



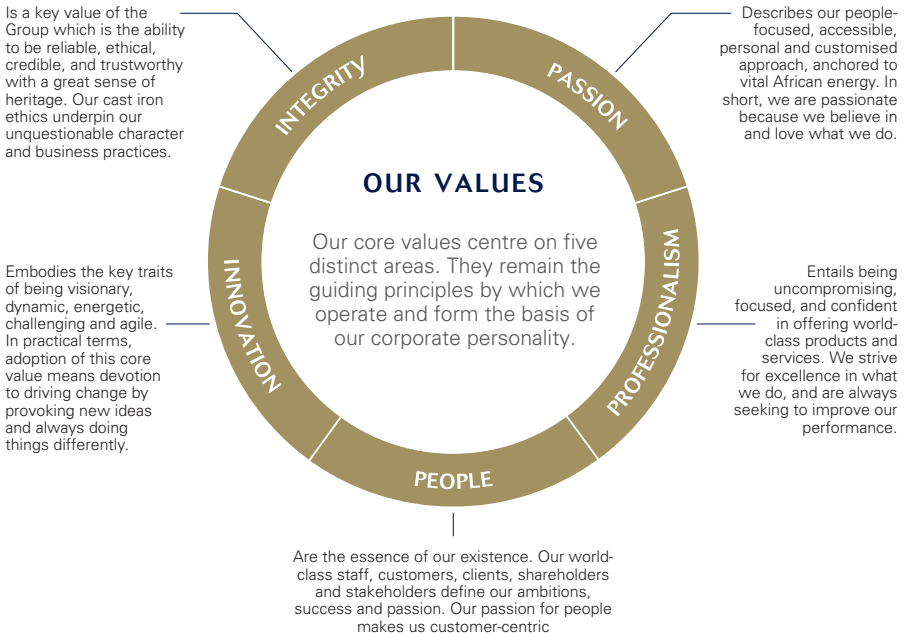
ABC HOLDINGS LIMITED
AUDITED GROUP RESULTS FOR
THE YEAR ENDED 31 DECEMBER 2013

About BancABC

ABC Holdings Limited is the parent company of a number of banks operating under the BancABC brand in Sub-Saharan Africa, with operations in Botswana, Mozambique, Tanzania, Zambia and Zimbabwe. A group services office is located in South Africa.

Our vision is to be Africa's preferred banking partner by offering world class financial solutions. We will realise this by building profitable, lifelong customer relationships through the provision of a wide range of innovative financial products and services – to the benefit of all our stakeholders.

The Group offers a diverse range of services including but not limited to the following: Corporate Banking, treasury services, Retail & SME Banking, asset management and stockbroking. ABC Holdings Limited is registered in Botswana. Its primary listing is on the Botswana Stock Exchange, with a secondary listing on the Zimbabwe Stock Exchange.





- ⬆ Total income up by **26%** from **BWP1,087 million** to **BWP1,374 million**
- ⬆ Operating expenses up **29%** from **BWP869 million** to **BWP1,116 million** from continued expansion into the Retail and SME banking market segment
- ⬇ Cost to income ratio decreased to **66%** (2012: 71%)
- ⬆ Net operating income up **18%** from **BWP218 million** to **BWP258 million**
- ⬆ Pre-tax profit **20%** up from **BWP212 million** to **BWP254 million**
- ⬆ Attributable profit to shareholders increased by **49%** from **BWP133 million** to **BWP198 million**
- ⬆ Basic EPS of **79.6 thebe** (2012: 72.1 thebe) and diluted EPS of **79.0 thebe** (2012: 66.5 thebe)
- ⬆ Deposits increased by **14%** from **BWP10.7 billion** to **BWP12.2 billion**
- ⬆ Loans and advances increased by **15%** from **BWP9.1 billion** to **BWP10.6 billion**
- ⬆ Total assets increased by **18%** from **BWP13.4 billion** to **BWP15.8 billion**
- ⬆ Average return on equity at **15%** (2012: 15%)
- ⬆ Retail branches have increased to **73** from **61** in 2012
- ⬆ Staff numbers increased to **1,501** from **1,310** in 2012



CHAIRMAN AND CHIEF EXECUTIVE OFFICER'S REPORT

Attributable profit at BWP198 million was 49% higher than BWP133 million achieved in prior year. However basic earnings per share at Thebe 79.6 was only 10% higher than Thebe 72.1 achieved in 2012, owing to the higher number of shares following the rights issue concluded in July 2012 and the conversion of the IFC loan to equity. Pre-tax profit at BWP254 million was 20% higher than BWP212 million recorded in 2012.

BancABC Botswana, BancABC Zimbabwe and BancABC Zambia performed exceptionally well. However, BancABC Mozambique's performance in the current period was hampered by higher loan impairments as a result of one but large exposure. Notwithstanding the above the operation still posted a profit albeit at a significantly reduced level. Sadly BancABC Tanzania continues to be a challenge for the Group largely as a result of impairments which amounted to BWP135 million for the year under review. Consequently a huge loss was realised by the operations in Tanzania. Given the challenges that we have encountered not only with the quality of the book but the legal system in Tanzania, a decision was taken to be aggressive on impairments and we will account for the write backs on receipt of the

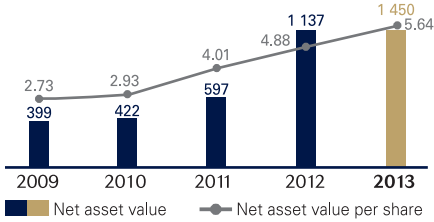
cash. It is our sincere hope that this problem is now behind us and we can now concentrate on growing the business. The full turnaround will in all likelihood take some 12 to 24 months as a conservative approach to lending will be adopted.

Business volumes have generally increased and the Group is beginning to reap the full rewards of converting to a universal bank. The number of branches increased to 73 from 61 in the prior year and the number of employees increased to 1,501 from 1,310 in December 2012. Operations in Botswana, Zambia and Zimbabwe recorded growth in business volumes although it was at a slower pace compared to previous periods as they consolidated their positions in the market. Mozambique and Tanzania did not grow business volumes as anticipated during the year, but registered some momentum towards the end of 2013 which positions them well for 2014.

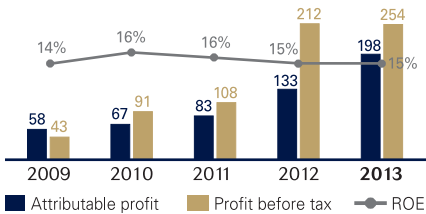
The Group balance sheet increased by 18% from BWP13.4 billion to BWP15.8 billion. Loans and advances were up 15% from BWP9.1 billion to BWP10.6 billion. Deposits, on the other hand, increased by 14% from BWP10.7 billion to BWP12.2 billion.

