

UNAUDITED SUMMARY CONSOLIDATED
AND SEPARATE FINANCIAL STATEMENTS

for the six-month interim period ended 30 June 2025

PROFIT
AFTER TAX

56%

↑

CUSTOMER
ADVANCES

19%

↑

CUSTOMER
DEPOSITS

40%

↑

TOTAL
ASSETS

34%

↑

TOTAL OPERATING
INCOME

38%

↑

RETURN ON
AVERAGE EQUITY

42%

CREDIT LOSS
RATIO

1.11%

COST INCOME
RATIO

36%

BUSINESS AND FINANCIAL PERFORMANCE

Group results

FMBcapital Holdings Plc (the Group or FMBCH) delivered a strong performance for the six months ended 30 June 2025, recording a **profit after tax of USD 72.9 million**, a **56% increase** over the same period in 2024. The Group achieved a **12-month rolling return on average equity (ROE) of 42%**, underpinned by continued balance sheet growth, well-managed margins, and improved operational efficiency across its regional footprint.

Financial performance highlights

- Net interest income** increased by **46%**, supported by higher yields on government securities and strong consumer lending.
- Total non-interest income** grew by **27%**, driven by growth in foreign exchange trading, digital transactions, and trade-related fees.
- Total operating income** reached **USD 176 million**, up **38%** from June 2024.
- Profit after tax** attributable to FMBCH shareholders rose to **USD 54.4 million**, an **85% increase** over the prior period.
- Loans and advances** to customers grew by **19%**, closing at **USD 866 million**.
- The **credit loss ratio** improved to **1.11%** (June 2024: 1.39%), reflecting sound risk management.
- Customer deposits** grew by **40%**, driven by strong inflows into **current and savings accounts**, which accounted for **62%** of the total deposit base as at **30 June 2025**. Total deposits exceeded **USD 1.7 billion**, underpinning the Group's **liquidity strength** and supporting continued **asset expansion**.

Profit after tax by country

USD Million	UNAUDITED			AUDITED	
	Six months ended 30 June 2025	Six months ended 30 June 2024	Year ended 31 Dec 2024	Year ended 31 Dec 2024	Period on period growth
	2025	2024	2024	2024	
Botswana	12.01	12.08	24.09		(1%)
Malawi	29.11	9.76	27.42		198%
Mauritius	–	(2.42)	(4.66)		100%
Mozambique	15.39	11.81	26.12		30%
Zambia	4.88	4.08	7.29		20%
Zimbabwe	11.49	11.51	23.26		0%
Total	72.88	46.82	103.52		56%

Strategic focus

The Group remains firmly committed to a growth-oriented strategy aimed at building a strong and scalable regional banking footprint. This is anchored in a diversified portfolio across corporate, retail, and consumer banking, complemented by targeted treasury activities. Robust risk governance ensures efficient deployment of capital and liquidity across jurisdictions, while strategic investment in digital platforms, data-driven insights, and client-centric innovation enhances access, operational efficiency, and service quality.

The Group's performance reflects a resilient and expanding brand, supported by continued investment in customer experience, technology, and talent.

Macroeconomic Impact – Malawi

The Group's reported results include a significant contribution from Malawi, where persistent inflation and foreign exchange constraints have introduced sensitivities in USD terms.

Financial reporting remains aligned with regulatory guidance, including the use of the official exchange rate and application of the Institute of Chartered Accountants in Malawi's (ICAM) IAS 29 Directive. While Malawi is not currently classified as hyperinflationary, prevailing macroeconomic conditions including exchange rate pressures and currency volatility, may result in differences between reported performance and underlying economic substance. This does not reflect a misstatement but indicates that interpretation and comparability of results may require careful consideration.

The Group continues to monitor the environment closely and remains committed to transparent disclosure and prudent financial management.

Outlook

The Group is cautiously optimistic for the second half of the year, with key priorities including deposit base growth, selective lending, and increased non-interest income. Sustained investment in digital capabilities and customer service remains a focus. The Group continues to monitor inflation and currency volatility in high-risk markets to protect earnings and preserve capital, while maintaining operational discipline and building on the momentum of the first half.

Dividend

At its meeting held on 21 June 2025, the Board resolved not to declare a final dividend for the year ended 31 December 2024, pending further clarity on capital requirements to support the Group's growth strategy. Following a reassessment in July 2025, the Board concluded that there were no material capital constraints and declared an interim dividend of USD10 625 148, which was paid on 15 August 2025, as previously announced. While classified as an interim dividend in 2025, this distribution relates to the Group's financial performance for the year ended 31 December 2024.

The Board is pleased to announce the declaration of a second interim dividend of USD7 374 750 equating to 0.30 US cents per share (June 2024: 0.21 US cents), in respect of the Group's financial performance for the six months ended 30 June 2025. This represents a 42.9% increase on the prior-year interim dividend, underscoring the Group's sustained operational momentum and strong capital position.

