Albert Rufaro Katsande, Dr. Eve Gadzikwa, and Mrs. Clare Aufrère Peach retired from the Board. Additionally, Mr. Vander Mutenga stepped down as Chief Financial Officer and Finance Director on 30 April 2025. We extend our profound gratitude for their distinguished service, leadership, and the invaluable counsel they provided during their tenures.

We are delighted to announce the appointments of Mr. Fayaz King, Mr. Andrew Lane-Mitchell, Mrs. Patience Shuro, and Mrs. Manyara Mercy Chigunduru to the Board. Their collective expertise in digital innovation, international markets, financial management, and technology will be instrumental in guiding the Group's next phase of growth. These appointments fortify our governance framework and ensure our leadership is well-equipped to navigate the future.

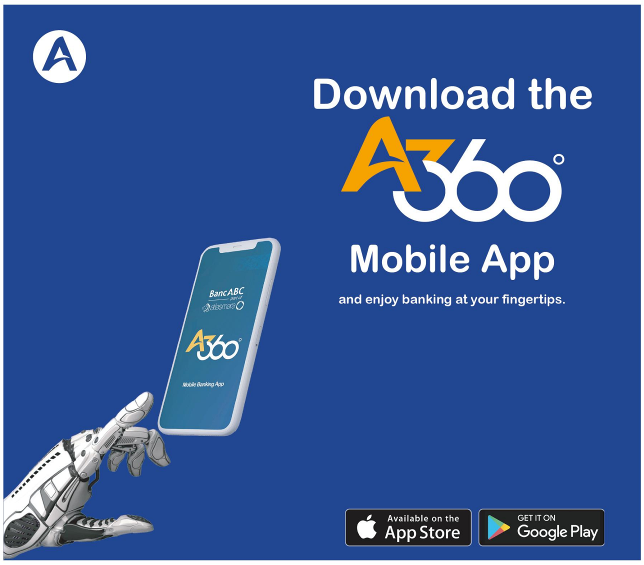
Conclusion- Positioned for the Future

I wish to extend my deepest appreciation to the members of our Board for their strategic guidance and to our management and staff for their unwavering dedication and excellence. Your collective efforts have been fundamental to our success.

To our valued customers, we are grateful for your continued trust and partnership. We also thank our regulators, notably the Reserve Bank of Zimbabwe ("RBZ"), for their constructive engagement. The support of all our stakeholders is the foundation of our strength.

The Group has delivered a strong performance in the first half of 2025. We have demonstrated resilience, returned to profitability, and strengthened our strategic position.

N. Nyagura
Interim Independent Non-Executive Chairman



MANAGING DIRECTOR'S STATEMENT

FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2025

Introduction

The first half of 2025 stands as a testament to the success of the performance strategy we initiated at the start of the year. The Group's strong performance was delivered against a cautiously optimistic economic backdrop, with Zimbabwe experiencing a modest recovery driven by a rebound in agriculture, continued expansion in mining, and early signs of revitalization in the manufacturing sector. While challenges such as high interest rates, high taxation, inflationary pressures, intermittent power supply and constrained consumer spending persisted, the Group remained robust and adaptable. This statement outlines the meaningful progress we have made in delivering on our strategic commitment of strengthening our financial position, advancing digital innovation, and continuing to provide relevant financial solutions that empower individuals, businesses and communities to thrive in a dynamic environment.

Group Performance Review

The Group is pleased with its financial performance for the half-year period ended 30 June 2025 after posting a profit after tax of ZWG146.6 million, an improvement from a loss after tax of ZWG331.7 million reported for the comparative period ended 30 June 2024. The performance was bolstered by improved digital transactions following the enhancement of various digital platforms which include internet banking, mobile banking, online loan application amongst others. These digital platforms resulted in the Group delivering more flexible customer service and expanded product and service offerings to cater for the evolving needs of customers.

The period under review also witnessed the Group automating various processes that consequently eliminated redundancies, operational inefficiencies, cost savings, and strengthening of the statement of financial position. The Group's efforts have been geared towards preserving capital and maintaining a robust financial position, setting the Group for sustained growth and success for the foreseeable future.

Strategic Achievements

The Group made significant progress in advancing its digital transformation agenda. During the period under review, the Group enhanced its mobile application called "A360 Mobile Application" and internet banking platforms to better serve its valued customers by adding features such as bulk payments, ZIMRA TaRMs and online TT submissions. Customers can now transact end-to-end without the need to visit a branch. This has contributed a marked increase in both the volume and value of online transactions, reflecting customer adoption of digital channels.

To drive operational efficiency, the Group invested in key process automations across the business. These initiatives have resulted in tangible cost savings and reduced turnaround times. Customers can now open accounts and apply for loans fully online in a seamless self-service process. In addition, functionality enhancements on our VISA Mobile App now enable customers to view and transfer balances effortlessly, further improving day-to-day convenience to customers.

In support of the financial inclusion agenda, the Group expanded its presence with new kiosks opened in Mbare and Shurugwi, bringing our national kiosk footprint to forty-nine. These kiosks continue to play a critical role in extending financial services to underserved areas.

People and Culture

The Group's human capital strategy remains strong, reflecting the deep commitment to fostering a culture of performance culture that enables sustainable growth. As a result of past uncertainties, the Group is determined to ensure employees are recognised and rewarded for their dedication and contributions toward the success of our organisation. We have introduced several targeted initiatives to upskill and equip the employees with skills of the future, reinforcing our belief that our people are our greatest asset. As we strengthen our internal culture of accountability and innovation, we also continue to invest in leadership development and employee wellness as key enablers of long-term value creation.

Looking Ahead

As we look ahead to the second half of 2025, we do so with measured confidence, mindful of economic headwinds, yet encouraged by the strength of our strategy and execution. We will continue to focus on providing solutions that address customer pain points in a seamless and efficient manner. We are committed to expanding our digital footprint, deepening engagements with our customers, and enhancing long-term shareholder value.

Appreciation

I extend my sincere gratitude to our customers, Board, shareholders and partners for their continued support and trust. To all the staff members, you have been the driving force behind our success in the first half of 2025, and I am proud of what we have accomplished together.

As we look ahead, the Group remains committed to building a strong and sustainable financial institution that empowers individuals, businesses, and communities to thrive.

T. Munaiwa
Chief Executive Officer

DIRECTORS' STATEMENT OF RESPONSIBILITIES

FOR THE HALF-YEAY PERIOD ENDED 30 JUNE 2025

Responsibility for the Half-Year Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements of the Group which comprise the abridged unaudited consolidated statement of financial position as at 30 June 2025, the abridged unaudited consolidated statement of profit or loss and other comprehensive income, the abridged unaudited consolidated statement of changes in equity, and the abridged unaudited consolidated statement of cash flows for the period then ended, and notes to the abridged unaudited consolidated financial statements and other information contained in this publication.

The directors are also responsible for ensuring that the Group's internal control systems are designed to provide reasonable assurance as to the integrity and reliability of the abridged unaudited consolidated financial statements and to adequately safeguard, verify and maintain accountability of its assets.

The directors have assessed the ability of the Group to continue as going concerns and have no reason to believe that the Group will not be going concern in the year ahead. The abridged unaudited consolidated financial statements have accordingly been prepared on the going concern basis.

Compliance

These abridged unaudited consolidated financial statements have been prepared in accordance with International Accounting Standard [IAS] 34 Interim Financial Reporting. The Group also prepared these abridged unaudited consolidated financial statements in the manner required by the Companies and Other Business Entities Act (Chapter 24:31), Banking Act (Chapter 24:20) and Microfinance Act (Chapter24:29). In addition, the Group is in compliance with the RBZ Banking Regulations, as enforced by Statutory Instrument 205 of 2000.

Change in Functional Currency

Over the recent years, the economy went through significant improvement, as a result of major shift in monetary policy and exchange control measures that substantially increased foreign currency transaction volumes. Consequently, the Group's foreign currency transactions activity, deposits, and advances also increased. As a result, the Directors assessed as required by International Accounting Standard (IAS) 21, The Effects of Changes in Foreign Exchange Rates whether use of the Zimbabwean Gold as the functional currency remained appropriate. Based on the assessment, the Directors concluded that there has been a change in functional currency from Zimbabwe Gold (ZWG) to United States Dollars ("US$") with effect from 1 January 2025.

CORPORATE GOVERNANCE

The Group is committed to upholding the principles of integrity, ethical leadership, accountability and transparency in its governance framework. It recognises that good corporate governance is pivotal for long-term success and strives to ensure fairness to clients, investors, shareholders and all stakeholders. Recognising that corporate governance is a dynamic concept, the Group continuously updates its systems and processes to ensure compliance with all relevant laws, regulations and regulatory directives, whilst also remaining aligned with international standards of good corporate governance.

