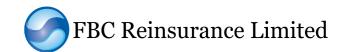


FOR THE SIX MONTHS ENDED 30 JUNE 2020

















FOR THE SIX MONTHS ENDED 30 JUNE 2020

CHAIRMAN'S STATEMENT

FINANCIAL HIGHLIGHTS FOR THE HALF YEAR ENDED 30 JUNE 2020

Group total income	Group profit before income tax	Group profit after income tax	Cost to income ratio	Basic earnings per share	Net asset value per share	Asset base	Dividend declared
Inflation Adjusted ZWL\$3.5 billion	Inflation Adjusted ZWL\$2.1 billion	Inflation Adjusted ZWL\$1.6 billion	Inflation Adjusted 39%	Inflation Adjusted 265.42 ZWL cents	Inflation Adjusted 730 ZWL cents	Inflation Adjusted ZWL\$20.9 billion	Inflation Adjusted ZWL\$200 million
Historical Cost ZWL\$3.6 billion	Historical Cost ZWL\$2.3 billion	Historical Cost ZWL\$1.9 billion	Historical Cost	Historical Cost 312.28 ZWL cents	Historical Cost 549 ZWL cents	Historical Cost ZWL\$20.1 billion	Historical Cost ZWL\$200 million

It is with great pleasure that I present to you the Group's reviewed interim results for the half-year ended 30 June 2020. The results are presented at a time in which the country faces both economic and humanitarian challenges largely due to the Covid-19 pandemic.

Financial Performance Review - Inflation Adjusted

The Group has continued to benefit from its diversified business model in addition to its strong risk management culture and the early adoption of digitalization in spite of the unprecedented challenging environment ignited by the Covid-19 pandemic. The Group registered a commendable profit before tax of ZWL\$2.1 billion from a loss position of ZWL\$380.1 million for the same period last year. The Group performance was mainly driven by the non-funded income derived from its effective hedging strategy. The hedging strategy resulted in noteworthy exchange gains and fair value gains being recorded as the local currency depreciated against major currencies

The Group recorded total income of ZWL\$3.5 billion which is 82% higher than the ZWL\$1.9 billion recorded for the same period last year. The level of total net income was however, affected by the low contribution of net interest income as a result of the unsustainable low interest rate regime on local borrowings in a hyperinflationary environment. Net interest income of ZWL\$451.3 million was achieved registering a growth of 20% compared to the same period last year. Net fees and commission income decreased by 16% to ZWL\$286.7 from ZWL\$340.7 million achieved for the same period last year mainly as a result of significant reductions in volume of transactions as customers transacted less as a result of the Covid-19 pandemic lockdown measures. This revenue stream is expected to improve as the lockdown measures are eased. The repricing of services in a hyperinflationary environment was inadequate to compensate the decrease in volumes. The country started the Covid-19 pandemic at Level 4 (the highest level) at the end of March 2020 to the current level 2 which is a moderate level and has culminated in an improvement in the volume of transactions. Net profit from property sales decreased by 51% to ZWL\$5.5 million from ZWL\$11.2 million achieved for the same period last year as a result of the challenging and unsustainable operating environment.

Net insurance premium earned decreased by 5% to ZWL\$219 million from ZWL\$230 million recorded for the corresponding period last year. This was also attributable to the Covid-19 pandemic lockdown effects and the hyperinflationary environment which made the insurance business model very challenging

The Group's administrative expenses increased by 56% to ZWL\$1.4 billion mainly driven by the repricing of overheads to match the devaluation of the local currency, and concomitant distorted and speculative pricing.

A net monetary gain of ZWL\$153 million was recorded for the Group compared to the corresponding period net monetary loss amount of ZWL\$1.2 billion.

The Group's statement of financial position as at 30 June 2020 increased by 29% to ZWL\$20.9 billion from the 31 December 2019 position of ZWL\$16.3 billion. The growth in the statement of financial position was mainly driven by a 31 % increase in deposits riding on foreign currency denominated deposits and credit lines

The Group's total equity attributable to shareholders of the parent company increased by 69% to ZWL\$4.4 billion from ZWL\$2.6 billion as at 31 December 2019 as a result of retained revenue reserves for the period.

The trading environment remained challenging during the first half of the year as the country grappled with the effects of the Covid-19 pandemic. The Government introduced a raft of measures to contain the spread of the Coronavirus. This inevitably disrupted business transactions and volumes which translated to reduced revenue streams across a number of businesses. The Covid-19 pandemic is likely to have significant adverse financial impact on business and the economy in general for the year 2020. Globally, economies are expected to be negatively impacted by this pandemic and this may translate to weak global trade. Zimbabwe is projected to experience low export performance and this may further impact foreign exchange rate stability. A combination of Government interventions and external development support towards the mitigation of the Covid-19 pandemic is expected to provide relief and may neutralize the impact of the pandemic on businesses and the general citizenry going forward.

Foreign exchange developments

The Reserve Bank of Zimbabwe introduced the Foreign Exchange Auction System to promote both financial and price stability through an efficient and transparent process. As anticipated, the price discovery process resulted in the local currency depreciating from a fixed rate of USD1: ZWL 25 to USD1: ZWL63.74 as at 30 June 2020. A second foreign currency auction system was subsequently introduced on the 4th of August 2020 to cater for the foreign currency needs of small and medium enterprises. These initiatives coupled with other monetary policy interventions are expected to result in increased participation on the auction system by a number of economic players which in turn will boost confidence in the foreign currency auction system.

Inflation

Inflation levels remain high though the country has witnessed some price stability in the recent past weeks. This is partly attributable to the recently introduced foreign currency auction system which has enabled firms and organizations to access foreign currency on the official market. Year on year inflation for the month of June 2020 was 737.3% compared to 785.6% for the month of May 2020. It is anticipated that prices of goods and services will stabilize in the short-to medium term if current measures are applied consistently. This development will also facilitate long-term planning and result in increased business confidence and activities.

Banking Sector

The sector has not been spared by the devastating effects of the Covid-19 pandemic. Business disruption has been frequent since the introduction of the lockdown measures during the month of March 2020. Key areas adversely affected include volume of transactions and increased credit risk. In response, the Reserve Bank implemented various regulatory measures aimed at ensuring that banking institutions are able to continue to support the economy and to maintain financial sector stability. These measures include credit relief measures to enable counterparties to restructure loan facilities. The Group however remains liquid and is able to discharge its liquidity obligations despite constrained business environment.

On the other hand the sector has been stepping up efforts to digitalize processes, services and products as part of measures to enhance customer convenience. This compliments current strategies under the current Covid-19 pandemic to minimize all forms of physical contact. FBC Holdings had already started this transformative digital journey prior to Covid-19 pandemic. The pandemic has further pushed the organization to accelerate the digitalization initiative. The sector is projected however to remain stable owing to regulatory and institutional interventions which will reduce the impact of the pandemic to the sector.

High inflation and low customer spending has weakened demand for insurance services across the economy. The sector's prospects have been dented by the macroeconomic challenges. Product affordability has been a hindrance to business retention and growth. Currency instability since the beginning of the year has also contributed to low insurance uptake. The industry in response has reconfigured product offerings through offering foreign currency denominated policies. However the key setback to this is that most companies are still to generate adequate foreign currency revenues to afford insurance products. The Group is focusing on product innovation to tap into new market segments.

The sector's potential has been slowed down by a number of factors, key among them, the general economic slowdown and lack of suitable funding. The real estate sector however remains a viable hedging option given the inflationary environment. Funding however remains a challenge as funds are largely short-term yet this sector requires patient and long-term funding. Activity has remained largely confined to residential property development at the expense of commercial real estate as occupancy levels have dipped significantly. FBC Holdings Limited has earmarked this sector as a strategic target in its quest to preserve value and enhance revenues. During the period under review, the Group embarked on Kuwadzana housing project wherein 266 housing units will be completed.

Stock Market Performance

The stock market remained an attractive investment option during the first half of the year as investors sought assets which are responsive to inflation and currency developments. As a result market indices trended upwards with the all share index gaining 677% in nominal terms. In line with its hedging strategy, the Group carries equity exposures through certain of its subsidiaries. The stock market however suffered a temporary setback on 28 June 2020 when authorities suspended trading on the bourse to facilitate investigations of alleged financial crime related practices. Trading resumed on 3 August 2020 and investors are expected to evaluate and realign their investment strategies.

The FBCH counter traded well ahead of the overall market, gaining 2,160% compared to 677% recorded by the all share index to close the period at ZWL14.75. A total of 36.4 million shares were traded at a weighted average price of ZWL2.55, a gain of 395% from 2019 full year's weighted price of ZWL0.5155. Consistent corporate performance will remain a key focus for the Group to ensure decent returns to Shareholders.

On behalf of the Board of FBC Holdings Limited, I am pleased to advise shareholders that an interim dividend of 29.76 ZWL cents per share is proposed for the half year ended 30 June 2020 after taking into account the performance of the Group and the need to continue strengthening the Group's capital position. The proposed dividend translates to approximately 9.5 times cover.

Information Technology, Digital Transformation and Innovation

FBC Holdings Limited has been able to leverage on its Information Technology investment to respond to the global pandemic. The organisation continues to serve its customers through digital channels. The Covid-19 pandemic has presented an opportunity for the Group to accelerate

the development of exciting new electronic products and services which will be rolled out during the second half of the year. This is expected to increase convenience to our customers. The Group has also taken a deliberate effort to go paperless in light of the availability of many digital channels where customers can access our products and services. The digitalization drive has resulted in the Group scaling down on physical branches in favour of electronic delivery channels.

The aggressive adoption of the technology as a means to deliver service and convenience to customers inevitably attracts new risks. FBC Holdings continues to prioritise the security of its Information and Technology environment. The Group's Information Security Management processes are aligned to international best practice standards, ISO 27001, which prescribe various practices and activities to secure our platforms and channels.

Covid-19 Pandemic Response Strategy and Measures

The country has witnessed a surge in the number of Covid-19 cases over the recent past weeks. Key to note is that the bulk of the cases are now local transmissions. This development has increased the risk of cases of infection within FBC Holdings and potentially disrupting business operations. FBC Holdings has instituted a number of health and safety measures to protect its employees, customers and the community it serves.

- Awareness and dissemination of information to members of staff on Covid-19 and measures to take and abide by as guided by the WHO and Ministry of Health and Child Care.
- 2. Instituting Group-wide testing across all business units for all staff including Board members.
- 3. Regular tests on a targeted basis in areas that are considered high risk in particular our frontline staff.
- 4. Social distancing, sanitization of persons, disinfection of offices, wearing of masks and other hygiene protocols have been put in place as a matter of policy. In addition, staff in offices that regularly interface with outsiders or customers have been provided with face shields over and above masks. All office premises are being disinfected on a weekly basis and where there is a reported positive case immediate evacuation of staff, disinfection and PCR testing are instituted promptly. Further strengthening of these measures is underway by considering the acquisition of automatic sanitization/spray booths and foot baths for entrances.
- Introduction of work from home (WFH) arrangements where only a restricted number of employees are allowed to work on premise whilst
- 6. All staff members who will have tested positive are supported through the Group Human Resources function and the Company's Medical Doctor.

FBC Holdings Limited is proactively implementing and championing sustainable Corporate Social Responsibility (CSR) initiatives. The Group values being a responsible corporate citizen and will actively participate in community development initiatives. In light of the global Covid-19 pandemic, FBC Holdings donated Ten Thousand (10 000) Coronavirus test kits in the interest of public health. The test kits will assist in detecting people exposed to the virus, leading to the implementation of the necessary health measures to contain transmission of the same. The Group has also been extensively involved in the area of education. The Group undertook to reconstruct classroom blocks at schools destroyed by Cyclone Idai in Manicaland and Masvingo Provinces. The Group donated building material for the re-construction of classroom blocks at Charleswood Primary School in Chimanimani. Construction of four (4) classrooms is now at an advanced stage

FBC Bank was recognized as a Super brand by the Marketers Association of Zimbabwe (MAZ) in June this year. The super brand identifies brands that are performing above and beyond others within the market. The Group is excited about this recognition and will build on the same to enhance the FBC brand position in the country.

Compliance and Regulatory Developments

The Group operates under a complex and dynamic regulatory environment. The compliance requirements have been increasing every year. The period under review was characterized by the introduction of a number of Statutory Instruments which in some cases impacted the Group's operations significantly. The Covid-19 pandemic has seen the introduction of regulations to prevent and contain the spread of the

The country has been designated under European Union (EU) regulations amongst countries considered to have strategic deficiencies in their anti-money laundering and counter-terrorist financing frameworks. The aim of this list is to protect the EU financial system by better preventing money laundering and terrorist financing risks. As a result of the listing, banks and other entities covered by EU anti-money laundering rules will be required to apply increased checks (due diligence) on financial operations involving customers and financial institutions from these high-risk third countries to better identify any suspicious money flows. On the local front there has been enhanced surveillance of transactions on mobile money and banking platforms through the Financial Intelligence Unit (FIU).

The Group is committed to complying with all applicable laws, regulations, standards and international best practices. Any breach of the applicable laws and regulations exposes the Group to legal, regulatory and reputational risks and may result in de-risking and financial abandonment which will impair the Group's ability to provide products and services to its customer base. The Group therefore realizes the serious impact of non-compliance and will continue to place great emphasis and commit resources on measures to mitigate the same. The

Capitalisation

The Reserve Bank of Zimbabwe (RBZ) reviewed the minimum capital requirements for banking institutions during the period under review. FBC Bank Limited and FBC Building Society are required to have capital levels of US\$30 million and US\$20 million respectively by 31 December 2021. These subsidiaries are expected to self-capitalize through normal trading by the regulated deadline. The Insurance and Pension Commission (IPEC) also reviewed minimum capital thresholds with reinsurance companies expected to have a minimum capital of ZWL\$150 million and composite primary insurance companies ZWL\$112.5 million. The Group has a detailed capitalization plan in place to ensure full compliance.

Environment, Social and Governance (ESG) Priorities (Sustainability)

Sustainability is important to our clients and to the societies we serve. FBC Holdings is redefining its corporate strategy making sure that it incorporates issues of environmental integrity, economic prosperity as well as social equity and cohesion. The Group is well positioned not only to provide financial support but also to share knowledge to help our clientele meet and create demand for products and services with a sustainability focus.

FBCH firmly believes that for the financial sector to drive the transition to a green, inclusive, digital and sustainable economy, the financial institutions have to be sustainable themselves. As such, the Group is developing a revised comprehensive set of policies and guidelines which will ensure that sustainability is embedded in the decision-making processes and that related risks are adequately identified, analyzed, mitigated, managed, monitored and reported timeously. The Group is also in the process of creating sustainability oversight structures which will aid in the provision of corporate support and divisional implementation. FBC Bank Limited is participating in the Sustainability Standards and Certification Initiative ("SSCI") and is progressing towards certification thereof.

Outlook

The economic outlook remains unpredictable largely due to the uncertainties brought about by the Covid-19 pandemic. The business is still faced with a lot of unknown possibilities. The Group is however hopeful that the current economic policies and measures being implemented which have brought some price stability will further improve the economic environment going forward. The Group will continue to seek opportunities to preserve its balance sheet and reconstitute its business model. The business model will be reconfigured in line with regulatory requirements and the changes to the macroeconomic landscape.

My sincere and heartfelt appreciation goes out to all our stakeholders and in particular to our valued customers who have demonstrated unwavering support for the FBCH Brand. To our customers, we would like to reaffirm our promise that You Matter Most and as such we will endeavour to deliver sustainable, innovative and market-leading products under the prevailing conditions.

I am also grateful to the FBC Holdings Board of Directors, management and staff members, for their guidance, contribution and support in the execution of our business strategy. The health and well-being of our clients, employees, their families and the nation at large, is our primary concern and we will continue to put in place and review measures to curb the spread of Coronavirus.

Stay safe and healthy!





FOR THE SIX MONTHS ENDED 30 JUNE 2020

AUDIT REVIEW CONCLUSION

These condensed interim financial results for the six months ended 30 June 2020 have been reviewed by Deloitte & Touche and a modified review conclusion issued thereon on the basis of the possible effects of the matter on comparability of the current year's inflation adjusted interim financial information with that of the prior year as a result of the incorrect date of application of International Accounting Standard 21 "The Effects of changes in Foreign exchange Rates" ("IAS 21") in the prior year.

The review conclusion has been made available to management and those charged with governance of FBC Holdings Limited. The engagement partner responsible for this review is Tumai Mafunga. The auditor's report on these interim financial results is available for inspection at the Company's registered office.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

CONSOLIDATED STATEMENT OF PROFIT For the six months ended 30 June 2020					
	INFLATION Reviewed 30 June 2020 ZWL\$	Reviewed 30 June 2019 ZWL\$	HISTORICA Reviewed 30 June 2020 ZWL\$	L COST* Reviewed 30 June 2019 ZWL\$	
Interest and related income	Note 17	700 154 303	600 996 595	458 959 437	46 838 299
Interest and related expense	18	(248 895 378)	(225 580 408)	(157 887 133)	(19 452 199)
Net interest and related income		451 258 925	375 416 187	301 072 304	27 386 100
Fee and commission income Fee and commission expense	19	289 607 919 (2 945 468)	340 834 800 (176 937)	179 634 622 (1 716 567)	32 385 527 (69 144)
Net fee and commission income		286 662 451	340 657 863	177 918 055	32 316 383
Revenue from property sales Cost of property sales	20.1 20.2	16 198 424 (10 712 530)	20 022 390 (8 859 453)	10 812 476 (3 110 602)	1 556 982 (506 999)
Net income from property sales		5 485 894	11 162 937	7 701 874	1 049 983
nsurance premium revenue Premium ceded to reinsurers and retrocessionaires	21	302 436 912 (83 371 311)	355 500 841 (125 010 123)	130 965 294 (42 580 607)	29 775 757 (11 272 484
Net earned insurance premium		219 065 601	230 490 718	88 384 687	18 503 273
Net trading and dealing income		1 868 965 546	589 586 463	1 876 650 609	73 291 676
through profit or loss Other operating income	22	384 428 974 318 684 542	34 750 230 354 784 823	456 971 144 641 784 583	11 824 725 34 020 295
Other income		2 572 079 062	979 121 516	2 975 406 336	119 136 696
Total income		3 534 551 933	1 936 849 221	3 550 483 256	198 392 435
mpairment allowance		(57 372 071)	(58 008 449)	(57 372 071)	(7 101 551
let insurance commission expense	23	(23 097 281)	(41 172 330)	(19 215 931)	(3 344 330
nsurance claims and loss adjustment expenses	24	(45 318 447)	(94 247 533)	(50 369 460)	(10 230 758
administrative expenses	25	(1 411 992 739)	(907 952 356)	(1 123 142 702)	(87 681 373
let monetary gain/(loss)		153 228 122	(1 216 325 343)	-	-
Profit before income tax		2 149 999 517	(380 856 790)	2 300 383 092	90 034 423
ncome tax expense	26	(536 184 796)	(361 801 879)	(401 320 006)	(35 718 835
Profit for the period		1 613 814 721	(742 658 669)	1 899 063 086	54 315 588
Other comprehensive income					
tems that may be subsequently reclassified to pro Gain on equity instruments at fair value	fit or loss				
through other comprehensive income [ax		26 874 782 (268 748)	15 118 728 (151 187)	26 874 782 (268 748)	1 805 743 (18 057
		26 606 034	14 967 541	26 606 034	1 787 686
tems that will not be reclassified to profit or loss					
Gain on property revaluation Tax		222 808 128 (7 976 328)	47 101 284 (2 795 133)	509 639 375 (18 296 087)	57 146 235 (9 796 198
		214 831 800	44 306 151	491 343 288	47 350 037
Total comprehensive income for the period		1 855 252 555	(683 384 977)	2 417 012 408	103 453 311
Profit attributable to : Equity holders of the parent Non-controlling interests		1 611 686 076 2 128 645	(743 692 169) 1 033 500	1 896 257 168 2 805 918	54 205 716 109 872
Total		1 613 814 721	(742 658 669)	1 899 063 086	54 315 588
Total comprehensive income attributable to:					
Equity holders of the parent Non-controlling interests		1 853 123 910 2 128 645	(685 760 456) 2 375 479	2 414 206 490 2 805 918	103 008 861 444 450
Total		1 855 252 555	(683 384 977)	2 417 012 408	103 453 311
Earnings per share (ZWL cents)					
Basic earnings per share Diluted earnings per share	29.1 29.2	265.42 265.42	(119.95) (119.95)	312.28 312.28	8.74 8.74
Headline earnings per share	29.3	265.42	(119.98)	312.28	8.74

CONSOLIDATED STATEMENT OF FINAN As at 30 June 2020	ICIAL PO	SITION				
		INFLATIO	N ADJUSTED	HISTORICAL COST*		
	Notes	Reviewed 30 June 2020 ZWL\$	Audited 31 Dec 2019 ZWL\$	Reviewed 30 June 2020 ZWL\$	Audited 31 Dec 2019 ZWL\$	
ASSETS Balances with banks and cash	4	7 477 130 140	4 998 555 026	7 477 130 140	1 907 906 680	
Financial assets at amortised cost	5.3	206 257 531	499 697 254	206 257 531	190 730 266	
Loans and advances to customers	5.1	8 424 971 011	6 709 458 395	8 424 903 311	2 560 920 299	
Trade and other receivables including insurance receivables and debentures	ables 5.2 6	196 284 744 203 218 585	270 821 072 318 347 641	197 115 439 203 218 585	104 144 323 121 510 634	
Financial assets at fair value through profit or loss	7	523 110 904	143 918 815	553 701 360	57 760 631	
Financial assets at fair value through						
other comprehensive income	8	30 196 384 129 085 538	38 958 073	30 196 384 31 989 422	14 869 971	
Inventory Prepayments and other assets	9	1 157 106 233	172 816 935 944 979 327	1 034 865 604	13 525 576 318 540 053	
Current income tax asset	· ·	220 655	104 904	220 655	40 041	
Deferred income tax asset		49 950 987		53 769 722	59 509	
Investment property	12 10	707 795 976	404 207 587 525 157 167	707 469 984 179 979 935	154 282 658 200 426 701	
Intangible assets Property and equipment	11	469 417 199 1 381 816 718	1 200 558 478	980 235 583	458 243 138	
Right of use asset		13 793 834	58 572 663	7 640 163	7 865 553	
Total assets		20 970 356 439	16 287 495 902	20 088 693 818	6 110 826 033	
EQUITY AND LIABILITIES						
Linkillainn						
Liabilities Deposits from other banks and customers	13	13 /50 995 575	10 328 618 302	13 /50 005 575	3 942 347 289	
Insurance liabilities	14	144 228 127	263 647 423	106 921 160	51 333 232	
Trade and other payables	15	2 471 602 185		2 471 045 816	865 030 059	
Current income tax liabilities		14 788 912		81 815 450	3 405 985	
Deferred income tax liabilities Lease liability		433 994 608 16 880 645	714 631 607 20 892 181	632 795 731 8 009 332	290 265 625 7 974 372	
Total liabilities			13 643 210 173		5 160 356 562	
rotal habilities		10 002 400 002	10 040 210 170	10 701 000 004	0 100 000 002	
Equity						
Capital and reserves attributable to equity holders of the parent entity						
Share capital and share premium	16	317 876 750	317 876 750	14 089 892	14 089 892	
Other reserves		1 580 610 062		1 038 330 800	530 725 056	
Retained profits		2 532 899 174			403 507 476	
		4 431 385 986	2 639 933 973	3 332 157 789	948 322 424	
Non controlling interest in equity		6 480 401	4 351 756	4 952 965	2 147 047	
Total equity		4 437 866 387	2 644 285 729	3 337 110 754	950 469 471	
Total equity and liabilities		20 970 356 439	16 287 495 902	20 088 693 818	6 110 826 033	
CONSOLIDATED STATEMENT OF CASH	FLOWS					
For the six months ended 30 June 2020						
		INFLATIO Reviewed	N ADJUSTED Reviewed	HISTORIC Reviewed		
		30 June 2020	30 June 2019	30 June 2020	Reviewed 30 June 2019	
	Note	ZWL\$	ZWL\$	ZWL\$	ZWL\$	
Cash flow from operating activities Profit for the period		2 149 999 517	(380 856 790)	2 300 383 092	90 034 423	
Adjustments for:						
Adjustments for: Depreciation		69 437 989	31 864 522	25 011 768	1 564 169	
Amortisation		55 485 066	6 163 502	20 510 460	327 344	
Credit impairment losses		57 372 071	58 008 449	57 372 071	7 101 551	
Profit from disposal of property and equipment	22	(007.000.015)	(187 596)	(040.001.005)	(19 595)	
Net unrealised exchange gains and losses Net fair value adjustment on investment property	22	(607 920 346) (211 670 534)	(603 171 039) (254 393 427)	(912 904 860) (520 730 750)	(72 041 267) (27 083 941)	
raide adjactifiers on invoctifiers property		(=	_U UUU TL	(0-0 100)	,_, JJU U-T I	

	INFLATIO	AL COST*		
	Reviewed	Reviewed	Reviewed	Reviewed
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Note	ZWL\$	ZWL\$	ZWL\$	ZWL\$
Cash flow from operating activities		,·		
Profit for the period	2 149 999 517	(380 856 790)	2 300 383 092	90 034 423
Adjustments for:				
Depreciation	69 437 989	31 864 522	25 011 768	1 564 169
Amortisation	55 485 066	6 163 502	20 510 460	327 344
Credit impairment losses	57 372 071	58 008 449	57 372 071	7 101 551
Profit from disposal of property and equipment 22	07 072 07 1	(187 596)	07 072 07 1	(19 595)
Net unrealised exchange gains and losses	(607 920 346)	(603 171 039)	(912 904 860)	(72 041 267)
Net fair value adjustment on investment property 22	(211 670 534)	(254 393 427)	(520 730 750)	(27 083 941)
Fair value adjustment on financial assets	(211 070 304)	(234 333 421)	(320 730 730)	(27 000 541)
at fair value through profit or loss	(384 428 974)	(34 750 230)	(456 971 144)	(11 824 725)
	,		,	
Net cash generated/(used) before changes in operating assets and liabilities	1 128 274 789	(1 177 322 609)	512 670 637	(11 942 041)
operating assets and nabilities	1 120 214 109	(1 177 322 009)	312 070 037	(11 342 041)
Decrease in right of use assets	44 778 828	-	225 390	-
Decrease/(increase) in financial assets at amortised cost	293 656 742	1 852 722 774	(15 310 246)	44 703 512
Decrease/(increase) in loans and advances	3 206 605 892	1 242 885 096	(941 864 504)	17 397 911
Decrease in trade and other receivables	177 043 879	105 740 469	9 536 435	27 120 852
Decrease/(increase) in bonds and debentures	115 459 985	2 128 075 955	(81 377 022)	43 448 728
Decrease/(increase) in financial assets at fair				
value through profit or loss	5 236 885	(40 364 117)	(38 969 585)	(7 474 806)
Decrease in financial assets at fair value				
through other comprehensive income	35 636 471	-	11 548 369	-
Decrease/(increase) in inventory	43 731 397	14 244 072	(18 463 846)	(1 853 952)
Increase in prepayments and other assets	(212 126 906)	(228 683 876)	(716 325 551)	(41 018 903)
(Increase)/decrease in investment property	(91 917 855)	97 435 819	(32 456 576)	72 572
(Decrease)/increase in deposits from other banks and customers	(2 272 706 005)	(7 849 871 412)	1 323 532 382	(97 887 099)
(Decrease)/increase in insurance liabilities	(119 419 296)	7 095 567	55 587 928	12 552 814
(Decrease)/increase in trade and other payables	(189 463 478)	657 095 474	1 250 630 193	45 179 689
(Decrease)/increase in lease liabilities	(4 011 536)	_	34 960	
	2 160 779 792	(3 190 946 788)	1 318 998 964	30 299 277
Income tax expense paid	(858 867 747)	(232 283 181)	(59 100 466)	(6 655 852)
moone tax expense paid	(000 001 141)	(202 200 101)	(00 100 400)	(0 000 002)
Net cash generated/(used) from operating activities	1 301 912 045	(3 423 229 969)	1 259 898 498	23 643 425
Cash flows from investing activities				
Purchase of property and equipment	(33 106 457)	(44 600 589)	(29 541 263)	(3 276 533)
Purchase of intangible assets	(11 299 633)	-	(4 255 681)	-
Proceeds from sale of property and equipment	6 897 946	952 585	2 632 780	20 574
Not each used in investing activities	(27 500 444)	(42 649 004)	(01 164 164)	(2.055.050)
Net cash used in investing activities	(37 508 144)	(43 648 004)	(31 164 164)	(3 255 959)
Net cash flows before financing activities	1 264 403 901	(3 466 877 973)	1 228 734 334	20 387 466
Cash flows from financing activities				
Repayment of borrowings	(12 549 561)	(14 055 608)	(8 180 767)	(10 206 808)
Dividend paid to company's shareholders	(51 328 319)	(78 387 568)	(20 027 547)	(5 974 088)
Purchase of treasury shares	(10 343 578)	(64 348 089)	(10 343 578)	(5 518 943)
Net cash used in financing activities	(74 221 458)	(156 791 265)	(38 551 892)	(21 699 839)
· ·				
Net increase/(decrease) in cash and cash equivalents	1 190 182 443	•	1 190 182 442	(1 312 373)
Exchange gains and losses on cash and cash equivalents	1 288 392 671	5 038 047 802	4 379 041 018	348 267 903
Cash and cash equivalents at beginning of the period	4 998 555 026	3 120 178 875	1 907 906 680	192 209 582
Cash and cash equivalents at the end of period 4.1	7 477 130 140	4 534 557 439	7 477 130 140	539 165 112



FOR THE SIX MONTHS ENDED 30 JUNE 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the six months ended 30 June 2020

INFLATION ADJUSTED Non **Available** Non Changes in Share **Share** Retained **Treasury** distributable Revaluation for sale Regulatory controlling Total ownership capital premium profits shares Total interest equity reserve reserve reserve ZWL\$ Half year ended 30 June 2020 21 088 253 37 691 381 2 639 933 973 Balance at 1 January 2020 317 725 164 972 541 417 (230 372 686) 826 274 059 694 834 799 4 351 756 2 644 285 729 151 586 1 611 686 076 Profit for the period 1 611 686 076 2 128 645 1 613 814 721 Other comprehensive income Gain on revaluation of property and equipment, net of tax 214 831 800 214 831 800 214 831 800 26 606 034 Available for sale reserve 26 606 034 26 606 034 Total other comprehensive income 214 831 800 26 606 034 241 437 834 241 437 834 Total comprehensive income 1 611 686 076 214 831 800 26 606 034 1 853 123 910 2 128 645 1 855 252 555 Transaction with owners Dividend paid (51 328 319) (51 328 319) (51 328 319) Treasury share purchase (10 343 578) (10 343 578) (10 343 578) 37 691 381 Shareholders' equity at 30 June 2020 317 725 164 2 532 899 174 (240 716 264) 826 274 059 909 666 599 47 694 287 4 431 385 986 6 480 401 4 437 866 387 151 586 Half year ended 30 June 2019 Balance at 1 January 2019 37 691 381 3 134 331 743 151 586 317 725 164 2 058 863 705 (138 531 063) 826 274 059 16 404 664 15 752 247 5 672 665 3 140 004 408 Changes on initial application of IFRS 9 317 725 164 Restated balance at 1 January 2019 2 058 863 705 3 140 004 408 (138 531 063) 826 274 059 16 404 664 15 752 247 37 691 381 3 134 331 743 5 672 665 151 586 Profit for the period (743 692 169) (743 692 169) 1 033 500 (742 658 669) Other comprehensive income Gain on revaluation of property 42 964 172 42 964 172 44 306 151 and equipment, net of tax 1 341 979 (15 752 247) Net transfer to regulatory reserves 15 752 247 14 967 541 14 967 541 Available for sale reserve 14 967 541 57 931 713 15 752 247 42 964 172 14 967 541 (15 752 247) 1 341 979 59 273 692 Total other comprehensive income 14 967 541 Total comprehensive income (727 939 922) 42 964 172 (15 752 247) (685 760 456) 2 375 479 (683 384 977) Transaction with owners (78 387 568) Dividend paid (78 387 568) (78 387 568) (64 348 089) (64 348 089) (64 348 089) Treasury share purchase Shareholders' equity at 30 June 2019 151 586 317 725 164 1 252 536 215 (202 879 152) 826 274 059 42 964 172 31 372 205 37 691 381 2 305 835 630 8 048 144 2 313 883 774 HISTORICAL COST Half year ended 30 June 2020 Balance at 1 January 2020 (18 227 276) 14 083 173 403 507 476 36 624 611 507 803 164 2 853 886 1 670 671 948 322 424 2 147 047 950 469 471 6 719 896 257 168 1 896 257 168 2 805 918 1 899 063 086 Profit for the period Other comprehensive income Gain on revaluation of property 491 343 288 491 343 288 491 343 288 and equipment, net of tax Available for sale reserve 26 606 034 26 606 034 26 606 034 491 343 288 26 606 034 517 949 322 Total other comprehensive income 517 949 322 1 896 257 168 491 343 288 26 606 034 2 414 206 490 2 805 918 2 417 012 408 Total comprehensive income Transaction with owners (20 027 547) (20 027 547) (20 027 547) Treasury share purchase (10 343 578) (10 343 578) (10 343 578) 14 083 173 2 279 737 097 (28 570 854) 36 624 611 999 146 452 29 459 920 1 670 671 3 332 157 789 4 952 965 Shareholders' equity at 30 June 2020 6719 3 337 110 754 Half year ended 30 June 2019 (7 128 376) 14 083 173 178 373 052 338 915 178 711 967 Balance at 1 January 2019 6 719 128 886 322 36 624 611 3 163 733 1 066 199 1 670 671 Profit for the period 54 205 716 54 315 588 54 205 716 109 872 Other comprehensive income Gain on revaluation of property 47 015 459 47 015 459 334 578 47 350 037 and equipment, net of tax Net transfer to regulatory reserves (933 322) 933 322 1 787 686 1 787 686 Available for sale reserve 1 787 686 (933 322) 47 015 459 933 322 48 803 145 334 578 49 137 723 Total other comprehensive income 1 787 686 Total comprehensive income 53 272 394 47 015 459 1 787 686 933 322 103 008 861 444 450 103 453 311 Transaction with owners (5 974 088) Dividend paid (5 974 088) (5 974 088)

*The historic amounts are shown as supplementary information. This information does not comply with the International Financial Reporting Standards in that it has not taken into account the requirements of International Accounting Standard 29 - Financial Reporting for Hyperinflationary Economies. As a result the auditors have not expressed a review conclusion on this historic financial information.

