



## SUMMARY INCOME STATEMENTS

	Consolidated		Separate	
	2023 MKm	2022 MKm	2023 MKm	2022 MKm
For the year ended 31 December 2023				
Interest income	132,384	85,297	132,373	85,321
Interest expense	(9,549)	(8,645)	(9,616)	(8,719)
<b>Net interest income</b>	<b>122,835</b>	<b>76,652</b>	<b>122,757</b>	<b>76,602</b>
Fee and commission income	29,125	22,778	29,125	22,778
Fee and commission expense	(5,483)	(3,390)	(5,483)	(3,390)
<b>Net fee and commission income</b>	<b>23,642</b>	<b>19,388</b>	<b>23,642</b>	<b>19,388</b>
Trading income	52,914	31,227	50,112	29,033
Other operating income	600	608	701	1,720
Other gains on financial instruments	430	110	430	110
<b>Total operating income</b>	<b>200,421</b>	<b>127,985</b>	<b>197,642</b>	<b>126,853</b>
Credit impairment charges	(15,108)	(7,122)	(15,108)	(7,122)
<b>Income after credit impairment charges</b>	<b>185,313</b>	<b>120,863</b>	<b>182,534</b>	<b>119,731</b>
Staff costs	(32,031)	(23,332)	(32,031)	(23,332)
Depreciation and amortisation	(5,362)	(4,305)	(5,362)	(4,305)
Other operating expenses	(42,221)	(33,170)	(42,081)	(33,115)
<b>Total expenditure</b>	<b>(79,614)</b>	<b>(60,807)</b>	<b>(79,474)</b>	<b>(60,752)</b>
<b>Profit before equity accounted earnings and income tax expense</b>	<b>105,699</b>	<b>60,056</b>	<b>103,060</b>	<b>58,979</b>
Share of post-tax profit from joint venture	49	-	49	-
<b>Profit before income tax expense</b>	<b>105,748</b>	<b>60,056</b>	<b>103,109</b>	<b>58,979</b>
Income tax expense	(53,228)	(20,854)	(52,436)	(20,231)
<b>Profit for the year attributable to ordinary shareholders</b>	<b>52,520</b>	<b>39,202</b>	<b>50,673</b>	<b>38,748</b>
<b>Earnings per share</b>				
Basic and diluted (MK per share)	224.44	167.53	216.55	165.59

## SUMMARY STATEMENTS OF OTHER COMPREHENSIVE INCOME

	Consolidated		Separate	
	2023 MKm	2022 MKm	2023 MKm	2022 MKm
For the year ended 31 December 2023				
<b>Profit for the year</b>	<b>52,520</b>	<b>39,202</b>	<b>50,673</b>	<b>38,748</b>
<b>Items that will not be reclassified to profit or loss</b>				
Net revaluation gain on property	5,286	1,719	5,286	1,719
<b>Items that may be reclassified subsequently to profit or loss</b>				
Net change in expected credit losses	19	(76)	19	(76)
Net change in debt financial assets measured at fair value through other comprehensive income (OCI)	(60)	148	(60)	148
	(41)	72	(41)	72
<b>Total comprehensive income for the year attributable to ordinary shareholders</b>	<b>57,765</b>	<b>40,993</b>	<b>55,918</b>	<b>40,539</b>

## SUMMARY STATEMENTS OF CHANGES IN EQUITY

	Consolidated		Separate	
	2023 MKm	2022 MKm	2023 MKm	2022 MKm
For the year ended 31 December 2023				
<b>Opening equity</b>	<b>148,052</b>	<b>117,059</b>	<b>143,432</b>	<b>112,893</b>
Dividend declared and paid	(12,000)	(10,000)	(12,000)	(10,000)
Profit for the year	52,520	39,202	50,673	38,748
Movement in other reserves	5,245	1,791	5,245	1,791
<b>Closing equity</b>	<b>193,817</b>	<b>148,052</b>	<b>187,350</b>	<b>143,432</b>
Dividend per share (tambala)	5,128	4,273	5,128	4,273
Number of ordinary shares in issue (million)	234	234	234	234
Market price per share (MK)	3,950	2,000	3,950	2,000

