

# Trading Update

FOR THE FIRST QUARTER ENDED 31 MARCH 2021

I am delighted to present to you the trading update for the first quarter ended 31 March 2021.

## Operating Environment

During the first quarter, the country recorded a slowdown in the number of Covid-19 infections which in turn saw the government relaxing lockdown restrictions from level 4 to level 1. Resultantly, local travel restrictions were lifted, informal businesses reopened and business operating hours were extended.

The Reserve Bank of Zimbabwe in its February 2021 monetary policy statement, focused on reducing the annual inflation to a single digit by ensuring a stable exchange rate. Month on month inflation for the month of March 2021 stood at 11.53%. From January to March 2021, the exchange rate remained relatively stable with the US\$/ZWL exchange rate pegged at around ZWL84.

Driven by evolving customer expectations, the Group remains committed to its digital promise of enabling customers to enjoy a seamless and exciting banking experience. As such, FBC Holdings continued to deploy innovative digital products and remained resilient throughout the first quarter.

## Key financial highlights


	Group Total Income	Group Profit Before Tax	Group Profit After Tax	Cost To Income Ratio	Basic Earnings Per Share	NAV Per Share
Inflation Adjusted	ZWL2.1 billion	ZWL856.0 million	ZWL676.9 million	55%	ZWL(c)107.85	ZWL10.24
Historic	ZWL1.9 billion	ZWL866.6 million	ZWL675.3 million	51%	ZWL(c)107.53	ZWL9.03

## Financial Performance Review –Inflation adjusted

During the period under review, FBC Holdings recorded a total income of ZWL2.1 billion in inflation adjusted terms and ZWL1.9 million in historic terms. Total income was largely driven by fee and commission income as well as net interest income, which were recorded at ZWL402.2 million and ZWL521.7 million respectively. Other income of ZWL848.4 million which is mainly comprised of profit on exchange and fair value gains was 32% down as compared to ZWL1.2 billion recorded same period last year mainly due to the stabilization of the exchange rate. Administration expenses were up 4.4% at ZWL887.3 million against ZWL850.2 million recorded during the same period last year. The Group posted a profit before tax of ZWL856 million and a profit after tax of ZWL676 million.

As at 31 March 2021, FBC Holdings' total assets stood at ZWL34.7 billion which was a 3.8% decline from the ZWL36.1 billion recorded as at 31 December 2020. Total equity attributable to shareholders of the parent company was ZWL6.4 billion, representing a 13% increase from the position as at 31 December 2020.

## By order of the Board



**Tichaona K. Mabeza**  
**GROUP COMPANY SECRETARY**

**Directors:** Herbert Nkala (Chairman), Chipo Mtasa (Deputy Chairperson), John Mushayavanhu (Group Chief Executive)\*, Kleto Chiketsani\*, Gertrude S Chikwava, Aenesa Chuma, Gary S Collins, Franklin H Kennedy, Trynos Kufazvinei (Group Finance Director)\*, Canada Malunga, Rute Moyo, Charles Msipa, Webster Rusere\* (\*Executive)