(5 518 943)

(12 647 319)

NOTES TO THE FINANCIAL RESULTS For the six months ended 30 June 2020

Shareholders' equity at 30 June 2019

GENERAL INFORMATION

Treasury share purchase

FBC Holdings Limited ("the Company") and its subsidiaries (together "the Group") provide a wide range of commercial banking, mortgage finance, micro lending, short - term reinsurance, short - term insurance and stockbroking services.

The Company is a limited liability company, which is listed on the Zimbabwe Stock Exchange. The Company and its subsidiaries are incorporated and domiciled in Zimbabwe.

14 083 173

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on 27 August 2020.

BASIS OF PREPARATION

The Group's condensed consolidated interim financial statements for the half year ended 30 June 2020 have been prepared in accordance with the International Accounting Standard ("IAS") 34 Interim Financial Reporting, The Companies and Other Business Entities Act (Chapter 24:31), Zimbabwe Insurance Act (Chapter 24:07) and the Zimbabwe Banking Act (Chapter 24:20). They 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 financial statements for the year ended 31 December 2019.

ACCOUNTING POLICIES

The accounting policies applied in the preparation of these interim 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 2019.

These condensed interim consolidated financial statements have been prepared under the historical cost convention and are presented in Zimbabwean dollars ("ZWL\$") and are rounded to the nearest dollar.

3.2 Presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Zimbabwean dollar ("ZWL\$"), which is the Group's presentation currency as at half year ended 30 June 2020 and as prescribed by statutory instrument 33 of 2019 and statutory instrument 142 of 2019. All the Group's subsidiaries operate in Zimbabwe and have the Zimbabwean dollar ("ZWL\$") as their functional and presentation currency as at half year ended 30 June 2020.

3.3 Adoption of the IAS 29 (Financial Reporting in Hyperinflation Economies)

2 853 885

In October 2019, the PAAB issued a pronouncement prescribing that the application of financial reporting in hyperinflation economies had become effective in Zimbabwe, for reporting periods on or after 1 July 2019. These interim consolidated financial statements have been prepared in accordance with IAS 29 together with International Financial Reporting Standards Committee (IFRIC) 7. (Applying Restated Approach under IAS 29), as if the economy had been hyperinflationary from 1 October 2018.

(5518943)

269 888 882

The Group adopted the Zimbabwe Consumer Price Index ("CPI") as the general price index to restate the transactions and balances. Non-monetary assets and liabilities carried in the Group's financial results have been restated applying the change in the general price index from dates when the transactions were initially recorded in the Group's financial records (transaction date). A net monetary adjustment was recognized in the statement of profit or loss for the half year ended 30 June 2020 and the comparative period. Comparative amounts in the Group financial results have been restated to reflect the change in the general price index from 1 October 2018 to the end of the reporting period. All items in the statement of cash flows are expressed based on the restated financial information for the period.

As noted above, the Group adopted the Zimbabwe Consumer Price Index ("CPI") as the general price index and used the monthly indices to inflation adjust the historical figures. The factors used in the periods under review are as follows:

		Conversion ractors
Period	Indices	at 30 June 2020
CPI as at 30 June 2019	172,6	8,3726
CPI as at 31 December 2019	551,6	2,6199
CPI as at 30 June 2020	1 445,2	1

3.4 IAS 21 (The Effects of Changes in Foreign Exchange Rates)

As noted in the Group's 2019 financial statements, Government promulgated Statutory Instrument ("SI") 33 on 22 February 2019, giving legal effect to the reintroduction of the Zimbabwe Dollar (ZWL) as the legal tender and prescribed for accounting and other purposes, certain assets and liabilities on the effective date would be deemed to be in Zimbabwean Dollars at the rate which was at par with the United Stated Dollar (USD).

Guidance issued by the Public Accountants and Auditors Board (PAAB) note the requirements of SI 33 were contrary of the provisions of IAS 21. The Directors have always ensured compliance with IFRS but were unable to do so due to the conflict between IAS 21and local statutory instruments. In respect of the previous financial year 2019 financial information and as a result of the absence of an observable foreign exchange market during that year, the Group was unable to meet the requirements of IAS 21 in 2019 and before. Due to the material and the pervasive impact of the technicalities, the Directors would like to advise users to exercise caution in their use of this comparative inflation adjusted financial information.

(5 518 943)



FOR THE SIX MONTHS ENDED 30 JUNE 2020

				IFLATIO	N ADJI			RICAL COST
				viewed e 2020	31 [Audited Dec 2019	Reviewed	31 Dec 2019
BALANCES WITH BANKS AND				ZWL\$		ZWL\$	ZWLS	\$ ZWL\$
Balances with Reserve Bank of Statutory reserves Current account balances	Zimbabwe ("RBZ	Z")	2 225 6	300 219 340 900		7 767 033	44 300 219 2 225 640 900	762 530 981
Balances with other banks and	aaah		2 269 9	41 119	1 997	767 033	2 269 941 119	9 762 530 981
Notes and coins Other bank balances	Casii		614 6 4 592 4	89 397 99 624		620 987 3 167 006	614 689 397 4 592 499 624	
Balances with banks and cash (excluding bank overdrafts)			7 477 1	30 140	4 998	3 555 026	7 477 130 140	1 907 906 680
Current Non-current			7 435 6 41 4	847 705 82 435	4 998	3 555 026 -	7 435 647 705 41 482 435	
Total			7 477 1	30 140	4 998	555 026	7 477 130 140	1 907 906 680
	Reviewed 30 June 2020 ZWL\$		Audited ec 2019 ZWL\$	Rev	riewed e 2019 ZWL\$	Review 30 June 20	020 31 Dec 2	
For the purpose of the cash flow statement, cash and cash equivaler comprise the following balances: Balances with other banks, cash and	nts		2002		21120	24		2000
current account balances at RBZ (excluding bank overdrafts)	7 477 130 140	4 998	555 026	4 534 5	57 439	7 477 130	1 907 906	680 539 165 112
Total cash and cash equivalents - statement of cash flows	7 477 130 140	4 998	555 026	4 534 5	57 439	7 477 130	140 1 907 906	680 539 165 112
				IFLATIO	N ADJI			RICAL COST
				viewed le 2020 ZWL\$	31 [Audited Dec 2019 ZWL\$	Reviewed 30 June 2020 ZWLS	31 Dec 2019
FINANCIAL ASSETS Loans and advances to custom	iers			21124				
Loans and advances maturities Maturing within 1 year	•		2 352 8			848 937	2 352 837 498	
Maturing after 1 year Gross carrying amount				85 162 8 22 660		170 785 2 019 722	6 162 417 462 8 515 254 96 0	
Impairment allowance			`	51 649)		2 561 327)	(90 351 649	
Trade and other receivables inc	duding		8 424 9	71 011	6 709	458 395	8 424 903 311	2 560 920 299
Trade and other receivables inc insurance receivables Trade receivables	auding		75.7	34 682	60	066 204	75 734 682	2 26 361 993
Insurance receivables - Due by insurance clients and in:	surance brokers			25 533		3 192 095	121 406 735	
-Due by reinsurers and retrocessi Gross carrying amount			13 1	41 360 01 575	17	545 857 804 156	12 790 854 209 932 27 1	4 6 697 107
Impairment allowance				316 831)		3 983 084)	(12 816 832	
Total			196 2	84 744	270	821 072	197 115 439	9 104 144 323
Current Non-current			196 2	.84 744 -) 506 153) 314 919	197 115 439	9 69 671 868 - 34 472 455
Total			196 2	84 744	270	821 072	197 115 439	9 104 144 323
Financial assets at amortised of Maturing within 1 year	eost		189 0	56 162	300	996 868	189 056 162	2 114 887 989
Maturing after 1 year Gross carrying amount			19 7	63 852 20 014	201	229 501 2 226 369	19 763 852 208 820 01 4	2 76 807 619
Impairment allowance			(2.5	62 483)	(2	2 529 115)	(2 562 483	(965 342)
			206 2	57 531	499	697 254	206 257 531	190 730 266
Movement in impairment allow Balance at beginning of period Effects of IAS 29 Impairment allowance through st				24 278 83 694)		0 017 360 0 766 630)	48 140 583	3 15 363 367
profit or loss and other compreh Amounts written off during the ye	ensive income	9		72 071 59 881		3 595 563 2 722 015)	57 372 07 2 459 882	
Balance at end of period			107 9	72 536		5 124 278	107 972 536	· · ·
BONDS AND DEBENTURES								
Maturing within 1 year Maturing after 1 year Gross carrying amount			9 9	03 239 61 692	57	991 589	194 203 239 9 961 692	22 134 866
Impairment allowance				64 931 946 346)		9 83 076 635 435)	204 164 93 1 (946 346	
			203 2	18 585	318	347 641	203 218 585	121 510 634
Current Non-current				04 210 014 375	318	- 3 347 641	193 304 210 9 914 375	
Total			203 2	18 585	318	347 641	203 218 585	5 121 510 634
FINANCIAL ASSETS AT FAIR VA	ALUE							
Listed securities at market value				10 904	143	918 815	553 701 360	57 760 631
Current Non-current			523 1	10 904	143	918 815	553 701 360	57 760 631
Total			523 1	10 904	143	918 815	553 701 360	57 760 631
INVENTORY Raw materials Work in progress Finished goods)48 231)37 307 -	143	304 395 3 385 888 3 126 652	643 994 31 345 428	
-			129 0	85 538		816 935	31 989 422	
Current			12 6	607 420		816 935	2 076 492	13 525 576
Non-current			116 4	78 118		_	29 912 930	-

172 816 935

31 989 422

129 085 538

		INFLATION	N ADJUSTED	HISTORIC	CAL COST
		Reviewed	Audited	Reviewed	Audited
		30 June 2020	31 Dec 2019	30 June 2020	31 Dec 2019
		ZWL\$	ZWL\$	ZWL\$	ZWL\$
9	PREPAYMENTS AND OTHER ASSETS				
	Prepayments	196 015 317	94 614 513	92 984 946	24 477 293
	Deferred acquisition costs	26 041 124	49 945 102	15 225 706	5 715 239
	Refundable deposits for Mastercard and Visa transactions	169 452 982	149 659 203	169 452 982	57 123 667
	Stationery stock and other consumables	-	27 733 526	-	1 704 203
	Time- share asset	8 706 085	9 336 398	3 008 444	3 563 625
	Legacy debt assets	627 945 816	581 830 439	627 945 816	222 079 816
	Other	128 944 909	31 860 146	126 247 710	3 876 210
		1 157 106 233	944 979 327	1 034 865 604	318 540 053
	Current	885 353 700	707 475 987	789 648 495	227 887 013
	Non-current	271 752 533	237 503 340	245 217 109	90 653 040
	Non-current	211 152 555	237 503 340	245 217 109	90 655 040
	Total	1 157 106 233	944 979 327	1 034 865 604	318 540 053
10	INTANGIBLE ASSETS				
10	As at end of period				
	Opening net book amount	525 157 167	45 230 600	200 426 701	2 056 337
	Additions	11 299 633	22 509 633	4 255 681	5 270 623
	Revaluation	11 200 000	472 318 351	4 Z00 00 i	193 952 264
	Impairment	(11 554 535)	-12 010 001	(4 191 987)	100 002 204
	Amortisation charge	(55 485 066)	(14 901 417)	(20 510 460)	(852 523)
	Amortisation charge	(55 465 666)	(14 301 417)	(20 310 400)	(002 020)
	Closing net book amount	469 417 199	525 157 167	179 979 935	200 426 701
	As at end of period				
	Cost	668 300 329	657 000 696	210 797 450	206 541 769
	Accumulated amortisation	(187 328 595)	(131 843 529)	(26 596 301)	(6 085 841)
	Accumulated impairment	(11 554 535)	-	(4 221 214)	(29 227)
	Net book amount	469 417 199	525 157 167	179 979 935	200 426 701

11 PROPERTY AND EQUIPMENT

Inflation Adjusted	Freehold		Computer	Furniture and Office	Motor	
Half year ended 30	premises	Machinery	equipment	equipment	vehicles	Total
June 2020	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$
Julie 2020	Z VV L \$	ZVVLÞ	ZVVL	ZVVL	ZVVLÞ	Z VV L Φ
Opening net book						
amount at January 2020	660 039 981	-	361 470 127	58 453 730	120 594 640	1 200 558 478
Additions	720 913	15 746 805	10 976 600	4 776 439	885 700	33 106 457
Revaluation	224 487 718	-	-	-	-	224 487 718
Disposals	(6 897 946)	-	-	-	-	(6 897 946)
Depreciation	(5 859 559)	(166 582)	(40 930 294)	(9 490 439)	(12 991 115)	(69 437 989)
Closing net book						
amount at June 2020	872 491 107	15 580 223	331 516 433	53 739 730	108 489 225	1 381 816 718
Year ended 31						
December 2019						
Opening net book						
amount at January 2019	504 308 278	-	37 165 349	197 867 987	41 612 659	780 954 273
Additions	10 091 724	-	62 769 844	11 904 555	17 727 090	102 493 213
Revaluation	153 614 702	-	279 572 330	(121 600 857)	74 376 580	385 962 755
Disposals	-	-	(138 144)	(435 082)	(191 766)	(764 992)
Depreciation	(7 974 723)	-	(17 899 252)	(29 282 873)	(12 929 923)	(68 086 771)
Closing net book						
amount at December 2019	660 039 981	-	361 470 127	58 453 730	120 594 640	1 200 558 478
Historical cost						
Half year ended 30						
June 2020						
Opening net book						
amount at January 2020	251 931 744	-	137 970 127	22 311 301	46 029 966	458 243 138
Additions	475 566	15 024 794	9 120 826	4 034 377	885 700	29 541 263
Revaluation	520 095 730	-	-	-	-	520 095 730
Disposals	(2 632 780)	-	-	-	-	(2 632 780)
Depreciation	(2 239 098)	(112 686)	(15 300 600)	(1 740 259)	(5 619 125)	(25 011 768)
Closing net book						
amount at June 2020	767 631 162	14 912 108	131 790 353	24 605 419	41 296 541	980 235 583
Year ended 31						
December 2019						
Opening net book						
amount at January 2019	22 324 186	-	1 412 489	9 108 589	2 029 435	34 874 699
Additions	1 127 617	-	12 530 117	1 838 188	2 439 099	17 935 021
Revaluation	229 044 891	-	125 306 131	12 770 394	42 322 303	409 443 719
Disposals	-	_	(6 124)	(19 285)	(8 500)	(33 909)
Depreciation	(564 950)	-	(1 272 486)	(1 386 585)	(752 371)	(3 976 392)
Closing net book						
amount at December 2019	251 931 744	-	137 970 127	22 311 301	46 029 966	458 243 138

Property and equipment was revalued at half year ended 30 June 2020.

		INFLATIO	N ADJUSTED	HISTORICAL COST		
		Reviewed	Audited	Reviewed	Audited	
		30 June 2020	31 Dec 2019	30 June 2020	31 Dec 2019	
		ZWL\$	ZWL\$	ZWL\$	ZWL\$	
12	INVESTMENT PROPERTY					
	Opening balance	404 207 587	143 826 115	154 282 658	8 838 000	
	Additions	547 991	36 106 499	531 492	1 814 773	
	Fair value adjustment	244 912 504	225 378 615	533 418 932	143 905 214	
	Write offs	(33 241 970)	-	(12 688 182)	-	
	Disposals	-	(1 103 642)	_	(275 329)	
	Transfers from inventory	84 471 913	` -	2 929 194	· -	
	Transfers from property and equipment	6 897 951	-	2 632 890	-	
	Closing balance	707 795 976	404 207 587	707 469 984	154 282 658	
	Non-current	707 795 976	404 207 587	707 469 984	154 282 658	
	Total	707 795 976	404 207 587	707 469 984	154 282 658	

Fair valued adjustment of ZWL\$ 244 912 504 and ZWL\$ 533 418 932 in inflation and historical cost terms was made as at 30

The fair value of investment property was determined by external, independent property valuers, having the appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

13 525 576

Total



FOR THE SIX MONTHS ENDED 30 JUNE 2020

		INCLATIO	I AD ILICTED	LUCTORY	DAL COST			INITI ATIO	N AD ILICTED	LUCTORIO	OAL COST
		Reviewed	AUDJUSTED Audited	Reviewed	CAL COST Audited			Reviewed	N ADJUSTED Reviewed	Reviewed	CAL COST Reviewed
		30 June 2020 ZWL\$	31 Dec 2019 ZWL\$	30 June 2020 ZWL\$	31 Dec 2019 ZWL\$			30 June 2020 ZWL\$	30 June 2019 ZWL\$	30 June 2020 ZWL\$	30 June 2019 ZWL\$
13	DEPOSITS FROM OTHER BANKS AND CUSTOMERS DEPOSITS FROM CUSTOMERS					18	INTEREST AND RELATED EXPENSE		42 924 219		
13.1	Demand deposits	5 635 662 379	4 566 729 234	5 635 662 379	1743 082 384		Deposit from other banks Demand deposits	17 727 108 28 858 960	19 800 999	19 378 121 18 287 759	2 333 991 1 704 326
	Promissory notes Other time deposits	846 044 836 108 904 847	577 067 183 161 204 495	846 044 836 108 904 847	220 261 721 61 530 409		Afreximbank Time deposits	172 440 126 29 869 184	138 952 203 23 902 987	109 491 002 10 730 251	12 072 636 3 341 246
	other time deposits	6 590 612 062		6 590 612 062			Time deposits				
13.2	DEPOSITS FROM OTHER BANKS							248 895 378	225 580 408	157 887 133	19 452 199
	Money market deposits Bank borrowings and lines of credit	416 178 766 6 444 204 747	511 252 978 4 512 364 412	416 178 766 6 444 204 747	195 140 989 1 722 331 786	19	FEE AND COMMISSION INCOME Retail service fees	25 450 137	317 131 069	168 044 028	26 769 757
	Bank borrowings and lines of credit						Credit related fees	250 899 517	14 931 198	7 260 092	1 747 623
		6 860 383 513	5 023 617 390	6 860 383 513	1 917 472 775		Investment banking fees Brokerage	6 767 965 6 490 300	2 399 411 6 373 122	848 986 3 481 516	209 640 3 658 507
	TOTAL DEPOSITS	13 450 995 575	10 328 618 302	13 450 995 575	3 942 347 289		C .	289 607 919	340 834 800	179 634 622	32 385 527
	Current	7 031 513 760		7 021 483 906				209 007 919	340 834 800	179 034 022	32 363 321
	Non-current	6 419 481 815	4 428 726 317	6 429 511 669	1 690 407 824	20.1	REVENUE FROM PROPERTY SALES Property Sales	16 198 424	20 022 390	10 812 476	1 556 982
	Total	13 450 995 575	10 328 618 302	13 450 995 575	3 942 347 289	20.0	. ,				
13.3	Deposits concentration					20.2	Property development	10 712 530	8 859 453	3 110 602	506 999
	Inflation Adjusted	Reviewed 30 June 2020		Audited 31 Dec 2019		21	INSURANCE PREMIUM REVENUE				
	-	ZWL\$	%	ZWL\$	%		Gross Premium Written	323 007 517	467 974 539	186 227 049	43 402 964
	Agriculture	438 235 582	3%	283 464 514	3%		Change in Unearned Premium Reserve ("UPR")	(20 570 605)	(112 473 698)	(55 261 755)	(13 627 207)
	Construction Wholesale and retail trade	135 019 147 1 542 091 290	1% 11%	171 681 427 1 191 107 210	2% 12%			302 436 912	355 500 841	130 965 294	29 775 757
	Public sector	448 645 321 736 700 593	3% 5%	350 025 355 623 595 631	3% 6%	22	OTHER OPERATING INCOME Rental income	1 947 660	11 400 101	1 327 278	154 052
	Manufacturing Telecommunication	284 149 407	2%	341 350 701	3%		Profit on disposal of property and equipment	-	11 429 181 187 596	-	19 595
	Transport Individuals	261 414 448 698 786 292	2% 5%	283 397 085 826 235 795	3% 8%		Sundry income Bad debts recovered	101 089 505 3 976 843	70 239 637 18 534 982	116 040 291 3 686 264	4 826 667 1 936 040
	Financial services Mining	6 793 120 325 1 063 687 259	51% 8%	4 752 103 256 850 191 258	46% 8%		Net fair value adjustment on investment property	211 670 534	254 393 427	520 730 750	27 083 941
	Other	1 049 145 911	8%	655 466 070	6%			318 684 542	354 784 823	641 784 583	34 020 295
		13 450 995 575	100%	10 328 618 302	100%	23	NET INSURANCE COMMISSIONS EXPENSE				
	-	Reviewed		Audited			Commissions paid Change in technical provisions	27 783 665 (4 686 384)	69 414 083 (28 241 753)	28 726 397 (9 510 466)	5 588 761 (2 244 431)
		30 June 2020		31 Dec 2019			Change in technical provisions		,	,	
	Historical cost	ZWL\$	%	ZWL\$	%			23 097 281	41 172 330	19 215 931	3 344 330
	Agriculture Construction	438 235 582 135 019 147	3% 1%	108 196 036 65 529 366	3% 2%	24	INSURANCE CLAIMS AND LOSS ADJUSTMENT EXPENS Claims Paid	56 540 707	84 676 135	33 482 173	6 725 023
	Wholesale and retail trade	1 542 091 290	11%	454 635 668	12%		Change in Technical Provisions	(11 222 260)	9 571 398	16 887 287	3 505 735
	Public sector Manufacturing	448 645 321 736 700 593	3% 5%	133 601 753 238 021 241	3% 5%			45 318 447	94 247 533	50 369 460	10 230 758
	Telecommunication	284 149 407	2%	130 290 710	3%	0.5	ADMINISTRATIVE EVERNING INC				
	Transport Individuals	261 414 448 698 786 292	2% 5%	108 170 299 315 367 298	2% 8%	25	ADMINISTRATIVE EXPENDITURE Administration expenses	509 214 333	299 311 887	243 804 974	29 611 646
	Financial services Mining	6 793 120 325 1 063 687 259	51% 8%	1 813 838 099 324 510 898	48% 8%		Staff costs Directors' fees	735 935 605 7 158 912	530 777 950 10 190 575	803 420 438 8 157 968	54 159 309 1 188 772
	Other	1 049 145 911	8%	250 185 921	6%		Audit fees:				
		13 450 995 575	100%	3 942 347 289	100%		- current year fees - prior year fees	6 344 743 10 288 131	1 666 267 1 524 051	4 260 947 8 271 594	36 570 123 280
	There are material concentration of deposits to the follow	ving sectors: Finar	icial services 51%	6 wholesale and	retail trade 11%		- other services Depreciation	18 127 960 69 437 989	19 820 278 31 864 522	9 704 553 25 011 768	- 1 564 169
	mining 8% and other 8%.	mig cootoro, i mai		o, Wiloloodio dila	rotan trado 1170,		Amortisation	55 485 066	6 163 502	20 510 460	327 344
		INFLATIO	N ADJUSTED	HISTORIC	CAL COST		Operating lease payment	-	6 633 324	-	670 283
		Reviewed 30 June 2020	Audited 31 Dec 2019	Reviewed 30 June 2020	Audited 31 Dec 2019			1 411 992 739	907 952 356	1 123 142 702	87 681 373
		ZWL\$	ZWL\$	ZWL\$	ZWL\$	26	INCOME TAX EXPENSE	550			
14	INSURANCE LIABILITIES Gross outstanding claims	40 752 445	84 639 956	42 139 502	29 018 115		Current income tax on income for the half year Deferred tax	558 114 431 (21 929 635)	361 878 840 (76 961)	87 333 819 313 986 187	38 692 571 (2 973 736)
	Liability for unearned premium	103 475 682	179 007 467	64 781 658	22 315 117			536 184 796	361 801 879	401 320 006	35 718 835
		144 228 127	263 647 423	106 921 160	51 333 232			300 104 730	301 001 073	401 020 000	05 7 10 003
	Current	144 228 127	263 647 423	106 921 160	51 333 232	27	CAPITAL COMMITMENTS Capital expenditure authorized but not yet contracted for	653 575 000	466 811 704	653 575 000	55 754 843
	Non-current	-		-		28	CONTINGENT LIABILITIES				
	Total	144 228 127	263 647 423	106 921 160	51 333 232	20	Guarantees and letters of credit	703 652 056	2 309 975 732	703 652 056	275 897 826
15	TRADE AND OTHER PAYABLES					29	EARNINGS PER SHARE				
	Trade and other payables Deferred income	273 542 855 10 532 369	259 030 109 65 359 885	272 986 486 10 532 369	97 474 651 11 578 331	29.1	Basic earnings per share Profit attributable to equity holders of the parent	1 611 686 076	(742 602 160)	1 896 257 168	54 205 716
	Mastercard and Visa prepayments	395 993 764	274 682 485	395 993 764	104 844 009		. ,				
	TT Resdex inwards RBZ cash cover	26 665 157 968 714 778	376 276 803 920 521 383	26 665 157 968 714 778	143 621 711 351 355 319		Total	1 611 686 076	(743 692 169)	1 896 257 168	54 205 716
	Zimswitch settlement	- 18 877 271	23 715 785	-	9 052 117		Basic earnings per share	06E 40	(110.05)	210.00	0.74
	Instant banking balances Other liabilities	777 275 991	14 660 363 371 433 286	18 877 271 777 275 991	5 595 738 141 508 183		Basic earnings per share (ZWL cents)	265.42	(119.95)	312.28	8.74
		2 471 602 185	2 305 680 099	2 471 045 816	865 030 059			265.42	(119.95)	312.28	8.74
	Current		2 146 793 398		819 216 750		Weighted average number of ordinary shares	Shares issued	Treasury shares	Shares outstanding	Weighted
	Non-current	462 434 549	158 886 701	462 434 549	45 813 309		Half Year ended 30 June 2020				007.01/.55
	Total	2 471 602 185	2 305 680 099	2 471 045 816	865 030 059		Issued ordinary shares as at 1 January 2020 Treasury shares purchased	671 949 927 -	(64 708 627) (634 700)	607 241 300 (634 700)	607 241 300 (17 437)
16	SHARE CAPITAL AND SHARE PREMIUM						Weighted average number of ordinary shares as at 30 June	671 949 927	(65 343 327)	606 606 600	607 223 863
10	Authorised							JI 1 373 341	(00 070 021)	200 000 000	001 220 000
	Number of ordinary shares, with a nominal value of ZWL\$0.00001	800 000 000	800 000 000	800 000 000	800 000 000		Weighted average number of ordinary shares Half Year ended 30 June 2019				
	Issued and fully paid						Issued ordinary shares as at 1 January 2019 Treasury shares purchased	671 949 927	(44 827 282) (10 854 126)	627 122 645 (10 854 126)	627 122 645 (7 107 222)
	Number of ordinary shares, with a nominal	074 045	074 045 5	074 0 15	074 045 5 -		Weighted average number of ordinary			,	
	value of ZWL\$0.00001	671 949 927	671 949 927	671 949 927	671 949 927		shares as at 30 June	671 949 927	(55 681 408)	616 268 519	620 015 423
	Share capital movement	Number of Shares	Share Capital ZWL\$	Share Premium ZWL\$	Total	29.2	Diluted earnings per share Diluted earnings per share is calculated after adjusting the	weighted average	e number of andi-	any charge outst	nding to assume
		onares	Z VV L \$	ZVVL\$	ZWL\$		Diluted earnings per share is calculated after adjusting the conversion of all dilutive potential ordinary shares. The Co			•	iriairig to assume
	INFLATION ADJUSTED As at 1 January	671 949 927	151 586	317 725 164	317 876 750			Reviewed	Reviewed	Reviewed	Reviewed
	Share issue	-		-				30 June 2020 ZWL\$	30 June 2019 ZWL\$	30 June 2020 ZWL\$	30 June 2019 ZWL\$
	As at 30 June 2020	671 949 927	151 586	317 725 164	317 876 750		5 6 11 11 11 11 11 11 11 11 11 11 11 11 11				
	HISTORICAL COST						Profit attributable to equity holders of the parent	1 611 686 076	(743 692 169)	1 896 257 168	54 205 716
	As at 1 January 2020 Share issue	671 949 927	6 719	14 083 173	14 089 892		Total	1 611 686 076	(743 692 169)	1 896 257 168	54 205 716
		-		-	-		Weighted average number of ordinary shares at 30 June	607 223 863	620 015 423	607 223 863	620 015 423
	As at 30 June 2020	671 949 927	6 719	14 083 173	14 089 892		Diluted earnings per share (ZWL cents)				٤
	The unissued share capital is under the control of the direct Business Entities Act (Chapter 24:31), Zimbabwe Stock E	•		,			Diluted earnings per share (ZWL cents)	265.42	(119.95)	312.28	8.74
	Association of the Company.	0 0	•					265.42	(119.95)	312.28	8.74
		INFLATIOI Reviewed	N ADJUSTED Reviewed	HISTORIO Reviewed	CAL COST Reviewed						_
				30 June 2020							

INTEREST AND RELATED INCOME Cash and cash equivalents

Loans and advances to other banks

Bankers acceptances and tradable bills

Loans and advances to customers

30 June 2019

215 031

1 199 080

36 857 981

8 566 207

46 838 299

30 June 2020

5 487 303

64 583 606

583 092 715

46 990 679

700 154 303

30 June 2019

7 101 941

79 794 807

409 113 261

104 986 586

600 996 595

ZWL\$

30 June 2020

ZWL\$

3 489 030

41 288 269

383 882 037

30 300 101

458 959 437



FOR THE SIX MONTHS ENDED 30 JUNE 2020

		30 June 2020 ZWL\$	30 June 2019 ZWL\$	30 June 2020 ZWL\$	30 June 2019 ZWL\$
	arnings per share butable to equity holders	1 611 686 076	(743 692 169)	1 896 257 168	54 205 716
•	or excluded remeasurements le disposal of property and equipment		(187 596)	-	(19 595)
Headline e	earnings	1 611 686 076	(743 879 765)	1 896 257 168	54 186 121
Weighted a	average number of ordinary shares at 30 June	607 223 863	620 015 423	607 223 863	620 015 423
Headline 6	earnings per share (ZWL cents)	265.42	(119.98)	312.28	8.74

29.4 Diluted headline earnings per share

Diluted headline earnings per share is calculated after adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company does not have dilutive ordinary shares.

	Reviewed 30 June 2020 ZWL\$	Reviewed 30 June 2019 ZWL\$	Reviewed 30 June 2020 ZWL\$	Reviewed 30 June 2019 ZWL\$
Headline earnings	1 611 686 076	(743 879 765)	1 896 257 168	54 186 121
Weighted average number of ordinary shares at 30 June	607 223 863	620 015 423	607 223 863	620 015 423
Diluted earnings per share (ZWL cents)	265.42	(119.98)	312.28	8.74

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

FAIR VALUE HIERARCHY

IFRS 13 'Fair value measurement' requires an entity to classify its assets and liabilities according to a hierarchy that reflects the observability of significant market inputs. The three levels of the the fair value hierarchy are defined below.

Quoted market prices - Level 1

Assets and liabilities are classified as Level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets in active markets where the quoted price is readily available.

Valuation technique using observable inputs - Level 2

Assets and liabilities classified as Level 2 have been valued using models whose inputs are observable in an active market either directly (that is, as prices) or indirectly (that is, derived from prices).

Valuation technique using significant observable inputs - Level 3

Assets and liabilities are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). A valuation input is considered observable if it can be directly observed from transactions in an active market, or if there is compelling external evidence demonstrating an executable exit price.

The following table shows the Group's assets and liabilities that are held at fair value disaggregated by valuation technique:

Quoted

Valuation technique using;

	prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2) ZWL\$	Significant unobservable inputs (Level 3) ZWL\$
Recurring fair value measurements			
Inflation Adjusted As at 30 June 2020 Investment property Financial assets at amortised cost Financial assets at fair value through profit or loss Financial assets at fair value through other comprehensive income Land and buildings As at 31 December 2019	523 110 904 30 196 384	1	707 795 976 206 257 531 - 1 078 886 278
Investment property Financial assets at amortised cost Financial assets at fair value through profit or loss Financial assets at fair value through other comprehensive income Land and buildings	143 918 815 38 958 073	:	404 207 587 499 697 254 - - 660 039 981
Historical cost As at 30 June 2020 Investment property Financial assets at amortised cost Financial assets at fair value through profit or loss Financial assets at fair value through other comprehensive income Land and buildings	- - 553 701 360 30 196 384 -		707 469 984 206 257 531 - - 767 631 162
As at 31 December 2019 Investment property Financial assets at amortised cost Financial assets at fair value through profit or loss Financial assets at fair value through other comprehensive income Land and buildings	57 760 631 14 869 971	- - - -	154 282 658 190 730 266 - - 251 931 744

CLASSIFICATION OF FINANCIAL INSTRUMENTS

The table below sets out the Group's classification of each class of financial assets and liabilities.

