First National Bank of Eswatini Limited

Abridged Audited Financial Statements and Dividend Declaration for the Year Ended 30 June 2026

First National Bank of Eswatini Limited
Incorporated in the Kingdom of Eswatini
Registration Number: 24/1988
Listed on the Eswatini Stock Exchange (ESE)
ISIN Code: SZE000331064
ESE Share Code: FNBE

Profit Before Tax

2026: E336m
2025: E347m
↓ 3%

Basic and diluted earnings per share (cents)

2026: 194 cents
2025: 202 cents
↓ 4%

Net asset value per share (cents)

2026: 1 154 cents
2025: 1 081 cents
↑ 7%

Return on Equity

2026 ↓: 17%
2025: 19%

Return on Assets

2026 ↓: 2.1%
2025: 2.6%

Abridged Statement of Comprehensive Income for the year ended 30 June 2026	2026 E'000	2025 E'000
Interest and similar income	1 059 833	969 012
Interest expense and similar charges	(475 256)	(426 788)
Net interest income before impairments	584 577	542 224
Expected credit gains on investment securities	730	4 779
Impairment of advances	(40 075)	(28 897)
Net interest income after impairment of advances	545 232	518 106
Non-interest revenue	651 076	579 205
Income from operations	1 196 308	1 097 311
Operating and administration expenses	(814 455)	(709 357)
Income before indirect tax	381 853	387 954
Indirect tax	(46 113)	(41 295)
Profit before income tax	335 740	346 659
Income tax expense	(78 081)	(77 875)
Profit for the year	**257 659**	**268 784**
OTHER COMPREHENSIVE INCOME		
Items that may not subsequently be reclassified to profit or loss		
Re-measurements on defined benefit post-employment plans	(5 494)	-
Actuarial gains for the year	(7 325)	-
Deferred income tax on gains arising during the year	1 831	-
Total Comprehensive Income	**252 165**	**268 784**

Abridged Statement of Cash Flows for the year ended 30 June 2026	2026 E'000	2025 E'000
Cash flow from operating activities before operating assets and liabilities	301 343	305 938
Net cash flow from changes in operating assets and liabilities	379 908	323 718
Net cash inflow from operating activities	681 251	629 656
Net cash outflow from investing activities	(254 838)	(206 023)
Net cash outflow from financing activities	(162 332)	(204 215)
Net increase in cash and short-term funds	264 081	219 418
Cash and cash equivalent at beginning of the year	1 331 016	1 111 598
Cash and cash equivalent at end of the year	**1 595 097**	**1 331 016**

Final Dividend Declaration

Notice is hereby given that the Board of Directors, at its meeting held on 18 August 2026, declared a final gross cash ordinary dividend of 41 cents per share, amounting to **E54 530 000**, payable from the income reserves for the financial year ended 30 June 2026.

Ordinary Shares:
Year ended 30 June

Cents per share	2025	2026
Interim dividend	72	55
Final dividend	61	41
Total Dividends	133	96

Salient Dates
The salient dates for the interim ordinary dividend are outlined below:

Last day to trade cum-dividend	: Tuesday, 22 September 2026
Shares commence trading ex-dividend	: Wednesday, 23 September 2026
Record date	: Friday, 25 September 2026
Payment date	: Monday, 28 September 2026

Share certificates may not be dematerialised or rematerialised between Wednesday, 23 September 2026 and Friday, 25 September 2026, both days inclusive. Normal and withholding tax will be deducted from dividends paid to local shareholders and non-resident shareholders respectively, where applicable.

Abridged statement of Financial Position as at 30 June 2026	2026 E'000	2025 E'000
ASSETS		
Cash and cash equivalents	1 595 097	1 331 016
Derivative financial instruments	9 277	19 603
Accounts receivable	157 652	114 286
Investment securities and other investments	1 789 123	1 501 668
Advances	5 684 347	4 703 013
Amounts due from related parties	2 439 892	2 239 597
Current income tax asset	28 065	14 466
Property and equipment	324 710	325 807
Intangible Assets	2 028	2 679
Deferred income tax asset	42 453	40 103
Total assets	**12 072 644**	**10 292 238**
EQUITY		
Capital and reserves attributable to equity holders of the parent		
Share capital	26 600	26 600
Share premium	2 686	2 686
Other reserves	402 177	371 813
Retained earnings	1 103 621	1 036 100
Total equity	**1 535 084**	**1 437 199**
LIABILITIES		
Derivative financial instruments	741	15 532
Accounts payable	176 734	174 139
Deposits	8 121 538	6 618 392
Amounts due to related parties	2 170 123	1 996 677
Lease liability	17 711	3 963
Provision for other liabilities and charges	47 080	46 336
Defined benefit post-employment liability	3 633	-
Total liabilities	**10 537 560**	**8 855 039**
Total equity and liabilities	**12 072 644**	**10 292 238**

