



Telekom Networks Malawi Plc

ANNUAL REPORT

2024



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ANNUAL REPORT

Telekom Networks Malawi Plc

2024

Our Core Values

We believe in:

Customer First

Put customers first in everything

Integrity

Speak out honestly and transparently

Courage

No fear, be bold and move fast

Innovation

Innovate big and be first

Excellence

Do something better everyday and be accountable

Our Vision

To digitally empower every Malawian

Our Mission

To build world-class digital solutions to empower every Malawian and connect Malawi to the whole world.

Our Purpose

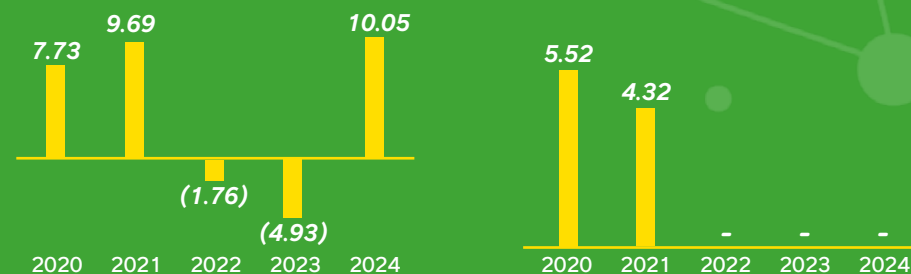
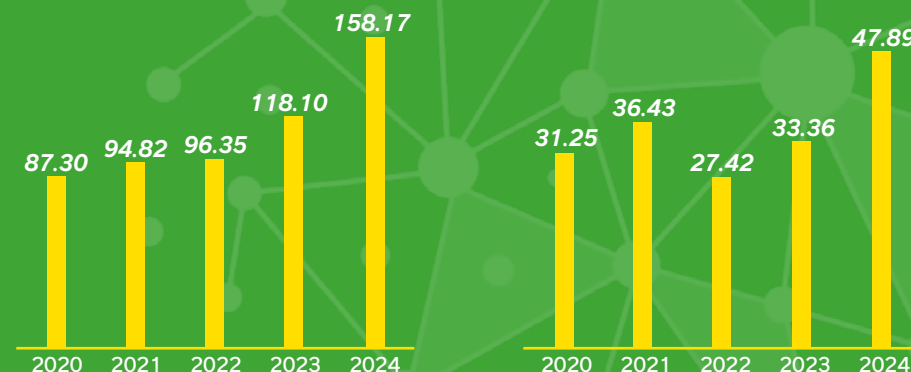
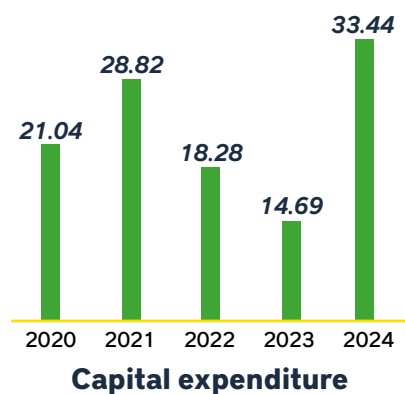
Digitally connecting every Malawian.
Creating possibilities for everyone.
Transforming the lives of every Malawian.
Digitally empowering everyone.



Financial Highlights

(all figures in billions of Malawi Kwacha)

	2020	2021	2022	2023	2024
Total revenue	87.30	94.82	96.35	118.10	158.17
EBITDA	31.25	36.43	27.42	33.36	47.89
EBITDA margin	36%	38%	28%	23%	30%
Profit/(loss) after tax	7.73	9.69	(1.76)	(4.93)	10.05
Shareholders' funds	43.91	49.28	46.51	41.75	51.85
Capital expenditure	21.04	28.82	18.28	14.69	33.44
Dividends declared	5.52	4.32	-	-	-



Profit/(loss) after tax

Dividend declared



*Dear Valued Shareholders,
It gives me great pleasure to present to you the Annual Report for our business for 2024, a year in which we have not only returned to profitability but also reaffirmed our resilience, strategic foresight, and firm positioning for the long term.*

Chairman's Letter to the Shareholders

After a period of navigating a volatile economic landscape and restructuring all the fundamentals of the business, TNM has delivered a net profit of MK10.05 billion. This signifies a full turnaround from the losses recorded in the previous two years. This milestone affirms the efficacy of our turnaround strategy and signals the beginning of a new era of sustainable value creation and enhanced stakeholder confidence.

Financial Performance Overview

TNM's operational performance in 2024 demonstrated remarkable resilience despite significant macroeconomic challenges. The country faced a range of compounding challenges including prolonged fuel shortages that disrupted supply chains and raised operational costs. Another challenge was foreign currency scarcity which made it difficult for the Company to honour obligations to international suppliers leading to delayed critical network expansion and equipment procurement. The foreign exchange rates continued to be volatile during the year, resulting

in high financing costs. Inflation remained high negatively affecting operational costs and eroding consumer purchasing power. High interest rates that prevailed further amplified the cost of financing, significantly increasing our borrowing expenses and putting pressure on margins. Yet, despite these obstacles, TNM has delivered a net profit position.