## SUMMARY STATEMENTS OF FINANCIAL POSITION

	Consolidated		Separate	
	2023 MKm	2022 MKm	2023 MKm	2022 MKm
As at 31 December 2023				
<b>Assets</b>				
Cash and balances held with the Central Bank	152,232	56,385	152,118	56,199
Derivative assets	798	1,467	798	1,467
Non-current assets held-for-sale	-	584	-	584
Trading assets	22,644	120	22,644	120
Loans and advances to banks	239,739	131,454	239,546	131,189
Loans and advances to customers	294,300	235,845	294,300	235,845
Financial investments	335,019	352,645	335,019	352,645
Investment in subsidiaries	-	-	100	100
Other assets	25,989	14,962	26,030	15,002
Property, equipment and right-of-use assets	29,102	21,907	29,102	21,907
Intangible assets	12,693	13,979	12,693	13,979
<b>Total assets</b>	<b>1,112,516</b>	<b>829,348</b>	<b>1,112,350</b>	<b>829,037</b>
<b>Liabilities</b>				
Derivative liabilities	1,617	218	1,617	218
Deposits and loans from banks	21,569	20,962	21,569	20,962
Deposits from customers	790,639	593,006	797,124	597,753
Other liabilities	52,109	40,596	52,110	40,591
Income tax payable	29,619	10,565	29,433	10,133
Provisions	21,102	7,807	21,102	7,807
Deferred tax liabilities	2,044	8,142	2,045	8,141
<b>Total liabilities</b>	<b>918,699</b>	<b>681,296</b>	<b>925,000</b>	<b>685,605</b>
<b>Equity</b>				
Share capital	234	234	234	234
Share premium	8,492	8,492	8,492	8,492
Revaluation reserve	17,723	12,437	17,723	12,437
Fair value through OCI reserve	345	386	345	386
Retained earnings	167,023	126,503	160,556	121,883
<b>Total equity</b>	<b>193,817</b>	<b>148,052</b>	<b>187,350</b>	<b>143,432</b>
<b>Total liabilities and equity</b>	<b>1,112,516</b>	<b>829,348</b>	<b>1,112,350</b>	<b>829,037</b>

## SUMMARY STATEMENTS OF CASH FLOWS

	Consolidated		Separate	
	2023 MKm	2022 MKm	2023 MKm	2022 MKm
For the year ended 31 December 2023				
<b>Cash flows from operating activities</b>				
<b>Profit before income tax expense</b>	<b>105,748</b>	<b>60,056</b>	<b>103,109</b>	<b>58,979</b>
Adjustment for non-cash items included within the income statement	(100,056)	(66,244)	(99,978)	(67,194)
Increase in income-earning and other assets	(103,281)	(153,402)	(103,328)	(153,186)
Increase in deposits and other liabilities	134,310	136,966	136,054	137,427
Interest paid	(9,687)	(9,036)	(9,754)	(9,110)
Interest received	119,974	73,440	119,963	73,464
Dividends received	-	-	-	1,000
Income tax paid	(37,573)	(16,054)	(36,559)	(15,775)
<b>Net cash generated from operating activities</b>	<b>109,435</b>	<b>25,726</b>	<b>109,507</b>	<b>25,605</b>
<b>Cash flows from investing activities</b>				
Capital expenditure on property, equipment and intangible assets	(7,771)	(3,593)	(7,771)	(3,593)
Proceeds from sale of property and equipment	37	253	37	253
<b>Net cash used in investing activities</b>	<b>(7,734)</b>	<b>(3,340)</b>	<b>(7,734)</b>	<b>(3,340)</b>
<b>Cash flows from financing activities</b>				
Principal lease repayments	(458)	(319)	(458)	(319)
Dividends paid	(8,237)	(8,190)	(8,237)	(8,190)
<b>Net cash used in financing activities</b>	<b>(8,695)</b>	<b>(8,509)</b>	<b>(8,695)</b>	<b>(8,509)</b>
<b>Net increase in cash and cash equivalents</b>	<b>93,006</b>	<b>13,877</b>	<b>93,078</b>	<b>13,756</b>
Cash and cash equivalents at the beginning of the year	56,385	41,407	56,199	41,342
Effects of exchange rate changes	2,841	1,101	2,841	1,101
<b>Cash and cash equivalents at the end of the year</b>	<b>152,232</b>	<b>56,385</b>	<b>152,118</b>	<b>56,199</b>

## NOTES TO THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### Impairment losses/Non-Performing credit facilities and expected credit losses by Industry sector

