



Strategy Update Presentation to Shareholders

29th Annual General Meeting



- 1 CBZH's Group Overview**

- 2 Operating Environment Overview**

- 3 Strategy and Operations Review**

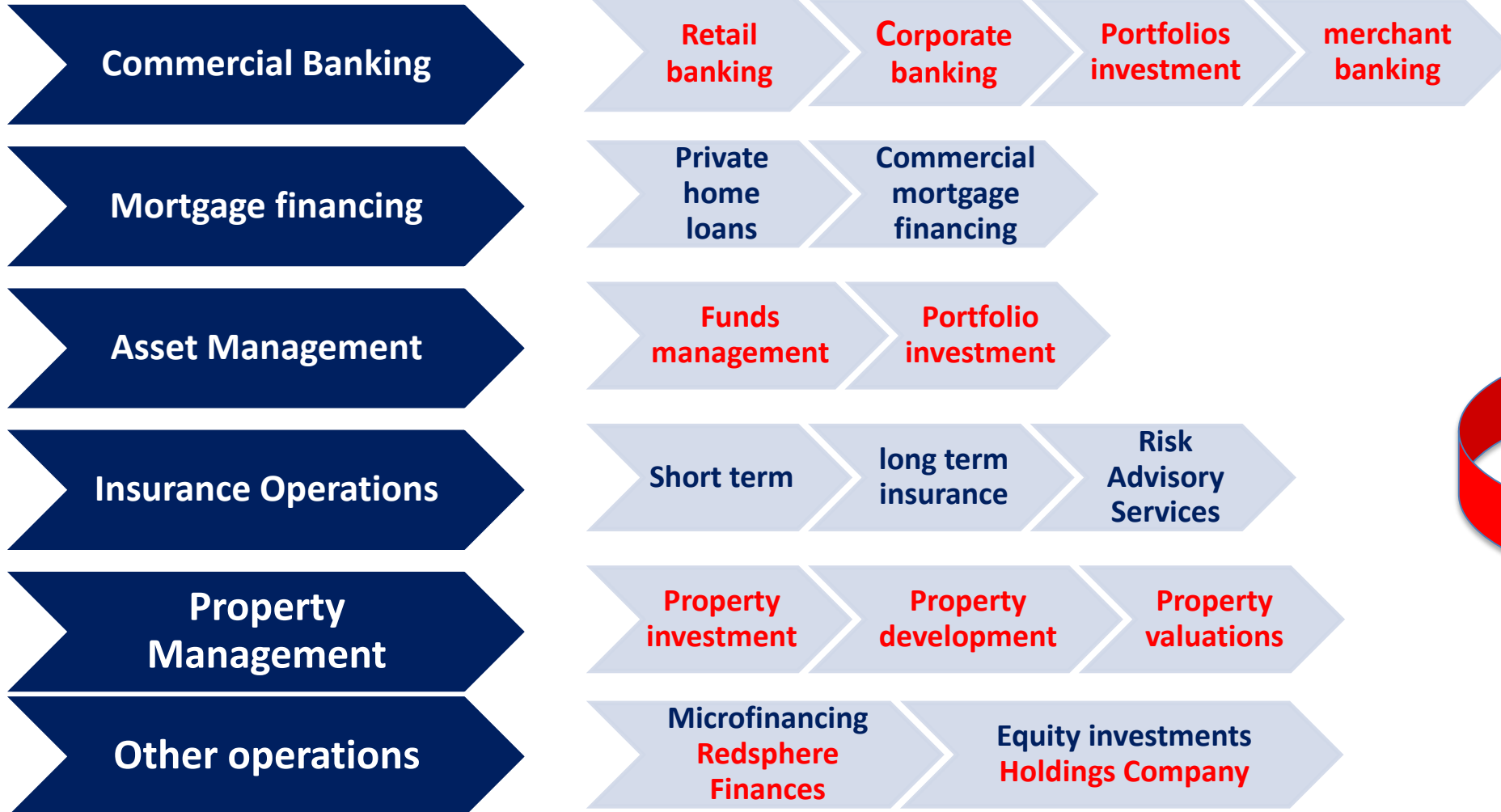
- 4 CBZH's Corporate Social Responsibility**

