

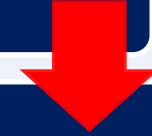
ANALYSTS BRIEFING

2018 HALF YEAR FINANCIAL RESULTS

AUGUST 2018

OUTLINE

Group Overview



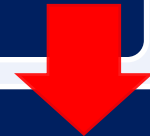
Operating Environment Overview



Strategic & Operations Review



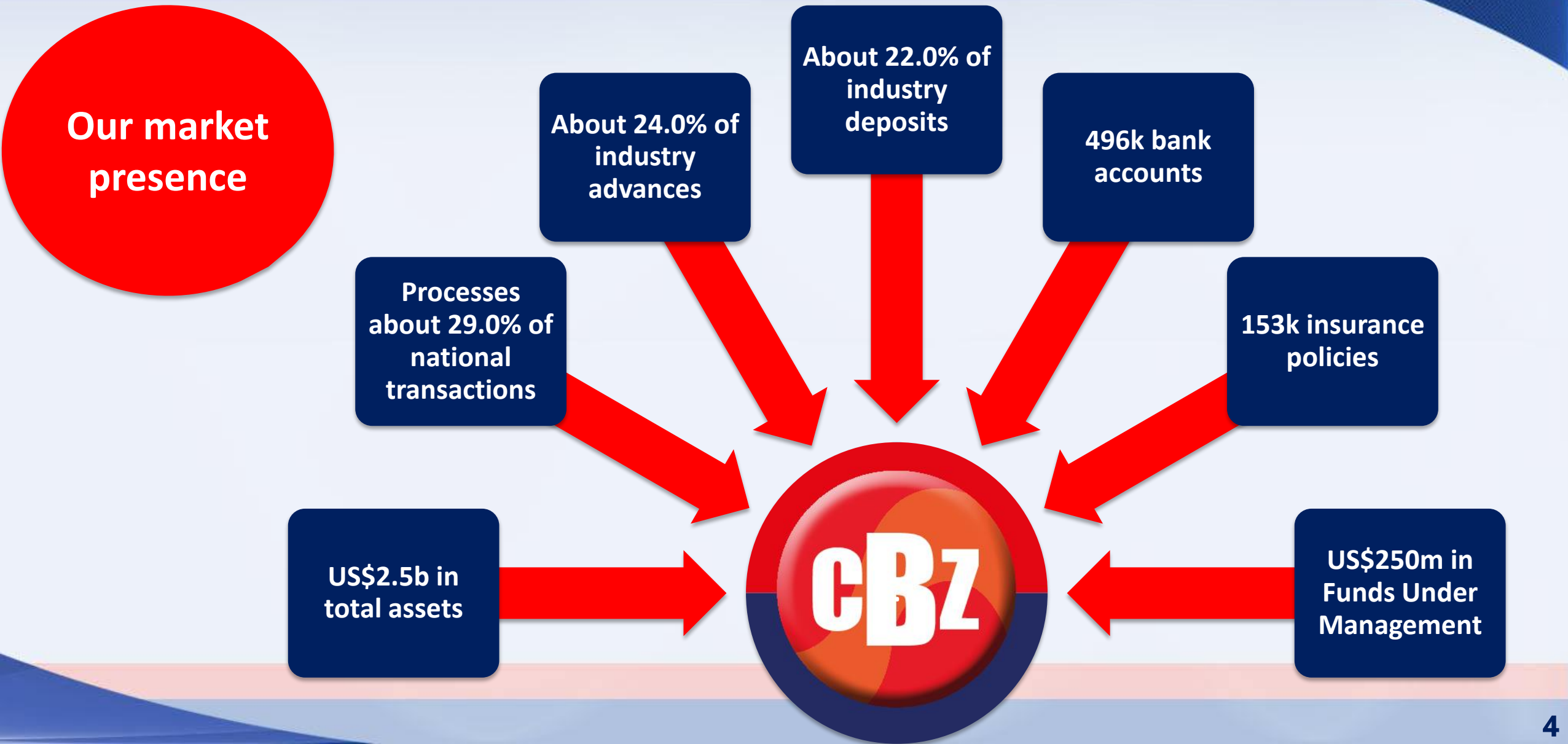
Financial Review



Guidance & Outlook

GROUP OVERVIEW

OVERVIEW OF THE GROUP



AWARDS

- ZNCC Award for Best Bank Supporting MSMEs – Mashonaland Region.



- ZNCC Award for Runner Up, Best Bank Supporting MSMEs – Matabeleland Region.

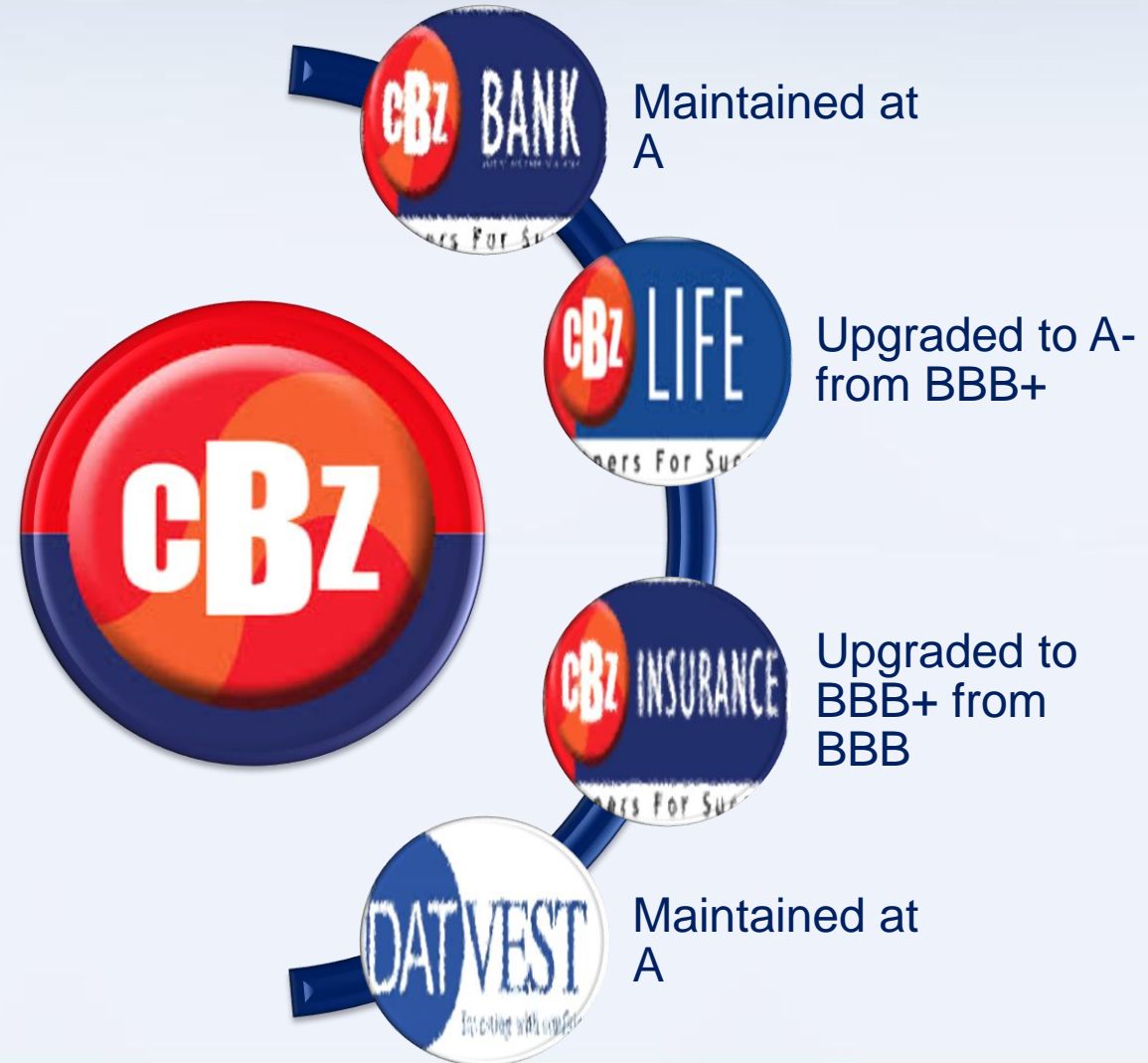


- ZNCC Award for Best Financial Institution Supporting MSMEs – National (3rd Time).



CURRENT CREDIT RATINGS

Ratings by the GCR
Co.



OPERATING ENVIRONMENT OVERVIEW

NAVIGATING THE OPERATING ENVIRONMENT

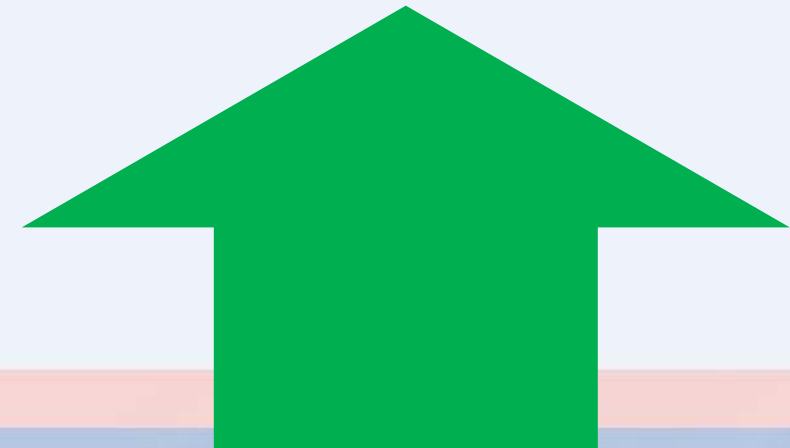
THREATS



Cash shortages.
Foreign currency shortages.
Inflationary pressures.
Lopsided economic activity.

OPPORTUNITIES

Investing in digital platforms.
Developing and penetrating new markets.
Pursuing investment banking & advisory transactions.
Stepping up property development & management.



