



NICO
Holdings
Plc

REVIEWED SUMMARY CONSOLIDATED (GROUP) AND SEPARATE (COMPANY) FINANCIAL INFORMATION FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026



	GROUP			COMPANY		
	Reviewed as at 30-Jun-26 MK'million	Unaudited as at 30-Jun-25 MK'million	Audited as at 31-Dec-25 MK'million	Reviewed as at 30-Jun-26 MK'million	Unaudited as at 30-Jun-25 MK'million	Audited as at 31-Dec-25 MK'million
SUMMARY STATEMENTS OF COMPREHENSIVE INCOME						

Insurance revenue	76,788	59,897	177,132	-	-	-
Insurance service expenses	(80,297)	(25,648)	(52,539)	-	-	-
Net income/(expense) from reinsurance contracts held	16,746	(20,228)	(48,870)	-	-	-
Insurance service result	13,237	14,021	75,723	-	-	-
Net insurance finance expense	(2,454)	(1,066)	(6,814)	-	-	-
Revenue from non-insurance operations	321,800	324,540	742,208	34,893	30,318	59,381
Other income	391	217	3,915	61	55	92
Share of profit from associate and Joint Venture companies	218	287	1,618	218	287	1,618
Depreciation and amortisation	(6,383)	(4,823)	(11,140)	(88)	(66)	(149)
Impairment losses on financial assets	(6,085)	(7,978)	(38,486)	-	-	-
Other finance costs	(3,420)	(1,119)	(3,065)	(1,918)	(93)	(906)
Operating expenses	(150,072)	(131,236)	(292,571)	(7,437)	(4,539)	(12,354)
Profit before income tax	167,232	192,843	471,388	25,729	25,962	47,682
Income tax expense	(66,587)	(67,934)	(147,880)	(3,814)	(2,680)	(4,409)
Profit for the year	100,645	124,909	323,508	21,915	23,282	43,273
Attributable to non-controlling interest	48,065	60,034	155,675	-	-	-
Attributable to shareholders of the parent company	52,580	64,875	167,833	21,915	23,282	43,273
	100,645	124,909	323,508	21,915	23,282	43,273
Other comprehensive income						
Items that will never be reclassified to profit or loss						
Revaluation of property and equipment	-	-	1,327	-	-	250
Losses/Gains on financial assets designated at FVTOCI	(1,986)	9,207	20,698	-	-	1,672
Items that are or may be reclassified to profit or loss						
Translation difference on foreign subsidiary	233	690	656	-	-	-
Total other comprehensive income for the year after tax	(1,753)	9,897	22,681	-	-	1,922
Total comprehensive income for the year	98,892	134,806	346,189	21,915	23,282	45,195
Attributable to non-controlling interest	47,092	64,915	165,404	-	-	-
Attributable to shareholders of the parent company	51,800	69,891	180,785	21,915	23,282	45,195
	98,892	134,806	346,189	21,915	23,282	45,195
Dividend paid to shareholders of the parent company	(20,861)	(10,430)	(27,119)	(20,861)	(10,430)	(27,119)
Earnings per share (Kwacha)	50	62	161	-	-	-
Dividend paid per share (Kwacha)	20	10	26	20	10	26
Number of shares in issue ('000)	1,043,041	1,043,041	1,043,041	1,043,041	1,043,041	1,043,041