Overview

Net asset value (BWP m) and NAV per share (BWP)



Attributable profit (BWP m) and ROE (%)



Financial performance

Net interest income

Net interest income of BWP1.01 billion was 50% ahead of BWP673 million achieved in 2012. All the banking operations with the exception of BancABC Tanzania recorded an increase in net interest income on the back of growth in balance sheet sizes. Net interest margin increased marginally from 6.7% to 7.7% as the contribution of retail banking loans to total assets continued to grow. As at 31 December 2013 the retail banking loan book constituted 42% of the total loan book compared to 40% in 2012. Retail deposits, however, only constituted 12% (2012: 9%) of the total deposit book. Mobilisation of retail deposits will continue to be a focus area for the Group.

Impairment losses on loans and advances

Impairments continue to be the Group's nemesis. Net impairments increased by 137% from BWP138 million in 2012 to BWP328 million, which is extremely disappointing. Significant impairments were recorded in Mozambique, Tanzania and Zimbabwe. As alluded to above Mozambique was affected by one large account which has been struggling to service its debts hence the need for impairment. In June 2013 a decision was taken to split the Tanzania loan book into a good and bad bank. In order to try and permanently deal with this problem, huge impairments were taken on the bad book and the write backs will be recorded on receipt of the funds. Going forward the strategy is to grow Government payroll deduction loans with lending to corporates being limited to good credit rated customers. In Zimbabwe, the tight market-wide liquidity position continued to negatively impact borrowers' ability to service their loans. Impairments in Botswana and Zambia were within the Group's target range.

As a consequence, the Group's credit loss ratio at 3.3% was 1.5 percentage points higher than 1.8% recorded in 2012 and significantly up on the Group target of 1%. The gross NPL increased marginally from 9.2% in 2012 to 9.8% in the current period. However, the net NPL ratio improved significantly to 4.8% from 6.1% in 2012 due to more aggressive impairment of non-performing accounts in the current year.

Non-interest income

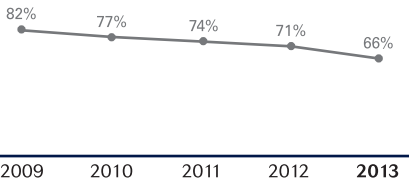
Non-interest income of BWP692 million was ahead of prior year by 25%. The growth in retail banking customer numbers has continued to drive the increase in non-interest income. With the exception of BancABC Zimbabwe, all banking operations registered growth in non-interest income. Fees and commission income in Zimbabwe was hampered by the

memorandum of understanding between commercial banks and the Reserve Bank of Zimbabwe which capped, and in some instances abolished bank charges. The memorandum of understanding was revoked in December 2013 and this could help normalise the level of fees and commissions for the entity going forward.

Operating expenditure

Operating expenses at BWP1.1 billion were 29% ahead of BWP869 million recorded in 2012. The Group's expansion into the retail banking market segment resulted in higher costs across the network. Cost to income ratio, however, reduced from 71% to 66% owing to higher growth in income with most of the growth emanating from retail banking. The investment in systems and people within the retail banking division has now stabilised and we have achieved critical mass in Botswana, Zambia and Zimbabwe. Going forward we expect revenues to grow faster than costs and hence the cost to income ratio should gravitate towards the Group's short term target of 50% in the next few years.

Cost to income ratio



Taxation

In the current period, the Group had a net tax charge of BWP80 million compared to a tax charge of BWP77 million in the prior year. The effective tax rate is 31% compared to 36% in prior year. The deferred tax debit is expected to reverse as Tanzanian operations improve.

Balance sheet

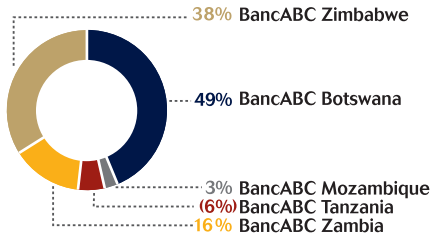
The balance sheet increased by 18% from BWP13.4 billion (US\$1.7 billion) in 2012 to BWP15.8 billion (US\$1.8 billion) as at 31 December 2013. Loans and advances increased to BWP10.6 billion from BWP9.1 billion in December 2012. BancABC Botswana and BancABC Zimbabwe with respective loan books of BWP3.8 billion and BWP3.1 billion constituted the majority of the loan book for the Group. The contribution from the two entities was 65% (2012: 70%). Deposits increased by 14% to BWP12.2 billion from BWP10.7 billion in December 2012 with BancABC Botswana and BancABC Zimbabwe at BWP4.7 billion and BWP2.7 billion respectively contributing the most to the Group's deposits. The two entities' share of deposits was 61% compared to 69% in 2012. The growth in interest earning assets has translated into higher interest income for the period under review and positions the group well for further income growth in the coming years.

Attributable profit

Banking subsidiaries achieved attributable profits of BWP310 million compared to BWP213 million registered in the prior year, a 46% year-on-year growth. Growth continued being driven by BancABC Botswana, BancABC Zambia and BancABC Zimbabwe all of which produced double-digit growth in attributable profit. However, BancABC Mozambique recorded a decline in profitability by 49%. BancABC Tanzania recorded another loss in the current year.

The loss in head office entities together with consolidation adjustments increased by 39% from BWP80 million in the prior year to BWP112 million in the current year. BWP50 million of this attributable loss emanated from TDFL, which is housing the non-performing loans in Tanzania. Loan impairment charge for the entity during the current year was BWP127 million (2012: BWP nil).

Attributable profit contribution by entity



Operational performance

Botswana

BancABC Botswana’s net profit after tax of BWP153 million was 62% higher than BWP94 million recorded in 2012. Total income improved by 54% from BWP287 million to BWP442 million on the back of higher volumes of consumer as well as group scheme loans which attract higher margins. This contributed to growth in net interest income which improved by 55% from BWP252 million in 2012 to BWP391 million in the current year. The loan portfolio only increased by 10% to BWP3.8 billion, but the portfolio mix together with higher average loan balances for the year had a positive impact on net interest income. Impairments increased by 10% from BWP38 million to BWP42 million in the current year as a result of an increase in non-performing accounts. Gross non-performing loans increased to 2.9% from 1.2% in prior year. Net non-performing loans were 1.2% (2012: 0.0%). Non-interest income increased by 30% to BWP94 million owing to higher volumes achieved.

Operating expenses increased by 49% due to an increase in distribution channels as well as the number of employees. Cost to income ratio remained at 51% in the period under review. The bank is well positioned for significant growth going forward as it is now a significant player in the market.

Mozambique

Attributable profit of BWP9 million was 49% lower than prior year. The growth in total income was weighed down by an increase in impairments during the year. Net interest income increased by 33% to BWP123 million following growth in the interest earning assets. Loans and advances increased by 68% to BWP1.5 billion (2012: BWP877 million) whilst deposits increased by 71% to BWP2.3 billion (2011: BWP1.4 billion). However, this growth in the balance sheet was achieved largely in the last two months of 2013 and hence had limited benefit to income growth in 2013. Non-interest income also grew by 2% to BWP89 million from increased volumes of trade finance transactions.