	Financial assets at amortised	Financial assets at fair value through	Financial assets at fair value through other comprehensive	Loans and	Financ liabilities amortise
	cost	profit or loss	income	receivables	co
nflation Adjusted	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZW
As at 30 June 2020					
Frading assets Balances with other banks and cash	_	_	_	7 477 130 140	
Financial assets at amortised cost	206 257 531	-	-	-	
Loans and advances to customers	-	-	-	8 424 971 011	
rade and other receivables including nsurance receivables	_	_	_	196 284 744	
Bonds and debentures	203 218 585	-	-	-	
inancial assets at fair value		523 110 904			
through profit or loss inancial assets at fair value through	-	523 110 904	-	-	
other comprehensive income	-	-	30 196 384	-	
	409 476 116	523 110 904	30 196 384	16 098 385 895	
	400 470 110	020 110 304	00 130 004	10 030 000 030	
rading liabilities					
eposits and borrowings from other anks and customers	_	_	_	-	13 450 995 5
surance liabilities	-	-	-	-	144 228 1
rade and other payables		-		-	2 471 602 1
	-	_	_	_	16 066 825 8
t 21 December 2010					
s at 31 December 2019 rading assets					
alances with other banks and cash	-	-	-	4 998 555 026	
inancial assets at amortised cost	499 697 254	-	-		
pans and advances to customers rade and other receivables including	-	-	-	6 709 458 395	
surance receivables	-	-	-	270 821 072	
onds and debentures	318 347 641	-	-	-	
inancial assets at fair /alue through profit or loss	_	143 918 815	_	_	
inancial assets at fair value through		140 910 010			
other comprehensive income	-	-	38 958 073	-	
	818 044 895	143 918 815	38 958 073	11 978 834 493	
rading liabilities eposits and borrowings from other					
anks and customers	-	-	-	-	10 328 618 3
surance liabilities	-	-	-	-	263 647 4
rade and other payables		-	-	-	2 305 680 0
	-	-		-	12 897 945 8
istorical cost					
s at 30 June 2020					
rading assets					
alances with other banks and cash inancial assets at amortised cost	- 206 257 531	-	-	7 477 130 140	
oans and advances to customers	200 237 331	_	_	8 424 903 311	
rade and other receivables including					
nsurance receivables	-	-	-	197 115 439	
onds and debentures inancial assets at fair value through profit or loss	203 218 585	553 701 360	-	-	
inancial assets at fair value					
hrough other comprehensive income	-	-	30 196 384	-	
	409 476 116	553 701 360	30 196 384	16 099 148 890	
rading liabilities					
eposits and borrowings from other					
anks and customers	-	-	-	-	13 450 995 5
surance liabilities rade and other payables	-	-	-	-	106 921 1 2 471 045 8
ado ana otnor payabloo					2 17 1 0 10 0
			_	-	16 028 962 5
	-	-			
s at 31 December 2019	-	-			
rading assets	-				
rading assets alances with other banks and cash	-			1 907 906 680	
rading assets alances with other banks and cash nancial assets at amortised cost	- 190 730 266	-	- - -	1 907 906 680 - 2 560 920 299	
rading assets alances with other banks and cash nancial assets at amortised cost bans and advances to customers ade and other receivables including	- 190 730 266 -	- - - -		2 560 920 299	
rading assets alances with other banks and cash nancial assets at amortised cost bans and advances to customers rade and other receivables including nsurance receivables	-	- - - -	-	-	
rading assets alances with other banks and cash nancial assets at amortised cost bans and advances to customers rade and other receivables including nsurance receivables onds and debentures	- 190 730 266 - - 121 510 634	- - - - - 57 760 631		2 560 920 299	
rading assets alances with other banks and cash nancial assets at amortised cost bans and advances to customers rade and other receivables including nsurance receivables onds and debentures nancial assets at fair value through profit or loss	-	- - - - 57 760 631	- - - -	2 560 920 299	
rading assets alances with other banks and cash inancial assets at amortised cost bans and advances to customers rade and other receivables including insurance receivables onds and debentures inancial assets at fair value through profit or loss inancial assets at fair value through	-	- - - - 57 760 631	- - - - 14 869 971	2 560 920 299	
rading assets alances with other banks and cash nancial assets at amortised cost bans and advances to customers rade and other receivables including nsurance receivables onds and debentures nancial assets at fair value through profit or loss nancial assets at fair value through	-	- - - - 57 760 631 - 57 760 631	14 869 971	2 560 920 299	
rading assets alances with other banks and cash inancial assets at amortised cost bans and advances to customers rade and other receivables including nsurance receivables onds and debentures inancial assets at fair value through profit or loss inancial assets at fair value through ther comprehensive income	- 121 510 634 - -	-		2 560 920 299 104 144 323 - -	
rading assets alances with other banks and cash inancial assets at amortised cost oans and advances to customers rade and other receivables including nsurance receivables onds and debentures inancial assets at fair value through profit or loss inancial assets at fair value through other comprehensive income	- 121 510 634 - -	-		2 560 920 299 104 144 323 - -	
rading assets alances with other banks and cash inancial assets at amortised cost oans and advances to customers rade and other receivables including nsurance receivables onds and debentures inancial assets at fair value through profit or loss inancial assets at fair value through other comprehensive income	- 121 510 634 - -	-		2 560 920 299 104 144 323 - -	3 942 347 2
as at 31 December 2019 rading assets alances with other banks and cash inancial assets at amortised cost oans and advances to customers rade and other receivables including insurance receivables onds and debentures inancial assets at fair value through profit or loss inancial assets at fair value through other comprehensive income rading liabilities reposits and borrowings from other anks and customers issurance liabilities	- 121 510 634 - -	-		2 560 920 299 104 144 323 - -	51 333 2
rading assets alances with other banks and cash inancial assets at amortised cost oans and advances to customers rade and other receivables including nsurance receivables onds and debentures inancial assets at fair value through profit or loss inancial assets at fair value through other comprehensive income	- 121 510 634 - -	-		2 560 920 299 104 144 323 - -	3 942 347 2 51 333 2 865 030 0

RELATED PARTIES

The Group carried out banking and investment related transactions with various companies related to its shareholders, all of which were undertaken in compliance with the relevant banking regulations. The full list of related party transactions are provided in the Group's annual report for the year ended 31 December 2019.







FOR THE SIX MONTHS ENDED 30 JUNE 2020

33 SEGMENT REPORTING

Segment information is presented in respect of business segments.

Segment revenue, expenses, results and assets are items that are directly attributable to the business segment or which can be allocated on a reasonable basis to a business segment.

The Group comprises six business segments i.e. commercial banking, microlending, mortgage financing, short term reinsurance, short -term insurance and stockbroking.

Performance is measured based on segment profit before income tax, as included in the internal management reports that

are reviewed by the Group Executive Committee.

Inflation Adjusted	Commercial		Mortgage	Short term	Short term		Intersegment	
30 June 2020	banking ZWL\$	Microlending ZWL\$	financing ZWL\$	reinsurance ZWL\$	insurance ZWL\$	Stockbroking ZWL\$	eliminations ZWL\$	Consolidated ZWL\$
Total segment revenue Interest income Interest expense	625 849 537 (193 527 463)	28 037 843 (4 780 062)	39 994 236 (25 754 127)	1 145 693 -	- -	77 191 -	5 049 803 (24 833 726)	700 154 303 (248 895 378)
Net interest income	432 322 074	23 257 781	14 240 109	1 145 693	-	77 191	(19 783 923)	451 258 925
Turnover Cost of sales	-	- -	16 198 424 (10 712 530)	- -	- 	- -	- -	16 198 424 (10 712 530)
Gross profit Net earned	-	-	5 485 894	-	-	-	-	5 485 894
insurance premium Net fee and	-	-	-	168 029 547	49 009 647	-	2 026 407	219 065 601
commission income Net trading income and	254 136 554	2 081 374	25 329 042	-	-	5 115 481	-	286 662 451
other income	1 762 066 177	1 271 475	238 816 451	395 893 315	82 625 051	10 681 922	80 724 671	2 572 079 062
Total income	2 448 524 805	26 610 630	283 871 496	565 068 555	131 634 698	15 874 594	62 967 155	3 534 551 933
Intersegment revenue	2 818 812	-	(553 677)	420 035	32 079 275	1 940	(34 766 385)	-
Intersegment interest expense and commission	14 622	986 031	(3 677 653)	6 514	274 252	4 125	2 392 109	-
Revenue from external customers	2 451 358 239	27 596 661	279 640 166	565 495 104	163 988 225	15 880 659	30 592 879	3 534 551 933
Segment profit before income tax	1 614 219 890	(30 847 541)	128 700 894	351 630 423	61 245 594	4 767 457	20 282 800	2 149 999 517
Impairment losses on financial assets Depreciation	46 893 571 58 593 226	538 817 1 725 716	1 939 682 4 529 557	8 000 000 1 602 717	- 2 867 988	- 110 035	- 8 750	57 372 070 69 437 989
Amortisation	53 743 681	714 198	63 434	432 877	530 876	-	-	55 485 066
Segment assets	17 759 051 091	87 167 561	1 420 529 951	714 929 666	310 289 849	15 830 755	662 557 566	20 970 356 439
Total assets includes: Additions to non-current assets	12 569 154	17 079	18 560 065	249 687	1 185 470	-	525 002	33 106 457
Investment in associates	-	-	-	-	-	-	-	-
Segment liabilities	14 750 018 400	53 768 042	695 485 573	290 933 179	166 295 566	8 002 240	567 987 052 1	6 532 490 052
30 June 2019								
Total segment revenue Interest income	433 815 599	64 208 458	103 585 150	2 637 567	-	1 667 582	(4 917 761)	600 996 595
Interest expense	(170 268 174)	(9 254 212)	(37 629 015)	-		-	(8 429 007)	(225 580 408)
Net interest income	263 547 425	54 954 246	65 956 135	2 637 567	-	1 667 582	(13 346 768)	375 416 187
Turnover Cost of sales	-	-	20 022 390 (8 859 453)	-	-	-	-	20 022 390 (8 859 453)
Gross profit Net earned	-	-	11 162 937	-	-	-	-	11 162 937
insurance premium Net fee and	- 004 045 007	7 004 700	40 0E0 044	161 858 102	78 360 784	6 070 100	(9 728 168)	230 490 718
Net trading income	284 945 607	7 964 792	42 958 244	04 004 700	49.076.057	6 373 122	(1 583 902)	340 657 863
and other income	1 368 760 185	1 497 750	19 142 066	84 834 783	48 076 057	3 076 837	(546 266 162)	979 121 516
Total income	1 917 253 217	64 416 788		249 330 452	126 436 841	11 117 541	(570 925 000)	1 930 849 221
Intersegment revenue Intersegment interest expense and commission	2 818 812 14 622	986 031	(553 677) (3 677 653)	420 035 6 514	32 079 275 274 252	1 940 4 125	(34 766 385) 2 392 109	-
Revenue from external customers	1 920 086 651	65 402 819	134 988 052	249 757 001	158 790 368	11 123 606	(603 299 276)	1 936 849 221
Segment profit before income tax	314 625 693	(93 650 416)	(269 924 686)	(50 648 702)	50 411 700	(15 702 015)	(315 968 364)	(380 856 790)
Impairment losses on	EE 74.00=	1.010.10=	044.40=					E0 000 110
financial assets Depreciation	55 744 607 26 235 851	1 319 407 660 395	944 435 3 841 164	200 925	875 006	51 181	-	58 008 449 31 864 522
Amortisation	4 900 010	341 830	190 304	264 373	466 985	-	-	6 163 502
Segment assets	17 449 542 638	263 798 823	1 912 150 649	468 908 027	392 585 473	8 452 127	(4 207 941 835)1	16 287 495 902
Total assets includes: Additions to non-current assets Investment in associates	761 181 525 -	26 450 -	5 240 416 -	580 259 -	1 096 630	-	- -	768 125 280 -
Segment liabilities	15 550 725 623	186 440 685	1 291 487 668	310 698 972	214 509 749	4 527 437	(3 915 179 961)1	13 643 210 173
Type of revenue generating acti	ivity Commercial and retail	Microlending	Mortgage financing	Underwriting short-term	Underwriting general classes	Equity market dealing		

Historical cost 30 June 2020	Commercial banking N	/licrolending ZWL\$	Mortgage financing ZWL\$	Short term reinsurance ZWL\$	Short term insurance	Stockbroking ZWL\$	Intersegment eliminations ZWL\$	Consolidated ZWL\$
								,,,,
Total segment revenue Interest income Interest expense	413 501 827 (122 701 773)	17 142 306 (2 978 771)	24 428 171 (16 137 747)	676 833 -	-	48 781 -	3 161 519 (16 068 842)	458 959 437 (157 887 133)
Net interest income	290 800 054	14 163 535	8 290 424	676 833	-	48 781	(12 907 323)	301 072 304
Turnover Cost of sales	<u>-</u>	- -	10 812 476 (3 110 602)	- -	- -	-	-	10 812 476 (3 110 602)
Gross profit	-	-	7 701 874	-	-	-	-	7 701 874
Net earned insurance premium	-	-	-	60 466 512	27 685 365	-	232 810	88 384 687
Net fee and commission income	156 935 720	1 487 133	16 013 686	-	-	3 481 516	-	177 918 055
Net trading income and other income	1 957 306 844	685 716	351 280 067	441 713 425	79 951 422	8 060 752	136 408 110	2 975 406 336
Total income	2 405 042 618	16 336 384	383 286 051	502 856 770	107 636 787	11 591 049	123 733 597	3 550 483 256
Intersegment revenue Intersegment interest	2 818 812	-	(553 677)	420 035	32 079 275	1 940	(34 766 385)	-
expense and commission	14 622	986 031	(3 677 653)	6 514	274 252	4 125	2 392 109	-
Revenue from external customers	2 407 876 052	17 322 415	379 054 721	503 283 319	139 990 314	11 597 114	91 359 321	3 550 483 256
Segment profit before income tax	1 552 955 094	(3 683 549)	202 002 027	392 432 752	55 623 747	6 435 260	10 606 051	2 300 383 092
Impairment losses on	1 332 333 094	(3 003 349)	203 992 031	392 402 132	33 023 141	0 400 200	12 020 931	2 300 303 032
financial assets Depreciation	46 893 572 19 748 716	538 817 660 395	1 939 682 3 479 148	8 000 000 371 779	- 713 740	- 37 990	-	57 372 071 25 011 768
Amortisation	20 392 619	30 516	8 435	70 000	8 890	-	-	20 510 460
Segment assets	17 149 094 997	65 732 170	1 268 608 062	693 109 580	248 191 052	14 395 791	649 562 166	20 088 693 818
Total assets includes: Additions to non-current assets	11 966 630	26 450	16 757 462	110 600	680 121	-	_	29 541 263
Investment in associates	-	-	-	-	-	-	-	-
Segment liabilities	15 033 811 367	50 480 394	695 485 573	254 286 846	140 385 836	7 656 476	569 476 572	16 751 583 064
30 June 2019								
Total segment revenue Interest income Interest expense	33 374 051 (14 740 113)	5 118 758 (747 978)	8 237 231 (3 065 496)	188 324	207 836	136 471	(424 372) (898 612)	46 838 299 (19 452 199)
Net interest income	18 633 938	4 370 780	5 171 735	188 324	207 836	136 471	(1 322 984)	27 386 100
Turnover	-	-	1 556 982	-	-	-	-	1 556 982
Cost of sales		-	(506 999) 1 049 983	-		-		(506 999) 1 049 983
Gross profit Net earned insurance premium		_	1 049 903	12 656 833	6 478 675		(632 235)	18 503 273
Net fee and commission income	24 896 113	534 372	3 414 484	-	-	555 671	2 915 743	32 316 383
Net trading income and other income	161 377 587	172 033	5 763 100	7 055 470	2 511 471	275 492	(58 018 457)	119 136 696
Total income	204 907 638	5 077 185	15 399 302	19 900 627	9 197 982	967 634	(57 057 933)	198 392 435
Intersegment revenue	(758 989)	(45 989)	(293 309)	(169 268)	1 783 811	(76)	(516 180)	_
Intersegment interest expense and commission	84 967	811 925	157 326	78 905	116	(4 098)	(1 129 141)	-
Revenue from external customers	204 233 616	5 843 121	15 263 319	19 810 264	10 981 909	963 460	(58 703 254)	198 392 435
Segment profit before income tax	125 512 782	594 198	6 048 285	13 669 446	3 222 745	308 083	(59 321 116)	90 034 422
Impairment losses	-							
on financial assets Depreciation Amortisation	6 657 998 1 209 346 239 758	331 234 59 393 30 516	112 801 195 443 8 435	29 051 11 722	67 951 36 913	(482) 2 985 -	- - -	7 101 551 1 564 169 327 344
Segment assets	2 084 396 350	32 023 948	221 655 658	55 433 859	33 434 900	2 950 588	(70 455 120)	2 359 440 183
Total assets includes: Additions to non-current								
assets Investment in associates	2 072 864	437 351 -	475 708 -	149 601 491 139	141 009 -	-	-	3 276 533 -
Segment liabilities	1 857 606 312	22 214 559	154 179 820	30 157 198	16 273 162	1 657 826	6 679 059	2 088 767 936
Type of revenue generating act	ivity Commercial and retail banking	Microlending	Mortgage financing	Underwriting short-term classes of	Underwriting general classes of short term	Equity market dealing		





FOR THE SIX MONTHS ENDED 30 JUNE 2020

FINANCIAL RISK MANAGEMENT

The Group has a defined risk appetite that is set by the Board and it outlines the amount of risk that business is prepared to take in pursuit of its objectives and it plays a pivotal role in the development of risk management plans and policies. The Group regularly reviews its policies and systems to reflect changes in markets, products, regulations and best market practice

The policies specifically cover foreign exchange risk, liquidity risk, interest rate risk, credit risk and the general use of financial instruments. Group Risk and Compliance, Group Internal audit review from time to time the integrity of the risk control systems in place and ensure that risk policies and strategies are effectively implemented within the Group.

The Group's risk management strategies and plans are aimed at achieving an appropriate balance between risk and return and minimise potential adverse effects on the Group's financial performance.

The Group's activities and operations results in exposure to the following risks:

(a) Credit risk

(b) Market risk (b.i) Interest rate risk

(b.ii) Currency risk, and

(b.iii) Price risk

(c) Liquidity risk (d) Settlement risk

(e) Operational risk

(f) Capital risk

Other risks:

g) Reputational risk
h) Legal and Compliance risk

The Group controls these risks by diversifying its exposures and activities among products, clients, and by limiting its positions in various instruments and investments.

Credit risk is the risk of loss due to the inability or unwillingness of a counterparty to meet their obligations as and when they fall due. Credit risk arises from lending, trading, insurance products and investment activities and products.

Credit risk and exposure to loss are inherent parts of the Group's business.

The Group manages, limits and controls concentration of credit risk in respect of individual counterparties and groups. The Group structures the level of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one counterparty or group or counterparties and to geographical and industry segments. Such risks are monitored on a revolving basis and are subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by product and industry sector are approved by the Board of Directors of the subsidiary companies

The Board Credit Committees of the Bank, Microplan and the Building Society periodically review and approve policies and procedures to define, measure and monitor the credit and settlement risks arising from the Group's activities. Limits are established to control these risks. Any facility exceeding established limits of the subsidiary Management Credit Committee must be approved by the subsidiary Board Credit Committee.

The Group Credit Management Department evaluates the credit exposures and assures ongoing credit quality by reviewing individual credit and concentration and monitoring of corrective action.

The Group Credit Management Department periodically prepares detailed reports on the quality of the customers for review by the Board Loans Review Committees of the subsidiary companies and assesses the adequacy of the impairment allowance. Any loan or portion thereof which is classified as a 'loss' is written off. To maintain an adequate allowance for credit losses, the Group generally provides for a loan or a portion thereof, when a loss is probable.

Credit policies, procedures and limits

The Group has sound and well-defined policies, procedures and limits which are reviewed annually and approved by the Board of Directors of the subsidiary companies and strictly implemented by management. Credit risk limits include delegated approval and write-off limits to advances managers, management, board credit committees and the Board. In addition there are counterparty limits, individual account limits, group limits and concentration limits.

Credit risk mitigation and hedging
As part of the Group's credit risk mitigation and hedging strategy, various types of collateral is taken by the banking subsidiaries. These include mortgage bonds over residential, commercial and industrial properties, cession of book debts and the underlying moveable assets financed. In addition, a guarantee is often required particularly in support of a credit facility granted to a counterparty. Generally, guarantor counterparties include parent companies and shareholders. Creditworthiness for the guarantor is established in line with the credit policy.

Credit risk stress testing

The Group recognises the possible events or future changes that could have a negative impact on the credit portfolios which could affect the Group's ability to generate more business. To mitigate this risk, the Group has put in place a stress testing framework that guides the Group in conducting credit stress tests.

Impairments

An allowance for loan impairment is established if there is objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms of loans. The amount of the allowance is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, including amounts recoverable from guarantees and collateral, discounted at the original effective interest rate of loans.

Credit terms:

This is failure by a borrower to comply with the terms and conditions of a loan facility as set out in the facility offer letter or loan contract. Default occurs when a debtor is either unwilling or unable to repay a loan.

These are loans whereby the debtor is in default by exceeding the loan tenure or expiry date as expressly set out in the loan

Impaired loans

The Group's policy regarding impaired/ doubtful loans is all loans where the degree of default becomes extensive such that the Group no longer has reasonable assurance of collection of the full outstanding amount of principal and interest. All such loans are classified in the 8, 9 and 10 under the Basel II ten tier grading system.

Provisioning policy and write offs

The Group has adopted IFRS 9 to determine expected credit losses (ECL)

The table below shows the mapping of the RBZ Supervisory Rating Scale to the IFRS 9 staging matrix

Rating	Descriptive classification	Risk level	Level of allowance	IFRS 9 grading /tier system	Type of allowance	
1	Prime grade	Insignificant	1%	Stage 1	12 Months ECL	
2	Strong	Modest	1%			
3	Satisfactory	Average	2%			
4	Moderate	Acceptable	3%	Stage 2	Lifetime ECL	
5	Fair	Acceptable with care	4%			
6	Speculative	Management attention	5%			
7	Highly Speculative	Special mention	10%			
8	Substandard	Vulnerable	20%	Stage 3	Lifetime ECL	
9	Doubtful	High default	50%			
10	Loss	Bankrupt	100%			

In the context of IFRS 9 is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract (scheduled or contractual cashflows) and the cash flows that the entity expects to receive (actual

Expected Credit Losses are the product of Probability of Default(PD)*Exposure at Default (EAD)* Loss Given Default(LGD)

Probability of Default (PD)

It is the chance that borrowers will fail to meet their contractual obligations in the future. The PD is derived using historical internal credit rating data.

It is the total value that a bank is exposed to at the time of a loan's default. In most cases and for most loan products, EAD is

taken as the gross outstanding balance at time of default. It also includes off-balance sheet exposures such as guarantees and lending commitments which are then modelled based on historical experience to determine the appropriate exposure estimates.

It is an estimate of the loss from a transaction given that a default has occurred. The LGD estimate is calculated as the quotient of the set of estimated cash flows resulting from the workout and/or collections process (the loss of principal, the carrying

costs of non-performing loans e.g. interest income foregone and workout expenses. The estimates take into account the time value of money by discounting the recoveries to the date of default.

	INFLATIO	N ADJUSTED	HISTORICAL COST		
34.1.1 Exposure to credit risk	Reviewed	Audited	Reviewed	Audited	
Loans and advances	30 June 2020	31 Dec 2019	30 June 2020	31 Dec 2019	
	ZWL\$	ZWL\$	ZWL\$	ZWL\$	
Past due and impaired					
Stage 3/Grade 8: Impaired	4 764 712	9 303 840	4 764 712	3 551 198	
Stage 3/Grade 9: Impaired	1 092 960	2 459 820	1 092 960	938 893	
Stage 3/Grade 10: Impaired	3 851 414	10 883 351	3 851 414	4 154 084	
Gross amount	9 709 086	22 647 011	9 709 086	8 644 175	
Credit impairment loss allowance	(4 227 013)	(8 618 931)	(4 227 013)	(3 289 774)	
	5 400 070	44.000.000	5 400 070	5 054 404	
Carrying amount	5 482 073	14 028 080	5 482 073	5 354 401	
Past due but not impaired					
Stage 2/Grades 4 - 7:	741 212 500	163 051 545	741 212 500	62 235 412	
otago 2/ diadoo 1 1.	7 11 212 000	100 001 010	7 11 2 12 000	02 200 112	
Niether past due nor impaired					
Stage 1/Grades 1 - 3:	7 764 401 074	6 636 321 166	7 764 333 374	2 533 004 430	
Gross amount	8 505 613 574	6 799 372 711		2 595 239 842	
Credit impairment loss allowance	(86 124 636)	(103 942 396)	(86 124 636)	(39 673 944)	
·	(66 12 1 666)	(100012000)	(66.12.1666)	(66 67 6 6 7 1)	
Carrying amount	8 419 488 938	6 695 430 315	8 419 421 238	2 555 565 898	
Total carrying amount	8 424 971 011	6 709 458 395	8 424 903 311	2 560 920 299	
	Davidson 1		Acceltance		
Odd O O stand analysis of attituations. Is an	Reviewed		Audited		
34.1.2 Sectoral analysis of utilisations - loans	30 June 2020	0/	31 Dec 2019	0/	
and advances	ZWL\$	%	ZWL\$	%	
Indiation Advantage					
Inflation Adjusted	1 100 004 710	100/	F 40 700 000	00/	
Mining	1 138 924 712	13%	543 709 609	8%	
Manufacturing	498 784 310	6%	134 381 685	2%	
Mortgage	213 151 832	3%	264 741 259	4%	
Wholesale	42 560 538	0%	57 533 040	1%	
Distribution	591 394 089	7%	179 286 726	3%	
Individuals	264 568 618	3%	438 221 489	6%	
Agriculture	264 438 677	3%	396 442 492	6%	
Communication	4 916 115	0%	15 836 396	0%	
Construction	72 177 223	1%	45 161 408	1%	
Local Authorities	19 772 575	0%	23 651 068	0%	
Other services	5 404 633 971	64%	4 723 054 550	69%	
Gross loans and advances	8 515 322 660	100%	6 822 019 722	100%	
Less credit impairment loss allowance	(90 351 649)		(112 561 327)		
Carrying amount	8 424 971 011		6 709 458 395		
Historical cost					
Mining	1 138 924 712	13%	207 529 414	8%	
Manufacturing	498 784 310	6%	51 292 366	2%	
Mortgage	213 151 832	3%	101 049 526	4%	
Wholesale	42 560 538	0%	21 959 881	1%	
Distribution	591 394 089	7%	68 432 245	3%	
Individuals	264 568 618	3%	167 265 480	6%	
Agriculture	264 438 677	3%	151 318 786	6%	
Communication	4 916 115	0%	6 044 620	0%	
Construction	72 177 223	1%	17 237 732	1%	
Local Authorities	19 772 575	0%	9 027 415	0%	
Other services	5 404 566 271	64%	1 802 726 552	69%	
Gross loans and advances	8 515 254 960	100%	2 603 884 017	100%	
Less credit impairment loss allowance	(90 351 649)		(42 963 718)		
Carrying amount	8 424 903 311		2 560 920 299		

There are material concentration of loans and advances to the following sectors; other services 64%, mining 13%, distribution 7% and manufacturing 6%.

34.1.3 Loans and advances **Inflation Adjusted**

		Reviewed			Audited			
		30 June 2020				31 Dec 2019		
		ECL staging				ECL staging		
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
	12-month	Lifetime	Lifetime	Total	12-month	Lifetime	Lifetime	Total
	ECL	ECL	ECL		ECL	ECL	ECL	
	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$
Credit grade								
Investment grade	7 764 401 074	665 401 890	-	8 429 802 964	6 636 321 166	-	-	6 636 321 166
Standard monitoring	-	66 889 035	-	66 889 035	-	103 855 439	-	103 855 439
Special monitoring	-	8 921 575	3 262 217	12 183 792	-	59 196 106	-	59 196 106
Default	-	-	6 446 869	6 446 869	-	-	22 647 011	22 647 011
Gross financial assets								
at amortised cost	7 764 401 074	741 212 500	9 709 086	8 515 322 660	6 636 321 166	163 051 545	22 647 011	6 822 019 722
Credit impairment loss allowance	(49 350 397)	(36 774 239)	(4 227 013)	(90 351 649)	(77 528 671)	(26 413 725)	(8 618 931)	(112 561 327)
Net financial asset at								
amortised cost	7 715 050 677	704 438 261	5 482 073	8 424 971 011	6 558 792 495	136 637 820	14 028 080	6 709 458 395
Historical cost								
Credit grade								
Investment grade	7 764 333 374	665 401 890	-	8 429 735 264	2 533 004 430	-	-	2 533 004 430
Standard monitoring	-	66 889 035	-	66 889 035	-	39 640 752	-	39 640 752
Special monitoring	-	8 921 575	3 262 217	12 183 792	-	22 594 660	-	22 594 660
Default	-	-	6 446 869	6 446 869	-	-	8 644 175	8 644 175
Gross financial assets								
at amortised cost	7 764 333 374	741 212 500	9 709 086	8 515 254 960	2 533 004 430	62 235 412	8 644 175	2 603 884 017
Credit impairment loss allowance	(49 350 397)	(36 774 239)	(4 227 013)	(90 351 649)	(29 592 046)	(10 081 898)	(3 289 774)	(42 963 718)
Net financial asset at								
amortised cost	7 714 982 977	704 438 261	5 482 073	8 424 903 311	2 503 412 384	52 153 514	5 354 401	2 560 920 299

34.1.4 Reconciliation of credit impairment			HISTORICAL COST			
allowance for loans and advances		N ADJUSTED				
	Review	Audited	Review	Audited		
	30 June 2020	31 Dec 2019	30 June 2020	31 Dec 2019		
	ZWL\$	ZWL\$	ZWL\$	ZWL\$		
Balance at 1 January	112 561 327	202 975 364	42 963 718	12 472 674		
Effects of IAS 29	(69 597 610)	(170 298 007)		12 472 074		
Change on initial application of IFRS 9	-	-	-	_		
Increase in impairment loss allowance	47 016 273	82 579 133	47 016 273	31 519 765		
Impairment reversal	-	(1 513 759)	-	(577 789)		
Write off	371 659	(1 181 404)	371 658	(450 932)		
Interest in suspense	90 351 649	112 561 327	90 351 649	42 963 718		
	90 331 049	112 301 321	90 331 049	42 903 7 10		
34.1.5 Trade and other receivables						
Past due and impaired	12 569 612	8 663 168	12 569 613	3 306 659		
Allowance for impairment	(12 569 612)	(8 663 168)	(12 569 613)	(3 306 659)		
Carrying amount	-	-	-	-		
Past due but not impaired	-	87 403 817	-	33 361 307		
Neither past due nor impaired	196 531 963	183 737 169	197 362 658	70 905 125		
Gross amount	196 531 963	271 140 986	197 362 658	104 266 432		
Allowance for impairment	(247 219)	(319 914)	(247 219)	(122 109)		
Carrying amount	196 284 744	270 821 072	197 115 439	104 144 323		
Total carrying amount	196 284 744	270 821 072	197 115 439	104 144 323		



