



Standard Bank PLC

RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

AUDITED SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS



SUMMARY INCOME STATEMENTS

For the year ended
31 December 2024

	Consolidated		Separate	
	2024 MKm	2023 MKm	2024 MKm	2023 MKm
Interest income	185,245	132,384	185,002	132,373
Interest expense	(9,171)	(9,549)	(9,196)	(9,616)
Net interest income	176,074	122,835	175,806	122,757
Fee and commission income	35,954	29,125	35,954	29,125
Fee and commission expense	(7,991)	(5,483)	(7,991)	(5,483)
Net fee and commission income	27,963	23,642	27,963	23,642
Trading income	48,306	52,914	44,593	50,112
Other operating income	1,008	600	1,052	701
Other gains on financial instruments	225	430	225	430
Total operating income	253,576	200,421	249,639	197,642
Credit impairment charges	(23,558)	(15,108)	(23,540)	(15,108)
Income after credit impairment charges	230,018	185,313	226,099	182,534
Staff costs	(37,132)	(32,031)	(36,476)	(32,031)
Depreciation and amortisation	(6,171)	(5,362)	(6,171)	(5,362)
Other operating expenses	(50,455)	(42,221)	(50,008)	(42,081)
Total expenditure	(93,758)	(79,614)	(92,655)	(79,474)
Profit before equity accounted earnings and income tax expense	136,260	105,699	133,444	103,060
Share of post-tax profit from joint venture	195	49	195	49
Profit before income tax expense	136,455	105,748	133,639	103,109
Income tax expense	(50,090)	(53,228)	(49,180)	(52,436)
Profit for the year attributable to ordinary shareholders	86,365	52,520	84,459	50,673
Earnings per share				
Basic and diluted (MK per share)	367.51	223.49	359.40	215.63



SUMMARY STATEMENTS OF OTHER COMPREHENSIVE INCOME

For the year ended
31 December 2024

	Consolidated		Separate	
	2024 MKm	2023 MKm	2024 MKm	2023 MKm
Profit for the year	86,365	52,520	84,459	50,673
Items that will not be reclassified to profit or loss				
Net revaluation gain on property	5,005	5,286	5,005	5,286
Items that may be reclassified subsequently to profit or loss				
Net change in expected credit losses	2	19	2	19
Net change in debt financial assets measured at fair value through other comprehensive income (OCI)	1	(60)	1	(60)
	3	(41)	3	(41)
Total comprehensive income for the year attributable to ordinary shareholders	91,373	57,765	89,467	55,918



SUMMARY STATEMENTS OF CHANGES IN EQUITY

For the year ended
31 December 2024

	Consolidated		Separate	
	2024 MKm	2023 MKm	2024 MKm	2023 MKm
Opening equity	193,817	148,052	187,350	143,432
Dividend declared	(25,405)	(12,000)	(25,405)	(12,000)
Profit for the year	86,365	52,520	84,459	50,673
Movement in other reserves	5,008	5,245	5,008	5,245
Closing equity	259,785	193,817	251,412	187,350
Dividend per share (tambala)	10,811	5,106	10,811	5,106
Number of ordinary shares in issue (million)	235	235	235	235
Market price per share (MK)	6,483.95	3,950.00	6,483.95	3,950.00



SUMMARY STATEMENTS OF FINANCIAL POSITION

As at
31 December 2024

	Consolidated		Separate	
	2024 MKm	2023 MKm	2024 MKm	2023 MKm
Assets				
Cash and balances held with the Central Bank	197,187	152,232	196,951	152,118
Derivative assets	2,772	798	2,772	798
Trading assets	36,862	22,644	36,862	22,644
Loans and advances to banks and other financial institutions	233,660	239,739	230,623	239,546
Loans and advances to customers	378,343	294,300	378,343	294,300
Financial investments	394,899	335,019	394,899	335,019
Investment in subsidiaries	-	-	100	100
Other assets	31,991	25,989	32,335	26,030
Property, equipment and right-of-use assets	36,103	29,102	36,103	29,102
Intangible assets	11,143	12,693	11,143	12,693
Deferred tax assets	9,685	-	9,677	-
Total assets	1,332,645	1,112,516	1,329,808	1,112,350
Liabilities				
Derivative liabilities	808	1,617	808	1,617
Deposits and loans from banks	38,552	21,569	38,552	21,569
Deposits from customers	928,034	790,639	934,071	797,124
Other liabilities	71,606	52,109	71,603	52,110
Income tax payable	20,841	29,619	20,343	29,433
Provisions	13,019	21,102	13,019	21,102
Deferred tax liabilities	-	2,044	-	2,045
Total liabilities	1,072,860	918,699	1,078,396	925,000
Equity				
Share capital	235	235	235	235
Share premium	8,491	8,491	8,491	8,491
Revaluation reserve	22,728	17,723	22,728	17,723
Fair value through OCI reserve	348	345	348	345
Retained earnings	227,983	167,023	219,610	160,556
Total equity	259,785	193,817	251,412	187,350
Total liabilities and equity	1,332,645	1,112,516	1,329,808	1,112,350



