

## AFC COMMERCIAL BANK LIMITED

### SUMMARY

ICRA assigned an unsolicited issuer credit rating of ‘**BBB**’ with a ‘**Stable**’ outlook to AFC Commercial Bank Limited (AFC) on **18<sup>th</sup> November 2025**, assuming no material adverse events affecting the business activities occur during the validity period. The assigned rating reflects a balanced assessment of the entity’s business model, competitive advantages, market conditions, and overall financial stability, which contribute to the creditworthiness of the entity based on ICRA’s credit rating methodology for banking institutions.

The assigned rating reflects AFC’s robust capitalisation, with the strongest capital level recorded in FY24, a well-managed loan portfolio demonstrating stable and strong credit quality, a healthy liquidity position with low repayment pressure, and a government-backed ownership structure. However, the notable decline in the asset base and performance in absolute terms indicates a material deterioration in overall operational capacity. These profitability headwinds are being closely monitored by ICRA, which expects the management to maintain a strong focus on addressing these challenges.

### OUTLOOK

The Stable outlook reflects the bank’s strong capital adequacy, which provides significant capacity to absorb unexpected losses arising from industry headwinds. In addition, the well-managed loan portfolio, underpinned by robust credit quality and low non-performing exposures, supports the outlook. Strong liquidity and limited repayment pressures further reinforce the bank’s resilience.

### RATING UPGRADE TRIGGERS

- Notable improvement in core income and overall profitability, both in terms of margins and absolute figures.
- Better management of the overall asset base, with consistent improvement in the loan portfolio and asset mix.
- Improved market share supported by enhanced operational capacity.
- Favourable and supportive market and economic conditions, along with a stabilised financial sector.

### RATING DOWNGRADE TRIGGERS

- Further decline in overall operational capacity or profit margins.
- Consistent deterioration in the loan portfolio, reflected in a high NPL ratio.
- Increased exposure to high-risk industries leads to a volatile asset base and asset quality.
- Notable drop in capital adequacy or liquidity below regulatory levels, or a major decline in buffers for an extended period.
- Unfavourable market conditions are impacting the bank’s overall financial and operational performance.

**Rating Date:** 18<sup>th</sup> November 2025

**Rating Validity:** 17<sup>th</sup> November 2026

**Report Type:** Unsolicited Rating

### Rating Assignment

Rating	Outlook
<b>BBB</b>	<b>Stable</b>

Table 1

### Key Financials

ZWG millions	FY23	FY24
Net Interest Income	205	146
Operating Income	1,692	1,138
Net Profits	395	53
Loans to Customers	1,061	858
Investments	483	535
Total Assets	3,820	3,465
Customer Deposits	1,682	1,707
Total Liabilities	2,216	2,005

Table 2

### Key Ratios

	FY23	FY24
Net Interest Margin	13%	10%
Cost to Income Ratio	57%	76%
Liquidity Ratio	33%	70%
Loan to Deposit Ratio	63%	50%
Gross NPL Ratio	0.05%	1%
Provision Coverage	66x	6x
Tier 1 Capital Ratio	20.6%	36.9%
Total Capital Ratio	33.4%	41.8%

Table 3

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## **BUSINESS PROFILE**

AFC Commercial Bank ('AFC' or 'the Bank') is a registered commercial bank in Zimbabwe, operating under the Banking Act and supervised by the Reserve Bank of Zimbabwe. The Bank provides a broad suite of financial services, including agriculture-related lending, retail banking, treasury services, bill discounting, and bridging finance.

AFC's origins trace back to the Land and Agricultural Bank (LAB) of 1924, established by the then Government of Southern Rhodesia. It evolved into the Agricultural Finance Corporation (AFC) in 1971, before being reconstituted as the Agricultural Bank of Zimbabwe Limited, trading as Agribank, in 2000. Following a restructuring process concluded in April 2021, the Bank became a wholly owned subsidiary of AFC Holdings, a government-owned entity under the Mutapa Investment Fund. AFC Holdings is wholly owned by the Government of Zimbabwe. The Ministry of Finance and Economic Development and the Ministry of Lands, Agriculture, Fisheries, Water, and Rural Development maintain 50% shareholding apiece in the institution. AFC Holdings comprises four subsidiaries:

- (i) AFC Commercial Bank,
- (ii) AFC Land and Development Bank,
- (iii) AFC Leasing Company, and
- (iv) AFC Insurance Company.

Within this structure, AFC Commercial Bank serves as the group's deposit-taking and loan-granting development finance institution. The Bank maintains a national footprint, with 45 branches across all 10 provinces, enabling broad-based access to financial services. Its strategic focus remains on delivering tailored financial solutions that address the needs of Zimbabwe's agrarian economy while supporting retail and corporate clients through a diversified product offering.

## **MARKET OUTLOOK**

In early 2025, Zimbabwe's banking sector demonstrated renewed strength and strategic agility, navigating a complex macroeconomic landscape shaped by currency reform, inflationary pressures, and evolving regulatory demands. The introduction of the ZWG currency, while aimed at stabilising exchange rates and curbing inflation, has introduced transitional challenges. Banks have had to recalibrate pricing models, asset valuations, and lending strategies to adapt to the new monetary framework. Credit growth across the sector was robust, driven by increased lending to productive sectors such as agriculture and mining. This reflects a deliberate shift toward supporting real economic activity and aligns with national priorities for recovery and inclusive growth. Banks leveraged strong liquidity positions and sound capital buffers to expand lending without compromising regulatory compliance or risk management standards.

Digitalisation remained a key enabler of growth, with institutions investing in mobile banking platforms, fintech collaborations, and SME-focused products. These innovations have enhanced financial inclusion, broadened access to credit, and improved customer engagement, particularly in underserved regions.

Despite these positives, the sector continues to grapple with structural challenges. Currency volatility and the dominance of foreign currency deposits complicate asset-liability management and expose banks to exchange rate risks. While non-performing loans remain low, sustained vigilance is required to maintain asset quality and ensure accurate provisioning.