	As at 31 December 2023			As at 31 December 2022		
	Outstanding Amount	Impaired amount	Stage 3 expected credit losses	Outstanding Amount	Impaired amount	Stage 3 expected credit losses
	MKm	MKm	MKm	MKm	MKm	MKm
Agriculture	86,554	103	76	63,029	25	25
Manufacturing	9,086	862	807	9,394	-	-
Construction	8,134	1,662	940	9,043	214	185
Energy/Electricity	7,381	124	84	5,252	-	-
Transport	12,610	614	426	5,139	170	138
Communication	26,792	-	-	26,283	-	-
Financial Services and other business Services	1,375	53	53	471	-	-
Wholesale/Retail	33,606	1,593	1,020	25,674	640	568
Individuals, community, social and personal services	122,319	4,805	4,096	100,047	5,406	4,566
Real estate	3,252	-	-	3,764	-	-
Tourism	1,290	3	3	2,132	1	1
<b>Total</b>	<b>312,399</b>	<b>9,819</b>	<b>7,505</b>	<b>250,228</b>	<b>6,456</b>	<b>5,483</b>

### Credit concentrations

Total credit facilities including guarantees, acceptances and other similar commitments extended to any one customer or group of related customers where amounts exceed 25% of our core capital.

Sector of borrower	As at 31 December 2023 MKm	% of Core Capital	31 December 2022	
			MKm	% of Core Capital
Various	-	-	31,737	26%

### Loans to directors, senior management and other related parties

	As at 31 December 2023 MKm		As at 31 December 2022 MKm	
<b>Directors</b>				
Balance at beginning of the year		162		182
Loans granted during the year		3		4
Repayments		(21)		(24)
<b>Balance at end of the year</b>		<b>144</b>		<b>162</b>

	As at 31 December 2023 MKm		As at 31 December 2022 MKm	
<b>Other related parties</b>				
Balance at beginning of the year		76		27
Loans granted during the year		3,238		59
Repayments		(14)		(10)
<b>Balance at end of the year</b>		<b>3,300</b>		<b>76</b>

	As at 31 December 2023 MKm		As at 31 December 2022 MKm	
<b>Senior management officials</b>				
Balance at beginning of the year		1,497		1,203
Loans granted during the year		542		596
Repayments		(425)		(302)
<b>Balance at end of the year</b>		<b>1,614</b>		<b>1,497</b>
<b>Total loans to directors, senior management and other related parties</b>		<b>5,058</b>		<b>1,735</b>
<b>Proportion of loans to directors, senior management and other related parties to core capital</b>		<b>3%</b>		<b>1%</b>

### Investment in subsidiaries

Name of Subsidiary	Number of shares	Percentage holding	Current year MKm	Previous year MKm
Standard Bank Bureau De Change Limited	99,999,999	100%	100	100
Standard Bank Nominees Limited	19,999	100%	-	-

	As at 31 December 2023	As at 31 December 2022
<b>Lending rate</b>		
Base lending rate (local currency)	23.6%	17.3%
Maximum applicable range (percentage points)	11.0%	11.0%
Lending rate (foreign currency loans)	3.9%-14.7%	3.9%-13.7%
Reserve Bank of Malawi Policy rate	24.0%	18.0%

### Directors' remuneration, bonuses and franchise fees

	As at 31 December 2023 MKm	As at 31 December 2022 MKm
<b>Directors' remuneration</b>		
- Directors fees	93	76
- Directors expenses	167	96
- Executive director's remuneration	441	341
<b>Total bonuses paid to all staff</b>	<b>3,067</b>	<b>2,480</b>
<b>Franchise fees to holding company</b>	<b>5,899</b>	<b>3,778</b>

### Deposit rates

Type of deposit	As at 31 December 2023 Rate	As at 31 December 2022 Rate
<b>Malawi Kwacha</b>		
Current account	0%	0%
Call	2%	3%
Notice	3.5%	4.5%
Savings	3%	3%
Pure save	4%	4%
Contract save	5%-8%	5%-8%
1 month fixed	4%	5.5%
2 months fixed	4.5%	6%
3 months fixed	5%	6.5%
More than 3 months fixed	negotiable	negotiable
<b>Foreign currency denominated accounts (FCDA's)</b>		
USD	0.37%	0.37%
GBP	0.10%	0.10%
EUR	0%	0%
ZAR	0%	0%

## FINANCIAL REVIEW



We are pleased to present the summary audited financial results of the Group for the year ended 31 December 2023.