The Board of Directors

The Board sets the strategic direction for the Group, establishes measurable objectives and targets for management and ensures the maintenance of a strong and effective governance framework. With extensive collective experience across various industries and disciplines, our board members offer invaluable insights, critical analysis, and innovative perspectives. The Board has extensive understanding of market trends, regulatory landscapes, and emerging technologies which enables it to anticipate challenges and capitalise on opportunities, driving sustainable growth and competitive advantage. It also provides independent and objective judgment and constructively challenges and monitors executive management's delivery of the Goup's strategy within the approved framework.

The composition of the Company's Board adheres to the Banking Act [Chapter 24:20], as interpreted alongside the Reserve Bank of Zimbabwe Guideline No. 01-2004/BSD: Corporate Governance, as well as other standard corporate governance benchmarks. The roles and responsibilities of the Board and its Committees are clearly outlined in the Board charter and committee terms of reference. These documents are reviewed and approved annually by the Board to ensure the Board's continued effectiveness.

Independence of the Directors

Independence is crucial for ensuring unbiased oversight and decision making. In compliance with section 20 b of the Banking Act [Chapter 24:20], the Directors submit a Declaration of Interest Form, which is used as a basis of assessing their independence annually. New interests that might affect their independence are communicated through the Company Secretary on a quarterly basis and when the need arises. These declarations are tabled for noting at the next Board meeting.

Board and Director Evaluations

The Board conducted an annual evaluation of its board effectiveness in accordance with the Banking Act [Chapter 24:20] as read with the RBZ Corporate Governance Guideline No. 01-2004/BSD. The results of the review indicate that the overall board performance and that of its committees was considered effective. The Board is satisfied that the insights gained from the evaluation process continue to reflect a maturing trajectory in its performance and effectiveness. The Board Evaluation conducted for the year 2024 canvassed the following areas:

- Board self-evaluation;
- Chairperson's assessment;
- Individual Director Assessment; and
- Committee assessment

Directors' Training and Professional Development

The Group prioritises director's ongoing professional development, which in turn equips Directors with the requisite knowledge and skills to carry out their role within the institution. During the first half of the year, Directors attended several workshops including a Refresher Induction Training on corporate governance and anti-money laundering and countering the financing of terrorism ("AML/CFT"), which was facilitated by the Reserve Bank of Zimbabwe's Banking Supervision, Surveillance and Financial Stability and the Securities and Exchange Commission of Zimbabwe as well as Sustainability Training which was facilitated by KPMG Zimbabwe. Post the half year, the Directors underwent training in the Cyber and Data Protection Legal Framework that was facilitated by the Postal and Telecommunications Regulatory Authority of Zimbabwe ("POTRAZ") whilst the Audit Committee also attended the 2025 Audit Committee Forum facilitated by KPMG.

Changes to the Board and Succession Planning

During the period under review, notable changes were made to the Board of Directors. Three (3) independent non-executive directors, namely Mr. Albert Rufaro Katsande (Chairman), Dr. Eve Christine Gadzikwa and Mrs. Clare Dorothy Aufrère retired effective the 30th of June 2025 in accordance with section 19 of the Banking Act [Chapter 24:20] as read with the Board Charter after having served on the Board for ten (10) years. Throughout their tenure, they upheld the highest standards of governance, demonstrated strategic foresight, ethical leadership and sustained support to the executive management team in achieving the Group's strategic objectives. The Board also welcomed four (4) new independent non-executive directors, Mr. Fayaz King, Mr. Andrew Paul Lane-Mitchell, Mrs. Patience Manyara Shuro and Mrs. Manyara Mercy Chigunduru. The Board looks forward to their valuable insights and contributions to the growth of the Group drawn from their long and illustrious careers as seasoned professionals in their respective fields. The Group's Chief Finance Officer, Mr. Vander Mutenga, also left the Bank, with effect from the 30 April 2025 to pursue his personal interests. The Board of Directors wishes him well in his future endeavours.

The Group also witnessed the sad passing of the ABC Holdings Limited Group Chief Executive Officer, Mr Sanjeev Anand on the 28th of April 2025. The late Mr. Anand was also a non-executive director on the ABC Holdings (Zimbabwe) Limited Board of Directors, and a member of the Investments Committee as well as the Remuneration and Nominations Committee. His contributions to the Group were invaluable and he will be greatly missed.

Board succession planning continues to receive much focus in 2025. In line with the Group's corporate governance arrangements, the board regularly reviews its composition to ensure its effectiveness and the appropriateness of its skillset, experience, tenure and diversity. A comprehensive succession plan is in place, tailored to the essential skills required for an effective board. The plan also aims to maximise the value of a high-performing board, comprising directors with diverse expertise across multiple disciplines.

Board Meetings and Attendance

The Board and its committees meet every quarter. Additional meetings are, however, also held when necessary. Meetings are also conducted in a manner that promotes open communication, active participation and timely resolution of issues. As at 30 June 2025, the Board was comprised of twelve (12) directors, which included an independent non-executive Chairman, ten (10) independent non-executive Directors, and one (1) executive director (The Managing Director).

For the year ended 30 June 2025, the main Board had held six (6) meetings, which comprised two (2) quarterly meetings and four (4) special meetings, and the record of attendance of each director is as follows:

Name of Director	Designation	Total Meetings Held	Total Present	% Attendance
A.R. Katsande******	Independent Non-Executive Chairman	6	6	100%
Dr. E.C. Gadzikwa******	Independent Non-Executive Director	6	4	67%
T. Mutarisi	Independent Non-Executive Director	6	6	100%
B. Nkomo	Independent Non-Executive Director	6	6	100%
C.D.A. Peech******	Independent Non-Executive Director	6	4	67%
N. Nyagura	Independent Non-Executive Director	6	6	100%
M. R. Davis	Interim Independent Non-Executive Director	6	5	83%
A.P. Lane-Mitchell *	Independent Non-Executive Director	3	3	100%
P. M. Shuro**	Independent Non-Executive Director	3	3	100%
F. King***	Independent Non-Executive Director	3	3	100%
M. M. Chigunduru****	Independent Non-Executive Director	2	2	100%
T. Munaiwa	Executive	6	6	100%
V. Mutenga*****	Executive	3	3	100%

*A. Lane-Mitchell was appointed as Non-Executive Director effective 1 May 2025.

**P. Shuro was appointed as Non-Executive Director effective 1 May 2025.

***F. King was appointed as Non-Executive Director effective 1 February 2025.

****M. M. Chigunduru was appointed as a Non-Executive Director effective 1 June 2025

*****Mr. V. Mutenga resigned as Chief Finance Officer effective 1 May 2025.

******Messrs Kastande,Gadzikwa and Peach retired effective 30 June 2025

BOARD COMMITTEES

Board Audit Committee

The committee comprises of Independent Non-Executive Directors. The committee liaises with the external and internal auditors on accounting procedures and on the adequacy of the Group's controls and information system. It also reviews the Bank's financial statements and the effectiveness of its internal controls framework.

For the period ended 30 June 2025, the Committee had held four (4) meetings, which comprised two (2) quarterly meetings and two (2) special meetings, and the record of attendance of each director is as follows:

Name of Director	Designation	Total Meetings Held	Total Present	% Attendance
B. Nkomo	Non-Executive Chairman	4	4	100%
N. Nyagura	Non-Executive Member	4	4	100%
E.C. Gadzikwa	Non-Executive Member	4	2	50%

Board Risk Committee

The Board Risk committee is responsible for exercising oversight of the institution's key risks. It reviews the appropriateness and effectiveness of the risk management systems by ensuring that risk policies and strategies are effectively identified, managed and monitored. The committee is comprised of Independent Non-Executive Directors and reports to the Board on the committee's key areas of focus following each meeting.

As at 30 June 2025, 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
Dr. E.C. Gadzikwa	Non-Executive Chairperson	2	1	50%
T. Mutarisi	Non-Executive Member	2	2	100%
C.D.A. Peech	Non-Executive Member	2	2	100%

Board Loans Review Committee

The committee is comprised of Independent Non-Executive Directors and is responsible for overseeing the overall lending policy of the institution and assessment of its credit risk. It also constantly reviews the quality of the institution's loan portfolio to ensure compliance with internal policies, applicable laws and regulations. The committee also monitors loan portfolio growth and ensures that appropriate provisions are made for potential losses and subsequent debt recoveries.

For the period ended 30 June 2025, 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
C.D.A. Peech	Non-Executive Chairperson	2	2	100%
B. Nkomo	Non-Executive Member	2	2	100%
T. Mutarisi	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 2025, the committee considered sixteen (16) credit applications, seven (7) were recommended to the Main Board and it approved the remaining nine (9). The committee held three (3) 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	Non-Executive Chairman	3	3	100%
A.R. Katsande	Non-Executive Member	3	3	100%
T. Munaiwa	Executive Member	3	3	100%

Board Information and Communication Technology Committee

The committee is responsible for reviewing and approving the Group's technology strategies. It also reviews significant technology investments and expenditure and monitors and evaluates current and future trends in technology that may affect the institutions strategic direction. In addition, the committee monitors the Group's ICT risk management and security framework and its effectiveness. The committee comprises of Independent Non-Executive Directors.

