



INVESTMENT BANK

Summary of audited results for the year ended 31st December 2019

Statements of profit or loss and other comprehensive income					Main highlights				
	Consolidated	Consolidated	Separate	Separate					
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18	Net cash used in investing activities	(2,647,291)	(92,927)	(2,647,291)	(92,927)
	Audited	Audited	Audited	Audited	Cash flows from financing activities				
	K'000	K'000	K'000	K'000	Proceeds from issue of subordinated debt		600,000	-	600,000
Interest income	14,916,480	11,558,758	14,916,480	11,558,758	Proceeds from issue of shares	3,901,614	-	3,901,614	-
Interest expense	(8,648,803)	(7,623,828)	(8,648,803)	(7,623,828)	Repayment of lease liabilities	(827,651)	-	(827,651)	-
Net interest income	6,267,677	3,934,930	6,267,677	3,934,930	Net cash from financing activities	3,073,963	600,000	3,073,963	600,000
Non-interest income	2,269,535	3,343,005	2,269,535	3,343,005	Net increase in cash and cash equivalents	2,260,131	479,463	2,260,131	479,463
Operating income before impairment losses on loans and advances to customers	8,537,212	7,277,935	8,537,212	7,277,935	Effects of exchange rate fluctuations on cash and cash equivalents	6,777	12,051	6,777	12,051
Net impairment losses on loans and advances to customers	285,800	(1,197,018)	285,800	(1,197,018)	Cash and cash equivalents at the beginning of the year	4,441,329	3,949,815	4,441,329	3,949,815
Income after impairment losses on loans and advances to customers	8,823,012	6,080,917	8,823,012	6,080,917	Cash and cash equivalents at end of the year	6,708,237	4,441,329	6,708,237	4,441,329
Operating expenses	(5,542,445)	(4,945,053)	(5,542,445)	(4,945,053)					
Profit before income tax	3,280,567	1,135,864	3,280,567	1,135,864					
Income tax expense	(971,918)	(170,499)	(971,918)	(170,499)					
Profit and comprehensive income for the year	2,308,649	965,365	2,308,649	965,365					
Statements of financial position					Main highlights				
	Consolidated	Consolidated	Separate	Separate					
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18					
	Audited	Audited	Audited	Audited					
	K'000	K'000	K'000	K'000					
Assets					Total Assets				
Cash and cash equivalents	6,708,237	4,441,329	6,708,237	4,441,329					
Financial assets at fair value through profit or loss	48,916,015	52,351,352	48,916,015	52,351,352					
Investment securities	1,433,596	-	1,433,596	-					
Loans and advances to related party	3,012,329	1,994,779	3,012,329	1,994,779					
Loans and advances to other banks	2,023,252	4,418,858	2,023,252	4,418,858					
Loans and advances to customers	30,540,364	20,386,372	30,540,364	20,386,372					
Income tax recoverable	4,398	112,016	-	107,618					
Amounts due from related parties	-	279,402	-	279,402					
Assets held for sale	-	6,199	-	6,199					
Other assets	1,842,114	1,809,756	1,842,100	1,809,742					
Other investments	280,000	30,000	280,000	30,000					
Equipment	1,942,627	568,646	1,942,627	568,646					
Intangible assets	69,034	103,413	69,034	103,413					
Deferred tax asset	72,805	30,928	72,805	30,928					
Total assets	96,844,771	86,533,050	96,840,359	86,528,638					
Capital, reserves and liabilities					K2.3b				
Share capital and reserves	10,498,048	4,293,169	10,493,636	4,288,757					
Balances due to other banks	-	4,232,881	-	4,232,881					
Customer deposits	40,322,718	35,168,813	40,322,718	35,168,813					
Investment funds	41,636,566	40,670,032	41,636,566	40,670,032					
Other liabilities and accruals	2,240,787	568,155	2,240,787	568,155					
Income tax payable	546,652	-	546,652	-					
Subordinated liability	1,600,000	1,600,000	1,600,000	1,600,000					
Total capital, reserves and liabilities	96,844,771	86,533,050	96,840,359	86,528,638					
Summary statements of changes in equity					Return on Equity				
	Consolidated	Consolidated	Separate	Separate	22%				
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18	22%				
	Audited	Audited	Audited	Audited	7%				
	K'000	K'000	K'000	K'000	Year				
As at the beginning of the year	4,293,169	3,382,804	4,288,757	3,378,392	2017				
Transitional adjustment on IFRS 16 adoption at 1 Jan 2019	(5,384)	-	(5,384)	-	2018				
Transitional adjustment on IFRS 9 adoption at 1 Jan 2018	-	(55,000)	-	(55,000)	2019				
New issue of shares	3,901,614	-	3,901,614	-	Kwacha				
Total comprehensive income for the year	2,308,649	965,365	2,308,649	965,365	Kwacha				
As at the end of the year	10,498,048	4,293,169	10,493,636	4,288,757	Kwacha				
Summary statements of cash flows					Kwacha				
	Consolidated	Consolidated	Separate	Separate	Kwacha				
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18	Kwacha				
	Audited	Audited	Audited	Audited	Kwacha				
	K'000	K'000	K'000	K'000	Kwacha				
Cash generated from operating activities	2,192,982	19,734	2,192,982	19,734	Kwacha				
Advance payment of income tax	(359,523)	(47,344)	(359,523)	(47,344)	Kwacha				
Net cash from/(used in) operating activities	1,833,459	(27,610)	1,833,459	(27,610)	Kwacha				
Cash flows from/(to) investing activities					Kwacha				
Proceeds from sale of equipment and motor vehicles	473	22,735	473	22,735	Kwacha				
Acquisition of equipment and intangible assets	(69,404)	(115,662)	(69,404)	(115,662)	Kwacha				
Non-cash adjustment on IFRS 16 Leases	(2,328,360)	-	(2,328,360)	-	Kwacha				
Acquisition of shares in Malawi Agricultural and Industrial Investment Corporation Plc	(250,000)	-	(250,000)	-	Kwacha				

Summary of consolidated and separate financial statements for the year ending 31 December 2019

We hereby publish the summary consolidated and separate statements of profit or loss and other comprehensive income, financial position, changes in equity and cash flows of **CDH Investment Bank Limited** as at 31 December 2019 together with the independent auditor's report.

Overall performance
The bank realised consolidated profit after tax of K2,309 million against prior year performance of K965 million representing an increase of 139%. During the same period, net interest income grew by 59% from K3,935 million to K6,268 million. Total assets increased by 12% from K86,533 million to K96,845 million mainly due to an increase of 50% in loans and advances. The bank continues to intensify advisory services and offer innovative