



SENS ANNOUNCEMENT
(the “Notice” or “Announcement”)

ISSUER

STANDARD CHARTERED BANK ZAMBIA PLC [“SCBZ”]
[Incorporated in the Republic of Zambia]

Company registration number: 6525
Share Code: SCZ
ISIN: ZM0000000094
Authorized by: Doris Tembwe – Company Secretary

SPONSOR



STOCKBROKERS ZAMBIA LIMITED

STOCKBROKERS ZAMBIA LIMITED
[Founder member of the Lusaka Securities Exchange]
[Regulated and licensed by the Securities and Exchange Commission of Zambia]

Contact Number: +260-211-232456
Website: www.sbz.com.zm

APPROVAL

The captioned Notice or Announcement has been approved by:

- i. the Lusaka Securities Exchange
- ii. the Securities and Exchange Commission
- iii. Stockbrokers Zambia Limited

RISK WARNING

The Notice or Announcement contained herein contains information that may be of a price sensitive nature.

Investors are advised to seek the advice of their investment advisor, stockbroker, or any professional duly licensed by the Securities and Exchange Commission of Zambia to provide securities advice.

ISSUED: 7 September 2023

INTERIM RESULTS

STATEMENT OF FINANCIAL POSITION		
as at 30 June 2023		
	2023	2022
	ZMW'000	ZMW'000
Assets		
Cash and cash equivalents	6,736,156	6,218,050
Cash on hand and balances at Bank of Zambia	2,209,959	1,173,740
Loans and advances to banks	200,010	-
Pledged assets	214,700	252,068
Derivative financial instruments	82,696	-
Investment securities	2,509,392	3,586,228
Loans and advances to customers	1,674,547	1,487,778
Other assets	380,430	395,518
Assets Held for Sale	6,368	-
Property and equipment	96,689	108,124
Current tax assets	-	49,923
Deferred tax assets	44,925	107,289
Intangible assets	77,218	64,495
Total assets	14,233,090	13,443,214
Liabilities		
Amounts payable to group banks	55,442	392,581
Amounts payable to non group banks	597,073	343,418
Derivative financial instruments	-	14,968
Deposits from customers	11,696,998	11,133,621
Dividends payable	-	5,728
Current tax liabilities	16,384	-
Other liabilities	761,686	525,450
Subordinated liabilities	70,600	67,300
Provisions	49,348	120,757
Total liabilities	13,247,532	12,603,824
Equity		
Share capital	416,745	416,745
Statutory reserves	12,285	12,285
Fair value reserves	(60,004)	95,367
Capital contribution	62,312	62,312
Retained earnings	554,220	252,681
Total equity	985,558	839,389
Total liabilities and equity	14,233,090	13,443,214

Standard Chartered Bank has continued to lead the market in providing access to affordable financing. In H1 of 2023, the bank announced significant changes to its Personal Loan proposition which included increase in the maximum loan amount from ZMW450,000 to ZMW600,000. Additionally, the bank has extended the Personal Loan tenor from 60 months to 72 months allowing clients to access higher amounts to be repaid over an extended period.

STATEMENT OF PROFIT and LOSS
for the 6 months ended 30 June 2023

	2023 ZMW'000	2022 ZMW'000
Revenue	712,731	577,766
Operating expense	<u>(426,188)</u>	<u>(370,581)</u>
Operating profit	286,543	207,185
Impairment on financial instruments	<u>131,373</u>	<u>30,909</u>
Profit/ (Loss) before Tax	417,916	238,093
Income tax expense	<u>(125,375)</u>	<u>(71,428)</u>
Profit/ (Loss) for 6 months ended	<u>292,541</u>	<u>166,665</u>
Earnings/ (Loss) per share	0.18	0.10

STATEMENT OF SHAREHOLDERS' EQUITY
as at 30 June 2023

	2023 ZMW'000	2022 ZMW'000
Balance at 30th June 2022	839,389	808,245
Profit for the year	292,540	166,665
Fair value reserve movements	(155,370)	63,974
Dividend	-	(354,000)
Other movement	<u>8,999</u>	<u>154,505</u>
Balance as at 30 June 2023	<u>985,558</u>	<u>839,389</u>

