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ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

CHAIRMAN'S STATEMENT

It gives me great pleasure to present the financial results of Stanbic Bank Zimbabwe Limited ("the Bank" or "Stanbic Bank Zimbabwe") for the year ended 31 December 2025.

Operating environment in the country

Zimbabwe's economy is estimated to have grown by 6.6% compared to 2% in 2024. This robust growth is attributed to strong performance in agriculture, services, and continued investment in mining and steel. When compared to a number of peers in the sub-Saharan Africa region, Zimbabwe's economic growth is notable.

USD inflation averaged over 12% in 2025 mainly due to a spike in monthly inflation in January 2025 (which reached 10.5%). However, monthly inflation significantly slowed down to under 0.5% for the remainder of the year. ZWG inflation, which peaked at 95.8% in July 2025, slowed down to 15.1% by December 2025 mainly due to various policy actions which reduced market liquidity.

Results

The Bank ended the year 2025 with a profit after tax of ZWG1.7 billion exceeding prior period profit after tax of ZWG1.1 billion by 48% supported by an improvement in net interest income as new lending assets were written both in local and foreign currency. In addition, the ZWG currency depreciation that happened in September 2024 contributed to an increase in the local currency equivalents of the Bank's foreign currency denominated revenues.

Capital

The Bank closed the year with a qualifying core capital of ZWG4.3 billion (2024: ZWG4 billion) against the regulatory minimum in the local currency equivalent of USD30 million. The Bank has strong capital to support future growth.

Dividend

A dividend of ZWG1.1 billion was paid out in 2025. An interim dividend of ZWG526.5 million was paid out of the profits for the year 2025. A final dividend of ZWG506.1 million was approved by the Board of Directors on 26 March 2026.

Outlook

The growth outlook is strong given the trajectory of commodity prices. The policy environment will be key in fulfilling the promise, especially in the areas of fiscal management and monetary policy, whilst external shocks (the worsening geo-political tensions) and climate-related disasters will also require mitigation.

Corporate governance

The Bank continues to maintain high standards of corporate governance, ensuring that its conduct is within the parameters set by both local and international best practice. It complies with regulatory and corporate governance requirements and is committed to advancing the principles and practices of sustainable development and adherence to the laws of the country.

During the year under review, the Bank complied with all regulatory requirements in all material respects.

The Board of Directors

The Board meets a minimum of four times per year, and the record of attendance of each director is as follows for the year ended 31 December 2025:

DIRECTOR'S NAME	MAIN BOARD	LOANS				RISK	IT	GOVERNANCE SUSTAINABILITY & PEOPLE	PROPERTIES OVERSIGHT
		AUDIT	REVIEW	CREDIT	RISK				
Muchakanakirwa Mkanganwi (<i>Chairman</i>)	4	**	**	**	5	4	5	**	
Solomon Nyanhongo (<i>Chief Executive</i>)	4	**	**	**	**	**	**	**	
Betty Murambadoro (<i>Executive</i>)	4	**	**	**	**	**	**	**	
Tafadzwa Mahachi (<i>Executive</i>)	4	**	**	**	**	**	**	**	
Valentine Mushayakarara (<i>Independent Non-executive</i>)	4	5	**	8	**	**	**	1	
Nellie Tiyago (<i>Independent Non-executive</i>)	4	**	4	**	5	**	**	1	
Jonathan Wood (<i>Independent Non-executive</i>)	4	5	4	**	5	**	**	-	
Gregory Brackenridge* (<i>Independent Non-executive</i>)	4	**	**	8	**	**	5	**	
Dr. Tapiwanashe James Museba* (<i>Independent Non-executive</i>)	4	5	4	**	**	4	**	**	
Lucinda Tyser (<i>Independent Non-executive</i>)	4	**	**	8	**	4	5	**	
Rutendo Badenhorst# (<i>Independent Non-executive</i>)	1	1	1	**	1	**	**	**	
Tapiwa Chizana# (<i>Independent Non-executive</i>)	1	1	**	2	**	**	**	1	

*Not Zimbabwean residents

** Not a member

#New board appointments

As at 31 December 2025 the Board comprised twelve directors, three of whom are executive directors. Mr Tapiwa Chizana and Mrs Rutendo Badenhorst were appointed to the company's board on the 21st of October 2025.

The Board continues to have an appropriate level of independence for deliberations and objectivity and has the right mix of competencies and experience. To ensure continued competence, the members undergo regular training on key subjects pertaining to their role as directors. The Board is responsible for the overall corporate governance of the Bank, ensuring that appropriate controls, systems, and practices are in place.

Board Committees

The Board Audit Committee

During the year ended 31 December 2025, the committee held five meetings exceeding the four stipulated in the committee's mandate. The committee is comprised of five non-executive directors. The role of the committee is to provide an independent evaluation of the adequacy and efficiency of the Bank's internal control systems, accounting practices, information systems and auditing processes.

Communication between the Board, executive management, compliance, internal audit, and external audit is encouraged. Ernst and Young Chartered Accountants were appointed as the independent auditors of the Bank for the year ending 31 December 2025 and thereafter, succeeding Vista Chartered Accountants. The independent auditor engages closely with the members of the Board Audit Committee. The committee liaises with both the independent and internal auditors on accounting procedures and on the adequacy of controls and information systems, and reviews the financial statements, considers loss reports on major defalcations, and the effectiveness of the Bank's compliance plan.

The Internal Audit function reports administratively to the Chief Executive Officer and functionally to the Board Audit Committee and Group Internal Audit to ensure that it remains independent. The function consists of one head of department and four managers who have the adequate qualifications and experience in auditing. As at 31 December 2025, 92% of the planned audits for the year had been completed.

Board Loans Review Committee

The committee is required to meet at least four times annually in line with the committee's mandate and may convene more often as and when necessary. During the year ended 31 December 2025, the committee held four meetings.

The Loans Review Committee reviews customer facilities and the level of allowances for expected credit losses. It also considers other risk issues in relation to the structure of the Bank's balance sheet as a result of changes in the operating environment. The committee comprises four independent non-executive directors.

Board Credit Committee

The committee is required to meet at least four times annually in line with the committee's mandate and may convene more often as and when necessary. During the year ended 31 December 2025, the committee held eight meetings as necessitated by business demands.

The Board Credit Committee is tasked with the overall review of the Bank's lending policies. During each meeting, the committee deliberates and considers credit applications beyond the mandate of the Credit Committee.

Board Risk Committee

During the year ended 31 December 2025, the committee held five meetings—one more than the frequency stipulated in its mandate, as necessitated by business demands. As at 31 December 2025, the committee comprised four non executive directors, all of whom were independent.

The committee reviews and assesses the integrity of the risk control systems and ensures that risk policies and strategies are effectively identified, managed and monitored in order to contribute to a climate of discipline and control, which will reduce the opportunity of risk, including fraud, in all areas of operation in line with the requirements of the Banking Act as amended.

Board Information Technology Committee

During the year ended 31 December 2025, the committee held four meetings in line with the committee's mandate.

As at 31 December 2025 the committee comprised three non-executive directors, all of whom are independent. The committee's responsibility is to ensure that prudent and reasonable steps are taken with respect to Information Technology ("IT") governance. The committee reviews and assesses risks associated with IT including disaster recovery, business continuity and IT security. This committee has authority for overseeing matters of Information Technology risk including the cultivation and promotion of an ethical IT governance and management culture and awareness.

Board Governance Sustainability and People Committee

During the year ended 31 December 2025 the committee met five times exceeding the stipulated four in the committee's mandate in order to meet business demands. The committee also undertook interviews for the appointment of new directors during the course of the year. The committee currently comprises of three non-executive directors. The committee's responsibility is to adequately deal with all matters that relate to People and Culture, directors' nominations, remuneration, dispute resolution for the directors, Environmental Social Governance and succession planning issues.

Board Properties Oversight Committee

The committee was constituted during the year and had its first meeting in November 2025. The committee comprises of four non-executive directors.

The committee's responsibility is to assist the board in providing oversight for all matters that relate to the management of the Bank's investment property portfolio.

Asset and Liability Committee

The Asset and Liability Committee is a key management committee that meets a minimum of ten times a year. During the year ended 31 December 2025, the committee exceeded the ten-meeting requirement and held numerous ad hoc meetings during the course of the year to allow enhanced monitoring of the operating environment and the Bank's financial position.

The committee is responsible for monitoring compliance with policies and for implementing strategies in respect of liquidity, interest rates, foreign exchange, and market risk. It is also responsible for setting policies on the deployment of capital resources of the Bank.

The Asset and Liability Committee strives to achieve the following objectives:

- optimise net interest margins and exchange earnings;
- achieve a deposit, lending and investment profile consistent with the Bank's budgetary and strategic targets;
- manage risks within levels which comply with group and/or regulatory limits;
- establish appropriate pricing levels and rates within laid down limits to achieve objectives; and
- grow the statement of financial position size and profits for the period in line with budget.

Assessment of the effectiveness of the Board and its members

The Bank holds an annual Board and director evaluation process as required by the Reserve Bank of Zimbabwe. Weaknesses and areas of concern are identified through this process. The areas of concern are discussed in the Board meetings with a view to rectifying the identified weaknesses. The Board evaluation took place in the first quarter of 2025, and the results of the evaluation were submitted to the Reserve Bank of Zimbabwe.

Stanbic Bank Nominees (Private) Limited

Stanbic Bank Nominees (Private) Limited is a wholly owned subsidiary of Stanbic Bank Zimbabwe. It is the nominee company which holds the securities for investments made by Stanbic Bank Zimbabwe clients on the money and equity markets (the Bank's custodial business), for the purposes of segregating clients' assets from those belonging to the Bank. The Board of Stanbic Nominees comprises two executive directors and three independent non-executive directors, who meet on a quarterly basis to review the operations and the risks associated with the custody business.

Corporate Social Responsibility

Sustainability is a key pillar we focus on as we pursue business in support of various industries through our Business Banking, Corporate and Investment Banking portfolios, in line with our commitment to drive the growth in and of our country.

The Bank continues to support various clients in credit and foreign currency allocation to enhance their capacity to produce and supply and contribute to the country's economic growth. Some of these clients are in the agricultural and mining sectors. The Bank strives to continuously support its clients in their endeavours.

Acknowledgements

I would like to express my sincere gratitude to all our esteemed stakeholders for their continued trust and belief in us. We value your support as we build a strong financial services ecosystem. I am particularly grateful to our valued customers who are the cornerstone of our success. I would like to thank board members for their steadfast leadership and strategic oversight throughout the year as the Bank navigated the operating environment. To the Stanbic Bank staff and management, I thank you for your hard work and diligence which continues to drive the Bank's performance.

I want to welcome Mr Tapiwa Chizana and Mrs Rutendo Badenhorst to the Stanbic Bank Zimbabwe board and wish them well in their assignment.

Muchakanakirwa Mkanganwi
Chairman

26 March 2026

CHIEF EXECUTIVE'S REPORT

Overview of business results for 2025

The year 2025 was characterised by macroeconomic stability, supported by liquidity controls aimed at containing inflationary pressures. In addition, the ZWG currency strengthened during the period. ZWG year on year inflation, which peaked at 95.8% in July 2025, declined sharply to 15.1% by December 2025 as policy interventions reduced market liquidity and stabilised the exchange rate. USD annual inflation averaged over 12% in 2025 due to a spike in the January 2025 month-on-month rate to 10.5% before moderating to below 0.5% monthly thereafter.

The Bank recorded a profit of ZWG1.7 billion for the year ended 31 December 2025, representing a 48% increase from ZWG1.1 billion in the prior year.

The Bank's net interest income ended the period at ZWG1.8 billion, outpacing prior year net interest income of ZWG1 billion by 77% largely underpinned by the elevation in the Bank's average lending book which grew by 57% from ZWG8.6 billion in December 2024 to ZWG13.4 billion in line with the increase in demand for foreign currency funding as the local currency lending rates remained at high levels which discouraged borrowing. In addition, loan book growth was supported by drawdowns on the offshore lines of credit that the Bank had secured. The ZWG equivalents of the Bank's foreign currency denominated net interest income had increased substantially spurred by the ZWG currency depreciation experienced in September 2024.

Non-funded income grew by a marginal 6% from ZWG2.9 billion in the comparative period to ZWG3 billion due to unrealised exchange losses incurred during the period as the ZWG firmed against the USD.

The Bank ended the year 2025 with credit impairments of ZWG142.8 million, exceeding prior period impairments of ZWG39.5 million largely underpinned by the 57% growth in the gross lending book as the Bank continued to support its customers through the provision of both local and foreign currency loans.

