



PRESS RELEASE

POSITION OF FDH BANK PLC ON RECENT ADVERSE MEDIA REPORTS

FDH Bank Plc would like to address its customers and other stakeholders on the adverse publicity that it has been getting lately on social and formal media outlets in connection with the contents of a reported forensic audit report on the activities of the Reserve Bank of Malawi and the arrest of several high ranking individuals associated with the Reserve Bank of Malawi.

The Bank has noted with great concern that the said adverse publicity appears to be driven by the supposed findings of the report on the forensic audit reportedly conducted at the Reserve Bank of Malawi. Whilst the Bank has yet to access the report, we are doing everything possible to access a copy thereof by engaging the relevant parties in order to have a thorough understanding and context of the issues raised in the report. We believe that this is only fair in view of the adverse publicity against FDH Bank Plc that the supposed forensic audit report has generated.

One of the outstanding allegations that have been reported on by the media as emanating from the forensic

audit report is that the Reserve Bank of Malawi paid the sum of K4.3 billion to FDH Bank Plc as compensation. The purpose of such supposed compensation has not been made clear in the media reports that we have seen this far. FDH Bank Plc wishes to state in the strongest terms possible that it has not received any such compensation from the Reserve Bank of Malawi.

FDH Bank Plc would therefore like to distance itself from any alleged untoward, unethical and illegal transactions as reported in the media. In all transactions undertaken by the Bank, FDH Bank Plc complies with all relevant laws and regulations, adhering to the highest ethical and professional banking standards, set and enforced by the Board of Directors, the Registrar of Financial Institutions, the Financial Intelligence Authority, other relevant law enforcement agencies and international partners.

The Bank has also noted that the media reports have made allegations against the Bank in its capacity as a Local Administrative Agent and Custodian Bank for its international

partners and international multilateral institutions (“Principals”). In our role as a duly appointed and authorized Local Administrative Agent we can only adequately comment on issues affecting us after accessing the forensic audit report and engaging our Principals. Suffice to say at this point that at no point in time in its relationship with our Principals has the Bank involved itself in inappropriate or underhand dealings here in Malawi or abroad and all its dealings have been driven by open market transactions and reasonable commercial sense.

FDH Bank Plc would like to reaffirm its commitment to serving its valued customers, the general public and all stakeholders and will accordingly remain compliant with all ethical and professional banking obligations as required of it. FDH Bank Plc reserves all its legal rights with regard to the importance of clearing its name against the unfair and dishonest negative publicity that it has received in respect of this matter and thereby safeguard its business and the interests of its shareholders and other stakeholders.

Mrs. Charity Mseka
Chairperson
FDH Bank Plc

2 July 2021



FDH Bank Plc

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