



Summary of unaudited results for the six months ended 30th June 2023

(Published pursuant to the Financial Services Act and Banking Act of the Laws of Malawi)

Summary statement of profit or loss and other comprehensive income	Unaudited Six months to 30-Jun-23	Unaudited Six months to 30-Jun-22	Audited Twelve months to 31-Dec-22
	K'000	K'000	K'000
Interest income	21,540,711	14,181,433	32,859,401
Interest expense - deposits from customers and other banks	(6,195,553)	(3,202,999)	(7,300,274)
Interest expense - investment funds	(6,686,370)	(6,263,248)	(11,575,276)
Net interest income	8,658,788	4,715,186	13,983,851
Non-interest income	4,223,996	3,186,765	6,575,885
Operating income before impairment losses on loans and advances to customers	12,882,784	7,901,951	20,559,736
Net impairment losses on loans and advances to customers	(29,786)	(92,481)	(11,820)
Income after impairment losses on loans and advances to customers	12,852,998	7,809,470	20,547,716
Operating expenses	(5,151,151)	(3,931,552)	(9,071,285)
Profit before income tax	7,701,847	3,877,918	11,476,631
Income tax expense	(2,238,989)	(1,374,422)	(3,942,755)
Profit and comprehensive income for the period	5,462,858	2,503,496	7,533,876
Summary statement of financial position			
Unaudited 30-Jun-23	Unaudited 30-Jun-22	Audited 31-Dec-22	
	K'000	K'000	K'000
Assets			
Cash and cash equivalents	10,358,728	7,854,836	10,868,255
Financial assets at fair value through profit or loss	106,784,285	84,475,135	96,563,517
Investment securities at amortised cost	21,613,777	10,782,828	20,322,216
Interbank placements	23,861,003	10,292,951	25,088,670
Loans and advances to customers	70,900,373	60,079,703	62,330,779
Other assets	2,955,644	1,206,733	1,432,645
Other investments at fair value through other comprehensive income	361,000	361,000	361,000
Equipment	3,135,556	2,267,552	2,006,659
Intangible assets	6,495	13,352	12,991
Deferred tax asset	163,481	-	12,551
Total assets	240,142,342	177,352,290	218,999,283
Capital, reserves and liabilities			
Share capital and reserves	23,699,505	16,973,199	21,253,579
Interbank takings	10,474,532	3,499,031	13,060,741
Customer deposits	101,036,106	72,881,130	93,880,670
Investment funds	98,309,660	79,146,490	84,688,396
Other liabilities and accruals	3,845,212	2,717,733	2,927,729
Income tax payable	1,177,327	505,827	1,588,768
Deferred tax liability	-	28,880	-
Subordinated liability	1,600,000	1,600,000	1,600,000
Total capital, reserves and liabilities	240,142,342	177,352,290	218,999,283
Summary statement of changes in equity			
Unaudited 30-Jun-23	Unaudited 30-Jun-22	Audited 31-Dec-22	
	K'000	K'000	K'000
As at the beginning of the period			
Dividends paid	21,253,579	16,200,988	16,200,988
Total comprehensive income for the period	(3,016,932)	(1,731,285)	(2,481,285)
As at the end of the period	23,699,505	16,973,199	21,253,579
Summary statement of cashflows			
Unaudited 30-Jun-23	Unaudited 30-Jun-22	Audited 31-Dec-22	
	K'000	K'000	K'000
Cash generated from operating activities			
Advance payment of income tax	8,497,498	7,196,606	13,850,177
Net cash generated from operating activities	5,696,140	6,076,746	11,203,977
Acquisition of equipment and intangible assets	(630,711)	(1,604,605)	(165,017)
Proceeds from sale of equipment	1,374	730	905
Net cash used in investing activities	(629,337)	(1,603,875)	(164,112)
Net cash used in financing activities	(5,576,330)	(1,731,285)	(5,284,380)
Net (decrease)/increase in cash and cash equivalents	(509,527)	2,741,586	5,755,005
Cash and cash equivalents at the beginning of the period	10,358,728	7,854,836	5,113,250
Cash and cash equivalents at end of the period	10,358,728	7,854,836	10,868,255

Impairment losses/ non performing credit facilities and provisions for losses

Sector	30-Jun-23			30-Jun-22		
	Outstanding amount K'000	Impaired loans outstanding balances K'000	Expected credit losses K'000	Outstanding amount K'000	Impaired loans outstanding balances K'000	Expected credit losses K'000
Agriculture	7,583,178	48,349	48,349	5,368,647	50,410	50,410
Construction	1,350,662	56,738	627	683,462	49	-
Manufacturing	13,136,940	-	-	7,838,270	-	-
Real estate	77,183	-	-	294,054	-	-
Tourism and leisure	4,151,972	-	-	4,831,020	-	-
Transport/storage	203,915	-	-	514,234	13	1
Wholesale and retail	32,462,959	-	-	26,389,588	349	-
Community, social, personal services	10,153,299	1,682	1,682	13,892,561	-	-
Other	2,283,999	-	-	839,677	18,911	-
	71,404,107	106,769	106,769	50,658	60,651,513	69,732
						50,411

Credit concentration

Total credit facilities including guarantees, acceptances and other similar commitments extended by the bank to any one or group of related customers where amounts exceeded 25% of core capital.

Economic sector	30-Jun-23		30-Jun-22	
	Outstanding K'000	% of core capital	Outstanding K'000	% of core capital
Agriculture	5,191,712	24.52%	4,311,371	27.30%
Manufacturing	9,776,720	46.18%	5,004,400	31.69%
Wholesale and retail	27,826,488	131.44%	22,842,096	144.65%

Loans to directors, senior management and other related parties

	30-Jun-23			30-Jun-22				
	Opening balance K'000	Loans granted during the period K'000	Repayments K'000	Balance at period end K'000	Opening balance K'000	Loans granted during the period K'000	Repayments K'000	Balance at period end K'000
Directors	113,071	36,000	(43,425)	105,646	-	121,200	(8,129)	113,071
Senior management	400,442	344,891	(144,484)	600,849	257,090	429,198	(285,846)	400,442

Directors remuneration

	30-Jun-23 K'000	30-Jun-22 K'000
Directors remuneration	81,582	106,501

Lending rates

	30-Jun-23	30-Jun-22
Base lending rate (local currency)	21.00%	13.80%
Base lending rate (foreign currency)	10.00%	10.00%
Maximum applicable range (basis points)	1090	1090
RBMBank rate	22.00%	14.00%
Deposit rates		
Current account	0.25%	0.25%
CDHIB prime investors account	7.50%	6.00%
Smart savings account	6.00%	4.00%
7 day call account	5.00%	5.00%
30 day call account	6.00%	6.00%
1 month fixed deposit	6.00%	6.00%
2 months fixed deposit	5.00%	5.00%
3 months fixed deposit	4.00%	4.00%
6 months fixed deposit	Negotiable	Negotiable
9 months fixed deposit	Negotiable	Negotiable
12 months fixed deposit	Negotiable	Negotiable

2023 Key performance highlights