SUMMARY STATEMENTS OF CASH FLOWS

For the year ended
31 December 2024

	Consolidated		Separate	
	2024 MKm	2023 MKm Restated*	2024 MKm	2023 MKm Restated*
Operating activities				
Profit before income tax expense	136,455	105,748	133,639	103,109
Adjustment for non-cash items included within the income statement	(148,945)	(100,056)	(148,695)	(99,978)
Increase in income-earning and other assets	(210,523)	(80,437)	(210,456)	(80,484)
Increase in deposits and other liabilities	159,711	134,310	159,259	136,054
Interest paid	(9,013)	(9,687)	(9,038)	(9,754)
Interest received	185,402	119,974	185,159	119,963
Income tax paid	(70,450)	(37,573)	(69,853)	(36,559)
Net cash flows generated from operating activities	42,637	132,279	40,015	132,351
Investing activities				
Capital expenditure on property, equipment and intangible assets	(5,578)	(7,771)	(5,578)	(7,771)
Proceeds from sale of property and equipment	135	37	135	37
Net cash flows used in investing activities	(5,443)	(7,734)	(5,443)	(7,734)
Financing activities				
Principal lease repayments	(364)	(458)	(364)	(458)
Dividends paid	(23,456)	(8,237)	(23,456)	(8,237)
Net cash flows used in financing activities	(23,820)	(8,695)	(23,820)	(8,695)
Net increase in cash and cash equivalents	13,374	115,850	10,752	115,922
Cash and cash equivalents at the beginning of the year	382,452	184,494	382,338	184,308
Effects of exchange rate changes	5,108	82,108	5,108	82,108
Cash and cash equivalents at the end of the year	400,934	382,452	398,198	382,338

NOTES TO THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Impairment losses/Non-Performing credit facilities and expected credit losses by Industry sector

	As at 31 December 2024			As at 31 December 2023		
	Outstand-ing Amount	Impaired amount	Stage 3 expected credit losses	Outstanding Amount	Impaired amount	Stage 3 expected credit losses
	MKm	MKm	MKm	MKm	MKm	MKm
Agriculture	95,990	130	113	86,554	103	76
Manufacturing	46,407	967	809	9,086	862	807
Construction	25,052	11,957	5,524	8,134	1,662	940
Energy/Electricity	9,310	1,243	225	7,381	124	84
Transport	18,307	1,100	804	12,610	614	426
Communication	21,910	-	-	26,792	-	-
Financial services and other business services	717	-	-	1,375	53	53
Wholesale/Retail	32,862	1,631	1,410	33,606	1,593	1,020
Individuals, community, social and personal services	150,519	6,343	5,188	122,319	4,805	4,096
Real estate	2,469	-	-	3,252	-	-
Tourism	3,415	2	2	1,290	3	3
Total	406,958	23,373	14,075	312,399	9,819	7,505

Credit concentrations

There were no credit facilities including guarantees, acceptances and other similar commitments extended to any one customer or group of related customers where amounts exceeded 25% of our core capital (2023: nil).

Loans to directors, senior management and other related parties

	As at 31 December 2024 MKm	As at 31 December 2023 MKm
Directors		
Balance at beginning of the year	144	162
Loans granted during the year	-	3
Repayments	(26)	(21)
Balance at end of the year	118	144

	As at 31 December 2024 MKm	As at 31 December 2023 MKm
Other related parties		
Balance at beginning of the year	3,300	76
Loans granted during the year	2,217	3,238
Repayments	(3,127)	(14)
Balance at end of the year	2,390	3,300

	As at 31 December 2024 MKm	As at 31 December 2023 MKm
Senior management officials		
Balance at beginning of the year	1,614	1,497
Loans granted during the year	678	542
Repayments	(324)	(425)
Balance at end of the year	1,968	1,614
Total loans to directors, senior management and other related parties	4,476	5,058
Proportion of loans to directors, senior management and other related parties to core capital	2%	3%

Investment in subsidiaries

Name of Subsidiary	Number of shares	Percentage holding	Current year MKm	Previous year MKm
Standard Bank Bureau De Change Limited	99,999,999	100%	100	100
Standard Bank Nominees Limited	19,999	100%	-	-

Lending rate

	As at 31 December 2024	As at 31 December 2023
Base lending rate (local currency)	25.3%	23.6%
Maximum applicable range (percentage points)	11.0%	11.0%
Lending rate (foreign currency loans)	4.5%-12.8%	3.9%-14.7%
Reserve Bank of Malawi Policy rate	26.0%	24.0%

