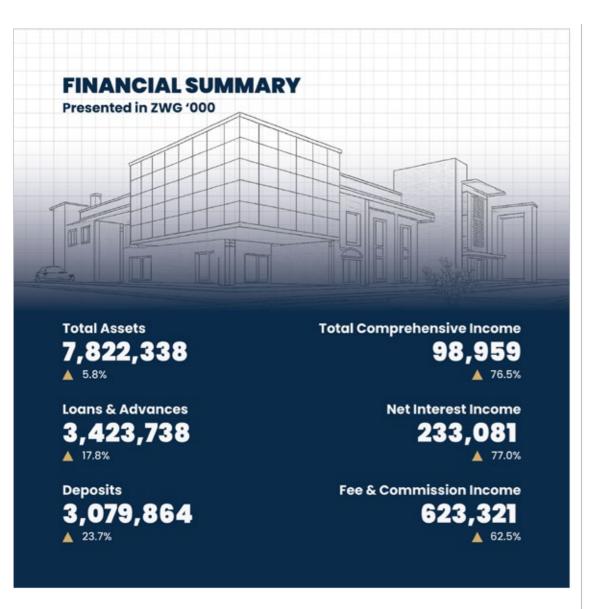


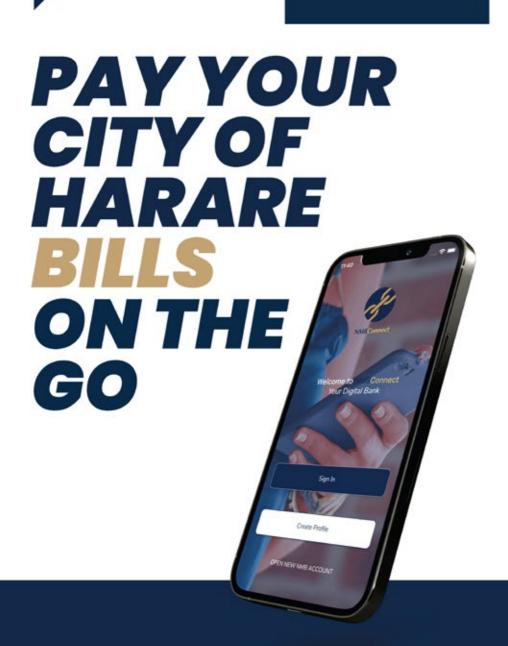


xplug



**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL RESULTS** FOR THE SIX MONTHS ENDED 30 JUNE 2025





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IN PURSUIT OF EXCELLENCE

#### **ENQUIRIES:** NMBZ HOLDINGS LIMITED

Gerald Gore, Chief Executive Officer, NMBZ Holdings Limited Margret Chipunza, Chief Finance Officer, NMBZ Holdings Limited

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# **CHAIRMAN'S STATEMENT**

#### Introduction

During the first half of the year, the economy recorded commendable progress, particularly in stabilizing the exchange rate, curbing inflation, and boosting foreign currency inflows and reserves. The ZWG month-on-month inflation averaged 0.5% during the period under review, while the local currency remained steady throughout the period. Notably, foreign currency reserves rose to USD 731 million, up from USD 276 million in April 2024 when the ZWG was introduced.

Looking ahead, the economy is projected to recover from a low growth rate of 1.7% in 2024 to 6% in 2025, supported by a rebound in the mining and agricultural sectors, improved power supplies, and firming commodity prices. However, subdued capacity utilization in the manufacturing sector, high levels of informalisation (76%), and geopolitical tensions remain significant downside risks to the country's economic outlook

#### **External Sector Performance**

The external sector performed strongly during the first half of the year. Total export earnings surged by 26% to USD 3.95 billion, compared to the same period in 2024. This growth was largely driven by the mining sector, which grew by 38.6%, with gold alone accounting for 34% of total export earnings. Total foreign currency inflows increased by 23% to USD 7.2 billion, compared to the same period in 2024. The main contributors were exporters (55%), international and diaspora remittances (26%) and loan proceeds (14%).

#### Monetary and Fiscal Policy Updates

Revenue collections amounted to ZWG 101 billion, resulting in a budget surplus of ZWG 3.3 billion. As of March 2025, public debt stood at USD 21.5 billion, comprising 59% external debt and 41% domestic debt. Going forward, we expect increased liquidity in the market as the government disburses the outstanding budget allocations

The monetary authorities maintained the bank policy rate at 35% during the mid-term policy review, emphasizing the commitment to a tight monetary policy stance aimed at anchoring price stability. Annual inflation is projected at 30% by year-end, with an expected average month-on-month inflation rate of 3%.

#### Global Economic Outlook

The global economy continues to show signs of recovery; however, the momentum in 2025 has been subdued due to escalating trade tensions and tighter financial conditions. Against this backdrop, the International Monetary Fund (IMF) has revised global economic growth projections for 2025 to 3%, down from an earlier estimate of 3.3%

#### **Group Results**

Effective 1 January 2025, the Group has adopted the United States Dollar (USD) as its functional currency. This change is driven by the need to better align our financial reporting with the currency in which our transactions are primarily denominated, given the significant proportion of our business activities that are influenced by USD-denominated transactions. The adoption of USD as our functional currency will enhance the transparency and comparability of our financial performance. The presentation currency however still remains the ZWG in line with regulatory requirements

#### **Financial Performance**

The Group operated profitably for the period under review, generating comprehensive income of ZWG 98.9 million for the period compared to ZWG 56.1 million for the prior comparative period. Restructuring expenses of ZWG 138.5 million were incurred during the year, primarily related to a change in strategic focus towards a digital and more efficient operation. These costs include severance payments and other termination costs. We expect these restructuring efforts to result in future cost savings and improved operational efficiency.

# **Financial Position**

Total assets closed the period at ZWG 7.8 billion, up 6% from ZWG 7.4 billion as at 31 December 2024. The growth was largely funded by an increase in customer deposits

Loans and advances stood at ZWG 3.4 billion as at 30 June 2025, up from ZWG 2.9 billion as at 31 December 2024. The growth is driven by deployment of foreign lines of credit largely to exporting companies. Our focus remains on maintaining a robust credit risk management framework to ensure a sustainable quality portfolio

The Bank maintained a sound liquidity position throughout the year and was consistently above the statutory minimum of 30%.

Our capital remains robust anchored on USD denominated assets. The capital adequacy ratio of the banking subsidiary remained strong at 24.99% compared to a regulatory minimum of 12%. The banking subsidiary remained adequately capitalised to cover all risks and was compliant with the minimum capital requirement of USD 30 million.

# Sustainability

NMBZ Holdings remains unwavering in its commitment to sustainable development, embedding ESG principles across operations, lending practices, and stakeholder engagement. Responsible business practices are an integral part of our business processes for the achievement of operational excellence. Accordingly, our Board maintains direct oversight of NMBZ's corporate strategy, with a strong emphasis on ESG performance. To reinforce this commitment, a dedicated Board Sustainability Champion was appointed in early 2025, ensuring that sustainability remains central to governance and decision-making.

In the first half of 2025 we expanded green financing to support climate-smart agriculture and renewable energy projects, while accelerating paperless banking initiatives that reduce resource consumption and enhance customer experience. Through targeted climate financing, we funded agricultural projects that promote both mitigation and adaptation, including solar station installations and drip irrigation systems.

Looking ahead, we plan to introduce sustainability-linked financial instruments, enhance ESG data systems, and scale inclusive finance solutions that deliver enduring value for both the people and the planet. Our recently published Annual Sustainability Report developed in reference to IFRS S1 and S2 requirements and GRI standards—offers comprehensive insights into our performance and future

# Directorate

Ms. Jean Maguranyanga retired from the Board after serving for ten years. We thank her for her sterling contribution and we wish her the best in her future endeavors.

# Dividend

The Board has decided not to declare an interim dividend for the six months ended 30 June 2025

Looking ahead, the Group is poised for growth, leveraging on its digital prowess and fundraising capabilities. We will continue to invest in our people, processes, and technology to enhance our resilience and adaptability in an ever-evolving financial landscape. Cybersecurity will remain a top priority, and we will strengthen our defenses to protect our customers' assets and data. The Group has fully embraced Al and is now working on incorporating Al in as much of its key processes as possible without compromising customer centricity.

# Appreciation

I extend my sincere appreciation to our valued customers for their continued trust and loyalty. To our employees, I express my deepest gratitude for their hard work, dedication, and commitment to excellence. Their tireless efforts have been instrumental in driving our bank's growth and success. I thank my fellow directors for their wise counsel and strategic guidance. Finally, I acknowledge the support of our regulators, partners, and stakeholders, whose collaboration and oversight have enabled us to navigate the complexities of the financial



**PEARSON GOWERO** CHAIRMAN 26 AUGUST 2025



# **CHIEF EXECUTIVE OFFICER'S STATEMENT**

#### INTRODUCTION

The first half of 2025 saw the Group concluding its strategic restructuring process which is aimed at positioning it for long term sustainability. This culminated into a comprehensive staff retrenchment exercise to streamline our operations, enhance efficiency, and improve productivity. While this process resulted in short-term costs, we believe it will yield significant benefits in the future.

#### PERFORMANCE REVIEW

The drive to moblise lines of credit saw the loan book growing by 18% from ZWG2.9 billion as at 31 December 2024 to ZWG3.4 billion as at 30 June 2025. Consequently, this saw a significant growth in interest income compared to prior year. For the period under review, the Group generated operating income amounting to ZWG915 million compared to ZWG1.2 billion for the previous period.

# **BUSINESS REVIEW**

#### NMB Bank Limited

NMB Bank business units registered the following achievements during the period under review:

# Digital Banking

Our Connect channel achieved a 46.74% growth, supported by both USD and ZWG transactions, though the momentum remains weighted towards USD-denominated transactional flows.

Point-of-Sale (POS) volumes posted strong gains, up 1,114% in USD and 92% in ZWG compared to the same period in 2024. Card transactions mirrored this pattern, with USD usage increasing by 303% year-on-year.

The pronounced shift towards USD usage presents a timely strategic opportunity to deepen and scale USD-focused digital payment solutions. To this end, we are progressing with the upgrade of our award winning digital platform NMBConnect, scheduled for launch in the second half of the year. This upgrade is expected to deliver enhanced functionality, unmatched user experience, and transactional efficiency.

#### Consumer Banking

This half year, we strengthened our presence and enhanced customer experience across all our channels. We have invested significant capital in refurbishing our bank branches, and modernizing our infrastructure to better serve our clients. Branches that were refurbished and reopened during the period include Bindura and Kwekwe branches, where we moved to bigger premises and Msasa Branch which now has a modern look and feel. Work is underway to refurbish our MTA centre in order to expand services to our MTA customers and those in Harare Central Business District.

Our Virtual Banking platform continues to deliver unmatched convenience as well as our growing agency network. Our clients now have access to NMB Services in over 200 agencies nationwide.

#### **Business Banking**

The business banking franchise continued to perform well, with steady growth in customer numbers and increased penetration in key sectors such as - mining, agriculture, tourism and manufacturing. Our foreign credit lines utilization has grown steadily, supporting clients' long term financing needs. We are in the process of drawing down on a USD 50 million line of credit which was concluded during the period under review. Except for a few companies which have fallen into distress and are being managed, asset quality remains strong, supported by disciplined credit practices and proactive risk management.

#### Microfinance

The division continues to grow its support to micro, small, and medium enterprises (MSMEs), as well as nano and micro businesses, which remain the backbone of the informal sector. Economic pressures and constrained household incomes have been noted as key risks to this business and the divison maintains prudent credit risk management practices. We have invested in systems and put in place structures that will mitigate these risks, as we selectively grow the business.

## XPLUG SOLUTIONS LIMITED

For the first six months of 2025, Xplug continued to build on the momentum from last year, further cementing its role as a key enabler of our regional growth strategy.

Regional market expansion remains strong, with Xplug now supporting companies in Tanzania, Rwanda, Uganda, Mozambique, South Africa, Zambia, and Malawi. Notably, RPA transformation projects were successfully delivered in Tanzania and Uganda, significantly enhancing automation and operational efficiency for our clients.

The deployment of our Agency Banking solution and Workflow system in Rwanda has streamlined service delivery for financial institutions. In Mozambique, the rollout of mobile banking channels is in progress, broadening access to digital financial services. Locally in Zimbabwe, we have deployed several impactful solutions, including digital banking platforms, a medical aid system, and customer administration portals

In line with the Group's vision to shape the future of digital financial services, Xplug has also championed the implementation of Al by developing Agentic Al solutions and integrating them into business processes. This has positioned it as a trusted accelerator in building a digital workforce; one that seamlessly blends Al, automation, and human expertise to drive innovation, efficiency, and scalability for our clients throughout Sub Saharan Africa..

# NMB PROPERTIES LIMITED

Building on the momentum achieved in 2024, an 18-unit cluster development was completed and is on the market, reinforcing the Group's presence in the residential real estate sector. Additionally, construction has commenced on a new cluster housing development in Marlborough, demonstrating our commitment to delivering quality residential solutions.

Beyond residential projects, NMB Properties is also advancing its industrial real estate, with plans underway for the construction of a 2,500-square-meter warehouse. This diversification underscores the Group's ability to capitalize on opportunities across the property market

Through strategic partnerships, NMB Properties continues to position the Group for sustained growth and value creation in Zimbabwe's real estate sector."

# STRATEGIC PRIORITIES

Under its Digital Transformation agenda, the Group has started to leverage AI and machine learning to improve service delivery and expand outreach. Addressing cybersecurity concerns remains top priority so as to drive digital adoption across all market segments. While significant strides have been made towards sustainable finance, the Group is now focused on identifying and crystalising opportunities for green finance. The Bank continues to explore opportunities for co-financing and risk-sharing arrangements to support large-scale projects.