For the period ended 30 June 2025, 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	Non-Executive Chairman	2	2	100%
A.R. Katsande	Non-Executive Member	2	2	100%
M.R. Davis	Non-Executive Member	2	2	100%

Board Remuneration and Nominations Committee

The Committee is constituted at ABC Holdings (Zimbabwe) Limited level. 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 2025, 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%
*S. Anand	Non-Executive Member	2	0	0

* Mr. S. Anand passed on the 28th of April 2025

Management Committees

The Group has twelve (12) management committees, which set and monitor service delivery and management performance targets. These committees oversee the Group's operational affairs and ensure compliance with regulatory standards. The committees also ensure the effective implementation of the Group's policies and procedure manuals which are reviewed and approved by the Board of Directors on an annual basis to ensure that they remain relevant and synchronised with the operating environment.

RISK MANAGEMENT FRAMEWORK

Financial Risk Factors

The Group's business involves the analysis, evaluation, acceptance and management of risk or a combination of risks in a targeted manner. Taking risk is core to the financial services business and an inevitable consequence of being in business. The Group's aim is to achieve an appropriate balance between risk and return and to minimise potential adverse effects on the Group's financial performance. The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

Risk management is carried out by the Group's Risk Committee, under policies approved by the Board of Directors. The Board approves principles for overall risk management, as well as 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 and the control environment.

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

Credit Risk

Credit risk is the risk that the Group's customers, clients or counterparties default on their loan or credit commitments. The Group takes on exposure to credit risk, which is 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 that are different from those provided for at the statement of financial position date. Country (or sovereign) risk is part of overall credit risk and is managed as part of the credit risk management function as it has a major impact on individual counterparties' abilities 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; therefore, management carefully manages credit origination, covenant monitoring and performance and perfection of security. The Board has defined and documented a credit policy for the Group which forms the basis of credit decisions. This policy includes a framework of limits and delegation of credit approval authority which are strictly adhered to. No specific individual has the power to authorise credit exposures. The Group has a Board Credit Committee that operates within the defined limits set by the Board. This committee is responsible for the management of credit risk including, credit decisions, processes, legal and documentation risk and compliance with impairment policies.

The Group Risk Department regularly reviews adherence to required standards. The Group's Credit Committee reports to the Board and is responsible for approval of credit decision within approved limits, recommendations in exposures limits and provisioning policies. The Board Loans Review Committee and Board Credit Committee at Subsidiary level also monitors the health of the credit portfolios at least quarterly and increase provisions or enhance controls should this be required. The Group has standard impairment policies which at a minimum comply with the prudential guidelines of the Reserve Bank of Zimbabwe and IFRS 9, 'Financial instruments'. Impairments 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 brought to bear on the credit book.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its obligations when they fall due as a result of 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, lack of liquidity could result in reductions in the statement of financial position and sales of assets, or potentially an inability to fulfil 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 as well as by time bracket. Group liquidity management is dependent upon accurate cash flow projections and the monitoring of its 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.

Market Risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of 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 of limits and pricing, thereby ensuring that any errors or unauthorised transactions are promptly identified.

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 takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise.

The Asset and Liability Committee ("ALCO") is responsible for managing interest rate and liquidity risk in the Group and meets on a monthly basis. ALCO operates within the prudential guidelines.

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 behaviour

Operational risk arises from all of the Group's operations. The Group's objective is to manage operational risk so as to balance 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 Board of Directors has created a Group Operational Risk and Controls Committee ("GRCC"), which is responsible for the development and implementation of controls to address operational risk.

Legal Risk

Legal risk is the risk that a transaction or contract cannot be consummated because of some legal barrier, such as inadequate documentation, a regulatory prohibition on a specific counterparty, and 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 refers to the potential for legal, financial, or reputational damage that an organisation may face due to failure to adhere to laws, regulations, industry standards, or internal policies. Effective compliance risk management involves identifying relevant obligations, implementing controls, monitoring changes, and embedding compliance into governance and operational frameworks.

The Group maintains a proactive compliance risk framework that promotes regulatory alignment, institutional integrity, and stakeholder trust. Oversight is provided by the Board through its Risk Committee. The Compliance function is responsible for monitoring adherence to applicable laws, supervisory expectations, and regulatory developments. It reports directly to the Board Risk Committee, ensuring timely escalation and strategic response to emerging compliance risks. The compliance programme integrates regulatory compliance, data protection controls, AML/CFT frameworks, conduct and ethics, and ESG-linked compliance practices. These elements are aligned with the requirements of the ISO 37301:2021 and Generally Accepted Compliance Standards and the Compliance Governance Guidelines of the Reserve Bank of Zimbabwe and the Banking Act.

Reputational Risk

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

Strategic Risk

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

The role of Chairman vests with an Independent Non-Executive director and is separate from the role of Managing Director/Chief Executive, which vests with an executive director. The Board guides and approves the strategies formulated by the executive team. The Board has delegated oversight on risk management and control functions to the Audit, Loans Review and Risk Management Committees. The Managing Director has the responsibility of implementing the strategies approved by the Board which, in turn, reviews performance and continuing applicability of strategies on a quarterly basis.

Solvency Risk

Solvency risk refers to 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 levels of capital resources on an ongoing basis. Targets may increase in the future, and rules dictating the measurement of capital may be adversely changed, which would constrain the Group's planned activities and contribute to adverse impact on the Group's earnings. During periods of market dislocation, increasing the Bank's capital resources in order to meet targets may prove more difficult or costly.

In order to address these issues, the Group has an Internal Capital Adequacy Assessment Programme ("ICAAP") in line with the provisions of Basel II for banks to develop internal capital plans and assess their level of capitalisation against the risk profile of the Group. The Group will continue to strengthen its ICAAP by embedding appropriate Economic Capital methodologies as internal models evolve with enhanced data capabilities.

Risk and Credit Ratings

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

The Central Bank last conducted an onsite inspection in September 2023 and the ratings were as follows:

Composite rating

Examination ratings	Sep-23	May-14	Sep-08
Overall risk rating	Moderate	Moderate	Moderate
Capital adequacy, asset quality, management, earnings, liquidity, and sensitivity rating	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	Low	Acceptable	Moderate	Stable
Strategic risk	Moderate	Acceptable	Moderate	Stable
Operational risk	Moderate	Acceptable	Moderate	Stable
Legal	Low	Acceptable	Moderate	Stable
Compliance	Low	Acceptable	Moderate	Stable
Reputation	Moderate	Acceptable	Moderate	Stable
Overall	Moderate	Acceptable	Moderate	Stable

AFRICAN BANKING CORPORATION OF ZIMBABWE LIMITED

ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE PERIOD ENDED 30 JUNE 2025

CAMELS rating – matrix 2023

Component rating	Composite	Capital adequacy	Asset quality	Management	Earnings	Liquidity	Sensitivity to market risk
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 Bank was assigned a composite CAMELS rating of "3" that is "fair" for its 2023 on site examination. Banking institutions in this category exhibit financial, operational or compliance weaknesses ranging from moderately severe to unsatisfactory. When weaknesses relate to financial condition, such institutions may be vulnerable to the onset of adverse business conditions and could easily deteriorate if concerted action is not effective in correcting the areas of weakness. Institutions which are insignificantly non-compliant with laws and regulations may also be accorded this rating.

Generally, these institutions give cause for supervisory concern and require more than normal supervision to address deficiencies. Overall strength and financial capability is still able to make failure only a remote possibility.

External Credit Ratings

Rating agent	Global Credit Rating Company (Proprietary) Limited			
Date of rating	May-25	Aug-22	Sep-21	May-20
Expiry date	May-26	Jul-23	May-22	Aug-21
Long term	BBB~	BBB+	BBB+	BBB+

International Credit Rating Agency assigned a "BBB" rating with an "Evolving" outlook to African Banking Corporation of Zimbabwe Limited on the 28th of May 2025, 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 contribute to the overall creditworthiness of the entity based on the ICRA credit rating methodology for banking institutions.

Environmental, Social and Governance ("ESG")

The Group has established an Environmental, Social and Governance policy aligned with leading global standards, including TCFD, IFRS, and GRI. This policy is operationalised through a multi-year ESG strategy with defined metrics and targets, guiding the Group's efforts to embed sustainability across its operations. While implementation is ongoing, active workstreams are in place to meet Climate Risk Guidelines and advance ESG commitments in a structured and accountable manner. Oversight of ESG matters is embedded within the Goup's governance architecture. The Board Risk Committee holds formal responsibility for monitoring sustainability-related risks and opportunities, ensuring ESG is integrated into the broader risk and compliance landscape. A Board-level Sustainability Champion provides strategic leadership and continuity, reinforcing Group's commitment to long-term value creation and ethical stewardship. ESG considerations are being progressively integrated into risk management, compliance, and performance frameworks. This includes alignment with social and ethical governance enhancements, reflecting the Group's broader commitment to responsible citizenry, ethical conduct, and inclusive stakeholder engagement. As ESG maturity evolves, the Group remains focused on transparency, accountability, and building resilience across its business model.

