# SUMMARY OF UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE 2025

## **KEY GROWTH HIGHLIGHTS**

Values in MWK Billion	JUNE 2025	JUNE 2024
Total Assets	219.6	139.8
Total deposits	186.0	108.1
Total Income	20.9	12.4
Profit after tax	3.1	0.3

**Total Assets** 57% 72% 69% 962%

Total deposits Total Income Profit after tax



SUMMARY OF COMPREHENSIVE INCOME		CONSOLIDATED			SEPARATE	
In thousands of Kwacha	Six Months to 30 June 2025	Six Months to 30 June 2024	Year ended 31 December 2024	Six Months to 30 June 2025	Six Months to 30 June 2024	Year ended 31 December 2024
INCOME	30 Julie 2023	30 Julie 2024	31 December 2024	30 Julie 2023	30 Julie 2024	31 December 2024
Interest and similar income	16,485,157	11,799,726	25,454,195	16,485,157	11,799,726	25,454,195
Interest expense and similar charges	(5,860,503)	(6,059,307)	(11,944,018)	(5,929,867)	(6,055,250)	(11,955,086)
Net interest income	10,624,653	5,740,419	13,510,177	10,555,289	5,744,475	13,499,109
Fee and Commission income	6,886,158	4,207,988	9,551,165	6,886,158	4,201,528	9,081,291
Fee and Commission expense	(917,728)	(748,801)	(1,037,375)	(917,728)	(748,801)	(1,037,375)
Net fee and commission income	5,968,430	3,459,187	8,513,790	5,968,430	3,452,726	8,043,917
Net loss on derecognition of financial assets	_	_	_	_	_	_
Profit from dealing in foreign currencies	4,297,585	3,158,350	5,764,121	3,898,201	2,948,399	5,764,121
Total income	20,890,668	12,357,956	27,788,088	20,421,920	12,145,601	27,307,147
EXPENDITURE						
Staff costs	(4,948,843)	(4,968,631)	(9,645,033)	(4,886,826)	(4,912,799)	(9,540,441)
Other operating expenditure	(7,142,210)	(4,864,389)	(11,441,075)	(7,043,842)	(4,802,097)	(11,216,953)
Depreciation and Amortisation	(1,026,798)	(997,380)	(1,966,088)	(1,007,039)	(971,612)	(1,966,038)
Total expenditure	(13,117,851)	(10,830,400)	(23,052,196)	(12,937,707)	(10,686,508)	(22,723,432)
Profit before recoveries and impairment losses	7,772,816	1,527,556	4,735,892	7,484,213	1,459,093	4,583,715
Impairment losses on loans to customers	(4,140,963)	(1,218,251)	(3,279,306)	(4,140,963)	(1,218,251)	(3,279,306)
Profit before tax	3,631,854	309,305	1,456,586	3,343,251	240,842	1,304,409
Income tax (expense)credit	(526,411)	(17,000)	460,852	(439,830)	0	510,418
Profit/(Loss) for the period	3,105,443	292,305	1,917,438	2,903,421	240,842	1,814,827
OTHER COMPREHENSIVE INCOME Items that may not be reclassified to profit or loss						
Total comprehensive income/(loss) for the year net of tax	3,105,443	292,305	1,917,438	2,903,421	240,842	469,047
Attributable to: Equity owners of the parent entity	3,105,443	292,305	1,917,438	2,903,421	240,842	469,047
Earnings per share (MWK)	222	21	137	208	17	34