The subsidiary’s stellar performance on the income side was negated by an increase in net impairments from BWP18 million recorded in prior year to BWP51 million in 2013. The bulk of the charge emanated from one client and this pushed the credit loss ratio upwards from 2.1% in 2012 to 3.5%. Notwithstanding the above, gross NPLs remained at 8.4% but net NPLs declined from 4.2% in 2012 to 1.8% in the current year.

Operating expenses increased by 27% to BWP146 million from increased activity levels in line with the retail banking expansion. The entity’s cost to income ratio declined marginally from 72% in prior year to 69% in the current year.

BancABC Mozambique has a strong and highly liquid balance sheet which positions it well for further expansion in retail banking.

Tanzania

Once again BancABC Tanzania posted a weak set of results. The attributable loss for the year declined from BWP39 million in 2012 to BWP20 million during the year under review, largely due to an increase in revenue and a reduction in impairments as the non-performing

accounts were all transferred into a special purpose vehicle. Net interest income increased by 32% from BWP29 million in prior year to BWP39 million in the current year on the back of a higher balance sheet. Net interest margins were subdued by high non-performing loan accounts. Gross NPLs declined from 33.3% in the prior year to 6.7% and net NPLs declined from 24.6% to 2.1%.

Non-interest income increased by 27% from BWP54 million in prior year to BWP68 million in the current period due to an increase in transaction volumes. The entity is currently repositioning itself with a strong emphasis into retail banking. This expansion process increased operating expenses by 30% from BWP98 million to BWP128 million. The operation is still not yet out of the woods and more work will need to be done to bring the business into profitability on a sustainable basis.

Zambia

BancABC Zambia's attributable profit grew by 39% from BWP36 million in the prior year to BWP50 million in the current year. The growth in profitability was driven by the in-roads the subsidiary has been making in the retail banking space in the last few years resulting in significantly higher revenue. Net interest income increased by 13% from BWP72 million in prior year to BWP81 million in 2013. The growth in net interest income emanated from the larger loan book in the current year. Loans and advances increased by 34% to BWP1.4 billion and deposits increased by 38% to BWP1.2 billion. Gross NPLs continued trending downwards from 3.3% in prior year to 2.1% as at 31 December 2013.

Non-interest income increased by 44% from BWP110 million in the prior year to BWP158 million in the period under review, from increased transaction volumes in both the wholesale and retail banking divisions. Operating expenses increased by 18% to BWP158 million in the current year from 126 million in 2012. Cost to

income ratio at 62% is lower than the 69% recorded in prior year. This ratio is expected to move closer to the Group short term target of 50% in 2014.

The subsidiary is on a strong footing for growth going into the future. Total capital was increased to some US\$94 million (ZMW520 million) in December 2013 in line with BOZ regulatory requirements. Transaction volumes in the wholesale division continue to improve to compliment the strong growth that has been achieved in retail banking. The operation has also made significant in-roads in diversifying the funding of the balance sheet and this should result in a markedly reduced cost of funds going forward.

Zimbabwe

BancABC Zimbabwe's attributable profit of BWP118 million was 14% higher than BWP103 million recorded in the prior year. Despite the challenging operating environment during the year, the subsidiary recorded growth in revenues which was only negated by higher impairments. Net interest income increased by 78% from BWP227 million in 2012 to BWP404 million posted in the current year. However, non-interest income declined by 7% to BWP197 million from BWP212 million in the prior year largely due to a reduction in bank charges as a result of the memorandum of understanding signed between the commercial banks and the Reserve Bank of Zimbabwe. Net impairment charges increased by 123% to BWP92 million from BWP41 million recorded in the prior year. This was largely due to tight liquidity conditions prevailing in the economy which resulted in most corporates and individuals failing to service their loans as they fell due. However, gross NPLs declined from 17.1% in the prior year to 12.4% as at 31 December 2013. Net NPLs also declined from 14.2% in the prior year to 8.0% in the current year. Operating expenses increased by 30% from BWP270 million in 2012 to BWP350 million

from the increased activity as the number of branches continued to increase.

The liquidity situation in Zimbabwe continues to be problematic and this is impacting on the credit risk profile of most corporates. Lending in the corporate sector has as a consequence been significantly curtailed with most of the growth in the loan book emanating from retail banking, consumer and group loan schemes.

Governance

In December 2013, Mrs Lakshmi Shyam-Sunder the IFC representative resigned from the Board. In addition both Mr Jyrki Koskelo and Mr Mark Schneiders resigned from ADC, consequently they stepped down from the ABCH Board. Mr Mark Schneiders was reappointed as an independent non-executive director in January 2014. Further, Mr Dirk Harbecke the Chief Executive Officer of ADC was appointed as a non-executive director and we would like to welcome him to the Board. The Group will benefit from his experience obtained over many years in business.

We would like to thank Mrs Shyam-Sunder and Mr Koskelo for their valuable contribution and dedication to the Group over the last few years. We wish them success in all their future endeavours.

Fundraising

During the second half of the year, the Group raised a total of US\$135 million in lines of credit. US\$95 million was invested directly at the Centre with the balance going to BancABC Zimbabwe. Going forward, we would like the Centre to be the lender of last resort to subsidiaries. To this end, negotiations with various investors are at an advanced stage and if successful we could raise up to US\$360 million in various instruments in the coming months.

Dividend

In line with the Group dividend policy, a final dividend of 4.5 thebe (about 0.5 US cents) in

respect of the year ended 31 December 2013 is being proposed by the Board. This will bring the full year dividend to about 18.5 thebe per share (about 2.1 US cents). The final dividend will be paid on 2 May 2014 to shareholders on the register at the close of business on 18 April 2014.

Cautionary announcement

The Company has issued a cautionary notice to all its shareholders about negotiations which are currently in progress. If successful, a transaction may ensue which could affect the value of the Company's shares.

Outlook

Over the last couple of years the Group has experienced tremendous growth in balance sheet size, income and profitability. This growth is expected to continue albeit at a slower level as retail banking has now reached critical mass in Botswana, Zambia and Zimbabwe. Liquidity challenges currently being experienced in Zimbabwe dictate that we exercise extreme caution when lending in that market. It is possible that some customers through no fault of theirs might not be able to service their debts as they fall due. Management of liquidity and credit will continue to be the Group's areas of focus in the near term. The balance sheet is sound and positions the Group well for further growth in 2014.

Acknowledgements

We would like to extend our heartfelt gratitude to our fellow directors, management and staff for a satisfactory set of results.