- 5 CBZH's Strategic Choices – 2019-2025**



1. CBZH's Group Overview

Group Overview – CBZH Operating Units





2. Operating Environment Overview

Navigating the Operating Environment

	Operating Environment Dynamics		Our Strategic Choices
1. Specific Constraints	<ul style="list-style-type: none"> - Foreign currency shortages - Constrained business growth - Inflationary pressure 	2. Our Response	<ul style="list-style-type: none"> - Migrating customers to digital platforms. - Pursuing structured trade finance solutions - Creating & entering new markets - Innovation, e.g. to support business development in the informal and SMEs sectors.
3. Intended Outcome	<ul style="list-style-type: none"> - Increase in our specialised advisory services - Trading income arising from balance sheet management activities - Product structuring and distribution - Transactional banking services 	4. Overall Strategic Goals	<ul style="list-style-type: none"> - Preservation of Shareholder Value - CBZH aims to be in the top 5 market capitalisation on the ZSE - Each subsidiary aims to be profitable - Each subsidiary aims to be in top 5 of its industry



3. Strategy & Operation Review

Milestones - Business in Numbers

1

World's Best Bank Awards 2018: Africa

- Global Finance's choice for Best Bank in Zimbabwe

2

Excellence in Corporate Governance Awards 2018- ICSAZ Awards

- 1st Prize for Overall Best Banking Corporate Governance Disclosures
- Merit Award for Best Risk Management Disclosures
- 1st Prize for Best Banking Board Governance Disclosures

3

PROWEB CBZ Bank – Certificate of Appreciation for Best Supporter of Proweb in the year 2018.

- Professional Women Executives and Business Women's Forum (PROWEB)

1

3rd Prize for Excellence in Corporate Governance Awards 2018

- Institute of Certified Secretarial and Administrators in Zimbabwe (ICSAZ) Awards.



Partners For Success



Partners For Success

Milestones - Business in Numbers

Why Stress About Cash When You Can Simply e-Bank



+0.9%

No. of Policies
April 2019: 118k
April 2018: 117k

+11.0%

Number of Bank Accounts
April 2019: 238k
April 2018: 215k

+26.2%

Number of KYC Lite Accounts
April 2019: 260k
April 2018: 206k

-22.5%

Number of Transactions
April 2019: 22.5m
April 2018: 29.0m

+52.1%

Value of Transactions
April 2019: 16.6b
April 2018: 11.0b

+31.0%

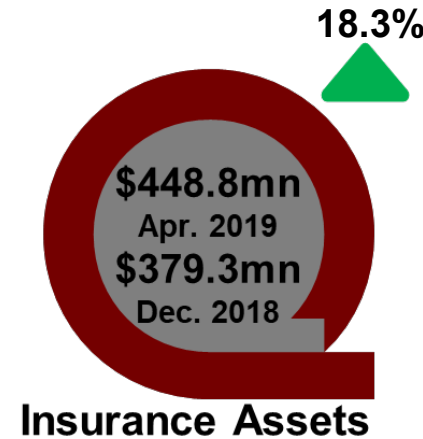
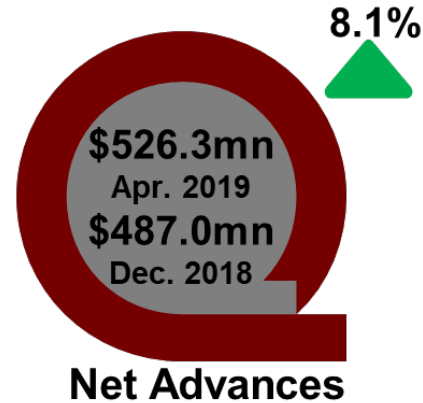
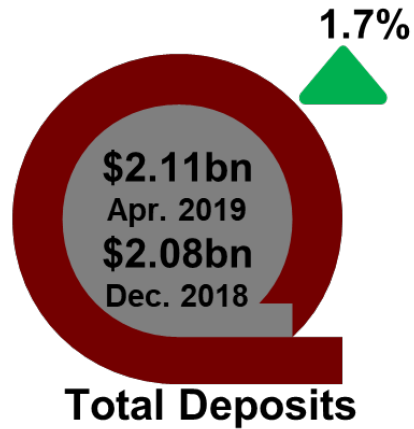
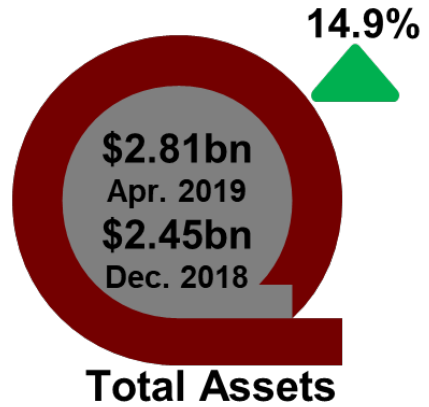
CBZ Touch Subscribers
April 2019: 351k
April 2018: 268k