Climate Risk Management

The Group has developed its institutional climate risk profile in accordance with the Reserve Bank of Zimbabwe's Guideline No. 01-2023/BSD. This profile includes a structured assessment of transition and physical risks across key sectors and portfolios, forming the basis for strategic planning, disclosure, and long-term resilience. Climate governance is embedded within our enterprise risk management framework, with oversight provided by the Board and its Risk Committees. Senior Management is responsible for implementing climate-related controls and integrating environmental considerations into strategic and operational decision-making.

Geo-risk dashboards are currently under development to enhance branch-level vulnerability mapping and support scenario analysis. These tools will inform capital allocation decisions and guide our transition toward climate-aligned lending and green finance. The Board and Senior Management remain committed to refining decarbonisation targets, expanding climate-related disclosures, and aligning with the Group's strategy with both national and global climate resilience objectives.

The Group's climate risk strategy integrates both adaptation and mitigation measures:

Adaptation involves anticipating the adverse effects of climate change and taking proactive steps to minimise damage or seize emerging opportunities. This includes infrastructure planning, operational resilience, and promoting behavioural shifts across our stakeholder base.

Mitigation focuses on reducing the severity of climate impacts by lowering greenhouse gas emissions. The Group supports this through financing low-carbon initiatives, enabling renewable energy transitions, and investing in natural carbon sinks.

These efforts reflect our commitment to sustainable growth, stakeholder trust, and long-term climate resilience.

ABRIDGED UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	30-Jun-25 ZWG' 000	31-Dec-24 ZWG' 000
ASSETS			
Cash and cash equivalents and balances with the central bank	4	1 601 615	1 612 379
Amounts due from group companies	19.1	14 295	39 823
Investment securities	5	839 341	474 412
Loans and advances to customers	6	1 883 387	1 495 157
Current income tax asset		-	2 658
Other assets	7	346 603	430 023
Property and equipment	8	486 253	567 657
Right-of-use assets		16 899	41 872
Investment properties	9	662 794	641 491
Intangible assets		35 497	16 960
Total assets		**5 886 684**	**5 322 432**
LIABILITIES AND EQUITY			
Liabilities			
Deposits from banks	10	136 584	34 370
Deposits from customers	10	3 419 739	2 784 867
Borrowed funds	11	351 027	266 115
Amounts due to group companies	19.2	105	9 810
Current Income tax liability		8 163	-
Provisions and other liabilities	12	248 434	239 122
Deferred tax liabilities	17.2	138 276	259 938
Total liabilities		**4 302 328**	**3 594 222**
Equity			
Share capital		165	165
Share premium		247 027	247 027
Capital awaiting allotment		221 690	221 690
Foreign currency translation reserve		(149 413)	-
Revaluation reserve		190 905	190 905
Financial assets at fair value through other comprehensive income reserve		14 516	14 516
Retained earnings		1 059 466	1 053 907
Total equity		**1 584 356**	**1 728 210**
Total liabilities and equity		**5 886 684**	**5 322 432**

ABRIDGED UNAUDITED SEPARATE STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	30-Jun-25 ZWG' 000	31-Dec-24 ZWG' 000
ASSETS			
Cash and cash equivalents and balances with the central bank	4	1 606 961	1 599 595
Amounts due from group companies	19.1	24 274	44 622
Investment securities	5	839 341	474 412
Loans and advances to customers	6	1 749 749	1 441 306
Current income tax asset		-	3 159
Other assets	7	313 885	420 593
Investment in subsidiary		6	16 472
Property and equipment	8	485 655	532 193
Right-of-use assets		16 899	41 872
Investment properties	9	662 794	641 491
Intangible assets		35 510	16 961
Total assets		**5 735 074**	**5 232 676**
LIABILITIES AND EQUITY			
Liabilities			
Deposits from banks	10	136 584	34 370
Deposits from customers	10	3 439 189	2 784 866
Borrowed funds	11	212 299	220 517
Amounts due to group companies	19.2	105	9 810
Current Income tax liability		3 951	-
Provisions and other liabilities	12	248 583	229 590
Deferred tax liabilities	17.2	142 128	257 701
Total liabilities		**4 182 839**	**3 536 854**
Equity			
Share capital		165	165
Share premium		247 027	247 027
Capital awaiting allotment		221 690	221 690
Foreign currency translation reserve		(138 588)	-
Revaluation reserve		190 826	190 826
Financial assets at fair value reserve through other comprehensive income reserve		14 516	14 516
Retained earnings		1 016 599	1 021 598
Total equity		**1 552 235**	**1 695 822**
Total liabilities and equity		**5 735 074**	**5 232 676**

ABRIDGED UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2025

	Note	30-Jun-25 ZWG' 000	30-June-24 ZWG' 000
Interest and similar income	13	218 243	67 295
Interest expenses and similar charges	13	(55 415)	(25 622)
Net interest income before expected credit losses allowance		**162 828**	**41 673**
Expected credit losses allowance	14	(23 268)	(51 172)
Net interest income after expected credit losses allowance		**139 560**	**(9 499)**
Non-interest income	15	564 790	1 021 176
Operating income		**704 350**	**1 011 677**
Operating expenses	16	(502 100)	(501 395)
Operating profit		**202 250**	**510 282**
Net loss on monetary position		-	(896 091)
Profit/(loss) before income tax		**202 250**	**(385 809)**
Income tax (expense)/credit	17	(55 627)	54 034
Profit/(loss) for the period		**146 623**	**(331 775)**
Other comprehensive income			
Items that are/may be reclassified to profit or loss			
Net fair value adjustments on financial assets at fair value			
through other comprehensive income, before income tax		-	(6 638)
Income tax effect on fair value adjustments		-	1 991
		-	**(4 647)**
Items that will not be reclassified to profit or loss			
Revaluation adjustments on land and buildings, before			
income tax		-	(279 488)
Income tax effect on revaluation adjustments		-	58 051
		-	**(221 437)**
Foreign currency effect on translation to presentation currency		(149 413)	-
Other comprehensive loss for the period, net of tax		**(149 413)**	**(226 084)**
Total comprehensive loss for the period		**(2 792)**	**(557 859)**

AFRICAN BANKING CORPORATION OF ZIMBABWE LIMITED

ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE PERIOD ENDED 30 JUNE 2025

ABRIDGED UNAUDITED SEPERATE STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2025

	Note	30-Jun-25 ZWG' 000	30-Jun-24 ZWG' 000
Interest and similar income	13	176 858	57 131
Interest expenses and similar charges	13	(47 260)	(25 285)
Net interest income before expected credit losses allowance		**129 598**	**31 846**
Expected credit losses allowance	14	(19 202)	(51 074)
Net interest income after expected credit losses allowance		**110 396**	**(19 228)**
Non-interest income	15	559 028	995 159
Operating income		**669 424**	**975 931**
Operating expenses	16	(482 313)	(492 869)
Operating profit		**187 111**	**483 062**
Net loss on monetary position		-	(924 860)
Profit/(loss) before income tax		**187 111**	**(441 798)**
Income tax (expense)/credit	17	(51 046)	53 754
Profit/(loss) for the period		**136 065**	**(388 044)**
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss			
Net fair value adjustments on financial assets at fair value			
through other comprehensive income, before income tax		-	(6 638)
Tax effect on fair value adjustment		-	1 991
		-	**(4 647)**
Items that will not be reclassified to profit or loss			
Revaluation adjustment on land and buildings		-	(279 488)
Income tax effect on revaluation adjustments		-	58 050
Foreign currency effect on translation to presentation currency		(138 588)	-
		(138 588)	**(221 438)**
Other comprehensive loss for the period, net of tax		**(138 588)**	**(226 085)**
Total comprehensive loss for the period		**(2 523)**	**(614 129)**

ABRIDGED UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2025

	Share capital ZWG' 000	Share premium ZWG' 000	Capital Awaiting Allotment ZWG' 000	Foreign currency translation reserve 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 2024	165	247 027	221 690	-	429 593	8 782	1 525 687	2 432 944
Loss for the period	-	-	-	-	-	-	(331 775)	(331 775)
Other comprehensive income								
for the period	-	-	-	.	(221 438)	(4 647)	-	(226 085)
Balance at 30 June 2024	**165**	**247 027**	**221 690**	**-**	**208 155**	**4 135**	**1 193 912**	**1 875 084**
Balance at 1 January 2025	165	247 027	221 690	-	190 905	14 516	1 053 907	1 728 210
Profit for the period	-	-	-	-	-	-	146 623	146 623
Dividend	-	-	-	-	-	-	(141 064)	(141 064)
Foreign currency translation loss	-	-	-	(149 413)	-	-	-	(149 413)
Balance at 30 June 2025	**165**	**247 027**	**221 690**	**(149 413)**	**190 905**	**14 516**	**1 059 466**	**1 584 356**