SUMMARY STATEMENTS OF FINANCIAL POSITION						
ASSETS	4,220,900	3,174,857	4,207,412	80,931	50,578	75,595
Cash and cash equivalents	261,586	347,382	280,137	26,411	8,506	24,043
Trade and other receivables	54,323	37,106	32,884	2,164	2,672	5,577
Loans and advances to customers	358,708	276,564	349,933	-	-	-
Client funds under management	567,916	420,052	564,135	-	-	-
Reinsurance contract assets	71,699	41,317	37,234	-	-	-
Other investments and loans receivable	69,258	53,983	107,808	854	2	2
Inventories	1,473	972	1,360	-	-	-
Investment in associate and joint venture companies	16,685	4,251	16,468	16,685	4,251	16,468
Investment in government securities	1,194,944	928,023	1,051,892	-	-	-
Investment in subsidiaries	-	-	-	27,387	18,203	22,623
Investment in equity shares	1,522,968	993,438	1,668,665	6,090	15,864	4,967
Investment properties	7,459	6,114	7,459	312	246	312
Deferred tax assets	29,255	7,589	25,283	336	129	883
Right-of-use assets	2,280	3,396	2,490	300	366	333
Intangible assets	16,069	18,284	17,301	6	18	12
Property and equipment	46,277	36,386	44,363	386	321	375
LIABILITIES	3,618,824	2,804,674	3,662,011	31,048	5,086	26,766
Deposits and customer accounts	1,100,094	848,510	991,040	-	-	-
Trade and other payables	188,550	262,446	271,991	17,074	4,682	12,295
Client funds payable	497,746	396,305	493,509	-	-	-
Insurance contract liabilities	1,747,178	1,236,917	1,812,699	-	-	-
Reinsurance contract liabilities	395	148	98	-	-	-
Interest-bearing loans and borrowings	49,265	34,613	48,078	13,576	-	14,068
Lease liabilities	6,827	7,356	6,948	398	404	403
Deferred tax liabilities	28,769	18,379	37,648	-	-	-
EQUITY	602,076	370,183	545,401	49,883	45,492	48,829
Issued share capital	52	52	52	52	52	52
Reserves	330,591	207,357	299,652	49,831	45,440	48,777
Non-controlling interest	271,433	162,774	245,697	-	-	-
TOTAL EQUITY AND LIABILITIES	4,220,900	3,174,857	4,207,412	80,931	50,578	75,595

SUMMARY STATEMENTS OF CHANGES IN EQUITY						
Balance as at the beginning of the year	545,401	276,466	274,579	48,829	32,640	30,753
Net profit for the year	100,645	124,909	323,508	21,915	23,282	43,273
Other comprehensive income	(1,753)	9,897	22,681	-	-	1,922
Dividends declared	(42,217)	(32,098)	(64,220)	(20,861)	(10,430)	(27,119)
Other transactions with owners of company	-	(8,991)	(11,147)	-	-	-
Balance as at the end of the year	602,076	370,183	545,401	49,883	45,492	48,829

	GROUP			COMPANY		
	Reviewed as at 30-Jun-26 MK'million	Unaudited as at 30-Jun-25 MK'million	Audited as at 31-Dec-25 MK'million	Reviewed as at 30-Jun-26 MK'million	Unaudited as at 30-Jun-25 MK'million	Audited as at 31-Dec-25 MK'million
SUMMARY STATEMENTS OF CASH FLOWS						

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before tax	167,232	192,843	471,388	25,729	25,962	47,682
Adjustments for non-cash and other disclosed cash flows	(91,491)	(592,279)	(1,408,898)	(27,607)	(26,764)	(52,583)
Changes in operating assets	(105,523)	(332,971)	(717,375)	639	(1,051)	(3,560)
Changes in operating liabilities	(45,973)	618,767	1,426,245	(1,527)	(1,513)	1,209
Cash used in operations	(77,113)	(113,640)	(228,640)	(2,766)	(3,367)	(7,252)
Interest received banking business	215,536	174,535	386,621	-	-	-
Interest paid banking business component	(38,218)	(51,768)	(118,042)	-	-	-
Interest received asset management component	47,226	36,575	110,558	-	-	-
Interest paid asset management component	(38,211)	(24,139)	(71,074)	-	-	-
Tax refund	-	855	855	-	855	855
Income tax paid	(58,312)	(47,513)	(127,476)	(650)	(2,392)	(134)
Net cash generated from/(used in) operating activities	52,031	(25,095)	(47,198)	(3,416)	(4,903)	(6,531)

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from disposal of property and equipment	825	47	1,430	6	-	-
Proceeds from disposal of investment	-	-	805	-	-	805
Additions to property and equipment and intangible assets	(6,527)	(10,711)	(21,685)	(63)	(93)	(191)
Investment in associate	(1,123)	-	-	(1,123)	-	-
Additional investment in subsidiary	-	-	(3,036)	-	-	(10,910)
Dividends received from equity investments	9,451	6,586	9,988	23,492	26,084	44,526
Dividends received from Joint venture	-	-	195	-	-	195
Additions to Investment in government securities	(58,603)	(17,834)	(36,244)	-	-	-
Disposal of investment in government securities	4,567	43,051	73,732	-	-	-
Proceeds from disposal of loans and debentures	83	42	83	-	-	-
Additions to equity shares	(732)	(13,266)	(15,014)	-	-	-
Proceeds from disposal of equity shares	60,455	-	-	-	-	-
Interest received other	23,700	44,966	75,680	3,118	579	1,861
Net cash (used in)/generated from investing activities	(28,359)	113,336	88,970	22,394	26,570	36,286