Overall, the sector's performance in 2025 reflects resilience so far, innovation, and a growing alignment with Zimbabwe's economic trajectory. Continued investment in technology, targeted lending, and regulatory alignment will be critical to sustaining momentum and reinforcing the sector's role in driving financial stability and inclusive growth.

## DETAILED CREDIT RATIONALE

### **Business Profile: Government-backed ownership structure with a long heritage supports the strong business profile.**

AFC is considered to have a strong business profile within the Zimbabwean banking sector, supported by its long-standing presence in the domestic market and strategic ownership by the Government of Zimbabwe through the Mutapa Investment Fund. The Bank's legacy, dating back to 1924, underpins its institutional depth and development finance mandate. Despite its moderate market share, AFC benefits from a well-spread branch network, with 45 branches across all 10 provinces, enabling broad-based access to financial services.

In FY24, the Bank implemented several strategic initiatives aimed at enhancing operational efficiency and customer experience. These included the launch of the IDC core banking system, designed to modernise infrastructure and streamline service delivery. Additionally, AFC reintroduced and installed 17 new ATMs nationwide, reinforcing its commitment to operational resilience and accessibility. As part of its objective to expand the customer base and align with evolving banking trends, AFC launched a VISA prepaid card solution in FY24. This initiative reflects the Bank's focus on digital enablement and product diversification, supporting its relevance in a competitive market. Based on these factors, ICRA considers AFC to have a strong business profile, albeit with a small to moderate market share relative to peers. Continued execution on customer-centric and technology-driven initiatives will be key to sustaining franchise strength and competitive positioning.

### **Management Quality: Well-defined corporate governance structure at the group level as well as the entity level.**

The Bank's Board comprises executive and independent non-executive directors, appointed by the Minister for up to eight years. Governance is exercised through quarterly board meetings and six specialised committees chaired by independent directors, guided by a Board Charter aligned with minimum regulatory standards. The Board is accountable for the operations of both the group and individual entities, ensuring leadership, integrity and policy adherence. AFC has a primary Board for the group and separate Boards for each operating subsidiary. At the Bank level, the Board comprises 10 members, with 70% non-executive representation. The Chairman, Mr Herbert Makuwa, brings over 30 years' experience in banking, development finance, strategic management and governance across private and NGO sectors. The Bank's committees cover audit, risk & compliance, human resources, loans & advances, asset & liability, and loan reviews. During FY24, five board meetings were held, with eight members recording 100% attendance, reflecting active and committed participation. Female representation includes three directors, with Mrs K Chikondo serving as Vice Chair, demonstrating strong support for female leadership.

Executive management is led by Mr K. Chitando, the Managing Director, who has extensive experience in banking and wealth management, holding a bachelor's in economics and a master's in business leadership, alongside multiple related qualifications. The Finance Director, Mr T. Revingo, is a qualified chartered accountant with senior roles in commercial banks and major audit firms. The broader management team comprises 14 professionals, including five women, demonstrating balanced leadership in terms of gender, qualifications and experience.

Overall, AFC demonstrates a high standard of governance and leadership, underpinned by a structured board and a capable, experienced executive team. The organisation's emphasis on transparency, diversity and strategic alignment reflects a mature governance culture that supports sustainable growth. The synergy between board oversight and executive execution ensures the Bank remains resilient, agile and purpose-driven in a dynamic financial environment.

## Profitability & Performance: Profitability and earnings capacity have deteriorated significantly in FY24.

AFC had a challenging FY24 where overall profitability performance showed a clear deterioration. Net interest margin declined to 10% in FY24, down from 13% in FY23 and peaking at 33% in FY22. Further, the cost-to-income ratio increased to 76% in FY24, marking the highest level in the past 5 years compared to 57% in FY23 and 56% in FY22. Despite implemented cost-cutting measures, the bank's cost efficiency didn't improve in FY24. Subsequently, return ratios also followed a declining trend, with ROA falling to 2% in FY24 from 10% in FY23 and ROE dropping to 4% from 25% in FY23. The overall profitability and earnings profile showed a stressed and weakened period.

Looking at the performance numbers in absolute terms, despite a high level of currency depreciation, both topline and bottom line showed y/y declines in FY24, indicating material revenue and profit loss. The bank claims that the overall deterioration is due to the volatile macro and business environment in the country. Net interest income declined to ZWG 145.77m (-29% y/y), while total income dropped to ZWG 1,138.29m (-33% y/y), and net profit fell sharply to ZWG 53.27m (-87% y/y). This is a highly concerning trend where performance is deteriorating at double-digit rates despite a depreciating currency environment.

Looking at total income composition, 87% of total income was derived from non-interest income, while only 13% generated from interest income. The industry average is 90% of non-interest income to total income. The largest non-interest income source was fee & commission income, accounting for 56% of total income, followed by other operating income (31%). Reasonable diversification can be seen in interest income, which consists of 4 segments which mainly contribute from loan interest (65% of total net interest income) and management fees (28%).

The overall earnings quality and capacity of AFC Bank have deteriorated significantly, posing a high risk of financial vulnerabilities unless properly managed. The bank's reliance on non-interest income, rising cost inefficiencies, and declining returns ratios reflect a stressed earnings profile. Without timely strategic interventions, the current trajectory may further weaken the bank's financial resilience.