The dividend will be paid on or about 17 October 2025 to shareholders registered at the close of business on Friday, 3 October 2025. Shares will trade ex-dividend from Wednesday, 1 October 2025. For shareholders resident in Malawi, payment will be made in Malawi Kwacha at the USD mid-market exchange rate published by the Reserve Bank of Malawi on 3 October 2025. The Register of Members will be closed from 3 to 6 October 2025, both days inclusive, during which no share transactions will be processed.

By order of the Board

Where to find us	Mr. Terence Davidson Chairman	Mr. Busisa Moyo Director
	27 August 2025	

ADDITIONAL INFORMATION

Investment in subsidiary companies

At the end of the reporting period, the company's portfolio of investments in subsidiary companies was unchanged from the previous reporting period and comprised:

Name of entity	Nature of Business	Type of Investment	Holding %	USD'000	
			30 June 2025		
First Capital Bank Plc (Malawi)	Banking	Equity shares	100	88 033	
First Capital Bank (Zimbabwe) Limited¹	Banking	Equity shares	52.49	17 670	
First Capital Bank (Zambia)Limited	Banking	Equity shares	49	4 634	
First Capital Shared Services Limited	Shared Services	Equity shares	100	4 160	
First Capital Bank Ltd (Botswana)	Banking	Equity shares	38.6	3 047	
		Preference shares	100	–	
First Capital Bank Ltd (Botswana)²	Banking	Equity shares	80	21 366	
Total investment in subsidiary companies				138 910	

- 1 In February 2025, Afarme Zimbabwe Holdings (Private) Limited, the immediate holding company of First Capital Bank Zimbabwe, was dissolved as part of a Group restructuring to simplify the ownership structure. As a result, FMBcapital Holdings Plc obtained direct control of FCB Zimbabwe. The transaction was treated as a common control transaction and accounted for using the predecessor method, whereby assets and liabilities were carried forward at their existing book values.
- 2 In December 2024, a USD 2.5 million preference share investment in FCB Botswana was reclassified from "investment in subsidiary companies" to "other assets", in accordance with the definition of a financial asset under IFRS 9. The comparative figures for the 2024 interim period have not been restated to reflect this reclassification.

Debt and other liabilities

USD'000	UNAUDITED			AUDITED	
	As at 30 June 2025	As at 30 June 2024	As at 31 Dec 2024		
Borrowings from other banks	65 847	81 976	67 001		
Repurchase agreements	–	5 000	5 001		
Bank of Zambia – TMTRF	–	369	330		
European Investment Bank	10 894	–	12 057		
	76 741	87 345	84 389		
Maturing as follows					
Due within 1 year	65 835	70 661	74 646		
Due between 2 and 5 years	10 906	16 684	9 743		
	76 741	87 345	84 389		

Short-term borrowings from banks carry interest rates between 2% and 9%, and include facilities from the European Investment Bank (EIB), Afreximbank, and Crown Agents Bank. FCB Mozambique maintains USD 13 million in interest-free, short-term correspondent banking lines with Crown Agents Bank and CitiBank. In May 2022, FCB Zimbabwe secured a EUR 12.5 million development credit facility from the EIB, maturing in April 2029.

Subordinated debt

Notes issued by FCB Botswana	11 888	11 658	11 551
The subordinated debt notes constitute direct, subordinated and unsecured obligations and the terms are unchanged from 30 June 2024.			
Loans payable			
Related parties	5 500	6 500	5 500
Other lenders	3 000	9 467	3 000
Commercial paper	20 313	37 041	46 487
Accrued interest	264	715	878
	29 077	53 723	55 865

FCB Mozambique issued commercial paper in tranches at interest rates ranging from 12.5% to 15%. As at 30 June 2025, the outstanding balance related to tranches maturing in July 2025.

Related party loans are unsecured and repayable in full in 2026. These loans bear interest of 9% payable annually.

Exchange rate trends

Country	Currency	30 June 2025		30 June 2024		31 Dec 2024	
		Average rate	Closing rate	Average rate	Closing rate	Average rate	Closing rate
Botswana	BWP	13.39	13.32	13.66	13.51	13.59	13.72
Malawi	MWK	1 733.83	1 733.83	1 707.12	1 733.83	1 722.70	1 733.83
Mauritius	MUR	45.55	45.04	45.88	47.44	46.09	47.08
Mozambique	MZN	63.90	63.90	63.90	63.91	63.91	63.91
Zambia	ZMW	24.39	23.83	25.48	24.03	26.02	27.93
Zimbabwe	USD	1.00	1.00	1.00	1.00	1.00	1.00

