

We hereby publish summary financial results for First Capital Bank plc for the six months ended 30 June 2024. The summary consolidated and separate financial statements have been prepared to meet the requirements of the Financial Services Act, 2010.

the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRSs).

By order of the Board,

Agness Jazza
Michael Kadumbo
Hitesh Anadkat

Chief Executive Officer
Chief Finance Officer
Director

The amounts in the summary consolidated and separate financial statements are prepared in accordance with

SUMMARY STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME						
In millions of Malawi Kwacha	CONSOLIDATED			SEPARATE		
	30-Jun-24 Unaudited	30-Jun-23 Unaudited	31-Dec-23 Audited	30-Jun-24 Unaudited	30-Jun-23 Unaudited	31-Dec-23 Audited
Interest income	40,026	25,658	60,781	40,026	25,658	60,781
Interest expense	(10,429)	(5,515)	(14,995)	(10,429)	(5,515)	(14,995)
Net interest income	29,597	20,143	45,786	29,597	20,143	45,786
Fees and commissions	20,627	14,958	30,411	20,627	14,958	30,411
Income from investments	869	5,242	6,486	869	5,242	6,486
	21,496	20,200	36,897	21,496	20,200	36,897
Total operating income	51,093	40,343	82,683	51,093	40,343	82,683
Staff and training costs	7,898	6,338	12,504	7,898	6,338	12,504
Premises and equipment costs	3,622	2,921	4,761	3,622	2,921	4,761
Depreciation expense	1,343	1,237	2,519	1,343	1,237	2,519
Other expenses	11,123	5,879	16,599	11,123	5,879	16,599
Impairment loss on financial assets	1,053	973	3,425	1,053	973	3,425
Total expenses	25,039	17,348	39,808	25,039	17,348	39,808
Profit before income tax expense	26,054	22,995	42,875	26,054	22,995	42,875
Income tax expense	(9,277)	(6,208)	(13,890)	(9,277)	(6,208)	(13,890)
Profit for the period	16,777	16,787	28,985	16,777	16,787	28,985
Other comprehensive income	-	1	960	-	1	960
Total comprehensive income for the period	16,777	16,788	29,945	16,777	16,788	29,945

SUMMARY STATEMENTS OF FINANCIAL POSITION						
In millions of Malawi Kwacha	CONSOLIDATED			SEPARATE		
	30-Jun-24 Unaudited	30-Jun-23 Unaudited	31-Dec-23 Audited	30-Jun-24 Unaudited	30-Jun-23 Unaudited	31-Dec-23 Audited
Assets						
Cash and cash equivalents	127,142	54,792	86,394	127,142	54,792	86,394
Money market investments	204,954	169,253	160,651	204,954	169,253	160,651
Loans and advances to customers	173,730	138,524	184,826	173,730	138,524	184,826
Repurchase agreements	8,712	5,261	8,383	8,712	5,261	8,383
Investments at fair value through profit or loss	11,743	9,847	10,919	11,743	9,847	10,919
Investment in subsidiary companies	-	-	-	209	209	209
Intangible assets	1,016	1,774	1,369	1,016	1,774	1,369
Property and equipment	28,846	24,377	25,793	28,846	24,378	25,793
Other assets	8,610	4,040	5,313	8,535	4,030	5,238
Total assets	564,753	407,868	483,648	564,887	408,068	483,782
Liabilities and Equity						
Liabilities						
Balances due to other banks	21,669	10,251	22,879	21,669	10,251	22,879
Customer deposits	402,250	307,644	354,465	402,568	307,962	354,783
Income tax payable	7,404	2,188	4,245	7,394	2,188	4,235
Other payables	44,489	14,532	24,057	44,673	14,753	24,241
Lease liabilities	810	575	448	810	575	448
Total liabilities	476,622	335,190	406,094	477,114	335,729	406,586
Equity						
Share capital	117	117	117	117	117	117
Share premium	1,565	1,565	1,565	1,565	1,565	1,565
Property revaluation reserve	12,530	11,571	12,530	12,530	11,571	12,530
Loan loss reserve	1,951	899	1,089	1,951	899	1,089
Retained earnings	71,968	58,526	62,253	71,610	58,187	61,895
Total equity	88,131	72,678	77,554	87,773	72,339	77,196
Total equity and liabilities	564,753	407,868	483,648	564,887	408,068	483,782