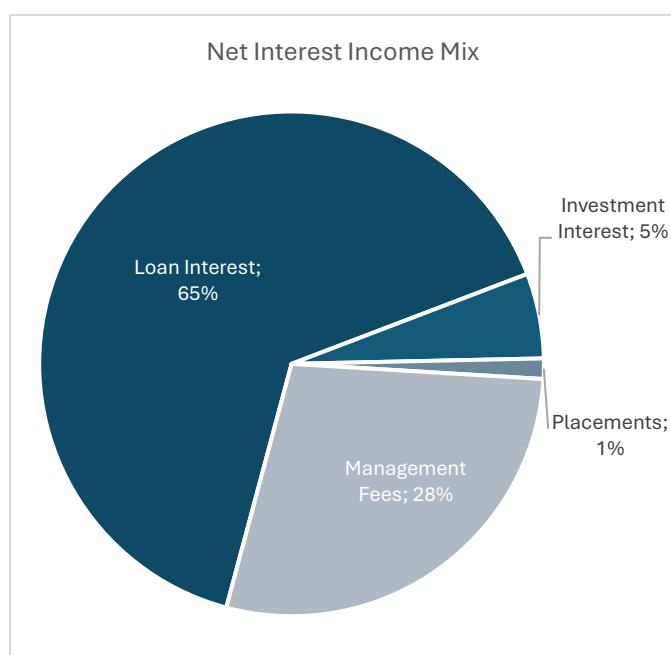


Exhibit 1

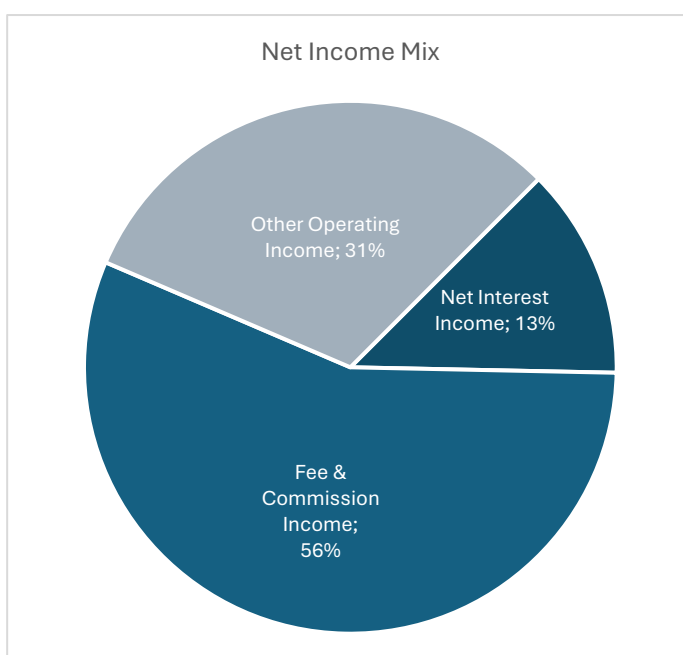


Exhibit 2

Profitability Ratios	FY20 (ZWL)	FY21(ZWL)	FY22(ZWL)	FY23(ZWL)	FY23(ZWG)	FY24 ZWG)
Net Interest Margin (NIM)	10%	26%	33%	13%	13%	10%
Cost to Income Ratio (CIR)	65%	52%	56%	43%	57%	76%
Return on Assets (ROA)	-1%	7%	5%	10%	10%	2%
Return on Equity (ROE)	-5%	23%	12%	25%	25%	4%

Table 4

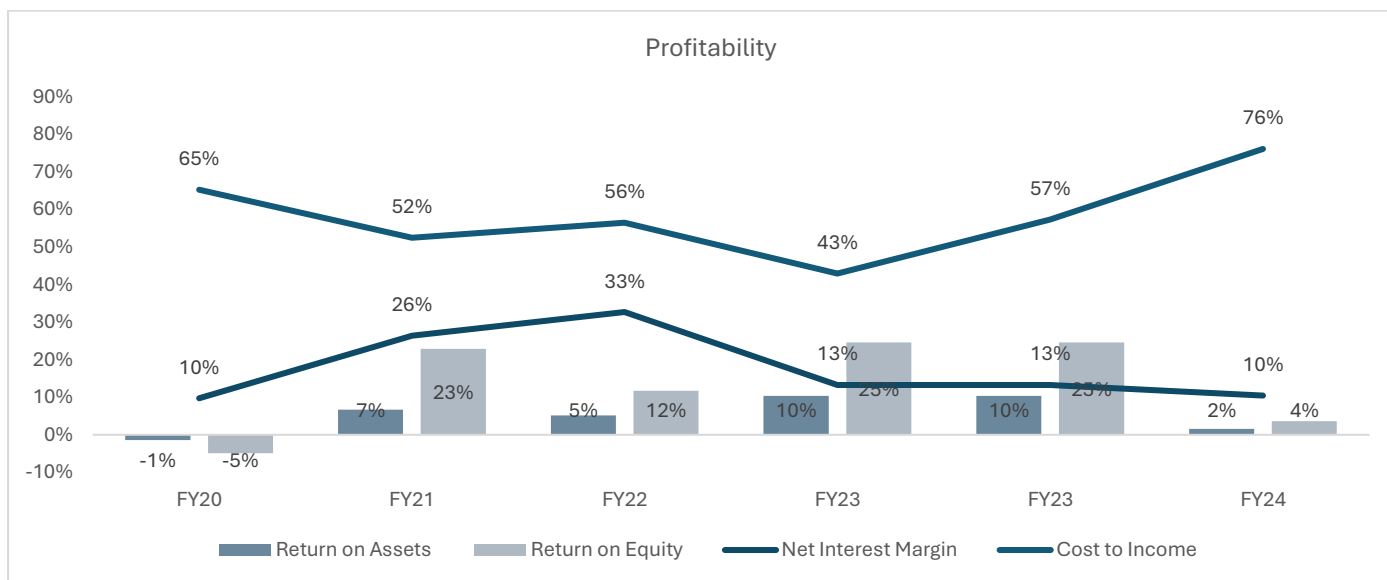


Exhibit 3

**Asset Quality: Well-managed loan portfolio in terms of credit quality and sector diversification; Overall assets & loan portfolio declined on an absolute basis.**

AFC had total assets of ZWG 3,465.05m, mainly consisting of loans & advances (25% of assets), cash & bank balances (19%), investment properties (17%), and investments in financial assets (16%). Over the last five years, the overall asset mix remained broadly stable, indicating no major deviations. The loans to assets ratio fluctuated between 21% and 37%, peaking at 37% in FY21 and recording the lowest at 21% in FY20, marking an average of 27%.