# CORPORATE SOCIAL INVESTMENT

NMB continues to integrate sustainability and social responsibility into its operations, prioritizing initiatives that create lasting value for communities, strengthen governance structures, and foster international partnerships.

In a bid to support girls' education and hygiene, the Group provided sanitary pads to underprivileged girl children, empowering them to pursue their academic endeavors with dignity. Additionally, we sponsored educational activities in local schools, fostering a culture of learning and growth. Our collaboration with institutions to commemorate significant events, such as EU Day, demonstrated our commitment to community engagement and social responsibility. Through these initiatives, we aim to make a positive impact on the lives of individuals and contribute to the betterment of society.

# OUTLOOK

Zimbabwe's economic outlook appears promising, with a projected 6% growth rate in 2025 driven by a rebound in agriculture, strong performance in mining and tourism, and improved macroeconomic stability. In this environment, the Group is well-positioned to support the growth of key sectors, leveraging our expertise and financial capabilities to facilitate long term funding. We will continue to explore regional opportunities through our fintech, Xplug Solutions Limited. The Bank will continue to innovate digital financial solutions that are efficient and safe which can be accessed from anywhere in the world. Our agency network will continue to be expanded for clients who require a physical touch point.

# APPRECIATION

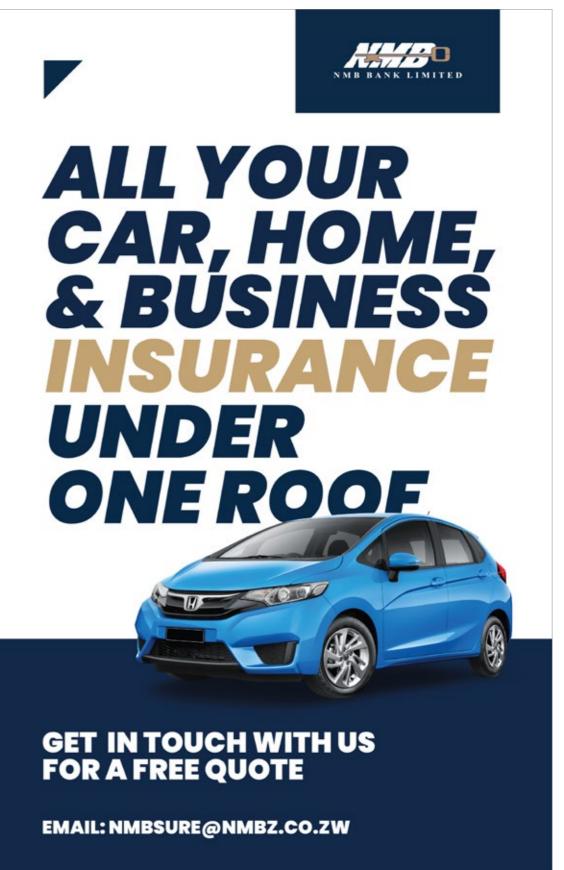
I would like to express my gratitude to all our key stakeholders and particularly to our clients for the continued sterling support. I thank the NMBZ Board for their immense support during the period under review. The NMBZ team has exhibited great tenacity as they show up and relentlessly deliver exceptional service to all of our stakeholders. I am grateful for the passion, deep expertise that they bring every day.

GERALD GORE
CHIEF EXECUTIVE OFFICER
26 AUGUST 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Note	30 June 2025 ZWG '000	30 June 2024 ZWG '000 Restated*
Interest revenue calculated using the effective interest method	3	384 248	192 899
Interest expense calculated using the effective interest method		( 151 167)	( 61 201)
Net interest income		233 081	131 698
Fee and commissions income	4.1	623 321	383 624
Net foreign exchange (losses)/gains		( 1 696)	923 608
Revenue		854 706	1 438 930
Other income	4.2	61 116	( 214 601)
Operating income		915 822	1 224 329
Operating expenditure	5	( 769 502)	( 392 512)
Operating income before impairment charges		146 320	831 817
Expected credit impairment losses on financial assets measured at amortised cost		( 24 207)	( 42 607)
Loss on net monetary position		( 24 207)	( 42 697) ( 644 515)
Profit before tax		122 113	144 605
Taxation	6	( 44 360)	( 17 409)
Profit for the period		77 753	127 196
Other comprehensive income:			
Exchange gains on translation to presentation currency		7 528	-
Revaluation gains/(losses) on land and buildings, net of tax	4.3	13 678	( 71 129)
Total comprehensive income for the period		98 959	56 067
Earnings per share (ZWG cents)			
- Basic	8.3	17	29
- Diluted	8.3	17	29
- Headline	8.3	14	81

\*Restated due to the change in functional currency with effect from 01 January 2025. Refer to Note 2.1.1.

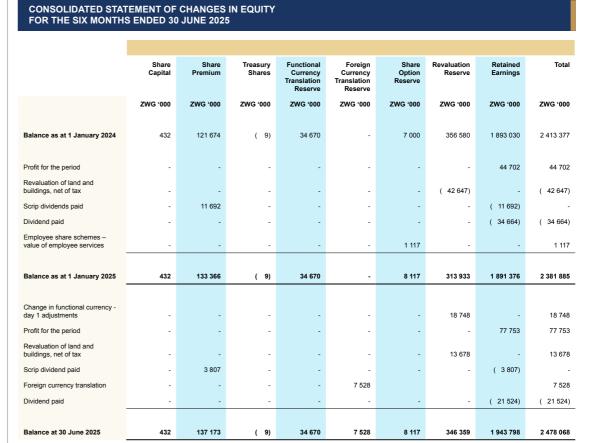




CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025			
	NOTE	30 June 2025 ZWG '000	31 Dec 2024 ZWG '000 Restated*
SHAREHOLDERS' FUNDS			
Share capital		432	432
Share Premium		137 173	133 366
Treasury shares reserve		( 9)	( 9)
Functional currency translation reserve		34 670	34 670
Foreign currency translation reserve		7 528	-
Revaluation reserve		346 359	313 934
Share Option Reserve		8 117	8 117
Retained earnings		1 943 798	1 891 376
Total equity		2 478 068	2 381 886
Subordinated term loan	10	30 688	30 194
Total shareholders' funds and shareholders' liabilities		2 508 756	2 412 080
LIABILITIES			
Deposits	11	3 079 864	2 490 567
Other liabilities	12	45 535	259 952
Borrowings	13	2 093 146	2 112 390
Current tax liabilities	13	1 363	13 946
Deferred tax liabilities		93 674	102 023
Table Habitata		5 040 500	4 070 070
Total liabilities		5 313 583	4 978 878
Total shareholders' funds and liabilities		7 822 338	7 390 958
ASSETS			
Cash and cash equivalents	15	2 212 083	2 356 003
RBZ Digital Gold Tokens		10 057	4 864
Investment securities	14	517 668	451 771
Loans and advances	16	3 423 738	2 907 116
Other assets	17	181 212	245 318
Trade and other investments		8 136	7 149
Investment properties	18	902 500	863 995
Intangible assets	19	54 497	61 606
Property and equipment	21	512 448	493 136
Total assets		7 822 338	7 390 958

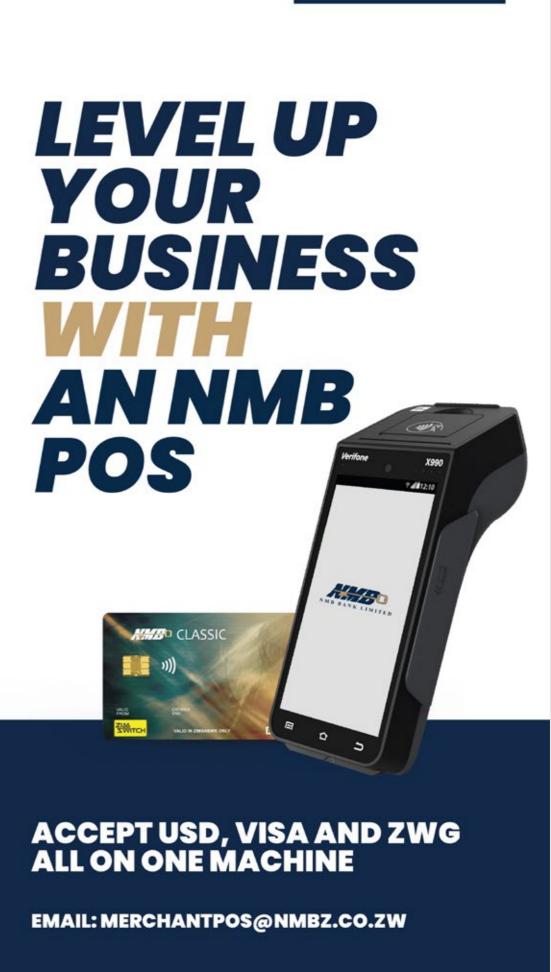
\*Restated due to the change in functional currency with effect from 01 January 2025. Refer to Note 2.1.1





\*Restated due to the change in functional currency with effect from 01 January 2025. Refer to Note 2.1.1.









#### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Note	30 June 2025 ZWG '000	30 June 2024 ZWG '000
CASH FLOWS FROM OPERATING ACTIVITIES			Restated*
CASITI EGWOT KOM OF EKATING ACTIVITIES			
Profit before taxation		122 113	144 605
Non-cash items:			
Net monetary loss		-	644 515
Depreciation (excluding right of use assets)	5	31 666	14 701
Depreciation – Right of use assets	5	1 299	5 672
Amortisation of intangible assets	5	7 108	1 769
Impairment losses on financial assets  Investment properties fair value movement	18	24 207 ( 18 723)	42 697 234 098
Unrealised foreign exchange gain/(loss)	10	1 696	( 923 608)
Non-cash employee benefits expense – share-based payments		518	923 000)
The first state of particles of the state of payments		0.10	
Operating cash flows before changes in operating assets and liabilities		169 884	165 370
Changes in operating assets and liabilities			
Decrease/(Increase) in deposits		589 297	( 410 948)
Increase in other liabilities		( 214 417)	( 212 525)
(Increase)/Decrease in loans and advances		( 516 622)	359 735
(Increase)/Decrease in other assets		64 106	37 369
Net cash generated from/(used in) operations		92 248	( 60 999)
Taxation			
Corporate tax paid		( 95 215)	( 46 099)
Net cash outflow from operations		( 2 967)	( 107 098)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of investment securities		( 43 460)	( 22 241)
Proceeds from disposal of investment securities		( 5 000)	-
Acquisition of property and equipment		-	( 59 111)
Proceeds on investment securities held to maturity		5 000	3 340
Proceeds on disposal of investment properties	40	( 2 144)	5 158
Acquisition of investment properties	18	( 21 924)	-
Net cash used in investing activities		( 67 528)	( 72 855)
CACH FLOWS FROM FINANCING ACTIVITIES			
CASH FLOWS FROM FINANCING ACTIVITIES		( 6 00E)	( 10.945)
Repayment of lease liabilities  Dividends paid		( 6 095) ( 21 524)	( 10 845) ( 19 802)
Borrowings raised		359 770	147 134
Borrowings repaid		( 379 008)	( 85 300)
Subordinated term loan		-	( 2 012)
Net cash (outflow)/inflow from financing activities		( 46 857)	29 175
Net decrease in cash and cash equivalents		( 117 352)	( 150 778)
Net foreign exchange and monetary adjustments on cash and cash		,	-,
equivalents		( 26 568)	( 217 964)
Cash and cash equivalents at beginning of the period		2 356 003	1 639 239
Cash and cash equivalents at the end of the period		2 212 083	1 270 497
ADDITIONAL INFORMATION ON OPERATING CASHFLOWS FROM INTEREST			
Interest received		112 743	68 345
Interest received Interest paid (excluding interest on leases)		( 110 887)	( 45 458)
Lease finance costs paid		( 110 887)	( 45 456)
		( 37)	( 100)

\*Restated due to the change in functional currency with effect from 01 January 2025. Refer to Note 2.1.1



#### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### 1. GENERAL INFORMATION

The NMBZ Holdings Limited Group (the Group) comprises the company (NMBZ Holdings Limited) and wholly owned subsidiaries, NMB Bank Limited (the Bank), NMB Properties Limited and Xplug Solutions Limited.

NMB Bank Limited was established in 1993 as a merchant bank incorporated under the Companies and Other Business Entities Act (Chapter 24:31) of Zimbabwe and is now registered as a commercial bank in terms of the Banking Act (Chapter 24:20) of Zimbabwe. It operates through a branch and agency network in Harare, Bulawayo, Gweru, Mutare, Masvingo, Kwekwe, Chitungwiza, Chinhoyi, Bindura and Victoria Falls.

NMB Properties Limited is a property development and services company established in 2023. It was set up to broaden the NMBZ Holdings product offering and optimize a significant portfolio of properties and real estate opportunities within and beyond the Group.

Xplug Solutions Limited is a subsidiary of NMBZ Holdings Limited whose main thrust is to use technology to transform any size of business into achieving business growth, agility and composability.

The Holding Company is incorporated and domiciled in Zimbabwe and is an investment holding company. Its registered office address is 19207 Liberation Legacy Way, Borrowdale, Harare.