The Bank's total operating expenses of ZWG2.2 billion grew by 41% from ZWG1.6 billion in the comparative period largely because of the impact of the ZWG currency depreciation that had happened in September 2024, on the Bank's foreign currency denominated expenses which in turn increased sharply in local currency terms. During the year 2025, the Bank had implemented cost containment measures which yielded positive outcomes in foreign currency terms, but this was outweighed by the impact of the extensive currency depreciation that happened in September 2024.

Customer deposits grew by 39% to ZWG20.9 billion from ZWG15 billion in December 2024. This growth was supported predominantly by improved customer acquisition, increased market confidence and strengthened deposit mobilisation efforts.

Compliance and money laundering control function

The Compliance Function continued to play a central role in safeguarding the Bank. Through advisory services, assurance reviews, training programmes, and robust reporting, we strengthened our compliance posture in alignment with regulatory requirements and international standards. Our adherence to the Money Laundering and Proceeds of Crime Act remained unwavering as we enhanced controls to mitigate risks related to money laundering, terrorism financing, and other financial crimes. These efforts continue to protect the Bank's reputation and reinforce trust with regulators, partners, and clients.

Statement on corporate social investment responsibilities

Stanbic Bank Zimbabwe remains steadfast in its mission to create meaningful and sustainable impact within the communities where we operate. Our Corporate Social Investment (CSI) strategy is designed to address critical social needs while aligning with our broader vision of driving economic growth and national development.

Our initiatives are anchored on four key pillars that reflect the most pressing needs of our society:

Education

We invest in programs that enhance access to quality education, including scholarships, school infrastructure development, and digital learning resources. These efforts aim to empower future generations with knowledge and skills for socio-economic advancement.

Environment

Recognizing the importance of environmental stewardship, we support projects that promote conservation, sustainable practices, and climate resilience. Our goal is to contribute to a greener, healthier Zimbabwe for current and future generations.

Healthcare and sanitation

Public health remains a priority. We provide targeted support to health institutions, supply essential medical equipment, and fund initiatives that improve sanitation and hygiene standards in underserved communities.

Sustainability and long-term impact

Our CSI initiatives are not once-off interventions; they are carefully designed to deliver lasting benefits. By collaborating with stakeholders and leveraging our financial expertise, we ensure that projects are scalable, impactful, and aligned with national development goals.

Integration with business strategy

Corporate Social Responsibility is embedded in our business model. Through our Business Banking, and Corporate and Investment Banking portfolios, we support industries such as agriculture and mining with credit facilities which assist them to strengthen production capacity, create jobs, and stimulate economic growth.



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ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Looking ahead

Stanbic Bank Zimbabwe reaffirms its commitment to being a responsible corporate citizen. We will continue to innovate and expand our CSI programs, ensuring that our contributions remain relevant and transformative for the communities we serve.

Our people

2025 was one of the better years for the economy in recent times, and the Bank's resilience and commitment to its people shone through. This year, the Bank showed up for its people by listening deeply, amplifying the employee voice, and embedding psychological safety into every initiative by transforming feedback into action that reinforced trust, inclusivity, and shared purpose across our business. Through transparent communication, cross-border collaboration, and a commitment to wellbeing, we not only honoured the strength of our teams but also created space for innovation and growth. As we advance into 2026, we will build on this foundation by sharpening our leadership accountability, elevating diverse perspectives into decision-making, and designing frameworks that make every voice visible. We will ensure that our culture continues to evolve to support our people as they thrive and shape the Bank's future shaped collectively.

Our customers

We continued to invest in convenience, accessibility, and service excellence. During the year we:

- Deployed two bulk note acceptors and three deposit taking ATMs.
- Launched International Payments (IPay) on Online Banking and Enterprise Online, enabling secure 24/7 cross border payments without branch visits.
- Rolled out road licence insurance across all branches.
- Opened new branches in Chiredzi and Masvingo to expand reach.
- Integrated the MoneyGram API, significantly enhancing cross border remittance capabilities.

We strengthened our leadership in mining—particularly platinum, gold, and lithium—by leveraging Group balance sheets to deliver bespoke solutions. In agriculture, we provided foreign currency funding during a record tobacco season of 355 million kg. We also supported critical national energy and infrastructure initiatives and maintained our commitment to SMEs through USD6.5 million in credit facilities, business clinics, and cross border trade advisory.

Vote of thanks

My profound gratitude goes to our valued clients and esteemed stakeholders for their unwavering support and trust. Their continued support and dedication has been instrumental in delivering continued growth. I would like to thank our board members for their exceptional leadership and guidance throughout the period. It is through the guidance of the board that the Bank successfully navigated the year 2025. I would like to extend special recognition to the Blue Bankers, their relentless commitment, dedication and innovation initiatives continued to propel us forward to achieve these commendable results; I salute your passion for delivering exceptional services.

Solomon Nyanhongo
Chief Executive

26 March 2026

STATEMENT OF FINANCIAL POSITION As at 31 December 2025

Note	31 December 2025 ZWG'000	31 December 2024 ZWG'000
ASSETS		
Cash and balances with Central Bank	15 735 809	10 564 924
Current tax asset	23 513	-
Derivative assets	779	52
Financial investments	864 508	291 884
Other assets	1 389 681	3 027 918
Loans and advances	13 220 643	8 395 503
Right of use assets	5 144	13 467
Intangible assets	18 888	21 645
Investment securities	196 128	235 308
Investment property	1 854 424	1 802 980
Property and equipment	1 708 777	1 130 464
Total assets	35 018 294	25 484 145
EQUITY AND LIABILITIES		
Equity		
Ordinary share capital	427	427
Ordinary share premium	17 732	17 732
Reserves	5 450 466	4 872 076
Liabilities		
Derivative liabilities	104	413
Deposits and current accounts	25 276 415	16 216 757
Deposits from other banks	4 393 960	1 194 548
Deposits from customers	20 882 455	15 022 209
Current income liability	-	20 664
*Other liabilities	2 956 370	3 873 052
Lease liability	416	6 192
Provisions	436 554	-
Deferred tax liability	879 810	476 832
Total liabilities	29 549 669	20 593 910
Total equity and liabilities	35 018 294	25 484 145

*The 2024 other liabilities included provisions amounting to ZWG438. 3 million which have been separately presented in 2025.

INCOME STATEMENT For the year ended 31 December 2025

Note	31 December 2025 ZWG'000	*Restated 31 December 2024 ZWG'000
Net interest income	1 824 216	1 031 835
Non interest income	3 053 554	2 522 455
Total income	4 877 770	3 554 290
Total expected credit losses	(142 762)	(39 521)
Income after credit loss allowances	4 735 008	3 514 769
Operating expenses	(2 237 932)	(1 584 935)
Staff costs	(974 870)	(710 879)
Other operating expenses	(1 263 062)	(874 056)
Profit before indirect tax	2 497 076	1 929 834
Indirect tax	(140 404)	(64 338)
*Profit before direct tax	2 356 672	1 865 496
Direct tax	(688 346)	(737 202)
Profit after tax	1 668 326	1 128 294

*Restated refer to note 5 for further detail

STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 December 2025

	31 December 2025 ZWG'000	31 December 2024 ZWG'000
Profit for the period	1 668 326	1 128 294
Items that will not be reclassified to profit or loss:		
Loss on revaluation of land and buildings (net of tax)	(7 519)	(90 981)
Net change in fair value of equity investments (net of tax)	(37 221)	81 668
Foreign currency translation reserve	19 369	2 222 445
Total comprehensive income for the year attributable to the ordinary shareholder	1 642 955	3 341 426

STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2025

	Ordinary share capital ZWG'000	Ordinary share premium ZWG'000	Non-distributable reserve ZWG'000	Revaluation reserve ZWG'000	Fair value through other comprehensive income ZWG'000	Foreign currency translation reserve ZWG'000	Retained earnings ZWG'000	Ordinary shareholder's equity ZWG'000
Year ended 31 December 2025								
Balance as at 1 January 2025	427	17 732	1 984	88 817	152 386	2 222 445	2 406 444	4 890 235
Profit for the period	-	-	-	-	-	-	1 668 326	1 668 326
Other comprehensive income								
Net change in fair value of equity investment	-	-	-	-	(37 221)	-	-	(37 221)
Loss on revaluation of land and buildings (net of tax)	-	-	-	(7 519)	-	-	-	(7 519)
Foreign currency translation reserve	-	-	-	-	-	19 369	-	19 369
Total comprehensive income for the period	-	-	-	(7 519)	(37 221)	19 369	1 668 326	1 642 955
Transfer of non distributable reserve	-	-	(1 984)	-	-	-	1 984	-
Dividend payment	-	-	-	-	-	-	(1 064 565)	(1 064 565)
Total transactions with owner of the Bank recognised directly in equity	-	-	(1 984)	-	-	-	(1 062 581)	(1 064 565)
Balance as at 31 December 2025	427	17 732	-	81 298	115 165	2 241 814	3 012 189	5 468 625

Dividend amounting to ZWG1.1 billion was paid out in the year 2025. The dividend paid out per share was ZWG4 230.77.

	Ordinary share capital ZWG'000	Ordinary share premium ZWG'000	Non-distributable reserve ZWG'000	Revaluation reserve ZWG'000	Fair value through other comprehensive income ZWG'000	Foreign currency translation reserve ZWG'000	Retained earnings ZWG'000	Ordinary shareholder's equity ZWG'000
Year ended 31 December 2024								
Balance as at 1 January 2024	427	17 732	1 984	179 798	70 718	-	2 133 120	2 403 779
Profit for the period	-	-	-	-	-	-	1 128 294	1 128 294
Other comprehensive income								
Net change in fair value of equity investment	-	-	-	-	81 668	-	-	81 668
Gain on revaluation of land and buildings net of tax	-	-	-	(90 981)	-	-	-	(90 981)
Foreign currency translation reserve	-	-	-	-	-	2 222 445	-	2 222 445
Total comprehensive income for the period	-	-	-	(90 981)	81 668	2 222 445	1 128 294	3 341 426
Equity-settled share-based payments	-	-	-	-	-	-	-	-
Dividend payment	-	-	-	-	-	-	(854 970)	(854 970)
Total transactions with owner of the Bank recognised directly in equity	-	-	-	-	-	-	(854 970)	(854 970)
Balance as at 31 December 2024	427	17 732	1 984	88 817	152 386	2 222 445	2 406 444	4 890 235

Dividend amounting to ZWG855 million was paid out in the year 2024. The dividend paid out per share was ZWG3 288.35.

STATEMENT OF CASH FLOWS For the year ended 31 December 2025

Note	31 December 2025 ZWG'000	31 December 2024 ZWG'000
Cash generated from operations		
*Net income before indirect tax	2 497 076	1 929 834
Adjusted for:		
Amortisation and impairment of intangible assets	3 505	12 782
Expected credit losses (on and off-balance sheet)	142 762	39 521
Depreciation of property and equipment	56 420	61 912
Depreciation of right of use assets	9 980	5 653
Fair value adjustment on investment property	(28 177)	337 739
Interest on lease liability	142	105
Accrued interest on loans and advances	(61 652)	-
Accrued interest on deposits	16 654	-
Exchange losses/ (gains)	30 010	(777 796)
Indirect tax paid	(140 404)	(64 338)
Profit from sale of property and equipment	(2 826)	(924)
Movement in working capital	(735)	(7)
↑ Increase in derivative assets	-	-
Increase in loans and advances	(6 569 216)	(4 179 960)
(Decrease)/increase in accrued interest on financial investments	(11 733)	48 760
Purchase of financial investments	(907 197)	(621 828)
Proceeds from sale of financial investments	296 940	324 369
Increase in other assets	(249 582)	(3 299 311)
(Decrease)/increase in derivative liabilities	(309)	75
Increase in deposits	9 153 653	8 818 647
(Decrease)/ increase in other liabilities	(477 932)	1 674 865
Direct tax paid	(762 100)	(628 566)
**Interest received on loans and advances	1 712 678	-
**Interest paid on deposits	(110 649)	-
Net cash generated from operating activities	4 625 485	3 681 532
Cash flows from investing activities		
Capital expenditure on:		
- investment property	(23 260)	(3 370)
- equipment, furniture and vehicles	(644 858)	(254 013)
Proceeds from:		
- sale of property and equipment	2 387	924
Net cash used in investing activities	(665 731)	(256 459)
Cash flows from financing activities		
Dividend paid	(1 064 565)	(854 970)
***Lease liability payment (capital)	(7 893)	(2 189)
Lease payment (interest)	(142)	-
Net increase in cash and cash equivalents	(1 072 600)	(857 159)
Net increase in cash and balances with Central Bank	2 887 154	2 567 914
Effects of ECL on cash and balances with Central Bank	(1 286)	476
Effect of unrealised exchange gains	427 204	774 555
Cash and balances with Central Bank at beginning of the reporting period	7 925 686	4 582 741
***Cash and balances with Central Bank at end of the reporting period	11 238 758	7 925 686

*The 2024 net income before indirect tax and direct tax of ZWG2.2 billion has been restated to ZWG1.9 billion following the reclassification of fair value losses on investment property of ZWG337. 7 million from non trading and capital items to other revenue and before deducting indirect tax of ZWG64.3 million.

