

Q1 2025 Trading Update

Operating Environment

In January 2025, the International Monetary Fund's World Economic Outlook (WEO) projected global growth at 3.3%. The introduction of new tariff measures by the United States and retaliatory actions by its trading partners saw this revised downward to 2.8% in April 2025. Domestically, the Zimbabwean government maintained its growth forecast at 6%, underpinned by favourable La Niña-induced rainfall during the 2024/25 agricultural season, which is expected to drive strong output across the sector. The operating environment remains characterised by tightened liquidity, inflationary and policy related pressures.

Performance Review

First Capital Bank delivered a robust performance in the first quarter of 2025, showcasing significant growth across key financial metrics, underpinned by a favourable agricultural season, growth in customer base, deepened relationships and prudent financial management.

Financial Highlights (ZWG)

- **Total Income:** ZWG 540.7 million (↑ 118% YoY)
- **Deposits:** ZWG 4.12 billion (↑ 132% YoY)
- **Loans:** ZWG 3.28 billion (↑ 187% YoY)
- **Non-Performing Loan (NPL) Ratio:** 3.66% (↓ from 7.0%)
- **Capital Adequacy Ratio:** 30.18% (well above the 12% regulatory minimum)

Liquidity ratios also remained comfortably above their respective thresholds of ZWG 803 million and 30%. The bank's asset base expanded by 14% compared to the same period last year, primarily driven by loan book growth. Regulatory capital increased by 8%, reinforcing the bank's strong capital position.

Outlook

The bank anticipates a cautious economic environment for the remainder of 2025, influenced by global political uncertainties and donor funding dynamics. The favourable agricultural season and soaring gold prices are expected to bolster economic activity in the subsequent quarters. First Capital Bank remains committed to leveraging emerging opportunities while maintaining resilience through strengthened governance and risk management frameworks.

Supplementary

In line with Victoria Falls Stock Exchange listing requirements to report financial information in USD, the following supplementary performance metrics are provided:

- **Total Income:** US\$20.5 million (↑ 12% YoY)
- **Deposits:** US\$153.9 million (↑ 18% YoY)
- **Loans:** US\$122.7 million (↑ 46% YoY)
- **Core Capital:** Above US\$30 million threshold

By order of the Board.



Sarudzai Binha
Company Secretary
14 May 2025