FOR THE SIX MONTHS ENDED 30 JUNE 2020

.6 Finar	ncial assets at amortised cost	i							
			Reviewed	In	flation Adjusted		Audited		
			30 June 2020				31 Dec 2019		
			ECL staging				ECL staging		
		Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
		12-month	Lifetime	Lifetime	Total	12-month	Lifetime	Lifetime	Tota
		ECL ZWL\$	ECL ZWL\$	ECL ZWL\$	ZWL\$	ECL ZWL\$	ECL ZWL\$	ECL ZWL\$	ZWL
Cre	dit grade	ZVVLS	ZVVLŞ	ZVVLĢ	ZVVLÞ	ZWLÞ	ZVVLÞ	ZVVLŞ	ZVVL
	estment grade	208 820 014			208 820 014	502 226 369		_	502 226 36
	ndard monitoring	-	-	-	-	-	-	-	
Spe	ecial monitoring	-	-	-	-	-	-	-	
Defa	ault	_	-		-		-		
Gro	ss financial assets								
	amortised cost	208 820 014	-	-	208 820 014	502 226 369	-	-	502 226 36
	dit impairment loss allowance	(2 562 483)	-		(2 562 483)	(2 529 115)	-	-	(2 529 11
	financial asset at	000 057 504			000 057 504	400 007 054			400 007 0
am	ortised cost	206 257 531			206 257 531	499 697 254			499 697 25
					Historical cost				
			Reviewed		motoriour cost		Audited		
			30 June 2020				31 Dec 2019		
			ECL staging				ECL staging		
		Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
		12-month	Lifetime	Lifetime	Total	12-month	Lifetime	Lifetime	Tot
		ECL	ECL	ECL		ECL	ECL	ECL	
_		ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL
	dit grade	000 000 04 :			000 000 01	101 005 005			101.005.5
	estment grade	208 820 014	-	-	208 820 014	191 695 608	-	-	191 695 60
	ndard monitoring ecial monitoring	Ī .	-	-	-	Ī .		-	
Defa	=		-	-				-	
	ss financial assets								
	amortised cost	208 820 014	-	-	208 820 014	191 695 608	-	_	191 695 60
Cred	dit impairment loss allowance	(2 562 483)	-		(2 562 483)	(965 342)	-	-	(965 34
Net	financial asset at								
am	ortised cost	206 257 531	-		206 257 531	190 730 266	-		190 730 20
_									
Bon	nds and debentures			I m	flation Adjusted				
			Reviewed	In	flation Adjusted		Audited		
			30 June 2020				31 Dec 2019		
			ECL staging				ECL staging		
		Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
		12-month	Lifetime	Lifetime	Total	12-month	Lifetime	Lifetime	Tot
		ECL	ECL	ECL		ECL	ECL	ECL	
		ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWI
	dit grade								
	estment grade	204 164 931	-	-	204 164 931	319 983 076	-	-	319 983 07
	ndard monitoring	-	-	-	-	-	-	-	
Spe	ecial monitoring	-	-	-	-	-	-	-	
	auit ess financial assets		-		-		-		
	amortised cost	204 164 931	_	_	204 164 931	319 983 076	_	_	319 983 07
	dit impairment loss allowance	(946 346)	_	_	(946 346)	(1 635 435)	_	_	(1 635 43
	financial asset at	(* : : : ;			((11111)			(
am	ortised cost	203 218 585	-	-	203 218 585	318 347 641	-	-	318 347 6
					Historical cost				
			Reviewed				Audited		
			30 June 2020				31 Dec 2019		
		Stage 1	ECL staging Stage 2	Stage 3		Stage 1	ECL staging Stage 2	Stage 3	
		Stage 1 12-month	Stage 2 Lifetime	Stage 3 Lifetime	Total	12-month	Stage 2 Lifetime	Stage 3 Lifetime	Tot
		ECL	ECL	ECL	ivial	ECL	ECL	ECL	101
		ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWI
Cre	dit grade	<u> </u>		•	•		•	•	
	estment grade	204 164 931	-	-	204 164 931	122 134 866	-	-	122 134 86
	ndard monitoring	-	-	-	-	-	-	-	
	ecial monitoring	-	-	-	-	-	-	-	
Def	ault		-		-		-		
	ss financial assets	004.45.			004.45	400 400			400 :-
Gro		204 164 931	-	-	204 164 931	122 134 866	-	-	122 134 86
Gro at a	amortised cost				(946 346)	(624 232)	-		(624 23
Gro at a	dit impairment loss allowance	(946 346)	-						
Gro at a Cred Net			-		203 218 585	121 510 634	-	_	121 510 63
Gro at a Cred	dit impairment loss allowance financial asset	(946 346)	-		203 218 585	121 510 634	-	-	121 510 63
Gro at a Cred Net at a	dit impairment loss allowance financial asset	(946 346)	-		203 218 585	121 510 634	-	-	121 510 63
Groot at a Cree At a Cree Cree	dit impairment loss allowance financial asset amortised cost	(946 346)			203 218 585	121 510 634	-	_	121 510 60
Groot at a Cree At a Cree Cree	dit impairment loss allowance financial asset amortised cost dit exposure on undrawn loan	(946 346)	_	-	203 218 585		-	_	121 510 60
Gro at a Cred Net at a	dit impairment loss allowance financial asset amortised cost dit exposure on undrawn loan	(946 346)	- Reviewed	-			Audited	-	121 510 60
Gro at a Cred Net at a	dit impairment loss allowance financial asset amortised cost dit exposure on undrawn loan	(946 346)	Reviewed 30 June 2020	-			31 Dec 2019	_	121 510 6
Gro at a Cred Net at a	dit impairment loss allowance financial asset amortised cost dit exposure on undrawn loan	(946 346) 203 218 585	Reviewed 30 June 2020 ECL staging	- In			31 Dec 2019 ECL staging		121 510 6
Gro at a Cred Net at a	dit impairment loss allowance financial asset amortised cost dit exposure on undrawn loan	(946 346) 203 218 585 Stage 1	Reviewed 30 June 2020 ECL staging Stage 2	In Stage 3	flation Adjusted	Stage 1	31 Dec 2019 ECL staging Stage 2	Stage 3	
Gro at a Cred Net at a	dit impairment loss allowance financial asset amortised cost dit exposure on undrawn loan	(946 346) 203 218 585 Stage 1 12-month	Reviewed 30 June 2020 ECL staging Stage 2 Lifetime	In Stage 3 Lifetime		Stage 1 12-month	31 Dec 2019 ECL staging Stage 2 Lifetime	Stage 3 Lifetime	
Gro at a Cred Net at a	dit impairment loss allowance financial asset amortised cost dit exposure on undrawn loan	(946 346) 203 218 585 Stage 1 12-month ECL	Reviewed 30 June 2020 ECL staging Stage 2 Lifetime ECL	In Stage 3 Lifetime ECL	flation Adjusted Total	Stage 1 12-month ECL	31 Dec 2019 ECL staging Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Tot
Groot at a Cree Net at a Cree com	dit impairment loss allowance financial asset amortised cost dit exposure on undrawn loan	(946 346) 203 218 585 Stage 1 12-month	Reviewed 30 June 2020 ECL staging Stage 2 Lifetime	In Stage 3 Lifetime	flation Adjusted	Stage 1 12-month	31 Dec 2019 ECL staging Stage 2 Lifetime	Stage 3 Lifetime	121 510 60 Tot
Groot at a Cree Net at a Cree com	dit impairment loss allowance infinancial asset amortised cost dit exposure on undrawn loan amitments and guarantees	(946 346) 203 218 585 Stage 1 12-month ECL	Reviewed 30 June 2020 ECL staging Stage 2 Lifetime ECL	In Stage 3 Lifetime ECL	flation Adjusted Total	Stage 1 12-month ECL	31 Dec 2019 ECL staging Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Tot ZWI
Groot at a Cree Net at a Cree com	dit impairment loss allowance infinancial asset amortised cost dit exposure on undrawn loan nmitments and guarantees	(946 346) 203 218 585 Stage 1 12-month ECL ZWL\$	Reviewed 30 June 2020 ECL staging Stage 2 Lifetime ECL	In Stage 3 Lifetime ECL	flation Adjusted Total ZWL\$	Stage 1 12-month ECL ZWL\$	31 Dec 2019 ECL staging Stage 2 Lifetime ECL	Stage 3 Lifetime ECL ZWL\$	Tot ZWI
Groomata Cree Net at a Cree com	dit impairment loss allowance I financial asset amortised cost dit exposure on undrawn loan nmitments and guarantees dit grade estment grade	(946 346) 203 218 585 Stage 1 12-month ECL ZWL\$	Reviewed 30 June 2020 ECL staging Stage 2 Lifetime ECL	In Stage 3 Lifetime ECL	flation Adjusted Total ZWL\$	Stage 1 12-month ECL ZWL\$	31 Dec 2019 ECL staging Stage 2 Lifetime ECL	Stage 3 Lifetime ECL ZWL\$	Tot

Credit grade								
Investment grade	706 362 399	-	-	706 362 399	1 513 089 604	-	-	1 513 089 604
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross financial assets								
at amortised cost	706 362 399	-	-	706 362 399	1 513 089 604	-	-	1 513 089 604
Credit impairment loss allowance	(457 964)	-	-	(457 964)	(415 314)	-	-	(415 314)
Net financial asset								
at amortised cost	705 904 435	-	-	705 904 435	1 512 674 290	-	-	1 512 674 290
ľ				Historical cost			<u> </u>	
1		Reviewed		Historical cost		Audited		
	30 June 2020			31 Dec 2019				
	ECL staging			ECL staging				
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
	12-month	Lifetime	Lifetime	Total	12-month	Lifetime	Lifetime	Total
	ECL	ECL	ECL		ECL	ECL	ECL	
	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$
Credit grade								
Investment grade	706 362 399	-	-	706 362 399	577 533 657	-	-	577 533 657
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross financial assets								
at amortised cost	706 362 399	-	-	706 362 399	577 533 657	-	-	577 533 657
Credit impairment loss allowance	(457 964)	-	-	(457 964)	(158 522)	-	-	(158 522)
Net financial asset								
at amortised cost	705 904 435	-	-	705 904 435	577 375 135	-	-	577 375 135

34.2 Liquidity risk

Liquidity risk is the risk of not being able to generate sufficient cash to meet financial commitments to extend credit, meet deposit maturities, settle claims and other unexpected demands for cash. Liquidity risk arises when assets and liabilities have differing maturities.

Management of liquidity risk

The Group does not treat liquidity risk in isolation as it is often triggered by consequences of other financial risks such as credit risk and market risk. The Group's liquidity risk management framework is therefore designed to ensure that its subsidiaries have adequate liquidity to withstand any stressed conditions. To achieve this objective, the Board of Directors of the subsidiary companies through the Board Asset Liability Committees of the Bank, Microplan and the Building Society and Board Risk and Compliance Committees is ultimately responsible for liquidity risk management. The responsibility for managing the daily funding requirements is delegated to the Heads of Treasury Divisions for banking entities and Finance Directors for non-banking entities with independent day to day monitoring being provided by Group Risk Management.

Liquidity and funding management

The Group's management of liquidity and funding is decentralised and each entity is required to fully adopt the liquidity policy approved by the Board with independent monitoring being provided by the Group Risk Management Department. The Group uses concentration risk limits to ensure that funding diversification is maintained across the products, counterparties and sectors. Major sources of funding are in the form of deposits across a spectrum of retail and wholesale clients for banking subsidiarios.

Cash flow and maturity profile analysis

The Group uses the cash flow and maturity mismatch analysis on both contractual and behavioural basis to assess their ability to meet immediate liquidity requirements and plan for their medium to long term liquidity profile.

Liquidity contingency plans

In line with the Group's liquidity policy, liquidity contingency plans are in place for the subsidiaries in order to ensure a positive outcome in the event of a liquidity crisis. The plans clearly outline early warning indicators which are supported by clear and decisive crisis response strategies. The crisis response strategies are created around the relevant crisis management structures and address both specific and market crises.

Liquidity stress testing

It is the Group's policy that each entity conducts stress tests on a regular basis to ensure that they have adequate liquidity to withstand stressed conditions. In this regard, anticipated on-and-off balance sheet cash flows are subjected to a variety of specific and systemic stress scenarios during the period in an effort to evaluate the impact of unlikely events on liquidity positions.

34.3 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

The market risk for the trading portfolio is managed and monitored based on a collection of risk management methodologies to assess market risk including Value-at-Risk ("VaR") methodology that reflects the interdependency between risk variables, stress testing, loss triggers and traditional risk management measures. Non-trading positions are managed and monitored using other sensitivity analysis.

34.3.1 Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The interest rate risk profile is assessed regularly based on the fundamental trends in interest rates, economic developments and technical analysis. The Group's policy is to monitor positions on a daily basis to ensure positions are maintained within the established limits.

Interest rate risk exposure stems from assets and liabilities maturing or being repriced at different times. For example:

i) Liabilities may mature before assets, necessitating the rollover of such liabilities until sufficient quantity of assets mature to repay the liabilities. The risk lies in that interest rates may rise and that expensive funds may have to be used to fund assets that are yielding lower returns.

ii) Assets may mature before liabilities do, in which case they have to be reinvested until they are needed to repay the liabilities. If interest rates fall the re-investment may be made at rates below those being paid on the liabilities waiting to be retired.

This risk is managed by ALCO through the analysis of interest rate sensitive assets and liabilities, using such models as Value at Risk ("VAR"), Scenario Analysis and control and management of the gap analysis.

34.3.2 Currency risk

The Group operates locally and the majority of its customers transact in ZWL\$, the functional currency of the Group and its subsidiaries. The Group is exposed to various currency exposures primarily with respect to the United States dollar, South African rand, Botswana pula, British pound and the Euro, mainly due to the cash holding and switch transactions in the banking subsidiary.

Foreign exchange risks arise from future commercial transactions and recognised assets and liabilities. This is the risk from movement in the relative rates of exchange between currencies. The risk is controlled through control of open position as per ALCO directives, Reserve Bank of Zimbabwe requirements and analysis of the market. The Group manages this risk through monitoring long and short positions and assessing the likely impact of forecast movements in exchange rates on the Group's profitability.

34.3.3 Price risk

The Group is exposed to equity price risk because of investments held by the Group and classified on the consolidated statement of financial position as at fair value through profit or loss. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

34.4 Settlement risk

The Group's activities may give rise to risk at the time of settlement of transactions and trades. Settlement risk is the risk of loss due to the failure of a counterparty to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For certain types of transactions the Group mitigates this risk by conducting settlements through a settlement/clearing agent to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations. Settlement limits form part of the credit approval / limit monitoring process. Acceptance of settlement risk on free settlement trades requires transaction specific or counterparty specific approvals from Group Risk.

34.5 Operational risk

Operational risk is the risk of loss arising from the potential that inadequate information system, technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses. Operational risk exists in all products and business activities.

Group's approach to managing operational risk

The Group's approach is that business activities are undertaken in accordance with fundamental control principles of operational risk identification, clear documentation of control procedures, segregation of duties, authorization, close monitoring of risk limits, monitoring of assets use, reconciliation of transactions and compliance.

Operational risk framework and governance The Board has ultimate responsibility for ensur

The Board has ultimate responsibility for ensuring effective management of operational risk. This function is implemented through the Board Risk and Compliance Committee at Group level which meets on a quarterly basis to review all other major risks including operational risks. This Committee serves as the oversight body in the application of the Group's operational risk management framework, including business continuity management. Each entity has a Management and Board Risk and Compliance Committee to ensure a robust operational risk management framework. Other Group management committees which report to Group Executive Committee include the Group New Product Committee, Group IT Steering Committee and Group Business Continuity Committee.

The management and measurement of operational risk

The Group identifies and assesses operational risk inherent in all material products, activities, processes and systems. It ensures that before new products, activities, processes and systems are introduced or undertaken, the operational risk inherent in them is subjected to adequate assessment by the appropriate risk committees which include the Risk and Compliance Committee and Group New Product Committee.



FOR THE SIX MONTHS ENDED 30 JUNE 2020

The Group conducts Operational Risk Assessments in line with the Group's risk strategy. These assessments cover causes and events that have, or might result in losses, as well as monitor overall effectiveness of controls and whether prescribed controls are being followed or need correction. Key Risk Indicators (KRIs) which are statistical data relating to a business or operations unit are monitored on an ongoing basis. The Group also maintains a record of loss events that occur in the Group in line with Basel II requirements. These are used to measure the Group's exposure to the respective losses. Risk Limits are used to measure and monitor the Group's operational risk exposures. These include branch cash holding limits, teller transaction limits, transfer limits and write off limits which are approved by management and the Board. In addition, the Group also uses risk mitigation mechanisms such as insurance programmes to transfer risks. The Group maintains adequate insurance to cover key operational and other risks.

Business continuity management

To ensure that essential functions of the Group are able to continue in the event of adverse circumstances, the Group Business Continuity Plan is reviewed annually and approved by the Board. The Group Business Continuity Committee is responsible for ensuring that all units and branches conduct tests half yearly in line with the Group policy. The Group continues to conduct its business continuity tests in the second and fourth quarters of each year and all the processes are well documented.

34.6 Capital risk

34.6.1 Regulatory Capital and Financial Risk Management

Capital risk refers to the risk of the Group's subsidiaries own capital resources being adversely affected by unfavourable external developments.

The Group's objectives when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- To comply with the capital requirements set by the regulators of the Group's subsidiaries;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its businesses.

Capital adequacy and the use of regulatory capital are monitored daily by the Group's management, employing techniques based on the guidelines developed by the Basel Committee as implemented by the Reserve Bank of Zimbabwe (the "RBZ"), for supervisory purposes for the banking subsidiaries. The required information is filed with the RBZ on a quarterly basis.

It is the intention of the Group to maintain a ratio of total regulatory capital to its risk-weighted assets (the "Capital Adequacy Ratio") above the minimum level set by the Reserve Bank of Zimbabwe which takes into account the risk profile of the Group.

The regulatory capital requirements are strictly observed when managing economic capital. The banking subsidiaries' regulatory capital is analysed into three tiers;

- Tier 1 capital, which includes ordinary share capital and premium, retained profits, non distributable reserves and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes.
- Tier 2 capital, which includes qualifying subordinated liabilities, revaluation reserve, collective impairment allowances and the element of the fair value reserve relating to unrealised gains on equity instruments classified as available-for-sale.
- Tier 3 capital or market and operational risk capital includes market risk capital and operational risk capital. Operational risk includes legal risk. Market risk capital is allocated to the risk of losses in the on and off balance sheet position arising from

Various limits are applied to elements of the capital base. The amount of capital qualifying for tier 2 capital cannot exceed tier 1 capital and the qualifying term subordinated loan capital may not exceed 50 percent of tier 1 capital. There are also restrictions on the amount of collective impairment allowances that may be included as part of tier 2 capital. Other deductions from capital include the carrying amounts of investments in subsidiaries that are not included in the regulatory consolidation, investment in the capital of other banks and certain other regulatory items.

The Group's operations are categorised as either banking or trading book, and risk weighted assets are determined according to specified requirements that seek to reflect the varying levels or risk attached to assets and off balance sheet exposures.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Overall, the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. The Group and its individually regulated operations have always complied with all externally imposed capital requirements throughout the period.

The Securities Commission of Zimbabwe ("SECZ") sets and monitors capital requirements for the stockbroking subsidiary and the Insurance and Pensions Commission ("IPEC") sets and monitors capital requirements for the insurance subsidiaries.

The following subsidiaries have their capital regulated by the regulatory authorities:

		Minimum	Minimum	Net	
Company	Regulatory	capital	capital	Regulatory	
As at 30 June 2020	Authority	required	required	Capital	Total Equity
		US\$	ZWL\$	ZWL\$	ZWL\$
FBC Bank Limited	RBZ	30 000 000	1 720 800 000	2 103 659 844	2 115 283 630
FBC Building Society	RBZ	20 000 000	1 147 200 000	359 671 944	573 122 489
FBC Reinsurance Limited	IPEC		150 000 000	438 822 733	438 822 733
FBC Securities (Private) Limited	SECZ		150 000	6 739 315	6 739 315
FBC Insurance Company (Private) Limited	IPEC		112 500 000	107 805 216	107 805 216
Microplan Financial Services (Private) Limited	RBZ		25 000	15 251 776	15 251 776

34.7 Compliance risk

Compliance risk is the current and prospective risk to earnings or capital arising from violations of, or non-conformance with laws, rules, regulations, prescribed practices, internal policies and procedures or ethical standards. The Compliance function assesses the conformity of codes of conduct, instructions, procedures and organizations in relation to the rules of integrity in financial services activities. These rules are those which arise from the institution's own integrity policy as well as those which are directly provided by its legal status and other legal and regulatory provisions applicable to the financial services sector.

Management is also accountable to the Board for designing, implementing and monitoring the process of compliance risk management and integrating it with the day to day activities of the Group.

35 Statement of Compliance

The Group complied with the following statutes inter alia:-

The Banking Act (Chapter 24:20) and Banking Regulations, Statutory Instrument 205 of 2000; Bank Use Promotion & Suppression of Money Laundering (Chapter 24:24); Exchange Control Act (Chapter 22:05); the National Payments Systems Act (Chapter 24:23); Statutory Instrument 33 of 2019; Statutory Instrument 33 of 1999; Statutory Instrument 62 of 1996; Statutory Instrument 142 of 2019 and The Companies and Other Business Entities Act (Chapter - 24:31).

In addition, the Group also complied with the Reserve Bank of Zimbabwe's directives on liquidity management, capital adequacy as well as prudential lending guidelines.

36 International credit ratings

The banking, reinsurance, insurance and microfinance subsidiaries had their credit ratings reviewed annually in the past by international credit rating agencies, Global Credit Rating and Microfinanza. All subsidiaries have maintained their investor grade ratings as illustrated below although the prevailing environment did not permit a rating exercise in 2020.

Subsidiary	2019	2018	2017	2016
FBC Bank Limited	BBB+	BBB+	BBB+	A-
FBC Reinsurance Limited	A-	A-	A-	A-
FBC Building Society	BBB-	BBB-	BBB-	BBB-
FBC Insurance Company Limited	A-	A-	A-	A-
Microplan Financial Services	BBB	BBB-	BBB-	N/A

37 Interim dividend paid

Notice is hereby given that an interim dividend of 29.76 ZWL cents per share was declared by the Board on 671 949 927 ordinary shares in issue on 27 August 2020 in respect of the half year ended 30 June 2020.

The dividend is payable to shareholders registered in the books of the the company at the close of business on Friday 18 September 2020. The shares of the company will be traded cum-dividend on the Zimbabwe Stock Exchange up to the market day of 15 September 2020 and ex-dividend as from 16 September 2020. Dividend payment will be made to Shareholders on or about 25 September 2020.

38 SUBSEQUENT EVENTS

The Reserve Bank of Zimbabwe (RBZ) reviewed the minimum capital requirements for banking institutions during the period under review. FBC Bank Limited and FBC Building Society are required to have capital levels of US\$30 million and US\$20 million respectively by 31 December 2021. These subsidiaries are expected to self-capitalize through normal trading by the regulated deadline. The Group has a detailed capitalization plan in place to ensure full compliance.

39 CORPORATE GOVERNANCE

The Board is committed to the principles of openness, integrity and accountability. It recognises the developing nature of corporate governance and assesses its compliance with local and international generally accepted corporate governance practices on an ongoing basis through its various subcommittees.

The Board is responsible to the shareholders for setting the direction of the Group through the establishment of strategies, objectives and key policies. The Board monitors the implementation of these policies through a structured approach to reporting and accountability.

The Board meets regularly, with a minimum of four scheduled meetings annually. To assist the Board in the discharge of its responsibilities a number of committees have been established, of which the following are the most significant: (i) Board Audit Committee, (ii) Board Human Resources and Remuneration Committee, (iii) Board Finance and Strategy (iv) Board Risk Committee.

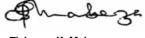
Board Attendance

Board member	Main	board	Board	l Audit		Human urces	Financ	ard ce and tegy	Risk	ard and liance		
	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2
Herbert Nkala	а	а	N/A	N/A	а	а	N/A	N/A	N/A	N/A	N/A	N/A
John Mushayavanhu	а	а	N/A	N/A	N/A	N/A	а	а	N/A	N/A	а	а
Kleto Chiketsani	а	а	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gertrude S Chikwava	а	а	N/A	N/A	N/A	N/A	а	а	а	а	а	а
Aeneas Chuma	а	а	а	а	N/A	N/A	N/A	N/A	а	а	а	а
Trynos Kufazvinei	а	а	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Canada Malunga	а	а	N/A	N/A	N/A	N/A	а	а	N/A	N/A	N/A	N/A
Chipo Mtasa	а	а	а	а	а	а	N/A	N/A	N/A	N/A	а	а
Charles Msipa	а	а	а	а	а	а	N/A	N/A	N/A	N/A	N/A	N/A
Webster Rusere	а	а	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Franklin H Kennedy	а	а	N/A	N/A	N/A	N/A	а	а	а	а	N/A	N/A
Rutenhuro Moyo	а	а	а	а	N/A	N/A	а	а	а	а	N/A	N/A
Garry Collins	а	а	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Legend

Not a member - N/A Apologies - r Attended - a Quarter - Q

By order of the Board



Tichaona K. Mabeza
GROUP COMPANY SECRETARY
27 August 2020





Call SMS or WhatsApp our FBC Help Centre on:





FOR THE SIX MONTHS ENDED 30 JUNE 2020

As at 30 June 2020	

As at 30 June 2020					
		INFLATIO	N ADJUSTED	HISTORICAL C	OST
		Reviewed	Audited	Reviewed	Audited
		June 2020	Dec 2019	June 2020	Dec 2019
	Note	ZWL	ZWL	ZWL	ZWL
ASSETS -					
Balances with banks and cash	1	7 069 463 396	4 949 896 748	7 069 463 396	1 889 334 222
Financial assets at fair value through profit or loss		11 548 369	30 255 755	11 548 369	11 548 368
Financial assets at amortised cost	2	51 399 140	239 309 082	51 399 140	91 342 277
Loans and advances to customers	3	8 211 077 060	6 428 747 113	8 211 077 060	2 453 799 047
Bonds and debentures	4	203 218 585	318 347 641	203 218 585	121 510 634
Prepayments and other assets	6	342 671 134	275 318 446	260 678 535	98 633 841
Amounts due from group companies		102 157 193	138 375 395	102 157 193	52 816 730
Income tax asset		-	6 355 552	-	2 425 864
Investment property	7	403 177 684	317 038 585	403 177 684	121 010 978
Intangible assets	8	456 821 725	510 577 484	174 988 880	194 883 158
Right of use asset		15 566 301	39 976 234	7 186 658	5 436 658
Property and equipment	9	902 080 146	792 877 539	655 949 496	302 634 731
Total assets		17 769 180 733	14 047 075 574	17 150 844 996	5 345 376 509
FOURTY AND LIABILITIES					
EQUITY AND LIABILITIES					
Liabilities	10	6 409 902 342	5 362 174 643	6 409 902 342	2 046 697 249
Deposits from customers	10.1	259 333 896	305 767 083	259 333 896	116 708 740
Deposits from other financial institutions Lines of credit	10.1	5 832 737 500	4 003 653 821	5 832 737 500	1 528 161 205
Current income tax liability	10.2	4 654 987	4 003 633 621	4 654 987	1 326 161 203
Deferred income tax liability		382 764 994	681 609 249	658 178 315	284 287 770
Lease liability		7 226 404	14 347 718	7 226 404	5 476 404
Trade and other payables	11	1 863 527 921	1 967 656 824	1 863 527 921	736 205 751
Trade and other payables		1 000 027 021	1 307 300 324	1 000 027 021	700 200 701
Total liabilities		14 760 148 044	12 335 209 338	15 035 561 365	4 717 537 119
Equity					
Share capital		417 423 717	417 423 717	18 502 313	18 502 313
Share premium		297 748 058	297 748 058	13 197 688	13 197 688
Retained earnings		1 561 324 674	411 623 566	1 368 881 406	224 977 923
Other reserves		732 536 240	585 070 895	714 702 224	371 161 466
Total equity		3 009 032 689	1 711 866 236	2 115 283 631	627 839 390
		2 300 002 000		_ 1.0 _ 200 001	32. 000 000
Total equity and liabilities		17 769 180 733	14 047 075 574	17 150 844 996	5 345 376 509

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the six months ended 30 June 2020

For the six months ended 30 June 2020					
			N ADJUSTED	HISTORICAL C	
		Reviewed June 2020	Reviewed June 2019	Reviewed June 2020	Reviewed June 2019
	Note	ZWL	ZWL	ZWL	ZWL
Interest and related income	13	625 849 537	433 815 599	413 501 827	33 374 051
Interest and related expense	14	(193 527 463)	(170 268 174)	(122 701 773)	(14 740 113)
Net interest income		432 322 074	263 547 425	290 800 054	18 633 938
Dealing and trading income		1 670 835 640	1 103 610 948	1 670 989 810	131 966 751
Fees and commissions income	15	254 136 554	284 945 607	156 935 720	24 896 113
Other operating income	16	91 230 537	265 149 237	286 317 034	29 410 836
Total net income		2 448 524 805	1 917 253 217	2 405 042 618	204 907 638
Net monetary gain/(loss)		276 497 271	(789 656 524)	-	-
Credit impairment losses		(46 893 572)	(55 744 607)	(46 893 572)	(6 657 998)
Administration expenses	17	(1 063 908 614)	(757 226 393)	(805 193 952)	(72 736 858)
Profit before income tax		1 614 219 890	314 625 693	1 552 955 094	125 512 782
Income tax expense		(425 098 186)	(278 700 882)	(379 111 302)	(30 932 922)
Profit for the period		1 189 121 704	35 924 811	1 173 843 792	94 579 860
Other comprehensive income					
Items that will not be reclassified to profit or los	ss:				
Gains on property revaluation Tax relating to other comprehensive income		155 226 679 (7 761 334)	300 831 137 (77 464 014)	361 621 850 (18 081 092)	35 972 557 (9 262 933)
Other comprehensive income (net of income ta	x)	147 465 345	223 367 123	343 540 758	26 709 624
Total comprehensive income for the period		1 336 587 049	259 291 934	1 517 384 550	121 289 484

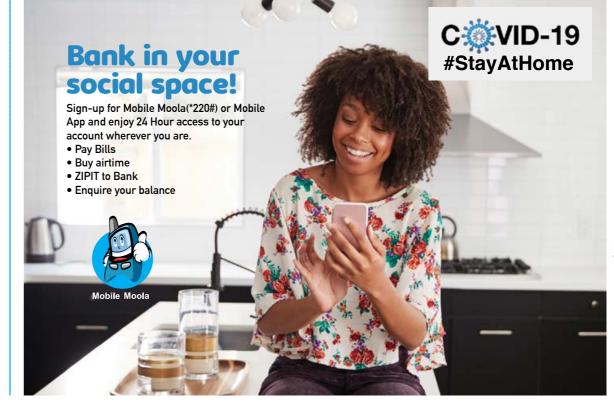
STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2020							
	INFLATION ADJUSTED						
	Share	Share	Retained	Revaluation	Total		
	capital	premium	earnings	reserve	equity		
	ZWL	ZWL	ZWL	ZWL	ZWL		
Balance as at 1 January 2019	417 423 717	297 748 058	1 147 720 428	-	1 862 892 203		
Profit for the period		-	35 924 811	-	35 924 811		
Total comprehensive income		-	35 924 811	-	35 924 811		
Balance as at 30 June 2019	417 423 717	297 748 058	1 183 645 239	-	1 898 817 014		
Balance as at 1 January 2020	417 423 717	297 748 058	411 623 566	585 070 895	1 711 866 236		
Profit for the period	-	-	1 189 121 704	-	1 189 121 704		
Other comprehensive income:							
Gain on revaluation on property an equipment		-		147 465 345	147 465 345		
Total comprehensive income	-	-	1 600 745 270	732 536 240	2 333 281 510		
Transactions with owners of equity							
Dividend Paid		-	(39 420 596)	-	(39 420 596)		
Balance as at 30 June 2020	417 423 717	297 748 058	1 561 324 674	732 536 240	3 009 032 689		

STATEMENT OF CHANGES IN EQUITY For the six months ended 30 June 2020

	HISTORICAL COST				
	Share capital ZWL	Share premium ZWL	Retained earnings ZWL	Revaluation reserve ZWL	Total equity ZWL
Balance as at 1 January 2019	18 502 313	13 197 688	70 881 205	2 919 350	105 500 556
Profit for the period	-	-	94 579 860	-	94 579 860
Other comprehensive income					
Gain on revaluation on property an equipment	-	-	-	26 709 624	26 709 624
Total comprehensive income		-	94 579 860	29 628 974	124 208 834
Balance as at 30 June 2019	18 502 313	13 197 688	165 461 065	29 628 974	226 790 040
Balance as at 1 January 2020	18 502 313	13 197 688	224 977 922	371 161 466	627 839 390
Profit for the period	-	-	1 173 843 792	-	1 173 843 792
Other comprehensive income					
Gain on revaluation on property an equipment	-	-	-	343 540 758	343 540 758
Total comprehensive income	-	-	1 398 821 714	-	1 398 821 714
Transactions with owners of equity					
Dividend paid		-	(29 940 308)	-	(29 940 308)
Balance as at 30 June 2020	18 502 313	13 197 688	1 368 881 406	714 702 224	2 115 283 631

STATEMENT OF CASH FLOWS For the six months ended 30 June 2020					
		INFLATION	I ADJUSTED	HISTORICAL	COST
		Reviewed	Reviewed	Reviewed	Reviewed
		June 2020	June 2019	June 2020	June 2019
	ote	ZWL	ZWL	ZWL	ZWL
Cash flow from operating activities		1 01 1 010 000	014 005 000	4 550 055 004	105 510 700
Profit before income tax		1 614 219 890	314 625 693	1 552 955 094	125 512 782
Adjustments for non cash items:					
Credit impairment losses on loans and advances		46 893 571	55 744 607	46 893 572	6 657 998
Net fair value changes on investment property		(86 139 099)	224 865 522	282 166 706	25 760 938
Unrealised foreign exchange gains		(1 581 595 671)	(1 003 610 948)	(1 581 595 671)	(128 533 087)
Amortisation		53 835 319	2 092 832	19 973 838	239 758
Depreciation on property and equipment					
excluding right of use assets	9	58 593 226	10 556 301	19 748 715	1 209 346
Depreciation on right of use assets		1 250 478	6 633 325	862 399	650 891
Profit on disposal of property and equipment		-	(171 043)	-	(19 595)
Net cash generated before changes					
in operating assets and liabilities		107 057 714	(389 263 711)	341 004 653	31 479 031
			. ,		
Decrease in financial assets		187 909 942	270 616 719	39 943 137	31 002 265
(Increase)/decrease in loans and advances to customers	3	(399 507 247)	(47 987 295)	243 994 159	(5 388 465)
Increase in prepayments and other assets		(31 134 486)	(392 977 944)	(227 026 337)	(45 020 154)
Decrease/(increase) in amounts due from group compar	nies	111 506 561	(150 112 950) 371 657 881	(142 728 066)	(17 197 169)
Decrease/(increase) in bonds and debentures Increase/(decrease) in deposits from customers		115 129 056 1 030 258 257	(673 697 617)	(81 707 951) 1 030 258 257	42 577 695 (77 179 829)
(Decrease)/Increase in deposits from other financial instituti	ons	(46 433 187)	108 566 332	158 369 246	12 437 525
Increase in other liabilities	0110	922 010 973	406 863 399	922 010 973	46 610 893
Net cash flow after working capital changes		1 996 797 583	(496 335 186)	2 284 118 071	19 321 792
Income tax paid		(48 662 991)	(20 962 616)	(16 220 997)	(2 620 327)
Net cash generated from/(used in) operating activities	es	1 948 134 592	(517 297 802)	2 267 897 074	16 701 465
Cash flows from investing activities					
Purchase of intangible assets	8	(79 560)	(18 093 893)	(79 560)	(2 072 864)
Purchase of property and equipment	9	(12 569 154)		(11 441 629)	
Net cash used in investing activities		(12 648 714)	(18 093 893)	(11 521 189)	(2 072 864)
Cash flows from financing activities		(00, 100, 500)		(22.242.222)	
Dividend paid		(39 420 596)	-	(29 940 308)	-
Proceeds received from lines of credit Repayments of lines of credit		97 116 300	(10 688 693)	97 116 300	(1 224 513)
nepayments of lines of credit		_	(10 000 093)	_	(1 224 313)
Net cash generated from/(used in) financing activitie	s	57 695 704	(10 688 693)	67 175 992	(1 224 513)
Net increase/(decrease) in cash and cash equivalent	s	1 993 181 582	(546 080 388)	2 323 551 877	13 404 088
Cash and cash equivalents at beginning of period		4 949 896 748	1 520 010 468	1 889 334 222	174 134 723
Effects of evolution rates on each					
Effects of exchange rates on cash balances held in foreign currencies		126 385 066	2 859 088 490	2 856 577 297	331 294 797
palatices field in foreign currencies		120 303 000	2 009 000 490	2 000 011 291	331 294 191
Cash and cash equivalents at the end of period	1	7 069 463 396	3 833 018 570	7 069 463 396	518 833 608