**Interest received of ZWG1.7 billion on loans and advances and interest paid of ZWG110.6 million on deposits was disclosed separately in the current year.

***In the 2024 financial statements, cash and balances with Central Bank at the end of the period were misstated by ZWG0.103 million due to the omission of expected credit losses from the cash and balances with Central Bank reconciliation and the presentation of the gross balance rather than net of ECL. The misstatement is not material and, accordingly, the comparative information has not been restated. The misstatement has no impact on the Bank's profit or cash flows.

****The 2024 lease payments of ZWG2.2 million were net movement after taking into account lease modifications. The 2025 lease payments are not net of lease modifications.

ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of the interim financial information are set out below. The accounting policies applied in the preparation of these financial statements from which the results have been derived are in terms of IFRS and are consistent with the accounting policies applied in the preparation of the Bank's previous annual financial statements with the exception of changes referred to under the basis of preparation paragraph below.

AUDITOR'S STATEMENT

These financial results should be read in conjunction with the full set of financial statements for the year ended 31 December 2025, which have been audited by the Independent Auditors, Ernst and Young (Zimbabwe). The Independent Auditors have issued an unqualified opinion on the financial statements.

BASIS OF PREPARATION

Statement of compliance

The financial statements are based on the statutory records, which are maintained under the historical cost convention basis except for the following material items in the statement of financial position: investment property and investment securities measured at fair value, derivative assets, owner occupied property measured at fair value less accumulated depreciation.



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ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

RISK MANAGEMENT AND CONTROL

Overview

Effective risk management is fundamental to the business activities of Stanbic Bank Zimbabwe Limited. Whilst we remain committed to the objective of increasing shareholder value by developing and growing our business in a way that is consistent with our Board determined risk appetite, we are also cognisant of the need to balance this objective with the interests of both our depositors and regulators. We seek to achieve an appropriate balance between risk and reward in our business and continue to build and enhance the risk management capabilities that assist in delivering our growth plans in a controlled environment.

Risk management is at the core of the operating structures of the Bank. The Bank seeks to limit adverse variations in earnings and equity by managing the risk exposures and capital within agreed levels of risk appetite. Managing and controlling risks, minimising undue concentrations of exposure and limiting potential losses from stress events are all essential elements of the Bank's risk management and control framework. This framework ultimately leads to the protection of the Bank's reputation.

Responsibility and accountability for risk management resides at all levels within the Bank, from the executive down through the organisation to each business manager.

Components of risk management are the risk standards that have been developed for each risk type and which set out the principles for the governance, identification, measurement, management, control and reporting of each risk type. Each standard is approved by the Board Risk committee and is supported by Bank and business units risk policies and procedures.

Risks are controlled at the level of individual exposures and at portfolio level, as well as in aggregate across all businesses and risk types. An objective view of risk taking activities is taken, in particular to balance the short and long-term interests of the Bank.

Risk appetite

Risk appetite is an expression of the maximum level of residual risk that the Bank is prepared to accept to deliver its business objectives. Risk appetite is implemented in terms of various limits, economic capital usage and the risk adjusted performance measures ("RAPM") expected to be achieved, recognising a range of possible outcomes.

The Board establishes the Bank's parameters for risk appetite by:

- providing strategic leadership and guidance;
- reviewing and approving annual budgets and forecasts for the Bank and its business units; and
- regularly reviewing and monitoring the Bank's performance in relation to risk through quarterly Board reports.

Risk categories

The principal risks to which the Bank is exposed and which it manages are defined as follows:

- **Credit risk**
Credit risk is the risk of loss arising out of the failure of counterparties to meet their financial or contractual obligations when due. Credit risk comprises of counterparty risk, settlement risk and concentration risk. These risk types are defined as follows:
 - **Counterparty risk:** The risk of credit loss to the Bank as a result of the failure by a counterparty to meet its financial and/or contractual obligations to the Bank.
 - **Settlement risk:** The risk of loss to the Bank from settling a transaction where value is exchanged, but where the Bank may not receive all or part of the countervalue.
 - **Credit concentration risk:** The risk of loss to the Bank as a result of excessive build-up of exposure to a specific counterparty, industry, market, product, financial instrument or type of security, or geography, or maturity. This concentration typically exists where a number of counterparties are engaged in similar activities and have similar characteristics, which could result in their ability to meet contractual obligations being similarly affected by changes in economic or other conditions.
- **Market risk**
This is the risk of a change in the actual or effective market value or earnings or future cash flows of a portfolio of financial instruments caused by movements in market variables such as equity, bond and commodity prices, currency exchange rates and interest rates, credit spreads, recovery rates, correlations and implied volatilities in all of the above.
- **Liquidity risk**
Liquidity risk arises when the Bank is unable to maintain or generate sufficient cash resources to meet its payment obligations as they fall due, or can only do so on materially disadvantageous terms. This inability to maintain or generate sufficient cash resources occurs when counterparties who provide the Bank with funding withdraw or do not roll over that funding, or as a result of a general disruption in asset markets that renders normally liquid assets illiquid.
- **Operational risk**
Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events.
- **Business risk**
Business risk is the risk of loss due to operating revenues not covering operating costs and is usually caused by the following:
 - inflexible cost structure, or
 - market-driven pressures, such as decreased demand, increased competition or cost increases, or
 - Bank-specific causes, such as a poor choice of strategy, reputational damage or the decision to absorb costs or losses to preserve reputation.
- **Reputational risk**
Reputational risk results from damage to the Bank's image which may impair its ability to retain and generate business. Such damage may result from a breakdown of trust, confidence or business relationships.

Credit risk

Definition

Credit risk is the risk of loss arising out of the failure of counterparties to meet their financial or contractual obligations when due.

Framework and governance

Credit risk is the Bank's most material risk. It is managed in accordance with the Bank's comprehensive risk management control framework.

The Head of Credit has functional responsibility for credit risk across the Bank and reports to the Chief Executive. Furthermore, the credit function is monitored closely by the Standard Bank Africa Credit function, providing an additional layer of review.

The Board Loans Review Committee and the Board Credit Committee have oversight roles over the credit risk management process.

Each borrower (counterparty) is assigned a risk grade using an appropriate rating model. Rating models are used to achieve objectivity, comparability, transparency and consistency in the rating assignment process.

Most of the models take into account quantitative factors, financial statements and qualitative factors. These are combined to produce a stand-alone rating.

The Bank uses a 25-point master rating scale to quantify the credit risk for each exposure. On origination, each client is assigned a credit risk grade within the Bank's 25-point master rating scale. Ratings are mapped to probability of default ("PDs") by means of calibration formulae that use historical default rates and other data for the applicable portfolio. These credit ratings are evaluated at least annually or more frequently as appropriate.

Master rating scale band

SB1-12
SB13-20
SB21-25

Significant increase in credit risk ("SICR") trigger (from origination)

Low credit risk
3 rating or more
1 rating or more

Wholesale Clients (formerly CIB) exposures are evaluated for SICR by comparing the credit risk grade at the reporting date to the origination credit risk grade. Where the relative change in the credit risk grade exceeds certain pre-defined ratings' migration thresholds or, when a contractual payment becomes more than 30 days overdue (IFRS 9's rebuttable presumption), the exposure is classified within stage 2. These pre-defined ratings' migration thresholds have been determined based on historical default experience which indicate that higher rated risk exposures are more sensitive to SICR than lower risk exposures. Based on an analysis of historical default experience, exposures that are classified by the Bank's master rating scale as investment grade (within credit risk grade 1 - 12 of the Bank's 25-point master rating scale) are assessed for SICR at each reporting date but are considered to be of a low credit risk for IFRS 9 purposes.

Credit risk mitigation

Wherever warranted, the Bank will attempt to mitigate credit risk, including counterparty credit risk ("CCR") to any counterparty, transaction, sector, or geographic region, so as to achieve the optimal balance between risk, cost, capital utilisation and reward. Risk mitigation may include the use of collateral, the imposition of financial or behavioural covenants, the acceptance of guarantees from parents or third parties, the recognition of parental support, and the distribution of risk.

Collateral, parental guarantees, credit derivatives and on- and off-balance sheet netting are widely used to mitigate credit risk. Credit risk mitigation policies and procedures ensure that risk mitigation techniques are acceptable, used consistently, valued appropriately and regularly, and meet the risk requirements of operational management for legal, practical and timely enforcement. Detailed processes and procedures are in place to guide each type of mitigation used.

In the case of collateral where the Bank has an unassailable legal title, the Bank's policy is such that collateral is required to meet certain criteria for recognition in loss given default (LGD) modelling, including that it:

- is readily marketable and liquid
- is legally perfected and enforceable
- has a low valuation volatility
- is readily realisable at minimum expense
- has no material correlation to the obligor credit quality
- has an active secondary market for resale.

The main types of collateral obtained by the Bank for its banking book exposures include:

- mortgage bonds over residential, commercial and industrial properties
- cession of book debts
- pledge and cession of financial assets
- bonds over plant and equipment
- the underlying movable assets financed under leases and
- instalment sales.

Reverse repurchase agreements and commodity leases to customers are collateralised by the underlying assets. Guarantees and related legal contracts are often required, particularly in support of credit extension to groups of companies and weaker obligors. Guarantors include banks, parent companies, shareholders and associated obligors. Creditworthiness is established for the guarantor as for other obligor credit approvals.

Other credit protection terms may be stipulated, such as limitations on the amount of unsecured credit exposure acceptable, collateralisation if the mark-to-market credit exposure exceeds acceptable limits, and termination of the contract if certain credit events occur, for example, downgrade of the counterparty's public credit rating.

Credit risk mitigation (continued)

Wrong-way risk arises in transactions where the likelihood of default (i.e. the probability of default ("PD") by a counterparty and the size of credit exposure (as measured by exposure at default ("EAD")) to that counterparty tend to increase at the same time. This risk is managed both at an individual counterparty level and at an aggregate portfolio level by limiting exposure to such transactions, taking adverse correlation into account in the measurement and mitigation of credit exposure and increasing oversight and approval levels. The Bank has no appetite for wrong-way risk arising where the correlation between EAD and PD is due to a legal, economic, strategic or similar relationship (i.e. specific wrong-way risk). General wrong-way risk, which arises when the correlation between EAD and PD for the counterparty, due mainly to macro factors, is closely managed within existing risk frameworks.

To manage actual or potential portfolio risk concentrations in areas of higher credit risk and credit portfolio growth, the Bank implements hedging and other strategies from time-to-time. This is done at individual counterparty, sub-portfolio and portfolio levels through the use of syndication, distribution and sale of assets, asset and portfolio limit management, credit derivatives and credit protection.

Analysis of exposure to credit risk

The Bank's exposure to credit risk, varying from normal monitoring to close monitoring as determined by the internal models and as defined in terms of the Bank's rating scale as at 31 December 2025 are set out in the table below.