H J BUTTERY

Group Chairman



D T MUNATSI

Group Chief Executive Officer

Consolidated income statement

FOR THE YEAR ENDED 31 DECEMBER 2013

BWP'000s	Notes	2013	2012
Interest and similar income		1,928,833	1,383,015
Interest expense and similar charges		(918,502)	(709,981)
Net interest income before impairment of advances		1,010,331	673,034
Impairment of loans and advances		(327,974)	(138,172)
Net interest income after impairment of advances		682,357	534,862
Non-interest income	3	692,094	551,700
Total income		1,374,451	1,086,562
Operating expenditure	4	(1,116,458)	(868,659)
Net income from operations		257,993	217,903
Share of results of associates		(4,004)	(5,630)
Profit before tax		253,989	212,273
Tax		(79,633)	(77,108)
Profit for the year		174,356	135,165
Attributable to:			
Ordinary shareholders		198,454	132,774
Non-controlling interests		(24,098)	2,391
Profit for the year		174,356	135,165
Basic earnings per share (thebe)		79.6	72.1
Diluted earnings per share (thebe)		79.0	66.5
Dividend per share (thebe)		22.0	16.0
Weighted average number of shares (000's)		249,344	184,194

Consolidated income statement

FOR THE YEAR ENDED 31 DECEMBER 2013

USD'000s – (Convenience conversion)	2013	2012
Interest and similar income	227,988	182,004
Interest expense and similar charges	(108,567)	(93,433)
Net interest income before impairment of advances	119,421	88,571
Impairment losses on loans advances	(38,766)	(18,183)
Net interest income after impairment of advances	80,655	70,388
Non-interest income	81,805	72,604
Total income	162,460	142,992
Operating expenditure	(131,965)	(114,316)
Net income from operations	30,495	28,676
Share of results of associates	(473)	(741)
Profit before tax	30,022	27,935
Tax	(9,413)	(10,147)
Profit for the year	20,609	17,788
Attributable to:		
Ordinary shareholders	23,457	17,473
Non-controlling interests	(2,848)	315
Profit for the year	20,609	17,788
Basic earnings per share (cents)	9.4	9.5
Diluted earnings per share (cents)	9.3	8.7
Dividend per share (cents)	2.6	2.1
Weighted average number of shares (000's)	249,344	184,194

Consolidated statement of comprehensive income

FOR THE YEAR ENDED 31 DECEMBER 2013

BWP'000s	2013	2012
Profit for the year	174,356	135,165
Other comprehensive income to be reclassified to profit or loss in subsequent periods:	97,052	8,993
Exchange differences on translating foreign operations	116,422	6,127
Net loss on hedge of net investment in foreign operations	(16,343)	–
Share of reserves in associate companies	551	456
Movement in available-for-sale reserves	(3,578)	2,410
Income tax relating to components of other comprehensive income	–	–
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:	1,246	42,760
Revaluation of property	1,424	51,705
Income tax relating to components of other comprehensive income	(178)	(8,945)
Other comprehensive income net of tax	98,298	51,753
Total comprehensive income for the year	272,654	186,918
Total comprehensive income attributable to:		
Ordinary shareholders	293,586	183,634
Non-controlling interests	(20,932)	3,284
	272,654	186,918

USD'000s – (Convenience conversion)	2013	2012
Profit for the year	20,609	17,788
Other comprehensive income to be reclassified to profit or loss in subsequent periods:	11,472	1,183
Exchange differences on translating foreign operations	13,761	806
Net loss on hedge of net investment in foreign operations	(1,931)	–
Share of reserves in associate companies	65	60
Movement in available for sale reserves	(423)	317
Income tax relating to components of other comprehensive income	–	–
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:	147	5,628
Revaluation of property	168	6,805
Income tax relating to components of other comprehensive income	(21)	(1,177)
Other comprehensive income net of tax	11,619	6,811
Total comprehensive income for the year	32,228	24,599
Total comprehensive income attributable to:		
Ordinary shareholders	34,702	24,166
Non-controlling interests	(2,474)	433
	32,228	24,599

Consolidated balance sheet

AS AT 31 DECEMBER 2013

BWP'000s	Notes	2013	2012
ASSETS			
Cash and short term funds		2,304,283	1,859,269
Financial assets held for trading		1,260,049	1,022,864
Financial assets designated at fair value		261,552	189,698
Derivative financial assets		27,636	33,769
Loans and advances		10,554,699	9,144,042
Investment securities		67,975	54,500
Prepayments and other receivables		261,651	194,042
Current tax assets		32,992	31,657
Investment in associates		13,320	11,201
Property and equipment		756,832	658,838
Intangible assets		130,002	139,145
Deferred tax assets		112,664	68,740
TOTAL ASSETS		15,783,655	13,407,765
EQUITIES AND LIABILITIES			
Liabilities			
Deposits		12,209,087	10,675,111
Derivative financial liabilities		37,640	22,621
Creditors and accruals		295,883	303,365
Current tax liabilities		12,917	20,183
Deferred tax liabilities		21,143	17,670
Borrowed funds	5	1,759,320	1,212,731
Total liabilities		14,335,990	12,251,681
Equity			
Stated capital		781,025	663,401
Foreign currency translation reserve		(143,899)	(240,812)
Non distributable reserves		242,196	337,691
Distributable reserves		570,235	376,764
Equity attributable to ordinary shareholders		1,449,557	1,137,044
Non-controlling interests		(1,892)	19,040
Total equity		1,447,665	1,156,084
TOTAL EQUITY AND LIABILITIES		15,783,655	13,407,765
Guarantees and other credit commitments	6	770,746	796,599

Consolidated balance sheet

AS AT 31 DECEMBER 2013

USD'000s – (Convenience conversion)	2013	2012
ASSETS		
Cash and short term funds	262,688	239,288
Financial assets held for trading	143,646	131,643
Financial assets designated at fair value	29,817	24,414
Derivative financial assets	3,151	4,346
Loans and advances	1,203,236	1,176,838
Investment securities	7,749	7,014
Prepayments and other receivables	29,828	24,973
Current tax	3,761	4,074
Investment in associates	1,518	1,442
Property and equipment	86,279	84,792
Intangible assets	14,820	17,908
Deferred tax assets	12,844	8,847
TOTAL ASSETS	1,799,337	1,725,579
EQUITY AND LIABILITIES		
Liabilities		
Deposits	1,391,836	1,373,887
Derivative financial liabilities	4,291	2,911
Creditors and accruals	33,731	39,043
Current tax liabilities	1,473	2,598
Deferred tax liabilities	2,410	2,274
Borrowed funds	200,563	156,078
Total liabilities	1,634,304	1,576,791
Equity attributable to ordinary shareholders	165,249	146,338
Non-controlling interests	(216)	2,450
Total equity	165,033	148,788
TOTAL EQUITY AND LIABILITIES	1,799,337	1,725,579
Guarantees and other credit commitments	87,865	102,522

