

FIRST MUTUAL

H O L D I N G S L I M I T E D

Go Beyond

LIFE | HEALTH | INSURANCE | REINSURANCE | SAVINGS | PROPERTY

Reviewed Abridged Consolidated Group Financial Results for the Six Months Ended 30 June 2021

Short-form Financial Announcement

This short form financial announcement has been issued in terms of the Zimbabwe Stock Exchange (ZSE) Practice note 13.

This short-form financial announcement is only a summary of the information contained in the reviewed abridged consolidated financial statements for the six months ended 30 June 2021. Any investment decision by investors and/or shareholders should be based on consideration of the reviewed abridged consolidated financial results for the six months ended 30 June 2021. The reviewed abridged consolidated financial statements have been released on the ZSE Data Portal: www.zse.co.zw and the Company's website: <https://firstmutualholdingsinvestor.com/>.

Financial performance

The summarised financial statement

	Inflation adjusted			Historical cost*		
	30-Jun-21 ZWL000	30-Jun-20 ZWL000	Change from comparative %	30-Jun-21 ZWL000	30-Jun-20 ZWL000	Change from comparative %
Gross Premium Written (GPW)	5,363,492	3,135,612	71%	5,029,666	983,836	411%
Net Premium Earned	3,674,380	2,100,886	75%	3,383,210	631,018	436%
Rental income	208,737	136,104	53%	191,427	38,755	394%
Investment income	1,552,467	942,223	65%	2,107,844	1,080,382	95%
Profit/(loss) before income tax	(1,054,383)	6,714,077	-116%	661,474	4,833,459	-86%
Profit/(loss) for the period	(1,011,479)	4,792,615	-121%	481,986	3,405,916	-86%

	Inflation adjusted			Historical cost*		
	30-Jun-21 ZWL000	31-Dec-20 ZWL000	Change from comparative %	30-Jun-21 ZWL000	31-Dec-20 ZWL000	Change from comparative %
Total assets	19,003,072	18,727,668	1%	18,515,344	14,990,970	24%
Cash generated from operations	625,288	(1,379,171)	145%	476,741	(13,664)	3,589%

	Inflation adjusted			Historical cost*		
	30-Jun-20	31-Dec-20	Change from comparative %	30-Jun-20	31-Dec-20	Change from comparative %
Headline earnings per share (cents)	(121.42)	421.08	-129%	47.73	277.73	-83%
Basic earnings per share (cents)	(110.78)	425.51	-126%	52.25	279.69	-81%

*The historical cost information has been shown as supplementary information for the benefit of users. The historical cost information does not comply with the International Financial Reporting Standards in that it has not taken into account the requirements of International Accounting Standard 29 – Financial Reporting in Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on this historic financial information and company financial information.

Dividend

On 10 September 2021 the Board resolved that an interim dividend of \$35 million, being 4.82 Zimbabwe cents per share, be declared from the profits of the Company for the six months ended 30 June 2021. The dividend will be payable on or about 15th October 2021 to all shareholders of the Company registered on the close of business on 8th October 2021. The shares of the company will be traded cum-dividend on the ZSE up to 5th October 2021 and ex-dividend as from 6th October 2021.

Review opinion

The Group's inflation adjusted interim financial statements from which these abridged results have been extracted have been reviewed by the Group's external auditors, Ernst & Young Chartered Accountants (Zimbabwe), who have issued an adverse review conclusion as a result of non-compliance with International Accounting Standard 21, "The Effects of Changes in Foreign Exchange Rates" in prior year and International Accounting Standard 8, "Accounting Policies, Changes in Accounting Estimates and Errors"; and valuation of investment property, due to lack of market evidence to support property valuation inputs. The auditor's review conclusion on the Group's inflation adjusted interim financial statements is available for inspection at the Company's registered office. The engagement partner for this review is Mr Fungai Kuipa (PAAB Practising Certificate Number 335)

Directors: A R T Manzai (Chairman), D Hoto* (Group Chief Executive Officer), W M Marere* (Group Finance Director) G Baines, F Mabena, M Mangoma, A Masiwa, E Mkondo, E K Moyo, M Mukondomi, S V Rushwaya (* Executive Director)

FIRST MUTUAL HOLDINGS LIMITED, First Mutual Park, 100 Borrowdale Road, Borrowdale, Harare, Zimbabwe | P O Box BW 178, Borrowdale, Harare
Tel: +263 (242) 886 000 - 17 | E-mail: info@firstmutualholdings.co.zw | Website: www.firstmutual.co.zw