



# MPICO PLC REG. NO:COYR - A5K1E78

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

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	GROUP		COMPANY	
	31-Dec-24 K'000	31-Dec-23 K'000	31-Dec-24 K'000	31-Dec-23 K'000
Rental income	8 061 131	6 882 542	3 188 527	2 590 041
Increase in fair value of investment properties	12 070 336	8 932 121	3 657 384	3 014 582
Other income	1 501 137	1 532 388	1 965 810	1 830 126
Dividend income from subsidiaries	-	-	1 090 750	400 000
<b>Total income</b>	<b>21 632 604</b>	<b>17 347 051</b>	<b>9 902 471</b>	<b>7 834 749</b>
Total operating expenses and finance costs	(6,742,290)	(6 408 912)	(4 600 450)	(4 536 902)
<b>Profit before taxation</b>	<b>14 890 314</b>	<b>10 938 139</b>	<b>5 302 021</b>	<b>3 297 847</b>
Taxation	(2 705 696)	(3 871 376)	(900 374)	(242 576)
<b>Profit for the year</b>	<b>12 184 618</b>	<b>7 066 763</b>	<b>4 401,647</b>	<b>3 055 271</b>
<b>APPROPRIATION OF PROFIT FOR THE YEAR</b>				
Realised profits	996 053	947 031	1 301 575	259 523
Unrealised profits	7 544 112	4 521 781	3 100 072	2 795 748
Amount attributable to members of the parent company	<b>8 540 165</b>	<b>5 468 812</b>	<b>4 401 647</b>	<b>3 055 271</b>
Amount attributable to non-controlling interests	3 644 453	1 597 951	-	-
	<b>12 184 618</b>	<b>7 066 763</b>	<b>4 401 647</b>	<b>3 055 271</b>
Number of shares used for calculation	2 298 047 460	2 298 047 460		
Basic earnings per share (K)	3.72	2.38		
- Realised (K)	<b>0.43</b>	<b>0.41</b>		
- Unrealised (K)	<b>3.29</b>	<b>1.97</b>		

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

	GROUP		COMPANY	
	31-Dec-24 K'000	31-Dec-23 K'000	31-Dec-24 K'000	31-Dec-23 K'000
<b>EQUITY AND LIABILITIES</b>				
<b>SHAREHOLDERS' EQUITY</b>				
Ordinary share capital	114 902	114 902	114 902	114 902
Realised reserves	6 473 109	6 350 314	9 884 707	9 456 389
Unrealised reserves	49 709 453	42 165 340	23 936 613	20 836 541
Share premium	8 626 938	8 626 938	8 626 938	8 626 938
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT COMPANY</b>	<b>64 924 402</b>	<b>57 257 494</b>	<b>42 563 160</b>	<b>39 034 770</b>
Non-controlling interests	28 141 750	24 906 546	-	-
<b>Total equity</b>	<b>93 066 152</b>	<b>82 164 040</b>	<b>42 563 160</b>	<b>39 034 770</b>
<b>LIABILITIES</b>				
Non-current liabilities	14 964 994	14 217 191	6 581 559	5 994 324
Current liabilities	3 960 105	5 614 124	2 534 925	4 109 071
Bank overdraft	338 609	1 318 971	338 609	1 318 971
<b>Total liabilities</b>	<b>19 263 708</b>	<b>21 150 286</b>	<b>9 455 093</b>	<b>11 422 366</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>112 329 860</b>	<b>103 314 326</b>	<b>52 018 253</b>	<b>50 457 136</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Investment properties	98 789 205	86 718 868	30 600 673	26 943 289
Other assets	440 092	718 739	14 802 534	14 890 366
<b>Total non-current assets</b>	<b>99 229 297</b>	<b>87 437 607</b>	<b>45 403 207</b>	<b>41 833 655</b>
<b>Current assets</b>				
Trade and other receivables	9 449 990	10 454 319	6 302 757	7 245 112
Promissory notes receivable	-	5 095 690	-	1 369 825
Cash and cash equivalents	3 650 573	326 710	31 289	8 544
<b>Total current assets</b>	<b>13 100 563</b>	<b>15 876 719</b>	<b>6 615 046</b>	<b>8 623 481</b>
<b>TOTAL ASSETS</b>	<b>112 329 860</b>	<b>103 314 326</b>	<b>52 018 253</b>	<b>50 457 136</b>

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

	GROUP		COMPANY	
	31-Dec-24 K'000	31-Dec-23 K'000	31-Dec-24 K'000	31-Dec-23 K'000
<b>At the beginning of the year</b>	<b>82 164 040</b>	<b>75 600 358</b>	<b>39 034 770</b>	<b>36 482 580</b>
Realised profit for the year	996 053	947 031	1 301 575	259 523
Amount attributable to minority interests	3 644 453	1 597 951	-	-
Unrealised profit for the period	7 544 112	4 521 781	3 100 072	2 795 748
Dividend declared - Interim 2024	-	-	-	-
Dividend declared - Final 2023	(873 257)	(503 081)	(873 257)	(503 081)
Dividend declared to minority interest	(409 249)	-	-	-
	<b>93 066 152</b>	<b>82 164 040</b>	<b>42 563 160</b>	<b>39 034 770</b>

