

Cassava

Smartech

**CASSAVA SMARTECH ZIMBABWE LIMITED
T/A ECOCASH HOLDINGS ZIMBABWE**

(Incorporated in Zimbabwe on 29 March 2012 under Company Registration Number 2487/2012)
ZSE Alpha Code: CSZL ISIN ZW0009012361

TRADING UPDATE FOR THE QUARTER ENDING 31 AUGUST 2021

OPERATING ENVIRONMENT

The resurgence of Covid-19 resulted in the re-imposition of lockdown measures resulting in restrictions on movement of persons and subdued business activity. A decline in the month-on-month inflation and relative economic stability present an environment in which business activity could start to recover. As a platform business that supports transactional activity in the economy, this recovery is supportive of improved transactional volumes.

BUSINESS AND FINANCIAL PERFORMANCE

Group revenue increased by over 70% compared to the same period the previous year driven by growth in transaction activity. The business remains focused on growing transactional volumes and improving operating efficiencies to maintain the growth in revenues.

Our Mobile Money business continued on a steady growth trajectory with revenues increasing by 63% from the same period last year. Transaction values and wallet funding were also higher than the same period in the previous year at 25% and 54%, respectively. EcoCash, continues to provide customers with unparalleled convenience and to play a key role in the financial inclusion agenda in Zimbabwe.

Steward Bank reported a 300% growth in revenue, largely attributable to higher interest income in line with our growth strategy on interest-earning assets. The bank remains focused on optimizing the Core Banking System implemented during the first quarter.

The Insurtech businesses pursued numerous initiatives during the period which resulted in an increase in revenue by 70% due to the growth in customers. The various initiatives that were implemented to reach previously uninsured sectors paid off with an 11% and 106% growth in the customer base for life business and short-term insurance respectively, from the previous quarter.

Vaya Technologies experienced a 51% growth in its operations and this is largely attributable to strategic relationships that were established during the period under review. The business continues to focus on developing innovative and efficient service delivery mechanisms to grow revenues and improve its profitability. The Healthtech revenue growth continued on an upward trend due to strong customer demand for health services driven by the Covid-19 pandemic.

BUSINESS OUTLOOK

The Group will continue to deploy technology solutions to ensure better and more convenient access to our products and services across all our business segments. The Group remains optimistic and expects improved business activity as the country increases the vaccination rollout programme.

PUBLICATION OF FINANCIAL RESULTS

Cassava Smartech Zimbabwe Limited (the "Company") wishes to advise our shareholders that due to delays in the finalisation of the 28 February 2021 audit, we will now publish the Company's annual audited financial statements on or before the 30th of September 2021. The Group experienced delays due to the impact of Covid-19 as well as the need to resolve certain technical accounting matters. The Company has sought and received approval from the Zimbabwe Stock Exchange.

By order of the Board



Mrs C R Daniels
Group Company Secretary

31 August 2021

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