STATEMENT OF CASHFLOWS
for the 6 months ended 30 June 2023

	2023 ZMW'000	2022 ZMW'000
Cash flow from operating activities	429,386	(1,094,991)
Cash flows from investing activities	(135,122)	(153,838)
Cash flows from financing activities	<u>(12,416)</u>	<u>(29,074)</u>
Net increase in cash and cash equivalents	281,847	(1,277,903)
Cash and cash equivalents at beginning of year	5,921,973	7,199,618
Effect of exchange rate fluctuation on cash held	<u>-</u>	<u>257</u>
Cash and cash equivalents for 6 months ended	<u>6,203,820</u>	<u>5,921,973</u>

Key Financial Highlights

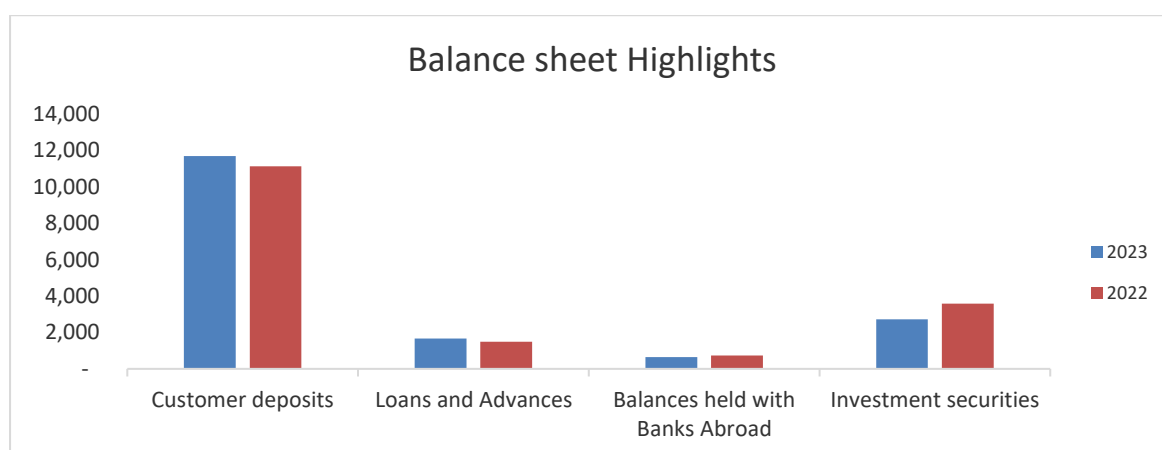
Income Statement

Standard Chartered Bank Zambia delivered a strong performance in H1 2023 resulting in a year-to-date profit after tax of ZMW 292m which was a 76% year on year growth.

- The Bank recorded a 28% growth on interest income year on year due to increase interest income from banks and financial institutions as well as interest income from loans and advances. Net trading income increased by 46% YoY mainly due to realised and unrealised trading gains on derivatives and FX trading
- The Bank further recorded an impairment recovery of ZMW 131m compared to ZMW 38m in 2022. This is mainly on account of Expected credit losses (ECL) recovery on government securities.
- Operating expenses have grown by 15% driven by growth in staff costs in line with inflation.

Balance sheet

The Banks Balance Sheet position remains robust, with strong liquidity and a healthy capital adequacy ratio. Our foundations remain strong with significant investments in our digital platforms.



The Bank recorded a Balance Sheet growth of 6% year on year from ZMW 13.4b to ZMW 14.2b on account of:

- Loans and Advances grew by 13% driven by momentum on Mortgages (75%) and Personal Loans (38%). Total asset growth was negated by a 29% decrease in Investments securities due to the banks strategy to invest in short term securities.
- Liabilities grew by 5% driven is by 74% growth amounts payable to non group banks. Customer deposits also grew by 5% year on year.

By Order of the Board

Doris Tembwe
Company Secretary

Issued in Lusaka, Zambia 7 September 2023

Lusaka Securities Exchange Sponsoring Broker



STOCKBROKERS ZAMBIA LIMITED

T | +260-211-232456

E | advisory@sbz.com.zm

W | www.sbz.com.zm

Stockbrokers Zambia Limited (SBZ) is a member of the Lusaka Securities Exchange and is regulated by the Securities and Exchange Commission of Zambia

First Issued on 7 September 2023