CASH FLOWS FROM FINANCING ACTIVITIES

Long term borrowings raised	1,703	-	26,209	-	-	10,800
Capital repayment of long-term borrowings	(347)	(978)	(9,319)	(800)	(458)	(458)
Interest repayment on long term borrowings	-	-	-	(1,549)	(55)	(55)
Capital repayment of lease liabilities	(1,219)	(784)	(1,282)	(5)	(7)	(8)
Acquisition of non controlling interest	-	-	(8,991)	-	(8,991)	-
Transaction cost on acquisition of non controlling interest	-	-	(84)	-	-	-
Dividend paid	(38,143)	(22,198)	(46,663)	(14,256)	(10,302)	(22,647)
Net cash used in financing activities	(38,006)	(22,960)	(40,130)	(16,610)	(19,813)	(12,368)

Net increase in cash and cash equivalents	(14,334)	64,281	1,642	2,368	1,854	17,387
Cash and cash equivalents at 1 January	274,581	273,198	273,198	24,043	6,652	6,652
Effects of changes in exchange rates	(1,051)	111	260)	-	4	-
Cash and cash equivalents at 31 December	259,196	337,590	274,581	26,411	8,506	24,043

*Cash and cash equivalents as reported in the consolidated summary statement of financial position amount to K261. 6 billion. This balance includes unrealised fair value gains on short-term deposits of K2.4 billion, which represent non-cash items. Accordingly, these gains have been excluded from the cash and cash equivalents balance of K259.2 billion reported in the statement of cash flows.

BASIS OF PREPARATION

The summary financial information comprises the summary consolidated and separate statements of financial position as at 30 June 2026, the summary consolidated and separate statements of comprehensive income, the summary consolidated and separate statements of changes in equity and the summary consolidated and separate statements of cash flows for the six months ended 30 June 2026.

The summary financial information has been prepared in accordance with the requirements of the Malawi Stock Exchange Listing Requirements, the IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM), and the requirements of the Companies Act, 2013. The accounting policies and method of computation applied are in accordance with the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB) and are consistent with those applied in the preparation of the Group's 2025 consolidated financial statements. This summary financial information does not include all the notes typically included in the annual financial statements and should therefore be read in conjunction with the Group's audited consolidated and separate financial statements for the year ended 31 December 2025.

The Directors of the Group take responsibility for the preparation of the summary financial information and have reviewed and approved the summary financial information on 28 August 2026.

OVERVIEW

The Directors are pleased to report on the reviewed consolidated results of NICO Holdings Plc, its subsidiaries, joint venture, and associate companies ("NICO Group") for the half year ended 30 June 2026.

NATURE OF ACTIVITIES

The core business of the NICO Group is General Insurance, Life Insurance, Pension Services, Banking, Corporate Finance, Advisory and Asset Management. The NICO Group through its portfolio investments also owns substantial investments in property, listed and unlisted equity investments across various industries. The Group carries out its business through subsidiaries in Malawi and Zambia, a joint venture company in Malawi and associate companies in Malawi and Mozambique.

GROUP RESULTS

Gross revenue for the half year ended 30 June 2026 increased by 4% to MK398.6 billion compared to MK384.4 billion for the same period in 2025. Consolidated profit after tax excluding other comprehensive income decreased by 19% to MK100.6 billion compared to MK124.9 billion for the same period in 2025. The consolidated profit after tax, excluding other comprehensive income, that is attributable to owners of the parent company (NICO Holdings Plc), decreased by 19% to MK52.6 billion compared to MK64.9 billion for the same period in 2025. The decline in the Group's profitability was primarily driven by negative stock market performance during the period, which adversely impacted the Group's life insurance business. Consolidated profit after tax, along with other comprehensive income decreased by 27% to MK98.9 billion, from the MK134.8 billion recorded for the same period in 2025. The consolidated profit after tax, along with other comprehensive income, attributable to owners of the parent company decreased by 26% to MK51.8 billion, from MK69.9 billion.

SEGMENTAL PERFORMANCE

Banking

NBS Bank Plc delivered a strong performance in the six months to 30 June 2026, driven by growth of loan book and money market investments which resulted in growth in interest income. The Bank's consolidated profit after tax grew by 23% to MK90.2 billion (June 2025: MK73.2 billion).