ABRIDGED UNAUDITED SEPERATE STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2025

	Share capital ZWG' 000	Share premium ZWG' 000	Capital Awaiting Allotment ZWG' 000	Foreign currency translation reserve 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 2024	165	247 027	221 690	-	429 512	8 782	1 521 078	2 428 254
Loss for the period	-	-	-	-	-	-	(388 044)	(388 044)
Other comprehensive								
income for the period	-	-	-	-	(221 438)	(4 647)	-	(226 085)
Balance at 30 June 2024	**165**	**247 027**	**221 690**	**-**	**208 074**	**4 135**	**1 133 034**	**1 814 125**
Balance at 1 January 2025	165	247 027	221 690	-	190 826	14 516	1 021 598	1 695 822
Profit for the period	-	-	-	-	-	-	136 065	136 065
Dividend	-	-	-	-	-	-	(141 064)	(141 064)
Foreign currency								
translation loss	-	-	-	(138 588)	-	-	-	(138 588)
Balance at 30 June 2025	**165**	**247 027**	**221 690**	**(138 588)**	**190 826**	**14 516**	**1 016 599**	**1 552 235**

ABRIDGED UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2025

	Note	30-Jun-25 ZWG' 000	30-Jun-24 ZWG' 000
Cash flows from operating activities			
Profit/(loss) before income tax		202 250	(385 809)
Adjusted for:			
Expected credit losses allowance:	14	23 268	51 172
Net interest income	13	(162 828)	(41 673)
Unrealised foreign exchange gains	15.1	(1 710)	(7 972)
Fair value adjustment of investment properties	9	-	252 868
Profit on disposal		(371)	-
Depreciation and amortisation	8	13 125	11 574
Provisions charged to profit or loss		15 056	1 016
Loss on net monetary position		-	896 091
Changes in operating assets and liabilities:			
(Increase)/decrease in loans and advances to customers		(535 700)	415 930
(Increase)/decrease in other assets		(97 640)	196 483
(Decrease)/ increase in deposits from banks		102 214	(185 033)
(Decrease)/increase in deposits from customers		710 748	(2 039 902)
Decrease in other liabilities		(5 745)	(70 138)
Decrease in amounts due from group companies		(28 112)	31 359
Decrease in amounts due to group companies		(9 729)	(6 879)
Cash (used in)/generated from operations		**224 826**	**(880 913)**
Interest received		219 240	30 284
Interest paid		(56 426)	(11 530)
Income taxes paid		(47 670)	(14 514)
Net cash generated from operating activities		**339 970**	**(876 673)**
Cash flows from investing activities			
Purchases of investment securities		(414 492)	(155 573)
Proceeds from disposal of investment securities		49 562	238 139
Purchase of property and equipment		(30 269)	(10 003)
Proceeds from disposal of property and equipment		371	-
Purchase of intangible assets		(11 504)	(16 320)
Net cash generated from/(used in) investing activities		**(406 332)**	**56 243**
Cash flows from financing activities			
Proceeds from borrowed funds		85 387	28 264
Repayment of borrowed funds during the period		(44 335)	(8 182)
Principal elements of lease payments		(1 466)	(5 555)
Dividend paid		(87 421)	-
Net cash (used in)/generated from financing activities		**(47 835)**	**14 527**
Net increase/(decrease) in cash and cash equivalents		**(114 197)**	**(805 903)**
Inflation effect on cash		-	(111 205)
Effects of exchange rate changes on cash and cash equivalents		103 433	(138 951)
Cash and cash equivalents at the beginning of the period		**1 612 379**	**2 386 358**
Cash and cash equivalents at the end of the period		**1 601 615**	**1 330 299**

ABRIDGED UNAUDITED SEPERATE STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2025

	Note	30-Jun-25 ZWG' 000	30-Jun-24 ZWG' 000
Cash flows from operating activities			
Profit/(loss) before income tax		187 111	(441 798)
Adjusted for:		-	
Expected credit losses allowance:	14	19 202	51 074
Net interest income	13	(129 598)	(31 846)
Unrealised foreign exchange gains	15.1	(1 637)	(7 655)
Fair value adjustment of investment properties	9	-	252 868
Loss/(profit) on disposal		(371)	-
Depreciation and amortisation	8	12 611	10 891
Provisions charged to profit or loss		18 993	1 016
Loss on net monetary position		-	924 860
Changes in operating assets and liabilities:			
(Increase)/decrease in loans and advances to customers		(457 512)	415 930
(Increase)/decrease in other assets		(74 968)	196 483
(Decrease)/ increase in deposits from banks		102 214	(185 033)
(Decrease)/increase in deposits from customers		710 748	(2 039 902)
Decrease in other liabilities		18 993	(70 138)
Decrease in amounts due from group companies		(33 292)	31 359
Decrease in amounts due to group companies		(9 704)	(6 879)
Cash (used in)/generated from operations		**362 790**	**(898 770)**
Interest received		178 370	30 284
Interest paid		(56 426)	(11 530)
Income taxes paid		(45 114)	(14 514)
Net cash generated from operating activities		**439 620**	**(894 530)**
Cash flows from investing activities			
Purchases of investment securities		(414 492)	(155 573)
Proceeds from disposal of investment securities		49 562	238 139
Purchase of property and equipment		(30 269)	(10 003)
Proceeds from disposal of property and equipment		371	-
Purchase of intangible assets		(11 504)	(16 320)
Net cash generated from/(used in) investing activities		**(406 332)**	**56 243**
Cash flows from financing activities			
Proceeds from borrowed funds		-	28 264
Repayment of borrowed funds during the period		(44 335)	(8 182)
Principal elements of lease payments		(942)	(5 555)
Dividend paid		(87 421)	-
Net cash (used in)/generated from financing activities		**(132 698)**	**14 527**
Net increase/(decrease) in cash and cash equivalents		**(99 410)**	**(823 760)**
Inflation effect on cash		-	(64 261)
Effects of exchange rate changes on cash and cash equivalents		106 776	(104 851)
Cash and cash equivalents at the beginning of the period		**1 599 595**	**2 258 746**
Cash and cash equivalents at the end of the period		**1 606 961**	**1 265 874**

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2025

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 activities. The unaudited abridged consolidated financial statements of the Group for the half-year period ended 30 June 2025 comprise the Company and its subsidiary.

The unaudited abridged consolidated financial statements were approved for issue by the Board of Directors on 8 August 2025.

2.ACCOUNTING POLICIES

The accounting policies applied in the preparation of these unaudited abridged consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, unless explicitly stated otherwise.

3.BASIS OF ACCOUNTING

The unaudited abridged 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), the Zimbabwe Banking Act (Chapter 24:20) and Microfinance Act(Chapter24:29), as relevant.

These abridged 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 2024.

3.1.CHANGE IN FUNCTIONAL CURRENCY

The Group has changed its functional currency from Zimbabwe Gold ("ZWG") to United States Dollar ("USD or US$") effective 1 January 2025. The presentation currently remains "ZWG".

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.

The Group`s functional currency has been changed to USD because a significant portion of its transactions, assets and liabilities are denominated in USD, makes it a more appropriate reflection of the Group`s economic reality.

The change in functional currency has been applied prospectively. The exchange rate used to translate 31 December 2024 inflation adjusted "ZWG" figures to USD was the prevailing official exchange rate of ZWG 25.79 to USD 1. The resultant balances were adopted as the opening USD balances on 1 January 2025.

3.2.PRESENTATION CURRENCY

The unaudited abridged consolidated financial statements are presented in Zimbabwean Gold ("ZWG"), which is the Group's presentation currency for the period ended 30 June 2025 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.

All amounts have been rounded to the nearest thousands, except when otherwise indicated

3.3 USE OF JUDGEMENTS AND ESTIMATES

In preparing these interim 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 where the same as those described in the latest annual financial statements.

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL RESULTS
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3.4 GOING CONCERN

In preparing these interim abridged consilidated 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 interim abridged consilidated 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 interim abridged consilidated financial statements have been prepared on the going concern basis, which assumes that the Group will continue to operate for the foreseeable.

