

SUMMARY OF UNAUDITED CONSOLIDATED RESULTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

PAT MK32.64 BN UP BY 169%	TOTAL INCOME MK90.61 BN UP BY 112%	TOTAL OPERATING COSTS MK31.05 BN UP 44%	COST TO INCOME RATIO 34% DOWN FROM 51%	TOTAL ASSETS MK972.88 BN UP BY 48%	CUSTOMER DEPOSITS MK648.60 BN UP BY 20%	NET LOANS MK185.23 BN UP BY 20%	NPL RATIO 4.80% DOWN FROM 4.9%
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SUMMARY STATEMENT OF COMPREHENSIVE INCOME

	Consolidated Unaudited 6 months to 30-Jun-24	Consolidated Unaudited 6 months to 30-Jun-23	Consolidated Audited 12 months to 31-Dec-23	Separate Unaudited 6 months to 30-Jun-24	Separate Unaudited 6 months to 30-Jun-23	Separate Audited 12 months to 31-Dec-23
	Mk'Million	Mk'Million	Mk'Million	Mk'Million	Mk'Million	Mk'Million
Interest income	98,802	49,865	111,896	98,802	49,865	111,897
Interest expense	(30,887)	(17,390)	(44,202)	(30,887)	(17,390)	(44,202)
Net Interest Income	67,915	32,475	67,694	67,915	32,475	67,695
Total non-interest income	22,694	10,204	34,950	22,335	10,204	34,819
Total operating income	90,609	42,679	102,644	90,250	42,679	102,514
Operating expenses	(31,049)	(21,615)	(48,362)	(30,795)	(21,615)	(48,166)
Profit before impairment losses	59,560	21,064	54,282	59,455	21,064	54,348
Impairment provisions	(3,931)	(2,109)	(4,561)	(3,931)	(2,109)	(4,561)
Profit before tax	55,629	18,955	49,721	55,524	18,955	49,787
Income tax expense	(22,986)	(6,798)	(20,343)	(22,954)	(6,798)	(20,365)
Profit for the period	32,643	12,156	29,378	32,570	12,157	29,422
Earnings per share (MK)	11.10	4.19	10.10	11.08	4.19	10.12
Weighted average ordinary shares in issue (million)	2,911	2,911	2,911	2,911	2,911	2,911

STATEMENT OF OTHER COMPREHENSIVE INCOME

	Consolidated Unaudited 30-Jun-24	Consolidated Unaudited 30-Jun-23	Consolidated Audited 31-Dec-23	Separate Unaudited 30-Jun-24	Separate Unaudited 30-Jun-23	Separate Audited 31-Dec-23
	Mk'million	Mk'million	Mk'million	Mk'million	Mk'million	Mk'million
Profit for the period	32,643	12,156	29,378	32,570	12,157	29,422
Items that may be reclassified subsequently to profit or loss						
Net Fair value adjustments on Malawi Government treasury notes	(328)	43	(40)	(328)	43	(40)
Total Comprehensive Income	32,315	12,199	29,338	32,242	12,200	29,382

SUMMARY STATEMENTS OF FINANCIAL POSITION

	Consolidated Unaudited 30-Jun-24	Consolidated Unaudited 30-Jun-23	Consolidated Audited 31-Dec-23	Separate Unaudited 30-Jun-24	Separate Unaudited 30-Jun-23	Separate Audited 31-Dec-23
	Mk'million	Mk'million	Mk'million	Mk'million	Mk'million	Mk'million
ASSETS						
Cash and cash equivalents	145,330	44,168	104,500	144,616	44,168	104,440
Money market investments	596,370	319,281	367,644	596,370	319,281	367,644
Loans and advances	185,231	132,226	153,816	185,231	132,226	153,816
Equity investments	131	131	131	431	131	431
Property, plant and equipment	20,343	11,302	14,240	20,264	11,256	14,163
Intangible assets	11,336	6,435	7,933	11,305	6,435	7,928
Other receivables	9,441	10,931	6,871	9,916	10,900	7,124
Right of use assets	3,671	3,121	2,581	3,633	3,121	2,580
Deferred Tax Asset	1,023	-	-	1,027	-	-
Total Assets	972,876	527,595	657,716	972,793	527,518	658,126
LIABILITIES AND EQUITY						
Liabilities						
Deposits from customers	648,599	417,513	538,527	648,899	417,525	538,868
Other borrowings	8,076	6,161	8,493	8,076	6,161	8,493
Deferred tax liability	-	1,095	447	-	1,065	440
Deposits from other banks and financial institutions	194,366	45,008	26,570	194,366	45,008	26,570
Lease liability	6,431	4,996	4,811	6,391	4,996	4,811
Other liabilities	37,432	8,042	28,845	37,088	7,953	28,847
Total Liabilities	894,904	482,815	607,693	894,820	482,708	608,029

