



# SUMMARY AUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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NICO



## REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF NICO HOLDINGS PLC

### Opinion

The summary consolidated and separate financial statements, which comprise the summary consolidated and separate statements of financial position as at 31 December 2024 and the summary consolidated and separate statements of comprehensive income, summary consolidated and separate statements of changes in equity and summary consolidated and separate statements of cash flows for the year then ended and related notes, are derived from the audited consolidated and separate financial statements of NICO Holdings plc for the year ended 31 December 2024.

In our opinion, the accompanying summary consolidated and separate financial statements are a fair summary of the audited consolidated and separate financial statements, and on basis described in the basis of preparation paragraph.

### Other Information

We have not audited future financial performance and expectations expressed by Directors included in the commentary in the accompanying summary consolidated and separate financial statements and accordingly do not express any opinion thereon.

### Summary Financial Statements

The summary consolidated and separate financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board and the IAS 29 directive as Issued by the Institute of Chartered Accountants in Malawi and the requirements of the companies Act, 2013 of Malawi. Reading the summary consolidated and separate financial statements and the auditor's report thereon, therefore, is not a substitute for reading the consolidated and separate audited financial statements and the auditor's report thereon. The summary consolidated and separate financial statements and the audited consolidated and separate financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the consolidated and separate audited financial statements.

### The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 24 April 2025. 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 consolidated and separate financial statements of the current year.

### Director's Responsibility for the Summary Financial Statements

The Directors are responsible for the preparation of the summary consolidated and separate financial statements on the basis described in Basis of Preparation paragraph.

### Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements are a fair summary of the audited consolidated and separate 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.

*Deloitte*

Chartered Accountants  
Christopher Kapenda  
Partner  
25 April 2025

**Deloitte.**



Everyone deserves timely and accurate financial knowledge to achieve financial freedom. NICO Group is not leaving anyone behind in this financial journey.