FOR THE SIX MONTHS ENDED 30 JUNE 2020

	INFLATIO	ON ADJUSTED	HISTORICA	L COST
	Reviewed June 2020 ZWL	Audited Dec 2019 ZWL	Reviewed June 2020 ZWL	Audited Dec 2019 ZWL
BALANCES WITH BANKS AND CASH Balances with Reserve Bank of Zimbabwe	ZWL	2111	2112	2111
Statutory reserve balances	41 482 435	109 453 710	41 482 435	41 777 566
Current account balances	2 063 527 151 2 105 009 586	1 871 060 981 1 980 514 691	2 063 527 151 2 105 009 586	714 168 340 755 945 906
Balances with other banks and cash Notes and coins	605 870 760	719 881 517	605 870 760	274 772 759
Nostro Balances	1 976 456 220	1 220 124 932	1 976 456 220	465 711 490
Other bank balances	2 382 126 830 4 964 453 810	1 029 375 608 2 969 382 057	2 382 126 830 4 964 453 810	392 904 067 1 133 388 316
Cash and cash equivalents	7 069 463 396	4 949 896 748	7 069 463 396	1 889 334 222
FINANCIAL ASSETS AT AMORTISED COST Open market treasury bills	46 838 086	243 228 230	46 838 086	92 838 183
Accrued interest/(discount)	4 561 054 51 399 140	(3 919 148)	4 561 054 51 399 140	(1 495 906) 91 342 277
Maturity analysis of financial assets at amortised cost	0.000		0.0000	0.0.22
Maturing between 0 to 90 days Maturing between 91 to 180 days	4 561 054 -	(3 919 148) 148 423 132	4 561 054 -	(1 495 906) 56 651 869
Maturing between 180 to 365 days	29 939 930	50 339 734	29 939 930	19 214 256
Maturing in more than 365 days	16 898 156 51 399 140	44 465 364 239 309 082	16 898 156 51 399 140	16 972 058 91 342 277
Exposure to credit risk: financial				
assets at amortised cost Stage I classified exposures : investment grade	53 034 833	240 645 108	53 034 833	91 852 227
Twelve months expected credit losses	(1 635 693)	(1 336 026)	(1 635 693)	(509 950)
Carrying amount of financial assets at ammortised cost	51 399 140	239 309 082	51 399 140	91 342 277
LOANS AND ADVANCES TO CUSTOMERS Maturing within 1 year	2 307 580 218	3 544 505 014	2 307 580 218	1 352 907 942
Maturing after 1 year but within 5 years Gross carrying amount	5 983 305 311 8 290 885 529	2 975 056 012 6 519 561 026	5 983 305 311 8 290 885 529	1 135 554 017 2 488 461 959
Impairment allowance Net loans and advances	(79 808 469) 8 211 077 060	(90 813 913) 6 428 747 113	(79 808 469) 8 211 077 060	(34 662 912) 2 453 799 047
		NFLATION ADJU		_ 100 100 0 11
	June 2020 gross total		Dec 2019 gross total	
Loans concentration by sector	ZWL	percentage	ZWL	percentage
Sector of the economy Agriculture	1 138 856 970	14%	543 456 291	8%
Communication Construction	498 647 231 73 015 520	6%	134 179 437 93 593 058	2%
Distribution	42 560 538	1% 1%	57 533 040	1% 1%
Individuals Local authorities	589 462 451 204 304 776	7% 2%	178 641 532 320 776 391	3% 5%
Manufacturing	260 153 088 4 916 115	3% 0%	383 748 697 15 836 396	6% 0%
Mortgages Mining	55 786 290	1%	45 161 408	1%
Other services Wholesale	19 772 576 5 403 409 974	0% 65%	23 651 067 4 722 983 709	0% 72%
Gross value of loans and advances Less allowance for impairment Net loans and advances	8 290 885 529 (79 808 469) 8 211 077 060	100%	6 519 561 026 (90 813 913) 6 428 747 113	100%
Loans concentration by sector	0 211 017 000		0 420 747 110	
	June 2020	HISTORICAL COS	Dec 2019	
	gross total ZWL	percentage	gross total ZWL	percentage
Sector of the economy Agriculture	1 138 856 970	14%	207 432 724	8%
Communication Construction	498 647 231 73 015 520	6% 1%	51 215 170 35 723 688	2% 1%
Distribution	42 560 538	1%	21 959 881	1%
Individuals Local authorities	589 462 451 204 304 776	7% 2%	68 185 980 122 437 668	3%
Manufacturing	260 153 088		122 437 000	5%
Mortgages	1016 115	3%	146 473 671	6%
Mining	4 916 115 55 786 290	3% 0% 1%	146 473 671 6 044 620 17 237 732	6% 0% 1%
Mining Other services Wholesale		3% 0%	146 473 671 6 044 620	6% 0% 1% 0%
Other services Wholesale Gross value of loans and advances	55 786 290 19 772 576 5 403 409 974 8 290 885 529	3% 0% 1% 0%	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959	5% 6% 0% 1% 0% 72%
Other services Wholesale	55 786 290 19 772 576 5 403 409 974	3% 0% 1% 0% 65%	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411	6% 0% 1% 0% 72%
Other services Wholesale Gross value of loans and advances Less allowance for impairment	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIO	3% 0% 1% 0% 65% 100%	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA	6% 0% 1% 0% 72% 100%
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060	3% 0% 1% 0% 65%	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047	6% 0% 1% 0% 72%
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances Exposure to credit risk: Loans and advances Gross carrying amount of loans and	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIO June 2020	3% 0% 1% 0% 65% 100% ON ADJUSTED Dec 2019	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA June 2020	6% 0% 1% 0% 72% 100%
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances Exposure to credit risk: Loans and advances Gross carrying amount of loans and advances to customers Amortised cost of gross loans and	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIC June 2020 ZWL	3% 0% 1% 0% 65% 100% DN ADJUSTED Dec 2019 ZWL	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA June 2020 ZWL	6% 0% 1% 0% 72% 100% L COST Dec 2019 ZWL
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances Exposure to credit risk: Loans and advances Gross carrying amount of loans and advances to customers Amortised cost of gross loans and advance; past due and impaired	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIO June 2020	3% 0% 1% 0% 65% 100% ON ADJUSTED Dec 2019	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA June 2020	6% 0% 1% 0% 72% 100%
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances Exposure to credit risk: Loans and advances Gross carrying amount of loans and advances to customers Amortised cost of gross loans and advance; past due and impaired Stage III classified exposures: default Grade 8: impaired	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIC June 2020 ZWL 8 290 885 529	3% 0% 1% 0% 65% 100% DN ADJUSTED Dec 2019 ZWL 6 519 561 026	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA June 2020 ZWL 8 290 885 529	6% 0% 1% 0% 72% 100% L COST Dec 2019 ZWL 2 488 461 959
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances Exposure to credit risk: Loans and advances Gross carrying amount of loans and advances to customers Amortised cost of gross loans and advance; past due and impaired Stage III classified exposures: default	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIO June 2020 ZWL	3% 0% 1% 0% 65% 100% DN ADJUSTED Dec 2019 ZWL	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA June 2020 ZWL	6% 0% 1% 0% 72% 100% L COST Dec 2019 ZWL 2 488 461 959 2 382 000 219 697
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances Exposure to credit risk: Loans and advances Gross carrying amount of loans and advances to customers Amortised cost of gross loans and advance; past due and impaired Stage III classified exposures: default Grade 8: impaired Grade 9: impaired Grade 10: impaired Amortised cost, past due and impaired	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIO June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937	3% 0% 1% 0% 65% 100% DN ADJUSTED Dec 2019 ZWL 6 519 561 026 6 240 640 575 588 2 944 219 9 760 447	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937	6% 0% 1% 0% 72% 100% L COST Dec 2019 ZWL 2 488 461 959 2 382 000 219 697 1 123 784 3 725 481
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances Exposure to credit risk: Loans and advances Gross carrying amount of loans and advances to customers Amortised cost of gross loans and advance; past due and impaired Stage III classified exposures: default Grade 8: impaired Grade 9: impaired Grade 10: impaired Amortised cost, past due and impaired Life time expected credit losses	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIC June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937 (1 183 363)	3% 0% 1% 0% 65% 100% DN ADJUSTED Dec 2019 ZWL 6 519 561 026 6 240 640 575 588 2 944 219 9 760 447 (1 994 687)	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937 (1 183 363)	6% 0% 1% 0% 72% 100% 100% L COST Dec 2019 ZWL 2 488 461 959 2 382 000 219 697 1 123 784 3 725 481 (761 355)
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances Exposure to credit risk: Loans and advances Gross carrying amount of loans and advances to customers Amortised cost of gross loans and advance; past due and impaired Stage III classified exposures: default Grade 8: impaired Grade 9: impaired Grade 10: impaired Amortised cost, past due and impaired Life time expected credit losses Carrying amount, past due and impaired Past due but not impaired	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIO June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937	3% 0% 1% 0% 65% 100% DN ADJUSTED Dec 2019 ZWL 6 519 561 026 6 240 640 575 588 2 944 219 9 760 447	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937	6% 0% 1% 0% 72% 100% 100% L COST Dec 2019 ZWL 2 488 461 959 2 382 000 219 697 1 123 784 3 725 481 (761 355)
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances Exposure to credit risk: Loans and advances Gross carrying amount of loans and advances to customers Amortised cost of gross loans and advance; past due and impaired Stage III classified exposures: default Grade 8: impaired Grade 9: impaired Grade 10: impaired Amortised cost, past due and impaired Life time expected credit losses Carrying amount, past due and impaired	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIC June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937 (1 183 363)	3% 0% 1% 0% 65% 100% DN ADJUSTED Dec 2019 ZWL 6 519 561 026 6 240 640 575 588 2 944 219 9 760 447 (1 994 687)	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937 (1 183 363)	6% 0% 1% 0% 72% 100% L COST Dec 2019 ZWL 2 488 461 959 2 382 000 219 697 1 123 784 3 725 481 (761 355) 2 964 126 31 201 321
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances Exposure to credit risk: Loans and advances Gross carrying amount of loans and advances to customers Amortised cost of gross loans and advance; past due and impaired Stage III classified exposures: default Grade 8: impaired Grade 9: impaired Grade 10: impaired Amortised cost, past due and impaired Life time expected credit losses Carrying amount, past due and impaired Past due but not impaired Stage II classified exposures: standard monitoring : special monitoring Gross amount, past due but not impaired	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIC June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937 (1 183 363) 3 391 574 665 401 890 44 521 468 709 923 358	3% 0% 1% 0% 65% 100% 55% 100% Dec 2019 2WL 6 519 561 026 6 240 640 575 588 2 944 219 9 760 447 (1 994 687) 7 765 760 91 278 173 39 119 217 130 397 390	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937 (1 183 363) 3 391 574 665 401 890 44 521 468 709 923 358	6% 0% 1% 0% 72% 100% 100% L COST Dec 2019 ZWL 2 488 461 959 2 382 000 219 697 1 123 784 3 725 481 (761 355) 2 964 126 31 201 321 18 570 273 49 771 594
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances Exposure to credit risk: Loans and advances Gross carrying amount of loans and advances to customers Amortised cost of gross loans and advance; past due and impaired Stage III classified exposures: default Grade 8: impaired Grade 9: impaired Grade 10: impaired Amortised cost, past due and impaired Life time expected credit losses Carrying amount, past due and impaired Past due but not impaired Stage II classified exposures: standard monitoring : special monitoring Gross amount, past due but not impaired Life time expected credit losses	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIO June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937 (1 183 363) 3 391 574 665 401 890 44 521 468 709 923 358 (35 496 168)	3% 0% 1% 0% 65% 100% 55% 100% Dec 2019 2WL 6 519 561 026 6 240 640 575 588 2 944 219 9 760 447 (1 994 687) 7 765 760 91 278 173 39 119 217 130 397 390 (6 519 870)	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937 (1 183 363) 3 391 574 665 401 890 44 521 468 709 923 358 (35 496 168)	6% 0% 1% 0% 1% 0% 72% 100% 100% L COST Dec 2019 ZWL 2 488 461 959 2 382 000 219 697 1 123 784 3 725 481 (761 355) 2 964 126 31 201 321 18 570 273 49 771 594 (9 184 425)
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances Exposure to credit risk: Loans and advances Gross carrying amount of loans and advances to customers Amortised cost of gross loans and advance; past due and impaired Stage III classified exposures: default Grade 8: impaired Grade 9: impaired Grade 10: impaired Amortised cost, past due and impaired Life time expected credit losses Carrying amount, past due and impaired Past due but not impaired Stage II classified exposures: standard monitoring : special monitoring Gross amount, past due but not impaired	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIC June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937 (1 183 363) 3 391 574 665 401 890 44 521 468 709 923 358	3% 0% 1% 0% 65% 100% 55% 100% Dec 2019 2WL 6 519 561 026 6 240 640 575 588 2 944 219 9 760 447 (1 994 687) 7 765 760 91 278 173 39 119 217 130 397 390	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937 (1 183 363) 3 391 574 665 401 890 44 521 468 709 923 358	6% 0% 1% 0% 1% 0% 72% 100% 100% L COST Dec 2019 ZWL 2 488 461 959 2 382 000 219 697 1 123 784 3 725 481 (761 355) 2 964 126 31 201 321 18 570 273 49 771 594 (9 184 425)
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances Exposure to credit risk: Loans and advances Gross carrying amount of loans and advances to customers Amortised cost of gross loans and advance; past due and impaired Stage III classified exposures: default Grade 8: impaired Grade 9: impaired Grade 10: impaired Amortised cost, past due and impaired Life time expected credit losses Carrying amount, past due and impaired Past due but not impaired Stage II classified exposures: standard monitoring : special monitoring Gross amount, past due but not impaired Life time expected credit losses Carrying amount, past due but not impaired Life time expected credit losses Carrying amount, past due and not impaired	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIO June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937 (1 183 363) 3 391 574 665 401 890 44 521 468 709 923 358 (35 496 168)	3% 0% 1% 0% 65% 100% 55% 100% Dec 2019 2WL 6 519 561 026 6 240 640 575 588 2 944 219 9 760 447 (1 994 687) 7 765 760 91 278 173 39 119 217 130 397 390 (6 519 870)	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937 (1 183 363) 3 391 574 665 401 890 44 521 468 709 923 358 (35 496 168)	6% 0% 1% 0% 72% 100% 100% L COST Dec 2019 ZWL 2 488 461 959 2 382 000 219 697 1 123 784 3 725 481 (761 355) 2 964 126 31 201 321 18 570 273 49 771 594
Other services Wholesale Gross value of loans and advances Less allowance for impairment Net loans and advances Exposure to credit risk: Loans and advances Gross carrying amount of loans and advances to customers Amortised cost of gross loans and advance; past due and impaired Stage III classified exposures: default Grade 8: impaired Grade 9: impaired Grade 10: impaired Amortised cost, past due and impaired Life time expected credit losses Carrying amount, past due and impaired Past due but not impaired Stage II classified exposures: standard monitoring : special monitoring Gross amount, past due but not impaired Life time expected credit losses Carrying amount, past due and not impaired Life time expected credit losses Carrying amount, past due and not impaired Neither past due nor impaired Stage I classified exposures: investment grade	55 786 290 19 772 576 5 403 409 974 8 290 885 529 (79 808 469) 8 211 077 060 INFLATIO June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937 (1 183 363) 3 391 574 665 401 890 44 521 468 709 923 358 (35 496 168) 674 427 190 7 576 387 233	3% 0% 1% 0% 65% 100% 55% 100% Dec 2019 2WL 6 519 561 026 6 240 640 575 588 2 944 219 9 760 447 (1 994 687) 7 765 760 91 278 173 39 119 217 130 397 390 (6 519 870) 123 877 520 6 379 403 189	146 473 671 6 044 620 17 237 732 9 027 414 1 802 723 411 2 488 461 959 (34 662 912) 2 453 799 047 HISTORICA June 2020 ZWL 8 290 885 529 3 113 374 148 843 1 312 720 4 574 937 (1 183 363) 3 391 574 665 401 890 44 521 468 709 923 358 (35 496 168) 674 427 190 7 576 387 233	6% 0% 1% 0% 1% 0% 72% 100% 100% L COST Dec 2019 ZWL 2 488 461 959 2 382 000 219 697 1 123 784 3 725 481 (761 355) 2 964 126 31 201 321 18 570 273 49 771 594 (9 184 425) 40 587 169 2 434 964 884

				NEL ATION AD III	0750	
			Stage 1	NFLATION ADJU Stage 2	Stage 3	
			12-month ECL	Lifetime ECL	Lifetime ECL	Total
3.3	EXPECTED CREDIT LOSS STAGING :	30 JUNE 2020	ZWL	ZWL	ZWL	ZWL
	Credit grade Investment grade		7 576 387 233	665 401 890	_	8 241 789 123
	Standard monitoring Special monitoring		-	44 521 468	- 3 262 218	44 521 468 3 262 218
	Default Gross financial assets at amortised co	net	7 576 387 233	709 923 358	1 312 720 4 574 938	1 312 720
	Expected credit loss allowance	บรเ	(43 128 938)	(35 496 168)	(1 183 363)	(79 808 469)
	Net financial asset at amortised cost		7 533 258 295		3 391 575	8 211 077 060
			Stage 1	HISTORICAL Stage 2	Stage 3	
			12-month ECL	Lifetime ECL	Lifetime ECL	Total
	EXPECTED CREDIT LOSS STAGING:	30 JUNE 2020	ZWL	ZWL	ZWL	ZWL
	Credit grade Investment grade		7 576 387 233	665 401 890	_	8 241 789 123
	Standard monitoring Special monitoring		-	44 521 468	- 3 262 218	44 521 468 3 262 218
	Default Gross financial assets at amortised co		7 576 387 233		1 312 720 4 574 938	1 312 720 8 290 885 529
	Expected credit loss allowance	บรเ	(43 128 938)	(35 496 168)	(1 183 363)	(79 808 469)
	Net financial asset at amortised cost		7 533 258 295	674 427 190	3 391 575	8 211 077 060
			Stage 1	INFLATION ADJU Stage 2	Stage 3	
			12-month ECL	Lifetime ECL	Lifetime ECL	Total
	EXPECTED CREDIT LOSS STAGING: 31 L	DECEMBER 2019	ZWL	ZWL	ZWL	ZWL
	Credit grade Investment grade		6 379 403 190	_		6 379 403 190
	Standard monitoring Special monitoring		-	91 278 174 39 119 216	-	91 278 174 39 119 216
	Default Gross financial assets at amortised co	a a t	6 379 403 190		9 760 446	9 760 446
	Expected credit loss allowance	ost	(82 299 358)	(6 519 870)	9 760 446 (1 994 685)	6 519 561 026 (90 813 913)
	Net financial asset at amortised cost		6 297 103 832		7 765 761	6 428 747 113
	As at 31 December 2019		Stage 1	HISTORICAL Stage 2	Stage 3	
			12-month ECL	Lifetime ECL	Lifetime ECL	Total
	EXPECTED CREDIT LOSS STAGING: 31 [DECEMBER 2019	ZWL	ZWL	ZWL	ZWL
	Credit grade Investment grade		2 434 964 884	_	_	2 434 964 884
	Standard monitoring Special monitoring		-	31 201 321 18 570 273	-	31 201 321 18 570 273
	Default				3 725 481	3 725 481
	Gross financial assets at amortised continuous Expected credit loss allowance	ost	2 434 964 884 (24 717 132)	(9 184 425)	3 725 481 (761 355)	2 488 461 959 (34 662 912)
	Net financial asset at amortised cost		2 410 247 752		2 964 126	2 453 799 047
			June 2020	ON ADJUSTED Dec 2019	June 2020	L COST Dec 2019
4	Bonds and debentures		ZWL	ZWL	ZWL	ZWL
	Maturing within 1 year Maturing after 1 year but within 5 years:		194 203 239 9 961 692		194 203 239 9 961 692	96 640 000 25 494 866
	Gross carrying amount Impairment allowance		204 164 931 (946 346)	319 983 077	204 164 931 (946 346)	122 134 866 (624 232)
	impaiment allowance		203 218 585		203 218 585	121 510 634
4.1	Maturity analysis of debentures					1
	-Bond with a fixed coupon rate p.a of 10% maturing on 30 June 2020		-	4 401 459	-	1 680 000
	-Bond with a fixed coupon rate p.a of 10% maturing on 30 June 2021		1 680 000	4 401 459	1 680 000	1 680 000
	-Bond with a fixed coupon rate p.a of 10% maturing on 30 June 2022		1 680 000	4 401 459	1 680 000	1 680 000
	 -Debenture with a fixed coupon rate sen of 5% maturing on 30 September 2020 	ni-annual	256 696	672 522	256 696	256 696
	Accrrued interest		3 616 696	5 553 009 19 429 907	3 616 696	2 119 537 7 416 233
4.2	Savings and Infrastructure bonds					
	Maturing between 0 to 90 days Maturing between 91 to 180 days		- 39 826 588	-	- 39 826 588	-
	Maturing between 180 to 365 days		152 696 651	242 561 682	152 696 651	92 583 767
	Maturing in more than 365 days		8 024 996		8 024 996	22 134 866
			204 164 931		204 164 931	122 134 866
	Expected credit losses		(946 346)		(946 346)	(624 232)
	Carrying amount as at 31 December		203 218 585	318 347 641	203 218 585	121 510 634
5	MOVEMENT IN CREDIT IMPAIRMENT	LOSSES				
				INFLATION ADJU	Undrawn	
		Bonds and	Loans and	Financial assets	contractual commitments	
	For the six months ended 30 June 2020	Debentures ZWL		at armotised cost ZWL	and guarantees ZWL	Total ZWL
	Balance at the beginning of the period 1 January 2020	1 635 436	90 813 913		141 519	93 926 894
	Increase in Expected credit losses	322 114	45 145 557		300 158	46 893 572
	Effects of IAS 29 adjusted	(1 011 204)			550 156	
	·	(101120 4)	(56 151 001)	(826 075)		(57 988 280) -
	Amounts written off as uncollectable	-	70.000			-
	Balance as at 30 June 2020	946 346	79 808 469	1 635 693	441 677	82 832 185
	For the year ended 31 December 2019					
	Balance at the beginning of the period 1 January 2019	18 359 100	144 198 944	7 023 175	2 227 175	171 808 394
	Increase in Expected credit losses	(1 320 228)	68 780 478		12 211	67 677 815
	Effects of IAS 29 adjusted	(15 403 436)	(120 984 105)		(2 097 867)	(144 377 911)
	Amounts written off as uncollectable	(.0 100 400)	(1 181 404)	,	(= 001 001)	(1 181 404)
	Balance at the end of the		(. 101 404)			(· 101 104)
	period 31 December 2019	1 635 436	90 813 913	1 336 026	141 519	93 926 894



Financial Results FOR THE SIX MONTHS ENDED 30 JUNE 2020

Reviewed

MOVEMENT IN OBERIT INDURNEY.	1.000=0				
MOVEMENT IN CREDIT IMPAIRMENT -	LOSSES	ı	HISTORICAL COS		
	Banda and		Financial assets	Undrawn	
For the six months ended 30 June 2020	Bonds and Debentures ZWL		at armotised cost	commitments and guarantees ZWL	Total ZWL
-	ZWL	ZVVL	ZVVL	ZVVL	ZVVL
Balance at the beginning of the period 1 January 2020	624 232	34 662 912	509 951	141 519	35 938 614
Increase in Expected credit losses s	322 114	45 145 557	1 125 742	300 159	46 893 572
Amounts written off as uncollectable	-	-	-	-	-
Balance as at 30 June 2020	946 346	79 808 469	1 635 693	441 678	82 832 186
For the year ended 31 December 2019					
Balance at the beginning of	1 100 150	0 000 010	404 500	100.050	10.557.400
the period 1 January 2019	1 128 152	8 860 910		136 858	10 557 488
Increase in Expected credit losses	(503 920)	26 252 934		4 661	25 832 057
Amounts written off as uncollectable		(450 932)		-	(450 932)
Balance as at 31 December 2019	624 232	34 662 912		141 519	35 938 613
		June 2020		June 2020	Dec 2019
PREPAYMENTS AND OTHER ASSETS		ZWL		ZWL	ZWL
Prepayments Mastercard, Visa and ZimSwitch collater	al	100 897 808 169 452 982	159 450 337	18 905 209 169 452 982	15 653 395 57 123 667
Other receivables		72 320 344 342 671 134		72 320 344 260 678 535	25 856 779 98 633 841
1 Maturity analysis of prepayments, other	er assets		,		
Maturing within 1 year Maturing after 1 year but within 5 years		173 218 152 169 452 982	149 659 214	91 225 553 169 452 982	41 510 174 57 123 667
		342 671 134	275 318 446	260 678 535	98 633 841
INVESTMENT PROPERTY Balance at 1 January		317 038 585		121 010 978	8 420 000
Fair value adjustments Additions		119 381 068	454 555	294 854 888	112 692 807 173 500
Disposal/write off Balance at 31 December		(33 241 970) 403 177 684	(721 338) 317 038 585	(12 688 182) 403 177 684	(275 329) 121 010 978
INTANGIBLE ASSETS					
As at end of period Opening net book amount		510 577 484	369 052 971	194 883 158	1 501 516
Additions Impairment /revaluation		79 560	22 509 633 121 107 712	79 560	5 270 623 188 787 978
Amortisation charge Closing net book amount		(53 835 319) 456 821 725	(2 092 832) 510 577 484	(19 973 838) 174 988 880	(676 959) 194 883 158
PROPERTY AND EQUIPMENT			4=0.0=0.4.40		
Carrying amount at the beginning of the Additions	period	792 877 539 12 569 154	478 358 149 81 572 308	302 634 731 11 441 629	121 617 435 29 286 747
Disposals Revaluation/Reversal of depreciation on	disposal	155 226 679	(355 563) 288 433 751	361 621 850	(793 799) 163 295 352
Depreciation charge for the period Carrying amount at the end of the period	iod	(58 593 226) 902 080 146	(55 131 106) 792 877 539	(19 748 715) 655 949 496	(10 771 004) 302 634 731
DEPOSITS FROM CUSTOMERS					
Amounts due to customers by type: Demand deposits		5 563 339 450	4 777 045 937	5 563 339 450	1 823 358 512
Promissory notes Time deposits		846 044 836 518 056		846 044 836 518 056	220 261 721 3 077 016
A. Daniella formation for an initiativation		6 409 902 342	5 362 174 643	6 409 902 342	2 046 697 249
Deposits from other financial institution Money market deposits	ons	259 333 896	305 767 083	259 333 896	116 708 740
0.2 LINES OF CREDIT		5 000 504 000	4 000 070 040	5 000 504 000	1 500 010 005
African Export-Import Bank The Reserve Bank of Zimbabwe - Wome	n's	5 832 594 300	4 003 278 649	5 832 594 300	1 528 018 005
Empowerment Fund		143 200 5 832 737 500	375 172 4 003 653 821	143 200 5 832 737 500	143 200 1 528 161 205
Total Deposits		12 501 973 738	9 671 595 547	12 501 973 738	3 691 567 194
		I June 2020	NFLATION ADJU	STED Dec 2019	
		gross total	percentage ZWL	gross total ZWL	percentage ZWL
0.3 Deposits concentration (excluding line Agriculture	es of credit)	438 235 582	7%	283 397 086	5%
Construction Wholesale and retail trade		135 019 147 1 542 091 290	2% 23%	170 038 252 1 190 267 762	3% 3% 21%
Public sector		448 645 321	7%	283 397 086	5%
Manufacturing Telecommunication		736 700 593 284 149 407 261 414 448	11% 4% 4%	623 473 590 340 076 504	11% 6% 5%
Transport Individuals		743 015 082	11%	283 397 086 793 511 842	14%
Financial services Mining Other		259 333 896 1 063 687 259 756 944 213	4% 16% 11%	283 397 086 850 191 259 566 794 173	5% 15% 10%
Other					
		6 669 236 238	HISTORICAL COS	5 667 941 726	100%
		June 2020 gross total	percentage	Dec 2019 gross total	percentage
Deposits concentration (excluding line	es of credit)	ZWL	ZWL	ZWL	ZWL
Agriculture Construction	o or oreary	438 235 582 135 019 147	7% 2%	108 170 299 64 902 180	5% 3%
Wholesale and retail trade Public sector		1 542 091 290 448 645 321	2% 23% 7%	454 315 258 102 658 951	21% 5%
Manufacturing Telecommunication		736 700 593 284 149 407	11% 4%	237 974 659 129 804 359	11% 6%
Transport Individuals		261 414 448 743 015 082	4% 4% 11%	113 681 648 302 876 839	5% 14%
Financial services Mining		259 333 896 1 063 687 259	4% 16%	116 708 740 324 510 898	5% 15%
Other		756 944 213	11%	207 802 158	10%
		6 669 236 238	100%	2 163 405 989	100%

		June 2020 ZWL	Dec 2019 ZWL	June 2020 ZWL	Dec 201 ZW
10.4	Maturity analysis (excluding lines of credit) Maturing within 1 year	6 669 236 238	5 667 941 726	6 669 236 238	2 163 405 98
	Maturing after 1 year but within 5 years	6 669 236 238	5 667 941 726	6 669 236 238	2 163 405 98
11	Trade and other payables				
	Expected credit losses on off balance sheet items Provisions	441 677 37 730 405	141 519 236 671 709	441 677 37 730 405	141 5 ⁻ 88 551 55
	Accrued expenses	-	7 598 282	-	2 842 92
	Suspense accounts balances Deferred income	1 810 326 833 15 029 006	1 699 203 900 24 041 414	1 810 326 833 15 029 006	635 674 57 8 995 18
		1 863 527 921	1 967 656 824	1 863 527 921	736 205 75
12	CAPITAL ADEQUACY	417 400 717	417 400 717	10 500 010	10 500 0
	Ordinary Share Capital Share premium	417 423 717 297 748 058	417 423 717 297 748 058	18 502 313 13 197 688	18 502 3 ³ 13 197 6
	Retained earnings	1 349 160 908	411 623 566	1 368 881 406	224 977 9
	Capital allocated for Market and operational risk Advances to insiders	(46 266 093) (102 214 356)	(129 765 982) (160 254 025)	(46 266 093) (102 214 356)	(49 530 59 (61 167 62
	Tier 1 capital	1 915 852 234	836 775 334	1 252 100 958	145 979 7
	Non distributable reserves	732 536 240	585 070 895	714 702 224	371 161 4
	Tier 2 capital	732 536 240	585 070 895	714 702 224	371 161 4
	Tier 1 & 2 capital	2 648 388 474	1 421 846 229	1 966 803 182	517 141 17
	Tier 3 capital allocated for market and operational risk	46 266 093 2 694 654 567	129 765 982 1 551 612 211	46 266 093 2 013 069 275	49 530 59 566 671 7 6
	Risk weighted assets	10 822 336 682		10 822 336 682	1 772 796 12
	Tier 1 Ratio (%)	17.70%	18.02%	11.57%	8.23
	Tier 2 Ratio (%)	6.77%	12.60%	6.60%	20.94
	Tier 3 Ratio (%) Capital adequacy (%)	0.43% 24.90%	2.79% 33.41%	0.43% 18.60%	2.79 31.96
		June 2020	June 2019	June 2020	June 20
13	INTEREST AND SIMILAR INCOME	ZWL	ZWL	ZWL	ZV
	Loans and advances to banks and other financial institutions	40 353 224	17 122 720	26 661 571	1 318 0
	Loans and advances to customers	543 669 343	17 132 739 253 464 832	359 204 974	19 499 4
	Banker's acceptances and tradable bills	36 965 616	56 558 697	24 423 362	4 351 1
	Bonds and debentures	4 861 354 625 849 537	106 659 331 433 815 599	3 211 920 413 501 827	8 205 4 33 374 0
14	INTEREST AND SIMILAR EXPENSE				
	Deposits from other financial institutions Demand deposits	14 070 522 28 675 950	25 301 911 18 847 537	8 921 101 18 181 347	2 190 3 1 631 6
	Lines of credit	144 233 508	103 459 220	91 448 039	8 956 4
	Time deposits Interest expense on lease liabilities	5 264 609 1 282 874	15 539 209 7 120 297	3 337 908 813 378	1 345 2 616 4
	interest expense on reasonabilities	193 527 463	170 268 174	122 701 773	14 740 1
15	FEES AND COMMISSION INCOME	0.45,005,000	075 700 400	454 007 045	04.004.4
	Retail service fees Credit related fees	245 365 082 6 139 278	275 732 438 4 117 552	151 907 345 3 791 159	24 091 1 387 9
	Investment banking fees	2 003 507	2 399 411	848 986	209 6
	Financial guarantee contracts issued	628 687 254 136 554	2 696 206 284 945 607	388 230 156 935 720	207 4 24 896 1
16	OTHER OPERATING INCOME				
	Rental income Profit on disposal of property and equipment	573 168 -	515 044 187 596	467 222	53 7 19 5
	Net fair value gains on investment property Sundry income	86 139 099 4 518 270	245 911 615 18 534 982	282 166 706 3 683 106	25 686 2 3 651 1
	Surfacy income	91 230 537	265 149 237	286 317 034	29 410 8
17	ADMINISTRATION EXPENSES	050.04 : 005	000 400 00 :	004 002 225	04 100 :
	Operating expenses Staff costs (note 18)	350 214 936 590 586 911	320 400 954 396 265 464	281 893 626 475 130 698	31 439 1 38 883 3
	Directors fees	2 069 626	2 125 957	1 665 027	208 6
	Amortisation Depreciation	53 835 319 58 593 226	4 900 010 25 822 460	19 973 838 19 748 715	239 7 1 209 3
	Depreciation right of use asset	1 250 478	6 633 325	862 399	650 8
	Audit fees	7 358 118 1 063 908 614	1 078 223 757 226 393	5 919 649 805 193 952	105 8 72 736 8
18	Staff costs				
	Salaries and allowances Social security	583 128 662 936 149	381 958 319 2 237 941	470 202 997 618 518	37 782 6 172 1
	Pension contribution	6 522 100 590 586 911	12 069 204 396 265 464	4 309 183 475 130 698	928 50 38 883 30
		330 300 311	000 200 404	773 100 030	30 003 3
			ON ADJUSTED	HISTORICA	
		June 2020 ZWL	Dec 2019 ZWL	June 2020 ZWL	Dec 20 ZV
19	CAPITAL COMMITMENTS Capital expenditure authorized but not yet contracted for	595 165 164	150 383 809	595 165 164	57 400 3
20	CONTINGENT LIABILITIES				
			1 472 354 134	761 571 125	561 985 94

