

	CONSOLIDATED	CONSOLIDATED	CONSOLIDATED			
	AND SEPARATE	AND SEPARATE	AND SEPARATE	SEPARATE	SEPARATE	SEPARATE
	UNAUDITED	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED	AUDITED
	6 months to	6 months to	12 months to			
	30-Jun-22	30-Jun-21	31-Dec-21			
	MK'000	MK'000	MK'000			
STATEMENT OF COMPREHENSIVE INCOME						
Interest income received	30,455,079	22,868,689	49,512,300			
Interest payable	(12,477,203)	(8,309,079)	(18,717,974)			
Net Interest Income	17,977,876	14,559,610	30,794,326			
Other income	5,655,987	6,133,001	11,218,907			
Net Income	23,633,863	20,692,611	42,013,233			
Operating expenses	(15,451,578)	(12,944,526)	(27,330,443)			
Profit before impairment losses	8,182,285	7,748,085	14,682,790			
Impairment provisions	(500,416)	(1,279,836)	(3,193,103)			
Profit before tax	7,681,869	6,468,249	11,489,687			
Income tax expenses	(2,592,193)	(2,072,959)	(3,797,314)			
Profit for the period	5,089,676	4,395,290	7,692,373			
Other comprehensive income	(116,519)	-	76,916			
Total Comprehensive Income	4,973,157	4,395,290	7,769,289			
Earnings per share (MK)	1.71	1.51	2.64			
Weighted average ordinary shares in issue (million)	2,913	2,913	2,913			
STATEMENT OF FINANCIAL POSITION						
LIABILITIES AND EQUITY						
Liabilities						
Deposits from customers	280,723,669	174,244,862	224,857,719	280,736,249	174,257,442	224,870,299
Other borrowings	7,217,150	6,273,711	7,743,933	7,217,150	6,273,711	7,743,933
Deferred tax liability	1,490,817	1,195,967	1,092,470	1,460,482	1,165,632	1,062,135
Deposits from other banks	41,835,005	71,321,869	96,652,013	41,835,005	71,321,869	96,652,013
Lease liability	4,118,217	4,257,971	4,252,465	4,118,217	4,257,971	4,252,465
Other liabilities	6,113,410	3,990,878	5,581,362	6,025,522	3,902,990	5,493,474
Total Liabilities	341,498,268	261,285,258	340,179,962	341,392,625	261,179,615	340,074,319
Equity						
Share capital	1,455,291	1,455,291	1,455,291	1,455,291	1,455,291	1,455,291
Share premium	12,104,183	12,104,183	12,104,183	12,104,183	12,104,183	12,104,183
Fair value through other						
Comprehensive income reserve	(176,170)	(157,913)	(59,651)	(176,170)	(157,913)	(59,651)
Retained earnings	14,712,363	10,109,357	9,652,147	14,741,754	10,138,748	9,681,538
	28,095,667	23,510,918	23,151,970	28,125,058	23,540,309	23,181,361
Total Liabilities & Equity	369,593,935	284,796,176	363,331,932	369,517,683	284,719,924	363,255,680
ASSETS						
Cash and cash equivalents	32,512,023	16,662,238	34,955,484	32,512,023	16,662,238	34,955,484
Other receivables	6,716,729	9,403,786	11,434,186	6,685,988	9,373,045	11,403,445
Money market investments	211,376,749	187,958,253	221,585,785	211,376,749	187,958,253	221,585,785
Equity investments	49,700	49,700	49,700	49,700	49,700	49,700
Loans and advances	106,349,258	57,472,220	82,182,625	106,349,258	57,472,220	82,182,625
Right of use assets	2,683,052	3,199,801	2,929,788	2,683,052	3,199,801	2,929,788
Intangible assets	3,714,160	3,909,595	4,010,413	3,714,160	3,909,595	4,010,413
Property, plant and equipment	6,192,264	6,140,583	6,183,951	6,146,753	6,095,072	6,138,440
Total Assets	369,593,935	284,796,176	363,331,932	369,517,683	284,719,924	363,255,680