Milestones – Subsidiary Market Shares

Subsidiary	Market Share (%)	Rank	Number of Players
CBZ Bank – (Deposits – April 2019)	16.6%	1	16
Datvest – (FUM – Dec. 2018)	6.0%	3	16
CBZ Insurance – (GPW – Sep. 2018)	5.3%	7	21
CBZ Life – (GPW – Sep. 2018)	2.8%	8	11
CBZ Risk Advisory – (Premium Written – Sep. 2018)	5.5%	7	32

Consolidated Statement of Financial Position

Period – as at April 2019

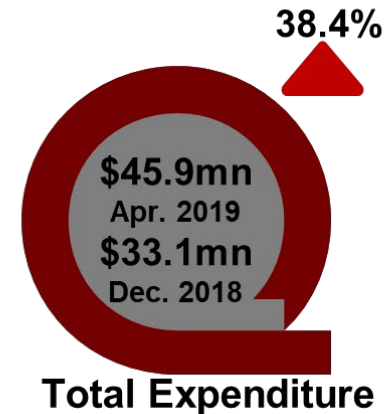
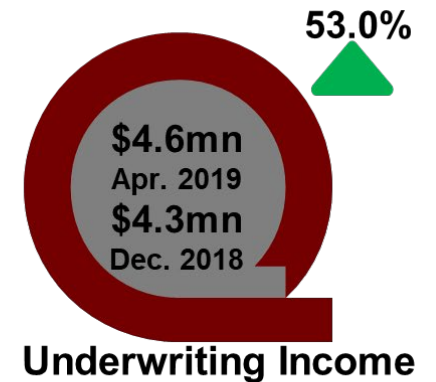
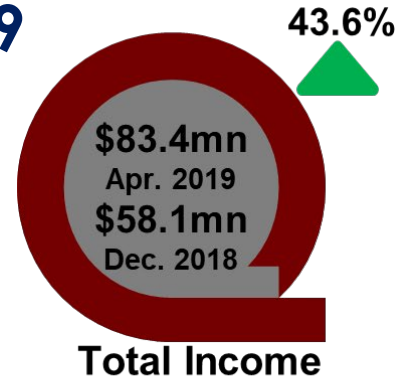


Comments

- Total asset growth driven by **growth in total deposits and profitability.**
- A well diversified "FUM" portfolio yielded **positive returns despite subdued performance on the stock market** during the quarter.
- Insurance assets increased due to **growth in underwritten business, as a result of continuous product review and expansion of distribution channels.**

Consolidated Statement of Comprehensive Income

Period – 4 Months to April 2019

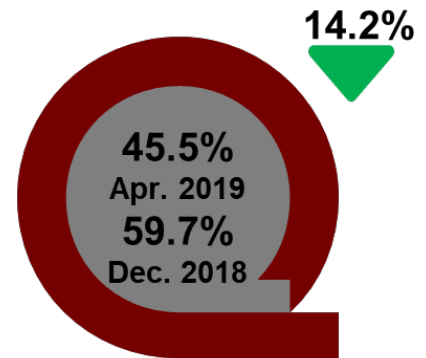


Comments

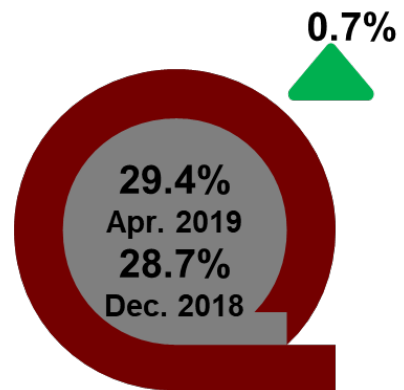
- Strong income generation and diversification supported by investment in new products and technologically driven channels.
- Increase in expenditure contained to below prevailing inflation levels.
- Increased market presence in the insurance sector has resulted in an increase in Underwriting income.