Consolidated cash flow statement

FOR THE YEAR ENDED 31 DECEMBER 2013

BWP'000s	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES	(227,584)	49,964
Cash generated from operating activities	715,013	445,675
Net profit before tax	253,989	212,273
Adjusted for:		
Impairment of loans and advances	327,974	138,172
Depreciation and amortisation	114,175	84,205
Dividends receivable	(5,266)	(6,598)
Net unrealised losses on derivative financial instruments	19,085	11,875
Re-measurement of investment property	–	176
Loss from associates	4,004	5,630
Impairment of investment in associates	1,082	–
Profit on disposal of property and equipment	(30)	(58)
Tax paid	(135,628)	(116,004)
Net cash inflow from operating activities before changes in operating funds	579,385	329,671
Net decrease in operating funds	(806,969)	(279,707)
Increase in operating assets	(1,573,392)	(3,863,473)
Increase in operating liabilities	766,423	3,583,766
CASH FLOWS FROM INVESTING ACTIVITIES	(126,106)	(162,456)
Purchase of property and equipment	(105,435)	(138,110)
Purchase of intangible assets	(21,738)	(34,537)
Purchase of associates	(4,849)	–
Dividends received	5,266	6,598
Proceeds on disposal of property and equipment	650	1,748
Proceeds on disposal of investment property	–	1,845
CASH FLOWS FROM FINANCING ACTIVITIES	508,680	552,590
Increase in borrowed funds	563,268	240,100
Dividend paid	(54,588)	(34,319)
Proceeds from issue of shares	–	364,253
Share issue expense	–	(17,444)
Increase/(decrease) in cash and cash equivalents	154,990	440,098
Cash and cash equivalents at the beginning of the year	1,314,895	864,734
Exchange adjustment on opening balance	127,777	10,063
Cash and cash equivalents at the end of the year	1,597,662	1,314,895
Cash and cash equivalents	1,597,662	1,314,895
Statutory reserves	706,621	544,374
Cash and short term funds	2,304,283	1,859,269

Consolidated statements of changes in equity

FOR THE YEAR ENDED 31 DECEMBER 2013

ATTRIBUTABLE TO OWNERS OF THE PARENT

BWP'000s	Stated capital	Foreign currency translation reserve	Regulatory general credit risk reserve	Property revalua- tion reserve
Balance as at 1 January 2012	316,592	(246,046)	13,891	118,283
Comprehensive income:				
Profit for the year	–	–	–	–
Other comprehensive income:	–	5,234	–	42,931
Exchange differences on translating foreign operations	–	5,234	–	–
Revaluation of property net of deferred tax	–	–	–	42,760
Share of reserves in associate companies	–	–	–	171
Movement in available for sale reserves:	–	–	–	–
– Arising in current year	–	–	–	–
– Realised through profit and loss	–	–	–	–
TOTAL COMPREHENSIVE INCOME	–	5,234	–	42,931
Transfers within equity				
Movement in general credit risk reserve	–	–	24,668	–
Movement in statutory reserves	–	–	–	–
Total transfers within equity	–	–	24,668	–
Transactions with owners				
Dividends paid	–	–	–	–
Convertible bond – equity component	–	–	–	–
Net proceeds from shares issued	346,809	–	–	–
Total transactions with owners	346,809	–	–	–
Balance as at 31 December 2012	663,401	(240,812)	38,559	161,214
Comprehensive income:				
Profit for the year	–	–	–	–
Other comprehensive income:	–	96,913	–	869
Exchange differences on translating foreign operations	–	113,256	–	–
Net loss on hedge of net investment in foreign operations	–	(16,343)	–	–
Revaluation of property net of deferred tax	–	–	–	869
Share of reserves in associate companies	–	–	–	–
Movement in available for sale reserves:	–	–	–	–
– Arising in current year	–	–	–	–
TOTAL COMPREHENSIVE INCOME	–	96,913	–	869
Transfers within equity				
Movement in general credit risk reserve	–	–	(19,482)	–
Movement in statutory reserves	–	–	3,319	–
Total transfers within equity	–	–	(16,163)	–
Transactions with owners				
Dividends paid	–	–	–	–
Net proceeds from shares issued	117,624	–	–	–
Total transactions with owners	117,624	–	–	–
Balance as at 31 December 2013	781,025	(143,899)	22,396	162,083

ATTRIBUTABLE TO OWNERS OF THE PARENT

Available for sale reserve	Statutory reserve	Convertible bond	Share based payments reserve	Treasury share reserve	Distributable reserves	Total	Non-controlling interest	Total Equity
620	49,799	–	–	–	343,672	596,811	15,756	612,567
–	–	–	–	–	132,774	132,774	2,391	135,165
2,410	285	–	–	–	–	50,860	893	51,753
–	–	–	–	–	–	5,234	893	6,127
–	–	–	–	–	–	42,760	–	42,760
–	285	–	–	–	–	456	–	456
2,410	–	–	–	–	–	2,410	–	2,410
2,285	–	–	–	–	–	2,285	–	2,285
125	–	–	–	–	–	125	–	125
2,410	285	–	–	–	132,774	183,634	3,284	186,918
–	–	–	–	–	(24,668)	–	–	–
–	40,695	–	–	–	(40,695)	–	–	–
–	40,695	–	–	–	(65,363)	–	–	–
–	–	–	–	–	(34,319)	(34,319)	–	(34,319)
–	–	44,109	–	–	–	44,109	–	44,109
–	–	–	–	–	–	346,809	–	346,809
–	–	44,109	–	–	(34,319)	356,599	–	356,599
3,030	90,779	44,109	–	–	376,764	1,137,044	19,040	1,156,084
–	–	–	–	–	198,454	198,454	(24,098)	174,356
(3,578)	551	–	–	–	377	95,132	3,166	98,298
–	–	–	–	–	–	113,256	3,166	116,422
–	–	–	–	–	–	(16,343)	–	(16,343)
–	–	–	–	–	377	1,246	–	1,246
–	551	–	–	–	–	551	–	551
(3,578)	–	–	–	–	–	(3,578)	–	(3,578)
(3,578)	–	–	–	–	–	(3,578)	–	(3,578)
(3,578)	551	–	–	–	198,831	293,586	(20,932)	272,654
–	–	–	–	–	19,482	–	–	–
–	(33,065)	–	–	–	29,746	–	–	–
–	(33,065)	–	–	–	49,228	–	–	–
–	–	–	–	–	(54,588)	(54,588)	–	(54,588)
–	–	(44,109)	–	–	–	73,515	–	73,515
–	–	(44,109)	–	–	(54,588)	18,927	–	18,927
(548)	58,265	–	–	–	570,235	1,449,557	(1,892)	1,447,665

Notes to the Income Statement and Balance Sheet

FOR THE YEAR ENDED 31 DECEMBER 2013

1. Basis of presentation

1.1 Statement of compliance

This condensed consolidated financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS"), and the requirements of the Botswana Companies Act (Chapter 42.01). Significant accounting policies have been applied consistently from the prior year.

1.2 Functional and presentation currency

The financial statements are presented in Botswana Pula (BWP), which is the company's functional currency and the Group's presentation currency. Except as indicated, financial information presented in BWP has been rounded off to the nearest thousand.

2. Stated capital

During the year, International Finance Corporation (IFC) exercised their option to convert a loan they had with the Group into equity. This increased stated capital by BWP116 million and increased the number of issued shares from 232,805,464 to 256,885,694.