Abridged Statement of Changes in Equity for the year ended 30 June 2026	2026 E'000	2025 E'000
Balance at the beginning of the year	1 437 199	1 358 886
Profit for the year	257 659	268 784
Other comprehensive Income	(5 494)	-
Dividends paid	(154 280)	(190 471)
Balance at the end of the year	**1 535 084**	**1 437 199**

Independent Auditor's Review Report on Financial Statements

PricewaterhouseCoopers, First National Bank of Eswatini Limited's independent auditors, have audited the financial statements of First National Bank of Eswatini Limited and have expressed an unmodified audit opinion on the financial statements. The abridged financial statements have been derived from the audited financial statements and comprise the abridged statement of financial position as at 30 June 2026, abridged statement of comprehensive income, abridged statement of changes in equity and abridged statement of cash flows for the year ended 30 June 2026. The audited financial statements and audit report thereon are available for inspection at First National Bank of Eswatini Limited's registered office. The audited financial statements do not necessarily report on all the information contained in this announcement. For a better understanding of the bank's financial position and the statements of its operations for the year, these abridged financial statements should be read in conjunction with the audited financial statements from which the abridged financial statements were derived, and the audit report thereon.

Commentary on Performance

Operating Environment

The operating environment remained broadly supportive of economic activity despite heightened global uncertainty. The year was characterised by shifting global trade and aid policies, geopolitical tensions, commodity market volatility and climate-related risks, which influenced the global growth and inflation outlook. Domestically, economic activity remained resilient, supported by infrastructure investment, rising civil service incomes, robust private sector credit growth and a stable monetary policy backdrop.

Real GDP is estimated to have expanded by 4.8% in 2025, while inflation averaged 2.4% during the financial year. The Central Bank of Eswatini maintained the discount rate at 6.75%, providing a stable interest rate environment. Credit extended to the private sector continued to expand, supported by growth in both business and household lending. While the outlook remains constructive, risks persist from global developments, climate variability, higher fuel prices and rising public debt levels.

Statement of financial position

Customer deposits increased by 23% year on year, driven by strong growth across key deposit products. Growth was largely driven by term deposits, while savings deposits and call accounts also recorded positive growth during the year, reflecting continued customer confidence.

Gross advances increased by 21% year on year, supported by growth across the lending portfolio. Growth was primarily driven by term loans and overdrafts, while home loans and WesBank lease receivables also recorded positive growth during the year.

Total assets increased to E12 billion, representing growth of 17% year on year. This growth was driven by increases in cash and cash equivalents, investment securities and advances, reflecting continued balance sheet expansion and business growth.

Financial performance

Profit before tax declined by 3% year on year despite total income growth of 9%. Growth in earnings was impacted by higher impairment charges and increased operating expenses incurred during the year, partially offset by strong growth in both net interest income and non-interest income. Operating expenses increased primarily due to a 24% year-on-year rise in support costs, reflecting higher charges from shared support functions.

Net interest income before impairments grew by 8%, supported by continued growth in advances and the optimisation of earning assets. Lending activity remained strong across key portfolios, contributing positively to income growth.

Non-interest revenue increased by 12%, reflecting continued growth in transactional activity and increased adoption of the Bank's digital channels. The Bank remains focused on delivering innovative and convenient solutions that meet evolving customer needs while supporting revenue diversification.

The credit loss ratio increased marginally from 0.6% to 0.7%, however impairment levels remained well controlled and reflective of the resilience of the lending portfolio. The Bank continues to maintain disciplined credit risk management and collection practices.

Outlook

The Bank's total equity position of E1.535 billion remains well above regulatory capital adequacy requirements and demonstrates that the Bank remains well capitalised to absorb future volatility and support long-term growth.

The audited abridged financial statements have been approved by the Board of Directors on 08 September 2026 and are signed on its behalf by:

Thokozani H Dlamini Chief Executive Officer	Njabulo Dlamini Chief Financial Officer

Directors: EB Arden (Chairperson), TH Dlamini (CEO), JM Gule, LJ Haynes, S Gumbi, SS Tsabedze, GN Motsa, BM Nyamane, DM Dlamini, WJ Adams

Company Secretary: H Msibi

Non-Interest Revenue

2026: E651.1m
2025: E579.2m
↑ 12%

Loans to Customers Before Provisions

2026: E5.843 bn
2025: E4.829 bn
↑ 21%

Loans to Deposit Ratio

2026 ↓: 71.9%
2025: 73.0%

Customer Deposits

2026: E8.122 bn
2025: E6.618 bn
↑ 23%

Credit Loss Ratio

2026 ↑: 0.7%
2025: 0.6%

Auditors
PricewaterhouseCoopers
Rhus Office Park
Karl Grant Street
Mbabane

Sponsoring Broker
alphsz securities
3rd Floor
Fincorp Building
Cnr Gwamile & Dabede Street
Mbabane

Transfer Secretaries
SNG Grant Thornton
SNG Grant Thornton Eswatini Proprietary Limited
Umkhiwa House
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Registered office
First National Bank of Eswatini Limited
The Offices Complex
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