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

	Group	
	30-Jun-25 ZWG' 000	31-Dec-24 ZWG' 000
Cash on hand	293 130	459 568
Balances with banks and the central bank	448 996	356 818
Loans and advances to banks	187 879	65 593
Statutory reserves	671 610	730 400
Total	**1 601 615**	**1 612 379**

	Company	
	30-Jun-25 ZWG' 000	31-Dec-24 ZWG' 000
Cash on hand	312 580	459 567
Balances with banks and the central bank	434 892	344 035
Loans and advances to banks	187 879	65 593
Statutory reserves	671 610	730 400
Total	**1 606 961**	**1 599 595**

Balances with banks and Central Bank comprise of balances with less than three months maturity from date of acquisition, including cash on hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

5. INVESTMENT SECURITIES

	Group	
	30-Jun-25 ZWG' 000	31-Dec-24 ZWG' 000
Financial assets at amortised cost	833 747	470 298
Financial assets at fair value through other comprehensive income	5 594	4 114
Total	**839 341**	**474 412**

	Company	
	30-Jun-25 ZWG' 000	31-Dec-24 ZWG' 000
Financial assets at amortised cost	833 747	470 298
Financial assets at fair value through other comprehensive income	5 594	4 114
Total	**839 341**	**474 412**

6. LOANS AND ADVANCES TO CUSTOMERS

	Group	
	30-Jun-25 ZWG' 000	31-Dec-24 ZWG' 000
Overdrafts	586 372	224 939
Staff loans	140 038	102 320
Term loans	736 758	1 043 675
Loans to small to medium enterprises	512 910	191 858
Gross loans and advances to customers	**1 976 078**	**1 562 792**
Less: Expected credit losses	(92 691)	(67 635)
Net loans and advances to customers	**1 883 387**	**1 495 157**

	Company	
	30-Jun-25 ZWG' 000	31-Dec-24 ZWG' 000
Overdrafts	585 870	224 938
Staff loans	140 038	102 320
Term loans	594 131	982 817
Loans to small to medium enterprises	509 772	191 859
Gross loans and advances to customers	**1 829 811**	**1 501 934**
Less: Expected credit losses	(80 062)	(60 628)
Net loans and advances to customers	**1 749 749**	**1 441 306**

6.1 Gross Credit Risk Concentration

	Group	
	30-Jun-25 ZWG' 000	31-Dec-24 ZWG' 000
Agriculture	145 000	126 954
Mining and energy	299 067	393 195
Wholesale service and retail	512 857	241 858
Manufacturing	135 638	160 777
Individuals	883 516	640 008
Gross loans and advances to customers	**1 977 078**	**1 562 792**
Expected credit loss	(92 691)	(67 635)
Total	**1 883 387**	**1 495 157**

	Company	
	30-Jun-25 ZWG' 000	31-Dec-24 ZWG' 000
Agriculture	144 643	19 543
Mining and energy	298 331	44 685
Wholesale service and retail	511 596	30 833
Manufacturing	135 304	10 157
Individuals	739 937	1 396 716
Gross loans and advances to customers	**1 829 811**	**1 501 934**
Expected credit loss	(80 062)	(60 628)
Total	**1 749 749**	**1 441 306**

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2025

6.2 Maturity Profile for Gross Loans and Advances to Customers

	Group	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Due within 1 month	94 208	83 372
Due between 1 month and 3 months	166 141	74 311
Due between 3 months and 12 months	634 131	686 202
Greater than 1 year	1 081 598	718 907
Total	**1 976 078**	**1 562 792**

	Company	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Due within 1 month	87 234	83 372
Due between 1 month and 3 months	153 843	74 311
Due between 3 months and 12 months	587 194	686 202
Greater than 1 year	1 001 540	658 050
Total	**1 829 811**	**1 501 935**

7. OTHER ASSETS

	Group	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Other receivables	299 992	271 471
Prepayments	46 611	158 552
Total	**346 603**	**430 023**

	Company	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Other receivables	267 734	261 580
Prepayments	46 151	159 013
Total	**313 885**	**420 593**

8. PROPERTY AND EQUIPMENT

	Group				
Half-year period ended 30 June 2025	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	412 083	6 974	11 711	136 889	567 657
Additions	-	4 536	-	25 733	30 269
Foreign currency translation loss	14 818	(5 576)	(7 785)	(102 968)	(101 511)
Depreciation and impairment charges	(6 773)	(64)	(266)	(3 059)	(10 162)
Closing net carrying amount	**420 128**	**5 870**	**3 660**	**56 595**	**486 253**
Year ended 31 December 2024					
Opening net carrying amount	750 457	6 240	8 216	98 929	863 842
Additions	-	792	3 970	67 526	72 288
Revaluation loss	(321 462)	-	-	-	(321 462)
Depreciation charge	(16 912)	(58)	(475)	(29 566)	(47 011)
Closing net carrying amount	**412 083**	**6 974**	**11 711**	**136 889**	**567 657**

	Company				
Half-year period ended 30 June 2025	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	412 083	6 941	11 387	101 782	532 193
Additions	-	4 536	-	25 733	30 269
Foreign currency translation loss	14 818	(5 543)	(7 460)	(68 513)	(66 698)
Depreciation charge	(6 773)	(64)	(266)	(3006)	(10 109)
Closing net carrying amount	**420 128**	**5 870**	**3 661**	**55 996**	**485 655**
Year ended 31 December 2024					
Opening net carrying amount	750 457	6 207	7 892	98 363	862 919
Additions	-	792	3 970	32 985	37 747
Revaluation loss	(321 462)	-	-	-	(321 462)
Depreciation charge	(16 912)	(58)	(475)	(29 566)	(47 011)
Closing net carrying amount	**412 083**	**6 941**	**11 387**	**101 782**	**532 193**

9. INVESTMENT PROPERTIES

	Group	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Opening net carrying amount	641 491	1 196 064
Disposal of investment property	(6 564)	(5 346)
Fair value adjustments and foreign currency translation gain	27 867	(549 227)
At 30 June - net carrying amount	**662 794**	**641 491**

	Company	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Opening net carrying amount	641 491	1 196 064
Disposal of investment property	(6 564)	(5 346)
Fair value adjustments and foreign currency translation gain	27 867	(549 227)
At 30 June - net carrying amount	**662 794**	**641 491**

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL RESULTS (continued
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10.DEPOSITS

	Group	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Deposits from banks	136 584	34 370
Deposits from customers	3 419 739	2 784 867
Total	**3 556 323**	**2 819 237**

	Company	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Deposits from banks	136 584	34 370
Deposits from customers	3 439 189	2 784 866
Total	**3 575 773**	**2 819 236**

10.1 Sectorial distribution of customer deposits

	Group	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Agriculture	15 177	11 966
Individuals and households	41 712	32 887
Financial institutions	101 927	95 697
Wholesale, service and retail	3 318 802	2 616 633
Mining and energy	72 452	57 124
Manufacturing	6 253	4 929
Total	**3 556 323**	**2 819 236**

	Company	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Agriculture	15 177	11 966
Individuals and households	41 712	32 887
Financial institutions	121 377	95 697
Wholesale, service and retail	3 318 802	2 616 633
Mining and energy	72 452	57 124
Manufacturing	6 253	4 929
Total	**3 575 773**	**2 819 236**

11. BORROWED FUNDS

	Group	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Off-shore borrowings	212 299	217 297
Local borrowing	138 728	48 818
Total	**351 027**	**266 115**

	Company	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Off-shore borrowings	212 299	217 297
Local borrowing	-	3 220
Total	**212 299**	**220 517**

12. PROVISIONS AND OTHER LIABILITIES

	Group	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Accruals	18 724	10 760
Provisions	109 072	94 016
Lease liability	38 881	26 635
Other	81 757	107 711
Total	**248 434**	**239 122**

	Company	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Accruals	18 724	10 760
Provisions	106 038	94 016
Lease liability	38 881	26 635
Other	84 940	98 179
Total	**248 583**	**229 590**

13. NET INTEREST INCOME

	Group	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Interest and similar income		
Loans and advances:		
- to banks	7 226	2 341
- to customers	189 523	55 034
Cash and short term funds	9 598	2 899
Financial assets at amortised cost	11 896	7 021
Total interest income	**218 243**	**67 295**
Interest expense and similar charges		
Deposits from banks	(7 864)	(7 896)
Deposits from customers	(24 588)	(3 262)
Borrowed funds	(22 963)	(14 464)
Total interest expense and similar charges	**(55 415)**	**(25 622)**
Net interest income	**162 828**	**41 673**

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL RESULTS (continued)
FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2025

	Company	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Interest and similar income		
Loans and advances:		
- to banks	7 226	2 341
- to customers	148 138	44 869
Cash and short-term funds	9 598	2 899
Financial assets at amortised cost	11 896	7 022
Total interest income	**176 858**	**57 131**
Interest expense and similar charges		
Deposits from banks	(7 864)	(7 896)
Deposits from customers	(24 199)	(3 263)
Borrowed funds	(15 197)	(14 126)
Total interest expense and similar charges	**(47 260)**	**(25 285)**
Net interest income	**129 597**	**31 846**

14. EXPECTED CREDIT LOSSES ALLOWANCE

	Group	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Income statement movement comprised of		
Net change in expected credit losses	22 725	52 778
Recoveries	(24)	(1 673)
Write-offs	567	67
	23 268	**51 172**