STRATEGIC & OPERATIONS REVIEW

INFRASTRUCTURE MARKET PRESENCE

CURRENT PROJECTS

SEGMENT	PROJECT/ AREA	SCOPE
Residential	Mazowe	A \$3m project for development of 169 low density stands. Sales began in Q2.
Commercial – Agro plots	Harare	A \$3m project for development of 32 agro plots. Sales began in Q2.
Residential	Harare	A \$2.5 million development of 22 Cluster houses in Hogerty Hill.
Residential	Bulawayo	A \$7m project for development of 670 medium density stands.
Residential	Marondera	A \$15m project for development of 2 800 high density stands.

STATUS OF COMPLETED PROJECTS

PROJECT	PROJECT SIZE / TYPE	STATUS
Gweru - Mtausi	368 stands.	Selling.
Gweru - Nehosho	1 095 stands & housing units.	Selling.
Kwekwe - Mbizo	415 stands.	Selling.
Harare - Westgate (Fairview)	55 Medium density stands	Selling.
Harare - The Grange	139 low density stands.	Sold out.
Victoria Falls	1309 stands.	Sold out.
Mutare - Chikanga	276 stands.	Sold out.
Harare – Highlands	6 Clusters houses.	Leased out.

50% from us to your home loan account
 We are offering high interest savings to fulfil your dreams

 **Superbrand**
 Brand Of The Year 2012

Owning the house of your dreams starts by opening a great savings account. Enjoy high interest earning savings and flexible repayment options with the CBZ Bank CashPlus Housing Account. CBZ Bank will match your contribution with a loan giving you funds towards your dream home, so enjoy:

- 50% mortgage loan towards the purchase or construction of the house
- Competitive interest rates
- No bank service fees
- No maintenance fees
- No withdrawal fees

CASHPLUS
 Housing Savings Account



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INNOVATION

...we innovate on our own...



...and we partner with others...



...enhanced security on our e-commerce platforms to improve the transacting safety of our customers...

FINANCIAL INCLUSION



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Open your SmartCash account for just \$5 and a copy of your ID only!

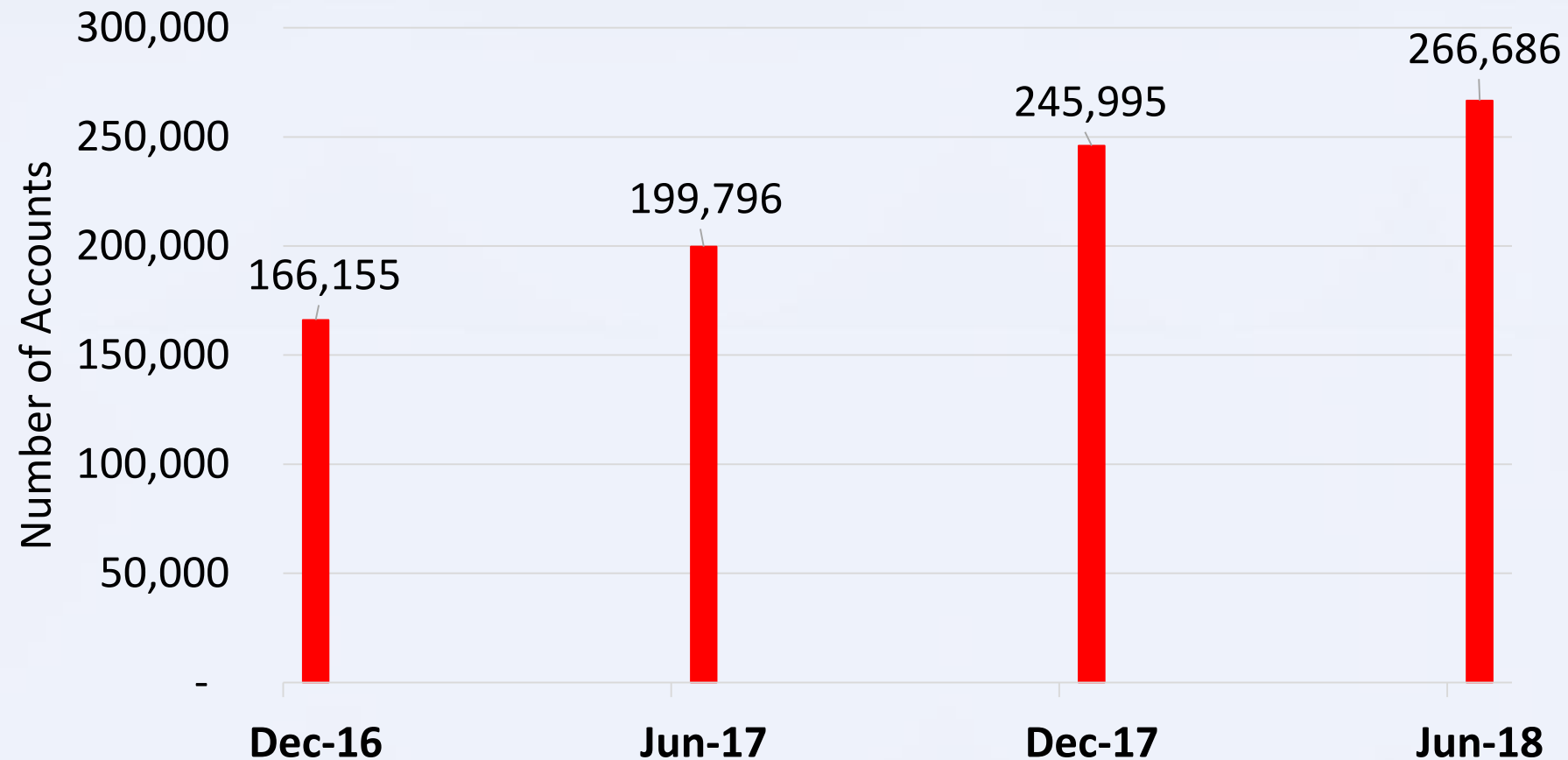



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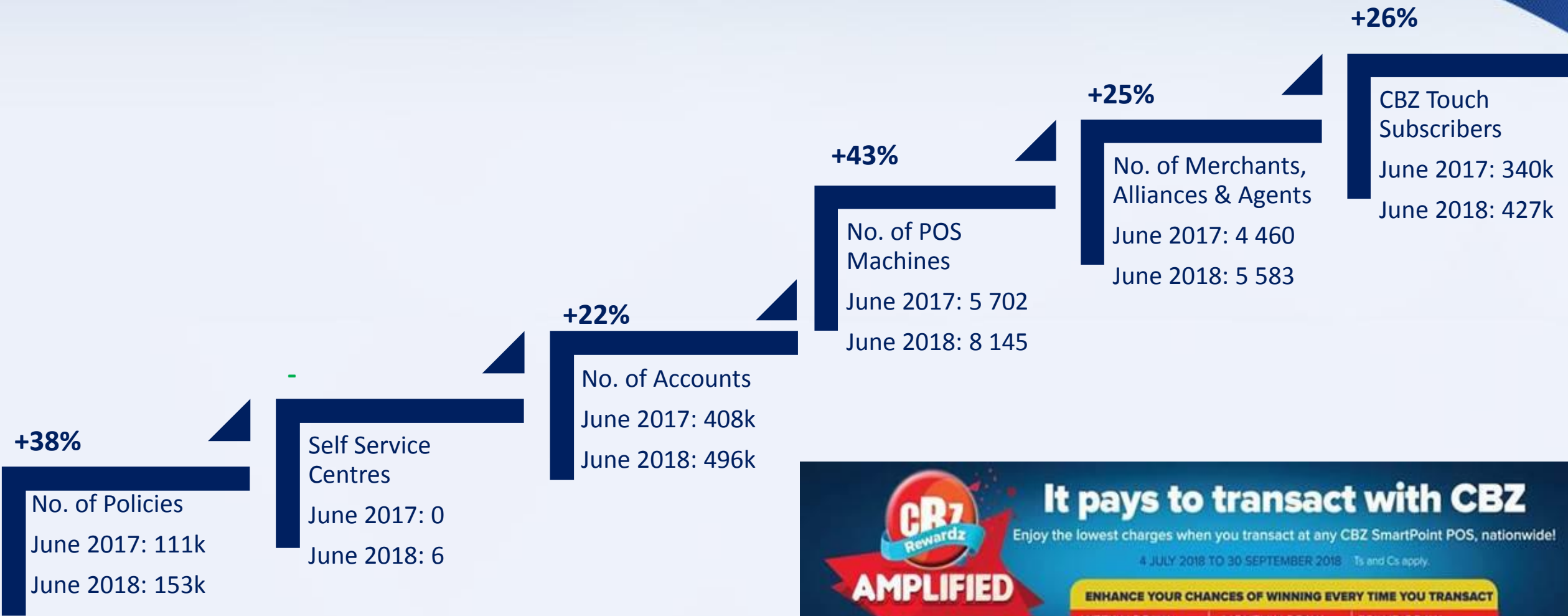
CBZ BANK
Partners For Success

Member of the Deposit Protection Scheme

Contributing towards financial inclusion: An 8.4% growth in our KYC light account, SmartCash



THE BUSINESS IN NUMBERS...





It pays to transact with CBZ

Enjoy the lowest charges when you transact at any CBZ SmartPoint POS, nationwide!