<b>SUMMARY STATEMENTS OF</b>		CONSOLIDATED			SEPARATE	
FINANCIAL POSITION In thousands of Kwacha	As at 30 June 2025	As at 30 June 2024	As at 31 December 2024	As at 30 June 2025	As at 30 June 2024	As at 31 December 2024
ASSETS						
Cash and funds with Reserve Bank of Malawi	33,591,618	24,789,398	28,152,437	31,601,564	23,266,548	26,429,295
Placements with other banks	11,556,867	6,646,753	2,688,767	11,556,867	6,646,753	2,688,767
Government of Malawi treasury bills and notes	95,272,875	31,713,868	61,199,744	95,272,875	31,713,868	61,199,744
Derivatives	4,141,713	0		4,141,713	0	
Loans and advances	58,307,267	58,562,907	58,443,007	58,307,267	58,562,657	58,443,007
Other assets	7,289,486	8,293,583	6,733,642	8,643,794	10,196,653	8,108,126
Investments in subsidiary	0	0	0	207,800	207,800	207,800
Tax receivable	214,901	5,436	0	301,795	500	0
Plant and equipment	3,299,121	3,278,877	3,511,911	3,259,207	3,233,802	3,467,374
Intangible assets	1,639,098	1,385,755	1,928,718	1,638,695	1,383,096	1,927,387
Right of use asset	808,428	1,384,568	1,054,271	808,428	1,352,395	1,040,062
Deferred tax asset	3,464,165	3,711,852	4,353,622	3,458,443	3,711,850	4,348,213
Total assets	219,585,539	139,772,996	168,066,118	219,198,449	140,275,921	167,859,775
LIABILITIES AND EQUITY LIABILITIES	105.077.301	100.070.400	125 100 227	105.077.301	100.070.400	125 100 227
Customer deposits	185,976,391	108,072,699	135,199,337	185,976,391	108,072,699	135,199,337
Other liabilities	5,343,248	2,640,777	3,114,888	5,304,439	3,199,144	3,061,248
Lease liability	753,539	1,364,701	976,366	696,053	1,346,886	922,505
Tax Liabilities	-	-	158,211		0	148,143
Medium term bond note	3,808,305	3,496,516	3,499,703	3,808,305	3,496,516	3,499,703
External borrowings	-	5,224,821	4,518,998	105 705 107	5,224,821	4,518,998
Total liabilities	195,881,482	120,799,514	147,467,503	195,785,187	121,340,066	147,349,934
EOUITY						
Capital and reserves						
Share capital	13.986	13.986	13.986	13.986	13.986	13.986
Share premium	25.032.870	17.450.146	17,450,146	25,032,870	17.450.146	17.450,146
Capital contribution	· · · · · · -	7,582,724	7,582,724	· · · · · · -	7.582.724	7,582,724
Accumulated losses	(1,342,799)	(6,073,375)	(4,448,242)	(1,633,595)	(6,111,001)	(4,537,016)
Total equity	23,704,057	18,973,481	20,598,615	23,413,261	18,935,855	20,509,841
Total equity and liabilities	219,585,539	139,772,996	168,066,118	219,198,449	140,275,921	167,859,775
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<b>SUMMARY STATEMENTS OF</b>
CHANGES IN EQUITY
In thousands of Kwasha

Opening equity at period beginning New Capital Profit/(Loss) for the year

Closing equity at period end

	CONSOLIDATED			SEPARATE	
Six Months to 30 June 2025	Six Months to 30 June 2024	Year ended 31 December 2024	Six Months to 30 June 2025	Six Months to 30 June 2024	Year ended 31 December 2024
20,598,615	11,098,453	11,098,453	20,509,841	11,112,289	11,112,289
_	7,582,724	7,582,724	-	7,582,724	7,582,724
3,105,443	292,305	1,917,438	2,903,420	240,842	1,814,827
23,704,057	18,973,481	20,598,615	23,413,261	18,935,855	20,509,841