The amount of these letters of credit and guarantees represents the Bank's maximum exposure and no material losses are





FOR THE SIX MONTHS ENDED 30 JUNE 2020

Deposits from customers Page Pa	ENTICIPATED PROPRIETORNS PROPRIETORNS.	_			
December Person	Liquidity profiling as at 30 June 2020	Upto	3 months	Over	
Quegotis from contamements Quegotis from	On balance sheet items		•		Total ZWL
1	Liabilities Deposits from customers Deposits from other financial institutions				6 409 902 342 259 333 896
Assets held for managing liquidity risk allocated and activity of the provided activity of the provided and activity of the provided activity of th	Lease liabilities Current income tax liabilty		- 4 654 987	7 226 404	7 226 404 4 654 987
Assets held for managing liquidity risk halter can with other traines and carbon memorial seasons and and advances to castomers and advances and advances to castomers and castome					
2 2 2 2 2 2 2 2 2 2		7 155 041 443	844 290 139	6 378 051 468	14 377 383 050
2007 2007	Balances with other banks and cash Financial assets at amortised cost		29 939 930		7 069 463 396 51 399 140
Comparison See	Loans and advances to customers Bonds and debentures Other assets (excluding prepayments)	652 369 896 - -	194 203 239	6 233 430 534 9 015 346	8 211 077 060
December Committee Commi	Total assets - (contractual maturity)	7 723 528 651	1 621 740 143	6 462 116 292	15 807 385 087
## Deficiency of the balance sheet items 1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1	iquidity gap	568 487 209	777 450 004	84 064 824	1 430 002 037
Separation Sep	Cumulative liquidity gap - on balance sheet	568 487 209	1 345 937 213	1 430 002 037	_
Transport Tran	Off balance sheet items				
Second color Seco	.iabilities Guarantees and letters of credit	- 57 919 068	703 652 056	-	
Section Sect	Total liabilities	57 919 068	703 652 056	-	761 571 124
Section Sect	Liquidity gap			84 064 824	668 430 913
Company Comp					-
Disablance sheet items		310 000 140	227 300 003	555 TOU 910	
Deposits from other financial institutions 242 715 440 3 805 16 43 3 85 040 74 434 77 18 143 47 7	On balance sheet items Liabilities	5 362 174 643	_	_	5 362 174 643
20ther liabilities - (contractual maturity)	Deposits from other financial institutions Lines of credit				305 767 083 4 003 653 821
Assets held for managing liquidity risk alain.ces with other banks and cash inancial assets at amortised cost inancial assets at amortised cost inancial assets at amortised cost inancial assets at fair value through profit or loss cans and advances to customers consumers assets (asculuding prepayments) 1456 602 766 428 206 577 529 5005 2005 5005 5005 2005 5005 5005 2005 5005	•	911 832 411	- 1 055 824 413	14 347 718 -	
Selances with other banks and cash 4949 896 748 9169 706 188 657 357 41 482 01 92 39 30 905 10	otal liabilities - (contractual maturity)	6 516 722 494	1 167 489 132	3 969 388 463	11 653 600 090
inancial assets at fair value through profit or loss cans and advances to customers cans and advances to customers a command of the command o	Balances with other banks and cash		- 188 657 357	- 41 482 019	
146 362 146 6 355 552 2 1 509 583 167 871 729	inancial assets at fair value through profit or loss ones and advances to customers	-	1 455 602 766	30 255 755 4 238 206 577	30 255 755 6 428 747 113
Cotal assets - (contractual maturity) 5 840 366 371 1 912 607 264 4 387 809 985 12 140 783 620	ncome tax assets	- 146 362 146			6 355 552
Committee Comm			1 912 607 264		
## Difficial balance sheet items Jabilities 300 547 041 - 426 809 562 426 809 562 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 799 Journal divides 300 547 041 - (222 390 242) 78 156 79 190 68 Journal divides 300 547 041 - (222 390 242) 78 156 79 190 68 Journal divides 300 547 041 - (222 390 242) 78 156 79 190 68 Journal divides 300 547 041 - (222 390 242) 78 156 79 190 68 Journal divides 300 547 041 - (222 390 242) 78 156 79 190 68 Journal divides 300 547 041 15 14 194 636 - (222 390 242) 78 15 15 191 048 15 889 377 686 Journal divides 300 547 041 15 14 194 636 - (222 390 242) 78 15 15 191 048 15 889 377 686 Journal divides 300 547 041 15 14 194 636 - (222 390 242) 15 14 194 636 - (222 390 242) 15 14 194 636		(676 356 123)	745 118 132	418 421 521	487 183 531
Liabilities	Cumulative liquidity gap - on balance sheet	(676 356 123)	68 762 009	487 183 531	_
Surrentees and letters of credit 300 547 041 - 426 809 562 300 547 041 - (222 390 242) 78 156 799					
Company	Guarantees and letters of credit	- 300 547 041		426 809 562 -	
Cumulative liquidity gap - on and off balance sheet (976 903 165) (231 785 032) 409 026 731 -	Total liabilities	300 547 041	-	(222 390 242)	78 156 799
Liquidity profiling as at 30 June 2020 Deposits from customers Composits from other financial institutions Composits from customers Composits from other financial institutions Composits from customers Composits from customer	Liquidity gap	(976 903 165)	745 118 132	640 811 763	409 026 731
Upto 3 months to 1 year 1 year 2 months 2 months 2 months 2 ml 2 m	Cumulative liquidity gap - on and off balance sheet	(976 903 165)	(231 785 032)	409 026 731	-
Upto 3 months to 1 year 1 year 2 wl.					
December	iquidity profiling as at 30 June 2020		3 months		ST
Deposits from customers 6 409 902 342 -				•	
Part	Deposits from customers Deposits from other financial institutions				259 333 896
Total liabilities - (contractual maturity) 7 155 041 443 844 290 139 6 378 051 468 14 377 383 050 Assets held for managing liquidity risk Balances with other banks and cash Financial assets at amortised cost Financial assets at fair value through profit or loss Coans and advances to customers Food and debentures Food and debendures Food and and and and and and and and and an	ease liabilities Current income tax liability	-	- 4 654 987	7 226 404 -	7 226 404 4 654 987
Assets held for managing liquidity risk Salances with other banks and cash Ginancial assets at amortised cost Ginancial assets at fair value through profit or loss Coans and advances to customers Gonds and debentures Cottler assets (excluding prepayments) 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7					
Balances with other banks and cash inancial assets at amortised cost inancial assets at amortised cost inancial assets at fair value through profit or loss oans and advances to customers 7 069 463 396 - 7 069 463 396 - 7 069 463 396 - 7 069 463 396 19 763 851 51 399 140 11 548 369 11 548 369 11 548 369 11 548 369 11 548 369 11 548 369 11 548 369 11 548 369 11 548 369 11 548 369 11 548 369 10 17 70 60 652 369 896 1 325 276 629 6 233 430 534 8 211 077 060 203 218 585 203 218 585 2015 346 203 218 585 2015 346 203 218 585 270 350 791 342 671 136 203 218 585 342 671 136 203 218 585 270 350 791 342 671 136 342		/ 155 041 443	844 290 139	6 378 051 468	14 377 383 050
1 325 276 629 1 325 276 270 350 791 1 326 277 136 1 325 276 629 1 32	Balances with other banks and cash Financial assets at amortised cost		29 939 930		51 399 140
Total assets - (contractual maturity) 7 723 528 651	oans and advances to customers. Bonds and debentures	652 369 896	194 203 239	6 233 430 534 9 015 346	8 211 077 060 203 218 585
568 487 209 777 450 004 166 057 423 1 511 994 636		7 723 522 651			
Cumulative liquidity gap - on balance sheet 568 487 209 1 345 937 213 1 511 994 636 - Off balance sheet items Liabilities Guarantees and letters of credit - 703 652 056 - 703 652 056 Commitments to lend 57 919 068 - 57 919 068 Total liabilities 57 919 068 703 652 056 - 761 571 124 Liquidity gap 510 568 140 73 797 948 166 057 423 750 423 512	,				
Off balance sheet items Liabilities Commitments to lend 57 919 068 57 919 068 57 919 068 703 652 056 703 652 056 703 652 056 704 57 919 068 705 652 056 706 57 919 068 707 61 571 124 14 166 057 423 750 423 512					
Commitments to lend 57 919 068 Total liabilities 57 919 068 Total liabilities 57 919 068 Total liabilities 510 568 140 Total liabilities 73 797 948 Total liabilities 166 057 423 Total liabilities 73 797 948		500 1 07 209	. 575 301 213	1011994000	
Total liabilities 57 919 068 703 652 056 - 761 571 124 Liquidity gap 510 568 140 73 797 948 166 057 423 750 423 512	Liabilities Guarantees and letters of credit	- 57 919 068	703 652 056	-	
			703 652 056		
Cumulative liquidity gap - on and off balance sheet 510 568 140 584 366 089 750 423 512 -	iquidity gap			166 057 423	
		010 000 110		100 001 120	700 120 012

				*	шотог	1041 000	-
Linuidita anatilian an at 04 Dag	b 0040	_	1 month to	3 month		CICAL COS Over	T .
Liquidity profiling as at 31 Dec	ember 2019		3 months				Total
On balance sheet items			3 months ZWL	to 1 yea		1 year ZWL	Total ZWL
Liabilities		_	ZVVL	Z VI	/L	ZVVL	ZVVL
Deposits from customers			2 046 697 249			_	2 046 697 249
Deposits from other financial ins	titutions	2	92 642 455	24 066 28	25		116 708 740
Lines of credit	ditutions		92 042 433	18 555 20		606 000	1 528 161 205
Lease liability			_	10 333 20		476 404	5 476 404
Other liabilities			348 038 811	388 166 94		-10 -04	736 205 751
Other habilities			040 000 011	300 100 3-	+0		700 200 701
Total liabilities - (contractual n	naturity)	2	2 487 378 515	430 788 43	30 1 515	082 404	4 433 249 349
Accets held for managing liqui	idita viale						
Assets held for managing liqui Balances with other banks and of		4	889 334 222				1 889 334 222
Financial assets at amortised co			3 500 000	72 008 93	- 15	833 340	91 342 277
Financial assets at fair value thro		· · ·	3 500 000	12 000 93		548 368	11 548 368
Loans and advances to custome	• .	55	280 519 605	555 591 4°		688 031	2 453 799 047
Bonds and debentures	315		260 319 003	100 000 00		510 634	121 510 634
Income tax asset			_	2 425 86		510 054	2 425 864
Other assets (excluding prepayn	nante)		_	25 856 77		123 667	82 980 446
Other assets (excluding prepaying	nenta)			20 000 11	3 31	120 007	02 300 440
Total assets - (contractual mat	turity)	2	173 353 828	755 882 99	1 723	704 040	4 652 940 859
Liquidity gap			314 024 688	(325 094 56	1) (208	621 636)	(219 691 510)
Cumulative liquidity gap - on b	palance sheet		314 024 688	(11 069 87	4) (219	691 510)	_
				(11111111111111111111111111111111111111	, (=:-	,	
Off balance sheet items							
Liabilities							
Guarantees and letters of credit			-	26 227 14	14	-	26 227 144
Commitments to lend			18 468 402		-	-	18 468 402
Total liabilities			18 468 402	26 227 14	14	_	44 695 546
Total nabilities		_	10 400 402	20 227 1-	-	_	
Liquidity gap			295 556 286	(351 321 70	5) (208	621 636)	(264 387 056)
Cumulative liquidity gap - on a	and off balance	sheet	295 556 286	(55 765 42	0) (264	387 056)	-
INTEREST RATE REPRICING AND GAP ANALYSIS							
Total position as at 30 June 20	0 - 30	31 - 90		NFLATION ADJUS 181-365	Over 365	Non-inter	est
	days	days		days	days		
	ZWL	ZWL		ZWL	ZWL		WL ZWL
			2.72				
Cash and cash equivalents	1 976 456 220	_				5 093 007 1	176 7 069 463 396

Total position as at 30 June 202		04 00	04 400	NFLATION ADJ		Nam Intern	
	0 - 30	31 - 90	91-180	181-365	Over 365	Non-interest	
	days ZWL	days ZWL	days ZWL	days ZWL	days ZWL	bearing ZWL	To:
ash and cash equivalents	1 976 456 220	-				5 093 007 176	7 069 463 3
inancial assets at amortised cost	1 695 359	-	16 380 564	13 559 367	19 763 850		51 399 1
inancial assets at fair value							
through profit or loss	-	-	-	-	-	11 548 369	11 548 3
oans and advances to customers	340 362 870	24 053 614	298 367 084	1 157 302 051	6 390 991 442		8 211 077 0
Sonds and debentures	-	-	38 880 242	154 376 651	9 961 692		203 218 5
repayments and other assets	-	-	-	-	-	342 671 134	342 671 1
mounts due from group companies	-	-	-	-	-	102 157 193	102 157 1
nvestment property	-	-	-	-	-	403 177 684	403 177 6
Right of use assets	-	-	-	-	-	15 566 301	15 566 3
ntangible assets	-	-	-	-	-	456 821 725	456 821 7
Property and equipment		-	-	-	-	902 080 146	902 080 1
otal assets	2 318 514 449	24 053 614	353 627 890	1 325 238 069	6 420 716 984	7 327 029 728	17 769 180 7
	555 074 000	00.400.000	500 504			5 040 040 000	
eposits from customers	555 974 699	36 468 832	509 501	6 200 005		5 816 949 309	
Deposits from other financial institutions ines of credit	180 080 411	25 776 741	47 088 649	6 388 095	5 832 737 500		259 333 8 5 832 737 5
ines of credit Other liabilities	-	-	-	-	J 032 /3/ 300	1 863 527 921	
Current tax liability	-	_	-		_	4 654 987	4 654 9
Deferred income tax liabilities	-	_	_	_	_	382 764 994	382 764 9
ease liability	-		_	_	_	7 226 404	7 226 4
Capital and reserves	_	_	_	_	_	3 009 032 689	
Sapital and 10501V05						0 000 002 000	0 000 002 0
Total liabilities	736 055 110	66 900 560	47 598 150	6 388 095	5 832 737 500	11 079 501 318	17 769 180 7
nterest rate repricing gap	1 582 459 338	(38 191 959)	306 029 740	1 318 849 974	587 979 484	(3 757 126 576)	
Cumulative interest rate repricing gap	1 582 459 338	1 544 267 379	1 850 297 119	3 169 147 093	3 757 126 576	-	
Total position as at							
31 December 2019							
ash and cash equivalents	736 414 376	293 006 187	_	_	_	3 920 476 185	4 949 896 7
inancial assets at amortised cost	9 169 706	-	31 438 991	157 218 368	41 482 018	-	239 309 0
inancial assets at fair value							
	-	-	-	_	_	30 255 755	30 255 7
hrough profit or loss	- 2 190 540 536	+	-	-	- 4 238 206 577	30 255 755	
hrough profit or loss oans and advances to customers	2 190 540 536 318 347 641	- - -	- - -	- - -	- 4 238 206 577 -	30 255 755 - -	6 428 747
hrough profit or loss oans and advances to customers onds and debentures		- - -	- - - -	- - -	- 4 238 206 577 - -	30 255 755 - - 275 318 446	6 428 747 3 318 347 6
hrough profit or loss oans and advances to customers onds and debentures repayments and other assets		- - - -	- - - -	- - - -	- 4 238 206 577 - - -	-	6 428 747 3 318 347 6 275 318 4
hrough profit or loss oans and advances to customers onds and debentures repayments and other assets mounts due from group companies		- - - - -	- - - -	- - - -	- 4 238 206 577 - - -	- - 275 318 446	6 428 747 3 318 347 6 275 318 4 138 375 3
chrough profit or loss coans and advances to customers conds and debentures Prepayments and other assets umounts due from group companies nvestment property		- - - - -	- - - - - -	- - - - -	4 238 206 577 - - - - -	275 318 446 138 375 395	6 428 747 1 318 347 6 275 318 4 138 375 3 317 038 5
through profit or loss coans and advances to customers dends and debentures depayments and other assets denounts due from group companies deno		- - - - - -	- - - - - - -	- - - - - -	- 4 238 206 577 	- 275 318 446 138 375 395 317 038 585	30 255 7 6 428 747 1 318 347 6 275 318 4 138 375 3 317 038 5 39 976 2 6 355 5
through profit or loss coans and advances to customers conds and debentures Prepayments and other assets Amounts due from group companies restment property Right of use assets Current income tax asset		- - - - - -	- - - - - -	- - - - - -	4 238 206 577 - - - - - -	275 318 446 138 375 395 317 038 585 39 976 234	6 428 747 1 318 347 6 275 318 4 138 375 3 317 038 5 39 976 2 6 355 5
chrough profit or loss coans and advances to customers conds and debentures Prepayments and other assets amounts due from group companies restment property light of use assets Current income tax asset ntangible assets		- - - - - - -	- - - - - - - -	- - - - - - -	4 238 206 577 - - - - - - -	275 318 446 138 375 395 317 038 585 39 976 234 6 355 552	6 428 747 1 318 347 6 275 318 4 138 375 3 317 038 5 39 976 2 6 355 5
chrough profit or loss coans and advances to customers coans and debentures companies companies coans and coans coans and		293 006 187	- - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - -	4 238 206 577 - - - - - - - - - - - - - - - - - -	275 318 446 138 375 395 317 038 585 39 976 234 6 355 552 510 577 484	6 428 747 1 318 347 6 275 318 4 138 375 3 317 038 5 39 976 2 6 355 5 510 577 4 792 877 5
hrough profit or loss oans and advances to customers londs and debentures repayments and other assets innounts due from group companies investment property light of use assets ourrent income tax asset intangible assets roperty and equipment lotal assets	318 347 641 - - - - - - - 3 254 472 259		- - - - - - - - 31 438 991	- - - - - - - - - - - - - - - - - - -	- - - - - - -	275 318 446 138 375 395 317 038 585 39 976 234 6 355 552 510 577 484 792 877 539	6 428 747 1 318 347 6 275 318 4 138 375 3 317 038 5 39 976 2 6 355 5 510 577 4 792 877 5
hrough profit or loss cans and advances to customers conds and debentures repayments and other assets mounts due from group companies investment property light of use assets current income tax asset strangible assets roperty and equipment otal assets leposits from customers	318 347 641 - - - - - - - - - - - - - - - - - - -	30 507 836	- - - - - - - - - 31 438 991 84 603 147	-	- - - - - - -	275 318 446 138 375 395 317 038 585 39 976 234 6 355 552 510 577 484 792 877 539	6 428 747 1 318 347 6 275 318 4 138 375 3 317 038 5 39 976 2 6 355 5 510 577 4 792 877 5
hrough profit or loss coans and advances to customers onds and debentures repayments and other assets mounts due from group companies exestment property ight of use assets urrent income tax asset etrangible assets roperty and equipment cotal assets eposits from customers eposits from other financial institutions	318 347 641 - - - - - - - 3 254 472 259		- - - - - - - - 31 438 991	- 7 531 871	4 279 688 595	275 318 446 138 375 395 317 038 585 39 976 234 6 355 552 510 577 484 792 877 539 6 031 251 175	6 428 747 318 347 6275 318 4138 375 3317 038 539 976 26 355 55 510 577 42 792 877 5
hrough profit or loss coans and advances to customers onds and debentures repayments and other assets mounts due from group companies investment property ight of use assets urrent income tax asset itangible assets roperty and equipment cotal assets eposits from customers eposits from other financial institutions ines of credit	318 347 641 - - - - - - - - - - - - - - - - - - -	30 507 836	- - - - - - - - - 31 438 991 84 603 147	- 7 531 871	- - - - - - -	275 318 446 138 375 395 317 038 585 39 976 234 6 355 552 510 577 484 792 877 539 6 031 251 175	6 428 747 318 347 6275 318 4 138 375 3317 038 635 55 510 577 4 792 877 5
hrough profit or loss cans and advances to customers conds and debentures repayments and other assets mounts due from group companies restment property light of use assets furrent income tax asset stangible assets roperty and equipment cotal assets reposits from customers reposits from other financial institutions lines of credit either liabilities	318 347 641 - - - - - - - - - - - - - - - - - - -	30 507 836	- - - - - - - - - 31 438 991 84 603 147	- 7 531 871	4 279 688 595	275 318 446 138 375 395 317 038 585 39 976 234 6 355 552 510 577 484 792 877 539 6 031 251 175 4 781 965 555	6 428 747 318 347 6275 318 4 138 375 3 317 038 6 355 5 510 577 4 792 877 5 4 003 653 8 1 967 656 8
hrough profit or loss cans and advances to customers conds and debentures repayments and other assets mounts due from group companies restment property light of use assets furrent income tax asset repayment and equipment cotal assets repeosits from customers reposits from other financial institutions lines of credit other liabilities referred income tax laibilities	318 347 641 - - - - - - - - - - - - - - - - - - -	30 507 836	- - - - - - - - - 31 438 991 84 603 147	- 7 531 871	4 279 688 595 - 3 955 040 745	275 318 446 138 375 395 317 038 585 39 976 234 6 355 552 510 577 484 792 877 539 6 031 251 175	6 428 747 318 347 6275 318 437 63 318 37 63 39 976 36 35 510 577 4792 877 52 5 362 174 630 5767 64 003 653 681 609 26 681 609 2
hrough profit or loss oans and advances to customers oans and debentures repayments and other assets mounts due from group companies exestment property light of use assets surrent income tax asset examples assets roperty and equipment otal assets reposits from customers reposits from other financial institutions lines of credit other liabilities referred income tax laibilities resease liabilities	318 347 641 - - - - - - - - - - - - - - - - - - -	30 507 836	- - - - - - - - - 31 438 991 84 603 147	- 7 531 871	4 279 688 595	275 318 446 138 375 395 317 038 585 39 976 234 6 355 552 510 577 484 792 877 539 6 031 251 175 4 781 965 555	6 428 747 318 347 6 275 318 138 375 3 317 038 3 39 976 3 5 10 577 7 792 877 3 4 047 075 3 5 362 174 4 305 767 6 4 003 653 1 1 967 656 6 681 609 3 14 347 3
chrough profit or loss coans and advances to customers coans and debentures coans and other assets companies coans and other assets companies coans assets	318 347 641 - - - - - - - - - - - - - - - - - - -	30 507 836	- - - - - - - - - 31 438 991 84 603 147	7 531 871 48 613 076 - - - -	4 279 688 595 	275 318 446 138 375 395 317 038 585 39 976 234 6 355 552 510 577 484 792 877 539 6 031 251 175 4 781 965 555 - 1 967 656 824 681 609 249	6 428 747 1 318 347 6 275 318 4 138 375 3 317 038 5 39 976 2 6 355 5 510 577 4 792 877 5 14 047 075 5 5 362 174 6 305 767 0 4 003 653 6 1 967 656 8 681 609 2 14 347 7 1 711 866 2
through profit or loss coans and advances to customers coans and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Current income tax asset Intangible assets Property and equipment Fotal assets Deposits from customers Deposits from other financial institutions Lines of credit Other liabilities Deferred income tax laibilities Deaptial and reserves Fotal liabilities	318 347 641	30 507 836 30 392 012 - - - - - - - 60 899 848	31 438 991 84 603 147 55 519 772	7 531 871 48 613 076 - - - - - 56 144 947	4 279 688 595 4 279 688 595 3 955 040 745 14 347 718 3 969 388 462	275 318 446 138 375 395 317 038 585 39 976 234 6 355 552 510 577 484 792 877 539 6 031 251 175 4 781 965 555 - 1 967 656 824 681 609 249 - 1 711 866 236	6 428 747 1 318 347 6 275 318 4 138 375 3 317 038 5 39 976 2 6 355 5 510 577 4 792 877 5 14 047 075 5 5 362 174 6 305 767 0 4 003 653 8 1 967 656 8 681 609 2 14 347 7 1 711 866 2
chrough profit or loss coans and advances to customers coans and debentures coans and other assets companies coans and other assets companies coans assets	318 347 641 - - - - - - - - - - - - -	30 507 836 30 392 012 - - - - -	31 438 991 84 603 147 55 519 772	7 531 871 48 613 076 - - - -	4 279 688 595 4 279 688 595 3 955 040 745 14 347 718 3 969 388 462	275 318 446 138 375 395 317 038 585 39 976 234 6 355 552 510 577 484 792 877 539 6 031 251 175 4 781 965 555 1 967 656 824 681 609 249 1 711 866 236	6 428 747 318 347 6275 318 4 138 375 3 317 038 5 317 038 5 510 577 4 792 877 5 4 003 653 8 1 967 653 681 609 2 14 347 7 1 711 866 2



FOR THE SIX MONTHS ENDED 30 JUNE 2020

INTEREST RATE REPRICING AND GAP ANALYSIS Total position as at 30 June 2020

Total position as at 30 June 202	.0			HISTORICAL CO	JS1		
	0 - 30	31 - 90	91-180	181-365	Over 365	Non-interest	
	days	days	days	days	days	bearing	Total
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Cook and sook assistate	1 076 456 000					E 000 007 170	7 000 400 000
Cash and cash equivalents	1 976 456 220	-	10 000 501	40.550.007	40 700 050	5 093 007 176	7 069 463 396
Financial assets at amortised cost	1 695 359	-	16 380 564	13 559 367	19 763 850	-	51 399 140
Financial assets at fair value						44 540 000	11 510 000
through profit or loss	- 040 000 070	04.050.044	-	4 457 000 054		11 548 369	11 548 369
Loans and advances to customers	340 362 870	24 053 614		1 157 302 051	6 390 991 441	-	8 211 077 060
Bonds and debentures	-	-	38 880 242	154 376 651	9 961 692	-	203 218 585
Prepayments and other assets	-	-	-	-	-	260 678 535	260 678 535
Amounts due from group companies	-	-	-	-	-	102 157 193	102 157 193
Investment property	-	-	-	-	-	403 177 684	403 177 684
Right of use assets	-	-	-	-	-	7 186 658	7 186 658
Intangible assets	-	-	-	-	-	174 988 880	174 988 880
Property and equipment					_	655 949 496	655 949 496
Total assets	2 318 514 449	24 053 614	353 627 890	1 325 238 069	6 420 716 983	6 708 693 991	17 150 844 996
Deposits from customers	555 974 699	36 468 832	509 501			5 816 949 309	6 409 902 342
Deposits from other financial institutions	180 080 411	25 776 741	47 088 649	6 388 095	-	-	259 333 896
Lines of credit	-	-	-	-	5 832 737 500	-	5 832 737 500
Other liabilities	-	-	-	-	-	1 863 527 921	1 863 527 921
Current tax liability	-	-	-	-	-	4 654 987	4 654 987
Lease liability	-	-	-	-	-	7 226 404	7 226 404
Deferred tax liabilities	-	-	-	-	-	658 178 315	658 178 315
Capital and reserves	-	-	-	-	-	2 115 283 631	2 115 283 631
Total equity and liabilities	736 055 110	62 245 573	47 598 150	6 388 095	5 922 727 500	10 465 820 568	17 150 944 006
iotal equity and habilities	730 033 110	02 243 373	47 330 130	0 300 093	3 632 737 300	10 403 620 306	17 130 044 990
Interest rate repricing gap	1 582 459 338	(38 191 959)	306 029 740	1 318 849 974	587 979 483	(3 757 126 577)	-
Cumulative interest rate repricing gap	1 582 459 338	1 544 267 379	1 950 207 110	3 169 147 093	3 757 126 577		
Cumulative interest rate reprioring gap	1 002 400 000	1011201010	1 000 207 110	0 100 147 000	0 101 120 011		
Total position as at							
Total position as at 31 December 2019							
•							
•	281 083 213	111 838 013	-	-	-	1 496 412 996	1 889 334 222
31 December 2019	281 083 213 3 500 000	111 838 013 -	- 12 000 000	- 60 008 937	- 15 833 340	1 496 412 996 -	1 889 334 222 91 342 277
31 December 2019 Cash and cash equivalents		111 838 013 -	12 000 000	- 60 008 937	- 15 833 340	1 496 412 996 -	
31 December 2019 Cash and cash equivalents Financial assets at amortised cost		111 838 013 - -	- 12 000 000 -	- 60 008 937 -	- 15 833 340 -	1 496 412 996 - 11 548 368	
31 December 2019 Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value		111 838 013 - - -	- 12 000 000 - -	- 60 008 937 - -	- 15 833 340 - 1 617 688 031	-	91 342 277
31 December 2019 Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss	3 500 000	111 838 013 - - - - -	- 12 000 000 - - -	- 60 008 937 - - -	-	-	91 342 277 11 548 368
31 December 2019 Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers	3 500 000 - 836 111 016	111 838 013 - - - - - -	- 12 000 000 - - - -	- 60 008 937 - - - -	-	-	91 342 277 11 548 368 2 453 799 047
31 December 2019 Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures	3 500 000 - 836 111 016	111 838 013 - - - - - -	- 12 000 000 - - - - -	- 60 008 937 - - - - -	-	- 11 548 368 - -	91 342 277 11 548 368 2 453 799 047 121 510 634
31 December 2019 Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets	3 500 000 - 836 111 016	111 838 013 - - - - - - -	- 12 000 000 - - - - -	60 008 937 - - - - - -	-	11 548 368 - - 98 633 841	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies	3 500 000 - 836 111 016	111 838 013 - - - - - - - -	- 12 000 000 - - - - - -	- 60 008 937 - - - - - -	-	11 548 368 - - 98 633 841 52 816 730	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property	3 500 000 - 836 111 016	111 838 013 - - - - - - - -	- 12 000 000 - - - - - - -	- 60 008 937 - - - - - - -	-	11 548 368 - - 98 633 841 52 816 730 121 010 978	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets	3 500 000 - 836 111 016	111 838 013 - - - - - - - - -	- 12 000 000 - - - - - - - -	- 60 008 937 - - - - - - - -	-	11 548 368 - - 98 633 841 52 816 730 121 010 978 5 436 658	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Income Tax assets	3 500 000 - 836 111 016	111 838 013 - - - - - - - - -	- 12 000 000 - - - - - - - -	- 60 008 937 - - - - - - - - -	-	11 548 368 - - 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Income Tax assets Intangible Assets	3 500 000 - 836 111 016	111 838 013 - - - - - - - - - - 111 838 013	- 12 000 000 - - - - - - - - - -	- - - - - - - -	-	11 548 368 - 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Income Tax assets Intangible Assets Property and equipment	3 500 000 - 836 111 016 121 510 634 - - - - -	- - - - - - - - -	- - - - - - - -	- - - - - - - -	- 1 617 688 031 - - - - - - -	11 548 368 - 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Income Tax assets Intangible Assets Property and equipment	3 500 000 - 836 111 016 121 510 634 - - - - -	- - - - - - - - -	- - - - - - - -	- - - - - - - -	- 1 617 688 031 - - - - - - -	11 548 368 - 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 2 285 803 325	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Income Tax assets Intangible Assets Property and equipment Total assets	3 500 000 - 836 111 016 121 510 634 - - - - - - 1 242 204 863		- - - - - - - - 12 000 000	- - - - - - - -	- 1 617 688 031 - - - - - - -	11 548 368 - 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 2 285 803 325	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 5 345 376 509
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Income Tax assets Intangible Assets Property and equipment Total assets Deposits from customers	3 500 000 - 836 111 016 121 510 634 1 242 204 863	- - - - - - - - 111 838 013	- - - - - - - 12 000 000	- - - - - - - - 60 008 937	- 1 617 688 031 - - - - - - -	11 548 368 - 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 2 285 803 325	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 5 345 376 509
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Income Tax assets Intangible Assets Property and equipment Total assets Deposits from customers Deposits from other financial institutions	3 500 000 - 836 111 016 121 510 634 1 242 204 863	- - - - - - - - 111 838 013	- - - - - - - 12 000 000	- - - - - - - - 60 008 937	1 617 688 031 - - - - - - - 1 633 521 371	11 548 368 - 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 2 285 803 325	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 5 345 376 509 2 046 697 249 116 708 740
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Income Tax assets Intangible Assets Property and equipment Total assets Deposits from customers Deposits from other financial institutions Lines of credit	3 500 000 - 836 111 016 121 510 634 1 242 204 863	- - - - - - - - 111 838 013	- - - - - - - 12 000 000	- - - - - - - - 60 008 937	1 617 688 031 - - - - - - - 1 633 521 371	11 548 368 - 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 2 285 803 325 1 825 236 289	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 5 345 376 509 2 046 697 249 116 708 740 1 528 161 205
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Income Tax assets Intangible Assets Property and equipment Total assets Deposits from customers Deposits from other financial institutions Lines of credit Other liabilities	3 500 000 - 836 111 016 121 510 634 1 242 204 863	- - - - - - - - 111 838 013	- - - - - - - 12 000 000	- - - - - - - - 60 008 937	1 617 688 031 - - - - - - - 1 633 521 371	11 548 368 - 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 2 285 803 325 1 825 236 289 - 736 205 751	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 5 345 376 509 2 046 697 249 116 708 740 1 528 161 205 736 205 751
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Income Tax assets Intangible Assets Property and equipment Total assets Deposits from customers Deposits from other financial institutions Lines of credit Other liabilities Lease liability	3 500 000 - 836 111 016 121 510 634 1 242 204 863	- - - - - - - - 111 838 013	- - - - - - - 12 000 000	- - - - - - - - 60 008 937	1 617 688 031 - - - - - - - 1 633 521 371	11 548 368 - 98 633 841 52 816 730 121 010 978 5 496 658 2 425 864 194 883 158 302 634 731 2 285 803 325 1 825 236 289 - 736 205 751 5 476 404	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 5 345 376 509 2 046 697 249 116 708 740 1 528 161 205 736 205 751 5 476 404
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Income Tax assets Intangible Assets Property and equipment Total assets Deposits from customers Deposits from other financial institutions Lines of credit Other liabilities Lease liability Deferred tax liabilities Capital and reserves	3 500 000 836 111 016 121 510 634 1 242 204 863 177 524 060 81 042 078	111 838 013 11 644 586 11 600 377	12 000 000 32 292 314 21 191 433		1 617 688 031 1 633 521 371 1 509 606 000	11 548 368 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 2 285 803 325 1 825 236 289 	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 5 345 376 509 2 046 697 249 116 708 740 1 528 161 205 736 205 751 5 476 404 284 287 770 627 839 390
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Income Tax assets Intangible Assets Property and equipment Total assets Deposits from customers Deposits from other financial institutions Lines of credit Other liabilities Lease liability Deferred tax liabilities	3 500 000 - 836 111 016 121 510 634 1 242 204 863	- - - - - - - - 111 838 013	- - - - - - - 12 000 000	- - - - - - - - 60 008 937	1 617 688 031 1 633 521 371 1 509 606 000	11 548 368 - 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 2 285 803 325 1 825 236 289 - 736 205 751 5 476 404 284 287 770	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 5 345 376 509 2 046 697 249 116 708 740 1 528 161 205 736 205 751 5 476 404 284 287 770 627 839 390
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Income Tax assets Intangible Assets Property and equipment Total assets Deposits from customers Deposits from other financial institutions Lines of credit Other liabilities Lease liability Deferred tax liabilities Capital and reserves	3 500 000 836 111 016 121 510 634 1 242 204 863 177 524 060 81 042 078	111 838 013 11 644 586 11 600 377	12 000 000 32 292 314 21 191 433		1 617 688 031 1 633 521 371 1 509 606 000 1 509 606 000	11 548 368 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 2 285 803 325 1 825 236 289 	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 5 345 376 509 2 046 697 249 116 708 740 1 528 161 205 736 205 751 5 476 404 284 287 770 627 839 390
Cash and cash equivalents Financial assets at amortised cost Financial assets at fair value through profit or loss Loans and advances to customers Bonds and debentures Prepayments and other assets Amounts due from group companies Investment property Right of use assets Income Tax assets Intangible Assets Property and equipment Total assets Deposits from customers Deposits from other financial institutions Lines of credit Other liabilities Lease liability Deferred tax liabilities Capital and reserves	3 500 000		12 000 000 32 292 314 21 191 433 - - 53 483 747 (41 483 747)		1 617 688 031 1 633 521 371 1 509 606 000 1 509 606 000	11 548 368 - 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 2 285 803 325 1 825 236 289 - 736 205 751 5 476 404 284 287 770 627 839 390 3 479 045 604	91 342 277 11 548 368 2 453 799 047 121 510 634 98 633 841 52 816 730 121 010 978 5 436 658 2 425 864 194 883 158 302 634 731 5 345 376 509 2 046 697 249 116 708 740 1 528 161 205 736 205 751 5 476 404 284 287 770 627 839 390