4 JULY 2018 TO 30 SEPTEMBER 2018 Ts and Cs apply.

ENHANCE YOUR CHANCES OF WINNING EVERY TIME YOU TRANSACT		
WEEKLY DRAW	MONTHLY DRAW	GRAND DRAW
Be \$200 that will be credited into your CBZ account.	Be US\$500 that will be credited into your CBZ account.	Stand a chance to win 2 Residential Stands and R x \$1000.00

FINANCIAL REVIEW

FINANCIAL REVIEW OUTLINE

- Balance Sheet Size & Structure
- Asset Quality - Advances
- Profitability
- Subsidiaries' Performance
- Dividend

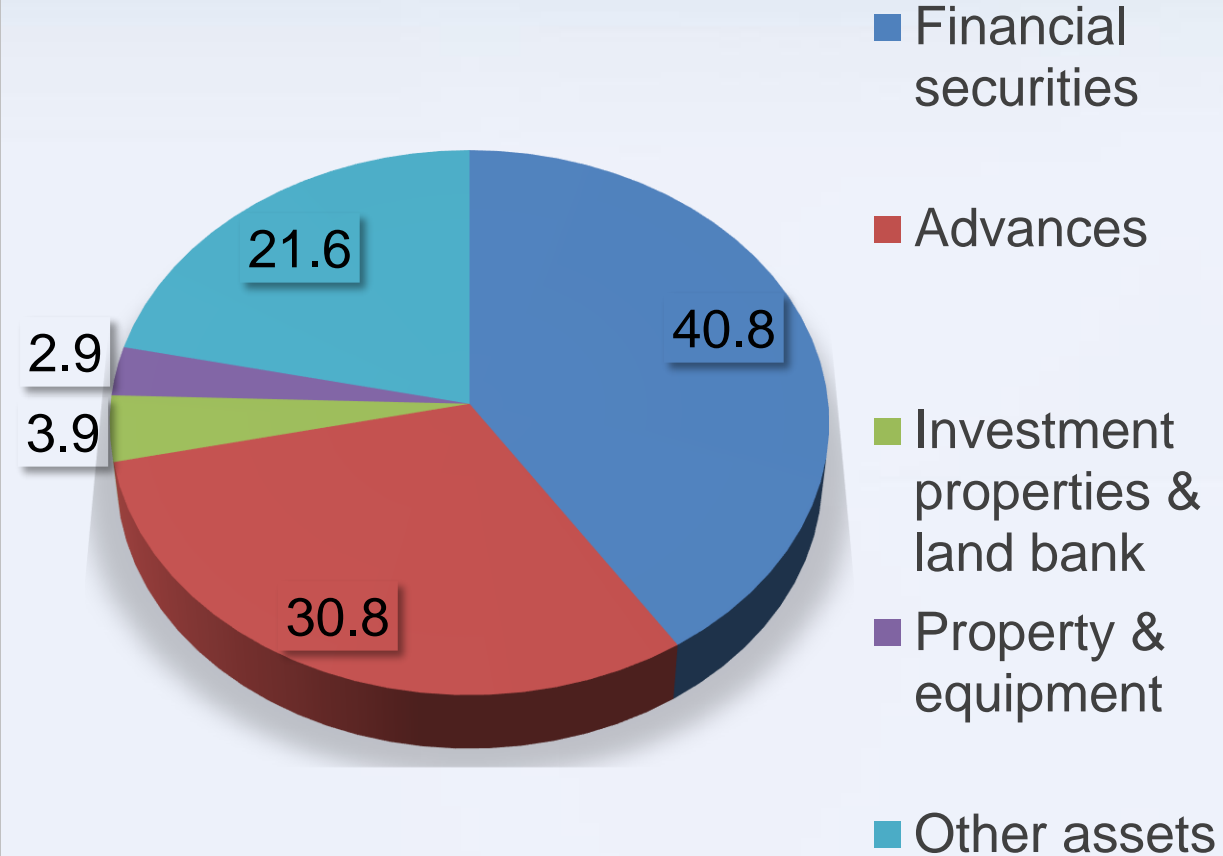
FINANCIAL REVIEW

Consolidated Statement of Financial Position

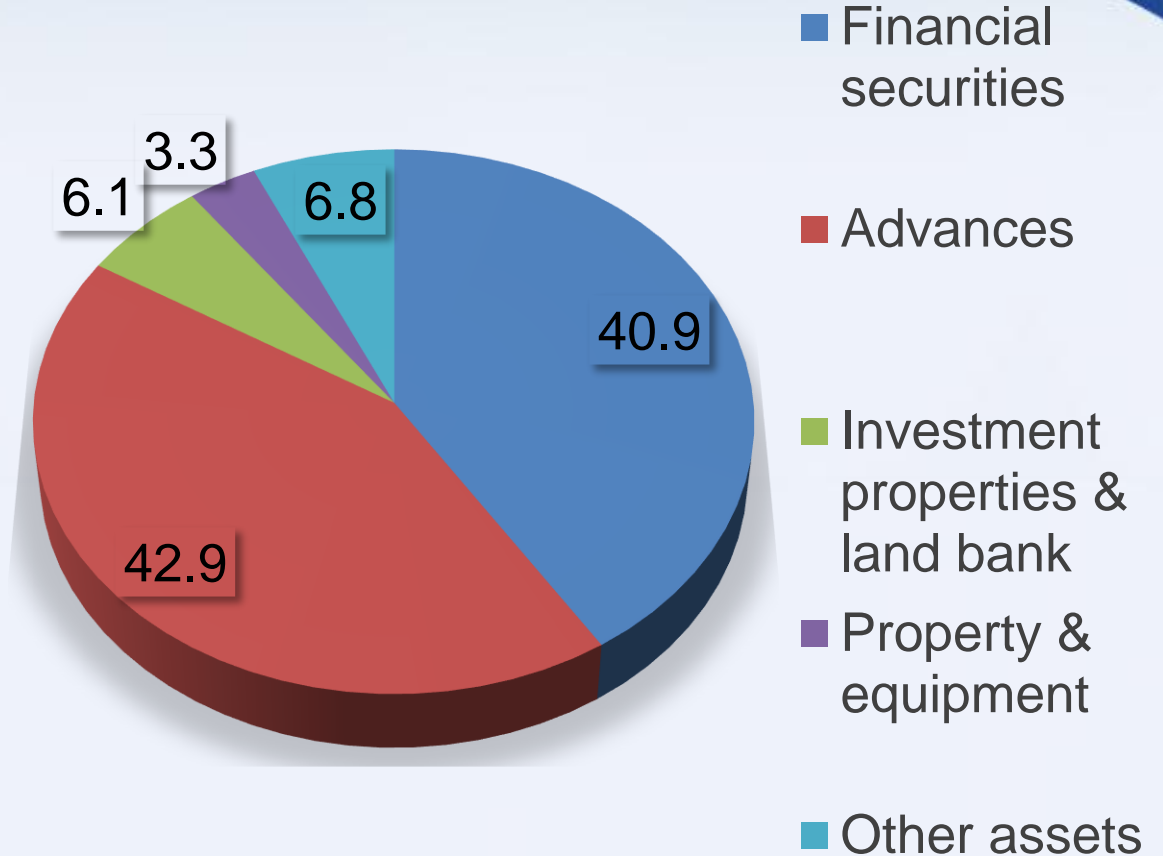
	30 Jun 2018 (\$m)	31 Dec 2017 (\$m)	Growth (%)	
Total Assets	2 488.9	2 192.7	13.5	↑
Total Deposits	2 159.7	1 853.7	16.5	↑
Total Advances	767.7	941.4	(18.5)	↓
Financial Securities	1 015.7	899.9	12.9	↑
Other Assets (excluding advances and financial securities)	705.5	351.4	100.8	↑
Funds Under Management	279.1	250.5	11.4	↑
Total Shareholders' Funds	279.1	309.6	(9.9)	↓

FINANCIAL REVIEW

ASSET MIX JUNE 2018 (%)

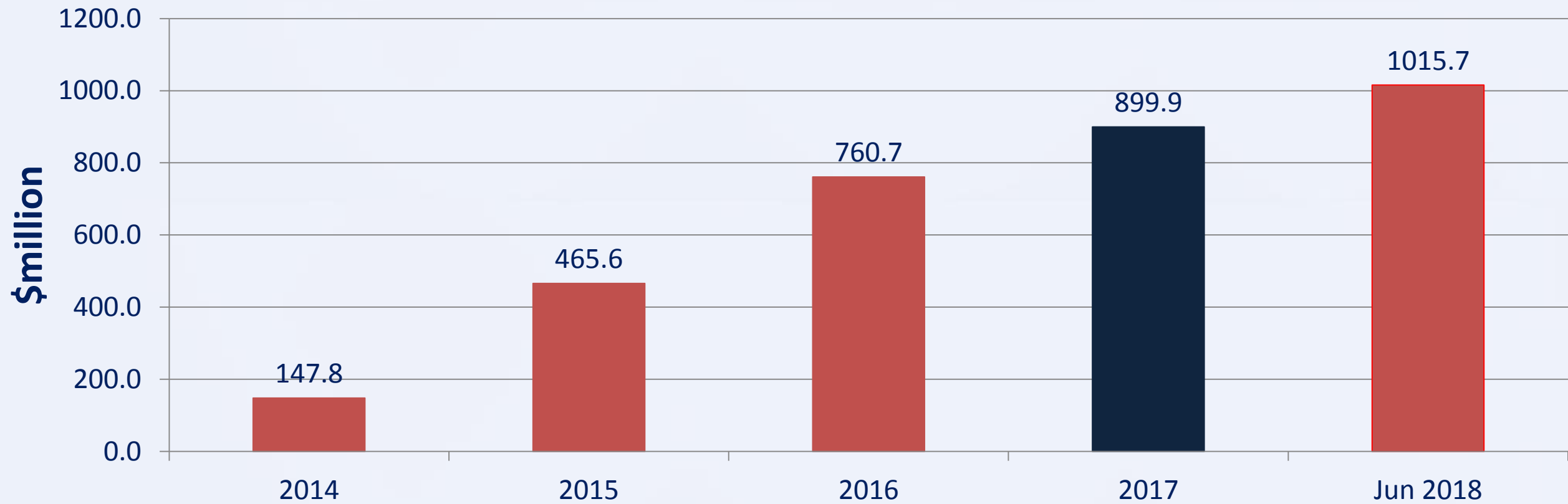


ASSET MIX DEC 2017 (%)



FINANCIAL REVIEW

Financial Securities



FINANCIAL REVIEW

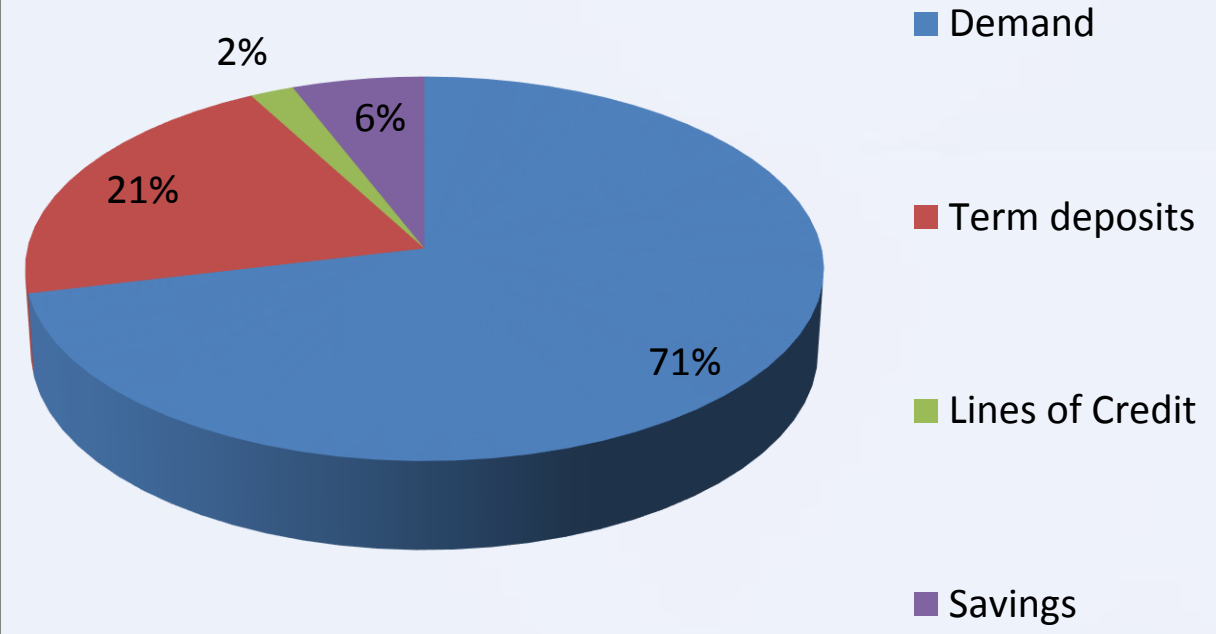
Deposits Trend



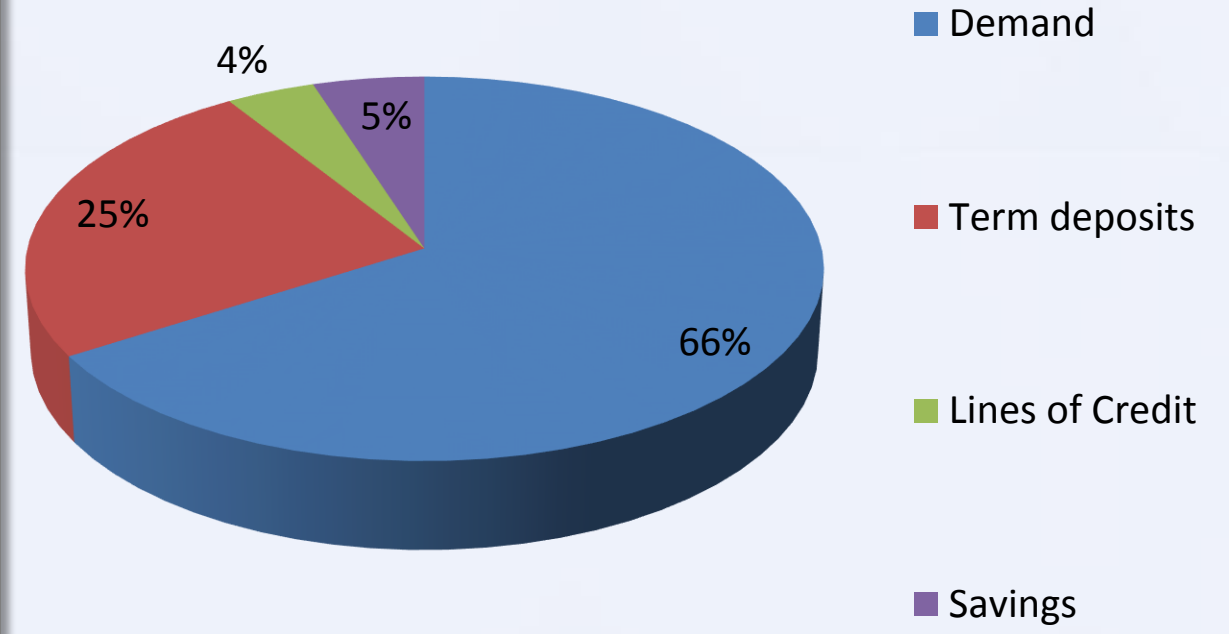
FINANCIAL REVIEW

Deposits Mix

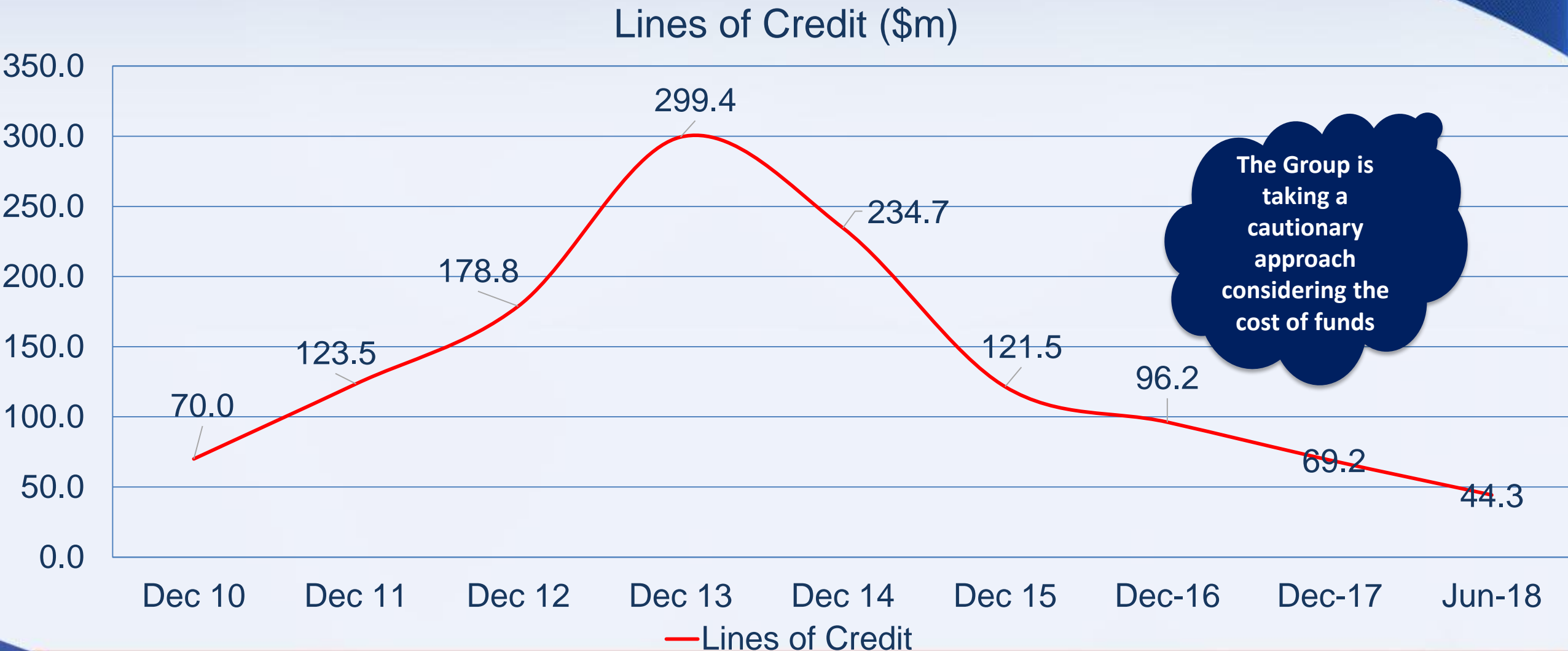
June 2018



December 2017



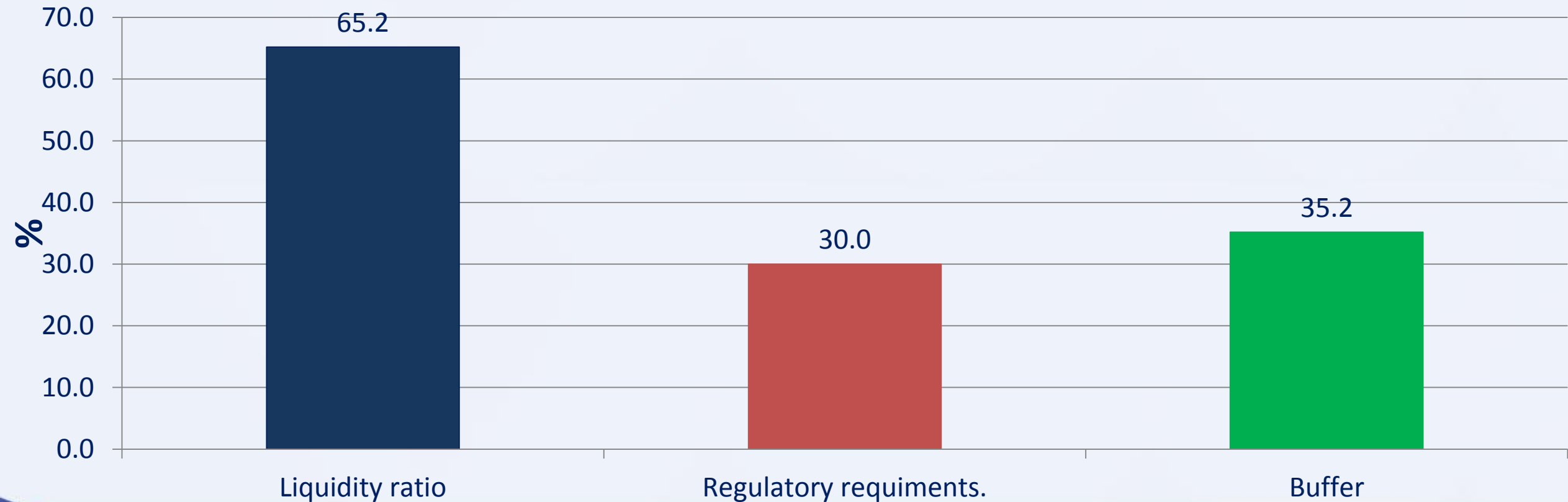
FINANCIAL REVIEW



FINANCIAL REVIEW

Prudential Liquidity Management

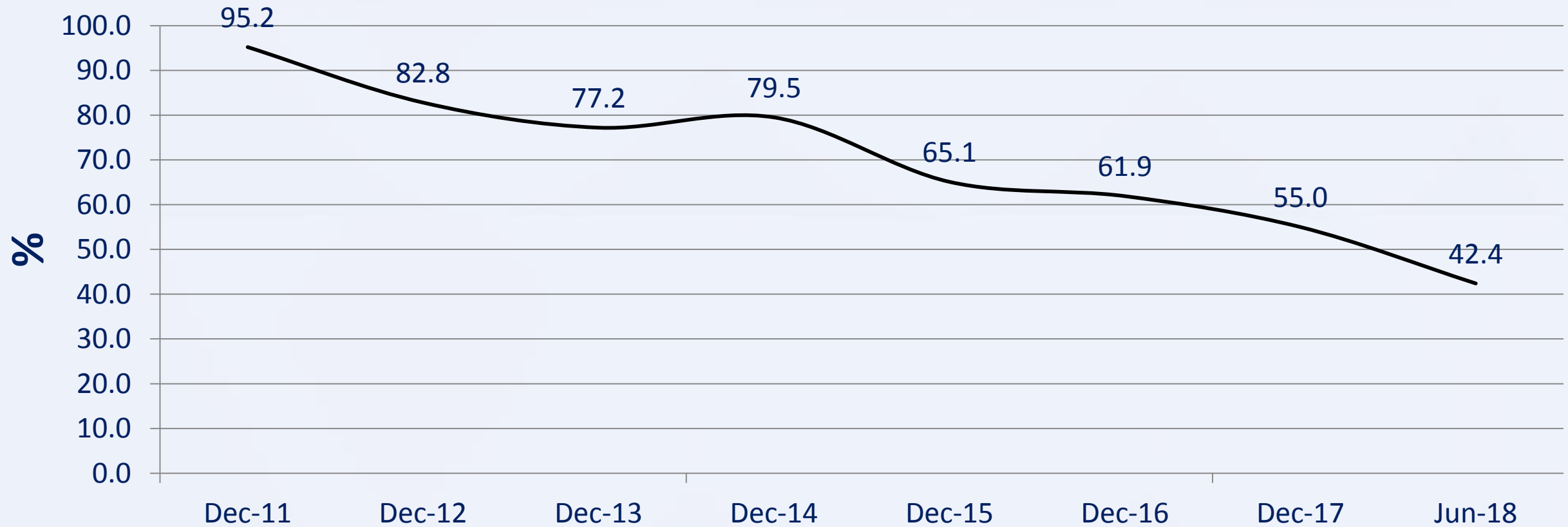
Liquidity ratio- Bank



FINANCIAL REVIEW

Prudential Liquidity Management

Loans to deposits ratio



FINANCIAL REVIEW

Asset Quality - Advances	Jun 2018	Dec 2017
Total net advances (US\$m)	767.7	941.4
Security value (US\$m)	1 197.8	1 711.5
Security cover (times)	1.6	1.8
Provisions (US\$m)	148.2	78.6
Non performing loans /stage 3 loans (US\$m)	88.0	112.1
NPL / stage 3 loans ratio (%)	9.6	10.9
Write offs	13.4	29.7

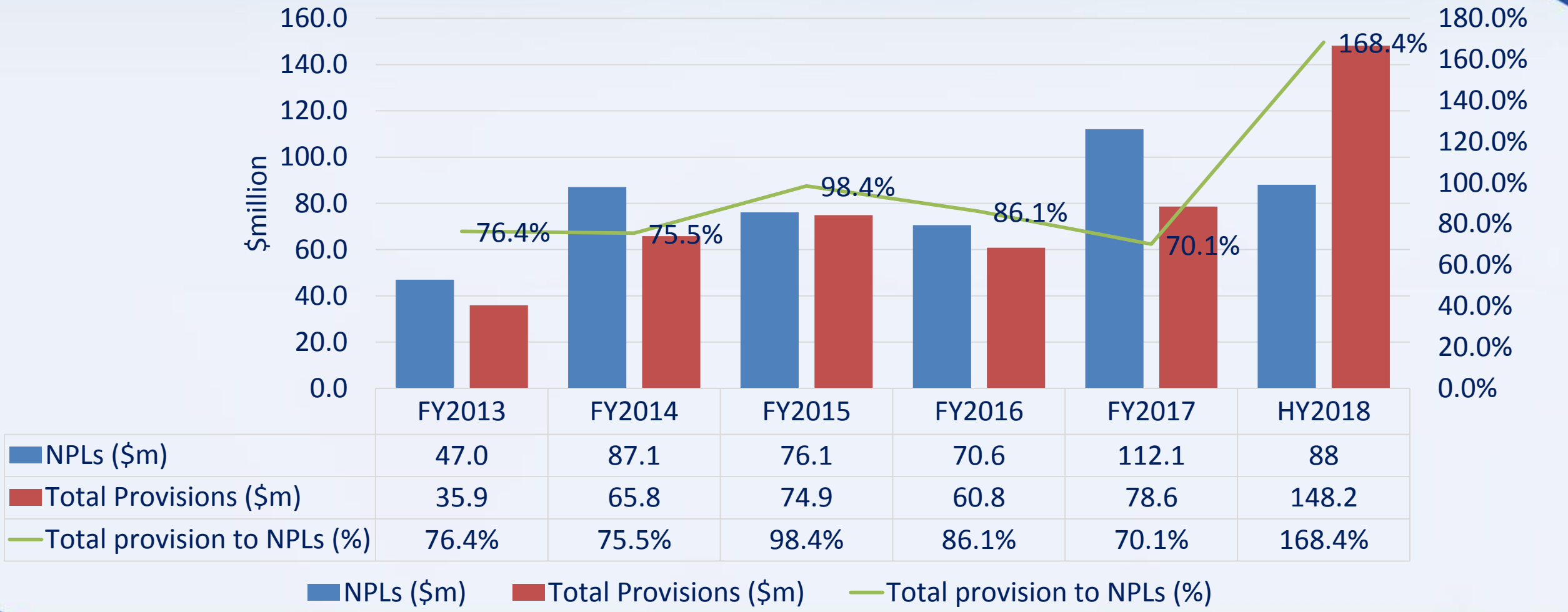
FINANCIAL REVIEW

Non performing loans analysis

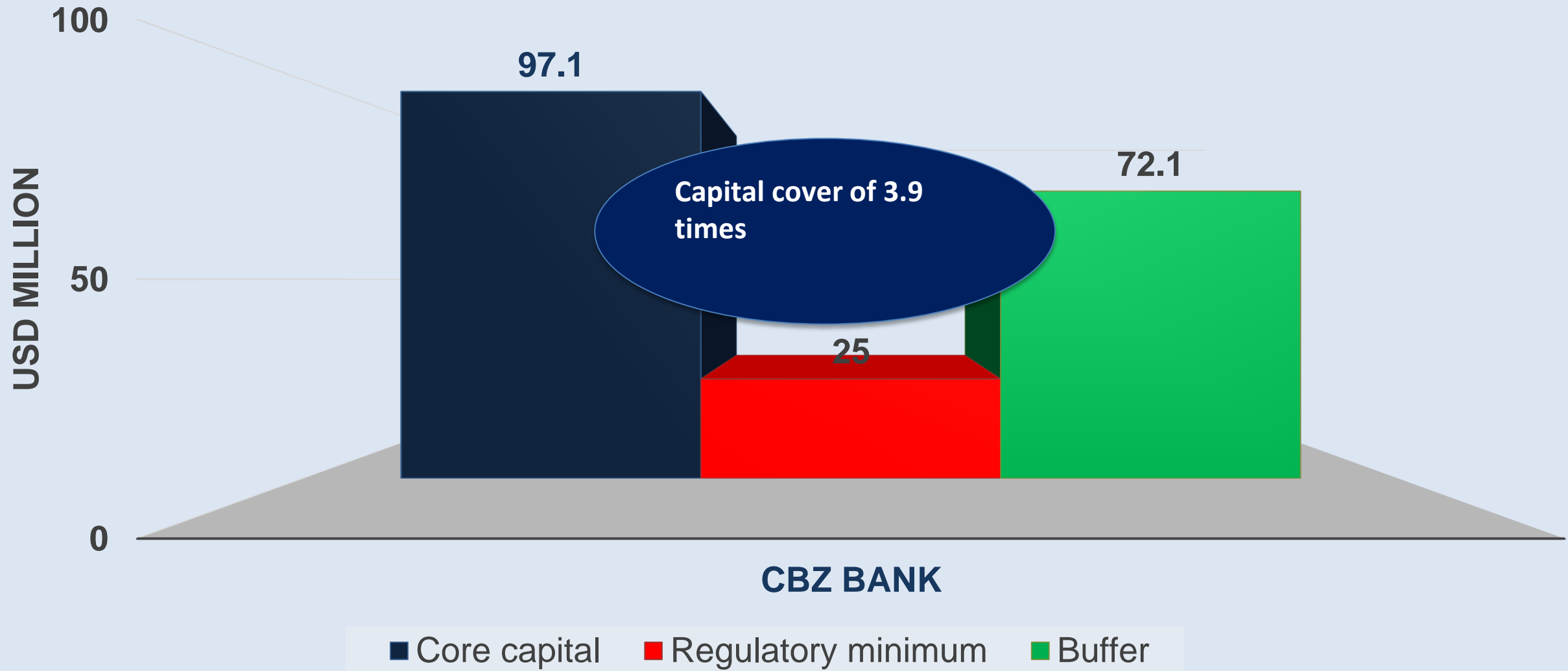
Non performing loans Sectoral Analysis	HY 2018 \$m	FY 2017 \$m	HY 2018 Contribution	FY 2017 Contribution
Agriculture	48.59	37.77	55.2%	33.7%
Manufacturing	17.60	5.80	20.0%	5.2%
Commercial	6.29	30.62	7.1%	27.3%
Individuals and Households	3.92	5.88	4.5%	5.2%
Mining	2.38	0.19	2.7%	0.2%
Distribution	5.98	21.46	6.8%	19.1%
Construction	2.27	2.00	2.6%	1.8%
Transport and communication	1.00	0.28	1.1%	0.3%
Financial Services	-	8.14	0%	7.2%
Total	88.03	112.1	100.0%	100.0%

FINANCIAL REVIEW

Non performing loans analysis

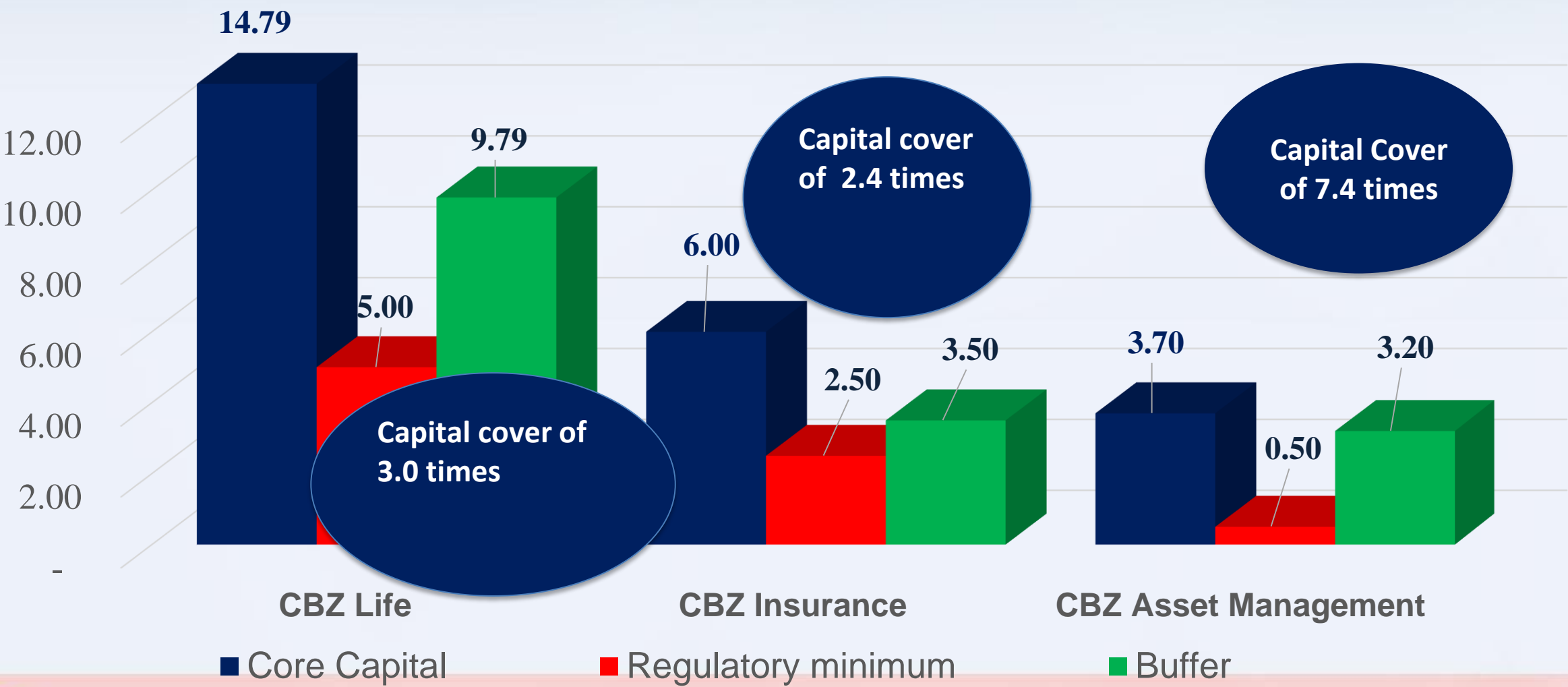


CAPITALISATION OF SUBSIDIARIES



CAPITALISATION OF SUBSIDIARIES

NON BANKING SUBSIDIARIES' CAPITALISATION LEVELS - USD MILLION



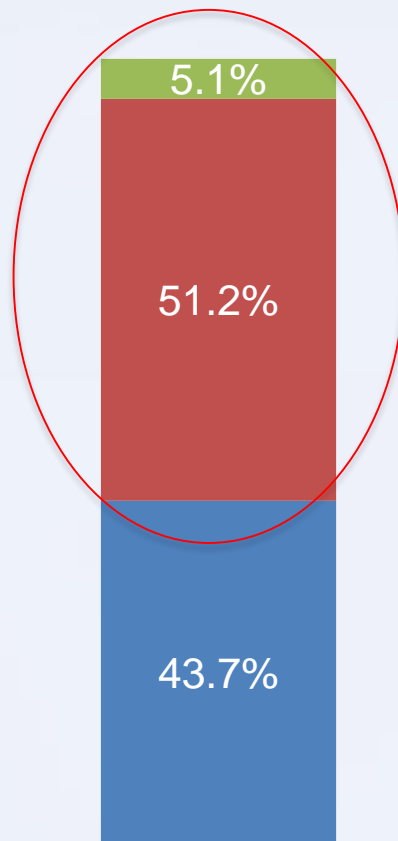
GROUP FINANCIAL PERFORMANCE REVIEW

Capital Adequacy ratio - Bank



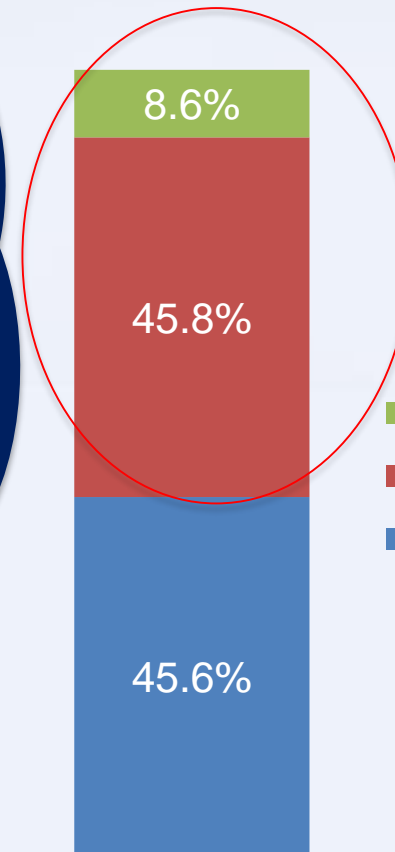
PROFITABILITY

Income Diversification



JUN-18

Revenue growth through non-funded income, to minimise the pressure on interest income



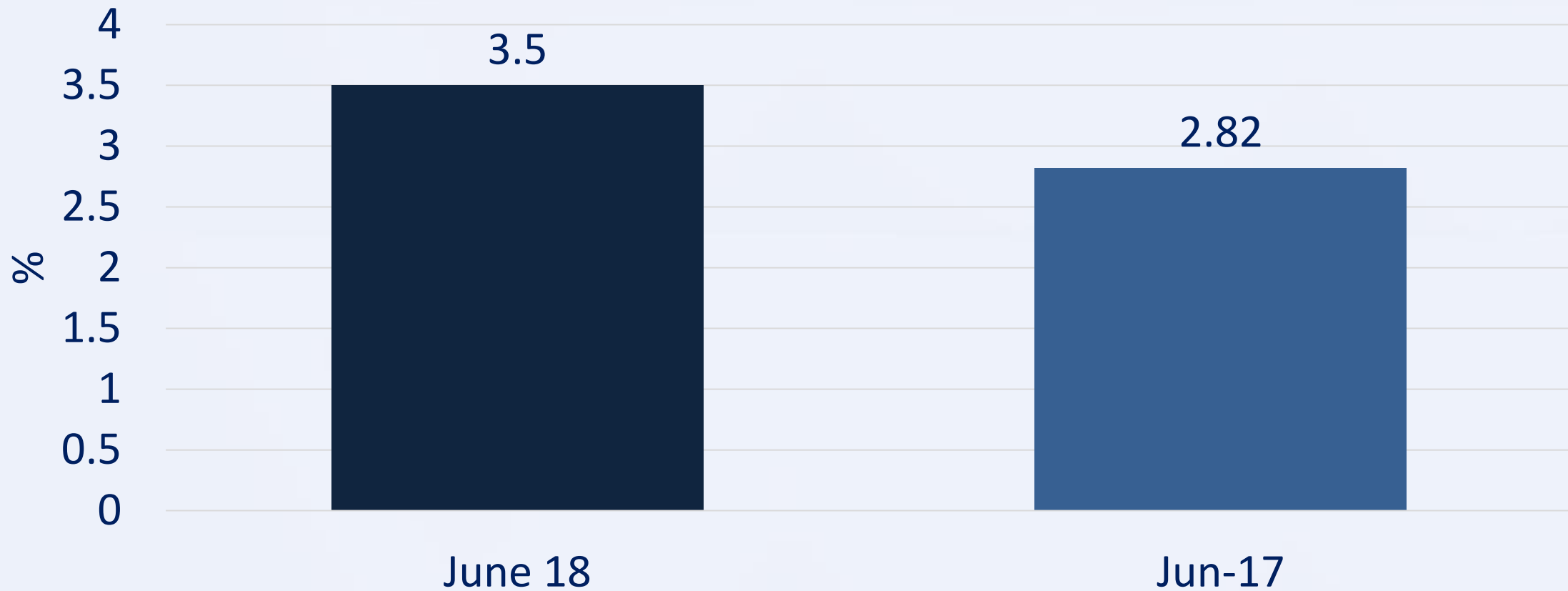
JUN-17

- Underwriting income
- Non interest income
- Net interest income

FINANCIAL PERFORMANCE REVIEW

Profitability

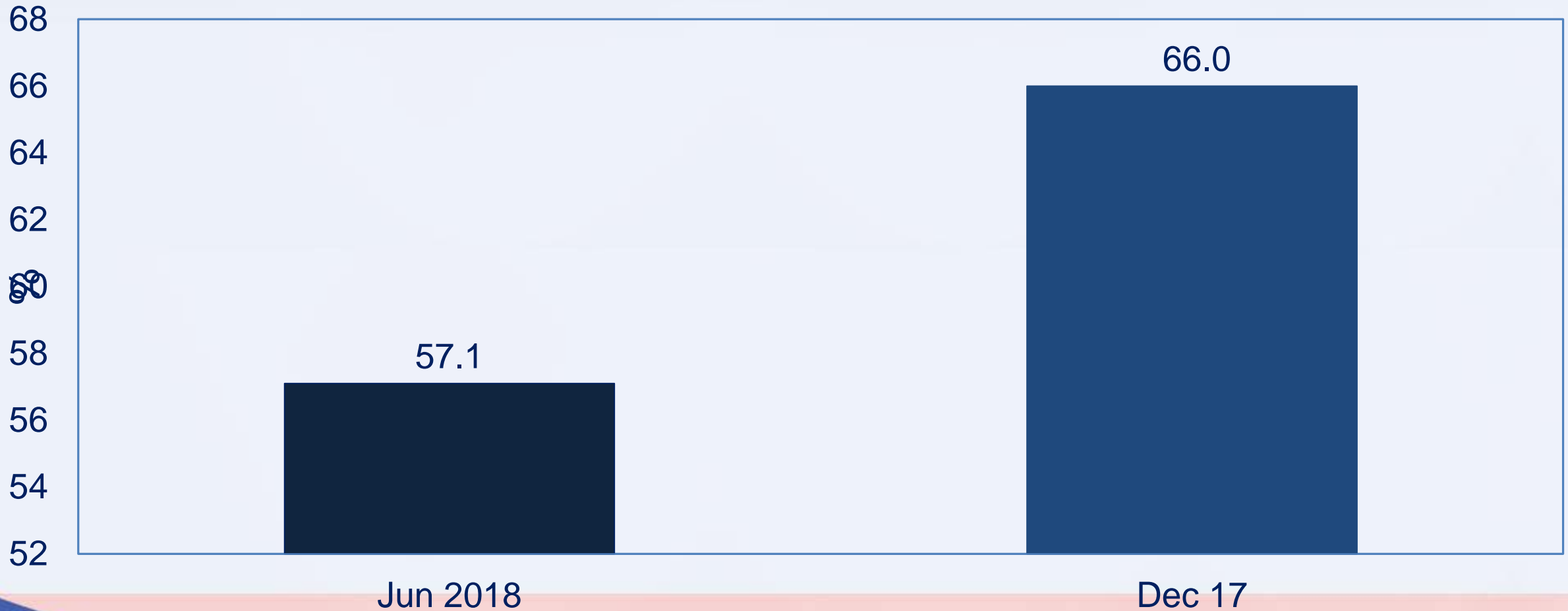
Interest margin



PROFITABILITY

Cost Containment

Cost to Income Ratio



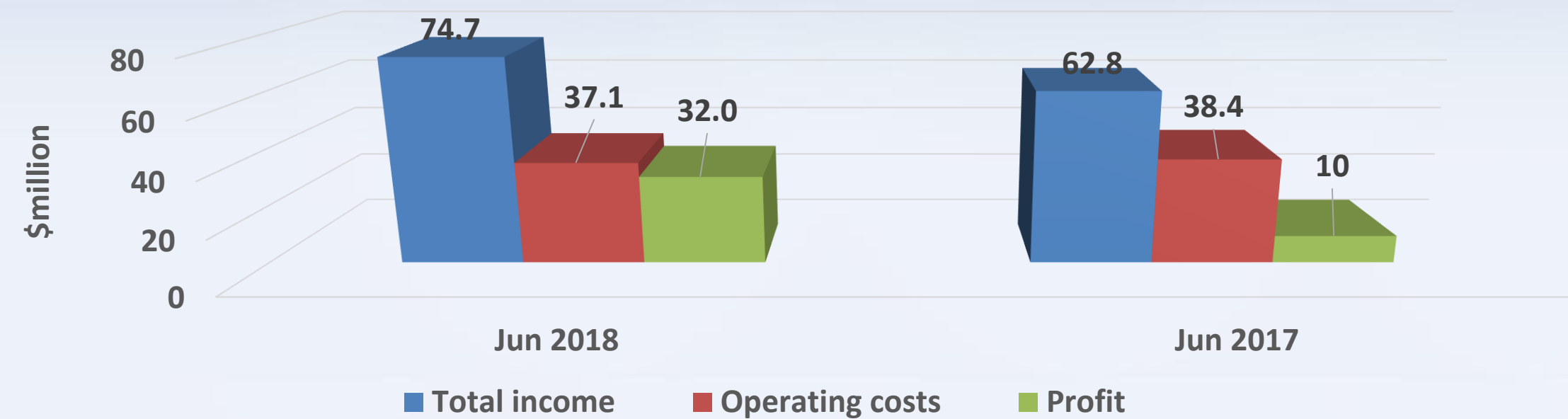
GROUP FINANCIAL PERFORMANCE REVIEW

Consolidated Statement of Profit or Loss

	30 Jun 2018 \$m	30 Jun 2017 \$m	Growth (%)	
Net Interest Income	40.8	39.7	2.8	↑
Non interest Income	47.7	36.8	29.6	↑
Underwriting Income	4.7	3.9	20.5	↑
Total Income	93.2	80.5	15.7	↑
Total Expenditure	(53.2)	(53.1)	(0.2)	↑
Profit After Tax	34.3	12.0	187.1	↑
EPS (cents)	13.3	4.6	189.1	↑

SUBSIDIARIES FINANCIAL PERFORMANCE REVIEW

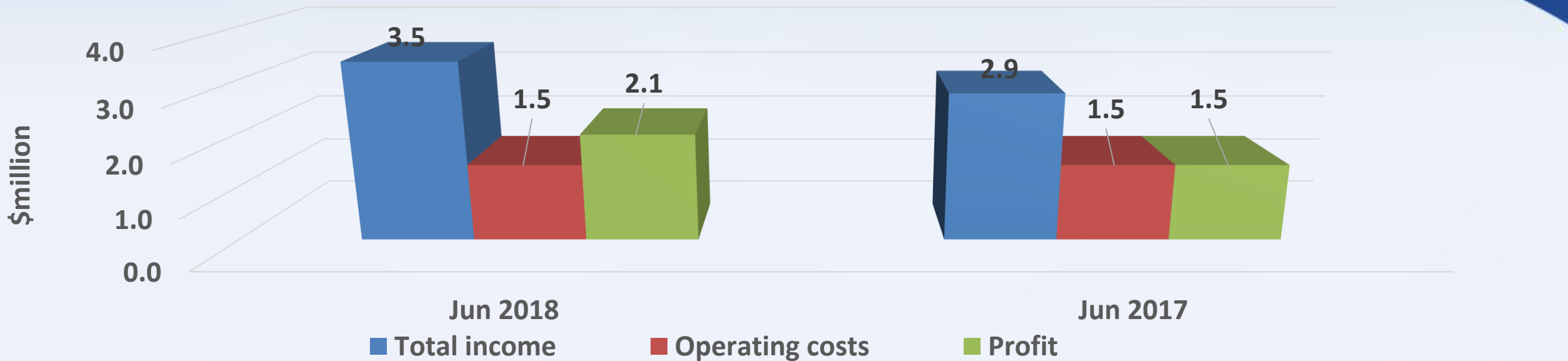
CBZ Bank Summarised results



	30 Jun 2018 US \$m	31 Dec 2017 US \$m	YTD% Growth
Total assets	2 268.5	1 991.5	13.9
Shareholders' funds	155.6	188.1	(17.3)
Total advances	639.5	808.6	(20.9)
Total deposits	2 083.9	1 791.4	16.3

SUBSIDIARIES FINANCIAL PERFORMANCE REVIEW

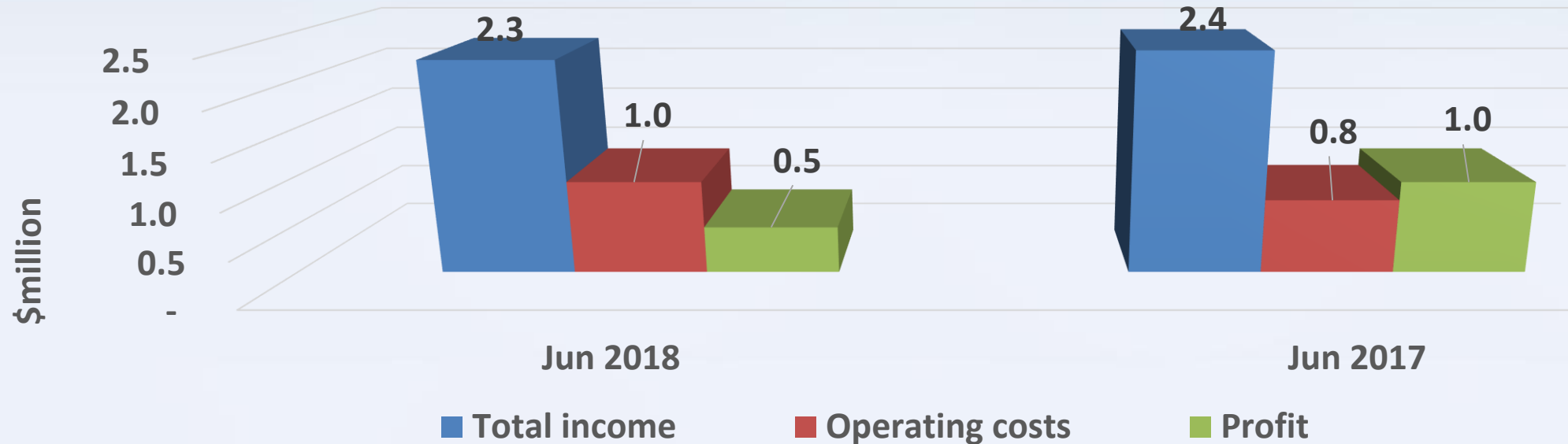
CBZ Life Summarized Results



	30 Jun 2018 US \$m	31 Dec 2017 US \$m	YTD% Growth
Total assets	24.6	23.2	6.0
Shareholders' funds	18.9	17.7	6.8
Money market assets	11.9	11.2	6.3
Life Fund	1.6	1.5	6.7

SUBSIDIARIES FINANCIAL PERFORMANCE REVIEW

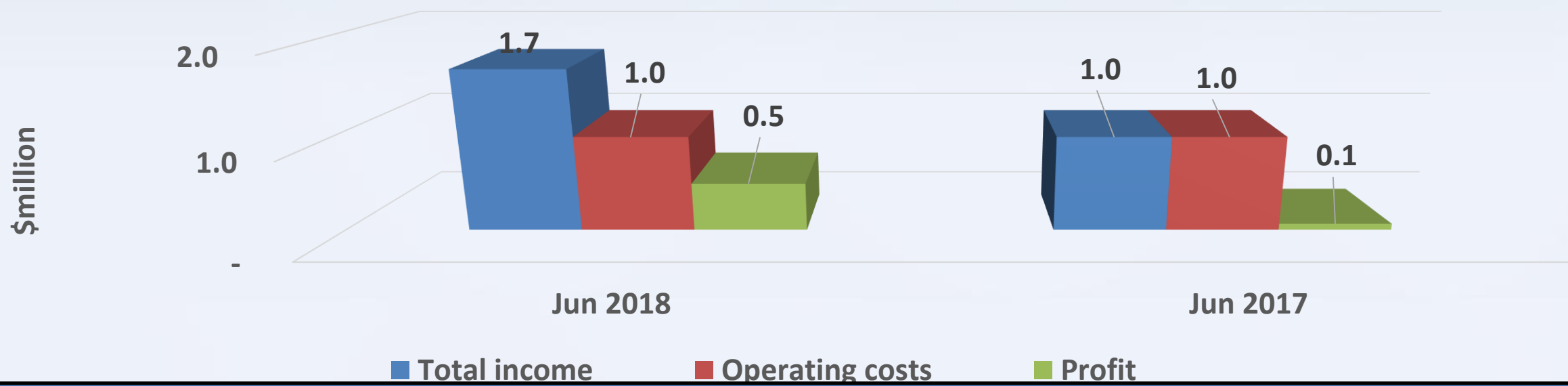
CBZ Insurance Summarized Results



	30 June 2018 US \$m	31 Dec 2017 US \$m	YTD% Growth
Total assets	17.7	13.2	34.1
Shareholders' funds	7.8	7.3	6.8
Insurance assets	4.4	2.5	76.0
Money market assets	5.8	4.7	23.4

SUBSIDIARIES FINANCIAL PERFORMANCE REVIEW

CBZ Asset Management Summarized Results

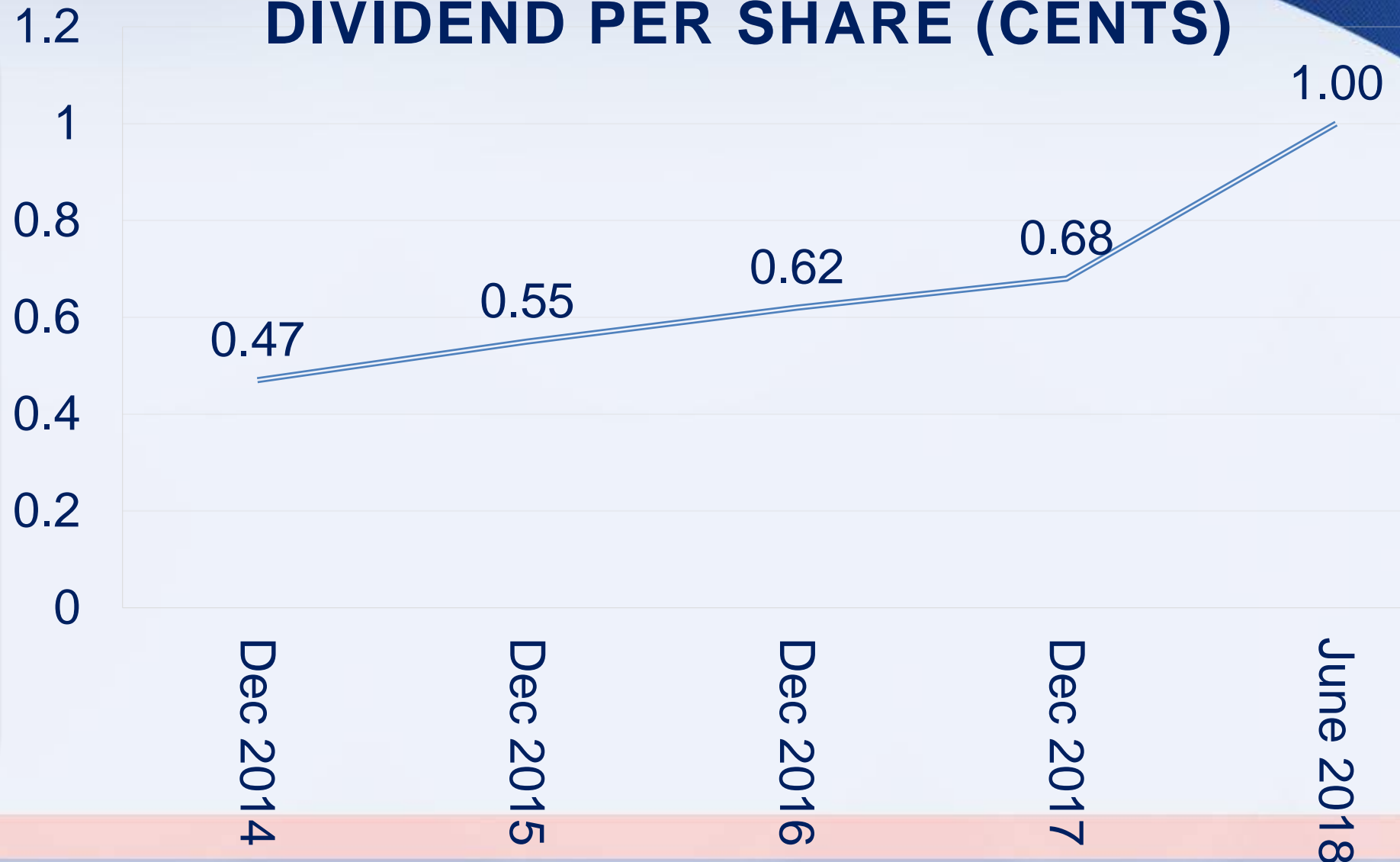


	30 Jun 2018 US \$m	31 Dec 2017 US \$m	YTD% Growth
Total assets	4.2	3.7	13.5
Shareholders' funds	3.7	3.3	12.1
Funds under management	279.1	250.5	11.4

DIVIDEND PROPOSAL

**INTERIM DIVIDEND
OF US\$2 589 740
WAS PROPOSED,
TRANSLATING TO A
DIVIDEND PER
SHARE OF 0.5
CENTS (annualised
1.0).**

DIVIDEND PER SHARE (CENTS)



GUIDANCE & OUTLOOK

STRATEGIC FOCUS

- Agriculture, utilising contract farming and value chain financing.
- Mining, including chrome, lithium and gold.
- Manufacturing, including export orientated entities.
- Infrastructure, including housing, student accommodation & renewable energy.
- Innovation to support business development.
- Investment banking & advisory services.

PROJECTED IMPACT

	YTD Growth June 2018 (%)	Forecast Growth Dec 2018 (%)
Total Assets	13.5	16.5
Advances	(18.5)	(22.5)
Deposits	16.5	16.5
FUM	11.4	40.1
Total Income	15.8	18.3

FOLLOW UP MEETING ON 10/09/2018 AT 1500 HRS



QUESTION & ANSWER SESSION

Don't be left behind!

*Open a CBZ Account, download the
CBZ Touch from your app store now
& transform your banking into a
lifestyle...*

The graphic features a central illustration of seven hands of different skin tones holding up smartphones. Each phone displays a different financial icon: a shopping cart, a globe, a lightbulb, a dollar sign, a speech bubble, a mail envelope, and a bar chart. The background is dark blue with a subtle grid pattern. The CBZ Touch logo is in the top right corner. Below the illustration, the text 'YOUR ALL-IN-ONE FINANCIAL SOLUTIONS APP' is written in white. A small paragraph describes the app as a financial companion. The hashtag #SwitchToTheBEST is prominently displayed. At the bottom, there are links to download the app from Google Play, Microsoft, and the App Store. The CBZ Holdings logo and tagline 'Partners For Success' are at the very bottom.

**YOUR ALL-IN-ONE
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CBZ Touch is not just a banking app. It's a financial companion that gives you the freedom to live your life. CBZ Touch, Zimbabwe's first integrated mobile financial app gives CBZ Holdings clients easy and convenient access to CBZ products and services at just the touch of a button.

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