	Gross total (advances and financial investments)		Credit risk grade SB1 - SB12		Credit risk grade SB13 - SB20		Credit risk grade SB21 - SB25		Default	Balance sheet impairments (stage 3)
	Stage 1	Stage 2	Stage 1	Stage 2	Stage 1	Stage 2	Stage 1	Stage 2		
	Mortgage loans	622 160	-	-	550 583	-	-	53 468		
Instalment sale and finance leases	2 168 843	2 085 627	-	-	-	-	78 773	4 443	(182)	
Personal unsecured lending	2 142 758	42 114	-	1 961 933	-	-	80 384	58 327	(54 508)	
Business lending and other	2 471 778	740 866	-	1 672 144	-	-	53 988	4 780	(1 143)	
Total loans	7 405 539	2 868 607	-	4 184 660	-	-	266 613	85 659	(57 418)	
Corporate lending	6 026 431	1 849 410	-	3 926 515	43 024	207 482	-	-	-	
Total gross loans and advances	13 431 970	4 718 017	-	8 111 175	43 024	207 482	266 613	85 659	(57 418)	
Financial investments at amortised cost										
Sovereign	-	-	-	-	-	-	-	-	-	
Banking	921 536	-	-	-	-	921 536	-	-	-	
Total financial investments	921 536	-	-	-	-	921 536	-	-	-	
Expected credit loss for loans and advances including financial investments										
Stage 1	(121 226)	(9 405)	-	(47 233)	-	(64 588)	-	-	-	
Stage 2	(89 737)	-	-	-	(2 182)	-	(87 555)	-	-	
Stage 3	(57 418)	-	-	-	-	-	-	(57 418)	-	
Net loans and advances and financial investments	14 085 125	4 708 612	-	8 063 942	40 842	1 064 430	179 058	28 241	-	
Off balance sheet exposures										
Letters of credit	234 060	71 187	-	162 016	182	675	-	-	-	
Guarantees	228 578	101 610	-	125 643	-	1 325	-	-	-	
Irrevocable unutilised facilities	146 349	29 124	-	117 199	-	26	-	-	-	
Total	14 694 112	4 910 533	-	8 468 800	41 024	1 066 456	179 058	28 241	-	
Expected credit loss for off balance sheet exposures										
Stage 1	(3 248)	(234)	-	(2 390)	(546)	(78)	-	-	-	
Stage 2	(2 702)	(234)	-	(2 390)	-	(78)	-	-	-	
Stage 3	(546)	-	-	-	(546)	-	-	-	-	
Add the following other banking activities exposures:										
Cash and balances with Central Bank	15 735 809	-	-	-	-	-	-	-	-	
Derivative assets	779	-	-	-	-	-	-	-	-	
Investment securities	196 128	-	-	-	-	-	-	-	-	
Other assets	1 343 800	-	-	-	-	-	-	-	-	
Total exposure to credit risk	31 967 380	-	-	-	-	-	-	-	-	

Collateral obtained by the Bank

It is the Bank's policy to dispose of repossessed assets in an orderly fashion. The proceeds are used to repay the outstanding loans. In general, the Bank does not use repossessed assets for business purposes. The collateral obtained by the Bank as at 31 December 2025 amounted to ZWG5 billion (31 December 2024: ZWG4.1 billion).

Exposure to credit risk by credit quality as at 31 December 2024 (ZWG'000)

	Gross total (advances and financial investments)		Credit risk grade SB1 - SB12		Credit risk grade SB13 - SB20		Credit risk grade SB21 - SB25		Default	Balance sheet impairments (stage 3)
	Stage 1	Stage 2	Stage 1	Stage 2	Stage 1	Stage 2	Stage 1	Stage 2		
	Mortgage loans	625 639	-	-	573 965	-	-	43 522		
Instalment sale and finance leases	1 762 786	1 718 670	-	-	-	-	40 220	3 896	(2 606)	
Personal unsecured lending	1 423 793	20 690	-	1 331 564	-	-	29 410	42 129	(43 006)	
Business lending and other	1 779 762	582 711	-	1 146 795	-	-	40 762	9 494	(6 630)	
Total loans	5 591 980	2 322 071	-	3 052 324	-	-	153 914	63 671	(52 242)	
Corporate lending	2 966 595	235 591	-	2 355 713	270 626	90 140	14 525	-	-	
Total gross loans and advances	8 558 575	2 557 662	-	5 408 037	270 626	90 140	168 439	63 671	(52 242)	
Financial investments at amortised cost										
Sovereign	299 856	-	-	-	-	299 856	-	-	-	
Total financial investments	299 856	-	-	-	-	299 856	-	-	-	
Expected credit loss for loans and advances and financial investments										
Stage 1	(53 145)	(5 495)	-	(39 033)	-	(8 617)	-	-	-	
Stage 2	(65 657)	-	-	-	(8 049)	-	(57 608)	-	-	
Stage 3	(52 242)	-	-	-	-	-	-	(52 242)	-	
Net loans and advances and financial investments	8 687 387	2 552 167	-	5 369 004	262 577	381 379	110 831	11 429	-	
Off balance exposures										
Letters of credit	73 990	52 062	-	21 335	-	593	-	-	-	
Guarantees	317 502	115 216	-	180 744	20 897	645	-	-	-	
Irrevocable unutilised facilities	122 930	20 458	-	102 472	-	-	-	-	-	
Expected credit loss for off balance sheet exposures	(3 225)	(233)	-	(2 373)	(542)	(77)	-	-	-	
Stage 1	(2 683)	(233)	-	(2 373)	-	(77)	-	-	-	
Stage 2	(542)	-	-	-	(542)	-	-	-	-	
Add the following other banking activities exposures:										
Cash and balances with Central Bank	10 564 924	-	-	-	-	-	-	-	-	
Derivative assets	235 308	-	-	-	-	-	-	-	-	
Investment securities	52	-	-	-	-	-	-	-	-	
Other assets	2 843 304	-	-	-	-	-	-	-	-	
Total exposure to credit risk	22 842 172	-	-	-	-	-	-	-	-	

Liquidity risk

Definition

Liquidity risk arises when the Bank is unable to meet its payment obligations when they fall due. This may be caused by the Bank's inability to liquidate assets or to obtain funding to meet its liquidity needs.

Framework and governance

The nature of banking and trading activities results in a continuous exposure to liquidity risk. The Bank's liquidity risk management framework, which is consistent with the previous financial reporting period, is designed to measure and manage liquidity positions such that payment obligations can be met at all times, under both normal and considerably stressed conditions. Under the delegated authority of the Board of Directors, the Bank's Asset and Liability Committee ("ALCO") sets liquidity risk standards in accordance with regulatory requirements and international best practice. This ensures that a comprehensive and consistent governance framework for liquidity risk management is followed across the Bank. Furthermore, the Bank's parent company (The Standard Bank Group Limited) runs a Group ALCO function that monitors the various indicators in each country where the Group operates, thus ensuring a double layer of coverage for ALCO purposes.



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ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The tables below analyse the Bank's exposure to interest rate and structural liquidity risks:

Maturity analysis assets and liabilities:

31 December 2025 Liquidity gap analysis (ZWG'000)	Redeemable on demand	Up to 1 month	1-3 months	3-12 months	Above 1 year	Insensitive portion	Total
Assets							
Cash and balances with Central Bank	10 313 507	802 674	-	-	4 621 421	-	15 737 602
Derivative assets	779	-	-	-	-	-	779
Financial investments	40 374	40 660	284 359	556 143	-	-	921 536
Investment securities	-	-	-	-	-	196 128	196 128
Loans and advances	3 956 861	961 104	1 729 951	2 677 778	4 106 302	-	13 431 996
Other assets	85 087	442 451	-	816 262	-	-	1 343 800
Total	14 396 608	2 246 889	2 014 310	4 050 183	8 727 723	196 128	31 631 841
Liabilities							
Derivative liabilities	104	-	-	-	-	-	104
Deposits from customers and other banks	20 516 153	144 998	1 203 946	173 421	3 237 897	-	25 276 415
Other liabilities	4 313	800 881	636 683	870 925	831 330	-	2 378 922
Total	20 520 570	945 879	1 840 629	1 004 751	3 343 612	-	27 655 441
Liquidity gap	(6 123 962)	1 301 010	173 681	3 045 432	5 384 111	196 128	-
Cumulative liquidity gap	(6 123 962)	(4 822 952)	(4 649 271)	(1 603 839)	3 780 272	3 976 400	-
Letters of credit	(49 753)	(38 919)	(721 692)	(56 768)	-	-	-
Financial guarantees	(12 341)	(31 644)	(21 460)	(291 296)	(546)	-	-
Total liquidity gap (on-and off-balance sheet)	(6 186 056)	(4 893 515)	(5 392 423)	(1 951 903)	3 779 726	3 976 400	-
Total cumulative liquidity gap	(6 168 056)	(4 955 609)	(5 525 080)	(2 827 712)	2 555 853	2 751 981	-

Other assets include internal clearing accounts.
Other liabilities include internal clearing accounts.

As at the end of December 2025, the Bank had ZWG491 million (2024: ZWG245 million) in undrawn borrowing facilities that may be available in the future for the operating activities and settling capital commitments.

Maturity analysis assets and liabilities:

31 December 2024 Liquidity gap analysis (ZWG'000)	Redeemable on demand	Up to 1 month	1-3 months	3-12 months	Above 1 year	Insensitive portion	Total
Assets							
Cash and balances with Central Bank	7 756 500	12 409	-	-	2 796 118	(103)	10 564 924
Derivative assets	52	-	-	-	-	-	52
Financial investments	-	93 984	102 936	102 936	-	(7 972)	291 884
Investment securities	-	-	-	-	-	235 308	235 308
Loans and advances	2 646 023	465 482	888 423	1 861 026	2 697 621	(163 072)	8 395 503
Other assets	45 173	2 643 933	-	154 198	-	-	2 843 304
Total	10 447 748	3 215 808	991 359	2 118 160	5 493 739	64 161	22 330 975
Liabilities							
Derivative liabilities	413	-	-	-	-	-	413
Deposits from customers and other banks	14 587 323	-	27 037	13 002	1 589 395	-	16 216 757
Other liabilities	2 296	647 026	2 330 029	-	2 528	-	2 981 879
Total	14 590 032	647 026	2 357 066	13 002	1 591 923	-	19 199 049
Liquidity gap	(4 142 284)	2 568 782	(1 365 707)	2 105 158	3 901 816	64 161	-
Cumulative liquidity gap	(4 142 284)	(1 573 502)	(2 939 209)	(834 051)	3 067 765	3 131 926	-
Letters of credit	(2 967)	-	(293 845)	(25 799)	(10 990)	-	-
Financial guarantees	(9 133)	(232)	(2 064)	(223 544)	(516)	-	-
Total liquidity gap (on-and off-balance sheet)	(4 154 384)	(1 573 734)	(3 235 118)	(1 083 394)	3 056 259	3 131 926	-
Total cumulative liquidity gap	(4 154 384)	(1 585 834)	(3 247 450)	(1 391 635)	2 498 675	2 562 836	-

Other assets include internal clearing accounts.
Other liabilities include internal clearing accounts.

Liquidity coverage ratio ("LCR")

The below table shows Stanbic Bank's liquidity coverage ratio calculated based on Basel II requirements in line with the RBZ guidelines. The LCR is the ratio of highly liquid assets that the Bank has against its expected cash outflows in a stress scenario.

Category	Sub-category	31 December 2025 Total weighted value ZWG'000	31 December 2024 Total weighted value ZWG'000
High quality liquid assets ("HQLA")	Level 1 assets	7 302 664	2 354 577
	Level 2A assets	-	-
	Level 2B assets	-	-
	Total HQLA	7 302 664	2 354 577
Cash outflows	Retail deposits and deposits from small business customers of which:		
	Stable deposits	213 530	-
	Less stable deposits	-	22 218
	Wholesale funding, of which:		
	Operational deposits (all counterparties) and deposits in networks of cooperative banking institutions	7 987 383	-
	Non-operational deposits (all counterparties)	-	3 533 397
	Unsecured debt	-	-
	Secured wholesale funding	-	-
	Additional requirements, of which:		
	Outflows related to derivative exposures and other collateral requirements	-	-
	Outflows related to loss of funding on debt products	-	-
	Credit and liquidity facilities	-	-
	Other contractual funding obligations	-	-
	Other contingent funding obligations	3 466 684	14 232
Total Cash Outflows	11 667 597	3 569 847	
Cash inflows	Reverse repo and other secured lending transactions	-	-
	Credit or liquidity facilities provided to Stanbic Bank Zimbabwe	-	-
	Operational deposits held at other financial institutions	4 908 392	-
	Operational deposits held at other financial institutions	-	-
	Other inflows by counterparty	1 476 204	-
	Other contractual cash inflows	-	2 639 021
	Total cash Inflows	6 384 596	2 639 021
Total HQLA	7 302 664	2 354 577	
Total Net Cash Outflows	5 283 001	930 826	
Liquidity Coverage Ratio (LCR)	138.23%	252.96%	

Level 1 assets- include notes and coins, central bank balances, debt securities issued by the Reserve Bank of Zimbabwe.

Level 2A assets- include corporate debt securities not issued by a financial institution.

Level 2B assets-include residential mortgage-backed securities.