#OneNICO #NoOneLeftBehind

## SUMMARY AUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### HIGHLIGHTS

**PROFIT AFTER TAX  
INCREASES BY  
129%  
TO MK134.4 BILLION**

**REVENUE  
INCREASES BY  
83%  
TO MK516.4 BILLION**

**DIVIDENDS  
INCREASE BY  
100%  
TO MK20.8 BILLION**





# SUMMARY AUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024



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CONSOLIDATED		SEPARATE				CONSOLIDATED		SEPARATE	
31-Dec-24	Restated MK'million	31-Dec-23	Restated MK'million	31-Dec-24	Restated MK'million	31-Dec-23	Restated MK'million	31-Dec-24	Restated MK'million
<b>SUMMARY STATEMENTS OF COMPREHENSIVE INCOME</b>									
Insurance revenue	133,160	81,006	-	-	161,006	118,454	25,868	19,341	
Insurance service expenses	(53,298)	(69,907)	-	-		(1,659) <sup>1</sup>	-	-	
Net expense from reinsurance contracts held	(28,387)	(2,348)	-	-	134,393	58,717	16,818	13,699	
<b>Insurance service result</b>	<b>51,475</b>	<b>8,751</b>	-	-	6,523	6,198 <sup>2</sup>	2,470	2,215 <sup>2</sup>	
Net insurance finance income and expense	(13,630)	7,841 <sup>1</sup>	-	-	(25,456)	(20,704)	(12,516)	(9,387)	
Revenue from non-insurance operations	383,285	201,114	24,334	20,140	<b>Balance as at the end of the year</b>	<b>276,466</b>	<b>161,006</b>	<b>32,640</b>	<b>25,868</b>
Other income	1,056	119	880	19					
Share of profit from associate and Joint Ventures companies	1,128	504	1,128	504					
Depreciation and amortisation	(7,789)	(4,654)	(74)	(54)					
Impairment losses on financial assets	(4,725)	(4,564)	-	-					
Other finance costs	(3,658)	(1,163)	(326)	(483)					
Operating expenses	(209,391)	(124,362)	(7,872)	(5,222)					
<b>Profit before income tax</b>	<b>197,751</b>	<b>83,587</b>	<b>18,070</b>	<b>14,904</b>					
Income tax expense	(63,358)	(24,870) <sup>1</sup>	(1,252)	(1,205)					
<b>Profit for the year</b>	<b>134,393</b>	<b>58,717</b>	<b>16,818</b>	<b>13,699</b>					
Attributable to non-controlling interest	62,384	27,805	-	-					
Attributable to shareholders of the parent company	72,009	30,912	16,818	13,699					
<b>Other comprehensive income</b>	<b>134,393</b>	<b>58,717</b>	<b>16,818</b>	<b>13,699</b>					
Items that will never be reclassified to profit or loss	270	729	-	-					
Revaluation of property and equipment	6,456	3,451	2,378	653					
<b>Items that are or may be reclassified to profit or loss</b>	<b>6,523</b>	<b>6,198</b>	<b>2,470</b>	<b>1,982</b>					
<b>Total other comprehensive income for the year after tax</b>	<b>140,916</b>	<b>64,915</b>	<b>19,288</b>	<b>15,681</b>					
<b>Total comprehensive income for the year</b>	<b>140,916</b>	<b>64,915</b>	<b>19,288</b>	<b>15,681</b>					
Attributable to non-controlling interest	64,370	29,756	-	-					
Attributable to shareholders of the parent company	76,546	35,159	19,288	15,681					
Dividend paid to shareholders of the parent company*	(12,517)	(9,388)	(12,517)	(9,388)					
Earnings per share (Kwacha)	69.04	29.64	-	-					
Dividend paid per share (Kwacha)	12.00	9.00	12.00	9.00					
Number of shares in issue ('000)	1,043,041	1,043,041	1,043,041	1,043,041					
* The dividend amount disclosed in the Statement of Comprehensive Income differs from the amount reflected under cash flows from financing activities in the Statement of Cash Flow. The dividends in the cash flow statement includes only the dividends actually paid, while the dividends disclosed in the Statement of Comprehensive Income represents dividends payable for the current and prior year. A portion of these dividends, relating to foreign shareholders, remained unpaid at year-end.									
CONSOLIDATED		SEPARATE							
31-Dec-24	Restated MK'million	31-Dec-23	Restated MK'million	1-Jan-23	Restated MK'million	31-Dec-24	Restated MK'million	31-Dec-23	Restated MK'million
<b>SUMMARY STATEMENTS OF FINANCIAL POSITION</b>									
<b>ASSETS</b>									
Cash and cash equivalents	2,430,822	1,567,224	1,131,896	39,372	31,784				
Trade and other receivables	281,853	182,382	96,525	6,652	14,051				
Loans and advances to customers	30,131	15,961	15,792	2,461	2,119				
Client funds under management	234,942	153,816	137,796	-	-				
Reinsurance contract assets	275,506	170,614	134,739	-	-				
Other investments and loans receivable	38,583	38,988 <sup>1</sup>	27,414 <sup>1</sup>	-	-				
Inventories	129,765	93,377	60,350	2	2				
Investment in associate and joint venture companies	649	561	212	-	-				
Investment in government securities	4,114	3,419 <sup>2</sup>	1,879	4,114	3,419 <sup>2</sup>				
Investment in subsidiaries	753,061	473,677	396,697	-	9,212	9,063			
Investment in equity shares	613,787	384,573	227,015	15,864	2,804				
Investment properties	6,114	4,914	4,454	246	206				
Deferred tax assets	9,813	10,875	7,426	536	-				
Right-of-use assets	3,775	3,823	3,151	2	29				
Intangible assets	17,676	10,781	5,736	23	35				
Property and equipment	31,053	19,463	12,710	260	56				
<b>LIABILITIES</b>									
Deposits and customer accounts	2,154,356	1,406,218	1,014,866	6,732	5,916				
Trade and other payables	645,471	497,745	355,830	-	-				
Client funds payable	322,784	65,042	47,722	6,256	4,501				
Insurance contract liabilities	236,895	167,831	134,736	-	-				
Reinsurance contract liabilities	901,701	653,300	458,276	-	-				
Interest-bearing loans and borrowings	49	305	5	-	-				
Lease liabilities	23,471	9,927	9,407	458	1,358				
Deferred tax liabilities	7,448	6,795	5,063	18	57				
<b>EQUITY</b>									
Issued share capital	16,537	5,273	3,827	-	-				
Reserves	52	52	52	52	52				
Non-controlling interest	155,552	91,523 <sup>1</sup>	65,986 <sup>1</sup>	32,588	25,816 <sup>2</sup>				
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,430,822</b>	<b>1,567,224</b>	<b>1,131,896</b>	<b>39,372</b>	<b>31,784</b>				

Furthermore, to comply with the requirements of IAS 7 the Group has amended the presentation of changes in the working capital amounts of operating assets and liabilities from the banking subsidiary. Previously, the net movement was presented as part of cash receipts and payments within operating activities. In the current year, and retrospectively for comparatives, these changes have been disclosed separately.