SUMMARY STATEMENTS OF	(	CONSOLIDATED			SEPARATE	
	Six Months to	Six Months to	Year ended	Six Months to	Six Months to	Year ended
In thousands of Kwacha	30 June 2025	30 June 2024	31 December 2024	30 June 2025	30 June 2024	31 December 2024
Cash flows from operating activities Profit/(loss) before tax	3,631,854	3,632,257	1,456,586	3,343,251	240,842	1,304,40
Adjustments for: Depreciation/amortisation	1,026,798	1,007,039	2,016,370	1,007,039	971,612	1,966,039
Interest on lease liability	269,765	127,284	235,851	265,598	123,229	228,00
Customer deposits	50,777,053	17,654,898	44,781,537	50,777,053	17,654,898	44,781,537
Other liabilities and provisions	2,318,945	928,024	743,939	2,243,191	1,374,005	693,849
Loans and advances	135,740	(4,358,975)	(4,239,326)	135,740	(4,358,975)	(4,239,326
Other assets	(607,219)	(1,877,394)	368,474	(535,669)	(2,477,682)	176,93
Derivatives	(4,141,713)			(4,141,713)		
Income tax paid	(49,281)	(7,000)	(42,127)	· · · · · · · · · · ·		(500
Net cash (used in)/generated from operating activities	53,361,944	17,106,133	45,321,304	53,094,491	13,527,929	44,910,939
Cash flows from investing activities						
Investments with maturity over three months	(34,073,132)	(10,546,800)	(31,616,721)	(34,073,132)	(10,546,800)	(31,616,721
Purchase of plant and equipment	(278,545)	(527,289)	(1,993,673)	(278,545)	(527,289)	(1,987,872
Net cash generated from/(used in) investing activities	(34,351,677)	(11,074,089)	(33,610,394)	(34,351,677)	(11,074,089)	(33,604,593
Cash flows from financing activities						
Lease payments	(492,589)	(540,504)	(1,028,335)	(492,048)	(498,643)	(1,027,796
Additional Capital	-	7,582,724	7,582,724	-	7,582,724	7,582,724
Change in borrowings	(4,210,396)	-	(9,118,592)	(4,210,396)	-	(9,118,592
Net cash inflows (used in) financing activities	(4,702,985)	7,042,220	(2,564,203)	(4,702,444)	7,084,081	(2,563,664
Net (decrease)/increase in cash and cash equivalents	14,307,281	13,074,264	9,146,707	14,040,369	9,537,921	8,742,68
Cash and cash equivalents at beginning of the year	30,841,204	21,694,498	21,694,497	29,118,062	20,375,380	20,375,38
Cash and cash equivalents at end of the period ended	45,148,485	34,768,762	30,841,204	43,158,431	29,913,301	29,118,062

### **REGULATORY DISCLOSURES**

### IMPAIRMENT LOSSES/NON PERFORMING CREDIT FACILITIES AND PROVISION FOR LOSSES BY INDUSTRY SECTOR

in thousands of Kwacha	As at 30 June 2025 As at		30 June 202	24	As at 31 Decemb		er 2024			
SECTOR OF BORROWER	Exposure	Impaired Amounts	Expected Credit Loss	Net Exposure	Exposure	Impaired Amounts	Expected Credit Loss	Exposure	Impaired Amounts	Expected Credit Loss
Agriculture	1,572,638	206,130.13	262,738.40	1,309,900	1,269,004	478,912	18,414	1,232,726	498,089	295,257
Manufacturing	295,831	295,831.04	4,272.55	291,558	286,784	286,260	397	293,825	293,825	4,467
Construction	3,836,925	530,690.11	692,403.53	3,144,522	5,500,851	698,093	284,612	4,454,369	2,459,242	1,142,048
Wholesale and retail trade	13,006,617	5,712,423.93	1,641,081.47	11,365,536	15,009,915	7,995,914	1,366,426	13,200,725	7,303,411	1,481,322
Tourism	486,472	217,904.52	36,884.41	449,588	731,697	225,085	11,947	503,127	222,165	20,617
Transport and communications	2,649,047	284,954.91	385,049.83	2,263,998	3,426,962	871,983	348,293	3,304,758	6,446,965	354,161
Financial services	64,023	18,830.39	-	64,023	279,983	103,140	518	178,047	121,858	1,995
Community, social & personal services	35,692,269	5,166,376.01	1,944,026.40	33,748,243	30,224,950	6,589,357	1,287,246	34,450,272	969,503	1,616,915
Other	5,797,797	59,730	127,897	5,669,900	5,273,564	485,332	123,200	5,969,432	465,035	227,492
	63,401,620	12,492,872	5,094,353	58,307,267	62,003,710	17,734,076	3,441,053	63,587,281	18,780,093	5,144,274

# **CREDIT CONCENTRATIONS**

Name of Subsidiary

Name of Subsidiary

Centenary Bureau De Change

Centenary Bureau De Change

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.