Equity

	Consolidated Unaudited 30-Jun-24	Consolidated Unaudited 30-Jun-23	Consolidated Audited 31-Dec-23	Separate Unaudited 30-Jun-24	Separate Unaudited 30-Jun-23	Separate Audited 31-Dec-23
	Mk'million	Mk'million	Mk'million	Mk'million	Mk'million	Mk'million
Share capital	1,455	1,455	1,455	1,455	1,455	1,455
Share premium	12,104	12,104	12,104	12,104	12,104	12,104
Fair value through other comprehensive income reserve	(12)	204	121	(12)	204	121
Retained earnings	64,425	31,017	36,343	64,426	31,047	36,417
Total Liabilities & Equity	972,876	527,595	657,716	972,793	527,518	658,126

SUMMARY STATEMENTS OF CHANGES IN EQUITY

	Consolidated Unaudited 30-Jun-24	Consolidated Unaudited 30-Jun-23	Consolidated Audited 31-Dec-23	Separate Unaudited 30-Jun-24	Separate Unaudited 30-Jun-23	Separate Audited 31-Dec-23
	Mk'million	Mk'million	Mk'million	Mk'million	Mk'million	Mk'million
As at the beginning of the year	50,023	37,122	34,801	50,097	37,151	34,831
Other equity movements	(328)	13	(40)	(328)	14	(40)
Profit for the year	32,643	12,156	29,378	32,570	12,156	29,422
Dividend paid	(4,366)	(4,511)	(14,116)	(4,366)	(4,511)	(14,116)
As at the end of year	77,972	44,780	50,023	77,973	44,810	50,097

SUMMARY STATEMENT OF CASH FLOWS

	Consolidated Unaudited 30-Jun-24	Consolidated Unaudited 30-Jun-23	Consolidated Audited 31-Dec-23	Separate Unaudited 30-Jun-24	Separate Unaudited 30-Jun-23	Separate Audited 31-Dec-23
	Mk'million	Mk'million	Mk'million	Mk'million	Mk'million	Mk'million
Cashflows from operating activities						
Profit before income tax expense	55,629	18,954	49,721	55,524	18,954	49,788
Adjustments for non-cash items included within the income statement	64,075	39,767	74,678	63,975	39,767	74,342
Increase in interest earning assets	(258,454)	(55,283)	(108,262)	(258,677)	(55,283)	(108,544)
Increase in deposits and other liabilities	276,613	59,160	163,878	276,263	59,160	164,281
Interest paid	(30,887)	(17,390)	(44,202)	(30,887)	(17,390)	(44,202)
Interest received	(98,802)	(49,865)	(111,896)	(98,802)	(49,865)	(111,898)
Direct taxation paid	(16,554)	(7,691)	(15,502)	(16,554)	(7,691)	(15,502)
Net cash generated from operating activities	53,394	22,432	96,819	52,616	22,432	96,669
INVESTING ACTIVITIES						
Acquisition of property and equipment	(11,094)	(8,480)	(13,820)	(11,016)	(8,480)	(13,727)
Proceeds from disposal of property and equipment	-	15	22	-	15	19
Net cash used in investing activities	(11,094)	(8,465)	(13,798)	(11,016)	(8,465)	(13,708)
FINANCING ACTIVITIES						
Net proceeds from loans and borrowings	3,468	(526)	1,053	3,468	(526)	1,053
Dividends declared and paid	(4,366)	(4,511)	(14,116)	(4,366)	(4,511)	(14,116)
Interest on lease liability	(856)	(520)	(1,028)	(850)	(520)	(1,028)
Repayment of lease liabilities	(40)	(168)	(354)	-	(168)	(354)
Net cash used in financing activities	(1,794)	(5,725)	(14,445)	(1,748)	(5,725)	(14,445)
Net movement in cash and cash equivalents	40,506	8,242	68,576	39,852	8,242	68,516
Cash and cash equivalents at beginning of the year	104,500	32,812	32,812	104,440	32,812	32,812
Effects of exchange rate changes	324	3,113	3,112	324	3,113	3,112
Cash and cash equivalents at end of the year	145,330	44,167	104,500	144,616	44,167	104,440