The Bank grew its balance sheet size by 21% in 2026 to MK1.61 trillion (June 2025: MK1.33 trillion). The Bank registered a 33% growth in customer deposits to MK1.148 trillion (June 2025: MK864.1 billion). Loans and advances grew by 30%, closing at MK358.7 billion (June 2025: MK276.6 billion).

Net interest income grew by 38% to MK169.7 billion (June 2025: MK122.8 billion). Non-interest revenue declined by 37% to MK44.3 billion (June 2025: MK69.9 billion) largely due to lower forex trading volumes despite strong growth in transaction volumes and increased customer acquisition. Impairment expense declined by 24% to MK6.09 billion, from MK7.98 billion in the same period last year due to improved credit risk management. Credit recoveries and cures on previously defaulted accounts and counterparties were particularly strong in the period under review.

Life Insurance

NICO Life Insurance Company Limited registered total insurance revenue growth of 25% to MK23.7 billion (June 2025: MK18.9 billion). This growth was attributed to organic growth, new business and modest increase in investment returns. The business registered a 93% decline in profit after tax to MK3.2 billion (June 2025: MK43.0 billion). The decrease in profitability was mainly attributable to declines in the market prices of listed equity investments during the period, resulting in unrealised fair value losses and lower investment returns compared to the same period in 2025.

The associate company in Mozambique registered a 9% decrease in profit after tax to MK461.8 million (June 2025: MK506.9 million). The decrease in profitability was due to adverse weather conditions resulting in significant flooding in the first quarter of the year which disrupted business operations as well as higher claims experience. NICO Holdings Plc's 34.3% share of the profit after tax decreased by 9% to MK158.4 million (June 2025: MK173.8 million)

General Insurance

The general insurance business in Malawi registered insurance revenue growth of 20% to MK26.2 billion (June 2025: MK21.8 billion). The revenue growth was due to both organic growth and new business. The business registered a 32% decline in profit after tax to MK1.7 billion (June 2025: MK2.6 billion). The decrease in profit after tax was primarily due to significant claims registered early this year due to adverse weather conditions and modest investment returns.

The business in Zambia registered insurance revenue growth of 33% to MK29.6 billion (June 2025: MK22.2 billion). The growth in premiums was due to both organic growth and new business. The business registered a 67% decline in profit after tax to MK211.0 million (June 2025: MK649.0 million). The profitability in the first half of the year has been negatively affected by higher claims settlement compared to the same period last year and foreign currency exchange losses resulting from appreciation of the Zambian Kwacha.

Asset Management

NICO Asset Managers Limited ("NAML") registered growth in assets under management of 35% to MK3.905 trillion (June 2025: MK2.900 trillion). Total income grew by 27% to MK15.0 billion (June 2025: MK11.8 billion), largely due to growth in Assets Under Management (AUM). The business registered an 8% decline in profit after tax to MK5.3 billion (June 2025: MK5.7 billion) this was largely due to increased IFRS 9 impairments. The business's internal assessment of the level of credit risk associated with some classes of financial instruments indicated that an additional provision was necessary.

Pension Administration

NICO Pension Services Limited registered revenue growth of 57% to MK8.0 billion (June 2025: MK5.1 billion). The revenue growth was driven by new business and growth in fees from assets under management. The business registered profit after tax growth of 83% to MK2.9 billion (June 2025: MK1.6 billion).

Information Technology Services

NICO Technologies Limited registered revenue growth of 33% to MK7.5 billion (June 2025: MK5.6 billion). The growth in revenue was driven by the growth of ICT management services and sales of software licenses. The business registered a profit after tax growth of 42% to MK 1.0 billion (June 2025: MK 720.0 million).

Segmental Contribution to Consolidated Profit After Tax

	30-Jun-2026 MK' Million (6 Months)	30-Jun-2025 MK' Million (6 Months)	31-Dec-2025 MK' Million (12 Months)
Banking	90 232	73 248	150 422
Asset management	5 265	5 692	8 821
Life insurance	3 211	43 016	155 568
Pension administration	2 915	1 594	4 625
General insurance Malawi	1 733	2 666	7 089
Information technology services	1 026	720	1 594
Other segments	240	263	1 346
General insurance Zambia	211	649	1 084
Holding company	21 915	22 995	41 656
Total	126 748	150 843	372 205
Elimination of dividend income from group companies on consolidation	(26 103)	(25 934)	(48 697)
Group profit after tax	100 645	124 909	323 508