**OVERVIEW**  
The Directors are pleased to report on the audited consolidated results of NICO Holdings PLC and its subsidiaries, joint venture, and associate companies ("NICO Group") for the year ended 31 December 2024.

**NATURE OF ACTIVITIES**  
The core business of the NICO Group is General Insurance, Life Insurance, Pension Services, Banking, Corporate Finance Advisory and Asset Management. The NICO Group through its portfolio investments also owns substantial investments in property, listed and unlisted equity investments across various industries in the Malawi economy. The Group carries out its business through subsidiaries in Malawi and Zambia, a joint venture company in Malawi and an associate company in Mozambique.

**ECONOMIC OVERVIEW**  
The NICO Group experienced remarkable growth in 2024 despite challenging economic conditions in Malawi. The country's economic development faced obstacles from several factors, including severe shortages of foreign currency, fiscal slippages, fuel scarcity, and drought-like conditions caused by the El Niño weather phenomenon, which negatively affected agricultural production. Consequently, inflation and interest rates remained high throughout the year. This led the Monetary Policy Committee to raise the policy rate from 24.0% at the beginning of the year to 26.0% at year-end.

**GROUP RESULTS**  
Gross revenue for the year ended 31 December 2024 increased by 83% to MK16.4 billion, compared to MK28.1 billion in 2023, primarily driven by the banking and life insurance businesses. Profit after tax, excluding other comprehensive income, increased by 129% to MK134.4 billion, up from MK58.6 billion in 2023. The consolidated profit after tax, excluding other comprehensive income, that is attributable to owners of the parent company (NICO Holdings plc), increased by 134% to MK72.0 billion, up from MK30.8 billion. This outstanding result was largely attributed to strong performances in the banking and life insurance businesses. The rest of the businesses also registered significant profit growth in the year. Consolidated profit after tax, along with other comprehensive income, increased by 117% to MK140.9 billion, compared to MK64.9 billion in 2023. The consolidated profit after tax, along with other comprehensive income, attributable to owners of the parent company increased by 118% to MK76.5 billion, up from MK35.2 billion.

**SEGMENTAL PERFORMANCE**  
**Banking**  
NBS Bank Plc delivered a very strong performance in the year driven by growth in money market investments, loan book and non-interest income. Profit after tax grew by 148% to MK73.0 billion from MK29.4 billion in 2023. The Bank grew its balance sheet size by 82% in 2024 to MK1.2 trillion (2023: MK657.7 billion). The Bank registered a 35% growth in customer deposits to MK726.7 billion (2023: MK538.5 billion). Loans and advances grew by 53% to close at MK234.9 billion (2023: MK153.8 billion).

Net interest income grew by 137% to MK160.3 billion (2023: MK 67.7 billion) due to the growth in money market investments and loan book. Non-interest revenue grew by 30% to MK45.2 billion (2023: MK34.9 billion) mainly due to increase in trade finance, foreign exchange trading income and increased adoption of digital platforms which drove transaction volumes. Impairment charges rose to MK4.7 billion, up by only 2% from MK4.6 billion in 2023.

**Life Insurance**  
NICO Life Insurance Company Limited registered total insurance revenue growth of 94% to MK 54.7 billion (2023: MK28.1 billion). This growth was attributed to organic growth, new business and investment returns. The business registered a 75% growth in profit after tax to MK 44.9 billion (2023: MK25.7 billion). The growth in profitability was mainly due to good claims experience in the period and better investment returns from fixed-income instruments and listed equities.

**BASIS OF PREPARATION**  
The Directors have prepared the summary consolidated and separate financial statements to meet the listing requirements of the Malawi Stock Exchange. The Directors believe that the summary consolidated and separate statements of financial position, summary consolidated and separate statements of comprehensive income, summary consolidated and separate statements of changes in equity and summary consolidated and separate statements of cash flows are sufficient to meet the requirements of the users of the summary financial statements. The amounts in the summary financial statements are prepared in accordance with the framework, concepts and the measurements and recognition requirements of IFRS Accounting Standards as issued by International Accounting Standards Board and the IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM).