

SENS ANNOUNCEMENT
(the "Notice" or "Announcement")

ISSUER



AFRICAN BANKING CORPORATION LIMITED [T/A "ATLAS MARA"]
[Incorporated in the Republic of Zambia]

Company registration number: 42541
ISIN: ZM2000001007
Authorised by: Sandra Malupande – Company Secretary

SPONSOR



STOCKBROKERS ZAMBIA LIMITED

Stockbrokers Zambia Limited

[Member of the Lusaka Securities Exchange]

[Regulated and licensed by the Securities and Exchange Commission of Zambia]

Contact Person: Victoria Kawonga
Contact Number: +260-211-232456
Website: www.sbz.com.zm

APPROVAL

The captioned Notice or Announcement has been approved by:

- i. the Lusaka Securities Exchange
- ii. the Securities and Exchange Commission
- iii. Stockbrokers Zambia Limited

DISCLAIMER AND RISK WARNING

The Notice or Announcement contained herein contains information that may be of a price-sensitive nature.

Investors are advised to seek the advice of their investment advisor, stockbroker, or any professional duly licensed by the Securities and Exchange Commission of Zambia to provide securities advice.

ISSUED:14 June 2022



AFRICAN BANKING CORPORATION ZAMBIA LIMITED

[Incorporated in the Republic of Zambia]

Company registration number: 42541

ISIN: ZM2000001007

["Atlas Mara" or "the Bank" or "the Company"]

In compliance with the requirements of the Securities Act No. 41 of 2016 of the laws of Zambia and the Listing Rules of the Lusaka Securities Exchange, the Directors of African Banking Corporation Zambia Limited, "Trading as Atlas Mara", are pleased to announce the audited results of the Group for the period ended 31 December 2021.

The Group comprise of the Bank, "African Banking Corporation Zambia Limited" and its subsidiaries: ABC Investment Services Limited and Micro Finance Zambia Limited.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group			Bank		
	2021 K'000	2020 K'000	Change %	2021 K'000	2020 K'000	Change %
Interest Income	1,455,459	1,081,188	35	1,465,057	967,363	51
Interest Expense	(526,245)	(524,871)	0.26	(526,245)	(468,543)	12
Net Interest Income	929,214	556,317	67	938,812	498,820	88
Loan impairment charge	(148,806)	(92,431)	-61	(148,806)	(91,877)	62
Net interest income after loan impairment charge	780,408	463,886	68	790,006	406,943	94
Net fee and commission income	606,560	489,982	24	599,482	430,807	39
Total Operating Income	1,386,968	953,868	45	1,389,488	837,750	66
Operating expenses	(887,492)	(827,186)	7	(879,843)	(755,395)	16
Profit/(loss) before taxes and extraordinary items	499,476	126,682	294	509,645	82,355	519
Taxation	(190,816)	(56,571)	237	(190,117)	(35,137)	441
Profit/(loss) after taxes before extraordinary items	308,660	70,111	340	319,528	47,218	577
Profit for the period from asset held for sale	43,565	-	-	-	-	-
Net profit/(loss) after taxation	352,225	70,111	402	319,528	47,218	577
Number of shares during the year	416,000	416,000		416,000	416,000	
Profit/(loss) per share (Kwacha)	847	169		768	114	

CONDENSED CONSOLIDATE STATEMENT OF FINANCIAL POSITION

Cash and balances with Bank of Zambia	2,037,565	2,172,042		2,035,978	2,158,490
Investment securities	3,088,256	1,851,329	67	3,081,560	1,805,759
Loans and advances to banks	1,067,011	267,969	298	1,067,011	227,452
Loans and advances to customers	4,284,845	3,799,147	13	4,327,849	3,486,586
Property and equipment	372,074	370,444		371,925	360,308
Investment property	34,485	34,485		34,485	34,485
Intangible assets and goodwill	249,551	257,097		229,409	252,745
Current tax asset	107,772	109,673		107,413	107,689
Deferred tax asset	102,136	178,425		52,810	119,703
Investment in subsidiaries	-	-		831	51,268
Other assets	1,181,206	1,368,686		1,179,550	1,374,365
Asset held-for-sale	56,700	56,700		127,099	56,700
Assets included in disposal groups classified as held for sale	659,187	-		-	-
Total assets	13,240,788	10,465,997		12,615,920	10,035,550
Customer deposits	6,877,724	6,337,548	9	6,889,942	6,175,587
Other liabilities	669,635	726,617		663,780	680,797
Borrowings	3,602,072	2,231,401		3,602,072	2,107,365
Deposits from banks	388,486	295,874		388,486	295,874
Current tax liability	-	1,246		-	-
Deferred tax liability	49,199	56,178		-	-
Liabilities included in disposal groups classified as held for sale	508,129	-		-	-
Total liabilities	12,095,245	9,648,864		11,544,280	9,259,623
Tier II Capital	40,448	64,263		40,448	64,263
Shareholders' equity	1,105,095	752,870		1,031,192	711,664
Total liabilities and equity	13,240,788	10,465,997		12,615,920	10,035,550

CONDENSED STATEMENT OF CASH FLOW

Cash flows from operating activities	(332,629)	(210,310)		(372,986)	(198,753)
Changes in operating assets and liabilities	854,546	573,236		879,019	613,294
Cash flows from investing activities	(1,358,299)	(477,985)		(1,413,969)	(431,991)
Cash flows from financing activities	1,500,947	1,064,705		1,624,983	941,834
Net increase in cash and cash equivalents	664,565	949,646		717,047	924,384
Cash and cash equivalents at beginning of year	2,440,011	1,490,365		2,385,942	1,461,558
cash and cash equivalents at end of period	3,104,576	2,440,011		3,102,989	2,385,942

CONDENSED STATEMENT OF CHANGES IN EQUITY

Balance at the beginning of the year	752,870	682,759		711,664	664,446
Adjustment on initial application of IFRS 9, net of tax	-	-		-	-
Other comprehensive income	-	-		-	-
Profit/(loss) for the period	352,225	70,111		319,528	47,218
Balance at the end of the period	1,105,095	752,870		1,031,192	711,664

Note

The financial statements have been prepared in accordance with the International financial reporting standards (IFRS)

Financial Highlights

The financial performance of the Group has continued to improve year on year with net interest income growing by 67%; this growth is largely attributed to the increased investment in government securities, and loans and advances to customers. Fee commission income grew by 24% in the financial year; contributing to this growth is the increase in fees on guarantees, letters of credit and an increase in foreign currency income.

In the year 2021, the bank recorded an increase in interest earning assets such as government securities, growing 67% and loans to customers which grew by 13%. Liabilities grew by 25% with customer deposits growing 9% compared to the year ended 31 December 2020, with borrowing increasing by 61%.

The gains and strides recorded in the year resulted in the group achieving a profit for the year of ZMW 352.22 million compared to a profit of ZMW70.1 million in the prior year

Outlook

The outlook for the Group remains bright despite the challenges of COVID 19 and the global impacts of the Russia-Ukraine conflict. The Group is poised to leverage on its enhanced digital offering to drive robust deposit and transactional growth.

By order of the Board

Sandra Malupande
Company Secretary

Issued in Lusaka, Zambia on 14 June 2022

Lusaka Securities Exchange Sponsoring Broker	
 STOCKBROKERS ZAMBIA LIMITED	<p>T +260-211-232456 E advisory@sbz.com.zm W www.sbz.com.zm</p> <p>Stockbrokers Zambia Limited (SBZ) is a founder member of the Lusaka Securities Exchange and is regulated by the Securities and Exchange Commission of Zambia</p>

First Issued on 14 June 2022