3. Non-interest income

BWP'000s	2013	2012
Gains on financial assets at fair value through profit and loss	84,769	39,349
Net losses on derivative financial instruments	(19,085)	(11,875)
Dividends received	5,266	6,598
Fees and commission income	415,680	330,119
Forex trading income and currency revaluation	156,215	147,046
Profit on disposal of property and equipment	30	58
Re-measurement of investment properties	—	(176)
Rental and other income	49,219	40,581
	692,094	551,700

4. Operating expenditure

BWP'000s	2013	2012
Administrative expenses	488,407	348,169
Property lease rentals	43,948	29,553
Staff costs	435,237	377,605
Auditor's remuneration	8,063	8,938
Impairment of investment in associate	1,082	—
Depreciation	74,166	53,973
Amortisation of software	40,010	30,232
Directors' remuneration	25,545	20,189
	1,116,458	868,659

5. Borrowed funds

BWP'000s	2013	2012
Convertible bond	–	97,950
Other borrowed funds	1,759,320	1,114,781
	1,759,320	1,212,731
(a) Convertible bond		
Balance at the beginning of the year	97,950	84,619
Interest expense	5,140	15,368
Interest paid	(2,400)	(5,414)
Capital repayment	(27,174)	–
Conversion into equity	(73,516)	–
Exchange rate movement	–	3,377
	–	97,950

During 2011, the Group issued a US Dollar denominated convertible loan to International Finance Corporation (IFC) for US\$13.5 million. The loan attracted interest of 6 months LIBOR +3.75% per annum, payable semi-annually and it was convertible at IFC's option as follows:

- BWP3.15 per share at any time during the period from 13th May 2011 to 12th May 2012;
- BWP3.24 per share at any time during the period from 13th May 2012 to 12th May 2013;

or

- If at any time during the conversion period, the Group raised additional capital, a price equal to the price of the shares issued as part of such a capital raising exercise.

The redemption dates for the principal amount were originally as follows:

15 March 2013 – \$3,500,000	15 September 2013 – \$3,500,000
15 March 2014 – \$3,500,000	15 September 2014 – \$3,048,969

On 22 August 2012, the Group modified the loan into a Botswana Pula denominated loan. The present value of the new cash flows discounted at the previous effective interest rate were not materially different from those of the old loan and therefore the loan was not de-recognised but the effective interest rate was adjusted for this difference in cash flows. The equity component of the loan, derived as the difference between the fair value of the combined instrument and the fair value of the loan, was transferred to equity. The revised loan attracted interest at the 91-day Bank of Botswana Certificate yield rate +4.10% per annum, payable quarterly with the premium re-setting quarterly. It was convertible at IFC's option at BWP3.24 per share at any time up to 12th May 2013.

The redemption dates for the principal amount are as follows:

15 March 2013 – BWP27,173,913	15 September 2013 – BWP27,173,913
15 March 2014 – BWP27,173,913	15 September 2014 – BWP23,672,120

On 25 April 2013, IFC converted the remaining balance of the loan into equity at an exercise price of BWP3.24 per share. 24,080,230 shares were issued by the Company under this conversion.

5. Borrowed funds continued

	2013	2012
(b) Other borrowed funds		
National Development Bank of Botswana Limited	67,175	94,785
BIFM Capital Investment Fund One (Pty) Ltd	256,352	256,067
Afrexim Bank	821,765	314,029
Africa Agriculture and Trade Investment Fund S.A.	216,843	–
Norsad Finance Limited	131,738	–
Standard Chartered Bank Botswana Limited	–	116,814
Other	265,447	333,086
	1,759,320	1,114,781
Fair value		
National Development Bank of Botswana Limited	67,526	97,499
BIFM Capital Investment Fund One (Pty) Ltd	308,204	318,137
Afrexim Bank	822,511	319,175
Africa Agriculture and Trade Investment Fund S.A.	244,919	–
Norsad Finance Limited	150,331	–
Standard Chartered Bank Botswana Limited	–	116,814
Other	265,449	333,086
	1,858,940	1,184,711

National Development Bank of Botswana Limited (NDB)

The loan from National Development Bank of Botswana is denominated in Japanese Yen and attracts interest at 3.53%. Principal and interest is payable semi-annually on 15 June and 15 December. The loan matures on 15 December 2016.

BIFM Capital Investment Fund One (Pty) Ltd

The loan from BIFM Capital Investment Fund One (Pty) Ltd is denominated in Botswana Pula and attracts interest at 11.63% per annum, payable semi-annually.

The redemption dates for the principal amount are as follows:

30 September 2017 – BWP62,500,000

30 September 2018 – BWP62,500,000

30 September 2019 – BWP62,500,000

30 September 2020 – BWP62,500,000

Afrexim Bank Limited

The loans from Afrexim Bank Limited consist of US\$60 million advanced to ABC Holdings Limited (ABCH) and US\$33 million advanced to ABC Zimbabwe Limited. The US\$60 million short-term credit facility was advanced to ABCH in July 2013. The loan attracts interest at 3 months LIBOR +5% and it is repayable on 10 January 2014, but with a provision to extend it for a further, mutually agreeable period.

The US\$60 million advanced to ABCH was designated as a hedge in the net investment by the Group in BancABC Zimbabwe.

The US\$33 million trade finance facility was availed to ABC Zimbabwe by Afrexim Bank Limited for three years from December 2013. It attracts interest at LIBOR +4% and it is repayable on the earlier of when the underlying customers funded repay their respective loans or in December 2016.

Africa Agriculture and Trade Investment Fund S.A. (AATIF)

The loan from AATIF is denominated in US Dollars and attracts interest at 3 months LIBOR +6.25%. Interest is payable quarterly on 31 March, 30 June, 30 September and 31 December. The loan matures on 21 December 2018 when the full principal amount is due for repayment in one instalment.

5. Borrowed funds continued

Norsad Finance Limited

The loans from Norsad Finance Limited were advanced to ABC Holdings Limited (ABCH) as well as BancABC Zambia and BancABC Zimbabwe. The US\$10 million loan advanced to ABCH is a subordinated loan denominated and attracts interest at 6 months LIBOR +7.5%. Interest is payable semi-annually on 30 June and 31 December. The loan matures on 9 October 2020 when the full principal amount is due for repayment in one instalment. The loans advanced to BancABC Zambia and BancABC Zimbabwe are also denominated in US dollars and attract interest of between 7% and 12% per annum and they mature between 2014 and 2015.

Other borrowings

Other borrowings relate to medium to long-term funding from international financial institutions for onward lending to BancABC clients. Fair value is equivalent to carrying amounts as these borrowings have variable interest rates.