Foreign currency liquidity management

A number of parameters are observed in order to monitor changes in either market liquidity or exchange rates. The use of the USD as the functional currency in Zimbabwe means that significant foreign currencies to the Bank are the Zimbabwe investment gold ("ZWG"), South African Rand ("ZAR") and the British Pound ("GBP"). These three foreign currencies (and other minor ones) contribute 17% (2024:26%) of the overall statement of financial position size as depicted below and thus pose a significant foreign currency liquidity risk to the Bank:

Statement of financial position by currency as at 31 December 2025

	Total ZWG'000	ZWG ZWG'000	ZAR ZWG'000	GBP ZWG'000	Other ZWG'000
Assets					
Cash and balances with Central Bank	2 803 395	2 016 388	161 262	447 362	178 383
Derivative assets	779	779	-	-	-
Financial investments	864 508	864 508	-	-	-
Investment securities	196 128	196 128	-	-	-
Loans and advances	1 433 173	1 433 173	-	-	-
Other assets	225 720	213 301	11 977	52	390
Total assets	5 523 703	4 724 277	173 239	447 414	178 773
Liabilities					
Derivative liabilities	104	104	-	-	-
Total deposits	4 539 815	3 737 426	205 456	118 109	478 824
Deposits from other banks	254 455	94 621	90 647	66 329	2 858
Deposits from customers	4 285 360	3 642 805	114 809	51 780	475 966
Other liabilities	446 634	338 866	52 611	3 429	51 728
Total equity and liabilities	4 986 553	4 076 396	258 067	121 538	530 552
Currency gap	-	647 881	(84 828)	325 876	(351 779)

Statement of financial position by currency as at 31 December 2024

	Total ZWG'000	USD ZWG'000	ZWG ZWG'000	ZAR ZWG'000	GBP ZWG'000	Other ZWG'000
Assets						
Cash and balances with Central Bank	10 564 924	9 195 100	682 061	127 909	286 983	272 871
Derivative assets	52	-	52	-	-	-
Financial investments	291 884	-	291 884	-	-	-
Investment securities	235 308	-	235 308	-	-	-
Loans and advances	8 395 503	7 259 156	1 136 347	-	-	-
Other assets	3 027 918	2 542 855	330 995	122 465	21 387	10 216
Total assets	22 515 589	18 997 111	2 676 647	250 374	308 370	283 087
Liabilities						
Derivative liabilities	413	-	413	-	-	-
Total deposits	16 216 757	13 905 316	1 674 735	152 133	338 296	146 277
Deposits from other banks	1 194 548	1 065 479	36 453	57 040	35 241	335
Deposits from customers	15 022 209	12 839 837	1 638 282	95 093	303 055	145 942
Current taxation liability	20 664	20 664	-	-	-	-
Deferred tax liability	476 832	18 265	458 567	-	-	-
Other liabilities	3 879 244	2 969 898	655 875	144 291	18 498	90 682
Total equity and liabilities	21 394 590	16 914 143	2 789 590	296 424	356 794	236 959
Currency gap	-	2 082 968	(112 943)	(46 050)	(48 424)	46 128
Currency size as % of overall statement of financial position	100%	84%	12%	1%	2%	1%

Market risk

The identification, management, control, measurement and reporting of market risk is categorised as follows:

Trading market risk

These risks arise in trading activities where the Bank acts as a principal with clients in the market. The Bank's policy is that all trading activities are contained in the Bank's trading operations.

Banking book interest rate risk

These risks arise from the structural interest rate risk caused by the differing repricing characteristics of banking assets and liabilities.

Interest rate risk measurement

The analytical techniques used to quantify banking book interest rate risk include both earnings - and valuation-based measures. Results are monitored on at least a monthly basis by ALCO. The analysis takes cognisance of embedded optionality such as loan prepayments and accounts where the account behaviour differs from the contractual position. Desired changes to a particular interest rate risk profile are achieved through the restructuring of on-statement of financial position repricing and/or maturity profiles and, where appropriate, the use of derivative instruments.

Interest rate risk limits

Interest rate risk limits are set with respect to changes in forecast banking book earnings (net interest income and banking book mark-to-market profit or loss) and the economic value of equity. Economic value of equity sensitivity is calculated as the net present value of aggregate asset cash flows less the net present value of aggregate liability cash flows. All assets, liabilities and derivative instruments are allocated to gap intervals based on either their repricing or maturity characteristics. Assets and liabilities for which no identifiable contractual repricing or maturity dates exist are allocated to gap intervals based on behavioural profiling (obtained through statistical analysis and, if required, expert judgement).

Annual net interest income at risk

Assuming no management intervention, a downward 200bps parallel rate shock on all yield curves would decrease the forecast net interest income based on balances as at 31 December 2025 by 6.94% (2024:6.51%) for the local currency balance sheet. For the foreign currency balance sheet a downward 100bps parallel rate shock on all yield curves would decrease the forecast net interest income based on balances as at 31 December 2025 by 8% (2024:8.66%).

The table below indicates the ZWG equivalent sensitivity of the Bank's banking book earnings (net interest income and 0.08% banking book mark-to-market profit or loss) and OCI in response to a parallel yield curve shock, before tax.



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- Proof of residence
- Proof of income

ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Interest rate sensitivity analysis

	December 2025 ZWG'000	December 2024 ZWG'000
Increase in basis points	200	200
Sensitivity of annual net local currency interest income	46 928	35 447
Sensitivity of OCI		
Decrease in basis points	200	200
Sensitivity of annual net local currency interest income	(37 441)	(26 959)
Sensitivity of OCI		
Increase in basis points	100	100
Sensitivity of annual net local currency interest income	18 771	14 163
Sensitivity of OCI		
Decrease in basis points	100	100
Sensitivity of annual net local interest income	(18 641)	(13 415)
Increase in basis points	200	200
Sensitivity of annual net foreign currency interest income	223 925	172 386
Sensitivity of OCI		
Decrease in basis points	200	200
Sensitivity of annual net foreign currency interest income	(220 132)	(185 182)
Sensitivity of OCI		
Increase in basis points	100	100
Sensitivity of annual net foreign currency interest income	111 962	86 193
Sensitivity of OCI		
Decrease in basis points	100	100
Sensitivity of annual net foreign currency interest income	(110 066)	(92 591)

31 December 2025

Interest rate repricing gap analysis (ZWG'000)	Redeemable on demand	Up to 1 month	1-3 months	3-12 months	>1 year	Non-interest bearing	Total
Assets							
Cash and balances with Central Bank	9 910 234	746 711	-	-	5 080 657	(1 793)	15 735 809
Derivative assets	-	-	-	-	-	779	779
Financial investments	40 374	40 660	284 359	556 143	-	(57 028)	864 508
Investment securities	-	-	-	-	-	196 128	196 128
Loans and advances	299 272	11 985 832	61 678	1 085 214	-	(211 353)	13 220 643
Other assets	-	-	-	-	-	1 343 800	1 343 800
Total	10 249 880	12 773 203	346 037	1 641 357	5 080 657	1 270 533	31 361 667
Liabilities							
Derivative liabilities	-	-	-	-	-	104	104
Deposits from customers and other banks	7 458 773	1 010 208	1 448 788	4 317 239	11 041 407	-	25 276 415
Other liabilities	-	-	-	-	-	2 378 922	2 378 922
Total	7 458 773	1 010 208	1 448 788	4 317 239	11 041 407	2 379 026	27 655 441
Interest rate repricing gap	2 791 107	11 762 995	(1 102 751)	(2 675 882)	(5 960 750)	(1 108 493)	
Cumulative interest rate repricing gap	2 791 107	14 554 102	13 451 351	10 775 469	4 814 719	-	

Other assets include internal clearing accounts.

Other liabilities include internal clearing accounts.

31 December 2024

Interest rate repricing gap analysis (ZWG'000)	Redeemable on demand	Up to 1 month	1-3 months	3-12 months	>1 year	Non-interest bearing	Total
Assets							
Cash and balances with Central Bank	4 497 762	-	-	-	-	6 067 162	10 564 924
Derivative assets	-	-	-	-	-	52	52
Financial investments	91 352	102 936	102 936	-	-	(5 340)	291 884
Investment securities	-	-	-	-	-	235 308	235 308
Loans and advances	7 794 630	-	-	-	-	600 873	8 395 503
Other assets	-	-	-	-	-	2 843 304	2 843 304
Total	12 383 744	102 936	102 936	-	-	9 741 359	22 330 975
Liabilities							
Derivative liabilities	-	-	-	-	-	413	413
Deposits from customers and other banks	1 668 544	26 856	12 899	-	-	14 508 458	16 216 757
Other liabilities	-	-	-	-	-	2 981 879	2 981 879
Total	1 668 544	26 856	12 899	-	-	17 490 750	19 199 049
Interest rate repricing gap	10 715 200	76 080	90 037	-	-	(7 749 391)	
Cumulative interest rate repricing gap	10 715 200	10 791 280	10 881 317	10 881 317	10 881 317	-	

Other assets include internal clearing accounts.

Other liabilities include internal clearing accounts.

Market risk measurement

The techniques used to measure and control market risk include:

- Daily value-at-risk ("VaR"); and
- Stress tests.

Daily VaR

The Bank uses the historical VaR approach to derive quantitative measures, specifically for market risk under normal conditions. Normal VaR is based on a holding period of one day and a confidence interval of 95%. The use of historical VaR has limitations as it is based on historical correlations and volatilities in market prices and assumes that future prices will follow the observed historical distribution. The Bank back-tests its VaR models to verify the predictive ability of the VaR calculations, thereby ensuring the appropriateness of models. Back-testing compares the daily hypothetical profit or losses under the one-day buy and hold assumption to the prior day's VaR.

Stress tests

Stress testing provides an indication of the potential losses that could occur in extreme market conditions. The stress tests carried out by the Bank include individual market risk factor testing and combinations of market factors per trading desk and combinations of trading desks. Stress tests include a combination of historical and hypothetical simulations.

Other market risk measures

Other market risk measures specific to individual business units include permissible instruments, concentration of exposures, gap limits, maximum tenor and stop loss triggers. In addition, only approved products that can be independently priced and properly processed are permitted to be traded. All VaR limits are approved by both in-country and The Standard Bank of South Africa Limited ALCOs.

The Risk Department independently validates and documents new pricing models and performs an annual review of existing models to ensure they are still relevant and behaving within expectations. In addition, the Risk Department assesses the liquid closing price inputs used to value instruments daily and performs at least a monthly review of less liquid prices from a reasonableness perspective. Where differences are significant, mark-to-market adjustments are made.

Foreign currency risk

The Bank's primary exposures to foreign currency risk arise as a result of cash exposures in currencies other than functional currency. These exposures mainly arise from the proprietary currency trading business undertaken by the Bank's Global Markets Department and are measured using the value-at-risk approach.

Foreign currency value at risk for December 2025

	Maximum possible loss in December 2025 ZWG'000	Minimum possible loss in December 2025 ZWG'000	Average possible loss ZWG'000	Possible loss at 31 December 2025 ZWG'000	Maximum acceptable VaR loss ZWG'000
Normal VaR	117.2	65.1	86.1	93.6	5 054
Stress VaR	10 296	7 957	9 158	9 101	20 335

As depicted in the table, historical trading data for the foreign currency business indicates that the maximum possible loss for any one day's trading in 2025 was ZWG117 200 (2024: ZWG979 200), and the minimum possible loss was ZWG65 100 (2024: ZWG547 700), with an average possible loss of ZWG86 100 (2024: ZWG729 000) in comparison to the maximum acceptable possible loss of ZWG5.1 million (2024: ZWG3.4 million).

Operational risk

Risk assessments are an integral part of the overall risk management process and cover the key components of identification, assessment and management of risk. The Bank's risk and control self-assessment ("RCSA") policy operationalises the need for business to perform self-assessments on an annual basis and initiate actions to mitigate risks or control deficiencies.

The Bank uses key risk indicators ("KRIs") to monitor exposures to key risks identified in the RCSA process. The KRI process is an important component in the management of operational risk and contributes to the development of the Bank's operational risk profile.

The Bank maintains adequate insurance to cover key operational and other risks. Insurance is not considered as an alternative to effective preventative and detective controls but as a compensatory control, providing protection from the consequences of control failure.

Compliance risk

The Bank's approach to managing compliance risk is proactive and premised on internationally accepted principles of risk management and aligned with the methodologies used by the Bank's other risk assurance functions. The Compliance Department provides leadership through specialist support units on compliance with money laundering and terrorist financing control, occupational health and safety and emerging legislative developments. The compliance framework is based on the principles of effective compliance risk management in accordance with the requirements of the Zimbabwe Banking Act (Chapter 24:20) and the Basel Committee on Banking Supervision. The Bank operates a centralised compliance risk management structure.

Climate Risk Management

Stanbic Bank Zimbabwe acknowledges that climate-related risks, stemming from both physical and transition factors, are material to both financial and non-financial outcomes. Stanbic Bank Zimbabwe has a limited appetite for unmanaged climate-related risks and accepts exposures only when they are appropriately assessed, priced, and aligned with its climate commitments, regulatory standards, and defined risk tolerances. Furthermore, Stanbic Bank Zimbabwe actively pursues climate-related opportunities that support decarbonisation, enhance climate resilience, and contribute to Zimbabwe's sustainable development.