HISTORICAL COST

FBC BANK FOREIGN EXCHANGE GAP

Foreign exchange gap analysis as at 30 June 2020

USD ZWL	ZAR ZWL	EUR	BWP	GBP	Total
ZWL	7\\/\				
	ZVVL	ZWL	ZWL	ZWL	ZW\$
494 666 655	62 455 591	6 419 816	1 960 857	1 306 072	566 808 991
1 104 092 880	-	69	-	-	1 104 092 949
1 731 741 442	185 170 917	54 646 398	2 760 547	2 136 916	1 976 456 220
7 031 074 067	427 857	123	96	3 007	7 031 505 150
2 388 652 374	-	-	-		2 388 652 374
12 750 227 418	248 054 365	61 066 406	4 721 500	3 445 995	13 067 515 684
10 425 288 165	101 069 712	31 875 303	3 506 916	434 361	10 562 174 457
5 111 990	4 083 720	3 152 102	4 848	1 145 555	13 498 215
10 430 400 155	105 153 432	35 027 405	3 511 764	1 579 916	10 575 672 672
2 319 827 263	142 900 933	26 039 001	1 209 736	1 866 079	2 491 843 012
247 770 851	10 634 570	4 204 648	172 731	1 557 258	264 340 058
	-	-	-	-	332 817 729
373 958 268	68 179 327	8 873 124	47 871	285 547	451 344 137
2 204 871 690	134 090	_	_	-	2 205 005 780
1 630 111	-	-	-	-	1 630 111
3 161 048 649	78 947 987	13 077 772	220 602	1 842 805	3 255 137 815
		·			
2 650 009 027	40 173 031	1 103 880	230 249	53 005	2 704 949 190
					852 338
05 010	004	011 329	40	7 301	002 000
2 651 033 645	49 173 715	5 305 818	230 294	58 056	2 705 801 528
510 015 004	29 774 272	7 771 954	(9 692)	1 784 749	549 336 287
	1 731 741 442 7 031 074 067 2 388 652 374 12 750 227 418 10 425 288 165 5 111 990 10 430 400 155 2 319 827 263 247 770 851 332 817 729 373 958 268 2 204 871 690 1 630 111 3 161 048 649 2 650 998 027 35 618 2 651 033 645	1 731 741 442	1 731 741 442 185 170 917 54 646 398 7 031 074 067 427 857 123 2 388 652 374 - - 12 750 227 418 248 054 365 61 066 406 10 425 288 165 101 069 712 31 875 303 5 111 990 4 083 720 3 152 102 10 430 400 155 105 153 432 35 027 405 2 319 827 263 142 900 933 26 039 001 247 770 851 10 634 570 4 204 648 332 817 729 - - 373 958 268 68 179 327 8 873 124 2 204 871 690 134 090 - 1 630 111 - - 3 161 048 649 78 947 987 13 077 772 2 650 998 027 49 173 031 4 493 889 35 618 684 811 929 2 651 033 645 49 173 715 5 305 818	1 731 741 442 185 170 917 54 646 398 2 760 547 7 031 074 067 427 857 123 96 2 388 652 374 - - - 12 750 227 418 248 054 365 61 066 406 4 721 500 10 425 288 165 101 069 712 31 875 303 3 506 916 5 111 990 4 083 720 3 152 102 4 848 10 430 400 155 105 153 432 35 027 405 3 511 764 2 319 827 263 142 900 933 26 039 001 1 209 736 247 770 851 10 634 570 4 204 648 172 731 332 817 729 - - - - - - - 2 204 871 690 134 090 - - 1 630 111 - - - 3 161 048 649 78 947 987 13 077 772 220 602 2 650 998 027 49 173 031 4 493 889 230 248 35 618 684 811 929 46 2 651 033 645 49 173 715 5 305 818 230 294	1 731 741 442 185 170 917 54 646 398 2 760 547 2 136 916 7 031 074 067 427 857 123 96 3 007 2 386 652 374 - - - - 12 750 227 418 248 054 365 61 066 406 4 721 500 3 445 995 10 425 288 165 101 069 712 31 875 303 3 506 916 434 361 5 111 990 4 083 720 3 152 102 4 848 1 145 555 10 430 400 155 105 153 432 35 027 405 3 511 764 1 579 916 2 319 827 263 142 900 933 26 039 001 1 209 736 1 866 079 247 770 851 10 634 570 4 204 648 172 731 1 557 258 332 817 729 - - - - - 373 958 268 68 179 327 8 873 124 47 871 285 547 2 204 871 690 134 090 - - - - 1 630 111 - - - - - 3 161 048 649 78 947 987 13 077 772 220 602 1 842 805 2 650 998 027 49 173 031<

VALUE AT RISK

Value at risk ("VaR") is a statistical estimate of the maximum loss expected from the Bank's trading book with a given degree of confidence over a given holding period. The Bank's system uses the Exponentially Weighted Moving Average ("EWMA") method to compile VaR. This method attaches more weight to the most recent data on market risk factors the weights decaying exponentially as we go further into the past. The VaR parameters used are at 95% confidence level, one day holding period and ten day holding period.

30 June 2020				Value at risk (95% confidence leve	
Asset class	Type of risk	Present value	Portfolio weight	1-day holding period	5-day holding period
Currency	Exchange rate	27 466 814	100%	421 845	657 774
	Total portfolio VaR	27 466 814	100%	421 845	657 774
31 December 2019					
Asset class					
Currency	Exchange rate	398 155	100%	6 115	9 535
	Total portfolio VaR	398 155	100%	6 115	9 535

RESERVE BANK OF ZIMBABWE ("RBZ") ONSITE EXAMINATION

The Bank has its corporate governance and risk management processes independently audited by the Reserve Bank of

The most recent inspection was carried out for the 12 months to 30 June 2019 and the results indicate that the Bank's risk management and corporate governance practices are sound as illustrated below:

Summary risk assessment system ("RAS") ratings

RAS component	Latest RAS rating 30-06-2019
Overall inherent risk	Moderate
Overall risk management systems	Acceptable
Overall composite risk	Moderate

FBC Bank Limited's CAMELS* ratings by The Reserve Bank Of Zimbabwe

Camels component	Latest RBS ratings 30 June 2019	Previous RBS ratings 30 September 2014
Capital adequacy	2	2
Asset quality	2	3
Management	2	2
Earnings	1	2
Liquidity	1	1
Sensitivity to market risk	2	2
Composite rating	2	2

*CAMELS- is an acronym for capital adequacy, asset quality, management, earnings, liquidity, and sensitivity to market risk. CAMELS rating system uses a rating scale of 1-5, where '1' is strong, '2' is satisfactory, '3' is fair, '4' is weak, and '5' is critical. *RBS- stands for risk-based supervision.

INTERNATIONAL CREDIT RATING

The Bank has its credit ratings reviewed in the past by an international credit rating agency, Global Credit Rating Company. The Bank has a BBB+ Credit rating. The credit rating is not current and was last done for the prior year.

The Reserve Bank of Zimbabwe (RBZ) reviewed the minimum capital requirements for banking institutions during the period under review. FBC Bank Limited is required to have capital level of US\$30 million by 31 December 2021. The Bank is expected to self-capitalize through normal trading by the regulated deadline. The Bank has a detailed capitalization plan in place to ensure full compliance.

BOARD ATTENDANCE

NAME	Executive ("E") / Non Executive Director ("NE")	2020 MAIN BOARD	
		QUARTER 1	QUARTER 2
Takabvakure Euwitt Mutunhu	N/E	√	√
John Mushayavanhu	N/E	J	J
Peter C C Moyo	N/E	√	√
Trynos Kufazvinei	N/E	√	√
Martin Makonese	E	√	√
Morgan Nzwere	N/E	J	√
Webster Rusere	E	√	√
Mercy Rufaro Ndoro	N/E	√	√
Theresa Mazoyo	N/E	√	1
Patrick Takawira	Е	√	√
Agrippa Mugwagwa	E	√	√
Abel Magwaza	E	√	1
Zivai W Makwanya	N/E	√	√
Fungai D Makoni	N/E	J	√

Key
√ - Present X - Absent

N/A - Not yet a board member

N/E - Non-executive director E - Executive director

By Order of the Board



Tichaona Kudakwashe Mabeza **Company Secretary** 27 August 2020

AUDIT REVIEW CONCLUSION

These condensed interim financial results for the six months ended 30 June 2020 have been reviewed by Deloitte & Touche and a modified review conclusion issued thereon on the basis of the possible effects of the matter on comparability of the current year's inflation adjusted interim financial information with that of the prior year as a result of the incorrect date of application of International Accounting Standard 21 "The Effects of changes in Foreign exchange Rates" ("IAS 21") in the prior year.

The review conclusion has been made available to management and those charged with governance of FBC Bank Limited. The engagement partner responsible for this review is Tumai Mafunga. The auditor's report on these interim financial results is available for inspection at the Bank's registered office.



FOR THE SIX MONTHS ENDED 30 JUNE 2020

		INFLATION ADJUSTED		*HISTORIC	*HISTORICAL COST		
		Reviewed	Audited	Reviewed	Audited		
		30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 201		
	Notes	ZWL\$	ZWL\$	ZWL\$	ZWL		
Assets							
Cash and cash equivalents	1	179 001 255	108 756 853	179 001 255	41 511 58		
Financial assets at amortised cost	2	148 250 550	257 752 657	148 250 550	98 382 03		
Loans and advances to customers	3	172 536 134	196 471 671	172 536 134	74 991 59		
Embedded derivative	4	75 487 463	68 615 267	75 487 463	26 189 87		
Inventory	5	129 085 538	172 816 933	31 989 422	13 525 57		
Other assets	6	140 380 634	83 179 864	116 645 666	25 979 54		
Investment properties	7	304 091 060	86 641 771	304 091 060	33 070 44		
Property and equipment	8	269 943 283	197 849 577	240 336 943	75 517 53		
Intangible assets	9	-	63 433	-	2 81:		
Right of use assets	10	1 754 034	1 882 632	269 569	294 76		
Total assets		1 420 529 951	1 174 030 658	1 268 608 062	389 465 75		
Liabilities							
Deposits from banks	11.1	276 808 135	306 711 345	276 808 135	117 069 15		
Deposits from customers	11.2	224 938 511	214 340 403	224 938 511	81 811 94		
Borrowings	11.3	67 263 188	67 807 853	67 263 188	25 881 69		
Lease liability		168 713	788 506	168 713	300 96		
Other liabilities	12	126 307 026	49 752 158	126 307 026	18 989 98		
Total liabilities		695 485 573	639 400 265	695 485 573	244 053 73		
Equity							
Share capital		3 523 404	3 523 404	156 175	156 17		
Share premium		250 658 092	250 658 092	11 110 424	11 110 42		
Revaluation reserve		135 709 961	73 996 870	211 293 895	67 576 26		
Retained earnings		335 152 921	206 452 027	350 561 995	66 569 15		
Total equity		725 044 378	534 630 393	573 122 489	145 412 01		
Total equity and liabilities		1 420 529 951	1 174 030 658	1 268 608 062	389 465 75		

Total equity and liabilities 1420 529 951 1174 030 658 1268 608 062 389 465 755									
Notes Note	Total equity and liabilities		1 420 529 951	1 174 030 658	1 268 608 062	389 465 755			
Notes Note									
Notes									
Notes Reviewed 30 Jun 2019 30 Jun 2019 27WL\$ ZWL\$ ZWL	For the six months ended 30 June 2020								
Notes Reviewed 30 Jun 2019 30 Jun 2019 27WL\$ ZWL\$ ZWL			INFLATION	ADJUSTED	*HISTORIO	CAL COST			
Notes ZWL\$ ZWL\$									
Interest income			30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019			
Interest expense 14 (25 754 127) (37 629 015) (16 137 747) (3 065 496) Net interest income 14 240 109 65 956 135 8 290 424 5 171 735 Revenue from property sales 16 198 424 20 022 390 10 812 476 1 556 982 (505 of sales (10 712 530) (8 859 453) (3 110 602) (506 999) Net income from property sales 28 772 903 44 721 397 7 701 874 1 049 983 Fees and commission income 28 772 903 44 721 397 18 046 989 3 555 899 Fees and commission expense (3 443 861) (1 763 153) (2 033 303) (141 415) Net fees and commission income 25 329 042 42 958 244 16 013 686 3 414 484 Other income 15 238 816 451 19 142 066 351 280 067 5 763 100 Total net income 283 871 496 139 219 382 383 286 051 15 399 302 Expected credit losses (1 939 682) (944 435) (1 939 682) (112 801) Operating expenses 16 (131 369 507) (101 610 416) (97 353 532) (9 238 216) Total operating expenses (133 309 189) (102 554 851) (99 293 214) (9 351 017) Surplus from operations 150 562 307 36 664 531 283 992 837 6 048 285 Other comprehensive income Gain on property and equipment revaluation net of tax 61 713 091 11 500 439 143 717 635 12 933 148	_	Notes	ZWL\$	ZWL\$	ZWL\$	ZWL\$			
Interest expense 14 (25 754 127) (37 629 015) (16 137 747) (3 065 496) Net interest income 14 240 109 65 956 135 8 290 424 5 171 735 Revenue from property sales 16 198 424 20 022 390 10 812 476 1 556 982 (505 of sales (10 712 530) (8 859 453) (3 110 602) (506 999) Net income from property sales 28 772 903 44 721 397 7 701 874 1 049 983 Fees and commission income 28 772 903 44 721 397 18 046 989 3 555 899 Fees and commission expense (3 443 861) (1 763 153) (2 033 303) (141 415) Net fees and commission income 25 329 042 42 958 244 16 013 686 3 414 484 Other income 15 238 816 451 19 142 066 351 280 067 5 763 100 Total net income 283 871 496 139 219 382 383 286 051 15 399 302 Expected credit losses (1 939 682) (944 435) (1 939 682) (112 801) Operating expenses 16 (131 369 507) (101 610 416) (97 353 532) (9 238 216) Total operating expenses (133 309 189) (102 554 851) (99 293 214) (9 351 017) Surplus from operations 150 562 307 36 664 531 283 992 837 6 048 285 Other comprehensive income Gain on property and equipment revaluation net of tax 61 713 091 11 500 439 143 717 635 12 933 148	labour at the same	40	00 00 4 000	100 505 150	04 400 474	0.007.004			
Net interest income 14 240 109 65 956 135 8 290 424 5 171 735 Revenue from property sales 16 198 424 20 022 390 10 812 476 1 556 982 Cost of sales (10 712 530) (8 859 453) (3 110 602) (506 999) Net income from property sales 5 485 894 11 162 937 7 701 874 1 049 983 Fees and commission income 28 772 903 44 721 397 18 046 989 3 555 899 Fees and commission expense (3 443 861) (1 763 153) (2 033 303) (141 415) Net fees and commission income 25 329 042 42 958 244 16 013 686 3 414 484 Other income 15 238 816 451 19 142 066 351 280 067 5 763 100 Total net income 283 871 496 139 219 382 383 286 051 15 399 302 Expected credit losses (1 939 682) (944 435) (1 939 682) (112 801) Operating expenses 16 (131 369 507) (101 610 416) (97 353 532) (9 238 216) Total operating expenses 150 562 307 36 664 531									
Revenue from property sales 16 198 424 20 022 390 10 812 476 1 556 982 Cost of sales (10 712 530) (8 859 453) (3 110 602) (506 999) Net income from property sales 5 485 894 11 162 937 7 701 874 1 049 983 Fees and commission income 28 772 903 44 721 397 18 046 989 3 555 889 Fees and commission expense (3 443 861) (1 763 153) (2 033 303) (141 415) Net fees and commission income 25 329 042 42 958 244 16 013 686 3 414 484 Other income 15 238 816 451 19 142 066 351 280 067 5 763 100 Total net income 283 871 496 139 219 382 383 286 051 15 399 302 Expected credit losses (19 39 682) (944 435) (1 939 682) (112 801) Operating expenses (13 13 69 507) (101 610 416) (97 353 532) (9 238 216) Total operating expenses (133 309 189) (102 554 851) (99 293 214) (9 351 017) Surplus from operations 150 562 307 36 664 531 283 992 837 6 048 285 Monetary loss adjustment <t< td=""><td></td><td>14</td><td></td><td></td><td></td><td></td></t<>		14							
Cost of sales (10 712 530) (8 859 453) (3 110 602) (506 999) Net income from property sales 5 485 894 11 162 937 7 701 874 1 049 983 Fees and commission income 28 772 903 44 721 397 18 046 989 3 555 899 Fees and commission expense (3 443 861) (1 763 153) (2 033 303) (141 415) Net fees and commission income 25 329 042 42 958 244 16 013 686 3 414 484 Other income 15 238 816 451 19 142 066 351 280 067 5 763 100 Total net income 283 871 496 139 219 382 383 286 051 15 399 302 Expected credit losses (1 939 682) (944 435) (1 939 682) (112 801) Operating expenses 16 (131 369 507) (101 610 416) (97 353 532) (9 238 216) Total operating expenses 150 562 307 36 664 531 283 992 837 6 048 285 Monetary loss adjustment (21 861 413) (306 589 217) - - Surplus/(loss) for the period 128 700 894 (269 924 686)	Net interest income		14 240 109	00 900 130	8 290 424	5 1/1 /35			
Cost of sales (10 712 530) (8 859 453) (3 110 602) (506 999) Net income from property sales 5 485 894 11 162 937 7 701 874 1 049 983 Fees and commission income 28 772 903 44 721 397 18 046 989 3 555 899 Fees and commission expense (3 443 861) (1 763 153) (2 033 303) (141 415) Net fees and commission income 25 329 042 42 958 244 16 013 686 3 414 484 Other income 15 238 816 451 19 142 066 351 280 067 5 763 100 Total net income 283 871 496 139 219 382 383 286 051 15 399 302 Expected credit losses (1 939 682) (944 435) (1 939 682) (112 801) Operating expenses 16 (131 369 507) (101 610 416) (97 353 532) (9 238 216) Total operating expenses 150 562 307 36 664 531 283 992 837 6 048 285 Monetary loss adjustment (21 861 413) (306 589 217) - - Surplus/(loss) for the period 128 700 894 (269 924 686)	Revenue from property sales		16 198 424	20 022 390	10 812 476	1 556 982			
Net income from property sales 5 485 894 11 162 937 7 701 874 1 049 983 Fees and commission income Fees and commission expense Fees and commission expense Rese and commission income 28 772 903 44 721 397 18 046 989 3 555 899 Net fees and commission income (3 443 861) (1 763 153) (2 033 303) (141 415) Net fees and commission income 25 329 042 42 958 244 16 013 686 3 414 484 Other income 15 238 816 451 19 142 066 351 280 067 5 763 100 Total net income 283 871 496 139 219 382 383 286 051 15 399 302 Expected credit losses Operating expenses (1 939 682) (944 435) (1 939 682) (112 801) Operating expenses (16 (131 369 507) (101 610 416) (97 353 532) (9 238 216) Total operating expenses (133 309 189) (102 554 851) (99 293 214) (9 351 017) Surplus from operations 150 562 307 36 664 531 283 992 837 6 048 285 Monetary loss adjustment (21 861 413) (306 589 217) - - Surplus/(loss) for the period 128 700 894 (269 924 686) <td< td=""><td></td><td></td><td></td><td></td><td>(3 110 602)</td><td></td></td<>					(3 110 602)				
Fees and commission expense Net fees and commission income (3 443 861) (1 763 153) (2 033 303) (141 415) (141 415) (42 958 244) (16 013 686) (3 414 484) Other income 15 238 816 451 19 142 066 351 280 067 5 763 100 Total net income 283 871 496 139 219 382 383 286 051 15 399 302 Expected credit losses Operating expenses (1 939 682) (944 435) (1 939 682) (97 353 532) (9 238 216) (112 801) (97 353 532) (9 238 216) (9 238 216) (102 554 851) (99 293 214) (9 351 017) Surplus from operations 150 562 307 36 664 531 283 992 837 6 048 285 Monetary loss adjustment (21 861 413) (306 589 217) - - Surplus/(loss) for the period 128 700 894 (269 924 686) (283 992 837) (6 048 285) 6 048 285 Other comprehensive income Gain on property and equipment revaluation net of tax 61 713 091 (11 500 439) (11 500 439) (12 71 635) (12 933 148)	Net income from property sales								
Fees and commission expense Net fees and commission income (3 443 861) (1 763 153) (2 033 303) (141 415) (141 415) (42 958 244) (16 013 686) (3 414 484) Other income 15 238 816 451 19 142 066 351 280 067 5 763 100 Total net income 283 871 496 139 219 382 383 286 051 15 399 302 Expected credit losses Operating expenses (1 939 682) (944 435) (1 939 682) (97 353 532) (9 238 216) (112 801) (97 353 532) (9 238 216) (9 238 216) (102 554 851) (99 293 214) (9 351 017) Surplus from operations 150 562 307 36 664 531 283 992 837 6 048 285 Monetary loss adjustment (21 861 413) (306 589 217) - - Surplus/(loss) for the period 128 700 894 (269 924 686) (283 992 837) (6 048 285) 6 048 285 Other comprehensive income Gain on property and equipment revaluation net of tax 61 713 091 (11 500 439) (11 500 439) (12 71 635) (12 933 148)									
Net fees and commission income 25 329 042 42 958 244 16 013 686 3 414 484 Other income 15 238 816 451 19 142 066 351 280 067 5 763 100 Total net income 283 871 496 139 219 382 383 286 051 15 399 302 Expected credit losses Operating expenses (1939 682) (944 435) (1 939 682) (112 801) Operating expenses 16 (131 369 507) (101 610 416) (97 353 532) (9 238 216) Total operating expenses (133 309 189) (102 554 851) (99 293 214) (9 351 017) Surplus from operations 150 562 307 36 664 531 283 992 837 6 048 285 Monetary loss adjustment (21 861 413) (306 589 217) - - Surplus/(loss) for the period 128 700 894 (269 924 686) 283 992 837 6 048 285 Other comprehensive income 61 713 091 11 500 439 143 717 635 12 933 148	Fees and commission income		28 772 903	44 721 397	18 046 989	3 555 899			
Other income 15 238 816 451 19 142 066 351 280 067 5 763 100 Total net income 283 871 496 139 219 382 383 286 051 15 399 302 Expected credit losses Operating expenses Operating expenses Total operating expenses (1939 682)	Fees and commission expense		(3 443 861)	(1 763 153)	(2 033 303)	(141 415)			
Total net income 283 871 496 139 219 382 383 286 051 15 399 302 Expected credit losses Operating expenses (1 939 682) (944 435) (1 939 682) (112 801) Operating expenses (131 369 507) (101 610 416) (97 353 532) (9 238 216) Total operating expenses (133 309 189) (102 554 851) (99 293 214) (9 351 017) Surplus from operations 150 562 307 36 664 531 283 992 837 6 048 285 Monetary loss adjustment (21 861 413) (306 589 217) - - Surplus/(loss) for the period 128 700 894 (269 924 686) 283 992 837 6 048 285 Other comprehensive income 61 713 091 11 500 439 143 717 635 12 933 148	Net fees and commission income		25 329 042	42 958 244	16 013 686	3 414 484			
Total net income 283 871 496 139 219 382 383 286 051 15 399 302 Expected credit losses Operating expenses (1 939 682) (944 435) (1 939 682) (112 801) Operating expenses (1 31 369 507) (101 610 416) (97 353 532) (9 238 216) Total operating expenses (133 309 189) (102 554 851) (99 293 214) (9 351 017) Surplus from operations 150 562 307 36 664 531 283 992 837 6 048 285 Monetary loss adjustment (21 861 413) (306 589 217) - - Surplus/(loss) for the period 128 700 894 (269 924 686) 283 992 837 6 048 285 Other comprehensive income 61 713 091 11 500 439 143 717 635 12 933 148	011	4-	000 040 454	10 1 10 000	251 222 227	5 700 400			
Expected credit losses Operating expenses 16 (1 939 682) (131 369 507) (101 610 416) (97 353 532) (9 238 216) (133 309 189) (102 554 851) (99 293 214) (9 351 017) Surplus from operations 150 562 307 36 664 531 283 992 837 6 048 285 Monetary loss adjustment (21 861 413) (306 589 217) - Surplus/(loss) for the period 128 700 894 (269 924 686) 283 992 837 6 048 285 Other comprehensive income Gain on property and equipment revaluation net of tax 61 713 091 11 500 439 143 717 635 12 933 148	Other income	15	238 816 451	19 142 066	351 280 067	5 /63 100			
Operating expenses 16 (131 369 507) (101 610 416) (97 353 532) (9 238 216) Total operating expenses (133 309 189) (102 554 851) (99 293 214) (9 351 017) Surplus from operations 150 562 307 36 664 531 283 992 837 6 048 285 Monetary loss adjustment (21 861 413) (306 589 217) - - Surplus/(loss) for the period 128 700 894 (269 924 686) 283 992 837 6 048 285 Other comprehensive income 6 048 285 6 048 285 11 500 439 143 717 635 12 933 148	Total net income		283 871 496	139 219 382	383 286 051	15 399 302			
Operating expenses 16 (131 369 507) (101 610 416) (97 353 532) (9 238 216) (9 238 216) (102 554 851) (99 293 214) (9 351 017) Surplus from operations 150 562 307 36 664 531 283 992 837 6 048 285 Monetary loss adjustment (21 861 413) (306 589 217) Surplus/(loss) for the period 128 700 894 (269 924 686) 283 992 837 6 048 285 Other comprehensive income Gain on property and equipment revaluation net of tax 61 713 091 11 500 439 143 717 635 12 933 148	For a short our distances		(4.000.000)	(0.4.4.405)	(4.000.000)	(110.001)			
Total operating expenses (133 309 189) (102 554 851) (99 293 214) (9 351 017) Surplus from operations 150 562 307 36 664 531 283 992 837 6 048 285 Monetary loss adjustment (21 861 413) (306 589 217) - - Surplus/(loss) for the period 128 700 894 (269 924 686) 283 992 837 6 048 285 Other comprehensive income 61 713 091 11 500 439 143 717 635 12 933 148		10	,	,	,				
Surplus from operations 150 562 307 36 664 531 283 992 837 6 048 285 Monetary loss adjustment (21 861 413) (306 589 217) - - Surplus/(loss) for the period 128 700 894 (269 924 686) 283 992 837 6 048 285 Other comprehensive income Gain on property and equipment revaluation net of tax 61 713 091 11 500 439 143 717 635 12 933 148		16			,	,			
Monetary loss adjustment (21 861 413) (306 589 217) - - Surplus/(loss) for the period 128 700 894 (269 924 686) 283 992 837 6 048 285 Other comprehensive income Gain on property and equipment revaluation net of tax 61 713 091 11 500 439 143 717 635 12 933 148	iotal operating expenses		(133 309 189)	(102 554 851)	(99 293 214)	(9 351 017)			
Monetary loss adjustment (21 861 413) (306 589 217) - - Surplus/(loss) for the period 128 700 894 (269 924 686) 283 992 837 6 048 285 Other comprehensive income Gain on property and equipment revaluation net of tax 61 713 091 11 500 439 143 717 635 12 933 148	Surplus from operations		150 562 307	36 664 531	283 992 837	6 048 285			
Surplus/(loss) for the period 128 700 894 (269 924 686) 283 992 837 6 048 285 Other comprehensive income Gain on property and equipment revaluation net of tax 61 713 091 11 500 439 143 717 635 12 933 148									
Other comprehensive income Gain on property and equipment revaluation net of tax 61 713 091 11 500 439 143 717 635 12 933 148	Monetary loss adjustment		(21 861 413)	(306 589 217)	-	-			
Other comprehensive income Gain on property and equipment revaluation net of tax 61 713 091 11 500 439 143 717 635 12 933 148	0 1 111 11 11		100 700 004	(222 224 222)	202 202 207	0.040.005			
Gain on property and equipment revaluation net of tax 61 713 091 11 500 439 143 717 635 12 933 148	Surplus/(loss) for the period		128 700 894	(269 924 686)	283 992 837	6 048 285			
Gain on property and equipment revaluation net of tax 61 713 091 11 500 439 143 717 635 12 933 148	Other comprehensive income								
	•	ax	61 713 091	11 500 439	143 717 635	12 933 148			
Total comprehensive income/(loss) for the period 190 413 985 (258 424 247) 427 710 472 18 981 433	The property and equipment to addition not of t		0001						
	Total comprehensive income/(loss) for the period	I	190 413 985	(258 424 247)	427 710 472	18 981 433			

For the six months ended 30 June 2020						
INFLATION ADJUSTED	Share capital ZWL\$	Share premium ZWL\$	Revaluation reserve ZWL\$	Regulatory provision reserve	Retained earnings ZWL\$	Total
			ZVVL			
Opening balance as at 1 January 2019	3 523 404	250 658 092	-	15 752 247	676 636 523	946 570 266
Loss for the period	-	-	-	-	(403 403 262)	(403 403 262)
Other comprehensive income Regulatory Impairment allowance Revaluation gain on property and equipment	-	- -	73 996 870	(15 752 247) -	15 752 247 -	73 996 870
Total comprehensive income	-		73 996 870	(15 752 247)	(387 651 015)	(329 406 392)
Transactions with owners recorded directly in equity Dividend paid Shareholders equity as at 31 December 2019	3 523 404	- 250 658 092	73 996 870		(82 533 481) 206 452 027	(82 533 481) 534 630 393
Opening balance as at 1 January 2020	3 523 404	250 658 092	73 996 870	-	206 452 027	534 630 393
Surplus for the period	-	-	-	-	128 700 894	128 700 894
Other comprehensive income Revaluation gain on property and equipment			61 713 091		-	61 713 091
Total comprehensive income	-		61 713 091		128 700 894	190 413 985
Shareholders equity as at 30 June 2020	3 523 404	250 658 092	135 709 961		335 152 921	725 044 378
HISTORICAL COST						
Opening balance as at 1 January 2019	156 175	11 110 424	113 460	967 963	41 289 413	53 637 435
Surplus for the period	-	-	-	-	32 478 954	32 478 954
Other comprehensive income Regulatory Impairment allowance Revaluation gain on property and equipment	-	_	67 462 800	(967 963)	967 963	- 67462 800
Total comprehensive income	-	-	67 462 800	(967 963)	33 446 917	99 941 754
Transactions with owners recorded directly in equity Dividend paid Shareholders equity as at 31 December 2019	156 175	11 110 424	67 576 260	<u>-</u>	(8 167 172) 66 569 158	(8 167 172) 145 412 017
Opening balance as at 1 January 2020	156 175	11 110 424	67 576 260	-	66 569 158	145 412 017
	130 173	11 110 424	07 570 200	-	283 992 837	283 992 837
Surplus for the period		_	-	-	200 992 001	200 992 001
Other comprehensive income Revaluation gain on property and equipment	-		143 717 635		-	143 717 635
Total comprehensive income	156 175	11 110 424	211 293 895	-	350 561 995	573 122 489
Shareholders equity as at 30 June 2020	156 175	11 110 424	211 293 895	-	350 561 995	573 122 489

STATEMENT OF CASH FLOWS For the six months ended 30 June 2020					
		INFLATION	ADJUSTED	*HISTORI	CAL COST
	Notes	Reviewed 30 Jun 2020 ZWL\$	Reviewed 30 Jun 2019 ZWL\$	Reviewed 30 Jun 2020 ZWL\$	Reviewed 30 Jun 2019 ZWL\$
CASH FLOW FROM OPERATING ACTIVITIES					
Surplus/(loss) for the period Adjustments for:		128 700 894	(269 924 686)	283 992 837	6 048 285
Depreciation of property and equipment Amortisation of intangible assets Depreciation of right of use assets Lease finance costs Expected credit losses Fair value gain on investment properties Net cash generated/(used in) before changes in working capital	8 9 10 3 15	4 779 848 63 433 128 598 25 493 1 939 682 (125 531 435) 10 106 513	3 841 165 190 304 - - 944 435 (7 749 211) (272 697 993)	3 366 463 2 812 25 200 9 347 1 939 682 (238 564 044) 50 772 297	195 444 8 435 - - 112 801 (1 310 175) 5 054 790
Decrease/(increase) in financial assets at amortised cospecrease/(increase) in loans and advances to custo Increase in embedded derivative Decrease/(increase) in inventory (Increase)/decrease in other assets (Decrease)/increase in deposits from banks Increase/(decrease) in deposits from customers Increase/(decrease) in other liabilities Net cash generated from/(used in) operating activities	mers	109 502 107 21 995 855 (6 872 196) (25 535 965) (57 200 771) (29 903 210) 10 598 108 76 554 868 109 245 309	769 800 394 492 256 713 - 14 244 073 (164 972 006) (475 497 652) (516 137 379) (88 330 900) (241 334 750)	(49 868 515) (99 484 221) (49 297 589) (24 889 245) (90 884 049) 159 738 978 143 126 570 107 317 043 146 531 269	10 652 939 (1 345 996) - (1 853 952) (3 270 207) (424 448) 1 992 961 (1 153 924) 9 652 163
CASH FLOW FROM INVESTING ACTIVITIES					
Capital expenditure on: Purchase of property and equipment Purchase of investment properties Net cash used in investing activities	8 7	(18 560 064) (547 991) (19 108 055)	(5 240 416) (383 876) (5 624 292)	(16 757 462) (531 403) (17 288 865)	(475 708) (29 256) (504 964)
CASH FLOW FROM FINANCING ACTIVITIES					
Borrowings repayments Dividend paid Operating lease payments Net cash used in financing activities		(12 549 561) - (177 507) (12 727 068)	(14 055 608) (67 483 039) - (81 538 647)	(8 180 767) - (141 600) (8 322 367)	(1 383 045) (5 143 030) - (6 526 075)
Net increase/(decrease) in cash and cash equiva Effect of changes in exchange rates Cash and cash equivalents at the beginning of the p		77 410 186 (7 165 784) 108 756 853	(328 497 689) 120 210 512 438 605 260	120 920 037 16 569 636 41 511 582	2 621 124 (2 064 441) 26 951 943
Cash and cash equivalents at the end of the period	od 1	179 001 255	230 318 083	179 001 255	27 508 626

*The historic amounts are shown as supplementary information. This information does not comply with the International Financial Reporting Standards in that it has not taken into account the requirements of International Accounting Standard 29 - Financial Reporting for Hyperinflationary Economies. As a result the auditors have not expressed an opinion on this historic financial information.

