



INVESTMENT BANK

Summary of audited results for the year ended 31st December 2024

(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

	31-Dec-24 Audited K'000	31-Dec-23 Audited K'000
	K'000	K'000
Interest income	112,113,240	49,771,550
Interest expense	(75,036,247)	(31,261,121)
Net interest income	37,076,993	18,510,429
Non-interest income	15,826,737	11,614,599
Operating income before impairment losses on loans and advances to customers	52,903,730	30,125,028
Net impairment (losses) on loans and advances to customers	(4,442,710)	(1,373,128)
Income after impairment (losses) on loans and advances to customers	48,461,020	28,751,900
Operating expenses	(16,193,445)	(11,564,227)
Profit before income tax expense	32,267,575	17,187,673
Income tax expense	(8,733,451)	(6,047,027)
Profit and comprehensive income for the year	23,534,124	11,140,646

Summary statement of financial position

	31-Dec-24 Audited K'000	31-Dec-23 Audited K'000
	K'000	K'000
Assets		
Cash and cash equivalents	11,135,180	19,863,871
Financial assets at fair value through profit or loss	350,666,373	135,090,181
Investment securities at amortised cost	40,368,931	28,009,923
Interbank placements	11,624,477	32,649,060
Loans and advances to customers	107,065,124	83,682,438
Other assets	4,190,869	2,005,093
Current tax asset	559,772	-
Other investments at cost	838,250	838,250
Property, equipment and right of use assets	9,317,381	8,214,641
Intangible assets	1	1
Deferred tax asset	-	353,059
Total assets	535,766,358	310,706,517
Capital, reserves and liabilities		
Equity	46,045,090	28,627,289
Interbank takings	-	20,353,052
Customer deposits	169,542,228	133,464,295
Investment funds	314,344,540	120,257,083
Other liabilities and accruals	5,566,293	4,799,942
Income tax payable	-	1,604,856
Deferred tax liability	268,207	-
Subordinated liability	-	1,600,000
Total equity and liabilities	535,766,358	310,706,517

Summary statement of changes in equity

	31-Dec-24 Audited K'000	31-Dec-23 Audited K'000
	K'000	K'000
As at the beginning of the year	28,627,289	21,253,579
Dividends paid	(6,116,323)	(3,766,936)
	23,534,124	11,140,646
Total comprehensive income for the year	46,045,090	28,627,289

Summary statement of cash flows

	31-Dec-24 Audited K'000	31-Dec-23 Audited K'000
	K'000	K'000
Net cash generated from operating activities	476,205	16,806,610
Net cash used in investing activities	(2,280,946)	(6,633,520)
Net cash used in financing activities	(7,147,545)	(4,658,375)
Net increase/(decrease) in cash and cash equivalents	(8,952,286)	5,514,715
Cash and cash equivalents at the beginning of the year	19,863,871	10,868,255
Effects of exchange rate fluctuations	223,595	3,480,901
Cash and cash equivalents at the end of the year	11,135,180	19,863,871

Impairment losses, non performing credit facilities and provisions for losses

Sector	As at 31 Dec-24			31-Dec-23		
	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	16,478,205	55	9,392	10,639,705	-	13,664
Construction	1,882,909	170	1,565	1,505,060	-	10,298
Manufacturing	14,691,177	11,055,505	20,349	5,068,594	-	105,996
Real estate	159,192	-	-	-	-	-
Tourism and leisure	5,793,604	5,793,604	5,793,364	6,727,916	6,048,551	1,316,786
Transport/storage	164,092	49	1,610	634,639	-	6,789
Wholesale and retail	38,524,848	701	209	39,344,913	-	4,776
Financial services	5,922,244	5,546	193,230	-	-	-
Community, social and personal services	9,752,157	44,406	231,428	18,903,330	-	325,787
Electricity, Gas, Water and Energy	19,947,973	-	130	3,519	-	-
Other	-	-	-	2,655,149	-	12,680
	113,316,401	16,900,036	6,251,277	85,482,825	6,048,551	1,796,776

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 individual facility amounts were above 25% of core capital.

Economic sector

	31-Dec-24		31-Dec-23	
	Outstanding K'000	% of core capital	Outstanding K'000	% of core capital
Agriculture	16,433,973	45%	5,982,221	33%
Wholesale and retail	44,826,893	124%	35,577,196	197%
Electricity, Gas, Water and Energy	19,311,066	53%	-	-
Manufacturing	11,045,710	31%	9,379,638	52%
Tourism and leisure	5,793,262	16%	6,048,551	34%

Loans to directors, senior management and other related parties

	31-Dec-24				31-Dec-23			
	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	-	-	-	-	83,653	-	(83,653)	-
Other related parties	10,000	2,000,000	(1,079,039)	930,961	34,234	20,000	(44,234)	10,000
Senior Management	790,391	415,705	(284,688)	921,408	463,537	402,347	(75,493)	790,391

Directors remuneration and bonuses	31-Dec-24 K'000	31-Dec-23 K'000
Directors expenses	132,723	65,727
Directors remuneration	220,687	133,456
Staff bonuses	3,226,758	1,718,768

Capital management	Minimum required	31-Dec-24	31-Dec-23
Tier I ratio	10.00%	45.09%	32.26%
Total capital ratio	15.00%	45.09%	32.26%

Other investments at fair value through other comprehensive income

Other investments	31-Dec-24 K'000	31-Dec-23 K'000
Associate		
National Switch Limited	111,000	111,000
Malawi Agricultural and Industrial Investment Corporation Plc	727,250	727,250

Deposit rates	30-Dec-24	30-Dec-23
Current account	0.25%	0.25%
CDHIB prime investors account	9.50%	9.50%
Smart savers account	8.00%	8.00%
7 day call account	6.00%	6.00%
30 day call account	7.00%	7.00%
1 month fixed deposit	8.00%	8.00%
2 months fixed deposit	8.50%	8.50%
3 months fixed deposit	9.00%	9.00%
6 months fixed deposit	Negotiable	Negotiable
9 months fixed deposit	Negotiable	Negotiable
12 months fixed deposit	Negotiable	Negotiable

Lending rates	31-Dec-24	31-Dec-23
Base lending rate (local currency)	25.3%	23.6%
Base lending rate (foreign currency)	10%	10%
Maximum applicable range (basis points)	1,090	1,090
RBM bank rate	26.0%	24.0%