



FBC Securities (Private) Limited

(Registered Stockbroker) - Member of the Zimbabwe Stock Exchange
You Matter Most

Code	Volume	Value	Change
BAT.ZW	4,600	5,346,5000	6,800,0000
CAFGA.ZW	0	0.0000	0.0000
CBZ.ZW	400	306,0500	0.0000
DUTA.ZW	118,700	1,599,3000	0.0000
DZL.ZW	600	185,0500	0.0000
ECO.ZW	280,800	498,5000	0.0000
FBC.ZW	2,000	180,0000	0.0000
HPO.ZW	800	1,200,0000	0.0000
IBZ.ZW	100,000	1,000,0000	0.0000



OKZIM - EARNINGS FLASH

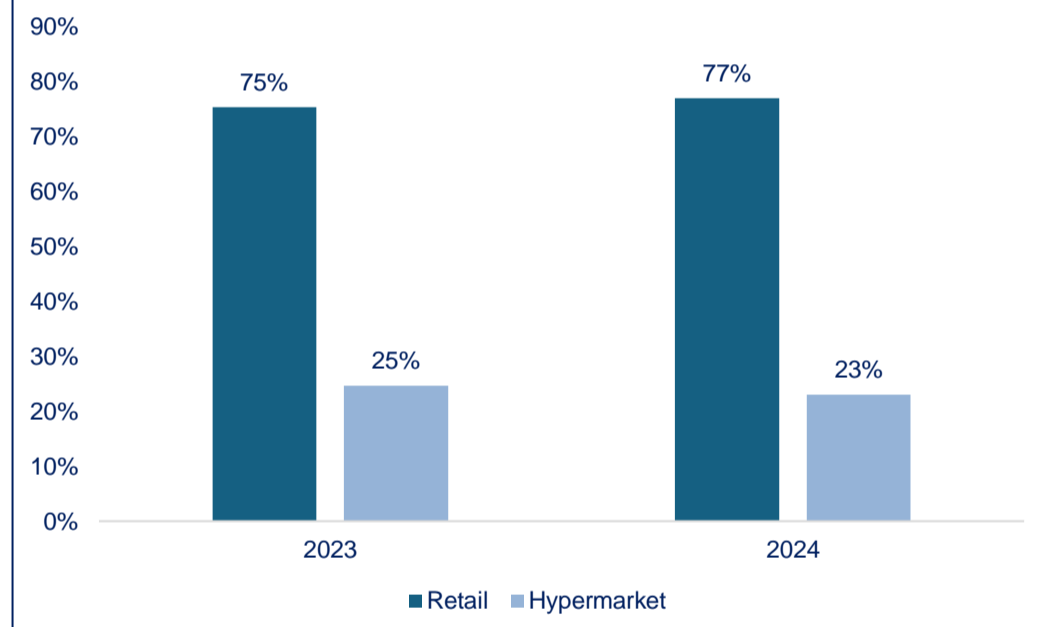
PERFORMANCE OVERVIEW

	FY 23	FY24	% Change
Total income (ZW\$tn)	9.6	12.4	29%
PBT (ZW\$tn)	0.23	1.7	645%
Total Equity (ZW\$tn)	1.83	2.71	482%
EPS (ZW\$ cents)	12,256	70,870	478%

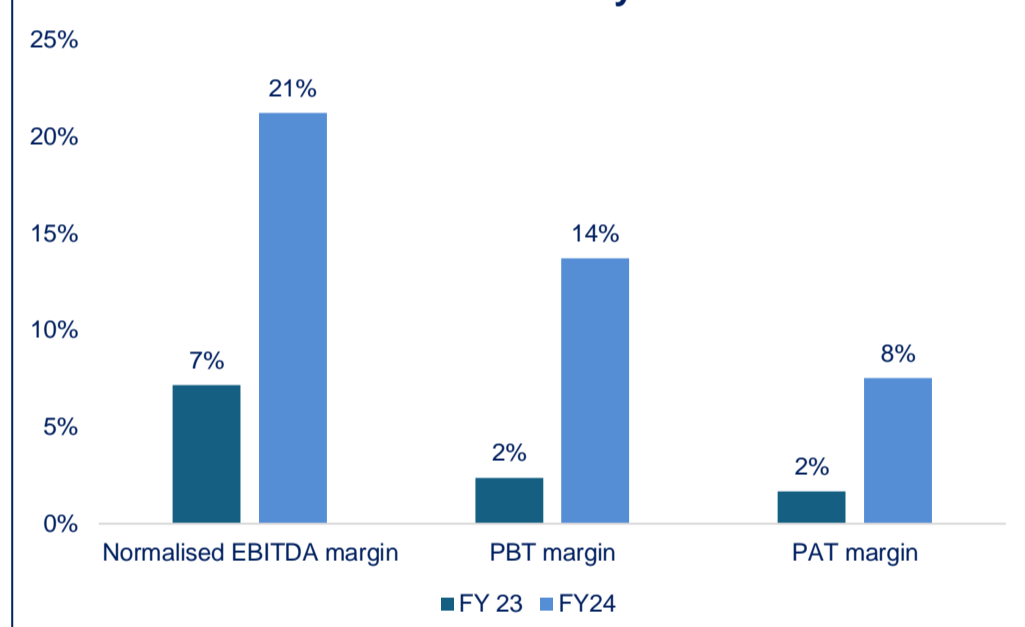
MARKET DATA

Sector	Consumer Discretionary
Report Date	31 March 2024
Market cap (US\$ mn)	48.00
P/B (x)	0.70
P/E (x)	2.07
Recommendation	Hold

OKZIM Revenue contribution



OKZIM Profitability ratios



OUR THOUGHTS

- Steep price increases, decline in consumer spending power as well as restrictive supplier trading terms during the period to 31 March 2024 have resulted to a 29.2% decline in volumes sold by OK Zimbabwe. The Group has however managed to capitalise on its resilient business model and strong customer loyalty to record a 29.4% growth in revenue for the period under review.
- Various strategic initiatives around enhancing product offerings, optimising supply chain efficiencies and improving digital presence continue to yield positive results for the Group and position it for sustainable future growth.
- To remain competitive against other big players in the same space, the Group may need to invest more in increasing its presence in the upmarket, so as to minimise the risk of informal competition which is more pronounced in the high density to medium density suburbs.
- Effective US dollar pricing is also paramount in the Group's attempt to improve the balance between US\$ and ZiG collections. Policy refinements by authorities aimed at improving the competitiveness of formal retailers, especially in pricing, are strongly encouraged, considering how vital these businesses are in tax contributions and employment creation.
- In the outlook, the Group's focus on volume recovery strategies is likely to yield positive results especially if the new policy measures are implemented in a manner that guarantees sustained stability.

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