Total investments stood at ZWG 532.80m, of which 99% were treasury bills and the remaining 1% accounted for equity investments. This indicates a more conservative investment strategy, with a focus on government securities, which are comparatively considered low-risk. However, given tight market conditions, it is vital to closely monitor how the government securities market behaves.

Total cash & bank balances stood at ZWG 669.70m, of which 58% or ZWG 387.77m was retained as statutory cash reserves, while unrestricted cash stood at ZWG 281.93m as of FY24. Looking at the currency mix of cash balances, 20% was retained in USD, 3% in ZAR, and 77% in other currencies denominated by ZWG.

Looking at the loan book, gross loans stood at ZWG 895.74m (-17% y/y), consisting of loans (66%) and overdraft facilities (34%). In terms of sectoral distribution, Individuals dominated with 41% of loans, followed by Agriculture (38%), Services (18%), and Distribution (1%). The mining sector exposure had declined to less than 1% in FY24. Based on maturities, 61% of loans are due within 1 year, indicating a short-tail loan book. Given the highly volatile nature of the economy and increasing credit risk in the industry, maintaining a short-term loan book is positive for managing the portfolio efficiently.

In terms of credit quality, the bank consistently retained its NPL ratio below 1%, demonstrating resilient credit quality despite the decline in the loan book in absolute terms. The low NPL ratio remained well below the regulatory benchmark of 5% and the industry average of 3.4%. Further, the bank maintained a stable ECL provision ratio within 2–4% over the last five years, indicating a well-managed provisioning practice alongside controlled credit quality. As a result, the provision coverage ratio remained high, marking 6.4x in FY24.

The overall asset quality of AFC remained robust through well-managed credit quality, a stable provisioning strategy, and favourable loan portfolio diversification with no major exposures to risky industries. However, the overall decline in total assets and the loan portfolio in absolute terms during FY24 requires management attention, as it could limit the bank's earnings capacity.

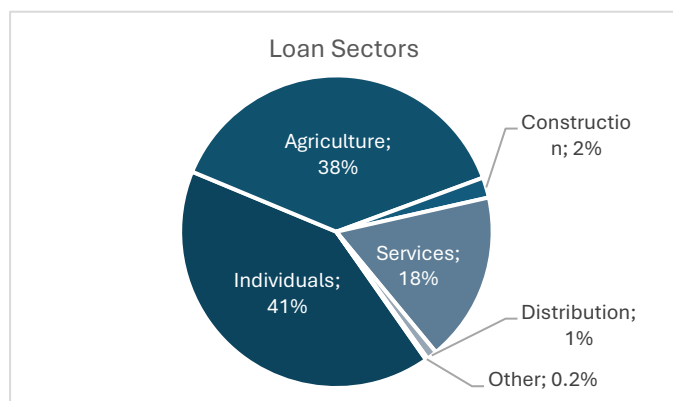


Exhibit 4

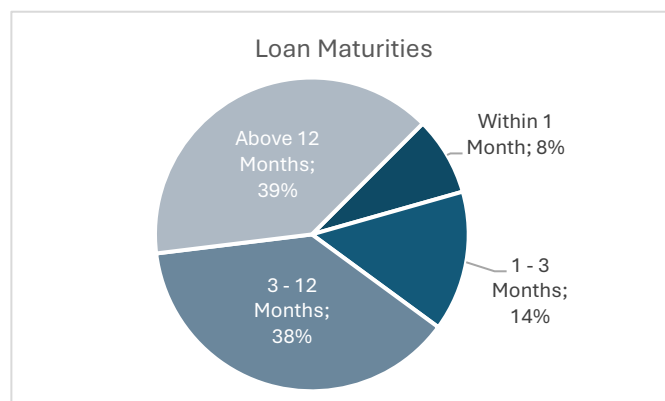


Exhibit 5

Asset Quality	FY20 <sub>(ZWL)</sub>	FY21 <sub>(ZWL)</sub>	FY22 <sub>(ZWL)</sub>	FY23 <sub>(ZWL)</sub>	FY23 <sub>(ZWG)</sub>	FY24 <sub>(ZWG)</sub>
ECL Provision to Gross Loans	2%	3%	2%	3%	3%	4%
Gross NPL Ratio	1%	0.3%	0.4%	0.0%	0.0%	1%
Net NPL Ratio	-2%	-2%	-2%	-3%	-3%	-3%
Provision Coverage Ratio (PCR)	4x	10x	6x	66x	66x	6x

Table 5

Loan Portfolio	FY20 <sub>(ZWL)</sub>	FY21 <sub>(ZWL)</sub>	FY22 <sub>(ZWL)</sub>	FY23 <sub>(ZWL)</sub>	FY23 <sub>(ZWG)</sub>	FY24 <sub>(ZWG)</sub>
Stage 1	99%	99%	90%	92%	92%	93%
Stage 2	1%	1%	9%	8%	8%	7%
Stage 3	0.7%	0.3%	0.4%	0.0%	0.0%	0.6%
Gross Loans	100%	100%	100%	100%	100%	100%
ECL Provision	2%	3%	2%	3%	3%	4%
Suspended Interest	1%	1%	3%	-1%	-1%	1%
Net Loans	97%	96%	95%	98%	98%	96%