	2013	2012
Maturity analysis		
On demand to one month	535,289	2,324
One to three months	21,025	41,089
Three months to one year	78,762	713,524
Over one year	1,124,244	455,794
	1,759,320	1,212,731

6. Guarantees and other credit commitments

BWP'000s	2013	2012
Guarantees	671,224	613,547
Letters of credit, loan commitments and similar contingent liabilities	99,522	183,052
	770,746	796,599
Maturity analysis		
Less than one year	578,187	729,207
Between one and five years	192,559	67,392
	770,746	796,599

7. Exchange rates

	Closing Dec 13	Average Dec 13	Closing Dec 12	Average Dec 12
United States Dollar	0.1140	0.1182	0.1287	0.1316
Tanzanian Shilling	180.8394	191.1160	203.9110	208.5917
Zambian Kwacha	0.6287	0.6401	668.3383	680.8011
Mozambican Metical	3.4276	3.5600	3.8273	3.7542
South African Rand	1.2026	1.1541	1.0897	1.0758

Segmental Analysis

for the year ended 31 December 2013:

BWP'000s	Total income	Contribution to banking operations	Attributable profit	Contribution to banking operations	Total assets	Contribution to banking operations
BancABC Botswana	442,489	31%	152,986	49%	4,923,453	33%
BancABC Mozambique	160,302	11%	9,040	3%	2,288,680	15%
BancABC Tanzania	98,075	7%	(19,581)	(6%)	1,064,608	7%
BancABC Zambia	231,866	16%	49,889	16%	2,105,691	14%
BancABC Zimbabwe	508,913	35%	117,676	38%	4,543,157	30%
Banking operations	1,441,645	100%	310,010	100%	14,925,589	100%
Head office and consolidation entries**	(67,194)		(111,556)		858,066	
Total*	1,374,451		198,454		15,783,655	

for the year ended 31 December 2012:

BWP'000s	Total income	Contribution to banking operations	Attributable profit	Contribution to banking operations	Total assets	Contribution to banking operations
BancABC Botswana	286,611	27%	94,434	44%	4,795,247	37%
BancABC Mozambique	141,385	14%	17,562	8%	1,323,679	10%
BancABC Tanzania	44,802	4%	(38,579)	(18%)	1,101,274	9%
BancABC Zambia	181,314	17%	36,004	17%	1,401,377	11%
BancABC Zimbabwe	397,678	38%	103,351	49%	4,236,710	33%
Banking operations	1,051,790	100%	212,772	100%	12,858,287	100%
Head office and consolidation entries**	34,772		(79,998)		549,478	
Total*	1,086,562		132,774		13,407,765	

* After eliminations.

** Reflects non-banking operations in various geographical sectors, as well as elimination entries.

Audited financial statements – independent auditor’s opinion

KPMG, ABC Holdings Limited’s independent auditors, have audited the consolidated financial statements of ABC Holdings Limited from which the summarised financial results have been derived, and have expressed an unmodified audit opinion on the consolidated annual financial statements. The summarised consolidated financial results comprise the summarised consolidated balance sheet at 31 December 2013, summarised consolidated income statement, summarised consolidated statement of other comprehensive income, summarised consolidated statement of changes in equity and summarised consolidated statement of cash flows for the year then ended, and selected explanatory notes. The audit report is available for inspection at ABC Holdings Limited’s registered office.

For a better understanding of the Group’s financial position and the results of its operations for the year and the scope of the audit, the summarised financial results should be read in conjunction with the audited financial statements from which the summarised financial results were derived and the audit report thereon. The audit was conducted in accordance with International Standards on Auditing.

Notice of Annual General Meeting

(Registration number 99/4865)
(Incorporated in the Republic of Botswana)
(ABC Holdings Limited or “the Company”)

Notice is hereby given that the Annual General Meeting of shareholders of the Company will be held at the Boardroom, ABC House, BancABC Botswana, Plot 62433, Fairground Office Park, Gaborone, Botswana, on Tuesday, 3 June 2014 at 09:30 for the purpose of transacting the following business and further if deemed fit, passing, with or without modification, the following resolutions:

Ordinary Business:

1. To read the notice convening the meeting.
2. To receive, consider, and adopt the annual financial statements for the year ended 31 December 2013, including the Chairman’s statement, CEO’s statement, Directors’ report and Auditor’s report.
3. To approve the remuneration of the directors for the year ended 31 December 2013.
4. To note that directors, Mrs Khama and Mr Kudenga retire by rotation in terms of Clause 30.1 of the Company’s Constitution and to re-elect Mrs Khama and Mr Kudenga who, being eligible, offer themselves for re-election.
5. To ratify the appointment of Mr Mark Schneiders and Mr Dirk Harbecke as directors of the Company.
6. To ratify the appointment of KPMG as auditors for the ensuing year and to fix their remuneration.

Special Business:

7. To amend the employee share purchase scheme rules.

Biographies of directors standing for re-election and whose appointments are to be ratified at the Annual General Meeting.

Doreen Khama

Doreen Khama was born in Botswana in 1949. Mrs Khama, the Honorary Consul for Austria in Botswana, is a practicing lawyer by profession, the founder and senior partner of a legal firm that has been in operation for more than 20 years. Doreen Khama Attorneys has offered legal advice to companies such as Damp Holding AB Sweden, Admiral Leisure World Limited Austria and South Africa, LID Limited Russia and Israel, as well as Equity Diamond Cutting Works (Pty) Limited in South Africa. She is an active business individual nationally, regionally and internationally, and has been able to execute several business developments and maintain a high standing of professional prominence through her affiliations in Greece, Italy and England. She serves as a director and board member for several organisations in industries across the board, financial (Botswana Savings Bank), investment (Lengao Holdings), and retail (PEP Holdings).

Ngoni Kudenga

Ngoni Kudenga was born in Zimbabwe in 1952. He is a Chartered Accountant and holds a Bachelor of Accountancy degree from the University of Zimbabwe and is a fellow of the Chartered Institute of Management Accountants of Zimbabwe. He is past president of the Institute of Chartered Accountants. Currently, he is the Managing Partner of BDO Kudenga & Co., Chartered Accountants of Zimbabwe. He serves on the boards of Bindura Nickel Corporation, Anglo American Corporation Zimbabwe and several private companies.

Mark Schneiders

Mark Schneiders formerly served as a nominee of ADC to the Company’s Board and resigned on 2 December 2013. He has been re-appointed as an independent director. He has more than 27 years of banking sector experience in various wholesale and private banks within African banks and around the globe serving as an entrepreneurial finance professional. He has held various positions that include Managing Director with ING Financial Institutions in Amsterdam.

Mr Schneiders has extensive experience with company mergers, building new markets and setting up retail bank businesses in a variety of countries, including Switzerland, The Netherlands, Spain, Curaçao, Argentina, Venezuela, Hong Kong and the USA. He was appointed to the Board on 9 December 2011.

He holds a Bachelor’s and Master’s degree in law from the University of Leiden, The Netherlands, and Advanced Management Programme at Harvard Business School and banking management programmes at INSEAD (Cedep).

Dirk Harbecke

Mr Harbecke is the Chief Executive Officer of African Development Corporation. He has more than 16 years of experience as a manager, entrepreneur and consultant in the financial and ICT industries. He was the Project Leader with Boston Consulting Group from 2006 and 2008 and the founder and CEO of two companies in the financial services and research sectors. Mr Harbecke also has project and managerial experience in France, the UK, China, Abu Dhabi/ Dubai, the US, North Africa and many countries in Sub-Saharan Africa.