Our climate journey

Governance, Board and senior management oversight

Board and senior management through appointed committees have oversight on climate risk. This includes:

- Providing adequate oversight on the Bank's sustainability and climate risk agenda.
- Approval and renewal of relevant policies and standards.
- Setting climate targets and commitments for Bank
- Monitoring progress in meeting these commitments and targets.
- Monitoring climate risks that may impact the Bank's risk profile and approving and monitoring risk appetite.

Board level oversight and guidance

Stanbic Bank Zimbabwe Board

The Board is responsible for overseeing climate related risk management and progress against our climate policy and targets. This responsibility is delegated to the Board Risk Committee which meets quarterly and provide feedback to the Board.

Board Risk Committee

This committee is expanding its role in the oversight of climate risk management. The committee quarterly reports on evolving our climate risk management practices, regulatory requirements, and the work being led by the Bank to understand its exposure to climate risk.

Management level oversight

Executive Committee

The Bank's Executive Committee drives the implementation of the climate strategy and adherence to the climate policy. The committee delegates oversight on climate risk management to the Risk Management Committee.

Risk Management Committee

This committee has mandate on oversight of climate risk management. The committee considers reports on evolving climate risk management practices, regulatory requirements, and the work being done by the Bank to understand its exposure to climate risk

Client segments

The Bank's Client segments have strategy and climate targets to assist clients reduce and manage climate risk exposures.

Key highlights and targets for 2026 are as follows:

- Achieve Net-Zero carbon emissions for new facilities by 2030, existing operations by 2040 and portfolio of financed emissions by 2050
- Prioritise financing low emission projects. Finance >USD10 million per year in projects.
- Scale up sustainable finance solutions which started in 2025 through the establishment of at least one green loan facility per annum.
- Close at least two energy transition transactions per annum.
- Support our clients' ESG and net zero aspirations.
- Prioritize finance for climate smart agriculture solutions through our ecosystem strategy.
- Provide funding to supplier development programs of the existing clients. Through collaborating with other client segments.
- Further execute ecosystem strategy with focus number of affordable housing loans issued in conjunction with PPB. Targeting to fund through CIB ecosystem USD5 million in 2026.
- Solar finance for homeowners and business through our ecosystem strategy in collaboration with BCB and PPB. Targeting to fund through CIB ecosystem USD5 million in 2026.
- Training of ESG champions to capacitate them on ESG strategy delivery.

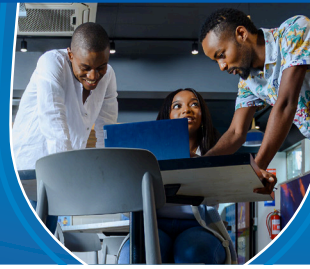
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

	31 December 2025 ZWG'000	31 December 2024 ZWG'000
1 Cash and balances with Central Bank		
Bank notes	5 066 626	2 667 694
Balances with the Central Bank	5 825 029	3 371 658
Balances with other banks	4 845 947	4 525 675
	15 737 602	10 565 027
Expected credit loss on balances with other banks	(1 793)	(103)
Current	15 735 809	10 564 924



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ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1.1 A reconciliation of the allowances for expected credit losses on balances with other banks

	31 December 2025 ZWG'000	31 December 2024 ZWG'000
Stage 1		
Balance as at the beginning of the year	(103)	(24)
Net movement	(1 286)	476
Originated impairments raise	(1 153)	-
Subsequent impairments	(133)	476
Derecognised	-	-
Foreign exchange movements	(403)	(555)
Balance at end of the year	(1 792)	(103)

Restatement of cash and balances with Central Bank

During 2024, the Bank performed an analysis to validate the classification of cash and balances with Central Bank after identifying that there were restrictions on portions of cash balances held with Reserve Bank of Zimbabwe. These restricted balances were erroneously classified as cash and cash equivalents. This resulted in the restricted balances being reclassified from the Bank's cash and cash equivalents and classified as part of the Bank's net movement in operating assets.

The Bank has restated the statement of cash flows and related notes for these classification errors. These restatements have no impact on the Bank's statement of financial position.

The above restatements had the following impact on the statement of cash flows:

	As previously reported December 2024 ZWG'000	Restatement ZWG'000	Restated ZWG'000
Net income before indirect tax and direct tax	2 203 235	273 401	1 929 834
Net cash flows from operating activities	5 498 997	(1 817 465)	3 681 532
Net movement in operating assets and liabilities	4 018 847	(1 881 803)	2 137 044
Increase in operating assets	(1 417 508)	(1 881 803)	(3 299 311)
Net movement in cash and cash equivalents	4 385 379	(1 817 465)	2 567 914
Cash and cash equivalents at the beginning of the year	5 340 176	(757 435)	4 582 741
Cash and cash equivalents at the end of the year	10 564 924	(2 639 238)	7 925 686

2 Derivative instruments

The Bank's derivatives are classified as held for trading.

Fair values

The fair value of a derivative financial instrument represents for quoted instruments the quoted market price and for unquoted instruments the present value of the positive or negative cash flows, which would have occurred if the rights and obligations arising from that instrument were closed out in an orderly market place transaction at the reporting date.

Use and measurement

The Bank entered into derivative transactions for trading purposes during the year ended 31 December 2025. The derivatives used by the Bank are foreign exchange contracts. Foreign exchange contracts are contractual obligations to buy or sell financial instruments on a future date at a specified price.

The Bank trades derivative instruments on behalf of customers and for its own positions. The Bank transacts derivative contracts to address customers demand both as market maker in the wholesale markets and in structuring tailored derivatives for customers.

	Fair value of assets 31 December 2025 ZWG'000	Fair value of assets 31 December 2024 ZWG'000
Derivatives held for trading		
Foreign exchange contracts	779	52
Current	779	52
Non current	-	-
	779	52

	Fair value of liabilities 31 December 2025 ZWG'000	Fair value of liabilities 31 December 2024 ZWG'000
Derivatives held for trading		
Foreign exchange contracts	(104)	(413)
Current	(104)	(413)
Non current	-	-
	(104)	(413)

	31 December 2025 ZWG'000	31 December 2024 ZWG'000
3 Financial investments		
Balance at the beginning of the period	291 884	50 076
Additions	907 197	621 828
Accrued interest	14 364	2 631
Total disposals	(299 571)	(375 760)
Disposals	(296 940)	(348 745)
Interest received	(2 631)	(27 015)
Expected credit loss allowances (note 3.1.4)	(49 366)	(6 891)
Balance at the end of the period	864 508	291 884
Current	864 508	291 884

3.1 Financial investments

Other financial investments

Comprising:

Financial investments at amortised cost

Sovereign	921 536	299 856
-----------	---------	---------

3.1.2 Gross financial investments

Sovereign	921 536	299 856
Expected credit loss		
Stage 1	(57 028)	(7 972)
Net financial investments	864 508	291 884

3.1.3 Expected credit loss for financial investments

	Stage 1	Stage 2	Stage 3	Total
Sovereign December 2025	(57 028)	-	-	(57 028)
Sovereign December 2024	(7 972)	-	-	(7 972)

3.1.4 A reconciliation of the expected credit losses for financial investments at amortised cost, by class:

	Sovereign	Total
Stage 1 2025		
Opening balance	7 972	7 972
Net movement (note 18.7)	49 366	49 366
Originated impairments raised	57 338	57 338
Subsequent decrease in expected credit loss	(7 972)	(7 972)
Foreign exchange movements	(310)	(310)
Balance at the end of period	57 028	57 028

	Sovereign	Total
Stage 1 2024		
Balance at beginning of the year	2 453	2 453
Net movement	6 891	6 891
Originated impairments raised	10 389	10 389
Subsequent decrease in expected credit losses	(3 498)	(3 498)
Derecognition on matured financial investments	(1 372)	(1 372)
Balance at the end of period	7 972	7 972

	31 December 2025 ZWG'000	31 December 2024 ZWG'000
Maturity analysis		
The maturities represent periods to contractual redemption of the financial investments recorded:		
Maturing within one year	864 508	291 884

3.2 Investment securities

Balance at the beginning of the period

Additions

Disposal

Net change in fair value

Balance at the end of period

Current

Non current

The Bank has a 15.97% (2024:15.97%) shareholding in Zimswitch Holdings (Private) Limited, which in turn owns 63.75% (2024:63.75%) of the ordinary shares of Zimswitch Technologies (Private) Limited, a company that provides a national switch for banks in Zimbabwe, facilitating clearing and settlement of local payments and transfers. The FVOCI election was applied because the investment is held for long-term strategic purposes rather than trading, and presenting fair value changes in OCI better reflects the Bank's intention not to realise short-term value fluctuations in profit or loss. As at the end of December 2025, dividends amounting to ZWG9.1 million were received from Zimswitch Holdings.

	31 December 2025 ZWG'000	31 December 2024 ZWG'000
4 Loans and advances		
Gross loans and advances measured at amortised cost	7 405 539	5 591 980
Mortgage loans	622 160	625 639
Instalment sale and finance leases	2 168 843	1 762 786
Personal unsecured lending	2 142 758	1 423 793
Business lending and other	2 471 778	1 170 762
Corporate lending	6 026 457	2 966 595
Allowance for expected credit losses	(211 353)	(163 072)
Stage 1	(64 198)	(45 173)
Stage 2	(89 737)	(65 657)
Stage 3	(57 418)	(52 242)
Net loans and advance	13 220 643	8 395 503
Maturity analysis		
The maturity analysis is based on the remaining periods to contractual maturity from year end		
Maturing within one year	9 325 695	5 860 954
Maturing after one year	4 106 301	2 697 621
Gross loans and advances	13 431 996	8 558 575

	31 December 2025 ZWG'000	31 December 2025 %	31 December 2024 ZWG'000	31 December 2024 %
Sectoral analysis-industry				
Individuals	3 635 840	27%	2 092 723	24%
Agriculture	2 883 486	22%	876 169	10%
Manufacturing	1 328 440	10%	2 753 061	32%
Wholesale distribution	1 347 827	10%	809 015	9%
Other services	1 906 625	14%	728 266	9%
Transport	170 647	1%	293 071	3%
Mining	1 377 471	10%	739 050	9%
Construction	626 015	5%	192 689	2%
Finance	1 108	0%	2 631	0%
Communications	154 537	1%	71 900	1%
	13 431 996	100%	8 558 575	100%

4.3 Expected credit losses for loans and advances

The allowance for expected credit losses for loans and advances by class for the year ended 31 December 2025 is as follows:

	Stage 1 ZWG'000	Stage 2 ZWG'000	Stage 3 ZWG'000	Total ZWG'000
Total impairments				
31 December 2025				
Mortgage loans	1 221	3 352	1 585	6 158
Instalment sale and finance leases	1 273	38 763	182	40 218
Personal unsecured lending	13 432	13 874	54 508	81 814
Business lending and other	11 977	31 566	1 143	44 686
Corporate lending	36 295	2 182	-	38 477
Balance as at 31 December 2025	64 198	89 737	57 418	211 353



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ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

4.3.1 A reconciliation of the allowances for expected credit losses for loans and advances by class for the year ended 31 December 2025

Allowance for expected credit losses	Mortgage loans	Instalment sale and finance leases	Personal unsecured lending	Business lending and other	Corporate lending	Total
	ZWG'000	ZWG'000	ZWG'000	ZWG'000	ZWG'000	ZWG'000
Stage 1						
Balance as at the beginning of the year	1 213	748	12 538	14 060	16 614	45 173
Net movement	(20)	515	53	(1 431)	19 914	19 031
Originated impairments raised	772	219	11 644	-	28 371	41 006
Subsequent changes in expected credit loss	(1 032)	282	(9 616)	(1 431)	(11 689)	(23 486)
Transfers from stage 2	319	14	644	-	3 232	4 209
Transfer from stage 1 to 2	(79)	-	(582)	-	-	(661)
Transfers to stage 3	-	-	(2 037)	-	-	(2 037)
Foreign currency movements	28	10	841	(652)	(233)	(6)
Balance at end of the year	1 221	1 273	13 432	11 977	36 295	64 198
Stage 2						
Balance as at the beginning of the year	2 399	28 714	6 398	18 188	9 932	65 631
Net movement	928	9 978	10 048	10 947	(7 849)	24 052
Originated impairments raised	1 077	525	9 225	-	2 174	13 001
Subsequent changes in expected credit loss	348	9 467	2 230	10 947	(6 791)	(16 201)
Transfers to stage 1	(319)	(14)	(644)	-	(3 232)	(4 209)
Transfer from stage 1 to 2	79	-	582	-	-	661
Transfers to stage 3	(257)	-	(1 345)	-	-	(1 602)
Foreign currency movements	25	71	(2 572)	2 431	99	54
Balance at end of the year	3 352	38 763	13 874	31 566	2 182	89 737
Stage 3						
Balance as at the beginning of the year	-	2 606	42 129	7 507	-	52 242
Net movement	2 466	2 857	39 008	4 328	-	48 659
Originated impairments raised	-	-	-	-	-	-
Subsequent changes in expected credit loss	2 209	2 857	38 827	4 328	-	48 221
Transfers from stage 2	257	-	1 345	-	-	1 602
Transfer from stage 1	-	2 037	-	-	-	2 037
After write off recoveries	-	-	(3 201)	-	-	(3 201)
Write offs	-	-	-	-	-	-
Time value of money ("TVM") unwinding	(109)	(46)	-	(74)	-	(229)
Foreign currency movements	(772)	(5 235)	(26 629)	(10 618)	-	(43 254)
Balance at end of the year	1 585	182	54 508	1 143	-	57 418