#### 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

#### 2.1. ACCOUNTING CONVENTION

#### Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with the relevant requirements of the IFRS® Accounting Standards, in particular, International Accounting Standard (IAS) 34, Interim Financial Reporting. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position of the Group since the last annual consolidated financial statements as at and for the year ended 31 December 2024. These condensed consolidated interim financial statements do not include all the information required for the full annual financial statements prepared in accordance with International Financial Reporting Standards. Similar accounting policies and methods of computation were followed in the compilation of the interim financial statements to the most recent annual financial statements published for the year ended 31 December 2024

These condensed consolidated interim financial statements were approved by the Board of Directors on 26 August 2025.

#### 2.1.1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared under the historical cost convention for the current year numbers following a change in functional currency from the Zimbabwe Gold (ZWG) to the United States Dollar (USD) currency. According to management's judgment, on 01 January 2025, the functional currency of the Group changed from ZWG to USD and on this date the group discontinued hyperinflationary accounting as the USD is not subject to hyperinflation.

More information on the change in functional currency is detailed on Note 2.3.5. The condensed financial statements have been translated to ZWG presentation currency as detailed below.

#### Functional and presentation currency

For the purposes of the condensed consolidated financial statements, the results and financial position of the Group are expressed in ZWG which is the presentation currency, through the following procedures:

- assets and liabilities from statement of financial position were translated at the closing rate as at 30 June 2025.
- income and expenses on the statement of profit or loss and other comprehensive income were translated using the monthly
  average interbank exchange rates; and
- all resulting exchange differences were recognised in other comprehensive income.
- The effects of translation to presentation currency were shown separately on the Group's Statement of Changes in Equity in the Foreign Currency Translation Reserve.

# Comparative financial information

The comparative information covers a period of six months to 30 June 2024 for income statement items and 31 December 2024 for balance sheet comparatives.

The comparative information for income statement items was uplifted from the 30 June 2024 position to 31 December 2024 using the CPI index from June to December and converted to USD using the 31 December 2024 exchange rate. The 31 December 2024 inflation-adjusted ZWG balance sheet comparatives were converted to USD using the 31 December USD/ZWG exchange rate of USD 1:ZWG 26.4435. For the ZWG presentation currency purposes, both sets of comparative information were converted from the USD calculated position to ZWG using the 30 June 2025 USD/ZWG closing exchange rate of USD 1:ZWG 27.6193.

# 2.2. BASIS OF CONSOLIDATION

The Group financial results incorporate the financial results of the Company and its subsidiaries. Subsidiaries are investees controlled by the Group. The Group controls an investee if it is exposed to, or has rights to, variable returns from its involvement with the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date when control ceases. The financial results of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, income and expenses; profits and losses resulting from intra-group transactions that are recognised in assets and liabilities are eliminated in full. When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss.

# 2.3. USE OF ESTIMATES AND JUDGEMENTS

In preparation of the Group financial statements, Directors have made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the six months ended 30 June 2025 is included in the following notes:

# 2.3.1. Deferred tax

Provision for deferred taxation is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences arising out of the initial recognition of assets or liabilities and temporary differences on initial recognition of business combinations that affect neither accounting nor taxable profit are not recognised. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

# 2.3.2. Valuation of properties

Material judgements and estimates have been applied as detailed below for the valuation of Investment Properties and of Land and Buildings held under Property, Plant and Equipment:

Valuations rely on historical market evidence for calculation inputs. This includes transaction prices for comparable properties, rents and capitalisation rates. Property values were derived in USD.

# 2.3.3. Intangible assets

Intangible assets are initially recognised at cost. Subsequently the assets are measured at cost less accumulated amortisation and any impairment loss.

# 2.3.4. Impairment losses on financial instruments

The Group and Bank recognises loss allowances for Expected Credit Losses (ECLs) on the following financial instruments that are not measured at Fair Value through Profit or Loss (FVTPL):

- loans and advances to banks;
- loans and advances to customers;
- debt investment securities;
- lease receivables;loan commitments issued; and
- loan commitments issued; and
   financial quarantee contracts issued.

No impairment loss is recognised on equity investments. With the exception of purchased or originated credit-impaired (POCI) financial assets (which are considered separately below), ECLs are measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months
  after the reporting date, (referred to as Stage 1); or
- Full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.



#### 2.3.5. Determination of the functional currency

The 2024 Monetary Policy Statement (MPS) issued on the 5th of April 2024 ushered in a new domestic currency. The new currency, known as the Zimbabwe Gold (ZWG), is defined as a structured currency. As per the MPS, the structured currency is generally defined as a currency that is pegged to a specific exchange rate or currency basket and backed by a bundle of foreign exchange assets (potentially including gold). This means that a Central Bank can only issue domestic notes and coins when fully backed by a foreign "reserve" currency or foreign exchange assets and that the currency is fully convertible into the reserve currency on demand.

The structured currency is anchored by a composite basket of foreign currency and precious metals (mainly gold) held as reserves for this purpose by the RBZ.

The Group adopted the ZWG as its functional currency for the period from 05 April to 31 December 2024. As at 01 January 2025, management carried out an assessment of its functional currency, taking into account the fact that the prevailing multicurrency environment had seen the use of multiple currencies in the country, with the USD in particular showing dominance and with the Group's own balance sheet now being predominantly US Dollar denominated as well as the predominance of US Dollar denominated transactions. In assessing the functional currency, management considered the following IAS 21 requirements:

#### a) The currency:

- That mainly influences sales prices for goods and services (this will often be the currency in which sales for goods and services are denominated and settled.
- · Whose competitive forces and regulations mainly determine the sales prices of its goods and services

b) The currency that mainly influences labour, material and other costs of providing goods or services.

Secondary indicators may also provide evidence of an entity's functional currency per IAS 21.10:

a) The currency in which funds from financing activities are generated

b) The currency in which receipts from operating activities are usually retained.

In light of the above, over 70% of the Group's revenue and costs for the period ended 30 June 2025 and over 90% of the group's deposits, loans and advances and cash as at 30 June 2025 were denominated in US Dollars, and this was witnessed to have been the trend from the beginning of the year.

Therefore, management asserted that as at 01 January 2025, the functional currency of the Group had changed to US Dollars.

However, as highlighted in Note 2.1.1 above, the Group has prepared the condensed consolidated interim financial statements using the ZWG as its presentation currency.

#### 2.4. ACCOUNTING POLICIES

The accounting policies used in the preparation of these financial statements have been consistently applied and are similar to those used in the previous reporting period.

# 2.4.1. STANDARDS ISSUED AND EFFECTIVE

## a) New standards and amendments – applicable 1 January 2025

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2025:

Standard	Effective Date	Executive Summary
Lack of Exchangeability - Amendments to IAS 21	1 January 2025	Under IAS 21 The Effects of Changes in Foreign Exchange Rates, a company uses a spot exchange rate when translating a foreign currency transaction.
		However, in rare cases, it is possible that one currency cannot be exchanged into another. This lack of exchangeability might arise when a government imposes controls on capital imports and exports, for example, or when it provides an official exchange rate but limits the volume of foreign currency
		transactions that can be undertaken at that rate. Consequently, market participants are unable to buy and sell currency to meet their needs at the official exchange rate and turn instead to unofficial, parallel markets.
		Although few jurisdictions are affected by this, it can have a significant accounting impact for those companies affected.
		In August 2023, the International Accounting Standards Board (IASB) amended IAS 21 to clarify:
		when a currency is exchangeable into another currency; and
		how a company estimates a spot rate when a currency lacks exchangeability.
		A currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. When a currency is not exchangeable, a company needs to estimate a spot rate.
		A company's objective when estimating a spot rate is only that it reflects the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments contain no specific requirements for estimating a spot rate.
		Therefore, when estimating a spot rate a company can use:
		an observable exchange rate without adjustment; or
		2. another estimation technique.
		In light of historical challenges around exchangeability in the Zimbabwean context, this standard may be applicable to the group in the event of these issues recurring. Management will continue to assess the potential impact of the amendment to IAS 21 on the Group's foreign currency denominated transactions and balances.

# 2.5. GOING CONCERN

The Directors have assessed the ability of the Group and Company to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate.

# 3. INTEREST REVENUE CALCULATED USING THE EFFECTIVE INTEREST METHOD

	30 June 2025 ZWG '000	30 June 2024 ZWG '000
Loans and advances to banks	16 379	6 475
Loans and advances to customers	362 490	183 969
Investment securities	5 379	2 455
	384 248	192 899



#### 4. NON-INTEREST INCOME AND OTHER COMPREHENSIVE INCOME

#### 4.1. FEES AND COMMISSION INCOME

30 June 2025	30 June 2024
ZWG '000	ZWG '000
222 122	050.044
330 489	258 814
55 388	20 601
6 438	16 213
129 344	37 143
101 662	50 853
623 321	383 624
567 933	363 024
55 388	20 600
623 321	383 624

#### 4.2. OTHER INCOME

	30 June 2025 ZWG '000	30 June 2024 ZWG '000
Fair value gains/(losses) on investment properties	18 723	( 234 097)
Rental income	3 145	15 599
Other operating income	39 248	3 897
	61 116	( 214 601)

#### 4.3. OTHER COMPREHENSIVE INCOME

	30 June 2025 ZWG '000	30 June 2024 ZWG '000
Revaluations of land and buildings	18 421	( 95 797)
Tax effect	( 4743)	24 668
	13 678	( 71 129)

# 5. OPERATING EXPENDITURE

The net operating income is after charging the following:

	30 June 2025 ZWG '000	30 June 2024 ZWG '000
Administration costs	340 188	163 410
Depreciation (excluding right of use assets)	31 666	14 701
Amortisation of intangible assets	7 108	1 769
Depreciation – right of use assets	1 299	5 672
Staff costs – salaries, allowances and related costs*	389 241	206 960
	769 502	392 512

\*Included in this line item are employee benefit costs relating to share based payments which are as follows;

	30 June 2025 ZWG '000	30 June 2024 ZWG '000
nployee benefit costs - share based payments	518	921

# 6. TAXATION

	30 June 2025 ZWG '000	30 June 2024 ZWG '000
xpense		
ıx	48 120	31 828
S.	( 3 759)	( 14 419)
	44 360	17 409

# 7. IMPAIRMENT LOSSES ON FINANCIAL ASSETS MEASURED AT AMORTISED COST

Impairment losses are calculated by estimating the expected credit losses for all financial assets (including loan commitments and guarantees) measured at amortised cost or fair value through OCI (FVOCI). ECLs arising from financial assets measured at armotised cost and at FVOCI are recognized in profit or loss. However, the loss allowance in respect of assets measured at FVOCI shall not reduce the carrying amount of the financial asset in the Statement of Financial Position but will be accumulated in a reserve through OCI. The aggregate impairment losses which are made during the year are dealt with as per paragraph 8.3.

# 7.1. Lifetime expected credit losses

Lifetime ECLs are recognized where the Bank's counterparty to a financial asset has been classified as default as defined in the Bank's accounting and credit policies. Financial assets are written off against lifetime ECL provisions once the probability of recovering any significant amounts becomes remote.

# 7.2. Twelve month expected credit losses

The 12-Month ECL relates to the day 1 impairment provisions on financial assets as well as financial assets which are considered not to have had a significant increase in credit risk as defined in the Bank's accounting and credit policies.





## 7.3. Regulatory guidelines and International Financial Reporting Standards requirements

The Banking Regulations 2000 gives guidance on provisioning for doubtful debts and stipulates certain minimum percentages to be applied to the respective categories of the loan book.

IFRS 9 "Financial Instruments", prescribes the provisioning for impairment losses based on the expected credit losses from the expected cash flows from financial assets held by the bank, including guarantees and loan commitments.

The two prescriptions are likely to give different results. The Group has taken the view that where the IFRS 9 charge is less than the amount provided for in the Banking Regulations, the difference is recognised directly in equity as a transfer from retained earnings to a regulatory reserve and where it is more, the full amount will be charged to the profit or loss.

#### 7.4. Suspended interest

Interest on loans and advances is accrued to income until such time as reasonable doubt exists about its collectability, thereafter and until all or part of the loan is written off, interest continues to accrue on customers' accounts, but is not included in income. Such suspended interest is deducted from loans and advances in the statement of financial position. This policy meets the requirements of the Banking Regulations 2000 issued by the RBZ.

## 8. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of NMBZ Holdings Limited by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by dividing the profit attributable to ordinary equity holders of NMBZ Holdings Limited adjusted for the after tax effect of:

- a) any dividends or other items related to dilutive potential ordinary shares deducted in arriving at profit or loss attributable to ordinary equity holders of the parent entity:
- equity holders of the parent entity;
  b) any interest recognised in the period related to dilutive potential ordinary shares; and
- c) any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares; by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Headline earnings per share are calculated by dividing the profit for the period attributable to the ordinary equity holders adjusted for the after tax effect of

- a) fair value gains/ (losses) on trade and other investments;
- b) profit /(loss) on disposal of property and equipment during the period under review.

## 8.1. EARNINGS

30 June 2025 ZWG '000	30 June 2024 ZWG '000
77 753	127 197
92 417	354 928

# 8.2. NUMBER OF SHARES

# 8.2.1. Basic earnings per share

	30 June 2025	30 June 2024
Weighted average number of ordinary shares for basic earnings per share	445 119 481	435 126 312
Scrip dividend	329 718	27 721
Share options exercised	72 251	-
Share buy back	-	( 5 417)
	445 521 450	435 148 616

The Company issues share options to certain employees in terms of the Employee Share Option Scheme which is an equity settled share-based payment scheme. Share options are measured at fair value of the equity instruments at the grant date. The fair value determined at the grant date of the options is expensed over the vesting period, based on the Company's estimate of shares that will eventually vest. Fair value is measured using the Black-Scholes option pricing model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and other behavioural considerations.