Consolidated Performance Ratios

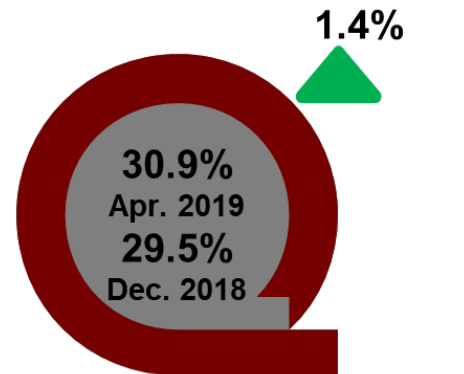
Period – 4 Months to April 2019



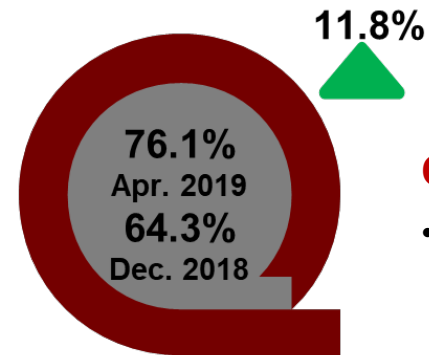
Cost to Income Ratio



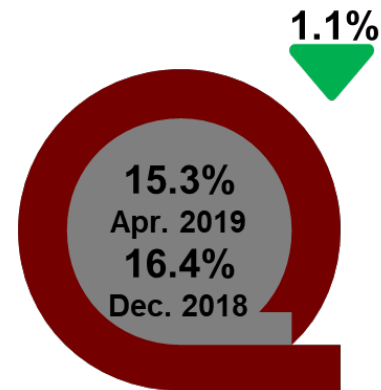
Capital Adequacy Ratio



Loans to deposits ratio



Liquidity Ratio



NPL Ratio

Comments

- Cost-to-Income ratio improved owing to **43.6% revenue growth**.
- The liquidity position of the Group remained **sound with a ratio above the regulatory ratio of 30%**.
- Capital adequacy levels for all the Group's subsidiaries are **above the regulated levels**.
- NPL continue to be the focal point for the Group. The ultimate objective is to **achieve single digit NPL figures**.



4. Corporate Social Responsibility

Corporate Social Responsibility

Pillar	Initiative	Impact
Education	YEP - Young Entrepreneurship Programme	<ul style="list-style-type: none"> – The YEP program provides youths with skills on how they can come up with businesses that will enable them to earn a living not only for themselves but for the communities as their businesses will provide employment for fellow youths in their communities including rural areas. – The program has produced more than 2 000 entrepreneurs in the country to date, with 40% of the entrepreneurs running registered enterprises.
	Tariro Trust	<ul style="list-style-type: none"> – CBZ partnered Tariro Trust an organization that helps orphaned and vulnerable children, (with emphasis on the marginalized girl child) to have access to quality education. – CBZ made a donation towards the payment of school fees for 30 Children (22 Secondary School students; 7 Disadvantaged girls at universities and polytechnics and 1 physical challenged student at Danhiko.
	Manyiri Primary School	<ul style="list-style-type: none"> – The school has an enrolment of 609 from ECD to Grade 7 and the ECD children are learning from an old disused staff house with no desks and no proper ventilation. – Building of a 3 classroom Block and fully furnishing the classrooms with desks and chairs.
	Primary Schools Debate Championship	<ul style="list-style-type: none"> – The initiative helps encourage a culture of reading and research in students. – The experience also helps pupils to gain exposure and gain confidence to participate in front of an audience which can be viewed as a key area in the creation of future leaders. – The initiative also helps nurture the talent of up and coming debaters at an early stage of their development.