Ordinary Resolution 1:

To approve the annual financial statements for the year ended 31 December 2013, including the Chairman’s statement, CEO’s statement, Directors’ report and Auditor’s report.

Ordinary Resolution 2:

To approve the remuneration of directors for the year ended 31 December 2013.

Ordinary Resolution 3:

To re-elect directors retiring by rotation in accordance with the provisions of Clause 30.1 of the Company’s Constitution. In this regard, Mrs Khama and Mr Kudenga retire by rotation and being eligible, offer themselves for re-election.

Ordinary Resolution 4:

To ratify the appointment of Mr Mark Schneiders and Mr Dirk Harbecke as directors of the Company.

Ordinary Resolution 5:

To approve the remuneration of the auditors for the year ended 31 December 2013.

Ordinary Resolution 6:

To ratify the appointment of KPMG as the auditors for the Company for the ensuing year.

Ordinary Resolution 7:

The directors be and are hereby authorised to take such steps and sign all such other documents as are necessary to give effect to the resolutions passed at this meeting.

Special Business:

Background

Shareholders approved an employee share purchase scheme for the employees of the Company and its subsidiaries on 22 June 2001 which was subsequently amended by shareholders on 31 May 2005.

In terms of the rules of the scheme, employees who had been employed by the Company for at least six months would be able to participate in the purchase of shares offered by the Company at a discount of 15% on the trading price. The Company would set aside 15% of the issued share capital of the Company for the share purchases scheme. The Company makes these shares available for purchase every two years. Shares purchased pursuant to this scheme are restricted from being sold for a period of 12 months from the date of purchase.

Waiver

If the Atlas Mara transaction becomes unconditional, Atlas Mara wishes to purchase the employee shares granted under this scheme. Shareholders are therefore required to waive the 12-month restriction on the sale of these shares.

Ordinary Resolution 8:

To waive the one-year restriction on the sale of shares purchased by employees in order to accommodate the Atlas Mara transaction.

Voting and proxies

All holders of ordinary shares entitled to vote will be entitled to attend and vote at the Annual General Meeting.

A holder of ordinary shares who is present in person, by authorised representative or by proxy, shall have one vote on a show of hands and have one vote for every ordinary share held on a poll.

Each shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies (none of whom need be a shareholder of the Company) to attend, speak and subject to the Constitution of the Company, vote in his/her/its stead.

The form of proxy for the Annual General Meeting, which sets out the relevant instructions for its completion, is annexed hereto.

In order to be effective, a duly completed form of proxy must be received at the Registered Office of the Company, Rhoss (Pty) Limited, Plot 54358, Prime Plaza, First Floor, Acacia House, Cnr Khama Crescent & PG Matane Road, Gaborone, Botswana by not later than 09:30 on Monday 2 June 2014.

By order of the Board

M Vogt

Secretary to the Board of Directors

(Registration number 99/4865)
 (Incorporated in the Republic of Botswana)
 (ABC Holdings Limited or "the Company")

FORM OF PROXY

For completion by holders of ordinary shares

PLEASE READ THE NOTES OVERLEAF BEFORE COMPLETING THIS FORM.

For use at the Annual General Meeting of shareholders of the Company to be held at the Boardroom, ABC House, BancABC Botswana, Plot 62433, Fairground Office Park, Gaborone, Botswana on Monday, 2 June 2014 at 09:30.

I/We

(Name/s in block letters)

Of

(Address)

Appoint (see note 2):

1. _____ or failing him/her,

2. _____ or failing him/her,

3. _____ the Chairman of the Meeting,

as my/our proxy to act for me/us at the Annual General Meeting which will be held, in addition to considering the ordinary business, for the purpose of considering and if deemed fit, passing with or without modification, the resolutions to be proposed under the special business vote thereat and at each adjournment thereof, and to vote for or against the resolutions and/or abstain from voting in respect of the ordinary shares registered in my/our name in accordance with the following instructions (see note 2):

	Number of ordinary shares		
	For	Against	Abstain
1. Ordinary resolution 1			
2. Ordinary resolution 2			
3. Ordinary resolution 3			
4. Ordinary resolution 4			
5. Ordinary resolution 5			
6. Ordinary resolution 6			
7. Ordinary resolution 7			
8. Ordinary resolution 8			

Signed at _____ on _____ day of _____ 2014

Signature _____ assisted by (where applicable)

Each shareholder is entitled to appoint one or more proxies (who need not be a member/s of the Company) to attend, speak and vote in place of that shareholder at the Annual General Meeting.

Please read the notes on the reverse side hereof.

Notes

1. A shareholder must insert the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "Chairman of the Annual General Meeting". The person whose name appears first on the form of proxy, and whose name has not been deleted will be entitled to act as proxy to the exclusion of those whose names follow.
2. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the shareholder in the appropriate space provided. Failure to comply herewith will be deemed to authorise the proxy to vote at the Annual General Meeting as he/she deems fit in respect of the shareholder's votes exercisable thereat, but where the proxy is the Chairman, failure to comply will be deemed to authorise the proxy to vote in favour of the resolution. A shareholder or his/her proxy is obliged to use all the votes exercisable by the shareholder or by his/her proxy.
3. Forms of proxy must be lodged at or posted to the Registered Office of the Company, Rhoss (Pty) Limited, Plot 54358, Prime Plaza, First Floor, Acacia House, Cnr Khama Crescent & PG Matane Road, Gaborone, Botswana, or PO Box 1882, Gaborone, Botswana, to be received not less than 24 hours before the Annual General Meeting to be held on Tuesday, 3 June 2014 at 09:30.
4. The completion and lodging of this form will not preclude the relevant shareholder from attending the Annual General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such shareholder wish to do so.
5. The Chairman of the Annual General Meeting may reject or accept any form of proxy not completed and/or received other than in accordance with these notes provided that he is satisfied as to the manner in which the shareholder concerned wishes to vote.
6. An instrument of proxy shall be valid for the Annual General Meeting as well as for any adjournment thereof, unless the contrary is stated thereon.
7. A vote given in accordance with the terms of a proxy shall be valid, notwithstanding the previous death or insanity of the shareholder, or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the ordinary shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company not less than one hour before the commencement of the Annual General Meeting or adjourned Annual General Meeting at which the proxy is to be used.
8. The authority of a person signing the form of proxy under a power of attorney or on behalf of a company must be attached to the form of proxy, unless the authority or full power of attorney has already been registered by the Company or the Transfer Secretaries.
9. Where ordinary shares are held jointly, all joint shareholders must sign.
10. A minor must be assisted by his/her guardian, unless relevant documents establishing his/her legal capacity are produced or have been registered by the Company.

Company information

ABC Holdings Limited

Directors: H Buttery, F M Dzanya, D Khama, N Kudenga, B Moyo, D T Munatsi, M M Schneiders, D Harbecke

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BancABC Botswana

Directors: D Khama, L Makwinja, B Moyo, D T Munatsi, J Kurian, A Chilisa

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