REGULATORY DISCLOSURES

1. IMPAIRMENT LOSSES /NON PERFORMING CREDIT FACILITIES AND EXPECTED CREDIT LOSSES BY INDUSTRY SECTOR

Sector	30-Jun-24		Expected credit loss (stage 3) MK'm	30-Jun-23		Expected credit loss (stage 3) MK'm
	Outstanding Amount	Impaired Amount		Outstanding Amount	Impaired Amount	
Agriculture	6,651	920	717	2,507	606	406
Manufacturing	6,545	509	259	7,864	90	61
Electricity, gas, water and energy	34,218	3	2	11,140	-	-
Construction	2,918	1,593	1,240	3,434	956	641
Wholesale&Retail	16,470	3,411	2,564	10,465	2,362	1,108
Restaurants & Hotels	1,527	1,304	990	1,328	824	552
Transport	1,600	326	254	2,472	280	189
Financial Services	6,758	-	-	7,482	5	3
Community	120,690	4,093	1,979	90,979	2,099	1,368
Real Estate	44	32	13	99	99	66
Total	197,421	12,191	8,018	137,770	7,321	4,394

2. CREDIT CONCENTRATION

Total credit facilities including guarantees, acceptances and other similar commitments extended by the bank to any one customer or group of related customers where amounts exceeded 25% of core capital.

SECTOR OF BORROWER

	Mk'm	30-Jun-24 % of Core Capital	Mk'm	30-Jun-23 % of Core Capital
Agriculture	-	0.0%	-	0.0%
Water	29,952	47.4%	-	0.0%
Electricity	-	0.0%	11,140	27.9%

3. LOANS TO DIRECTORS, SENIOR MANAGEMENT AND OTHER RELATED PARTIES

	30-Jun-24 MK'm	30-Jun-23 MK'm
Directors		
Balance at the beginning of the period	231	195
Loans granted during the period	400	151
Repayments	(33)	(14)
Balance at end of the period	598	231
Other related parties		
Balance at the beginning of the period	1,590	391
Loans granted during the period	48	2,608
Repayments	(1,015)	(1,408)
Balance at end of the period	623	1,590
Senior management officials		
Balance at the beginning of the period	795	664
Loans granted during the period	740	370
Repayments	(24)	(240)
Balance at end of the period	1,511	795
Total related party lending as a % of Capital	4%	10%

INVESTMENTS IN SUBSIDIARIES

Name of subsidiary	Number of shares 30-Jun-24	Number of shares 30-Jun-23	Percentage Holding 30-Jun-23	Percentage Holding 30-Jun-23
NBS Forex Bureau	7,000,000	100%	7,000,000	100%

LENDING RATES

Reference rate	30-Jun-24	30-Jun-23
Lending rate spread above reference rate	0% to 10%	0% to 10%
Foreign Currency facilities rate	8% to 10%	8% to 10%

DIRECTORS' REMUNERATION AND EMPLOYEE BONUSES

	30-Jun-24 MK'm	30-Jun-23 MK'm
Directors' remuneration	48	26
Total bonuses payable to employees	2,815	2,131

DEPOSIT RATES

Type of Deposit	30-Jun-24 Rate %	30-Jun-23 Rate %
Malawi Kwacha		
Current account	0.10	0.10
Savings	2.00	2.00
7 Day Notice	5.00	5.00
30 Day Notice	5.50	5.50
2 Months	6.50	6.50
3 Months	6.00	6.00
6 Months	Negotiable	Negotiable
9 Months	Negotiable	Negotiable
12 Months	Negotiable	Negotiable

Foreign Currency Denominated Accounts (FCDAs)

USD	0.75	0.75
GBP	1.00	1.00
ZAR	0.60	0.60
EUR	0.75	0.75

PERFORMANCE

The Bank recorded a consolidated Profit After Tax (PAT) of MK32.65 billion compared to a consolidated PAT of MK12.16 billion reported in a similar period of 2023 representing a year-on-year increase of 169%. Total comprehensive income amounted to MK32.32 billion, 165% above the MK12.20 billion reported in the half year ended 30 June 2023.