Table 6

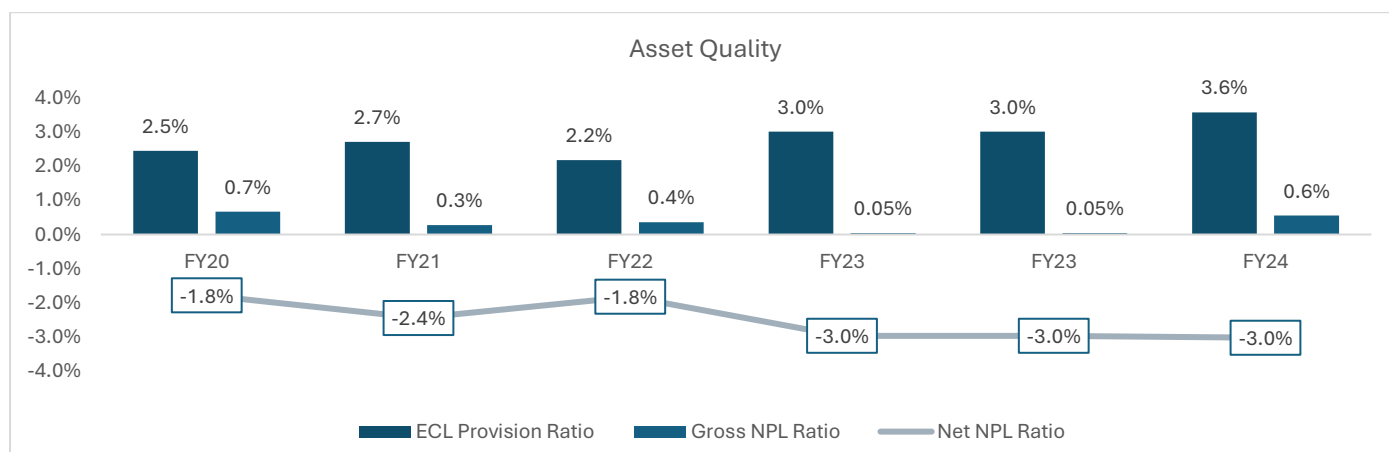


Exhibit 6

**Liquidity: Strong liquidity supported by low repayment pressure, high level of liquid investments, short-term loans and conservative lending strategy.**

As of FY24, AFC held ZWG 669.70m total cash and bank balances, with 58% or ZWG 387.77m in regulatory reserves and 42% or ZWG 281.93m in unrestricted cash. Regulatory reserves to total cash drastically increased to 58% in FY24 from 22% in FY23 and 16% in FY21, marking the highest in FY24 due to tight monetary policies implemented by the RBZ.

Looking at external debt obligations, the bank had a total of ZWG 13.90m, consisting of lease liabilities and credit lines, which were comfortably covered by the existing unrestricted cash balance. As a result, in FY24, unrestricted cash to total debt stood at 20.3x, up from 9.5x in FY23, demonstrating very low debt repayment pressure for the bank. Total deposits stood at ZWG 1,071.55m, with 100% maturing within 1 year. The bank strategically positioned its liquid assets, with 61% of loans and all investment securities maturing within 1 year, to manage asset-liability maturity. Loan to deposit ratio stood at 50% in FY24, down from 63% in FY23, remaining below the maximum recommended level of 70%, indicating a conservative lending strategy amidst shrinking market conditions. Liquidity ratio improved to 70% in FY24, up from 33% in FY23 and 53% in FY22, indicating some volatility in liquidity over the past few years. However, FY24 recorded the strongest liquidity ratio with well-managed leverage, reflecting low debt levels.

The bank's liquidity gap remained positive over the last 3 years after a negative gap in FY21 due to the pandemic impact. Over the last 3 years, the bank maintained the liquidity gap to liabilities within the 5–20% range. Unrestricted cash to deposits ratio slightly declined to 16% in FY24, down from 22% in FY23, mainly due to increased statutory reserves during the period. However, the bank maintained the ratio within the 15–30% range over the last 4 years, showing some stability in liquidity. Any liquidity requirement against deposits is expected to be fulfilled through short-term investment assets maturing within 1 month and the short-term loan portfolio. Overall, AFC's liquidity in FY24 showed a stable and low-risk profile, supported by low repayment pressure, a high level of short-term loans and investment assets, and a conservative loan-to-deposit ratio.

Liquidity	FY20 (ZWL)	FY21 (ZWL)	FY22 (ZWL)	FY23 (ZWL)	FY23 (ZWG)	FY24 (ZWG)
Loan to Deposit Ratio	55%	79%	51%	63%	63%	50%
Liquidity Ratio	60%	49%	53%	33%	33%	70%
Liquidity Gap to Liabilities	8%	0%	9%	17%	18%	14%
Unrestricted Cash to Deposits	56%	30%	16%	23%	23%	17%