	30 June 2025	30 June 2024	31 Dec 2024
SECTOR OF BORROWING	Exposure	Exposure	Exposure
None	_		

### LOANS TO DIRECTORS, SENIOR MANAGEMENT **AND OTHER RELATED PARTIES**

	30 June 2025 Net Loans	30 June 2024 Net Loans	31 December 2024 Net Loans
DIRECTORS			
Balance at period beginning	4,099	123	123
New loans	_	5,500	5500
Repayments	(746)	(911)	(1,524)
Balance at period end	3,353	4,712	4,099
SENIOR MANAGEMENT			
Balance at period beginning of the year	343,080	343,080	453,906
New loans	267,490	60,713	202,000
Repayments	(101,220)	(247,774)	(312,826)
Balance at period end	509,350	156,019	343,080
OTHER RELATED PARTIES			
Balance at period beginning	427,706	427,706	289,485
New loans	1,920,402	106,839	516,324
Repayments	(560,994)	(16,900)	(378,103
Balance at period end	1,787,114	517,645	427,706

Shareholding

### **DIRECTORS REMUNERATION, BONUSES AND MANAGEMENT FEES**

30 June 2025 30 June 2024 31 Dec 2024

	Directors' remuneration	265,536	302,583	6/4,994
re	Bonuses paid to staff	-	-	-
_	Management fees	_	_	_
	LENDING RATES	30 June 2025	30 June 2024	31 Dec 2024
	Base Lending Rate (local currency)	25.10%	25.10%	25.30%
24	Maximum Applicable Range (percentage points)	11.60%	11.60%	11.60%
	Base Lending Rate (foreign currency)	4.25%	8.10%	7.50%
23	Reserve Bank of Malawi Bank Rate	26.00%	26.00%	26.00%
00	DEBOSIT DATES			
4)	DEPOSIT RATES	30 June 2025	30 June 2024	31 Dec 2024
99 99	TYPE OF DEPOSIT  I. Current Account (on credit balances of K10,000,000) and above)		0.05%	0.05%
06	2. Fixed Deposits			
00	a) I Month	2.50/	3.5%	3.5%
6) <b>80</b>	b) 2 Months	3.5% 4.0%	4.0%	4.0%
<u> 80</u>	c) 3 Months	5.0%	5.0%	5.0%
	d) 6 Months	Negotiable	Negotiable	Negotiable
	e) 9 Months	Negotiable	Negotiable	Negotiable
85	f) 12 Months	Negotiable	Negotiable	Negotiable
24 (3)	3. Call Accounts	regotiable	· ·	
06	a) 7 day Notice	2.0%	2.0%	2.0%
	b) 14 day Notice	2.0%	2.0%	2.0%
	c) 21 day Notice	2.0%	2.0%	2.0%
	d) 30 day Notice	3.0%	3.0%	3.0%
ing	4. Savings Account			
)%	a) Ordinary Savings	2.0%	2.0%	2.0%
	b) Linga Savings	5.0%	5.0%	5.0%
ing	c) Student Savings	2.0%	2.0%	2.0%
)%	d) SME Savings	2.0%	2.0%	2.0%
		2.070		

We hereby present the summarised and consolidated unaudited financial results for Centenary Bank Limited (the Bank) for the six months ended 30th June 2025.

Headline inflation closed at 27.1% in June 2025 down from 28.1% in December 2024 and 33.3% in June 2024. Inflation is anticipated to continue declining due to improved maize supply and slightly better market liquidity. The IMF maintained its 2025 GDP growth forecast at 2.4%, while the Reserve Bank of Malawi held the policy rate steady at 26% to contain inflationary pressures. The reference rate closed at 25.1% down from 25.3% in December 2024 and 25.1% in June 2024

The performance of the Bank continues to improve significantly due to the confidence the market has now with the bank as evidenced by increased business volume especially in customer deposits. The increased customer deposits have made the bank to improve its liquidity, hence improved returns from investments. The Bank has also managed to improve its costs of doing business as evidenced by reduced cost of funds amidst increased customer base and inflationary pressure. Our operating expenses were also below the inflation. The Bank continued to grow its revenues and at the same time managed to contain its costs. However, high impairment allowances from deteriorating quality of the loan book contributed negatively to the performance of the bank as our customers continue to be affected by tough economic environment the country is going