	CONSOLIDATED	CONSOLIDATED	CONSOLIDATED	SEPARATE	SEPARATE	SEPARATE
	UNAUDITED	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED	AUDITED
	30-Jun-22	30-Jun-21	31-Dec-21	30-Jun-22	30-Jun-21	31-Dec-21
	MK'000	MK'000	MK'000	MK'000	MK'000	MK'000
STATEMENT OF CHANGES IN EQUITY						
As at the beginning of the year	23,151,970	19,166,425	191,166,425	23,181,361	19,195,816	19,195,816
Other equity movements	(145,979)	(50,797)	76,916	(145,979)	(50,797)	76,916
Profit for the year	5,089,676	4,395,290	7,692,373	5,089,676	4,395,290	7,692,373
Dividend paid			(3,783,744)			(3,783,744)
As at the end of year	28,095,667	23,510,918	23,151,970	28,125,058	23,540,309	23,181,361
STATEMENT OF CASH FLOWS						
CASHFLOWS FROM OPERATING ACTIVITIES						
Profit before income tax expense		7,681,869	6,468,249	11,489,687		
Adjustments for non-cash items included within the income statement		2,443,532	2,979,089	6,897,752		
Increase in interest earning assets		(6,574,921)	(75,522,319)	(134,202,451)		
Increase in deposits and other liabilities		(5,272,351)	53,111,728	138,064,929		
Interest paid		12,477,203	8,309,079	18,717,974		
Interest received		(30,455,080)	(22,868,689)	(49,512,300)		
Direct taxation paid		(247,688)	(726,824)	(3,144,218)		
Net cash used in operating activities		(19,947,436)	(28,249,687)	(11,688,627)		
INVESTING ACTIVITIES						
Net finance income		15,361,421	15,321,380	27,775,331		
Acquisition of property and equipment		(1,313,493)	(1,281,970)	(2,956,799)		
Proceeds from disposal of property and equipment		11,289	544,719	509,959		
Net cash from investing activities		14,059,217	14,584,129	25,328,491		
FINANCING ACTIVITIES						
Net proceeds from loans and borrowings		(526,783)	(534,310)	935,912		
Dividends declared and paid		-	-	(3,783,744)		
Repayment of lease liabilities		(240,484)	(955,507)	(352,055)		
Net cash used in financing activities		(767,267)	(1,489,817)	(3,199,887)		
Net movement in cash and cash equivalents						
Cash and cash equivalents at beginning of the year		34,955,484	24,091,941	24,091,941		
Effects of exchange rate changes		4,212,025	7,725,672	423,566		
Cash and cash equivalents at end of the year		32,512,023	16,662,238	34,955,484		
REGULATORY DISCLOSURES						
1. IMPAIRMENT LOSSES /NON PERFORMING CREDIT FACILITIES AND EXPECTED CREDIT LOSSES BY INDUSTRY SECTOR						
	30-Jun-22			30-Jun-21		
	Outstanding Amount	Impairment Amount	Expected Credit Loss (Stage 3)	Outstanding Amount	Impairment Amount	Expected Credit Loss (Stage 3)
Sector	MK'm	MK'm	MK'm	MK'm	MK'm	MK'm
Agriculture	21,315	1,165	753	4,083	337	181
Mining	70	5	3	1,212	285	152
Manufacturing	8,404	77	50	4,799	10	5
Electricity	18,037	14	9	12,856	4	2
Construction	2,845	288	187	2,746	93	50
Wholesale & Retail	13,208	1,584	1,024	15,712	483	259
Restaurants & Hotels	727	137	88	1,477	166	88
Transport	1,861	552	357	1,357	68	36
Financial Services	11,407	297	192	4,571	181	97
Community	31,600	637	412	10,947	267	143
Real Estate	316	304	197	631	8	4
Other				477	534	283
Total	109,790	5,060	3,272	60,867	2,435	1,299

Included in the 30 June 2022 specific provision of MK168 million are stage 1 and stage 2 impairment provisions on performing loans in line with IFR9.