Directors' remuneration, bonuses and group directional fees

	31 December 2024 MKm	31 December 2023 MKm
Directors' remuneration		
- Directors fees	115	93
- Directors expenses	175	167
- Executive director's remuneration	659	441
Total bonuses paid to all staff	4,150	3,067
Group directional fees to holding company (formerly Franchise fees)	2,049	5,899

Deposit rates

Type of deposit	As at 31 December 2024 Rate	As at 31 December 2023 Rate
Malawi Kwacha		
Current account	0%	0%
Call	2%	2%
Notice	3.5%	3.5%
Savings	3%	3%
Pure save	4%	4%
Contract save	5%-8%	5%-8%
1 month fixed	4%	4%
2 months fixed	4.5%	4.5%
3 months fixed	5%	5%
More than 3 months fixed	negotiable	negotiable
Foreign currency denominated accounts (FCDAs)		
USD	0.37%	0.37%
GBP	0.10%	0.10%
EUR	0%	0%
ZAR	0%	0%



FINANCIAL REVIEW

We are pleased to present the summary of the audited financial results of the Group for the year ended 31 December 2024.

Economic highlights

The domestic economy is estimated to have grown by 1.8% in 2024 (2023: 1.9%); the slow growth being a result of numerous challenges which dampened the level of economic activities across all sectors. During the 2023/24 main farming season, agricultural production was adversely impacted by El Nino weather phenomenon which in turn weighed down performance of the export sector. Worse still, supply shortages persisted in the foreign exchange market while farm input costs soared. Headline inflation increased significantly to average 32.2% in 2024 (2023: 28.8%); mainly due to food inflation, foreign exchange scarcity and fuel shortages which raised prices of imports and transportation. The Kwacha depreciated by 3% to close the year trading at MK1,749.93/US\$, from MK1,698.79/US\$ at the close of 2023. The Policy rate was increased in the year to close at 26% (2023: 24%) as authorities strived to contain inflation. The local currency Liquidity Reserve Requirement (LRR) was raised by 2.25% in 2024 to close at 10.00%. The first review of the International Monetary Fund's (IMF) four-year Extended Credit Facility (ECF) programme worth US\$174 million had not yet been concluded at the end of the year.

Performance

The Group demonstrated remarkable resilience and experienced growth despite the challenging economic environment characterised by high inflation and disparities in the supply and demand for foreign currency. Despite these obstacles, the Group's revenue surged, supported by an expanding loan portfolio and effective strategy execution. Cost increases were effectively managed, ensuring they remained below inflation rates even as the Malawi Kwacha depreciated by an average of 3% against the United States Dollar in 2024. This depreciation had an impact on the prices of goods and services denominated in foreign currencies.

The Group reported a profit after tax of MK86.4 billion, reflecting a 64% increase from the previous year. Total revenue rose by 27% year-on-year, primarily driven by a 43% surge in net interest income. This rise in net interest income stemmed from a 29% increase in loans and advances to customers and an 18% increase in financial investments. Furthermore, net interest income was positively impacted by rising reference rates, which escalated from 23.6% in December 2023 to 25.3% in December 2024, alongside an average yield increase of 2% across all tenors of government securities.

Non-interest revenue remained steady year-on-year. While net fees and commissions increased by 18%, primarily due to higher transaction volumes, this growth was partially offset by regulatory restrictions that removed fees for certain services. Furthermore, trading revenue decreased by 9%, primarily because of lower trading volumes caused by a shortage of foreign currency.

Credit impairments increased by 56% compared to the previous year, primarily due to a growing customer loan portfolio and downgrades. Additionally, the deteriorating macroeconomic conditions exacerbated the rise in credit impairments, thus impacting forward-looking impairment drivers associated with financial investments and loans extended to customers and banks. The Group remains committed to recovering previously written-off loans and upholding prudent risk management and responsible lending practices.



Standard Bank PLC RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

AUDITED SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Operating costs increased by 18% year-on-year, primarily due to persistent inflationary pressures impacting the prices of goods and services. Additionally, a one-time exchange loss from foreign currency liabilities, resulting from a 3% depreciation of the Malawi Kwacha in March 2024, contributed to this increase. Furthermore, the Group made strategic investments in its core banking system to enhance operational efficiency and improve customer experience. Notably, the cost-to-income ratio improved from 40% in the previous year to 37%, reflecting the Group's effective cost management and strong revenue growth. Earnings per share for the year increased from MK223.49 in 2023 to MK367.51 in 2024.