The Bank has registered total assets worth MWK219.6billion in the first half of year representing 31% and 57% growth when compared to December 2024 (MWK168.1billion) and June 2024 (MWK139.8billion) respectively. The net loan portfolio has dropped by 0.44% and 0.23% when compared to June 2024 and December 2024 respectively due to increased ovisions and write-offs made from poor quality legacy Ioan portfolio. The total net Ioan portfolio stood at MWK58.3billion

Client deposits grew from MWK135.2billion reported in December 2024 to MWK186billion by June 2025 representing 38% growth. This performance also represents 72% growth when compared to June 2024(MWK108.1billion)

The Bank has registered 149% and 1,074% growth in profitability before tax when MWK3.6billion was registered by June 2025 against MWK1.4billion and MWK309million realised in the year ended 31 December 2024 and half year results to June 2024 respectively. The Bank's profit after tax to June 2025 was MWK3.1billion compared to MWK1.9billion achieved in the year ended 31 December 2024 and MWK240.8million in June 2024

Total income grew by 69% when the Bank recorded MWK20.9billion by June 2025 against MWK12.4billion reported in June 2024. Interest income grew from MWK11.8billion reported in June 2024 to MWK16.5billion by June 2025 representing 40% growth. The Bank earned MWK10.6billion in net interest incomes compared to prior year's net interest incomes of MKS.7billion representing 85% growth. Total non-interest revenue increased by 55% to MWK 10.3 billion from MK6.6 billion earned in prior year period .Overall the Bank registered improved transactional volumes in the year that has helped it grow its customer base and revenues.

The Bank has also made significant improvements in reducing cost of funds when the interest cost dropped by 3% from MWK6. I billion spent by June 2024 to MWK5.9billion by June 2025. This happened amidst increased inflationary pressure and

The Bank has also managed to contain its operating expenses before impairment allowances to below the inflation rate when it rose by 21% to MWK13.1 billion from MWK10.8 billion in the prior year. However high Impairment allowances arising from deteriorating quality of the loan portfolio negatively affected the performance in the period under review when MWK4. I billion was 'provided for loans and advances against MWK1. 2 billion reported last year same period.

### OUTLOOK

The Bank anticipates a challenging macroeconomic environment in the second half of 2025, with inflation projected to remai elevated around 29% and GDP growth expected at a modest 2.4%, according to the IMF and the Government of Malawi. While liquidity has improved, the IMF has urged the Reserve Bank of Malawi to maintain a tight monetary policy stance to anchor inflation expectations. As such, interest rates are expected to remain high despite some market calls for easing Foreign exchange availability also remains constrained, keeping pressure on import costs and business confidence. With general elections approaching in September 2025, policy direction and fiscal discipline may come under scrutiny, potentially adding uncertainty to the operating environment. Despite these dynamics, the Bank remains focused on disciplined cost management, prudent risk-taking, and deepening customer relationships. Supporting our customers through rising rates and higher cost of living remains a priority. Our strategic plan is focused on creating value for our customers, shareholders, employees and other stakeholders. We will continue to seize strategic opportunities to accelerate growth, strengthen our competitive market position and further increase brand awareness.

We will continue to invest in technology and our core businesses to improve customers' lived experience and to solve their unmet needs. This focus is a key growth driver in our core deposit and lending volumes to retail and business customers.

We will also continue to focus on cost rationalization, prudent management of risk and liquidity, diversification of balance sheet funding, whilst maintaining a healthy capital position. We will also continue to focus on improving customer satisfaction and efficiencies, upgrading our systems and driving the digitalization agenda to grow the business and enhance customer

### By order of the Board



18 Roc Director





The Directors have prepared the summary consolidated and separate financial statements to meet the requirements of the Financial Services Act, 2010. The Directors have considered the requirements of the Financial Services Act, 2010 and believe that the summary statements of financial position, comprehensive income, changes in equity and cash flows are sufficient to meet the requirements of the users of the summary consolidated and separate financial statements. The amounts in the summary consolidated and separate financial statements are prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards.





Centenary Bank is registered and licensed to provide banking and financial advisory services, and is regulated by the Reserve Bank of Malawi. | www.centenarybank.co.mw | info@centenarybank.co.mw | Call 358 toll free

Share Capital 207,800,000

Share Capital

207,800,000

31 December 2023