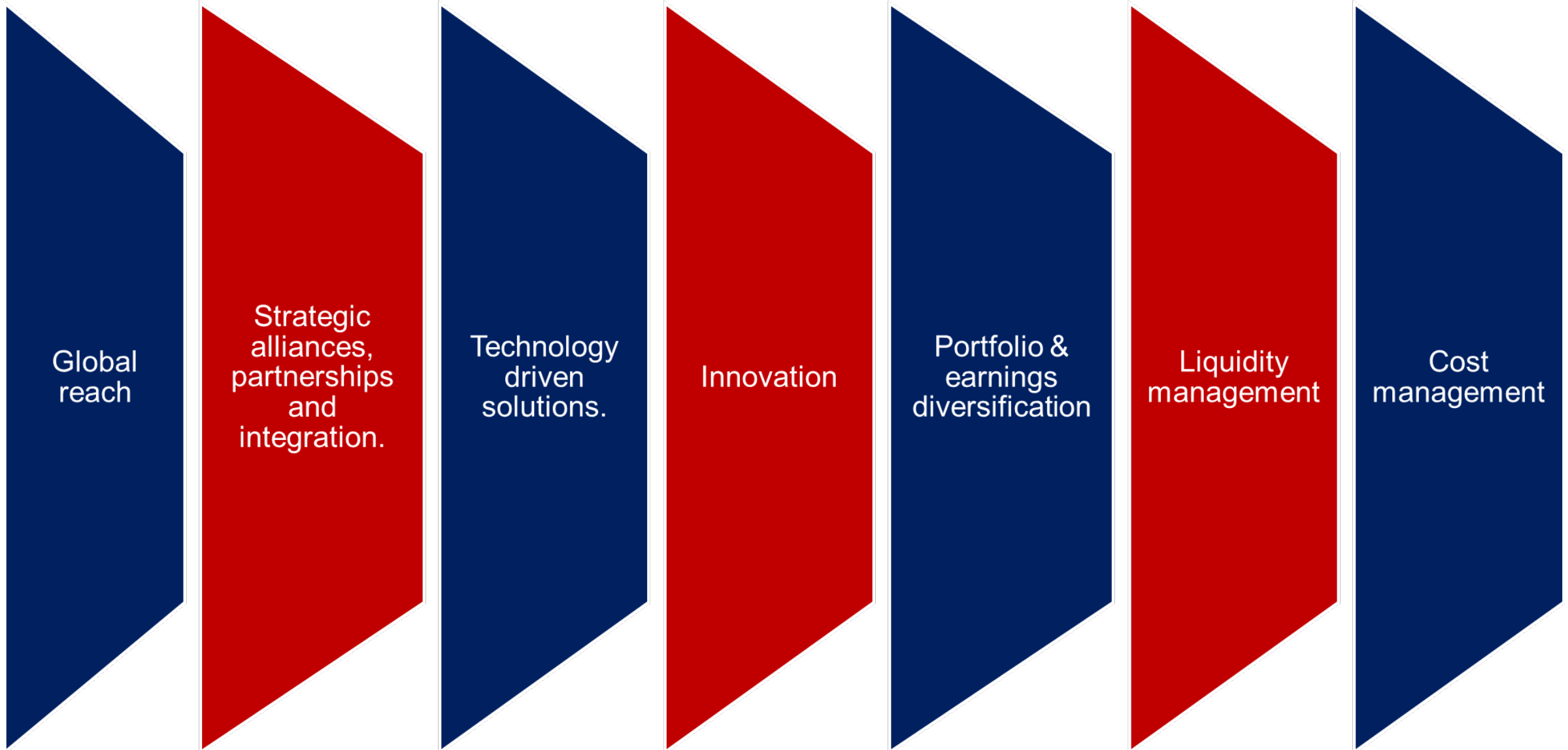
Corporate Social Responsibility

Pillar	Initiative	Impact
Philanthropy	International SMEs Indaba	<ul style="list-style-type: none"> – CBZ facilitated Business to Business (B2B) meetings to all the SMEs that attended the Indaba linking them with local and International delegates. – The CBZ SMEs Indaba managed to empower the delegates that attended by reducing the knowledge gap through learning and interacting.
	Water Tanks - Harare cholera outbreak	– 10 x 5,000ltrs Tanks were installed for use at the most Cholera affected areas in Glenview, Budiriro and Mufakose areas in Harare.
	Boreholes	– CBZ donated Bush Pump operated boreholes to Ruvimbo and Chemagamba Primary in Chinhoyi. The borehole water would help the children, teachers and the close by communities.
	Insiza Bridge Project	<ul style="list-style-type: none"> – A link was created between the people of Ntabazinduna, Mberengwa, Filabusi, Shangani, Bulawayo and Mbalabala. – School children also benefited as the bridge creates an easy passage for them when going to school.
The Arts	Participation in the 'India in the Sunshine City' Festival	<ul style="list-style-type: none"> – CBZ partnered in the, 'India in the Sunshine Festival', an initiative aimed at strengthening cultured ties between Zimbabwe and India. – The Festival gives that an opportunity to cross sell their product and create international linkages.
Wellness	CBZH Marathon	– Organised the CBZ Harare Marathon that gave the Group a huge opportunity to profile the CBZ brand as a responsible and responsive corporate citizen.



5. CBZH's Strategic Choices- 2019-2025

CBZH Strategic Choices – 2019-2025





Thank You!!