	Company	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Income statement movement comprised of:		
Net change in expected credit losses	18 742	52 639
Recoveries	(13)	(1 639)
Write-offs	473	74
Total	**19 202**	**51 074**

15. NON-INTEREST INCOME

	Group	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Fee and commission income	298 788	232 735
Net trading income	131 610	613 510
Other operating income	134 392	174 931
Total	**564 790**	**1 021 176**

	Company	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Fee and commission income	295 858	232 002
Net trading income	131 610	580 794
Other operating income	131 560	182 363
Total	**559 028**	**995 159**

15.1 Fee and commission income

	Group	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Trading fees and commissions	127 687	96 783
Net commission income	171 101	135 952
Total	**298 788**	**232 735**

	Company	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Trading fees and commissions	124 757	96 050
Net commission income	171 101	135 952
Total	**295 858**	**232 002**

15.2 Net trading income

	Group	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Foreign exchange trading	129 900	605 538
Unrealised foreign exchange gains	1 710	7 972
Total	**131 610**	**613 510**

	Company	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Foreign exchange trading	129 900	573 139
Unrealised foreign exchange gains	1 710	7 655
Total	**131 610**	**580 794**

15.3 Other operating income

	Group	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Fair value gains on investment properties	-	(252 868)
Other	122 663	419 245
Rental income	11 729	8 564
Total	**134 392**	**174 941**

	Company	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Fair value gains on investment properties	-	(252 868)
Other	119 831	426 669
Rental income	11 729	8 564
Total	**131 560**	**182 365**

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL RESULTS (continued)
FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2025

16. OPERATING EXPENSES

	Group	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Personnel expenses	289 658	240 241
Directors' fees	4 070	5 170
General and administrative expenses	195 708	244 410
Depreciation and amortisation expenses	12 664	11 574
Total	**502 100**	**501 395**

	Company	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Personnel expenses	279 212	234 539
Directors' fees	4 070	5 170
General and administrative expenses	186 420	242 269
Depreciation, impairment and amortisation	12 611	10 891
Total	**482 313**	**492 869**

17. TAXATION

17.1 Income tax expense/(credit)

	Group	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Deferred tax	(59 780)	(150 047)
Current income tax	115 407	96 013
Income tax expense/(credit)	**55 627**	**(54 034)**

	Company	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Deferred income tax	(62 757)	(150 217)
Current income tax	113 803	96 463
Income tax expense/(credit)	**51 046**	**(53 754)**

17.2 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-25	30-Jun-24
	ZWG' 000	ZWG' 000
Profit before income tax	**202 250**	**(385 809)**
Notional income tax on profit for the period at a statutory rate of 25.75%	52 079	(99 346)
Non-deductible expenses	10 429	56 987
Non-taxable income	(6 881)	(11 675)
Income tax expense/(credit)	**55 627**	**(54 034)**
Effective tax rate	**27.50%**	**(14.01)%**

	Company	
	30-Jun-25	30-Jun-24
	ZWG' 000	ZWG' 000
Profit before income tax	**187 111**	**(441 798)**
Notional income tax on profit for the period at a statutory rate of 24.75%	48 181	113 763
Add Non-deductible expenses	9 746	48 752
Non-taxable income	(6 881)	(216 269)
Income tax expense/(credit)	**51 046**	**(53 754)**
Effective tax rate	**27.28%**	**(12.17)%**

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

18. FAIR VALUE

18.1. 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.

	Group	
At 30 June 2025	Level 3	Total fair value
	ZWG' 000	ZWG' 000
Assets		
Financial assets at fair value through other comprehensive income	5 594	5 594
Land and buildings	420 128	420 128
Investment properties	662 794	662 794
Total at fair value	**1 088 516**	**1 088 516**

	Company	
At 31 December 2024	Level 3	Total fair value
	ZWG' 000	ZWG' 000
Assets		
Financial assets at fair value through other comprehensive income	5 594	5 594
Land and buildings	420 128	420 128
Investment properties	662 794	662 794
Total at fair value	**1 088 516**	**1 088 516**

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19. 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.

Year end balances arising from transactions with related parties are as follows:

19.1 Amounts due from group companies

	Group	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
ABC Holdings Zimbabwe Limited	6 819	36 683
ABC Stockbrokers (Private) Limited	4 886	2 452
ABC Asset Management Private) Limited	2 590	688
Total	**14 295**	**39 823**

	Company	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
ABC Holdings Zimbabwe Limited	6 819	36 470
ABC Stockbrokers (Private) Limited	4 886	2 452
ABC Asset Management Private) Limited	2 590	688
ABC Easy Loans (Private) Limited	9 979	5 012
Total	**24 274**	**44 622**

19.2 Amounts due to group companies

	Group	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Second Nominees (Private) Limited	1	2
ABC Holdings (Zimbabwe) Limited	102	9 802
ABC Stockbrokers (Private) Limited	2	6
Total	**105**	**9 810**

	Company	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 000
Second Nominees (Private) Limited	1	2
ABC Holdings (Zimbabwe) Limited	102	9 802
ABC Stockbrokers (Private) Limited	2	6
Total	**105**	**9 810**

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.

19.3 Loans to directors

The loans to directors` and directors' companies include companies directly owned or significantly influenced by non-executive directors and/or their close family members. The loans are provided at arm's length. The loans to directors are shown below:

	Group & Company	
	30-Jun-25	31-Dec-24
	ZWG' 000	ZWG' 00
Exposure to directors	13 027	678
Exposure to directors` companies	2 820	4 834
Total	15 847	5 512

19.4 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

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.

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL RESULTS (continued)
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20. FINANCIAL RISK MANAGEMENT

20.1 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				Group		
At 30 June 2025	Up to 1 month	1 - 3 months	3 - 12 months	Greater than one year	Non-interest bearing	Total
	ZWG' 000	ZWG' 000	ZWG' 000	ZWG' 000	ZWG' 000	ZWG'000
Assets						
Cash and cash equivalents and balances with the central bank	1 601 615	-	-	-	-	1 601 615
Amounts due from group companies	-	-	14 295	-	-	14 295
Investment securities	-	48 742	168 452	622 147	-	839 341
Loans and advances to customers	94 208	166 140	634 132	988 907	-	1 883 387
Other assets	-	-	-	-	346 603	346 603
Property and equipment	-	-	-	-	486 253	486 253
Right-of-use assets	-	-	-	-	16 899	16 899
Investment properties	-	-	-	-	662 794	662 794
Intangible assets	-	-	-	-	35 497	35 497
Total assets	**1 695 823**	**214 882**	**816 879**	**1 611 054**	**1 548 046**	**5 888 684**
Liabilities						
Deposits from banks	136 584	-	-	-	-	136 584
Deposits from customers	3 214 555	170 987	34 197	-	-	3 419 739
Borrowed funds	-	-	138 728	212 299	-	351 027
Amounts due to group companies	-	-	105	-	-	105
Current Income tax liability					8 163	8 163
Provisions and other liabilities	-	-	-	-	248 434	248 434
Deferred tax liabilities	-	-	-	-	138 276	138 276
Equity	-	-	-	-	1 584 356	1 584 356
Total liabilities	**3 351 139**	**170 987**	**173 030**	**212 299**	**1 979 230**	**5 888 684**
Total interest rate repricing gap	**(1 655 316)**	**43 895**	**643 849**	**1 398 755**	**(431 184)**	**-**
Cumulative interest rate repricing gap	**(1 655 316)**	**(1 611 421)**	**(967 752)**	**431 184**	**-**	**-**
As at 31 December 2024	**1 375 461**	**(1 056 507)**	**(246 134)**	**(84 349)**	**-**	**-**

20.1 Interest rate repricing risk (continued)

Interest rate repricing gap analysis				Company		
At 30 June 2025	Up to 1 month	1 - 3 months	3 - 12 months	Greater than one year	Non-interest bearing	Total
	USD' 000	USD' 000	USD' 000	USD' 000	USD' 000	USD' 000
Assets						
Cash and cash equivalents and balances with the central bank	1 606 961					1 606 961
Amounts due from group companies	24 274	-	-	-	-	24 274
Investment securities	-	48 742	168 452	622 147	-	839 341
Loans and advances to customers	94 253	166 219	634 433	854 844	-	1 749 749
Other assets	-	-	-	-	313 885	313 885
Investment in subsidiary	-	-	-	-	6	6
Property and equipment	-	-	-	-	485 655	485 655
Right-of-use assets	-	-	-	-	16 899	16 899
Investment properties	-	-	-	-	662 794	662 794
Intangible assets	-	-	-	-	35 510	35 510
Total assets	**1 725 488**	**214 961**	**802 885**	**1 476 991**	**1 514 749**	**5 735 074**
Liabilities						
Deposits from banks	136 584	-	-	-	-	136 584
Deposits from customers	3 232 838	171 959	34 392	-	-	3 439 189
Borrowed funds	-	-	14 601	197 698	-	212 299
Amounts due to group companies	-	-	105	-	-	105
Current Income tax liability					3 950	3 950
Provisions and other liabilities	-	-	-	-	248 583	248 583
Deferred tax liabilities	-	-	-	-	142 128	142 128
Equity	-	-	-	-	1 552 236	1 552 236
Total liabilities	**3 369 422**	**171 959**	**49 098**	**197 698**	**1 946 897**	**5 735 074**
Total interest rate repricing gap	**(1 643 934)**	**43 002**	**753 787**	**1 279 293**	**(432 148)**	**-**
Cumulative interest rate repricing gap	**(1 643 934)**	**(1 600 932)**	**(847 144)**	**432 148**	**-**	**-**
As at 31 December 2024	**1 362 748**	**(1 069 221)**	**(197 643)**	**(292 734)**	**-**	**-**