Outlook

Economic headwinds will probably moderate this year, mainly driven by a more favourable agricultural output under the La Nina weather conditions. Therefore, headline inflation may ease on the back of base price effects emanating from the food markets. Inflationary pressures from a weak currency, fuel shortages and heightened government spending pose significant economic risks. Other important economic considerations in 2025 include outcomes from the IMF ECF program review and foreign policy changes in the donor community. Export-led growth will put the Malawi economy on a more sustainable trajectory.

Basis of preparation

The summary consolidated and separate financial statements are prepared in order to meet the requirements of the Financial Services Act, 2010 of Malawi for summarised financial statements and to comply with the Malawi Stock Exchange Listing Requirements which require the publication of audited results by a listed entity. The summarised financial statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"). The accounting policies applied in the preparation of the consolidated and separate financial statements from which the summary consolidated and separate financial statements were derived, are in terms of IFRS Standards, the IAS 29 Directive issued by the Institute of Chartered Accountants in Malawi (ICAM) and are consistent with the accounting policies applied in the preparation of the previous consolidated and separate financial statements.

*Restatement of statement of cash flows

During 2024, the Group performed benchmarking and internal investigations to reassess the definition of cash and cash equivalents when compiling the statement of cash flows within the definition of cash and cash equivalent under IAS 7 Statement of Cash Flows. The following have been identified as industry best practice during this exercise and have resulted in the following restatements of errors, updated accounting policies and other additional disclosures:

- Demand gross loans and advances to banks maturing within 3 months from acquisition date have been presented as part of the cash and cash equivalents line that the statement of cash flows reconciles to. These balances, amounting to MK230,220 million in the 2023 closing cash and cash equivalents balance and MK128,109 million in the opening balance, were in prior periods erroneously excluded from cash and cash equivalents. The movement in these balances, of MK102,111 million (of which MK79,267 million related to effects of exchange rate changes), was also erroneously included in the movement in income-earning assets. Both the balances and movement have now been presented in cash and cash equivalents.
- The accounting policy for cash and cash equivalent was also updated to include on demand gross loans and advances to banks maturing within 3 months from acquisition date.

Dividend

A first interim dividend of **MK5 billion** (2023: MK5 billion) was paid in February 2025 representing **MK21.31** (2023: MK21.31) per ordinary share. The directors resolved to pay a second interim dividend of **MK16.5 billion** (2023: MK7.5 billion) representing **MK70.31** (2023: MK31.96) per ordinary share. The second interim dividend will be paid on 4th April 2025 to shareholders whose names will appear on the register of members as at close of business on 28th March 2025. The register of members will be closed from 28th March 2025 to 31st March 2025. During this period, no share transactions will be conducted. The ex-dividend date will be 26th March 2025. The directors recommend a final dividend of **MK16.5 billion** (2023: MK12.9 billion) representing **MK70.31** (2023: MK54.97) per ordinary share to be tabled at the forthcoming Annual General Meeting.

NAME	DESIGNATION	SIGNATURE	DATE
1. C Kapanga	Chairperson		14 th March 2025
2. A Mkandawire	Director		14 th March 2025
3. P Madinga	Chief Executive		14 th March 2025
4. J Mhone	Chief Finance and Value Management Officer		14 th March 2025

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

To the shareholders of Standard Bank PLC

Opinion

The summary consolidated and separate financial statements, which comprise the summary consolidated and separate statements of financial position as at 31st December 2024, the summary consolidated and separate statements of profit or loss and other comprehensive income, the summary consolidated and separate statements of changes in equity and the summary consolidated and separate statements of cash flows for the year then ended, and related notes, are derived from the audited consolidated and separate financial statements of Standard Bank PLC for the year ended 31st December 2024.

In our opinion, the accompanying summary consolidated and separate financial statements are consistent in all material respects with the audited consolidated and separate financial statements, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the IAS 29 Directive issued by the Institute of Chartered Accountants in Malawi (ICAM) and in compliance with the Companies Act, 2013.

The Summary consolidated and separate financial statements

The summary consolidated and separate financial statements do not contain all the disclosures required by the IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act, 2013. Reading the summary consolidated and separate financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditor's report thereon. The summary consolidated and separate financial statements and the audited consolidated and separate financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated and separate financial statements.

The audited consolidated and separate financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 17 March 2025. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current year.

Directors' responsibility for the summary consolidated and separate financial statements

The Directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the IAS 29 Directive issued by the Institute of Chartered Accountants in Malawi (ICAM) and in compliance with the Companies Act, 2013; and for such internal control as the directors determine is necessary to enable the preparation of the summary consolidated and separate financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated, and separate financial statements are consistent in all material respects, with the audited consolidated and separate financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.



Chartered Accountants (Malawi)
MacDonald Kamoto - Partner
Registered Practicing Accountant
17 March 2025