4.3.2 December 2024 allowance for expected credit losses on loans and advances to customers

A reconciliation of the allowance for expected credit losses on loans and advances to customers by class:

Allowance for expected credit losses	Mortgage loans	Instalment sale and finance leases	Personal unsecured lending	Business lending and other	Corporate lending	Total
	ZWG'000	ZWG'000	ZWG'000	ZWG'000	ZWG'000	ZWG'000
Stage 1 2024						
Balance as at the beginning of the year	478	7 906	11 783	15 759	18 691	54 617
Net movement	361	(8 785)	(2 665)	(12 128)	(10 705)	(33 922)
Originated impairments raised	316	68	9 937	8 831	9 598	28 750
Subsequent changes in expected credit loss	(1 604)	(8 943)	(13 483)	(20 191)	(8 401)	(52 622)
Transfers from/(to) stage 2	1 649	90	1 671	(655)	(6 098)	(3 343)
Transfers to stage 3	-	-	(790)	(113)	-	(903)
Derecognition	-	-	-	-	(5 804)	(5 804)
Foreign currency movements	374	1 627	3 420	10 429	8 628	24 478
Balance as at end of the year	1 213	748	12 538	14 060	16 614	45 173
Stage 2 2024						
Balance as at the beginning of the year	2 265	12 486	5 885	6 828	57	27 521
Net movement	(750)	6 500	2 070	1 645	4 206	13 671
Originated impairments raised	224	-	727	973	1 052	2 976
Subsequent changes in expected credit loss	709	6 590	3 842	174	(2 933)	8 382
Transfers (to)/ from stage 1	(1 649)	(90)	(1 671)	655	6 098	3 343
Transfers to stage 3	(34)	-	(828)	(157)	-	(1 019)
Derecognition	-	-	-	-	(11)	(11)
Foreign currency movements	884	9 728	(1 557)	9 715	5 669	24 439
Balance as at end of the year	2 399	28 714	6 398	18 188	9 932	65 631
Stage 3 2024						
Balance as at the beginning of the year	47	1 735	21 588	1 517	-	24 887
Net movement	1 157	2 871	41 473	7 862	-	53 363
Originated impairments raised	-	-	-	-	-	-
Subsequent changes in expected credit loss	1 123	4 194	57 743	8 734	-	71 794
Transfers from stage 1	-	-	790	113	-	903
Transfers from stage 2	34	-	828	157	-	1 019
After write off recoveries	-	(1 323)	(17 888)	(1 142)	-	(20 353)
TVM unwinding	(3 715)	-	(439)	-	-	(4 154)
Write off	-	-	-	-	-	-
Foreign currency movements	2 511	(2 000)	(20 493)	(1 872)	-	(21 854)
Balance as at end of the year	-	2 606	42 129	7 507	-	52 242

4.4 Expected credit losses for the six months ended 31 December 2025:

	31 December 2025	31 December 2024
	ZWG'000	ZWG'000
Net expected credit losses raised on financial investments	49 366	6 891
Stage 1 (note 3.1.4)	49 366	6 891
Net expected credit losses raised and (released) on balances with other banks	1 286	(476)
Stage 1 (note 1.1)	1 286	(476)
Net expected credit losses raised on loans and advances	91 742	33 112
Stage 1 (note 4.3.1)	19 031	(33 922)
Stage 2 (note 4.3.1)	24 052	13 671
Stage 3 (note 4.3.1)	48 659	53 363
Net expected credit losses raised and (released) on off – balance sheet exposures	368	(184)
Stage 1 (note 11.2.3)	954	(252)
Stage 2	(586)	68
Stage 3	-	-
Total expected credit losses (on and off-balance sheet)	142 762	39 343
Non interest income		
Non- interest income	3 025 377	2 860 194
Fair value gain/ (loss) on investment property	28 177	(337 739)
	3 053 554	2 522 455

Restatement of prior year non trading and capital items for the year ended 31 December 2024

The restatement of the financial statements relates to a prior period error arising from the incorrect presentation of fair value gains and losses on the Bank's Investment Property for the year ended 31 December 2024. The fair value loss of ZWG388.7 million recognised on transition to USD functional currency and the fair value gain of ZWG50.9 million determined through a valuation by an independent professional valuer on 31 December 2024 were incorrectly disclosed as "Non-Trading and capital items" below "Profit after Tax". In accordance with IAS 1 – Presentation of Financial Statements and IAS 40 – Investment Property, these fair value movements should have been included in "Other Income" and presented above "Profit before Tax". The Bank has therefore corrected this error and restated the comparative financial information in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. There is no impact on the Statement of Profit or loss, Cashflow statement, Statement of changes in equity and Statement of Financial Position.

The correction of the prior period error has the following effects on the Statement of Financial Position and the Statement of Profit or Loss:

	31 December 2024
	Restated
On Statement of Financial Position	
No impact	-
On Statement of Profit or Loss	
Decrease in non interest income	(337 739)
Decrease in Tax expense	62 490
Increase in Non-Trading and capital items after tax	275 249
Impact on Profit or loss	-

	31 December 2025	31 December 2024
	ZWG'000	ZWG'000
6 Other assets		
Inventories	4 884	23 631
Prepayments	40 997	160 983
Amounts due from group companies	8 236	27 604
Other receivables	21 512	3 663
*Internal clearing accounts	1 314 052	2 812 037
	1 389 681	3 027 918
Allowance for expected credit losses on other assets	-	-
	1 389 681	3 027 918
Financial assets	1 343 800	2 843 304
Non financial assets	45 881	184 614
	1 389 681	3 027 918
Maturity analysis		
Within 12 months	1 389 681	2 843 304
More than 12 months	-	184 614
	1 389 681	3 027 918

*Internal clearing accounts include suspense accounts where transactions are held temporarily and are cleared based on the standard service level agreements for the various suspense accounts, to the appropriate ledger accounts.

6.1 Due to the short-term nature of these assets and historical experience and available forward-looking information debtors are regarded as having a low PD. Therefore, the ECL has been assessed to be insignificant.

	31 December 2025	31 December 2024
	ZWG'000	ZWG'000
7 Share capital		
7.1 Authorised share capital		
500 000 ordinary shares with nominal value of ZWG1 each	822	822
7.2 Issued share capital		
260 000 ordinary shares with nominal value of ZWG1 each	427	427
8 Share premium and reserves		
8.1 Share premium		
Share premium on issue of shares	17 732	17 732
8.2 Reserves		
*Non-distributable reserve	-	1 984
Revaluation reserve	81 298	88 817
Fair value through other comprehensive income	115 165	152 386
Foreign currency translation reserve	2 241 814	2 222 445
Retained earnings	3 012 189	2 406 444
	5 450 466	4 872 076

*The 2024 non-distributable reserves included revaluation reserve of ZWG88.8 million on the revaluation of owner occupied properties which is done by independent valuers every year. In addition, an amount of ZWG1.98 million relating to the 2019 change in functional currency has been reclassified to retained earnings in the current year.

	31 December 2025	31 December 2024
	ZWG'000	ZWG'000
9 Deposits and current accounts		
Deposits from other banks	4 393 960	1 194 548
Deposits from customers	20 882 455	15 022 209
Current accounts	20 104 853	14 775 369
Call deposits	120 862	142 408
Term deposits	540 866	45 560
Savings accounts	115 874	58 872
	25 276 415	16 216 757
Deposits and current accounts		
Current	22 038 518	14 627 363
Non-current	3 237 897	1 589 394
	25 276 415	16 216 757
Maturity analysis		
Maturing within 1 year	22 038 518	14 627 366
Maturing after 1 year	3 237 897	1 589 391
	25 276 415	16 216 757

10 CLASSIFICATIONS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	Held for trading	At fair value through profit and loss-default	Fair value through OCI	Amortised cost	Total carrying amount
	ZWG'000	ZWG'000	ZWG'000	ZWG'000	ZWG'000
31 December 2025					
Financial assets					
Cash and balances with Central Bank	-	9 563 652	-	6 172 157	15 735 809
Derivative assets	779	-	-	-	779
Financial investments	-	-	-	864 508	864 508
Investment securities	-	-	196 128	-	196 128
Loans and advances	-	-	-	13 220 643	13 220 643
Other financial assets	-	-	-	1 343 800	1 343 800
	779	9 563 652	196 128	21 601 108	31 361 667
Financial liabilities					
Derivative liabilities	104	-	-	-	104
Deposits from other banks	-	-	-	4 393 960	4 393 960
Deposits from customers	-	-	-	20 882 455	20 882 455
Other financial liabilities	-	-	-	2 378 923	2 378 923
	104	-	-	2 378 923	2 378 923

Other assets include internal clearing accounts.
Other liabilities include internal clearing accounts.

10.1 CLASSIFICATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	Held for trading	At fair value through profit or loss-default	Fair value through OCI	Amortised cost	Total carrying amount
	ZWG'000	ZWG'000	ZWG'000	ZWG'000	ZWG'000
31 December 2024					
Financial assets					
Cash and balances with Central Bank	-	5 306 932	-	5 257 992	10 564 924
Derivative assets	52	-	-	-	52
Financial investments	-	-	-	291 884	291 884
Investment securities	-	-	235 308	-	235 308
Loans and advances	-	-	-	8 395 503	8 395 503
Other assets	-	-	-	2 843 304	2 843 304
	52	5 306 932	235 308	16 788 683	22 330 975
Financial liabilities					
Derivative liabilities	413	-	-	-	413
Deposits from other banks	-	-	-	1 194 548	1 194 548
Deposits from customers	-	-	-	15 022 209	15 022 209
Other liabilities	-	-	-	2 981 879	2 981 879
	413	-	-	19 198 636	19 199 049

Other assets include internal clearing accounts.
Other liabilities include internal clearing accounts.



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11 Fair value estimation

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is prices) or indirectly (that is derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs) (Level 3).

The following table presents the Bank's assets and liabilities that are measured at fair value at 31 December 2025 by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

Assets	Note	Fair values ZWG'000	Level 1 ZWG'000	Level 2 ZWG'000	Level 3 ZWG'000	Valuation techniques and inputs
31 December 2025						
Assets						
Cash and balances with Central Bank		9 563 652	9 563 652	-	-	Derivatives assets
- Foreign exchange contracts	2	779	-	779	-	Discounted cash flows
Investment securities	3.2	196 128	-	-	196 128	Net asset value
Investment property		1 854 424	-	-	1 854 424	Sales comparison method market rentals and yields
Freehold property		1 339 071	-	-	1 339 071	Sales comparison method market rentals and yields
Total assets		12 954 054	9 563 652	779	3 389 623	
Liabilities						
Financial liabilities						
Derivatives liabilities		-	-	-	-	-
- Foreign exchange contracts		32	-	32	-	Discounted cash flows
Total liabilities		32	-	32	-	

Assets	Note	Fair values ZWG'000	Level 1 ZWG'000	Level 2 ZWG'000	Level 3 ZWG'000	Valuation techniques and inputs
31 December 2024						
Assets						
Cash and balances with Central Bank		5 306 932	5 306 932	-	-	Derivatives assets
- Foreign exchange contracts	2	52	-	52	-	Discounted cash flows
Investment securities	3.2	235 308	-	-	235 308	Net asset value
Investment property		1 802 980	-	-	1 802 980	Sales comparison method market rentals and yields
Freehold property		862 902	-	-	862 902	Sales comparison method market rentals and yields
Total assets		8 208 174	5 306 932	52	2 901 190	
Liabilities						
Financial liabilities						
Derivatives liabilities		-	-	-	-	-
- Foreign exchange contracts		413	-	413	-	Discounted cash flows
Total liabilities		413	-	413	-	

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in level 3 of the fair value hierarchy:

