NMBZ Holdings Limited

2026 First Quarter Trading Update

NMBZ HOLDINGS LIMITED

NMBZ Holdings Limited ("The Group") hereby issues the following Trading Update for the First Quarter ended 31 March 2026 ("Q1 2026"). The Zimbabwe Stock Exchange ("ZSE") has authorised the issue of this Trading Update in compliance with rule 35(5) of the ZSE Listing Requirements, set out in Statutory Instrument 134 of 2019, read in conjunction with the ZSE Practice Note entitled "Publication of Interim Financial Public Reports for the First and Third Quarters in terms of section 35(5)" ("Practice Note 9").

KEY FINANCIAL HIGHLIGHTS

Profit After Tax
USD 8.3 million

Operating Income
USD 24.2 million

Total Assets
USD 390.8 million

Net Loans & Advances
USD 198.2 million

Total Funding
USD 280.2 million

Total Equity
USD 92.9 million

OPERATING ENVIRONMENT

The operating environment for the quarter ended 31 March 2026 remained broadly stable, supported by continued monetary discipline aimed at preserving exchange rate stability and containing inflation. The 2026 Monetary Policy Statement maintained a restrictive policy framework and introduced measures to enhance financial system efficiency.

A key development during the quarter was the downward revision of bank charges, including caps on selected transaction fees and the removal of selected charges. These measures are expected to increase pressure on non-interest income across the banking sector, reinforcing the need to deepen funded income, grow quality deposits and improve operating efficiency.

Globally, the conflict in the Middle East increased uncertainty, lifted energy-price risks and tightened the outlook for global growth. As a net fuel importer, Zimbabwe remains exposed to imported inflation through transport and production costs, although the domestic policy stance continues to support relative stability.

CORPORATE DEVELOPMENTS

During the period under review, the Group completed the acquisition of EFC Zambia, marking a significant milestone in the execution of its regional expansion strategy. The transaction establishes a presence in the Zambian market and strengthens the Group's regional footprint, particularly in micro, small and medium enterprise ("MSME") financing.

In response to the evolving fee-income environment, the Group is placing increased focus on core lending, with particular emphasis on retail, SME and productive-sector lending. The Group expects to leverage the EFC Zambia model, especially its MSME lending capability, through cross-border skills transfer and adaptation to the local market.

The Group continues to deploy technology solutions across the region through its fintech subsidiaries, while NMB Properties continues to advance the development of its land bank and pipeline projects in Harare, Bulawayo and Mutare.

PERFORMANCE REVIEW

The Group delivered a strong financial performance for the quarter ended 31 March 2026, with operating income increasing by 59% to USD24.2 million from USD15.2 million in the comparable prior period. The improvement was underpinned by growth in net interest income, resilient fee and commission income, and the first-time consolidation of EFC Zambia.

EFC Zambia contributed USD1.8 million to operating income during the quarter, representing approximately 7.4% of total operating income.

Operating expenditure increased by 17.5% compared to the prior period, below the rate of income growth, reflecting continued cost discipline.

Profit after tax increased to USD8.34 million from USD2.52 million recorded in Q1 2025. The current period includes a non-recurring gain of USD3.8 million arising from the consolidation of EFC Zambia. Excluding this item, the Group's underlying performance was broadly in line with expectations. Total assets closed the quarter at USD390.8 million, representing a 15% increase from USD340.6 million as at 31 December 2025, largely attributable to growth in net loans and advances as well as the consolidation of EFC Zambia during the period. Net loans and advances grew by 27% to USD198.2 million from USD155.6 million at 31 December 2025, while customer deposits increased by 19% to USD154.6 million from USD129.7 million. The growth in deposits reflects continued confidence in the Group.

CAPITALISATION AND GOING CONCERN

NMB Bank's capital adequacy ratio as at 31 March 2026 stood at 24.30%, compared to the regulatory minimum of 12%. Shareholder funds funds stood at USD92.9 million up from USD84.2 million recorded as at 31 December 2025. The Group and the Bank remain adequately capitalised, with capital levels maintained above prescribed regulatory requirements and aligned to the Group's operational needs.

The Board has reviewed the Group's financial position and remains satisfied that the Group and its subsidiaries are positioned to continue operating as going concerns.

ECONOMIC OUTLOOK

The domestic economic outlook for 2026 remains broadly stable, supported by continued monetary discipline and improved activity in key sectors. Economic growth is projected at around 5% in 2026, underpinned by stronger agricultural output and sustained mining production, particularly in gold and platinum.

Global financial conditions are expected to remain uncertain as geopolitical risks, elevated energy prices and persistent inflationary pressures weigh on activity. The Group will therefore continue to focus on prudent balance sheet growth, increased lending to productive sectors, disciplined cost management, and maintaining adequate liquidity and capital buffers to support sustainable growth.

By Order of the Board

Violet Mutandwa
Company Secretary
05 May 2026