# 8.2.2. Diluted earnings per share

	30 June 2025	30 June 2024
Number of shares for basic earnings	445 521 450	435 148 616
Effect of dilution:		
Share options approved but not granted (ESOS)	8 082 938	4 041 219
	453 604 388	439 189 835

# 8.2.3. Headline earnings

	30 June 2025 ZWG '000	30 June 2024 ZWG '000
Doeft for the anxiety	77.750	407 407
Profit for the period  Add/(deduct) non-recurring items	77 753	127 197
Frade and other investments fair value gains	987	5 338
Profit on disposal of property and equipment	-	-
Fair value gains on investment properties	( 18 421)	234 098
Tax effect thereon	4 743	( 11 705)
	65 062	354 928

# 8.3. Earnings per share (ZWG cents)

30 June 2025	
2025	2025
17	17
17	17
14	

#### 9. SHARE CAPITAL

#### 9.1. Authorised

#### 9.2. ISSUES AND FULLY PAID

#### 9.2.1. Ordinary shares

	30 June 2025 Shares	31 Dec 2024 Shares
Balance at 01 January	445 119	435 404
Share options exercised	217	7 502
Scrip dividends	989	2 226
Share buy back	-	( 13)
	446 325	445 119

#### 10. SUBORDINATED LOAN

	30 June 2025 ZWG '000	31 Dec 2024 ZWG '000
lanuary	30 194	32 643
ary adjustment	-	( 29 639)
iion		27 190
	494	-
	-	-
	30 688	30 194

In 2013, the Bank received a subordinated term loan amounting to USD 1.4 million from a Development Financial Institution which attracts an interest rate of SOFR plus 10% and has a seven year maturity date (13 June 2020) from the first disbursement date.

The above liability would, in the event of the winding up of the issuer, be subordinated to the claims of depositors and all other creditors of the issuer. The Group defaulted on principal repayments with respect to this subordinated loan during the year ended 31 December 2019 as a result of the prevailing nostro funding challenges affecting the economy.

On 22 February 2019, the Reserve Bank of Zimbabwe (RBZ) issued an Exchange Control directive, RU 28 of 2019 which established an interbank foreign exchange market to formalise the buying and selling of foreign currency through the Banks and Bureaux de change. In order to establish an exchange rate between the current monetary balances and foreign currency, the Monetary Authorities denominated the existing RTGS balances in circulation, as RTGS dollars.

The RBZ pegged the initial trades at USD/RTGS 1:2.5. In order to manage the transition, the RBZ also advised on the same date that all foreign liabilities or legacy debts due to suppliers and service providers, declared dividends e.t.c would be treated separately after registering such debts with the RBZ Exchange Control Department for an orderly expunging of these debts.

Consequently, the Group registered its legacy debts, which included the subordinated term loan and offshore lines of credit and transferred the ZWL equivalent of these debts at a rate of USD/ZWL 1:1 to the RBZ in terms of the RBZ directive. These legacy debts and the related amounts transferred to the RBZ in terms of the RBZ directive on the legacy debts, have been translated using the interbank rate at reporting date. The RBZ approved the legacy debt in respect of the subordinated term loan and the Bank received treasury bills worth USD 1.4 million.

# 11. DEPOSITS

# 11.1. DEPOSITS AND CURRENT ACCOUNTS FROM CUSTOMERS

	30 June 2025 ZWG '000	31 Dec 2024 ZWG '000
Current and deposit accounts from customers	3 079 864	2 490 567
Current and deposit accounts from customers	3 079 004	2 490 307

# 11.2. MATURITY ANALYSIS

	30 June 2025 ZWG '000	31 Dec 2024 ZWG '000
Less than 1 month	2 898 257	1 269 160
1 to 3 months	142 551	345 582
3 to 6 months	21 269	194 371
6 months to 1 year	-	500 364
1 to 5 years	17 787	181 090
Over 5 years	-	-
	3 079 864	2 490 567

The maturity analysis covers the Group's total deposits only and does not include other trade payables.





	30 June 2025 ZWG '000	31 Dec 2024 ZWG '000
Agriculture	422 577	341 722
Banks and other financial institutions	265 681	214 846
Distribution	566 272	457 922
Individuals	259 572	209 906
Manufacturing	336 828	272 380
Mining companies	111 523	90 184
Municipalities and parastatals	426 436	344 842
Services	445 728	360 443
Transport and telecommunications	245 247	198 322
	3 079 864	2 490 567

#### 12. OTHER LIABILITIES

20 1 2005
30 June 2025 31 Dec 2024 ZWG '000 ZWG '000
45 535 259 952

<sup>\*</sup>The carrying amounts of trade and other payables approximate the related fair values due to their short term nature.

These relate to the Group's operational liabilities to suppliers, employees and regulators. Expense provisions and deferred income are also included. Included in trade and other payables are lease liabilities ranging from 1 to 5 years in respect of leased properties in which the Group is a lessee.

# 13. BORROWINGS

	30 June 2025 ZWG '000	31 Dec 2024 ZWG '000
stitutions	46 159	123 625
	2 043 212	1 983 016
	3 775	5 749
	2 093 146	2 112 390
	2 112 389	1 195 652
	359 765	1 229 949
	( 379 008)	( 398 789)
	-	85 578
	2 093 146	2 112 390

\*Included in Offshore borrowings are loan balances of ZWG 177 801 103 (2024 ZWG 170 231 812) and ZWG 94 880 477 (2024 ZWG 90 841 256) due to Nederlandse Financierings-Maatschappij Voor Ontiwikkelingslanden (FMO) and Swedfund respectively.

These balances are part of the Group's Blocked Funds which were registered with the Reserve Bank of Zimbabwe (RBZ) for an orderly expunging of the debts.

Consequently, in terms of section 52 of the Finance Act no 7 of 2021, the bank was issued with Treasury Bills amounting to USD 13 840 413 at a 0% coupon rate with maturity varying maturity profiles of between three to twenty years in respect of the legacy debts the

The line of credit balances have been translated at 30 June 2025 at the closing rate of USD/ZWG27.62.

# 14. INVESTMENT SECURITIES

30 June 2025 ZWG '000	31 Dec 2024 ZWG '000
451 771	667 858
60 897	33 782
5 000	( 62 318)
	64 539
-	( 252 090)
517 668	451 771
-	( 2 567)
517 668	449 204

The Group holds Treasury Bills and Government Bonds amounting to ZWG 517 756 000 ( 2024 - ZWG 449 280 000) with interest rates ranging from 0% to 18%. The Treasury Bills are measured at amortised cost in line with the Bank's business model to collect contractual cashflows and the contractual terms are such that the financial assets give rise to cashflows that are solely payments of principal and interest. Of this amount ZWG 288 776 587 are with respect to blocked funds.

# 15. CASH AND CASH EQUIVALENTS

30 June 2025 ZWG '000	31 Dec 2024 ZWG '000
651 983	694 402
1 451 988	1 546 456
108 112	115 145
2 212 083	2 356 003
	<b>ZWG '000</b> 651 983 1 451 988 108 112

\*Nostro accounts are foreign domiciled bank accounts operated by the Bank for the facilitation of offshore transactions on behalf of

\*\*Balances with the Central Bank, other banks and cash are used to facilitate customer and the Bank's transactions which include payments and cash withdrawals.

#### 16. TOTAL LOANS AND ADVANCES

	30 June 2025 ZWG '000	31 Dec 2024 ZWG '000
Corporate	1 707 371	1 449 739
Retail	932 227	791 559
	54 710	46 455
afts	729 430	619 363
	3 423 738	2 907 116

#### 16.1. MATURITY ANALYSIS

	30 June 2025 ZWG '000	31 Dec 2024 ZWG '000
Less than 1 month	229 887	225 277
1 to 3 months	283 430	429 907
3 to 6 months	389 378	241 800
6 months to 1 year	893 170	622 457
1 to 5 years	1 816 403	1 578 845
	3 612 268	3 098 287
Allowances for impairment losses on loans and advance	( 188 530)	( 191 171)
ECL at 1 January	( 191 171)	( 100 588)
Monetary adjustment	26 848	-
ECL charged through profit or loss	( 24 207)	( 90 993)
Bad debts written off	-	410
	3 423 738	2 907 116

## 16.2. SECTORAL ANALYSIS OF UTILISATIONS

	30 June 2025 ZWG '000	%	31 Dec 2024 ZWG '000	%
Agriculture	989 530	29%	945 944	33%
Conglomerates	115 624	3%	330 129	11%
Distribution	319 577	9%	156 946	5%
Food & Beverages	27 950	1%	37 156	1%
Individuals	908 063	27%	846 136	29%
Manufacturing	350 837	10%	359 457	12%
Mining	224 304	7%	108 122	4%
Services and other	487 852	14%	123 226	4%
	3 423 738	100%	2 907 116	100%

The material concentration of loans and advances is with the agriculture sector at 35% (2024 - 33%) and individuals at 23 % (2024 - 29%).

# 16.3. IMPAIRMENT ANALYSIS OF FINANCIAL ASSETS MEASURED AT AMORTISED COST

	Stage 1 ZWG '000	Stage 2	Stage 3 ZWG '000	Total
	ZWG '000	ZWG '000	ZWG '000	ZWG '000
0	2 402 244	444.045	45.054	2 240 642
Gross carrying amount at 1 January 2025	3 123 344	141 645	45 654	3 310 643
Net additions	284 561	12 905	4 159	301 625
T., 6	( 5.440)	4.000	4 000	
Transfers	( 5 116)	4 088	1 028	-
- to 12 months to ECL	1 065	( 1 044)	( 22)	-
- to lifetime ECL not credit impaired	( 5 514)	5 520	( 6)	-
- to lifetime ECL credit impaired	( 667)	( 389)	1 056	-
Net movement in financial assets	279 445	16 993	5 187	301 625
Balance as at 30 June 2025	3 402 789	158 638	50 841	3 612 268
Loss allowance analysis				
At 1 January 2025	84 978	29 055	52 169	166 202
Transfers	( 698)	552	146	-
- to 12 month ECL	192	( 162)	( 30)	-
- to lifetime ECL not credit impaired	( 826)	839	( 13)	-
- to lifetime ECL credit impaired	( 65)	( 125)	189	-
Net increase/(decrease) in ECL	( 5814)	4 640	1 174	( -)
Ned increase in ECL	11 167	10 797	2 244	24 207
Balance as at 30 June 2025	89 632	45 044	55 733	190 409



	Stage 1 ZWG '000	Stage 2 ZWG '000	Stage 3 ZWG '000	Total ZWG '000
Gross carrying amount at 1 January 2024	2 443 572	99 752	28 445	2 571 769
Monetary adjustment	532 855	21 752	6 203	560 810
Transfers	( 22 272)	13 234	9 037	( 1)
- to 12 months to ECL	176	( 161)	( 15)	-
- to lifetime ECL not credit impaired	( 17 581)	17 586	( 6)	( 1)
- to lifetime ECL credit impaired	( 4 867)	( 4 191)	9 058	-
Not an extended for a state of the state of	100 100	0.007	4.000	470.005
Net movement in financial assets	169 189	6 907	1 969	178 065
Balance as at 31 December 2024	3 123 344	141 645	45 654	3 310 643
Loss allowance analysis				
At 1 January 2024	44 128	10 809	20 271	75 208
Monetary adjustment	-	-	-	-
Transfers	( 977)	223	754	-
- to 12 month ECL	12	( 5)	( 7)	-
- to lifetime ECL not credit impaired	( 859)	862	( 3)	-
- to lifetime ECL credit impaired	( 130)	( 634)	764	-
Net increase/(decrease) in ECL	41 827	18 023	31 144	90 994
Revaluation exchange on loans and advances ECL	-	-	-	-
Balance as at 31 December 2024	84 978	29 055	52 169	166 202

#### 17. OTHER ASSETS

	30 June 2025 ZWG <sup>(</sup> 000	31 Dec 2024 ZWG '000
Frade and other receivables	170 390	227 750
Prepayments and stocks	10 822	17 568
	181 212	245 318

<sup>\*</sup> Included in other receivables are asset advance payments and service deposits.

# 18. INVESTMENT PROPERTIES

	30 June 2025 ZWG '000	31 Dec 2024 ZWG '000
At 1 January	863 995	1 217 505
Additions	21 926	98 357
Disposals	( 2 144)	( 3 548)
Fair value gains	18 723	( 448 319)
	902 500	863 995

Investment properties comprise commercial properties and residential properties that are leased out to third parties and land held for future development. No properties were encumbered.

The Bank has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop the investment properties or for repairs, maintenance and enhancements.

# Measurement of fair value

# Fair value hierarchy

The fair value of the Group's investment properties as at 30 June 2025 has been arrived at on the basis of valuations carried out by management. The valuation was in terms of the policy as set out in the accounting policies section and was derived with reference to market information close to the date of the valuation.

# Level 3

The fair value for investment properties has been categorised under level 3 in the fair value hierarchy based on the inputs used for the valuation technique described below.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
The investment method Discounted cash flows was used to value all income producing properties.  The direct comparison method was applied on all residential properties.	<ul> <li>Weighted average expected market rental growth (5%);</li> <li>Void period (average 3 months after the end of each lease);</li> <li>Occupancy rate (55%); and</li> <li>Average market yield of 10%.</li> </ul>	The estimated fair value would increase / (decrease) if:

#### 19. INTANGIBLE ASSETS

	ZWG '000	Total ZWG '000
Cost		
Balance 1 January 2024	50 695	50 695
Acquisitions	53 073	53 073
Balance at 31 December 2024	103 768	103 768
Inflation adjustment	-	-
Acquisitions	-	-
Balance at 30 June 2025	103 768	103 768
Accumulated amortisation		
Balance 1 January 2024	35 370	35 370
Amortisation for the year	6 793	6 793
Balance at 31 December 2024	42 163	42 163
Amortisation for the period	7 108	7 108
Balance at 30 June 2024	40.074	40.074
Balance at 30 June 2024	49 271	49 271
Carrying amount		
At 30 June 2025	54 497	54 497
	07401	0.401
At 31 December 2024	61 606	61 606

#### 20. CONTINGENT LIABILITIES

The Group enters into various irrevocable commitments and contingent liabilities in its normal course of business in order to meet financial needs of customers. These obligations are not recognised on the statement of financial position, but contain credit risk and are therefore part of the overall risk of the Group.