Reconciliation of level 3 items	31 December 2025			31 December 2024		
	Investment property ZWG'000	Freehold property ZWG'000	Total assets ZWG'000	Investment property ZWG'000	Freehold property ZWG'000	Total assets ZWG'000
Balance at 1 January	1 802 980	862 902	2 665 882	1 303 071	419 382	1 722 453
Additions	10 909	417 325	428 234	3 370	195 522	198 892
Day 1 adjustment	-	-	-	(388 711)	(116 932)	(505 643)
Transfers (out) of into level 3	-	-	-	-	-	-
Transfers into (out) of level 3	-	-	-	-	-	-
Gains or losses for the period	-	-	-	-	-	-
Included in profit or loss	28 177	(12 382)	15 795	50 972	(12 129)	38 843
Exchange rate movements	12 358	81 352	93 710	834 278	416 554	1 250 832
Recognised in other comprehensive income	-	(10 126)	(10 126)	-	(39 495)	(39 495)
Balance at the end of the period	1 854 424	1 339 071	3 193 495	1 802 980	862 902	2 665 882

Reconciliation of level 3 items	31 December 2025		31 December 2024	
	Investment securities ZWG'000	Freehold property ZWG'000	Investment securities ZWG'000	Freehold property ZWG'000
Balance at 1 January	-	-	235 308	78 501
Additions	-	-	-	-
Disposal	-	-	-	-
Gains or losses for the period	-	-	(39 180)	85 966
Recognised in other comprehensive income	-	-	(39 180)	85 966
Exchange rate movements	-	-	-	70 841
Balance at the end of the period	196 128	196 128	196 128	235 308

The table below shows the fair value of financial instruments not measured at fair value as at 31 December 2025:

Note	Fair values ZWG'000	Level 1 ZWG'000	Level 2 ZWG'000	Level 3 ZWG'000
Assets				
Cash and balances with Central Bank	6 172 157	6 172 157	-	-
Financial investments	864 508	-	-	864 508
Loans and advances	13 200 643	-	-	13 220 643
Other assets	1 343 800	-	-	1 343 800
Total assets	21 601 108	6 172 157	-	15 428 951
Liabilities				
Financial liabilities measured at amortised cost				
Deposits from other banks	4 393 960	4 393 960	-	-
Deposits from customers	20 882 455	20 339 952	542 503	-
Other liabilities	2 378 923	-	-	2 378 923
Total liabilities	27 655 338	24 733 912	542 503	2 378 923

11 Fair value estimation (continued)

The table below shows the fair value of financial instruments not measured at fair value as at 31 December 2024:

Assets	Note	Fair values ZWG'000	Level 1 ZWG'000	Level 2 ZWG'000	Level 3 ZWG'000
31 December 2024					
Cash and balances with Central Bank		5 257 992	5 257 992	-	-
Financial investments		291 884	-	-	291 884
Loans and advances	4	8 395 503	-	-	8 395 503
Other assets		2 843 304	-	-	2 843 304
Total assets		16 788 683	5 257 992	-	11 530 691
Liabilities					
Financial liabilities measured at amortised cost					
Deposits from other banks	9	1 194 548	1 194 548	-	-
Deposits from customers	9	15 022 209	13 432 815	1 589 394	-
Other liabilities		2 981 879	-	-	2 981 879
Total liabilities		19 198 636	14 627 363	1 589 394	2 981 879

12 Contingent liabilities and commitments

12.1 The Bank had written letters of credit and guarantees amounting to ZWG1.2 billion as at 31 December 2025 (31 December 2024: ZWG570 million). The amount of these letters of credit and guarantees represents the Bank's maximum exposure and no material losses are anticipated from these transactions.

	31 December 2025 ZWG'000	31 December 2024 ZWG'000
12.2 Commitments		
As at 31 December 2024 the contractual amounts of the Bank's commitments to engage in capital expenditure or to extend credit to its customers were as follows:		
12.2.1 Capital commitments		
Capital expenditure authorised but not yet contracted	971 485	643 568
12.2.2 Loan commitments	490 490	243 796

12.2.3 A reconciliation of the allowance for expected credit losses on off balance sheet exposures by class

	Letter of credit ZWG'000	Guarantee ZWG'000	Loan commitments ZWG'000	Total ZWG'000
31 December 2025				
Stage 1				
Balance at the beginning of the year	310	1 651	722	2 683
Net movement	382	(273)	845	954
Originated impairments raised	10 824	354	1 254	12 432
Subsequent changes in expected credit losses	(10 415)	(368)	(82)	(10 865)
Transfers to stage 2	(27)	586	-	559
Transfer to stage 3	-	-	-	-
Derecognised including write offs	-	(845)	(327)	(1 172)
Other movements	35	(1)	(34)	-
Balance at the end of the period	727	1 377	1 533	3 637
Stage 2				
Balance at the beginning of the year	-	546	-	546
Net movement	-	(586)	-	(586)
Originated impairments raised	-	-	-	-
Subsequent changes in expected credit losses	(27)	-	-	(27)
Transfers from stage 1	27	(586)	-	(559)
Derecognised including write offs	-	-	-	-
Other movements	-	40	-	40
Balance at the end of the period	-	-	-	-
Credit impairment charge	364	(832)	805	337
Total ECL balance at 31 December 2025	727	1 377	1 533	3 637

	Letter of credit ZWG'000	Guarantee ZWG'000	Loan commitments ZWG'000	Total ZWG'000
Year ended 31 December 2024				
Stage 1				
Balance at the beginning of the year	189	247	303	739
Net movement	310	(421)	(141)	(252)
Originated impairments raised	(33)	(388)	(255)	(676)
Subsequent changes in expected credit losses	343	(33)	114	424
Transfers from stage 2	-	-	-	-
Derecognised including write offs	-	-	-	-
Other movements	(189)	1 825	560	2 196
Balance at the end of the period	310	1 651	722	2 683
Stage 2				
Balance at the beginning of the year	-	-	-	-
Net movement	-	68	-	68
Originated impairments raised	-	68	-	68
Subsequent changes in expected credit losses	-	-	-	-
Transfers to stage 1	-	-	-	-
Derecognised including write offs	-	-	-	-
Other movements	-	-	-	-
Balance at the end of the period	-	68	-	68
Expected credit losses charge/(release)	310	(353)	(141)	(184)
Total ECL balance at 31 December 2024	310	1 719	722	2 751



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	31 December 2025 ZWG'000	31 December 2024 ZWG'000
13 Directors' emoluments and key management compensation		
Non-executive directors' emoluments		
Emoluments of directors in respect of services rendered (included in operating expenses):		
As directors of the Bank	11 892	5 657
Key management compensation		
Key management includes executive directors and other members of the Bank's executive committee- included in staff costs.		
Short term employee benefits	88 407	51 120
Other long-term benefits	9 498	5 319
Post-employment benefits	3 299	1 276
	101 204	57 715

14 Related party disclosures

14.1 Controlling entity

The Bank is a wholly owned subsidiary of The Standard Bank Group Limited. The Standard Bank Group Limited is also a shareholder in various banks and insurance companies outside Zimbabwe. Stanbic Bank Zimbabwe Limited does business with banks and insurance companies in The Standard Bank Group Limited all of which are undertaken on an arm's length basis.

	31 December 2025 ZWG'000	31 December 2024 ZWG'000
14.1.1 Amounts due from related parties (bank balances):		
Stanbic Bank Botswana Limited	1 641	1 651
Stanbic Bank Swaziland Limited	6	-
Stanbic Bank Malawi Limited	30	26
Stanbic Bank Kenya Limited	188	181
Stanbic Bank Zambia Limited	104	-
Standard Bank Mauritius	305	335
Standard Bank South Africa Limited	686 759	1 292 763
Standard Bank Isle of Man Douglas	779 497	1 973 353
	1 468 530	3 268 309
Related through shareholding in the parent company		
Industrial and Commercial Bank of China (bank balances)	3 092	129

The above list of financial institutions are related parties to Stanbic Bank Zimbabwe Limited because they are subsidiaries of The Standard Bank Group Limited the parent company of the Bank or are shareholders in the parent company.

	31 December 2025 ZWG'000	31 December 2024 ZWG'000
14.1.2 Transactions		
Interest income from:		
Standard Bank South Africa Limited	69 478	72 468
Standard Bank Isle of Man Douglas	37 851	151 231
	307 843	354 987
14.1.3 Group recharges		
	8 963	8 746
14.2 Deposits and loans with related parties-related through common directorship		
Total loans and advances	8 963	8 746
Total customer deposits	26 111	20 819

15 Capital management

The Bank's capital management framework is designed to ensure that the Bank is capitalised in a manner consistent with the Bank's risk profile regulatory standards and economic capital standards. The Bank holds capital in excess of the minimum requirements to achieve the target capital adequacy ratios set by management and regulators.

The Bank's objectives when managing capital are to:

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

Capital adequacy and the use of regulatory capital are monitored daily by the Bank's management employing techniques based on guidelines developed by the Basel Committee as implemented by the Reserve Bank of Zimbabwe for supervisory purposes. The Reserve Bank of Zimbabwe requires each bank to maintain a minimum capital adequacy ratio of 12%. The table below summarises the composition of regulatory capital and the Bank's capital adequacy ratio:

Capital adequacy	31 December 2025 ZWG'000	31 December 2024 ZWG'000
Ordinary paid up share capital	1	1
Share premium	24	24
Retained earnings	4 333 943	4 022 318
Market and operational risk	(241 810)	(318 998)
Less exposures to insiders	-	-
Reserves	-	1 213
Tier 1 capital	4 092 158	3 704 558
Revaluation reserve	572 602	580 206
General provisions (limited to 1.25% of risk weighted assets)	260 311	215 868
Tier 2 capital	832 913	796 074
Market risk	80 281	12 362
Operational risk	161 529	306 627
Tier 3 capital	241 810	318 989
Total Tier1 and 2 capital	4 925 071	4 500 617
Tier 3	241 810	318 989
	5 166 881	4 819 606
Risk weighted assets ("RWAs")	17 741 423	13 238 887
Operational risk equivalent assets	2 019 118	3 832 836
Market risk equivalent assets	1 064 357	197 724
Total risk weighted assets ("RWAs")	20 824 898	17 269 447
Tier 1 capital ratio	20%	21%
Tier 1 and 2 capital ratio	24%	26%
Tier1 2 and Tier 3 capital	25%	28%
Capital adequacy ratio excluding market and operational risk weighted assets	25%	28%

16 Custodial services
The Bank provides custodial services to individuals and institutions by holding assets on behalf of customers. As at 31 December 2025, funds under custody amounted to ZWG39 billion (2024: ZWG33.5 billion) and fee income amounting to ZWG39.6 million on a historical cost basis (2024: ZWG17.1 million) were earned in return for these services.

17 Dividend declaration
A dividend of ZWG538 million was paid during the period under review, out of the profits for the year ended 31 December 2024. An interim dividend of ZWG526.5 million for the year 2024 was approved by the board of directors in November 2025. A final dividend of ZWG527.3 million for the year 2025 was approved in March 2026.

18 External Credit Ratings
The Bank's external credit ratings as determined by the Global Credit Rating Company ("GCR") for the past five years are summarised below:

Rating scale	2025	2024	2023	2023	2021
Long term	AA	AA	AA	AA	AA

19 CAMELS RATINGS
The Reserve Bank of Zimbabwe ("RBZ") conducted a risk based remote examination from 16 November to 18 December 2021 and the Bank achieved the highest possible rating i.e. a CAMELS rating of 1. The CAMELS rating uses a rating scale of 1-5 where 1 is strong 2 is satisfactory 3 is fair 4 is weak and 5 is critical. Hence according to these results the Bank maintained its strong position as measured by the CAMELS rating.

20 RISK ASSESSMENT SYSTEM ("RAS")

The most recent RAS ratings risk matrix assigned by the Reserve Bank of Zimbabwe is summarised in the table below:

SUMMARY RAS – RATINGS

RAS COMPONENT	2021
Overall Inherent Risk	Low
Overall Risk Management System	Strong
Overall Composite Risk	Low
Direction of Overall Composite Risk	Stable

20.1 SUMMARY RISK MATRIX FORMAT

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	Low	Strong	Low	Stable
Interest Rate	Low	Strong	Low	Stable
Foreign exchange	Low	Strong	Low	Stable
Operational risk	Moderate	Acceptable	Moderate	Stable
Strategic risk	Moderate	Acceptable	Moderate	Stable
Legal & Compliance	Low	Strong	Low	Stable
Reputation	Low	Strong	Low	Stable
Overall	Low	Strong	Low	Stable

20.2 KEY

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 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 mitigate 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 decrease in the next 12 months

Stable - based on the current information risk is expected to be stable in the next 12 months



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