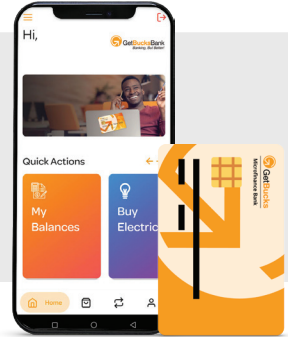




Trading update for the three months ended 31 March 2022

Financial Highlights

↓ 290% Profit After Tax INFLATION ADJUSTED 31 March 2022: ZWL (40 521 202) 31 March 2021: ZWL 21 310 914	↓ 10% Loan Book INFLATION ADJUSTED 31 March 2022: ZWL 226 354 337 31 March 2021: ZWL 252 351 395
↑ 82% Equity INFLATION ADJUSTED 31 March 2022: ZWL 470 256 641 31 March 2021: ZWL 258 986 335	↑ 48% Total Income INFLATION ADJUSTED 31 March 2022: ZWL 164 561 644 31 March 2021: ZWL 111 310 429



Trading Environment

The economy continues to experience high levels of month-on-month inflation due to a combination of the pass-through effects of the ongoing Russia/Ukraine conflict and the weakening of the local currency. MoM inflation figures closed at 6.3% for the month ended 31 March 2022 from an average of 6% from the prior quarter.

Financial Performance

Total income for the period grew by 47% compared to the same period prior year due to increased transaction volumes. However, loan book growth was affected by changes in the civil servants' remuneration structure.

The Microfinance bank closed the quarter with an after-tax-loss of ZWL40mil compared to a 21mil after-tax-profit registered in the prior year largely due rising operational costs.

Outlook

The Microfinance Bank's prospects remain positive with the anticipated recapitalization of the institution expected in the 2nd quarter of 2022. The recapitalisation will see the Institution underwrite more business.

By Order of the Board of Directors

Wimbayi Chigumbu
Chief Finance Officer
17 May 2022

Directors:

Dr. R. Mbire (Board Chairman), E. Chavora* (Acting Managing Director),
W. Chigumbu* (Chief Finance Officer), M. Madamombe* (Chief Operating Officer) J. Machiva, P. Soko, P. Matute,
T. Munowenyu, S. Chibaya. *Executive.