SUMMARY STATEMENTS OF CHANGES IN EQUITY						
In millions of Malawi Kwacha	CONSOLIDATED			SEPARATE		
	30-Jun-24 Unaudited	30-Jun-23 Unaudited	31-Dec-23 Audited	30-Jun-24 Unaudited	30-Jun-23 Unaudited	31-Dec-23 Audited
As at the beginning of the period	77,554	61,364	61,364	77,196	61,006	61,006
Net profit for the period	16,777	16,787	28,985	16,777	16,787	28,985
Other comprehensive income	-	1	960	-	1	960
Comprehensive income attributable to owners	94,331	78,152	91,309	93,973	77,794	90,951
Dividends paid	(6,200)	(5,455)	(13,755)	(6,200)	(5,455)	(13,755)
Other transactions with owners	-	(19)	-	-	-	-
Balance at the end of the period	88,131	72,678	77,554	87,773	72,339	77,196

SUMMARY STATEMENTS OF CASH FLOWS						
In millions of Malawi Kwacha	CONSOLIDATED			SEPARATE		
	30-Jun-24 Unaudited	30-Jun-23 Unaudited	31-Dec-23 Audited	30-Jun-24 Unaudited	30-Jun-23 Unaudited	31-Dec-23 Audited
Cashflows from operating activities						
Interest and fees received	60,249	39,881	83,998	60,249	39,881	83,998
Interest paid	(9,565)	(5,633)	(14,132)	(9,565)	(5,633)	(14,132)
Cash paid to suppliers and employees	(4,048)	(13,115)	(24,377)	(4,048)	(13,115)	(24,377)
	46,636	21,133	45,489	46,636	21,133	45,489
Increase in net customer balances	57,644	65,812	65,506	57,644	65,812	65,506
Cash generated from operations	104,280	86,945	110,995	104,280	86,945	110,995
Dividend received net of tax	45	127	187	45	127	187
Income taxes paid	(7,527)	(5,977)	(12,113)	(7,527)	(5,977)	(12,113)
Cash flows from operating activities	96,798	81,095	99,069	96,798	81,095	99,069
Cashflows from investing activities						
(Purchases)/Maturities of investment securities	(44,517)	(77,741)	(70,366)	(44,517)	(77,741)	(70,366)
(Purchases)/Maturities of repurchase agreements	(331)	(137)	(3,286)	(331)	(137)	(3,286)
Proceeds from sale of equipment	45	10	42	45	10	42
Sale of shares in listed companies	-	-	112	-	-	112
Acquisition of property and equipment	(4,043)	(1,720)	(2,924)	(4,043)	(1,720)	(2,924)
Cash outflows applied to investing activities	(48,846)	(79,588)	(76,422)	(48,846)	(79,588)	(76,422)
Cashflows from financing activities						
Dividend paid to shareholders of the parent	(6,200)	(5,455)	(13,755)	(6,200)	(5,455)	(13,755)
Proceeds/(Repayment) of long term borrowings	(1,210)	1,921	14,590	(1,210)	1,921	14,590
Payment of lease liabilities	(197)	(179)	(354)	(197)	(179)	(354)
Cash flows from financing activities	(7,607)	(3,713)	481	(7,607)	(3,713)	481
Net Increase in cash and cash equivalents	40,345	(2,206)	23,128	40,345	(2,206)	23,128
Cash and cash equivalents at 1 January	86,394	56,233	56,233	86,394	56,233	56,233
Effect of changes in exchange rates	403	765	7,033	403	765	7,033
Cash and cash equivalents at the end of the period	127,142	54,792	86,394	127,142	54,792	86,394