Table 7



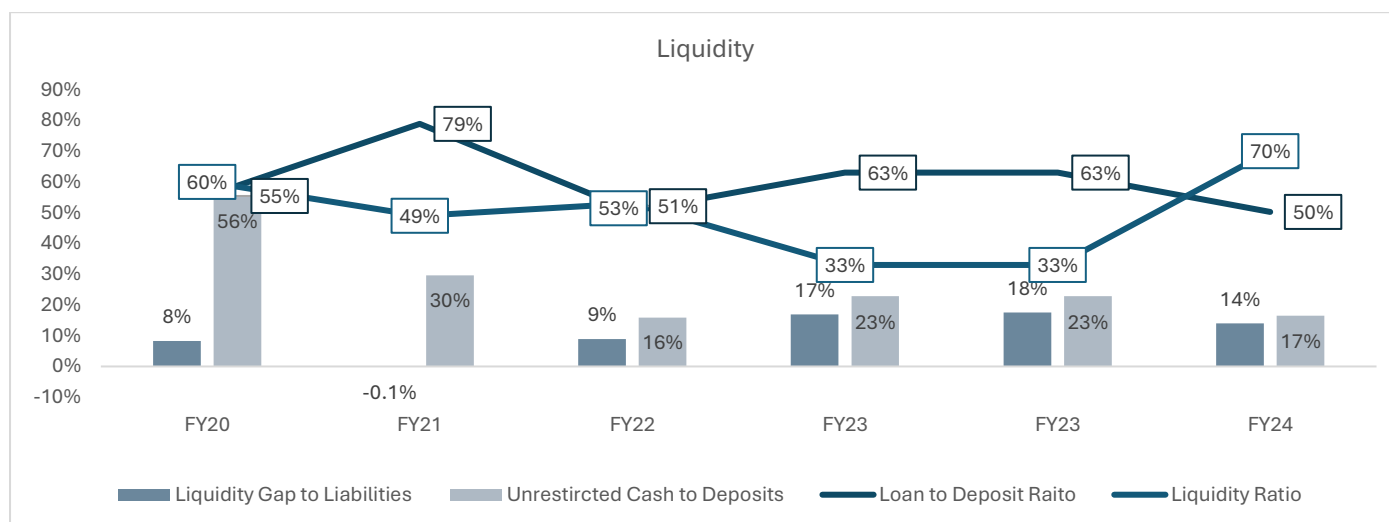


Exhibit 7

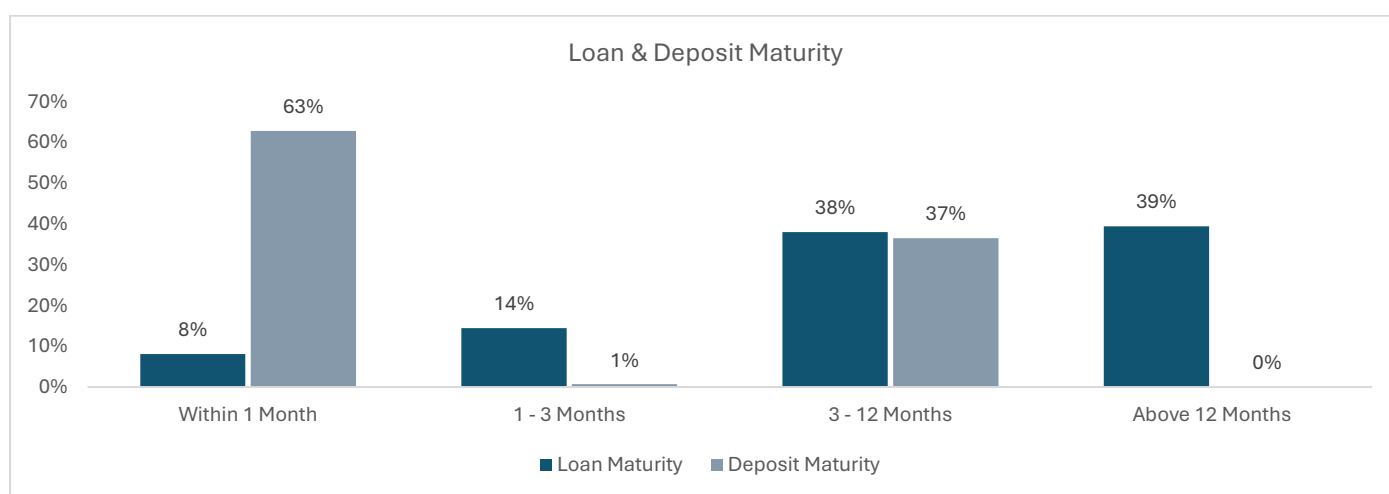


Exhibit 8

### Capital Adequacy: Robust capital adequacy marks the strongest capital position in FY24.

AFC continues to maintain its strong capital position across both tier 1 and total capital levels. In FY24, tier 1 capital marked the highest at 36.9% against the regulatory minimum of 8%, reflecting a significant buffer of 28.9ppts. Although the capital buffer slightly deteriorated in FY22 and FY23, the bank returned to its strongest capital position in FY24. Total capital ratio also peaked in FY24 at 41.8% against the regulatory minimum of 12%, with a buffer of 29.8ppts.

Notably, the bank is comfortably covering both tier 1 and total capital requirements, showcasing a strong tier 1 contribution to the overall capital position. On an absolute basis, tier 1 capital stood at USD 43.3m against the regulatory requirement of USD 30m, indicating the bank's ability to absorb shocks through its robust capital base. The improvement in capital levels reflects prudent internal capital generation and a conservative risk appetite, supporting resilience under stress. The strong capital position also provides flexibility to support future growth while maintaining regulatory buffers. Despite prior moderation, the rebound in FY24 reinforces the bank's commitment to maintaining a sound capital framework.

Overall, ICRA views AFC's capital position as very strong, with low capital risk given the improving trend and substantial buffers maintained above regulatory thresholds.



Capital Adequacy	FY20 <sub>(ZWL)</sub>	FY21 <sub>(ZWL)</sub>	FY22 <sub>(ZWL)</sub>	FY23 <sub>(ZWL)</sub>	FY23 <sub>(ZWG)</sub>	FY24 <sub>(ZWG)</sub>
Regulatory requirement (Tier 1 capital)	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
<b>Core Capital Ratio (Tier 1 capital)</b>	<b>12.8%</b>	<b>31.9%</b>	<b>29.2%</b>	<b>20.6%</b>	<b>20.6%</b>	<b>36.9%</b>
Tier 1 capital buffer (PPTS)	4.8	23.9	21.2	12.6	12.6	28.9
Regulatory requirement (Total Capital Ratio)	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
<b>Total Capital Ratio (Total Capital)</b>	<b>21.8%</b>	<b>39.4%</b>	<b>44.0%</b>	<b>33.4%</b>	<b>33.4%</b>	<b>41.8%</b>
Total capital buffer (PPTS)	9.8	27.4	32.0	21.4	21.4	29.8

