

**SUMMARY STATEMENTS OF PROFIT OR
LOSS AND OTHER COMPREHENSIVE INCOME**
In thousands of Malawi Kwacha

Income	Consolidated		Separate	
	2022	2021	2022	2021
Fee income	4,954,077	3,295,236	6,024,924	3,368,060
Interest income	17,957,924	11,649,609	60,228	93,569
Other income	373,913	624,178	373,913	624,178
Total income	23,285,914	15,569,023	6,459,065	4,085,807
Operating expenses	(4,122,147)	(3,628,134)	(2,539,058)	(2,067,007)
Interest expense	(15,243,760)	(9,922,089)	-	-
Total expenses	(19,365,907)	(13,550,223)	(2,539,058)	(2,067,007)
Profit before income tax expense	3,920,007	2,018,800	3,920,007	2,018,800
Income tax expense	(1,190,039)	(616,196)	(1,190,039)	(616,196)
Profit for the year	2,729,968	1,402,604	2,729,968	1,402,604
Basic and diluted earnings per share (MK)	54.60	28.05		

**SUMMARY STATEMENTS
OF FINANCIAL POSITION**
In thousands of Malawi Kwacha

ASSETS				
Non-current assets				
Equipment	102,916	122,799	102,916	122,799
Intangible assets	255,970	3,913	255,970	3,913
Investment in subsidiary	-	-	50	50
Right of use assets	119,993	3,929	119,993	3,929
Deferred tax assets	83,218	22,330	83,218	22,330
Total non-current assets	562,097	152,971	562,147	153,021
Current assets				
Trade and other receivables	2,338,095	2,042,021	2,180,096	340,623
Amounts due from group companies	2,392	37,148	2,392	37,148
Client funds under management	135,310,211	95,041,404	-	-
Cash and cash equivalents	1,178,839	1,613,805	1,087,776	1,175,901
Total current assets	138,829,537	98,734,378	3,270,264	1,553,672
Total assets	139,391,634	98,887,349	3,832,411	1,706,693
EQUITY AND LIABILITIES				
Equity				
Share capital	2,500	2,500	2,500	2,500
Share premium	47,500	47,500	47,500	47,500
Retained earnings	2,452,684	1,022,716	2,452,684	1,022,716
Total equity	2,502,684	1,072,716	2,502,684	1,072,716
Non-current liabilities				
Lease liabilities	89,865	-	89,865	-
Current liabilities				
Bank overdraft	-	2,274,249	-	-
Trade and other payables	546,913	290,890	140,783	42,799
Other accruals and provisions	344,362	187,769	337,861	182,393
Amounts due to group companies	-	1,523	155,396	149,274
Lease liabilities	22,902	25,532	22,902	25,532
Client funds payable	135,301,988	94,800,691	-	-
Income tax payable	582,920	233,979	582,920	233,979
Total current liabilities	136,799,085	97,814,633	1,239,862	633,977
Total equity and liabilities	139,391,634	98,887,349	3,832,411	1,706,693

**SUMMARY STATEMENTS
OF CHANGES IN EQUITY**
In thousands of Malawi Kwacha

	2022	2021	2022	2021
Balance at 1 January	1,072,716	1,470,112	1,072,716	1,470,112
Profit for the year	2,729,968	1,402,604	2,729,968	1,402,604
Dividends paid	(1,300,000)	(1,800,000)	(1,300,000)	(1,800,000)
Balance at 31 December	2,502,684	1,072,716	2,502,684	1,072,716

**SUMMARY STATEMENTS
OF CASH FLOWS**
In thousands of Malawi Kwacha

	2022	2021	2022	2021
Net cash (used in)/ generated from operating activities	(14,738,381)	(12,004,747)	1,464,397	1,670,883
Net cash (used in)/ generated from investing activities	(22,607,506)	(16,094,017)	(236,395)	84,596
Net cash generated from/(used in) financing activities	39,185,170	27,604,599	(1,316,127)	(1,816,323)
Net increase/(decrease) in cash and cash equivalents	1,839,283	(494,165)	(88,125)	(60,844)
Cash and cash equivalents at 1 January	(660,444)	(166,279)	1,175,901	1,236,745
Cash and cash equivalents at 31 December	1,178,839	(660,444)	1,087,776	1,175,901
Increase/(decrease) in net working capital	1,110,707	(325,045)	1,110,707	(325,045)

BASIS OF PREPARATION

The accompanying summary consolidated, and separate financial statements have been prepared in accordance with the requirements of the Financial Services Act, 2010 of Malawi. The Directors have considered the requirements of the Financial Services Act, 2010 and believe that the summary consolidated and separate statements of financial position, summary consolidated and separate statements of profit or loss and other 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 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. The summary consolidated and separate financial statements have been derived from the annual consolidated and separate financial statements which were approved by the Board of Directors on 29 March 2023, and are available at the registered office of the Company.

PERFORMANCE

The Board announces a pre-tax profit of K3.9 billion (2021: K2.00 billion). Total income at K23.29 billion was 50% above the previous year's income of K15.57 billion largely due to the increase in investments in Government Securities and growth in Assets Under Management. Operating expenses were 14% above the previous year largely due to the increased staff costs emanating from capacity enhancements, business acquisition related costs and IT related expenses. Interest expense increased by 54% due to the growth in the retail business.

OUTLOOK*

The operating environment is expected to remain vulnerable to various external shocks including foreign currency shortages, weather conditions, and less than optimal agricultural productivity. The Company will therefore focus on creating investment opportunities for the funds under management and navigating the challenges in the operating environment to deliver competitive risk adjusted returns. Through this strategy the Company will ensure to deliver competitive investment returns to its clients while diversifying the investments portfolio to mitigate against the prevailing risks.

*Unaudited


Louis Sibande
Chairman


Daniel Dunga
Chief Investment Officer

**REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED AND
SEPARATE FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF NICO ASSET
MANAGERS LIMITED**

OPINION

The summary consolidated and separate financial statements, which comprise the summary consolidated and separate statements of financial position as at 31 December 2022, and the summary consolidated and separate statements of profit or loss and other 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 Asset Managers Limited for the year ended 31 December 2022.

In our opinion, the accompanying summary consolidated, and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements of NICO Asset Managers Limited, and the basis described on the basis of preparation paragraph.

SUMMARY FINANCIAL STATEMENTS

The summary consolidated and separate financial statements do not contain all the disclosures required by International Financial Reporting Standards (IFRS). Reading the summary consolidated and separate financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate 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 audited consolidated and separate 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 31 March 2023.

DIRECTORS' RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS

Directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the basis described on the basis of preparation paragraph.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements are consistent, in all material respects, with 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
Vilengo Beza
Partner
12 April 2023