

# Trading Update

FOR THE PERIOD ENDING 30 SEPTEMBER 2024



It is with pleasure that I present the third quarter Trading Update for FBC Holdings Limited.

## Operating Environment

The operating environment has been relatively stable since the introduction of Zimbabwe Gold (ZiG) in April 2024. The third quarter presented a semblance of exchange rate volatility and inflationary complications, which triggered a devaluation of the ZiG and ameliorating price distortions in the formal markets.

The domestic economy is now projected to grow by 2% in 2024, on account of softer commodity prices and a severe EL Nino- induced drought during the 2023/24 summer cropping season, which significantly reduced agricultural output and adversely impacted hydro- power generation.

Monetary policy interventions anchoring exchange rate volatility and inflationary pressures continue to be encouraging, in view of creating an enabling operating environment. Whilst challenges still exist, the Group remains resilient by capitalising on inherent opportunities and positioning the business for future growth.

Our diversified business model, cutting across various financial service clusters, continues to act as a cushion against market fluctuations and systematic downside risks. Additionally, our long-standing client relationships provide stability and capacity in navigating economic turbulence. Notwithstanding economic uncertainty, operational overhead management remains a key strategic pillar in achieving profitability.

## Performance Overview



**Total Income**  
ZWG 4.9 billion



**Profit-Before-Tax**  
ZWG 2.1 billion



**Profit-After-Tax**  
ZWG 1.9 billion



**Earnings Per Share**  
ZWG (cents) 297.57

As of 30 September 2024, FBC Holdings Limited reported a strong financial performance, generating a total income of ZWG 4.9 billion. This growth was primarily driven by robust net foreign currency dealing and trading income. Subsequently, the company achieved a profit before tax of ZWG 2.1 billion and a profit after tax of ZWG 1.9 billion.

The Group maintained a disciplined approach to cost management, with operating expenses totalling ZWG 1.97 billion. This resulted in an impressive cost-to-income ratio of 40%, reflecting the Group's commitment to operational efficiency in a dynamic and indeterminate economic environment. As of 30 September 2024, FBC Holdings Limited's total assets were ZWG 17.3 billion and shareholder funds were ZWG 3.9 billion.

## Outlook

Whilst the operating environment is still faced with macro-economic challenges, the Group remains guardedly optimistic about the future. Our robust business model, experienced management team and diversified portfolio, provide a strong foundation for navigating these complexities. We are confident in our ability to adapt to the evolving economic landscape and to continue delivering sustainable long-term growth.

The Group continues to monitor economic developments, and will implement strategies that proactively create shareholder value and maximise returns.

For and on behalf of FBC Holdings Limited

Tichaona Mabeza  
Group Company Secretary  
Date of Issue: 15 November 2024