Guarantees commit the Group to make payments on behalf of clients in the event of specified acts. Guarantees carry the same credit risk as loans and advances to customers.

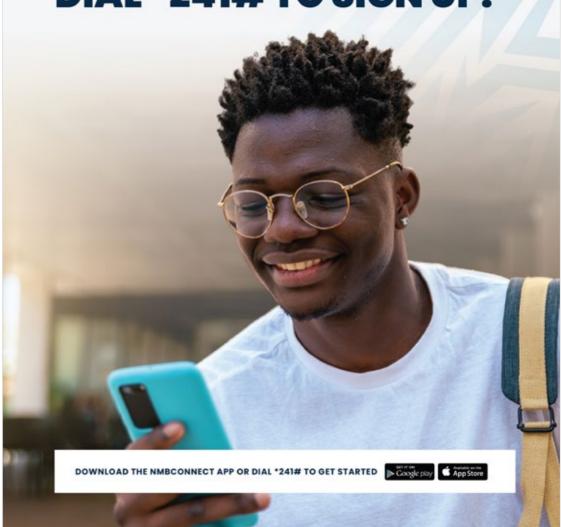
Facilities approved but not drawn down represent contractual commitments to advance loans and revolving credits. These have fixed expiry dates and may expire without being drawn upon, hence total contract amounts do not necessarily represent future cash requirements.





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#### 21. PROPERTY AND EQUIPMENT

	Capital Work in Progress	Computers	Motor Vehicles	Furniture & Equipment	Right of Use Assets**	Freehold Land & Buildings*	Total
	ZWG '000	ZWG '000	ZWG '000	ZWG '000	ZWG '000	ZWG '000	ZWG '000
Cost/Revaluation amount							
At 1 January 2024	76 564	91 840	25 977	43 295	49 301	553 417	840 394
Additions	21 792	5 987	40 070	2 342	49 301	333 417	70 191
Capitalisations	( 98 356)	3 901	40 070	2 542	_	_	( 98 356)
Remeasurement – Right of use assets	( 90 330)					_	( 90 330)
Revaluations	_	_	_	_	_	( 167 208)	( 167 208)
Disposals		_	-	_	_	( 10. 200)	( 10. 200)
2.opcodic							
At 31 December 2024		97 827	66 047	45 637	49 302	386 209	645 021
Additions	-	3 010	1 725	546	-	-	5 281
Revaluations	-	-	-	-	11 629		11 629
Adjustment on functional currency change	-	( 2894)	12 254	9 387	-	13 678	32 426
Disposals	-	-		=	-	-	-
At 30 June 2025		97 943	80 026	55 571	60 931	399 887	694 357
Accumulated depreciation							
At 1 January 2024		52 581	8 658	27 402	25 418	5 909	119 968
Charge for the year – Property and equipment	_	14 770	8 390	5 403	20410	3 624	32 187
Charge for period – Right of use assets		-	-	-	9 263	-	9 263
Remeasurement – Right of use assets	_	-	_	_	-	_	-
Disposals	_	-	_	_	_	( 9 533)	( 9 533)
						( 1111)	(
At 31 December 2024	-	67 352	17 048	32 805	34 681	-	151 885
Charge for the year – Property and equipment	-	11 600	12 825	4 300	-	2 942	31 666
Charge for period – Right of use assets	-	-	-	=	1 299	-	1 299
Revaluations	-	-	-	=	-		-
Disposals	-	-	-	-	-	( 2 942)	( 2 942)
At 30 June 2025		78 952	29 873	37 105	35 980	_	181 908
Carrying amount							
At 30 June 2025	-	18 991	50 155	18 466	24 951	399 887	512 448
At 31 December 2024	_	30 475	48 999	12 832	14 621	386 209	493 136

<sup>\*</sup>Assets measured using the revaluation model.

# 22. CAPITAL COMMITMENTS

There were no capital commitments during the period under review

# 23. RELATED PARTIES

As required by IAS 24 Related Party Disclosure, the Board's view is that non-executive Directors, executive Directors and executive management constitute the key management of the Group. Accordingly, key management remuneration is disclosed below.

# 23.1. Compensation of key management personnel of the Group

	30 June 2025 ZWG '000	30 June 2024 ZWG '000
Short term employee benefits	59 886	50 455
Post employment benefits	4 665	4 151
Employee benefit costs - share based payments	518	921
	65 069	55 527

All material remuneration proposals and packages for Executive Directors and senior personnel are set and reviewed by the Human Capital, Remuneration & Nominations Committee Short term employee benefits constitute salaries and bonuses as well as other sundry employee benefits.

Post employment benefits constitute of the Group's pension scheme and National Social Security Authority (NSSA) contributions. All employees of the Group are members of the NSSA Scheme, a defined contribution plan to which both the employer and the employees contribute.

# 23.1.1. Employee Share Option Scheme

In 2012, the Company established a share option programme that entitles Executive Directors and Senior Managers to purchase shares in the Company (equity settled). The beneficiary has a right to acquire a certain number of the Company's shares at any time during the Exercise Period at the Exercise Price.

In terms of the Employee Share Option Scheme, up to a maximum of 10% of the issued share capital may be granted by the Directors to senior employees by way of options. Each set of options is exercisable at any time within a period of five years from the date the options are granted and the issue price is based on the higher of nominal value of the shares and the middle market price derived from the Zimbabwe Stock Exchange prices for the trading day immediately preceding the date of offer. The options vest immediately from date of issue and the fair value of the options is estimated at the grant date using the Black – Scholes option pricing model, taking into account the terms and conditions upon which the instruments were granted.

# 23.2. BALANCES OF LOANS TO DIRECTORS, OFFICERS AND OTHERS

	30 June 2025 ZWG '000	31 Dec 2024 ZWG '000
ces and other accounts are loans to officers:-		
	35 340	96 859
	-	( 84 013)
ring the year	4 000	22 494
	39 340	35 340

#### 23.3. BORROWING POWERS

#### **Holding Company**

In terms of the existing Articles of Association, Article 102, the Directors may from time to time, at their discretion, borrow or secure the payment of any sum or sums of money for the purposes of the Company without any limitation.

#### 24. INTERCOMPANY TRANSACTIONS AND BALANCES

NMBZ Holdings defines related parties in accordance with section 98B of the Income Tax Act chapter 23:06(The Act) read in conjunction with the 25th school up of the game Act

Related-party transactions are carried out using the arms length principle and the Group monitors and documents related party transactions and balances in its transfer pricing documentation. Below are the related party transactions and balances for the holding company and its subsidiaries during the reporting period:

## INTERCOMPANY TRANSACTIONS

	NMBZ Holdings Limited	NMB Bank Limited	NMB Properties	Xplug Solutions
	2025 ZWG '000	2025 ZWG '000	2025 ZWG '000	2025 ZWG '000
NMBZ Holdings				
Revenue	-	160 592	-	-
Shared Services Charge	-	-	-	-
NMB Bank Limited				
Revenue	-	-		
Shared Services Charge	-	-	( 1)	( 17)
NMB Properties				
Revenue	-	193	-	-
Shared Services Charge	-	-	-	-
Xplug Solutions				
Revenue	-	1 131	-	-
Shared Services Charge	-	-	-	-

	NMBZ Holdings Limited	NMB Bank Limited	NMB Properties	Xplug Solutions
	2024 ZWG '000	2024 ZWG '000	2024 ZWG '000	202 ZWG '000
NMBZ Holdings				
Revenue	-	-	-	-
Shared Services Charge	-	-	-	-
NMB Bank Limited				
Revenue	-	-		
Shared Services Charge	-	-	( 1)	( 17)
NMB Properties				
Revenue	-	328	-	-
Shared Services Charge	-	-	-	-
Xplug Solutions				
Revenue	-	1 922	-	-
Shared Services Charge	-	-	_	-

# INTERCOMPANY BALANCES

	NMBZ Holdings Limited	NMB Bank Limited	NMB Properties	Xplug Solutions
As at 30 June 2025	2025 ZWG '000	2025 ZWG '000	2025 ZWG '000	2025 ZWG '000
NMBZ Holdings (payable to) / receivable from	-	( 55 980)	-	-
NMB Bank Limited (payable to) / receivable from	55 980	-	( 5 441)	( 8 055)
NMB Properties (payable to) / receivable from	-	5 441	-	-
Xplug Solutions (payable to) / receivable from	-	8 055	-	-

	NMBZ Holdings Limited	NMB Bank Limited	NMB Properties	Xplug Solutions
As at 31 December 2024	2024 ZWG '000	2024 ZWG '000	2024 ZWG '000	2024 ZWG '000
NMBZ Holdings (payable to) / receivable from	-	53 090	-	-
NMB Bank Limited (payable to) / receivable from	( 53 090)	-	( 3 973)	( 20 348)
NMB Properties (payable to) / receivable from	-	3 973	-	-
Xplug Solutions (payable to) / receivable from	-	20 348	-	-

# 25. EXCHANGE RATES

The following exchange rates have been used to translate the foreign currency balances to ZWG dollars at period end:

			30 June 2025 Mid - rate ZWG	31 Dec 2024 Mid - rate ZWL
	United States Dollar	USD	27.62	26.44
	British Sterling	GBP	37.92	31.19
	South African Rand	ZAR	1.57	1.41
$   \bigcirc   $	European Euro	EUR	32.40	27.26
	Botswana Pula	BWP	2.07	1.90

# 26. EVENTS AFTER REPORTING DATE

As of the date of this report, the Group has evaluated subsequent events occurring after the reporting date up to the date of issuance of these condensed consolidated financial statements. Based on this evaluation, the Group has determined that there are no significant or unusual events that would require disclosure or adjustment in the condensed consolidated financial statements. No material events or transactions have occurred that would impact the accuracy or completeness of the financial statements as of the reporting date.

<sup>\*\*</sup> Right-of-Use Assets recognised in respect of leased properties in which the Group is a lessee. The Right-of-Use Assets are depreciated over the shorter of the lease term including extension options where the Group is certain to exercise such and the useful life of the underlying asset.





## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Note	30 June 2025 ZWG '000	30 June 2024 ZWG '000 Restated*
erest revenue calculated using the effective interest method		384 248	192 899
erest expense calculated using the effective interest method		( 151 167)	( 61 201)
interest income		233 081	131 698
e and commissions income		623 321	383 624
foreign exchange (losses)/gains		( 1 696)	923 608
venue		854 706	1 438 930
ner income	а	42 505	( 195 038)
			,
erating income		897 211	1 243 892
erating expenditure	b	( 752 076)	( 384 660)
erating income before impairment charges		145 134	859 232
pected credit impairment losses on financial assets measured at amortised t		( 24 207)	( 42 697)
s on net monetary position		-	( 710 076)
ofit before tax		120 927	106 459
ation		( 43 187)	( 17 389)
fit for the period		77 740	89 070
ner comprehensive income			
change gains on translation to presentation currency		1 094	-
valuation gains/(losses) on land and buildings, net of tax		13 678	( 71 129)
al other comprehensive income		92 511	17 941
nation  offit for the period  ner comprehensive income  change gains on translation to presentation currency  valuation gains/(losses) on land and buildings, net of tax		( 43 187) 77 740 1 094 13 678	( 17 8

\*Restated due to the change in functional currency with effect from 01 January 2025. Refer to Note 2.1.1

#### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

Note	30 June 2025 ZWG '000	31 Dec 2024 ZWG '000 Restated*
Share capital	88	88
Share Premium	155 260	155 260
Functional currency translation reserve	34 670	34 670
Foreign currency translation reserve	1 094	-
Revaluation reserve	346 350	313 923
Employee share option reserve	7 742	7 742
Retained earnings	1 749 377	1 832 224
Total shareholders' funds	2 294 580	2 343 907
LIABILITIES		
Deposits	3 236 906	2 509 622
Other liabilities	45 535	175 164
Borrowings	2 093 146	2 112 390
Current tax liabilities	51	14 723
Deferred tax liabilities	88 903	97 256
Subordinated term loan	30 688	30 194
Total liabilities	5 495 230	4 939 349
Total shareholders' funds and liabilities	7 789 810	7 283 256
ASSETS		
Cash and cash equivalents e	2 212 083	2 356 003
RBZ Digital Tokens	10 056	4 865
Investment securities	517 668	451 772
Loans and advances	3 423 738	2 906 016
Other assets	248 643	235 934
Trade and other investments	8 136	7 149
Investment properties	805 280	766 775
Intangible assets	54 497	61 606
Property and equipment	509 710	493 136
1 2 34.4		
Total assets	7 789 810	7 283 256

\*Restated due to the change in functional currency with effect from 01 January 2025. Refer to Note 2.1.1.

## STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Share Capital	Share Premium	Functional Currency Translation Reserve	Foreign Currency Translation Reserve	Revaluation Reserve	Share Option Reserve	Retained Earnings	Total
COMPANY	ZWG '000	ZWG '000	ZWG '000	ZWG '000	ZWG '000	ZWG '000	ZWG '000	ZWG '000
Balance as at 1 January 2024	88	155 260	34 670	-	356 571	6 594	1 801 340	2 354 522
Profit for the period	-	-	-	-	-	-	30 889	30 889
Dividends declared	-	-	=	-	=	-	=	
Employee scheme - value of employee services	-	-	-	-	-	1 148	-	1 148
Revaluation gains on land and buildings, net of tax**	=	-	-	-	( 42 647)	-	-	( 42 647)
Balance as at 1 January 2025	88	155 260	34 670	-	313 924	7 742	1 832 229	2 343 913
Change in functional currency - day 1 adjustments	-	-	-	-	18 748	-		18 748
Profit for the period	-	-	-	-	-	-	77 740	77 740
Dividend paid				-			( 160 592)	( 160 592)
Foreign currency translation				1 094				1 094
Revaluation gains on land and buildings, net of tax	-	-	-	-	13 678	-	-	13 678
Balance at 30 June 2025	88	155 260	34 670	1 094	346 350	7 742	1 749 377	2 294 580

\*Restated due to the change in functional currency with effect from 01 January 2025. Refer to Note 2.1.1

#### STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2025

	30 June 2025 ZWG '000	30 June 2024 ZWG '000
	ZWG '000	Restated*
Profit before taxation	120 927	106 459
Non-cash items:		
Net monetary loss	-	710 076
Depreciation(excluding right of use assets)	31 666	14 701
Depreciation – Right of use assets	1 299	5 672
Amortisation of intangible assets	7 108	1 769
Impairment losses on financial assets measured at amortised costs	24 207	42 697
Investment properties fair value gains	( 18 723)	210 639
Non-cash employee benefits expense – share-based payments	518	922
Unrealised foreign exchange gain	1 696	( 923 608)
Operating cash flows before changes in operating assets and liabilities	168 698	169 327
Changes in appreting access and linkills.		
Changes in operating assets and liabilities	727 284	( 410.049)
(Decrease)/Increase in deposits (Decrease)/Increase in other liabilities	727 284 ( 129 629)	( 410 948) ( 105 827)
	` ′	359 735
Decrease/(Increase) in loans and advances  Decrease/(Increase) in other assets	( 517 722) ( 12 709)	71 377
Decrease (increase) in other assets	( 12 709)	71377
Net cash generated/(used) from operations	235 922	83 665
Service Service (access) in our open access		35 355
Taxation		
Corporate tax paid	( 93 505)	( 44 600)
	, ,	, ,
Net cash inflow/(outflow) from operations	142 417	39 066
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investment securities	( 43 460)	( 22 241)
Proceeds from disposal of investment securities	( 5 000)	-
Dividend paid	( 160 592)	-
Acquisition of property and equipment	-	( 59 111)
Acquisition of investment properties	( 21 924)	-
Disposal of investment properties	( 2 144)	5 158
Proceeds from investment securities held to maturity	5 000	3 340
Net cash (used)/generated in investing activities	( 228 120)	( 72 854)
CASH ELOWIS EDOM EINANCING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES	( 0.005)	/ 40.045
Repayment of lease liabilities	( 6 095)	( 10 845)
Borrowings raised	359 770	147 134
Borrowings repaid	( 379 008)	( 85 300)
Repayment of subordinated term loans	-	( 2 012)
Net cash (outflow)/inflow from financing activities	( 25 333)	48 976
, , , , , , , , , , , , , , , , , , , ,	( 20 000)	
Net (decrease)/increase in cash and cash equivalents	( 111 037)	15 187
Net foreign exchange and monetary adjustments on cash and cash equivalents*	( 32 884)	( 383 928)
Cash and cash equivalents at beginning of the period	2 356 003	1 639 238
Cash and cash equivalents at the end of the period	2 212 083	1 270 497
Interest received	112 743	68 345
Interest paid (excluding interest on leases)	( 110 887)	( 45 458)
Lease finance costs paid	( 94)	( 166)

\*Restated due to the change in functional currency with effect from 01 January 2025. Refer to Note 2.1.





#### A) OTHER INCOME

	30 June 2025 ZWG '000	30 June 2024 ZWG '000
Fair value gains on investment properties	18 723	( 210 639)
Rental income	3 145	15 601
Other operating income	20 636	-
	42 505	( 195 038)

#### B) OPERATING EXPENDITURE

The net operating income is after charging the following:

	30 June 2025 ZWG '000	30 June 2024 ZWG '000
Administration costs	322 762	159 173
Depreciation (excluding right of use assets)	31 666	14 701
Amortisation of intangible assets	7 108	-
Depreciation – right of use assets	1 299	5 672
Staff costs – salaries, allowances and related costs	389 241	205 114
	752 076	384 660

#### C) SHARE CAPITAL

#### C.1. AUTHORISED

The authorised ordinary share capital at 30 June 2025 is at the historical cost figure of ZWG 25 000 (2024 - ZWG 25 000) comprising 25 million ordinary shares of ZWG0.001 each

#### C.2. ISSUED AND FULLY PAID

The issued share capital at 30 June 2025 is ZWG 88 000 (2024 restated – ZWG 88 000).

#### D) CASH AND CASH EQUIVALENTS

	30 June 2025 ZWG '000	31 Dec 2024 ZWG '000
Balances with the Central Bank**	651 983	683 293
Current, nostro accounts* and cash	1 451 988	1 557 129
Interbank placements	108 112	115 581
	2 212 083	2 356 003

- \* Nostro accounts are foreign domiciled bank accounts operated by the Bank for the facilitation of offshore transactions on behalf of
- \*\* Balances with the Central Bank, other banks and cash are used to facilitate customer and the Bank's transactions which include payments and cash withdrawals.

# E) CORPORATE GOVERNANCE APPROACH

# RESPONSIBILITY

These condensed financial statements are the responsibility of the directors. This responsibility includes the setting up of internal control and risk management processes, which are monitored independently. The information contained in these condensed financial statements has been prepared on the going concern basis and is in accordance with the provisions of the Companies and Other Business Entities Act (Chapter 24:20) and International Fina

# 2. CORPORATE GOVERNANCE

The Bank adheres to some principles of corporate governance derived from the King IV Report, the United Kingdom Combined Code and RBZ corporate governance guidelines. The Bank is cognisant of its duty to conduct business with due care and in good faith in order to safeguard all stakeholders' interests.

# 3. BOARD OF DIRECTORS

Board appointments are made to ensure a variety of skills and expertise on the Board. Non-executive directors are of such calibre as to provide independence to the Board. The Chairman of the Board is an independent non-executive director. The Board is supported by mandatory committees in executing its responsibilities. The Board meets at least quarterly to assess risk, review performance and provide guidance to management on both operational and policy issues.

The Board conducts an annual peer based evaluation on the effectiveness of its activities. The process involves the members evaluating each other collectively as a board and individually as members. The evaluation, as prescribed by the RBZ, takes into account the structure of the board, effectiveness of committees, strategic leadership, corporate social responsibility, attendance and participation of members and weaknesses noted. Remedial plans are invoked to address identified weaknesses with a view to continually improve the performance and effectiveness of the Board and its members.



#### 3.1. DIRECTORS' ATTENDANCE AT NMB BANK LIMITED BOARD MEETINGS

NAME OF DIRECTOR		MAIN BOARD	AUDIT	CREDIT	ALCO & FINANCE
No. of Meetings Held		2	4	2	2
P. Gowero	- 1	2	N	2	2
D. Matenga	- 1	2	N	N	2
G. Taputaira	- 1	2	4	N	N
J. Maguranyanga*	- 1	2	4	N	N
E. Chisango	- 1	2	4	2	N
C. Glover	NE	2	N	N	N
J. Tichelaar	NE	1	N	N	2
J. De La Fargue	NE	2	N	1	2
G. Gore	E	2	N	2	2
M Chinunza	F	2	N	N	2

NAME OF DIRECTOR		LOANS REVIEW	HUMAN CAPITAL, REMUNERATION & NOMINATIONS	RISK & COMPLIANCE	ICT & DIGITAL
No. of Meetings Held		2	2	2	2
P. Gowero	ı	N	2	N	N
D. Matenga	ı	N	N	2	2
G. Taputaira	1	2	N	N	2
J. Maguranyanga*	1	2	2	N	N
E. Chisango	L	N	2	N	N
C. Glover	NE	N	2	2	2
J. Tichelaar	NE	2	N	N	2
J. De La Fargue	NE	N	2	2	N
G. Gore	E	N	N	N	2
M. Chipunza	Е	N	N	N	N

#### KEY

- I = Independent Non-Executive Director
- NE = Non-Executive Director
- E = Executive Director
- N = Not a member
- \* J. Maguranyanga retired from the board with effect from 30 June 2025

## 3.2. BOARD COMMITTEES

In order to make the decision-making process more efficient and to support the vision relating to corporate governance, the Board set up the following Committees:

## **Audit Committee**

The Committee oversees the Group's financial reporting process, monitoring the integrity and appropriateness of the Group's financial statements; evaluating the adequacy of the Group's financial and operational processes, compliance, internal controls and risk management processes. Both the internal and external auditors have unrestricted access to the audit committee to ensure their independence and objectivity.

The Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

# Credit Committee

The Credit Committee's main responsibilities are to consider loan applications beyond the discretionary limits of the Executive Credit Committee and to direct the formulation of, review and monitor the credit principles and policies of the Group. The Chief Banking Officer and Head of Credit Management are invitees and resource persons at every meeting. The Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

The ALCO & Finance Committee is responsible for deriving the most appropriate strategy for the Group in terms of the mix of assets and liabilities given its expectations of the future and the potential consequences of interest-rate movements, liquidity constraints, foreign exchangeexposure and capital adequacy.

The Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

# Loans Review

The Loans Review Committee assesses compliance of the loan book with the lending policy and the Banking Regulations. The Committee conducts loan reviews independent of any person or committee responsible for sanctioning credit

The Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period

# **Human Capital, Remuneration & Nominations Committee**

The committee is responsible for setting the Group's remuneration philosophy and reviews the overall remuneration structures of the Group, including all material remuneration proposals and packages for Executive Directors and senior personnel. The committee is also responsible for the nomination, election and appointment of board members. The group's remuneration policy is to provide remuneration packages that attract and retain high performing individuals. The Group's remuneration package is primarily made up of basic salaries, share options and performancerelated bonuses. The Chief Executive Officer and Head of Human Capital are invitees and resource persons at every meeting.

The Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

# Risk & Compliance Committee

The Risk and Compliance Management Committee oversees the quality, integrity and reliability of the Group's enterprise risk management systems and reviews all group-wide risks.

The Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

# **ICT & Digital Banking Committee**

The IT & Digital Banking Committee provides governance and oversight on the technology-related investments, operations and strategies and their alignment with the Group's overall strategy. It also oversees the Group's technology risk management and security framework and its effectiveness (in conjunction with the Risk & Compliance Committee).

The Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

# 4 RISK MANAGEMENT

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Board Asset and Liability Management Committee (ALCO) and the Board Risk and Compliance Committee, which are responsible for defining the Group's risk universe, developing policies and monitoring implementation.

The Bank is exposed to the following risks in its operations: liquidity risk, credit risk, market risk, operational risk, foreign currency exchange rate risk and interest rate risk. Risk management is linked logically from the level of individual transactions to the Bank level. Risk management activities broadly take place simultaneously at the following different hierarchy levels:

Strategic Level:	This involves risk management functions performed by senior management and the board of directors. It includes the definition of risk, ascertaining the Group's risk appetite, formulating strategy and policy for managing risk and establishes adequate systems and controls to ensure overall risk remains within acceptable levels and is adequately compensated.
Macro Level:	It encompasses risk management within a business area or across business lines. These risk management functions are performed by middle management.
Micro Level:	This involves "On-the-line" risk management where risks are actually created. These are the risk management activities performed by individuals who assume risk on behalf of the organisation such as Treasury Front Office, Corporate Banking, Retail banking etc. The risk management in these areas is confined to operational procedures set by management.

Risk management is premised on four (4) mutually reinforcing pillars, namely:

- adequate board and senior management oversight;
- b. adequate strategy, policies, procedures and limits;
- adequate risk identification, measurement, monitoring and information systems; and
- comprehensive internal controls and independent reviews.





#### 4.1. Credit Risk

Credit risk is the risk that a financial contract will not be honoured according to the original set of terms. The risk arises when borrowers or counterparties to a financial instrument fail to meet their contractual obligations. The Bank's general credit strategies centre on sound credit granting process, diligent credit monitoring and strong loan collection and recovery. There is a separation between loan granting and credit monitoring to ensure independence and effective management of the loan portfolio. The Board has put in place sanctioning committees with specific credit approval limits. The Credit Management department does the initial review of all applications before recommending them to the Executive Credit Committee and finally the Board Credit Committee depending on the loan amount. The Bank has in place a Board Loans Review Committee responsible for reviewing the quality of the loan book and adequacy or loan loss provisions.

The Bank has automated credit processes from loan origination, appraisal, monitoring and collections. The system has a robust loan monitoring and reporting module which is critical in managing credit risk. In view of the Bank's move into the mass market, retail credit has become a key area of focus. The Bank has put in place robust personal loan monitoring systems and structures to mitigate retail loan delinquencies.

#### Credit Management

- Responsible for evaluating & approving credit proposals from the business units.
- Together with business units, has primary responsibility on the quality of the loan book.
- Reviewing credit policy for approval by the Board Credit Committee
- Reviewing business unit level credit portfolios to ascertain changes in the credit quality of individual customers or other counterparties as well as the overall portfolio and detect unusual developments.
- Approve initial customer internal credit grades or recommend to the Credit Committees for approval
- Setting the credit risk appetite parameters.
- Ensure the Group adheres to limits, mandates and its credit policy.
- · Ensure adherence to facility covenants and conditions of sanction e.g. annual audits, gearing levels, management accounts
- Manage trends in asset and portfolio composition, quality and growth and non-performing loans.
- Manage concentration risk both in terms of single borrowers or group as well as sector concentrations and the review of such limits.

#### Credit Monitoring and Financial Modelling

- Independent credit risk management
- Independent on-going monitoring of individual credit and portfolios.
- Triggers remedial actions to protect the interests of the Group, if appropriate (e.g. in relation to deteriorated credits).
- · Monitors the on-going development and enhancement of credit risk management across the Group.
- Reviews the Internal Credit Rating System.
- On-going championing of the Basel II methodologies across the Group.
- Ensures consistency in the rating processes and performs independent review of credit grades to ensure they conform to the rating standards.
- Confirm the appropriateness of the credit risk strategy and policy or recommends necessary revisions in response to changes/ trends identified.

#### **Credit Administration**

- Prepares and keeps custody of all facility letters
- Security registration.
- Safe custody of security documents.
- Ensures all conditions of sanction are fulfilled before allowing drawdown or limit marking
- Review of credit files for documentation compliance e.g. call reports, management accounts.

# Recoveries

The recoveries unit is responsible for all collections and ensures that the Group maximises recoveries from Non-Performing Loans (NPLs) and loans and advances written off.

# 4.2. Market Risk

This is the exposure of the Group's on and off balance sheet positions to adverse movement in market prices resulting in a loss in earnings and capital. The market prices will range from money market (interest rate risk), foreign exchange and equity markets in which the bank operates. The Group has in place a Management Asset and Liability Committee (ALCO) which monitors market risk and recommends the appropriate levels to which the Group should be exposed at any time. Net Interest Margin is the primary measure of interest rate risk, supported by periodic stress tests to assess the Group's ability to withstand stressed market conditions. On foreign exchange risk, the bank monitors currency mismatches and make adjustments depending on exchange rate movement forecast. The mismatches per currency are contained within 5% of the Group's capital position.

Management ALCO meets on a monthly basis and operates within the prudential guidelines and policies established by the Board ALCO. The Board ALCO is responsible for setting exposure thresholds and limits, and meets on a quarterly basis. The following table demonstrates the sensitivity to a reasonable change in interest rates, with all other variables held constant, of the Group's statement of comprehensive income.

# 4.3. Liquidity Risk

Liquidity risk is the risk of financial loss arising from the inability of the Group to fund asset increases or meet obligations as they fall due without incurring unacceptable costs or losses. The Group identifies this risk through maturity profiling of assets and liabilities and assessment of expected cash flows and the availability of collateral which could be used if additional funding is required.

The daily liquidity position is monitored and regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more severe market conditions. All liquidity policies and procedures are subject to review and approval by the Board ALCO.

The key measure used by the bank for managing liquidity risk is the ratio of net liquid assets to deposits to customers. The Group also actively monitors its loans to deposit ratio against a set threshold in a bid to monitor and limit funding risk. The group monitors funding concentration risk by reviewing the ratio of top 20 depositors to the total funding. Funding mix is also monitored by monitoring the contribution of wholesale and demand deposits to the total funding for the bank. Liquidity risk is monitored through a daily liquidity reports produced by the Risk Management department. This is augmented by a monthly management ALCO and a quarterly board ALCO meetings.

The key measure used by the Group for managing liquidity risk is the ratio of net liquid assets to deposits from customers. The Group monitors its liquidity ratio in compliance with Banking Regulations to ensure that it is not less than 30% of the liabilities to the public. Liquid assets consist of cash and cash equivalents, short term bank deposits and liquid investment securities available for immediate sale.

# 4.4. Operational Risk

This risk is inherent in all business activities and is the risk of loss arising from inadequate or failed internal processes, people, systems or from external events. The Bank utilises monthly Key Risk Indicators to monitor operational risk in all units. Further to this, the Bank has an elaborate Operational Loss reporting system in which all incidents with a material impact on the well-being of the Bank are reported to risk management. The risk department conducts periodic risk assessments on all the units within the Bank aimed at identifying the top risks and ways to minimise their impact. There is a Board Risk and Compliance Committee whose function is to ensure that this risk is minimised. The Risk Committee with the assistance of the internal audit function and the Risk Management department assesses the adequacy of the internal controls and makes the necessary recommendations to the Board.

# 4.5. Legal and Compliance Risk

Legal risk is the risk from uncertainty due to legal actions or uncertainty in the applicability or interpretation of contracts, laws or regulations. Legal risk may entail such issues as contract formation, capacity and contract frustration. Compliance risk is the risk arising from non – compliance with laws and regulations. To manage this risk, permanent relationships are maintained with firms of legal practitioners and access to legal advice is readily available to all departments. The Group has an independent compliance function which is responsible for identifying and monitoring all compliance issues and ensures the Group complies with all regulatory and statutory requirements.

# 4.6. Reputational Risk

Reputation risk is the risk of loss of business as a result of negative publicity or negative perceptions by the market with regards to the way the Bank conducts its business. To manage this risk, the Bank strictly monitors customers' complaints, continuously train staff at all levels, conducts market surveys and periodic reviews of business practices through its Internal Audit department. The directors are satisfied with the risk management processes in the Bank as these have contributed to the minimisation of losses arising from risky

# 4.7. Strategic Risk

This refers to current and prospective impact on a Bank's earnings and capital arising from adverse business decisions or implementing strategies that are not consistent with the internal and external environment. To manage this risk, the Bank always has a strategic plan that is adopted by the Board of Directors. Further, attainment of strategic objectives by the various departments is monitored periodically at management level.

#### 4.8. RISK RATINGS

#### 4.8.1. Reserve Bank of Zimbabwe Ratings

The Reserve Bank of Zimbabwe conducted an on-site inspection on the Group's banking subsidiary on 24 June 2021. Below are the final ratings from the on-site examination.

#### 4.8.1.1. CAMELS\* Ratings

CAMELS Component	Latest RBS** Ratings 30/06/2021	Previous RBS Ratings 24/11/2016	Previous RBS Ratings 30/06/2013	Previous RBS Ratings 31/01/2008
Capital Adequacy	2	2	2	4
Asset Quality	2	3	4	2
Management	2	3	3	3
Earnings	2	2	2	3
Liquidity	2	3	2	3
Sensitivity to Market Risk	2	2	2	3
Composite Rating	2	3	3	3

\* 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.

## 4.8.1.2. Summary RAS ratings

RAS Component	Latest RBS** Ratings 30/06/2021	Previous RBS Ratings 24/11/2016	Previous RBS Ratings 30/06/2013	Previous RBS Ratings 31/01/2008
Overall Inherent Risk	Moderate	High	High	High
Overall Risk Management Systems	Acceptable	Acceptable	Acceptable	Acceptable
Overall Composite Risk	Moderate	Moderate	Moderate	Moderate
Direction of Overall Composite Risk	Stable	Stable	Stable	Stable

\*\*\* RAS stands for Risk Assessment System.

#### 4.8.1.3. Summary risk matrix - 30 June 2021 on - site examination

Type of Risk	Level of Inherent Risk	Adequacy of Risk Management Systems	Overall Composite Risk	Direction of Overall Composite Risk
Credit	Moderate	Acceptable	Moderate	Stable
Liquidity	Moderate	Acceptable	Moderate	Stable
Interest Rate	Low	Strong	Low	Stable
Foreign Exchange	Moderate	Strong	Low	Stable
Strategic Risk	Moderate	Acceptable	Moderate	Stable
Operational Risk	Moderate	Acceptable	Moderate	Stable
Legal & Compliance	Moderate	Acceptable	Moderate	Stable
Reputation	Moderate	Acceptable	Moderate	Stable
Overall	Moderate	Acceptable	Moderate	Stable

# KEY

High/Weak Moderate/Acceptable Low/Strong
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# Level of Inherent Risk

**Low** – reflects a lower than average probability of an adverse impact on a banking institution's capital and earnings. Losses in a functional area with low inherent risk would have little negative impact on the banking institution's overall financial condition.

Moderate – could reasonably be expected to result in a loss which could be absorbed by a banking institution in the normal course of business.

**High** – reflects a higher than average probability of potential loss. High inherent risk could reasonably be expected to result in a significant and harmful loss to the banking institution.

# Adequacy of Risk Management Systems

**Weak** – risk management systems are inadequate or inappropriate given the size, complexity and risk profile of the banking institution. Institution's risk management systems are lacking in important ways and therefore a cause of more than normal supervisory attention. The internal control systems will be lacking in important aspects particularly as indicated by continued control exceptions or by the failure to adhere to written policies and procedures.

**Acceptable** – management of risk is largely effective but lacking to some modest degree. While the institution might be having some minor risk management weaknesses, these have been recognised and are being addressed. Management information systems are generally adequate.

**Strong** - management effectively identifies and controls all types of risk posed by the relevant functional areas or per inherent risk. The board and senior management are active participants in managing risk and ensure appropriate policies and limits are put in place. The policies comprehensively define the bank's risk tolerance, responsibilities and accountabilities are effectively communicated.

# Overall Composite Risk

**Low** – would be assigned to low inherent risk areas. Moderate risk areas may be assigned a low composite risk where internal controls and risk management systems are strong and effectively mitigate much of the risk.

**Moderate** – risk management systems appropriately mitigates inherent risk. For a given low risk area, significant weaknesses in the risk management systems may result in a moderate composite risk assessment.

On the other hand, a strong risk management system may reduce the risk so that any potential financial loss from the activity would have only a moderate negative impact on the financial condition of the organisation.

**High** – risk management systems do not significantly mitigate the high inherent risk. Thus, the activity could potentially result in a financial loss that would have a significant impact on the bank's overall condition.

# Direction of Overall Composite Risk

- Increasing based on the current information, risk is expected to increase in the next 12 months.
- Decreasing based on current information, risk is expected to increase in the next 12 months
- Stable based on the current information, risk is expected to be stable in the next 12 months.

# 4.8.2. External Credit Ratings

The external credit ratings were given by Global Credit Rating (GCR), a credit rating agency accredited with the Reserve Bank of Zimbabwe.

Security Class	2025	2024	2023	2022
Long Term	BBB+	BBB	BB+	BB+

The 2025 external ratings were obtained during the month of May 2025 with a long term rating of BBB+, up from BBB in 2024.

# 4.9. Climate Risk

NMBZ Holdings recognises climate change as a systemic risk with far-reaching implications for our business, our stakeholders, and the communities we serve. It threatens the sustainability of economic progress, social wellbeing, and environmental integrity across Zimbabwe and the broader region. Our response is guided by our climate risk strategy to enable inclusive, climate resilient growth through responsible finance and stakeholder empowerment. We acknowledge the urgency articulated by climate science and the imperative for a Just Transition—one that balances environmental action with social equity and economic opportunity. Our climate strategy integrates risk management, opportunity identification, and proactive engagement with national and global frameworks.

<sup>\*\*</sup> RBS stands for Risk-Based Supervision.





#### Risk Management & Resilience

At NMBZ Holdings, our Board meets quarterly and operates within established prudential guidelines and policies. The Board plays a central role in setting climate change objectives and targets, ensuring that environmental and social considerations are embedded in our strategic direction. Our enterprise risk frameworks incorporate climate-related risks across physical, transition, and liability dimensions. As a financial institution that also operates in disaster-prone regions, we are advancing natural peril modelling and scenario analysis to inform lending decisions, insurance offerings, community resilience strategies and developing climate risk screening tools. These insights guide our interventions in agriculture, infrastructure, mining and SME development, sectors most vulnerable to climate shocks.

We are actively collaborating with industry bodies, international climate expects, and public sector partners to strengthen climate adaptation and disaster risk reduction. Our climate finance facilities enable targeted investments in renewable energy, climate-smart agriculture, and inclusive enterprise growth.

### Climate Action & Opportunity

While climate change presents profound challenges, it also offers a generational opportunity to reframe progress. At NMBZ Holdings, we are committed to:

- · Decarbonising our value chain through sustainable lending, operational efficiency, and renewable energy adoption
- Empowering communities with tools, finance, and knowledge to thrive in a changing climate
- Driving innovation in ESG screening, climate risk reporting, and digital solutions that support low-emission growth

Looking forward we will continue to refine our understanding of climate change data across portfolios, enabling more informed decisions and transparent disclosures, ensuring that climate risk is not only managed but transformed into opportunity.

#### 4.10. REGULATORY COMPLIANCE

The bank was levied a penalty amounting to ZWG 267 307, for failure to exercise on-going due diligence and special monitoring of transactions. Measures have been put in place to ensure non recurrence of the same. The bank remains committed to complying with and adhering to all regulatory requirements.

#### 5. CAPITAL MANAGEMENT

The primary objective of the Bank's capital management is to ensure that the Bank complies with the RBZ requirements. In implementing the current capital requirements, the RBZ requires the Banking subsidiary to maintain a prescribed ratio of total capital to total risk weighted assets.

Regulatory capital consists of Tier 1 capital, which comprises share capital, share premium, retained earnings (including current year profit) and other equity reserves.

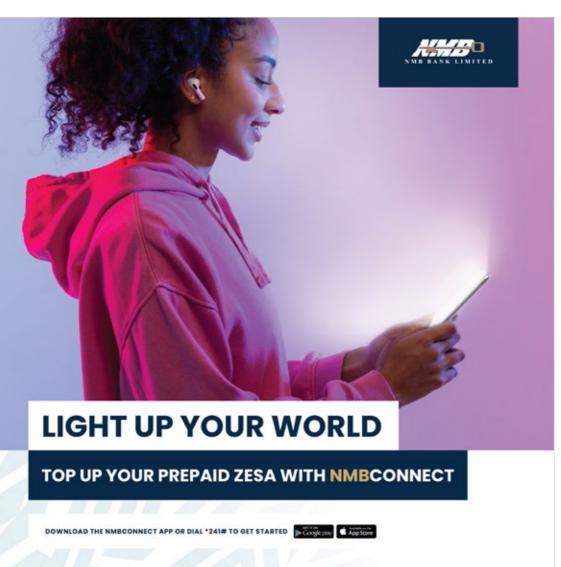
The other component of regulatory capital is Tier 2 capital, which includes subordinated term debt, revaluation reserves and portfolio

Tier 3 capital relates to an allocation of capital to market and operational risk.

Various limits are applied to elements of the capital base. The core capital (Tier 1) shall comprise not less than 50% of the capital base and the regulatory reserves and portfolio provisions are limited to 1.25% of total risk weighted assets.

The Bank's regulatory capital position at 30 June 2025 was as follows:

Share capital         7         7           Share premium         1 065 855         1 065 855           Retained earnings         1 878 977 009         1 806 739 479           Less: capital allocated for market and operational risk         ( 323 492 896)         ( 213 975 424)           Tier 1 capital         1 556 549 975         1 593 829 917           Tier 2 capital (subject to limit as per Banking Regulations)         520 706 522         453 856 154           Fair valuation gains on land and buildings         370 449 898         337 590 177           Subordinated debt         30 154 330         28 908 604           Stage 1 & 2 ECL provisions – (limited to 1,25% of risk weighted asset         120 102 294         87 357 373           Tier 1 & 2 capital (sum of market and operational risk capital)         323 492 896         213 544 569           Total capital base         2 400 749 393         2 261 230 641           Total risk weighted assets         9 608 183 518         6 988 589 843           Tier 2 ratio         5.42%         6.49%           Tier 3 ratio         5.42%         6.49%           Total capital adequacy ratio         24.99%         32.36%           RBZ minimum required         12.00%         12.00%			
Share premium       1 065 855       1 065 855         Retained earnings       1 878 977 009       1 806 739 479         1 880 042 871       1 807 805 341         Less: capital allocated for market and operational risk       ( 323 492 896)       ( 213 975 424)         Tier 1 capital       1 556 549 975       1 593 829 917         Tier 2 capital (subject to limit as per Banking Regulations)       520 706 522       453 856 154         Fair valuation gains on land and buildings       370 449 898       337 590 177         Subordinated debt       30 154 330       28 908 604         Stage 1 & 2 ECL provisions – (limited to 1,25% of risk weighted asset       120 102 294       87 357 373         Tier 1 & 2 capital (sum of market and operational risk capital)       323 492 896       213 544 569         Total capital base       2 400 749 393       2 261 230 641         Total risk weighted assets       9 608 183 518       6 988 589 843         Tier 1 ratio       16.20%       22.81%         Tier 2 ratio       5.42%       6.49%         Tier 3 ratio       3.37%       3.06%         Total capital adequacy ratio       24.99%       32.36%			
Share premium       1 065 855       1 065 855         Retained earnings       1 878 977 009       1 806 739 479         1 880 042 871       1 807 805 341         Less: capital allocated for market and operational risk       ( 323 492 896)       ( 213 975 424)         Tier 1 capital       1 556 549 975       1 593 829 917         Tier 2 capital (subject to limit as per Banking Regulations)       520 706 522       453 856 154         Fair valuation gains on land and buildings       370 449 898       337 590 177         Subordinated debt       30 154 330       28 908 604         Stage 1 & 2 ECL provisions – (limited to 1,25% of risk weighted asset       120 102 294       87 357 373         Tier 1 & 2 capital (sum of market and operational risk capital)       323 492 896       213 544 569         Total capital base       2 400 749 393       2 261 230 641         Total risk weighted assets       9 608 183 518       6 988 589 843         Tier 1 ratio       16.20%       22.81%         Tier 2 ratio       5.42%       6.49%         Tier 3 ratio       3.37%       3.06%         Total capital adequacy ratio       24.99%       32.36%			
Retained earnings       1 878 977 009       1 806 739 479         1 880 042 871       1 807 805 341         Less: capital allocated for market and operational risk       ( 323 492 896)       ( 213 975 424)         Tier 1 capital       1 556 549 975       1 593 829 917         Tier 2 capital (subject to limit as per Banking Regulations)       520 706 522       453 856 154         Fair valuation gains on land and buildings       370 449 898       337 590 177         Subordinated debt       30 154 330       28 908 604         Stage 1 & 2 ECL provisions – (limited to 1,25% of risk weighted asset       120 102 294       87 357 373         Tier 1 & 2 capital       2 077 256 497       2 047 686 071         Tier 3 capital (sum of market and operational risk capital)       323 492 896       213 544 569         Total capital base       2 400 749 393       2 261 230 641         Total risk weighted assets       9 608 183 518       6 988 589 843         Tier 1 ratio       16.20%       22.81%         Tier 2 ratio       5.42%       6.49%         Tier 3 ratio       3.37%       3.06%         Total capital adequacy ratio       24.99%       32.36%	Share capital	7	7
Less: capital allocated for market and operational risk  ( 323 492 896) ( 213 975 424)  Tier 1 capital  1 556 549 975 1 593 829 917  Tier 2 capital (subject to limit as per Banking Regulations) 520 706 522 453 856 154  Fair valuation gains on land and buildings 370 449 898 337 590 177  Subordinated debt 30 154 330 28 908 604  Stage 1 & 2 ECL provisions – (limited to 1,25% of risk weighted asset 120 102 294 87 357 373  Tier 1 & 2 capital 2 capital 2 2 077 256 497 2 047 686 071  Tier 3 capital (sum of market and operational risk capital) 323 492 896 213 544 569  Total capital base 2 400 749 393 2 261 230 641  Total risk weighted assets 9 608 183 518 6 988 589 843  Tier 1 ratio 16 20% 22.81%  Tier 2 ratio 5 42% 6 49%  Tier 3 ratio 3 3.37% 3.06%  Total capital adequacy ratio 24.99% 32.36%	Share premium	1 065 855	1 065 855
Less: capital allocated for market and operational risk       ( 323 492 896)       ( 213 975 424)         Tier 1 capital       1 556 549 975       1 593 829 917         Tier 2 capital (subject to limit as per Banking Regulations)       520 706 522       453 856 154         Fair valuation gains on land and buildings       370 449 898       337 590 177         Subordinated debt       30 154 330       28 908 604         Stage 1 & 2 ECL provisions – (limited to 1,25% of risk weighted asset       120 102 294       87 357 373         Tier 1 & 2 capital       2 077 256 497       2 047 686 071         Tier 3 capital (sum of market and operational risk capital)       323 492 896       213 544 569         Total capital base       2 400 749 393       2 261 230 641         Total risk weighted assets       9 608 183 518       6 988 589 843         Tier 1 ratio       16.20%       22.81%         Tier 2 ratio       5.42%       6.49%         Tier 3 ratio       3.37%       3.06%         Total capital adequacy ratio       24.99%       32.36%	Retained earnings	1 878 977 009	1 806 739 479
Tier 1 capital 1 556 549 975 1 593 829 917  Tier 2 capital (subject to limit as per Banking Regulations) 520 706 522 453 856 154  Fair valuation gains on land and buildings 370 449 898 337 590 177  Subordinated debt 30 154 330 28 908 604  Stage 1 & 2 ECL provisions – (limited to 1,25% of risk weighted asset 120 102 294 87 357 373  Tier 1 & 2 capital 2 077 256 497 2 047 686 071  Tier 3 capital (sum of market and operational risk capital) 323 492 896 213 544 569  Total capital base 2 400 749 393 2 261 230 641  Total risk weighted assets 9 608 183 518 6 988 589 843  Tier 1 ratio 16.20% 22.81%  Tier 2 ratio 5.42% 6.49%  Tier 3 ratio 3.37% 3.06%  Total capital adequacy ratio 24.99% 32.36%		1 880 042 871	1 807 805 341
Tier 2 capital (subject to limit as per Banking Regulations)       520 706 522       453 856 154         Fair valuation gains on land and buildings       370 449 898       337 590 177         Subordinated debt       30 154 330       28 908 604         Stage 1 & 2 ECL provisions – (limited to 1,25% of risk weighted asset       120 102 294       87 357 373         Tier 1 & 2 capital       2 077 256 497       2 047 686 071         Tier 3 capital (sum of market and operational risk capital)       323 492 896       213 544 569         Total capital base       2 400 749 393       2 261 230 641         Total risk weighted assets       9 608 183 518       6 988 589 843         Tier 1 ratio       16.20%       22.81%         Tier 2 ratio       5.42%       6.49%         Tier 3 ratio       3.37%       3.06%         Total capital adequacy ratio       24.99%       32.36%	Less: capital allocated for market and operational risk	( 323 492 896)	( 213 975 424)
Fair valuation gains on land and buildings       370 449 898       337 590 177         Subordinated debt       30 154 330       28 908 604         Stage 1 & 2 ECL provisions – (limited to 1,25% of risk weighted asset       120 102 294       87 357 373         Tier 1 & 2 capital       2 077 256 497       2 047 686 071         Tier 3 capital (sum of market and operational risk capital)       323 492 896       213 544 569         Total capital base       2 400 749 393       2 261 230 641         Total risk weighted assets       9 608 183 518       6 988 589 843         Tier 1 ratio       16.20%       22.81%         Tier 2 ratio       5.42%       6.49%         Tier 3 ratio       3.37%       3.06%         Total capital adequacy ratio       24.99%       32.36%	Tier 1 capital	1 556 549 975	1 593 829 917
Subordinated debt       30 154 330       28 908 604         Stage 1 & 2 ECL provisions – (limited to 1,25% of risk weighted asset       120 102 294       87 357 373         Tier 1 & 2 capital       2 077 256 497       2 047 686 071         Tier 3 capital (sum of market and operational risk capital)       323 492 896       213 544 569         Total capital base       2 400 749 393       2 261 230 641         Total risk weighted assets       9 608 183 518       6 988 589 843         Tier 1 ratio       16.20%       22.81%         Tier 2 ratio       5.42%       6.49%         Tier 3 ratio       3.37%       3.06%         Total capital adequacy ratio       24.99%       32.36%	Tier 2 capital (subject to limit as per Banking Regulations)	520 706 522	453 856 154
Stage 1 & 2 ECL provisions – (limited to 1,25% of risk weighted asset       120 102 294       87 357 373         Tier 1 & 2 capital       2 077 256 497       2 047 686 071         Tier 3 capital (sum of market and operational risk capital)       323 492 896       213 544 569         Total capital base       2 400 749 393       2 261 230 641         Total risk weighted assets       9 608 183 518       6 988 589 843         Tier 1 ratio       16.20%       22.81%         Tier 2 ratio       5.42%       6.49%         Tier 3 ratio       3.37%       3.06%         Total capital adequacy ratio       24.99%       32.36%	Fair valuation gains on land and buildings	370 449 898	337 590 177
Tier 1 & 2 capital       2 077 256 497       2 047 686 071         Tier 3 capital (sum of market and operational risk capital)       323 492 896       213 544 569         Total capital base       2 400 749 393       2 261 230 641         Total risk weighted assets       9 608 183 518       6 988 589 843         Tier 1 ratio       16.20%       22.81%         Tier 2 ratio       5.42%       6.49%         Tier 3 ratio       3.37%       3.06%         Total capital adequacy ratio       24.99%       32.36%	Subordinated debt	30 154 330	28 908 604
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Total capital base       2 400 749 393       2 261 230 641         Total risk weighted assets       9 608 183 518       6 988 589 843         Tier 1 ratio       16.20%       22.81%         Tier 2 ratio       5.42%       6.49%         Tier 3 ratio       3.37%       3.06%         Total capital adequacy ratio       24.99%       32.36%	Tier 1 & 2 capital	2 077 256 497	2 047 686 071
Total risk weighted assets       9 608 183 518       6 988 589 843         Tier 1 ratio       16.20%       22.81%         Tier 2 ratio       5.42%       6.49%         Tier 3 ratio       3.37%       3.06%         Total capital adequacy ratio       24.99%       32.36%	Tier 3 capital (sum of market and operational risk capital)	323 492 896	213 544 569
Tier 1 ratio       16.20%       22.81%         Tier 2 ratio       5.42%       6.49%         Tier 3 ratio       3.37%       3.06%         Total capital adequacy ratio       24.99%       32.36%	Total capital base	2 400 749 393	2 261 230 641
Tier 2 ratio       5.42%       6.49%         Tier 3 ratio       3.37%       3.06%         Total capital adequacy ratio       24.99%       32.36%	Total risk weighted assets	9 608 183 518	6 988 589 843
Tier 3 ratio       3.37%       3.06%         Total capital adequacy ratio       24.99%       32.36%	Tier 1 ratio	16.20%	22.81%
Total capital adequacy ratio 24.99% 32.36%	Tier 2 ratio	5.42%	6.49%
	Tier 3 ratio	3.37%	3.06%
RBZ minimum required 12.00%	Total capital adequacy ratio	24.99%	32.36%
	RBZ minimum required	12.00%	12.00%



#### SECRETARY AND REGISTERED OFFICE

Company Secretary
V. T. MUTANDWA

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