Summary statements of financial position

USD'000	CONSOLIDATED			SEPARATE		
	UNAUDITED	AUDITED		UNAUDITED	AUDITED	
	As at 30 June 2025	As at 30 June 2024	As at 31 Dec 2024	As at 30 June 2025	As at 30 June 2024	As at 31 Dec 2024
ASSETS						
Cash and balances with banks	851 121	540 291	651 669	8 470	12 370	5 175
Money market investments	421 736	317 581	470 926	–	–	–
Loans and advances to customers	866 415	728 908	772 178	–	–	–
Repurchase agreements	–	5 025	5 026	–	–	–
Derivative financial assets	14 612	13 798	15 930	–	–	–
Current tax asset	3 978	1 607	2 339	–	–	–
Assets held for sale	–	2 217	–	–	–	–
Other assets	45 287	22 534	28 553	15 675	16 547	9 797
Investments at fair value through profit or loss	16 988	13 331	10 497	–	–	–
Investments at fair value through other comprehensive income	4 395	4 332	4 413	–	–	–
Investment in joint venture	12 429	14 288	13 897	–	–	–
Investment property	3 943	1 494	3 881	–	–	–
Intangible assets	8 130	5 769	7 934	1 836	2 133	1 871
Investments in subsidiary companies	–	–	–	138 910	141 386	138 910
Property and equipment and right-of-use assets	78 844	71 282	74 996	1 623	1 083	839
Deferred tax assets	3 306	2 134	4 411	–	–	–
Total assets	2 331 184	1 744 591	2 066 650	166 514	173 519	156 592
LIABILITIES AND EQUITY						
Liabilities						
Balances due to other banks	76 741	87 345	84 389	–	–	–
Customer deposits	1 719 827	1 225 697	1 514 618	–	–	–
Derivative financial liabilities	19 949	10 460	13 512	–	–	–
Other payables and provisions	68 028	81 247	63 742	699	11 100	935
Current tax liabilities	14 968	6 937	9 386	–	–	–
Loans payable	29 077	53 723	55 865	8 500	16 681	8 635
Subordinated debt	11 888	11 658	11 551	–	–	–
Convertible preference shares	10 787	10 787	10 787	10 787	10 787	10 787
Deferred tax liabilities	8 050	10 176	7 867	–	–	–
Total liabilities	1 959 414	1 498 030	1 771 717	19 986	38 568	20 357
Equity						
Share capital	117 409	117 409	117 409	117 409	117 409	117 409
Restructuring reserve	(54 511)	(54 511)	(54 511)	–	–	–
Property revaluation reserve	12 879	13 320	12 879	–	–	–
Loan loss reserve	3 528	6 143	3 925	–	–	–
Other reserves	14 021	12 612	14 155	–	–	–
Foreign currency translation reserve	(88 459)	(79 733)	(90 266)	–	–	–
Retained earnings	241 076	143 605	186 197	29 119	17 542	18 826
Total equity attributable to equity holders of the company	245 943	158 845	189 788	146 528	134 951	136 235
Non-controlling Interest	125 827	87 716	105 145	–	–	–
Total equity	371 770	246 561	294 933	146 528	134 951	136 235
Total equity and liabilities	2 331 184	1 744 591	2 066 650	166 514	173 519	156 592

Summary statements of cash flows

USD'000	CONSOLIDATED			SEPARATE		
	UNAUDITED	AUDITED		UNAUDITED	AUDITED	
	Six months ended 30 June 2025	Six months ended 30 June 2024	Year ended 31 Dec 2024	Six months ended 30 June 2025	Six months ended 30 June 2024	Year ended 31 Dec 2024
Operating activities	178 636	243 025	425 682	3 715	5 036	22 716
Investing activities	48 332	(186 358)	(267 238)	(420)	827	(834)
Financing activities	(30 796)	26 477	5 539	–	(8)	(23 298)
Net increase/(decrease) in cash and cash equivalents	196 172	83 144	163 983	3 295	5 855	(1 416)
Cash and cash equivalents at beginning of period	539 290	392 722	392 723	5 175	6 515	6 515
Effect of changes in exchange rate	22 070	1 250	(17 416)	–	–	76
Cash and cash equivalents at end of period¹	757 532	477 116	539 290	8 470	12 370	5 175

1 Excludes provision for expected credit losses, cash collateral, and restricted cash balances held with the central bank of Mozambique.

Summary statements of changes in equity

USD'000	CONSOLIDATED			SEPARATE		
	UNAUDITED	AUDITED		UNAUDITED	AUDITED	
	Six months ended 30 June 2025	Six months ended 30 June 2024	Year ended 31 Dec 2024	Six months ended 30 June 2025	Six months ended 30 June 2024	Year ended 31 Dec 2024
Opening equity	294 933	215 854	214 570	136 235	130 386	130 386
Profit for the period	72 885	46 824	103 518	10 293	15 190	21 636
Total other comprehensive income	7 186	2 924	4 770	–	–	–
Dividends declared and paid	(3 234)	(19 208)	(27 925)	–	(10 625)	(15 787)
Movements in other reserves	–	167	–	–	–	–
Closing equity	371 770	246 561	294 933	146 528	134 951	136 235