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS

	GROUP		COMPANY	
	31-Dec-24 K'000	31-Dec-23 K'000	31-Dec-24 K'000	31-Dec-23 K'000
<b>Cash flows from operating activities</b>				
Profit before tax	14 890 314	10 938 139	5 302 021	3 297 847
Non-cash movements and adjustments to profit before tax	(12 403 915)	(8 874 212)	(4 873 568)	(3 408 160)
Net changes in working capital	4 485 082	(395 401)	124 818	680 583
Interest received	989 703	(1 079 806)	355 868	340 186
Interest paid	(842 145)	(778 603)	(137 126)	(226 583)
Taxation paid	(935 563)	(2 233 075)	(171 816)	(1 579 453)
<b>Net cash flows from operating activities</b>	<b>6 183 476</b>	<b>(263 346)</b>	<b>600 197</b>	<b>(895 580)</b>
<b>Cash flows from investing activities</b>				
Interest received	193 861	17758	10 236	13 793
Dividends received	-	-	1 490 750	-
Additions to plant and equipment	(22 533)	(19 190)	(26 500)	(13 765)
Increase in capital work in progress	(85 668)	-	-	-
Proceeds/(costs) on disposal of equipment	14 999	(893)	14 999	(893)
Receipts from staff long-term loans	67 683	13 776	67 683	13 776
<b>Net cash used in investing activities</b>	<b>168 342</b>	<b>11 451</b>	<b>1 557 168</b>	<b>12 911</b>
<b>Cash flows from financing activities</b>				
Dividends paid	(873 258)	(503 082)	(873 258)	(503 082)
Dividends paid to non-controlling shareholders	(409 250)	-	-	-
Repayment of long-term debt	(765 085)	(616 938)	-	-
<b>Net cash financing activities</b>	<b>(2 047 593)</b>	<b>(1 120 020)</b>	<b>(873 258)</b>	<b>(503 082)</b>
<b>Net cash inflow/(outflow)</b>	<b>4 304 225</b>	<b>(1 371 915)</b>	<b>1 284 107</b>	<b>(1 385 751)</b>
Cash and cash equivalents at the beginning of the year	(992 261)	379 654	(1 310 427)	75 324
<b>Cash and cash equivalents at the end of the year</b>	<b>3 311 964</b>	<b>(992 261)</b>	<b>(26 320)</b>	<b>(1 310 427)</b>

Basis of preparation

The summary consolidated and separate financial statements are prepared in order to meet the Malawi Stock Exchange Listing Requirements for summarised financial statements. The directors have considered the requirements of the Malawi Stock Exchange and believe that the summary statements of financial position, summary statements of profit or loss and other comprehensive income, summary statements of changes in equity and summary 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 IFRS Accounting Standards as issued by International Accounting Standards Board and IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM). 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 04 March 2025 and are available on the company's website, www.mpicomw.com.

2024 FINANCIAL YEAR RESULTS PUBLICATION COMMENTARY  
Review of the results

The MPICO plc Board is pleased to announce the results of the Group for the year ended 31 December 2024.

Revenue growth was 25% from 2023 driven by rental income which increased by 17% to MK8.06 billion in 2024 from MK6.88 billion in 2023 due to rent reviews and fair value gains which increased by 35% to MK12.07 billion from MK8.93 billion in the corresponding period last year. Total operating expenditure for the year marginally increased by 5% to MK6.74 billion from MK6.41 billion in 2023 as efforts to manage expenses continued.

Profit after tax increased to MK12.18 billion from MK7.07 billion in 2023, representing a year-on-year increase of 72% mainly due to improved total income driven by increased rental income and property fair value gains. In addition, tax charge dropped to MK2.71 billion in 2024 from MK3.87 billion in 2023 as, unlike in 2023, there was no deferred tax adjustment. In 2023, the Group had a once-off deferred tax asset adjustment of MK2.6 billion following de-recognition of deferred tax asset relating to investment property.

Government rental arrears marginally decreased to MK3.4 billion as at 31 December 2024 from MK3.5 billion in the same period in 2023 due to payments made by the Government which had offset against 2024 new billings.

Outlook\*

Economic growth will likely remain fragile due to weather-related shocks and ongoing foreign currency supply shortages. As such, a rebound in economic growth to 4.0% in 2025 (from the estimated 1.8% in 2024) as projected by the authorities will remain a challenge. Inflation on the other hand is projected to remain elevated due to pressure on both food and non-food costs and, as a result, the authorities are likely to maintain a tight monetary policy stance. This presents a continuing challenging operating environment for the business.

The Board will continue to monitor the developments surrounding the economic environment and take the necessary mitigating measures to sustain the business.

Dividend

The Directors are recommending a final dividend amounting to MK988 million in respect of 2024 profits, representing 43 tambala per share. The final dividend in respect of 2023 profits was MK873 million representing 38 tambala per share. The dividend will be paid after approval at the Annual General Meeting (AGM) to be held in June 2025.

By order of the Board.

  
Martha Mkandawire  
DIRECTOR

\* Unaudited

  
Edmund Hami  
CHAIRPERSON

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF MPICO 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 the related notes, are derived from the audited consolidated and separate financial statements of MPICO 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 of MPICO plc, and on the basis described on the basis of preparation paragraph.

Summary consolidated and separate financial statements

The summary consolidated and separate financial statements do not contain all the disclosures required by the IFRS Accounting Standards as issued by the International Accounting Standards Board, IAS 29 Directive as issued by Institute of Chartered Accountants in Malawi (ICAM) and the requirements of 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 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 consolidated and separate financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 9 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 for the current year.

Directors Responsibility for the Summary Consolidated and Separate Financial Statements

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



Chartered Accountants  
Vilengo Beza  
Partner  
25 April 2025



A ONE-STOP LANDED PROPERTY SOLUTION PROVIDER

A MEMBER OF THE  OLDMUTUAL GROUP