### Economic highlights

The domestic economy is forecast to have grown by 1.5% in 2023 (2022: 0.9%); the slow growth being a result of a mix of challenges which dampened the level of economic activities across all sectors. The country experienced prolonged electricity power cuts at the beginning of 2023 and adverse weather conditions (cyclone Freddy in the southern part as well as a drought in the northern part). This was compounded by foreign exchange shortages and high farm input costs. Headline inflation increased materially in the year and averaged 28.8% (2022: 21%). The rise in inflation rate was due to food price pressures, utility tariff hikes and a weakening Kwacha which eventually got devalued by a staggering 44% in November. The Kwacha closed the year trading at MK1,698.79/US\$, from MK1,034.67/US\$ at the close of 2022. The Policy rate was adjusted twice in the year to close at 24% (2022: 18%) as authorities strived to contain inflation. The climax for the year and on a positive note, amid public debt pressures, was the return of the International Monetary Fund's (IMF's) 4-year Extended Credit Facility (ECF



Standard Bank PLC

# RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

## Outlook

Economic headwinds are likely going to continue mainly driven by unfavourable rate movements given the intention by authorities to keep the exchange rate more flexible. Adverse weather conditions will lower crop production and weigh down national income growth. Headline inflation may ease on the back of base effects emanating from food and foreign exchange markets. On the back of the IMF's ECF programme, the economy may see increased levels of foreign currency inflows for direct budgetary support and projects which will help anchor the exchange rate. Still, the economy critically needs to boost its capacity to generate more export earnings.

## Basis of preparation

The summary consolidated and separate financial statements are prepared in order to meet the requirements of the Financial Services Act, 2010 of Malawi for summarised financial statements and to comply with the Malawi Stock Exchange Listing Requirements which require the publication of audited results by a listed entity. The summarised financial statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"). The accounting policies applied in the preparation of the consolidated and separate financial statements from which the summary consolidated and separate financial statements were derived, are in terms of International Financial Reporting Standards and are consistent with the accounting policies applied in the preparation of the previous consolidated and separate financial statements.

## Dividend

A first interim dividend of **MK5 billion** (2022: MK5 billion) was paid in March 2024 representing **MK21.31** (2022: MK21.31) per ordinary share. The directors resolved to pay a second interim dividend of **MK7.5 billion** (2022: MK3 billion) representing **MK31.96** (2022: MK12.78) per ordinary share. The second interim dividend will be paid on 12<sup>th</sup> April 2024 to shareholders whose names will appear on the register of members as at close of business on 28<sup>th</sup> March 2024. The register of members will be closed from 28<sup>th</sup> March 2024 to 2<sup>nd</sup> April 2024. During this period, no share transactions will be conducted. The ex-dividend date will be 26<sup>th</sup> March 2024. The directors recommend a final dividend of **MK12.9 billion** (2022: MK12 billion) representing **MK54.97** (2022: MK51.14) per ordinary share to be tabled at the forthcoming Annual General Meeting.

By order of the Board.

NAME	DESIGNATION	SIGNATURE	DATE
1. C. Kapanga	Chairperson		23 February 2024
2. A. Mkandawire	Director		23 February 2024
3. P. Madinga	Chief Executive		23 February 2024
4. J. Mhone	Chief Financial and Value Management Officer		23 February 2024



## INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

To the Shareholders of Standard Bank PLC

## Opinion

The summary consolidated and separate financial statements (the "summary financial statements") of Standard Bank PLC, which comprise the summary consolidated and separate statements of financial position as at 31 December 2023, the summary consolidated and separate income statements, the summary consolidated and separate statements of other comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated and separate financial statements (the "audited financial statements") of Standard Bank PLC for the year ended 31 December 2023.

In our opinion, the accompanying summary financial statements, are consistent, in all material respects, with the audited financial statements, in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards and the requirements of the Financial Services Act, 2010 for summarised financial statements, as set out in the Basis of preparation note.

## The summary financial statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act, 2013 of Malawi. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

## The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 14 March 2024. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

## Other matter

We have not audited the section titled "Financial Review" included in the summary financial statements and accordingly do not express an opinion thereon.

## Directors' responsibility for the summary financial statements

The directors are responsible for the preparation of the summary financial statements in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards and the requirements of the Financial Services Act, 2010 for summarised financial statements, as set out in the Basis of preparation note.

## Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

**PricewaterhouseCoopers**  
Chartered Accountants (Malawi)  
Lilongwe

Andrew Vere

14 March 2024