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	30-Jun-22		30-Jun-21			
	MK'm	% of Core Capital	MK'000	% of Core Capital		
Agriculture	17,247	66.1%	-	0.0%		
Gas	8,209	31.5%	-	0.0%		
Electricity	17,641	67.6%	6,822	31.1%		
3. LOANS TO DIRECTORS, SENIOR MANAGEMENT AND OTHER RELATED PARTIES						
Directors		30-Jun-22	30-Jun-21			
		MK'm	MK'm			
Balance at the beginning of the period		28	23			
Loans granted during the period		201	13			
Repayments		34	(9)			
Balance at end the of period		262	28			
Other related parties		30-Jun-22	30-Jun-21			
		MK'm	MK'm			
Balance at the beginning of the period		2,313	208			
Loans granted during the period		258	2,774			
Repayments		(2,180)	(669)			
Balance at end the of period		391	2,313			
Senior management officials		30-Jun-22	30-Jun-21			
		MK'm	MK'm			
Balance at the beginning of the period		521	427			
Loans granted during the period		323	164			
Repayments		(180)	(70)			
Balance at end the of period		664	521			
Total related party lending as a % of Capital		5%	13%			
INVESTMENTS IN SUBSIDIARIES						
	Number of shares	Percentage Holding	Number of shares	Percentage Holding		
Name of subsidiary	30-Jun-22	30-Jun-22	30-Jun-21	30-Jun-21		
NBS Forex Bureau	7,000,000	100%	7,000,000	100%		
LENDING RATES						
Malawi Kwacha facilities		30-Jun-22	30-Jun-21			
Reference rate		13.8%	12.2%			
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-22	30-Jun-21			
		MK'm	MK'm			
Directors' remuneration		21	17			
Total bonuses payable to employees		692	847			
DEPOSIT RATES						
Malawi Kwacha		30-Jun-22	30-Jun-21			
Type of Deposit		Rate %	Rate %			
Current account		0.10	0.50			
Savings		1.55	1.55			
7 Day Notice		4.00	3.73			
30 Day Notice		4.50	5.00			
2 Months		5.50	6.00			
3 Months		5.00	7.00			
6 Months		Negotiable	Negotiable			
9 Months		Negotiable	Negotiable			
12 Months		Negotiable	Negotiable			

Foreign Currency Denominated Accounts (FCDAs)	30-Jun-22	30-Jun-21
	Rate %	Rate %
USD	0.75	0.60
GBP	1.00	0.60
ZAR	0.60	0.60
EUR	0.75	0.60
FINANCIAL REVIEW		
PERFORMANCE		
The Bank continues to deliver a positive performance, responding effectively to a difficult operating environment with renewed focus on building resilience and a solid platform for future growth. Having successfully completed the first 5-year strategy covering the period 2017 to 2021, the Bank is driving further growth through a new five-year strategy (2022 to 2026) to increase market share and enhance efficiency. The strategy, which is being delivered through a detailed road map with clear targets will deliver a superior digital offering and deeper customer engagement.		
The Bank grew profit before tax by 19% to MK7.7 billion for the six months ended 30 June 2022 when compared to a similar period to June 2021 of MK6.5 billion. The net profit after tax also grew by 16% to MK 5.1 billion when compared to the prior period to June 2021 of MK4.4 billion.		
Net interest income grew by 23% in 2022 to MK18 billion compared to a similar period in 2021 of MK14.6 billion, largely because of growth of loan book and effective management of investments in money market instruments. On the other hand, non-interest revenue registered a decrease of 8% to MK5.7 billion on a prior year performance of MK6.1 billion due to some once-off income realised in the prior period.		
Operating expenses registered a 19% growth to MK15.5 billion from prior year expense of MK12.9 billion due to changes to compensation structure effected in second half of 2021 and increased investments in our operating systems aimed at increasing revenue generating activities. Impairment charges improved significantly to MK0.5 billion, down 61% from MK1.3 billion in 2021 due to enhanced portfolio management.		
The Bank registered a 61% growth of customer deposits during the six months to 30th June 2022 to MK281 billion from MK174 billion in the prior period. Loans and advances grew by 85% to close at MK106 billion from MK57 billion on account of the conversion of some signature deals in the corporate space whilst money market investments growth was 12% at MK211 billion from MK18		