Table 8

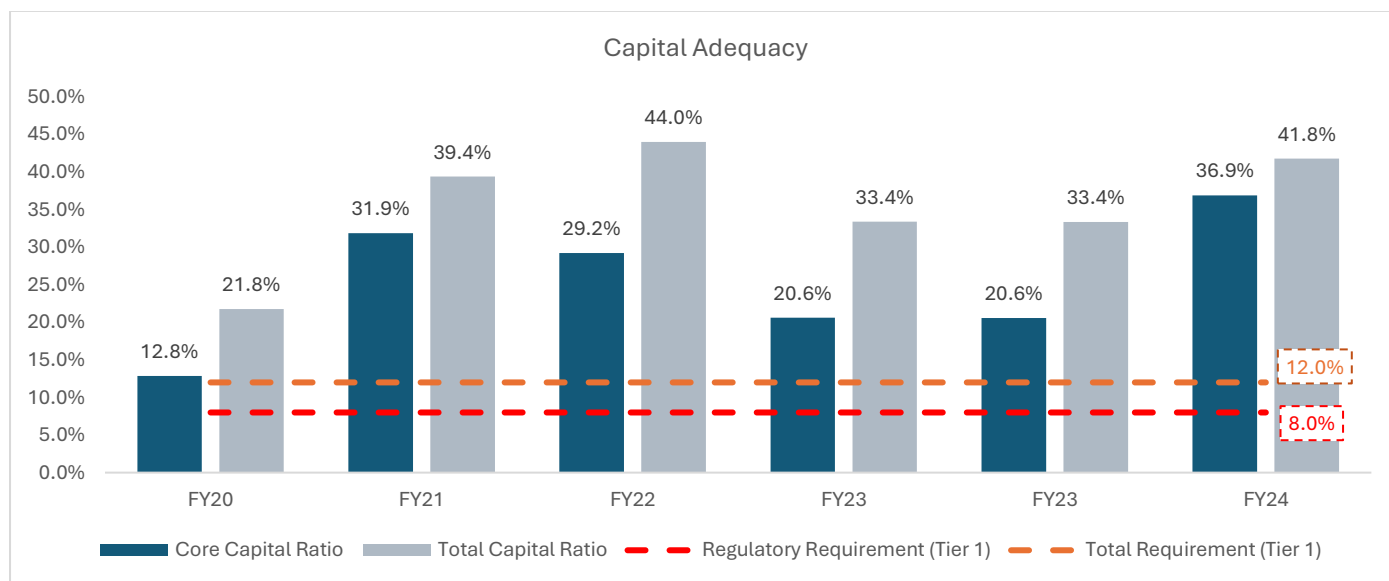


Exhibit 9

## ANNEXURES

### Key Financial Statements

Income Statement						
(000)	FY20 <sub>(ZWL)</sub>	FY21 <sub>(ZWL)</sub>	FY22 <sub>(ZWL)</sub>	FY23 <sub>(ZWL)</sub>	FY23 <sub>(ZWG)</sub>	FY24 <sub>(ZWG)</sub>
Interest & Similar Income	849,762	9,946,431	84,251,264	74,250,537	322,834	249,333
Interest Expense & Similar Costs	(199,277)	(2,064,850)	(19,525,051)	(27,138,242)	(117,994)	(103,560)
<b>Net Interest Income</b>	<b>650,485</b>	<b>7,881,581</b>	<b>64,726,213</b>	<b>47,112,295</b>	<b>204,840</b>	<b>145,773</b>
Fee & Commission Income	1,215,398	7,751,203	40,601,168	166,679,330	724,704	637,751
Other Operating Income	1,339,813	3,664,807	20,293,937	262,478,829	572,880	390,446
FV Gains/(Losses) on Investment Properties	(5,242)	307,063	24,860,243	43,082,444	187,318	(32,848)
FV Gains/(Losses) on Unquoted Equity	4,583	(35,084)	259,543	577,703	2,512	(2,831)
Total Non-Interest Income	2,554,552	11,687,989	86,014,891	472,818,306	1,487,414	992,518
<b>Total Income</b>	<b>3,205,037</b>	<b>19,569,570</b>	<b>150,741,104</b>	<b>519,930,601</b>	<b>1,692,254</b>	<b>1,138,291</b>
ECL Expenses	(213,500)	(1,695,104)	(6,262,008)	(30,349,500)	(131,956)	(103,585)
Operating Expenses	(2,089,852)	(10,254,921)	(85,019,597)	(223,118,527)	(970,096)	(865,957)
Net Monetary Adjustments	(517,575)	(1,957,932)	(22,498,931)	(112,515,595)	79,144	(308,167)
<b>Profit Before Tax</b>	<b>384,110</b>	<b>5,661,613</b>	<b>36,960,568</b>	<b>153,946,979</b>	<b>669,346</b>	<b>(139,418)</b>
Income Tax	(592,804)	(1,268,646)	(11,594,474)	(63,161,088)	(274,618)	192,692
<b>Profit After Tax</b>	<b>(208,694)</b>	<b>4,392,967</b>	<b>25,366,094</b>	<b>90,785,891</b>	<b>394,728</b>	<b>53,274</b>