IMPAIRMENT LOSSES/NON-PERFORMING CREDIT FACILITIES AND PROVISIONS FOR LOSSES BY INDUSTRY						
In millions of Malawi Kwacha	30-Jun-24			30-Jun-23		
	Outstanding amount	Impaired amount	Specific provision	Outstanding amount	Impaired amount	Specific provision
Industry Sector						
Agriculture	44,132	1,339	524	30,204	618	260
Mining	62	-	-	37	-	-
Financial Services	876	-	-	671	1	-
Construction	10,036	84	33	11,165	94	40
Energy/Electricity/Gas /Water	11,744	-	-	9,737	-	1
Manufacturing	33,107	1,428	558	26,766	2,021	850
Wholesale and Retail	23,764	1,512	591	32,321	2,942	1,238
Community/social and personal services	46,295	208	81	22,500	396	165
Real Estate	-	-	-	34	-	-
Tourism & Leisure	1,621	346	135	2,643	316	133
Transport & Communication	6,315	-	-	6,074	38	16
Others	149	-	-	-	-	-
	178,101	4,917	1,922	142,152	6,426	2,703

CREDIT CONCENTRATIONS				
In thousands of Malawi Kwacha	30-Jun-24	% of Core Capital	30-Jun-23	% of Core Capital
Transport & Communication	34,816,501	53.74%	-	-
Construction	22,889,871	35.33%	14,982,770	28.40%
Energy/Electricity/Gas /Water	21,862,308	33.75%	-	-
Wholesale and Retail	-	-	13,905,000	26.35%

Note: Credit concentration represents 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 core capital.

LOANS TO DIRECTORS, SENIOR MANAGEMENT AND OTHER RELATED PARTIES			
In thousands of Malawi Kwacha	30-Jun-24	30-Jun-23	31-Dec-23
Corporate bodies directly or indirectly related to the directors:			
Balance at the beginning of the period	3,455,449	2,929,524	2,929,524
Loans granted during the period	35,720	-	3,455,449
Repayments	-	(896,909)	(2,929,524)
Balance at the end of the period	3,491,169	2,032,615	3,455,449
Senior management			
Balance at the beginning of the period	983,775	979,394	979,394
Loans granted during the period	31,089	60,437	114,723
Repayments	(88,603)	(112,115)	(110,342)
Balance at the end of the period	926,261	927,716	983,775

All loans to bodies directly or indirectly linked to directors were made on arm's length commercial terms.

INVESTMENT IN SUBSIDIARY COMPANIES				
Institution	Shares ('000)	Holding	2024 (K'000)	2023 (K'000)
ICB Malawi Limited	7,149	100.00%	148,791	148,791
FMB Capital Markets Limited	500	100.00%	50,000	50,000
FMB Forex Bureau	10,000	100.00%	10,000	10,000
			208,791	208,791

BASE LENDING RATE			
	30-Jun-24	30-Jun-23	31-Dec-23
Base lending rate (local currency loans)	25.10%	21.00%	23.60%
Maximum applicable range (percentage points)	11.10%	11.10%	11.10%
Base lending rate (foreign currency loans)	0.00	0.00	0.00
Maximum applicable range (percentage points)	12.00	9.50	9.50
Reference rate	25.10%	21.00%	23.60%

DEPOSIT RATES			
	30-Jun-24	30-Jun-23	31-Dec-23
Savings Accounts (Balances above K10,000)	4.00%	4.00%	4.00%
Fast Accounts (Balances above K10,000)	2.00%	2.00%	2.00%
Call Accounts			
7 day call	3.00%	3.00%	3.00%
30 day call	3.00%	3.00%	3.00%
Fixed Deposits (Minimum deposit K25,000)			
1 Month	3.50%	3.50%	3.50%
2 Months	5.50%	5.50%	5.50%
3 Months	5.00%	5.00%	5.00%
Above 3 Months	Negotiable	Negotiable	Negotiable
Current Account (Balances above K500,000)	0.00%	0.00%	0.00%

REMUNERATION TO DIRECTORS AND BONUSES TO STAFF			
In thousands of Malawi Kwacha	30-Jun-24	30-Jun-23	31-Dec-23
Fees paid to non-executive directors	340,630	183	