AFRICAN BANKING CORPORATION OF ZIMBABWE LIMITED

ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE PERIOD ENDED 30 JUNE 2025

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL RESULTS (continued)

FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2025

20.2 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 2025 was as follows:	Group Up to 1 month ZWG' 000	1-3 months ZWG' 000	3-12 months ZWG' 000	Greater than 1 year ZWG' 000	Total ZWG' 000
Cash and cash equivalents and balances with the central bank	1 601 615	-	-	-	1 601 615
Amounts due from group companies	-	-	14 295	-	14 295
Investment securities	-	48 742	168 452	622 147	839 341
Loans and advances to customers	94 253	166 219	634 433	988 482	1 883 387
Other assets (excluding prepayments)	-	-	11 133	-	11 133
Total assets	**1 695 868**	**214 961**	**828 313**	**1 610 629**	**4 349 771**
Deposits from banks	136 584	-	-	-	136 584
Deposits from customers	3 214 555	170 987	34 197	-	3 419 739
Amounts due to group companies	-	-	105	-	105
Other liabilities (excluding provisions)	-	5 172	-	-	5 172
Borrowed funds	-	-	138 728	212 299	351 027
Total liabilities	**3 351 139**	**176 159**	**173 030**	**212 299**	**3 912 627**
Liquidity gap	**(1 655 271)**	**38 802**	**655283**	**1398330**	**437144**
Cumulative liquidity gap	**(1 655 271)**	**(1 616 469)**	**(961 185)**	**437145**	**-**
As at 31 December 2024	**1 478 795**	**(1 318 695)**	**16 766**	**964 514**	**-**

The Group's maturity analysis as at 30 June 2025 was as follows:	Company Up to 1 month ZWG' 000	1-3 months ZWG' 000	3-12 months ZWG' 000	Greater than 1 year ZWG' 000	Total ZWG' 000
Cash and cash equivalents and balances with the central bank	1 606 961	-	-	-	1 606 961
Amounts due from group companies	-	-	24 274	-	24 274
Investment securities	-	48 742	168 452	622 147	839 341
Loans and advances to customers	94 253	166 219	634 433	854 844	1 749 749
Other assets (excluding prepayments)	-	-	9 936	-	9 936
Total assets	**1 701 214**	**214 961**	**837 095**	**1 476 991**	**4 230 261**
Deposits from banks	136 584	-	-	-	136 584
Deposits from customers	3 232 838	171 959	34 392	-	3 439 189
Amounts due to group companies	-	-	105	-	105
Other liabilities (excluding provisions)	-	5 290	-	-	5 290
Borrowed funds	-	-	14 601	197 698	212 299
Total liabilities	**3 369 422**	**177 249**	**49 088**	**197 698**	**3 793 467**
Liquidity gap	**(1 668 208)**	**37 712**	**787 997**	**1 279 293**	**436 794**
Cumulative liquidity gap	**(1 668 208)**	**(1 630 496)**	**(842 499)**	**436 794**	**-**
As at 31 December 2024	**1 478 802**	**(1 322 637)**	**20 385**	**933 717**	**-**

20.3 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 2025, BancABC aggregate net foreign currency open position ratio and single currency net open position ("NOP") ratio were 13% and 8%, respectively. These foreign currency open positions were within threquared 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 2025.

20.3.1 Concentration of Currency Risk

At 30 June 2025	Group ZWG ZWG' 000 Equivalent	US$ ZWG' 000 Equivalent	EUR ZWG' 000 Equivalent	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	145 816	1 333 662	37 395	11 536	67 508	5 698	1 601 615
Amounts due from group companies	14 295	-	-	-	-	-	14 295
Investment securities	35 352	803 982	2	-	5	-	839 341
Loans and advances to customers	185 076	1 697 257	184	-	870	-	1 883 387
Other assets	22 639	322 131	1 481	102	246	4	346 603
Total assets	**403 178**	**4 157 032**	**39 062**	**11 638**	**68 629**	**5 702**	**4 685 241**
Liabilities							
Deposits from banks and customers	523 665	2 956 768	21 624	3 844	49 822	600	3 556 323
Amounts due to group companies	-	105	-	-	-	-	105
Other liabilities	204 023	43 337	998	76	-	-	248 434
Borrowed funds	21 714	329 313	-	-	-	-	351 027
Total liabilities	**749 402**	**3 329 523**	**22 622**	**3 920**	**49 822**	**600**	**4 155 889**
Net financial instrument balance	**(343 224)**	**827 509**	**16 440**	**7 718**	**18 807**	**5 102**	**529 352**
As at 31 December 2024	**(275 958)**	**1 061 444**	**31 373**	**8 856**	**(3 936)**	**48 347**	**870 126**

NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL RESULTS (continued)

FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2025

At 30 June 2025	Company ZWG ZWG' 000 Equivalent	US$ ZWG' 000 Equivalent	ZAR ZWG' 000 Equivalent	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	146 302	1 338 114	37 520	11 574	67 733	5 718	1 606 961
Amounts due from group companies	24 274	-	-	-	-	-	24 274
Investment securities	35 352	803 989	-	-	-	-	839 341
Loans and advances to customers	171 943	1 576 826	171	-	809	-	1 749 749
Other assets	20 502	291 723	1 341	93	222	4	313 885
Total assets	**398 373**	**4 010 652**	**39 032**	**11 667**	**68 764**	**5 722**	**4 534 210**
Liabilities							
Deposits from banks and customers	543 115	2 956 768	21 624	3 844	49 821	600	3 575 773
Amounts due to group companies	-	105	-	-	-	-	105
Other liabilities	202 492	45 019	998	75	-	-	248 583
Borrowed funds	13 132	199 167	-	-	-	-	212 299
Total liabilities	**758739**	**3 201 059**	**22 622**	**3 919**	**49 821**	**600**	**4 036 760**
Net financial instrument balance	**(360 366)**	**809 593**	**16 410**	**7 748**	**18 943**	**5 722**	**497 450**
As at 31 December 2024	**(703)**	**590 865**	**31 373**	**8 856**	**3 936**	**78 078**	**704 533**

21. 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 summaries the composition of regulatory capital and ratios of the Bank.

	30-Jun 2025 ZWG' 000	31-Dec 2024 ZWG' 000
Tier 1		
Ordinary paid-up share capital	-	-
Share premium	102	102
Capital awaiting allotment	1 126 822	1 122 747
Retained earnings	1 126 720	1 122 645
Less: Exposure to insiders and connected parties	(17 643)	(27 743)
Total qualifying Tier 1 capital	**1 109 180**	**1 095 004**
Tier 2		
Revaluation reserve	309 720	309 720
Financial assets at fair value through other comprehensive income reserve	-	-
General provisions (Limited to 1.25% of Total Risk Weighted Assets)	32 231	22 167
Total qualifying Tier 2 capital (Limited to 100% of total qualifying Tier 1 capital)	**341 951**	**331 887**
Total regulatory capital	**1 451 131**	**1 426 891**
Total risk-weighted assets	**4 590 060**	**3 552 293**
Tier 1 ratio	24%	31%
Tier 2 ratio	7%	9%
Capital adequacy ratio	32%	40%

22. OFF-STATEMENT OF FINANCIAL POSITIONS ITEMS

	30-Jun-25 ZWG' 000	31-Dec-24 ZWG' 000
Commitments to lend	228 126	434 684
Financial guarantees	304879	211 193
Total	**533 005**	**645 877**

23. Exchange rates

The average and closing exchange rates used to translate USD to ZWG for the Statement of comprehensive income and Statement of financial position is as below:

Half-year period ended 30 June 2025 average rate	26.6465
Half-year period ended 30 June 2025 closing rate	26.9457
31 December 2024 closing rate	25.7985

24. Breaches and fines

Due to the delay in submission of the Model Risk Management Reports, which was due on the 31st of March 2025 in breach of Banking Act [Chapter 24:20], the Group has incurred a penalty of ZWG 150,194.