Table 9

Balance Sheet						
(000)	FY20 (ZWL)	FY21 (ZWL)	FY22 (ZWL)	FY23 (ZWL)	FY23 (ZWG)	FY24 (ZWG)
<b>Assets</b>						
Cash & Bank Balances	3,264,218	9,614,434	49,006,566	122,930,845	534,491	669,696
Financial Assets at Amortized Cost	125,901	5,514,957	76,571,357	109,792,982	477,369	532,798
Financial Assets at FVPL	3,398,284	74,719	618,597	1,196,300	5,201	2,370
Loans & Advances	3,164,757	24,256,783	120,900,718	243,836,449	1,060,176	857,529
Other Assets	432,456	7,621,199	31,467,082	28,632,381	124,491	60,713
Investments Property	109,772	684,416	101,307,443	146,453,587	636,765	603,917
Property & Equipments	3,772,117	15,106,325	99,083,251	191,610,715	833,104	574,978
Intangible Assets	561,159	2,048,847	10,535,545	31,446,034	136,724	151,573
Right of Use Assets	102,505	323,897	1,685,287	2,582,272	11,227	11,474
<b>Total Assets</b>	<b>14,931,169</b>	<b>65,245,577</b>	<b>491,175,846</b>	<b>878,481,565</b>	<b>3,819,548</b>	<b>3,465,048</b>
<b>Equity</b>						
Share Capital	751,798	2,584,381	12,418,985	12,418,985	53,996	53,996
Capital Contribution for Allotment	1,670,303	5,741,832	100,727,998	104,960,021	456,355	456,355
Share Premium	4,227,581	14,532,727	69,835,566	69,835,566	303,638	303,638
Revaluation Reserves	1,296,319	7,908,092	63,385,831	121,034,237	526,244	330,041
Non-Distributable Reserves	1,183,149	646,527	3,106,822	3,106,822	13,510	13,508
Accumulated Profits	(4,838,080)	(12,238,410)	(33,444,361)	57,341,530	249,315	302,588
<b>Total Equity</b>	<b>4,291,070</b>	<b>19,175,149</b>	<b>216,030,841</b>	<b>368,697,161</b>	<b>1,603,058</b>	<b>1,460,126</b>
<b>Liabilities</b>						
Deposits	5,709,517	30,752,906	239,228,277	386,878,816	1,682,109	1,706,738
Lease Liabilities	38,413	167,858	1,287,164	3,058,960	13,300	9,419
Other Liabilities	248,017	2,093,725	14,518,531	19,042,798	82,796	126,875
Deferred Income	61,039	426,849	1,360,224	2,076,207	9,027	1,302
Lines of Credit	3,564,846	9,275,216	-	6,212,585	27,012	4,479
Deferred Tax	1,018,267	3,353,874	18,750,809	92,515,038	402,246	156,109
<b>Total Liabilities</b>	<b>10,640,099</b>	<b>46,070,428</b>	<b>275,145,005</b>	<b>509,784,404</b>	<b>2,216,490</b>	<b>2,004,922</b>
<b>Total Equity &amp; Liabilities</b>	<b>14,931,169</b>	<b>65,245,577</b>	<b>491,175,846</b>	<b>878,481,565</b>	<b>3,819,548</b>	<b>3,465,048</b>

Table 10

Cash Flow Statement						
(000)	FY20 <sub>(ZWL)</sub>	FY21 <sub>(ZWL)</sub>	FY22 <sub>(ZWL)</sub>	FY23 <sub>(ZWL)</sub>	FY23 <sub>(ZWG)</sub>	FY24 <sub>(ZWG)</sub>
<b>Operating Cash Flow</b>						
Profit Before Tax	384,110	5,661,613	36,960,568	153,946,979	669,346	(139,418)
Adjustments for Non-Cash Items	397,615	1,088,733	(38,505,814)	(41,435,364)	(180,157)	329,412
Operating Cash Flow before WC	781,725	6,750,346	(1,545,246)	112,511,615	489,189	189,994
<b>Working Capital Changes</b>						
Changes Financial Assets	456,009	(5,046,976)	(49,748,562)	(30,149,984)	(131,089)	(41,827)
Changes Loans & Advances	(1,437,283)	(15,060,308)	(10,689,516)	(122,935,731)	(534,512)	(4,524)
Changes in Other Assets	(136,528)	(722,911)	(20,704,397)	(2,834,701)	(12,325)	63,778
Change in Deposits	(49,634)	138,174	91,448,261	147,650,539	641,969	24,629
Increase in Other Liabilities	1,618,886	10,987,708	6,118,297	4,524,265	19,671	44,079
Changes in Deferred Income	(213,709)	752,296	(690,955)	715,954	3,113	(7,726)
Total WC Changes	237,741	(8,952,017)	15,733,128	(3,029,658)	(13,173)	78,409
<b>Net Operating Cash Flow</b>	<b>1,019,466</b>	<b>(2,201,671)</b>	<b>14,187,882</b>	<b>109,481,957</b>	<b>476,016</b>	<b>268,403</b>
<b>Investing Cash Flow</b>						
Disposal of PPE	157	4,597	20,163	305,486	1,328	44
Purchase of PPE	(294,442)	(1,632,372)	(6,656,389)	(20,048,279)	(87,168)	(16,469)
Purchase of Intangibles	(141,984)	(262,214)	2,932,116	(23,570,682)	(102,483)	(113,477)
Lease Improvements/Other	-	3,973,067	(370,902)	(389,821)	(1,673)	(145)
<b>Net Investing Cash Flow</b>	<b>(436,269)</b>	<b>2,083,078</b>	<b>(4,075,012)</b>	<b>(43,703,296)</b>	<b>(189,996)</b>	<b>(130,047)</b>
<b>Financing Cash Flow</b>						
Proceeds from Shareholders	133,469	-	-	4,237,023	18,400	-
Line of Credit Proceeds	-	-	-	5,000,000	21,739	200
Repayment of Line of Credit	(30,388)	(997,832)	(6,146,385)	(110,157)	(479)	-
Lease Liability Payment	(26,621)	(490,210)	(1,161,122)	(981,248)	(4,266)	(3,351)
<b>Net Financing Cash Flow</b>	<b>76,460</b>	<b>(1,488,042)</b>	<b>(7,307,507)</b>	<b>8,145,618</b>	<b>35,394</b>	<b>(3,151)</b>
<b>Net Cashflow</b>	<b>659,657</b>	<b>(1,606,635)</b>	<b>2,805,363</b>	<b>73,924,279</b>	<b>321,414</b>	<b>135,205</b>
Beginning Cash Flow	2,604,561	11,221,069	46,201,203	49,006,566	213,077	534,491
<b>Ending Cash Flow</b>	<b>3,264,218</b>	<b>9,614,434</b>	<b>49,006,566</b>	<b>122,930,845</b>	<b>534,491</b>	<b>669,696</b>

Table 11

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