AUDIT REVIEW CONCLUSION

These condensed interim financial results for the six months ended 30 June 2020 have been reviewed by Deloitte & Touche and a modified review conclusion issued thereon on the basis of the possible effects of the matter on comparability of the current year's inflation adjusted interim financial information with that of the prior year as a result of the incorrect date of application of International Accounting Standard 21 "The Effects of changes in Foreign exchange Rates" ("IAS 21") in the prior year.

The review conclusion has been made available to management and those charged with governance of FBC Building Society. The engagement partner responsible for this review is Tapiwa Chizana. The auditor's report on these interim financial results is available for inspection at the Society's registered office.

tor ir	spection at the Society's registered oπice.				
	TES TO THE FINANCIAL RESULTS the six months ended 30 June 2020				
		INFLATION	N ADJUSTED	HISTORI	CAL COST
		Reviewed 30 June 2020 ZWL\$	Audited 31 Dec 2019 ZWL\$	Reviewed 30 June 2020 ZWL\$	Audited 31 Dec 2019 ZWL\$
1	CASH AND CASH EQUIVALENTS Cash on hand Cash at bank Balances with Reserve Bank of Zimbabwe ("RBZ") Interbank short term investments	8 818 410 139 143 422 10 943 533 20 095 890 179 001 255	7 739 470 39 124 818 17 252 343 44 640 222 108 756 853	8 818 410 139 143 422 10 943 533 20 095 890 179 001 255	2 954 091 14 933 616 6 585 075 17 038 800 41 511 582
2	FINANCIAL ASSETS AT AMORTISED COST Treasury bills Savings bonds Gross financial assets at amortised cost Expected credit loss allowance	106 753 512 42 423 828 149 177 340 (926 790) 148 250 550	153 110 549 105 813 527 258 924 076 (1 171 419) 257 752 657	106 753 512 42 423 828 149 177 340 (926 790) 148 250 550	58 441 017 40 388 139 98 829 156 (447 121) 98 382 035
2.1	Maturity analysis of financial assets at amortised cost 1 month to 3 months 3 months to 1 year	5 593 957 142 656 593 148 250 550	5 574 264 252 178 393 257 752 657	5 593 957 142 656 593 148 250 550	2 127 650 96 254 385 98 382 035
3	LOANS AND ADVANCES TO CUSTOMERS Short term loan advances Medium term facility Mortgage loan advances Gross loans and advances to customers Expected credit loss allowance Net loans and advances to customers	37 295 099 2 156 651 140 136 311 179 588 061 (7 051 927) 172 536 134	62 717 663 7 439 767 141 300 236 211 457 666 (14 985 995) 196 471 671	37 295 099 2 156 651 140 136 311 179 588 061 (7 051 927) 172 536 134	23 938 808 2 839 697 53 933 119 80 711 624 (5 720 029) 74 991 595
3.1	Maturity analysis of loans and advances Up to 1 month 1 month to 3 months 3 months to 1 year 1 year to 5 years Over 5 years	2 770 802 5 541 603 20 942 828 50 447 842 92 833 059 172 536 134	4 138 126 8 276 254 30 528 145 40 941 106 112 588 040 196 471 671	2 770 802 5 541 603 20 942 828 50 447 842 92 833 059 172 536 134	1 579 488 3 158 977 11 652 338 15 626 878 42 973 914 74 991 595
3.2	Exposure to credit risk Carrying amount	172 536 134	196 471 671	172 536 134	74 991 595
	Past due and impaired Grade 8: Impaired Grade 9: Impaired Grade 10: Impaired Gross carrying amount Expected credit loss allowance Carrying amount	529 046 359 763 1 763 514 2 652 323 (915 982) 1 736 341	827 003 648 264 6 848 879 8 324 146 (2 849 243) 5 474 903	529 046 359 763 1 763 514 2 652 323 (915 982) 1 736 341	315 660 247 437 2 614 160 3 177 257 (1 087 532) 2 089 725
	Neither past due nor impaired Grades 1-3: low fair risk Grades 4-7: watch list Gross amount Expected credit loss allowance Carrying amount	155 133 438 21 802 300 176 935 738 (6 135 945) 170 799 793	179 581 131 23 552 389 203 133 520 (12 136 752) 190 996 768	155 133 438 21 802 300 176 935 738 (6 135 945) 170 799 793	68 544 617 8 989 750 77 534 367 (4 632 497) 72 901 870

172 536 134 196 471 671 172 536 134

74 991 595

Total carrying amount



FOR THE SIX MONTHS ENDED 30 JUNE 2020

	30 June 2020	31 Dec 2019	30 June 2020	31 Dec 2019
	ZWL\$	ZWL\$	ZWL\$	ZWL\$
4 EMBEDDED DERIVATIVE RBZ Shelter Afrique legacy debt gross carrying amount Expected credit impairment loss allowance Carrying amount	75 734 682	68 925 431	75 734 682	26 308 261
	(247 219)	(310 164)	(247 219)	(118 387)
	75 487 463	68 615 267	75 487 463	26 189 874

The Building Society recognised a financial asset of ZWL\$75 487 463 which relates to the Reserve Bank of Zimbabwe ("RBZ")

	The Building Society recognised a financial asset of ZWL\$ funding the Building Society's foreign liability funding gap by the Reserve Bank of Zimbabwe. The arrangement with	which arose afte th the Reserve E	r separation of RT0 Bank was determin	GS and foreign cued in accordanc	urrency balances e with IFRS 9 to
	contain an embedded derivative which is recognised at fa in profit or loss. The fair value of the financial asset on cashflows. Subsequently the financial asset was remeasu	initial recognition	on was determine	d as the presen	t value of future
			N ADJUSTED		ICAL COST
		Reviewed 30 June 2020 ZWL\$	Audited 31 Dec 2019 ZWL\$	Reviewed 30 June 2020 ZWL\$	Audited 31 Dec 2019 ZWL\$
5	INVENTORY				<u> </u>
	Raw materials Work in progress	1 048 231 128 037 307	11 304 393 143 385 888	643 994 31 345 428	957 600 11 685 054
	Completed units	129 085 538	18 126 652 172 816 933	31 989 422	882 922 13 525 576
6	OTHER ASSETS				
	Prepayments Other	93 603 031 46 777 603	27 467 777 55 712 087	72 565 259 44 080 407	7 712 233 18 267 309
-	INVESTMENT PROPERTIES	140 380 634	83 179 864	116 645 666	25 979 542
7	INVESTMENT PROPERTIES Opening balance Fair value adjustment	86 641 771 140 735 988	6 346 707 44 643 120	33 070 440 261 430 839	390 000 31 039 167
	Additions	547 991	528 406	531 492	84 421
	Transfer from property and equipment Transfer from inventory	6 897 950 69 267 360	35 123 538	2 632 890 6 425 399	1 556 852
•	Closing balance	304 091 060	86 641 771	304 091 060	33 070 440
8	PROPERTY AND EQUIPMENT Cost	107.040.577	100 000 001	75 517 500	E 00E 040
	Carrying amount at beginning of the period Gross carrying amount	197 849 577 225 554 513	120 693 321 149 224 203	75 517 530 75 517 530	5 395 348 6 635 806
	Accumulated depreciation and impairment	(27 704 936)	(28 530 882)	-	(1 240 458)
	Additions Transfers to investment property	18 560 064 (6 897 950)	9 014 370 -	16 757 462 (2 632 890)	1 622 357 -
	Gains on property and equipment revaluation Disposals	64 961 149	76 846 096 (399 740)	154 173 990 -	68 959 517 (17 720)
	Depreciation for the period Carrying amount at end of the period	(4 529 557) 269 943 283	(8 304 470) 197 849 577	(3 479 149) 240 336 943	(441 972) 75 517 530
9	INTANGIBLE ASSETS				
	Opening net carrying amount Amortisation charge	63 433 (63 433)	444 043 (380 609)	2 812 (2 812)	19 682 (16 870)
	Closing net carrying amount	-	63 433	-	2 812
10	RIGHT OF USE ASSETS Gross carrying amount right of use asset	1 882 632	-	294 769	-
	Initial recognition of gross carrying amount right of use asset	-	2 219 548		90 029
	Remeasurement adjustment Depreciation charge for the period	- (128 598)	(336 916)	(25 200)	241 653 (36 913)
	Carrying amount at end of the period	1 754 034	1 882 632	269 569	294 769
11	DEPOSITS AND BORROWINGS				
11.1	Deposits from banks Money market deposits	276 808 135	306 711 345	276 808 135	117 069 157
11.2	Deposits from customers Retail savings deposits	116 352 356	61 197 434	116 352 356	23 358 549
	Money market deposits Fixed deposits	95 441 840 13 144 315	133 029 832 20 113 137	95 441 840 13 144 315	50 776 375 7 677 017
	·	224 938 511	214 340 403	224 938 511	81 811 941
11.3	Borrowings Offshore borrowings	67 263 188	67 807 853	67 263 188	25 881 691
	Total deposits and borrowings	569 009 834	588 859 601	569 009 834	224 762 789
11.4	Maturity analysis of deposits and borrowings Up to 1 month	483 774 764	427 310 377	483 774 764	163 100 800
	1 month to 3 months	25 332 749	75 922 605	25 332 749	28 979 024
	3 months to 1 year Over 1 year	27 717 314 32 185 007	27 842 449 57 784 170	27 717 314 32 185 007	10 627 230 22 055 735
40	O-11-0 11-0 11-1-0	569 009 834	588 859 601	569 009 834	224 762 789
12	OTHER LIABILITIES Trade and other payables	39 314 241	31 596 621	39 314 241	12 060 166
	Deferred income Provisions	8 575 223 78 417 562	3 112 916 15 042 621	8 575 223 78 417 562	1 188 174 5 741 643
		126 307 026	49 752 158	126 307 026	18 989 983
		INFLATIO Reviewed	N ADJUSTED Reviewed	HISTOR Reviewed	ICAL COST Reviewed
		30 June 2020 ZWL\$	30 June 2019 ZWL\$	30 June 2020 ZWL\$	30 June 2019 ZWL\$
13	INTEREST INCOME Loans and advances to customers	29 512 215	53 906 859	18 303 625	4 281 613
	Interbank money market investments Financial assets at amortised cost	456 958 10 025 063	1 250 402 48 427 889	247 808 5 876 738	96 065 3 859 553
		39 994 236	103 585 150	24 428 171	8 237 231
14	INTEREST EXPENSE Deposits from banks	3 656 586	17 622 308	892 652	1 429 474
	Deposits from customers - retail savings Offshore borrowings	183 010 2 855 245	953 462 5 594 867	13 068 293 1 704 181	72 695 470 219
	Deposits from customers - time deposits	19 059 286 25 754 127	13 458 378 37 629 015	472 621 16 137 747	1 093 108 3 065 496
15	OTHER INCOME				
	Fair value adjustment on investment properties net of capital gains tax	125 531 435	16 627 204	238 564 044	1 310 175
	Foreign exchange gains Rent received	111 765 222 1 374 492	54 606 470 1 186 549	111 765 222 860 002	4 302 830 98 341
	Other	145 302	(53 278 157) 19 142 066	90 799	51 754
16	OPERATING EXPENSES	238 816 451	19 142 066	351 280 067	5 763 100
16	Administration expenses	65 500 114	57 116 666 37 329 130	50 304 412	5 448 070
	Personnel expenses	58 599 819	37 329 130	41 865 031	3 285 231

2 297 695

4 971 879

131 369 507

17	LIQUIDITY RISK
	Contractual maturity profile of assets and liabilities
	30 June 2020 - Reviewed

INFLATION ADJUSTED / HISTORICAL COST

	Up to 30	31-90	91-365	Over 1	
	days	days	days	year	Total
	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$
Liabilities					
Deposits from banks	271 794 802	5 013 333	-	-	276 808 135
Deposits from customers	211 979 962	11 549 871	1 408 678	-	224 938 511
Borrowings	-	8 769 545	8 769 545	49 724 098	67 263 188
Lease liabilities	14 059	28 119	42 178	84 357	168 713
Other liabilities	59 972 139	53 407 605	9 697 631	3 229 651	126 307 026
Total liabilities	543 760 962	78 768 473	19 918 032	53 038 106	695 485 573
Assets					
Cash and cash equivalents	179 001 255	-	-	-	179 001 255
Financial assets at amortised cost	-	5 593 957	142 656 593	-	148 250 550
Loans and advances to customers	2 770 802	5 541 603	20 942 828	143 280 901	172 536 134
Embedded derivative		8 769 545	26 308 636	40 409 282	75 487 463
Total assets	181 772 057	19 905 105	189 908 057	183 690 183	575 275 402
Liquidity gap	(361 988 905)	(58 863 368)	169 990 025	130 652 077	(120 210 171)
				_	
Cumulative liquidity gap	(361 988 905)	(420 852 273)	(250 862 248)	(120 210 171)	

17.1 LIQUIDITY RISK

Contractual maturity profile of assets and liabilities

31 December 2019 - Audited

INFLATION ADJUSTE					
	INE	ION	AD I	ILICI	LED

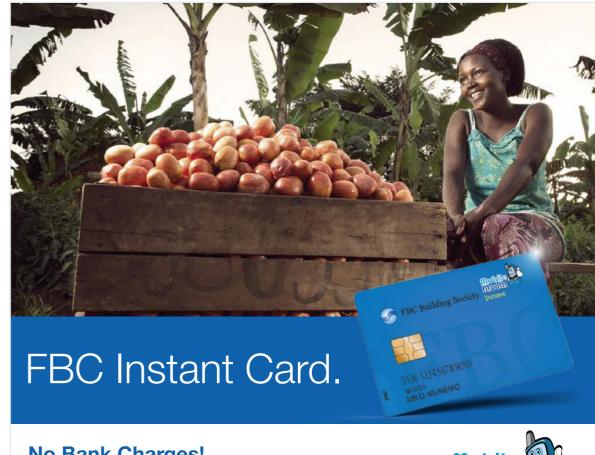
	Up to 30 days ZWL\$	31-90 days ZWL \$	91-365 days ZWL \$	Over 1 year ZWL\$	Total ZWL\$
Liabilities					
Deposits from banks	269 926 539	36 784 806	-	-	306 711 345
Deposits from customers	157 383 839	31 603 595	5 239 832	20 113 137	214 340 403
Borrowings	-	7 534 205	22 602 617	37 671 031	67 807 853
Lease liabilities	39 673	76 004	292 770	380 059	788 506
Other liabilities	29 834 276	5 788 560	4 574 502	9 554 820	49 752 158
Total liabilities	457 184 327	81 787 170	32 709 721	67 719 047	639 400 265
Assets					
Cash and cash equivalents	108 756 853	-	-	-	108 756 853
Financial assets at amortised cost	-	5 574 264	252 178 393	-	257 752 657
Loans and advances to customers	4 138 126	8 276 254	30 528 145	153 529 146	196 471 671
Embedded derivative	-	7 658 381	22 975 143	37 981 743	68 615 267
Total assets	112 894 979	21 508 899	305 681 681	191 510 889	631 596 448
	(2.1.222.212)	(22 272 271)			(= 000 0 1=)
Liquidity gap	(344 289 348)	(60 278 271)	272 971 960	123 791 842	(7 803 817)
Cumulative liquidity gap	(344 289 348)	(404 567 619)	(131 595 659)	(7 803 817)	

17.2 LIQUIDITY RISK

Contractual maturity profile of assets and liabilities 31 Dec 2019 - Audited

HISTORICAL COST

	Up to 30	31-90	91-365	Over 1	Tetal
	days ZWL\$	days ZWL\$	days ZWL\$	year ZWL\$	Total ZWL\$
Liabilities					
Deposits from banks	103 028 704	14 040 453	-	-	117 069 157
Deposits from customers	60 072 096	12 062 828	2 000 000	7 677 017	81 811 941
Borrowings	-	2 875 743	8 627 230	14 378 718	25 881 691
Lease liabilities	15 143	29 010	111 748	145 065	300 966
Other liabilities	11 387 494	2 209 445	1 746 049	3 646 995	18 989 983
Total liabilities	174 503 437	31 217 479	12 485 027	25 847 795	244 053 738
A					
Assets	44 544 500				44 544 500
Cash and cash equivalents	41 511 582	-	-	-	41 511 582
Financial assets at amortised cost		2 127 650	96 254 385	-	98 382 035
Loans and advances to customers	1 579 488	3 158 977	11 652 338	58 600 792	74 991 595
Embedded derivative		2 923 140	8 769 420	14 497 314	26 189 874
Total assets	43 091 070	8 209 767	116 676 143	73 098 106	241 075 086
Liquidity gap	(131 412 367)	(23 007 712)	104 191 116	47 250 311	(2 978 652)
Cumulative liquidity gap	(131 412 367)	(154 420 079)	(50 228 963)	(2 978 652)	



No Bank Charges! **No Bank Account Needed!**

Call SMS or WhatsApp our FBC Help Centre on:

● +263 772 419 693 and +263 772 152 647 | EMAIL: help@fbc.co.zw | ⑤ FBC.Help.Centre









3 285 231

286 974

217 941

9 238 216

41 865 031

1 459 003

3 725 086

97 353 532

37 329 130

3 133 151

4 031 469

101 610 416

Depreciation and amortisation

Directors fees



FOR THE SIX MONTHS ENDED 30 JUNE 2020

INTEREST RATE RISK							
Interest rate repricing gap 30 June 2020 - Reviewed							
INFLATION ADJUSTED	Up to 30	31-90	91-180	181-365	Over 365	Non interest	
	days	days	days	days	days	bearing	Total
	ZWL\$						
Assets							
Cash and cash equivalents	-	-	-	-	-	179 001 255	179 001 255
Financial assets at amortised cost	-	5 593 957	58 539 485	84 117 108	-	-	148 250 550
Loans and advances to customers	172 536 134	-	-	-	-	-	172 536 134
Embedded derivative	-	-	-	-	-	75 487 463	75 487 463
Inventory	-	-	-	-	-	129 085 538	129 085 538
Other assets	-	-	-	-	-	140 380 634	140 380 634
Investment properties	-	-	-	-	-	304 091 060	304 091 060
Property and equipment	-	-	-	-	-	269 943 283	269 943 283
Intangible assets	-	-	-	-	-	-	-
Right of use assets	-	-	-	-	-	1 754 034	1 754 034
Total assets	172 536 134	5 593 957	58 539 485	84 117 108	-	1 099 743 267	1 420 529 951
Liabilities							
Deposits from banks	271 794 802	5 013 333					276 808 135
Deposits from customers	211 979 962	11 549 871	1 408 678	-	-	-	224 938 511
•	67 263 188	11 549 67 1	1 400 070	-	-	-	67 263 188
Borrowings	67 263 188	-	-	-	-	- 168 713	168 713
Lease liability Other liabilities	-	-	-	-	-	126 307 026	126 307 026
	-	-	-	-	-		
Equity	-	40 500 004	4 400 070			725 044 378	725 044 378
Total liabilities	551 037 952	16 563 204	1 408 678	-	-	851 520 117	1 420 529 951
Liquidity gap	(378 501 818)	(10 969 247)	57 130 807	84 117 108	-	248 223 150	
Cumulative liquidity gap	(378 501 818)	(389 471 065)	(332 340 258)	(248 223 150)	(248 223 150)		

18.2	INTEREST RATE RISK
	Interest rate repricing gap
	31 December 2019 - Audited

31 December 2019 - Audited							
INFLATION ADJUSTED	Up to 30	31-90	91-180	181-365	Over 365	Non interest	
	days	days	days	days	days	bearing	Total
	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$
Assets							
Cash and cash equivalents	44 640 223	-	-	-	-	64 116 630	108 756 853
Financial assets at amortised cost	-	5 574 264	192 025 865	60 152 528	-	-	257 752 657
Loans and advances to customers	196 471 671	-	-	-	-	-	196 471 671
Embedded derivative	-	-	-	-	-	68 615 267	68 615 267
Inventory	-	-	-	-	-	172 816 933	172 816 933
Other assets	-	-	-	-	-	83 179 864	83 179 864
Investment properties	-	-	-	-	-	86 641 771	86 641 771
Property and equipment	-	-	-	-	-	197 849 577	197 849 577
Intangible assets	-	-	-	-	-	63 433	63 433
Right of use assets		-	-	-		1 882 632	1 882 632
Total assets	241 111 894	5 574 264	192 025 865	60 152 528		675 166 107	1 174 030 658
Liabilities							
Deposits from banks	269 926 539	36 784 806	-	-	-	-	306 711 345
Deposits from customers	157 383 839	31 603 595	-	5 239 832	20 113 137	-	214 340 403
Borrowings	67 807 853	-	-	-	-	-	67 807 853
Lease liability	-	-	-	-	-	788 506	788 506
Other liabilities	-	-	-	-	-	49 752 158	49 752 158
Equity		-	-	-		534 630 393	534 630 393
Total liabilities	495 118 231	68 388 401	-	5 239 832	20 113 137	585 171 057	1 174 030 658
Interest rate repricing gap	(254 006 337)	(62 814 137)	192 025 865	54 912 696	(20 113 137)	89 995 050	-
Cumulative interest rate repricing ga	ap (254 006 337)	(316 820 474)	(124 794 609)	(69 881 913)	(89 995 050)	-	

18.3 INTEREST RATE REPRICING GAP

30 June 2020 - Reviewed HISTORICAL

	Up to 30	31-90	91-180	181-365	1 to 5	Over 5	
	days	days	days	days	years	years	Total
	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$
Assets							
Cash and cash equivalents	-	-	-	-	-	179 001 255	179 001 255
Financial assets at amortised cost	-	5 593 957	58 539 485	84 117 108	-	-	148 250 550
Loans and advances to customers	172 536 134	-	-	-	-	-	172 536 134
Embedded derivative	-	-	-	-	-	75 487 463	75 487 463
Inventory	-	-	-	-	-	31 989 422	31 989 422
Other assets	-	-	-	-	-	116 645 666	116 645 666
Investment properties	-	-	-	-	-	304 091 060	304 091 060
Intangible assets	-	-	-	-	-	-	-
Right of use assets	-	-	-	-	-	269 569	269 569
Property and equipment	-	-	-	-	-	240 336 943	240 336 943
Total assets	172 536 134	5 593 957	58 539 485	84 117 108		947 821 378	1 268 608 062
Liabilities							
Deposits from banks	271 794 802	5 013 333	-	-	-	-	276 808 135
Deposits from customers	211 979 962	11 549 871	1 408 678	-	-	-	224 938 511
Borrowings	67 263 188	-	-	-	-	-	67 263 188
Lease liability	-	-	-	-	-	168 713	168 713
Other liabilities	-	-	-	-	-	126 307 026	126 307 026
Equity		-	-	-		573 122 489	573 122 489
Total liabilities	551 037 952	16 563 204	1 408 678	-		699 598 228	1268 608 062
Liquidity gap	(378 501 818)	(10 969 247)	57 130 807	84 117 108		248 223 150	
Cumulative liquidity gap	(378 501 818)	(389 471 065)	(332 340 258)	(248 223 150)	(248 223 150)	-	

INTEREST RATE RISK							
Interest rate repricing gap							
31 December 2019 - Audited HISTORICAL COST	Up to 30 days	31-90 days ZWL\$	91-180 days ZWL\$	181-365 days ZWL\$	Over 365 days ZWL\$	Non interest bearing ZWL\$	Total ZWL\$
Assets							
Cash and cash equivalents	17 038 800	-	-	-	-	24 472 782	41 511 582
Financial assets at amortised cost	-	2 127 650	73 294 668	22 959 717	-	-	98 382 035
Loans and advances to customers	74 991 595	-	-	-	-	-	74 991 595
Embedded derivative	-	-	-	-	-	26 189 874	26 189 874
Inventory	-	-	-	-	-	13 525 576	13 525 576
Other assets	-	-	-	-	-	25 979 542	25 979 542
Investment properties	-	-	-	-	-	33 070 440	33 070 440
Property and equipment	-	-	-	-	-	75 517 530	75 517 530
Intangible assets	-	-	-	-	-	2 812	2 812
Right of use assets	-					294 769	294 769
Total assets	92 030 395	2 127 650	73 294 668	22 959 717		199 053 325	389 465 755
Liabilities							
Deposits from banks	103 028 704	14 040 453	-	-	-	-	117 069 157
Deposits from customers	60 072 096	12 062 828	-	2 000 000	7 677 017	-	81 811 941
Borrowings	25 881 691	-	-	-	-	-	25 881 691
Lease liability	-	-	-	-	-	300 966	300 966
Other liabilities	-	-	-	-	-	18 989 983	18 989 983
Equity	-	-				145 412 017	145 412 017
Total liabilities	188 982 491	26 103 281		2 000 000	7 677 017	164 702 966	389 465 755
<u>-</u>							
Interest rate repricing gap	(96 952 096)	(23 975 631)	73 294 668	20 959 717	(7 677 017)	34 350 359	
Cumulative interest rate repricing gap	(96 952 096)	(120 927 727)	(47 633 059)	(26 673 342)	(34 350 359)	-	

		Reviewed	Audited	Reviewed	Audited
		30 June 2020	31 Dec 2019	30 June 2020	31 Dec 2019
		ZWL\$	ZWL\$	ZWL\$	ZWL\$
19	CAPITAL ADEQUACY RATIO	21120	21120	Σττιφ	21120
19					
	Core Capital Tier 1	054 404 400	00 517 540	44 000 500	11 000 500
	Issued and fully paid up ordinary share capital	254 181 496	29 517 542	11 266 599	11 266 599
	Retained earnings	335 152 921	174 405 595	350 561 995	66 569 158
	Capital allocated for market and operational risk	(7 463 179)	(9 608 233)	(4 290 692)	(3 667 382)
	Advances to insiders	(2 156 651)	(7 439 767)	(2 156 651)	(2 839 697)
	Total core capital	587 177 766	186 875 137	355 381 251	71 328 678
	Supplementary Capital Tier 2				
	Revaluation reserves	135 709 961	177 044 116	211 293 895	67 576 260
	Tier 3				
	Capital allocated for market and operational risk	7 463 179	9 608 233	4 290 692	3 667 382
	Capital allocated for market and operational not	7 400 170	0 000 200	4 200 00Z	0 007 002
	Core capital plus supplementary capital	722 887 727	373 527 486	570 965 838	142 572 320
	Total risk weighted assets	1 746 415 974	637 608 209	1 004 040 329	243 369 725
	Tier 1 capital ratio	33%	29%	36%	29%
	Tier 2 capital ratio	7%	27%	21%	27%
	Tier 3 capital ratio	0%	2%	0%	2%
	·				
	Capital adequacy ratio	41%	59%	57%	59%
		,-		2.,.	
20	CAPITAL COMMITMENTS				
	Capital expenditure authorised not yet undertaken	1 164 331	17 696 675	1 164 331	6 754 673
	Suprial Superioritate data of 1900 flot yet dildertaken	. 104 001	555 676	. 104 001	3.04010

INFLATION ADJUSTED

HISTORICAL COST

RESERVE BANK OF ZIMBABWE ONSITE EXAMINATION

The Building Society has its corporate governance and risk management processes independently audited by the Reserve Bank of Zimbabwe.

FBC Building Society CAMELS* ratings

CAMELS* component	Latest RBS** ratings 30 June 2014	Previous RBS** ratings 30 Sept 2007
Capital adequacy	2	2
Asset quality	3	2
Management	2	2
Earnings	2	2
Liquidity	1	2
Sensitivity to market risk	2	2
Overall composite rating	2	2

*CAMELS is an acronym for capital adequacy, asset quality, management, earnings, liquidity, and sensitivity to market risk. CAMELS rating system uses a rating scale of 1-5, where '1' is strong, '2' is satisfactory, '3' is fair, '4' is weak and '5' is critical.

^{**}RBS stands for Risk-Based Supervision.

Summary Risk Assessment System (RAS) ratings							
RAS component	Latest RAS rating 30 June 2014						
Overall inherent risk	Moderate						
Overall risk management systems	Acceptable						
Overall composite risk	Moderate						
Overall composite risk	Moderate						

Summary risk matrix

Direction of overall composite risk

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

SUBSEQUENT EVENTS

Minimum capital requirements

The Reserve Bank of Zimbabwe (RBZ) reviewed the minimum capital requirements for banking institutions during the period under review. FBC Building Society is required to have capital levels of ZWL equivalents of US\$20 million by 31 December 2021. FBC Building Society is expected to self-capitalize through normal trading by the regulated deadline. The Building Society has a detailed capitalization plan in place to ensure full compliance.

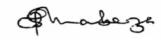
BOARD ATTENDANCE

	Main	Board	Board	I Audit	Boar	d HR	Fina	ard nce & .CO	Ris	ard k & liance		ard edit	Lo	ard ans view
Board member	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2
Benjamin Kumalo	1	√	n/a	n/a	√	J	n/a	n/a	n/a	n/a	n/a	n/a	1	J
Pius Rateiwa	1	1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Edwin Chidzonga	1	1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Clemence Guta	1	1	J	1	n/a	n/a	1	√	n/a	n/a	1	1	n/a	n/a
Agnes Kanhukamwe	1	1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Guardiner Manikai	1	1	J	J	n/a	n/a	n/a	n/a	J	1	n/a	n/a	1	J
John Mushayavanhu	1	1	n/a	n/a	J	J	1	J	J	1	n/a	n/a	1	J
Webster Rusere	1	1	J	J	n/a	n/a	1	J	J	1	1	1	n/a	n/a
Timothy T. Simba	J	1	n/a	n/a	n/a	n/a	J	1	n/a	n/a	J	1	n/a	n/a

√ - Attended n/a- not applicable

Q1 - Quarter 1 Q2 - Quarter 2

By order of the Board



Tichaona K. Mabeza **GROUP COMPANY SECRETARY**

27 August 2020

You've Got The Bank Everywhere You Go No Excuses

Now you can open an account from anywhere, anytime.

Just download the free FBC Mobile Moola App or dial *220# and you'll be done in minutes.



Mobile: +263 772 419 693, +263 772 152 647, +263 732 152 647

Toll-free: 220 (Open to all networks) or 080 800 25 & 080 800 26 (Econet numbers only)

Email: help@fbc.co.zw

Landlines: +263 242 704481/2, 761198, 756685, 754232, 756012

Skype: FBC.Help.Centre

\$\infty\$ +263 772 303 500





#YouMatterMost