TNM delivered a 34% growth in total revenue to MK158.17 billion. This growth was driven by remarkable performances across our key revenue streams, with mobile money (Mpamba) revenue surging by 59% to MK29.49 billion and data revenue rising by 40% to MK58.98 billion. Voice and messaging services held steady, despite competitive pressures and evolving customer behaviours.

We achieved an EBITDA of MK47.89 billion, an improved margin of 30%, up from 23% in 2023. This was due to revenue growth, cost-optimization initiatives and operational efficiencies. Financing costs, while elevated at MK14.33 billion due to the exchange rate volatility and interest burden, were effectively managed. A sum of MK33.44 billion was invested in capital expenditure for TNM to maintain its superior position in terms of network quality delivering the best customer experience. This investment went into network modernisation, 4G and 5G site expansion, digital platform enhancements, distribution and customer services, and operating licences renewals. Our total asset base now stands at MK211.95 billion reflecting a sustainable business that will continue to grow.

We also implemented an operational cost-efficiency programme which delivered MK4 billion savings through implementing more stringent controls over Opex, vendor contracts renegotiations, streamlined procurement, and the adoption of energy saving solutions on tower sites. Capex rationalisation was also a key focus and we prioritised projects with high internal rates of return.

While we have returned to profitability, the Board is also committed to investment in critical network equipment. The Board has therefore resolved not to recommend a dividend for the year ended 31 December 2024. This decision reflects our prudent approach to capital management as we continue to strengthen our financial position and create sustainable value for shareholders. We remain committed to ensure that our shareholders are rewarded regularly and optimally.

Looking ahead, we remain focused on strengthening our balance sheet, expanding services, and mitigating forex risks to safeguard shareholder value in an uncertain economic climate. I am positive that TNM will continue to ascend to new heights as we execute our strategic initiatives.



Commercial Success: Customer-Centric Growth and Innovation

TNM's commercial strategy in 2024 focused on growing the base and sustaining superior customer experience. We now boast over 100,000 active Mpamba agents, enabling greater footprint of mobile money across the country leading to a 110% year-on-year growth in Mpamba usage. On the Sales & Distribution front, the business reimagined the entire ecosystem introducing new super dealers, field teams, and direct sales agents, resulting in tremendous boost of gross additions per month.

On the technology front, we launched new initiatives. To name a few, these included e-sims, simplified SmartApp and USSD, auto-sweep functionality for Mpamba wallets, and enhanced fraud detection systems. These innovations have made our platforms more user-friendly, secure, and responsive to the evolving needs of Malawians.

Our People

Beyond numbers, 2024 was also a year of organisational renewal. We focused on inculcating a performance culture across the organisation, skills development, improved performance management, rewards and recognitions, and increased engagement. Our human capital framework was further reviewed and aligned to our business growth agenda, ensuring that our structure, skills base, and culture are optimised to deliver on strategic priorities. We remain committed to sustaining a culture rooted in accountability, excellence, and shared purpose. This is an ongoing journey that we will continue to undertake with dedication.

Operating Licences Renewal

A key highlight of the year was the successful renewal of TNM's operating licences by Malawi Communications Regulatory Authority, granting us the right to operate for another 10 years. This endorsement by the Regulator is not only a validation of our track record but a critical enabler of our future. It allows us to digitally empower Malawians, scale connectivity and enhance our services.

Creating Shared Value and Empowering Society

TNM is a truly Malawian company which takes pride in uplifting the lives of Malawians. As such, we deepened our efforts in empowering Malawians and enabling progress in the country.

TNM Mpamba remained central to this effort. By facilitating secure, accessible, and efficient financial transactions, Mpamba played a vital role in building a digitally inclusive economy, especially among underserved populations. Transaction volumes increased by 110% during the year, supported by the continued expansion of our agent network. We reinforced partnerships with government, donor institutions, and NGOs to deliver technology-driven interventions to some of Malawi's most vulnerable communities, including through social cash transfers.

We extended our network to underserved areas, enabled thousands of small businesses to connect and grow, and enhanced access to data-enabled devices through tailored and affordable offerings. These initiatives are supporting the socio-economic transformation of Malawi and stimulating entrepreneurship.

Beyond our commercial footprint, TNM continued to honour its corporate social responsibility. Our flagship sponsorship of the Super League of Malawi, valued at MK500 million, remains one of the largest private-sector commitments to local sports. It reflects our broader ambition to nurture talent, foster national pride, and bring communities together through football. TNM also provided support to a wide range of events and initiatives across the country. From educational programs, health initiatives, and the establishment of the Malawi International Arbitration Centre, we proudly partnered with communities, institutions, and organisers to make a meaningful impact.

During the year, TNM contributed over MK42.40 billion to the national fiscus in the form of taxes, levies, and regulatory fees.

Governance and Leadership

Over the past year, we have continued to strengthen the governance foundations of TNM to ensure that the Company is equipped to respond to today's demands and also ready to seize the opportunities of tomorrow. We have made deliberate efforts to enhance the effectiveness of the Board by aligning skills and expertise with the evolving dynamics of the telecommunications sector. Our focus is on maintaining a culture of proactive governance, strategic foresight, and accountability at the highest level. Through ongoing Board development programmes, enhanced reporting standards, and performance evaluations, we are nurturing a governance environment that supports resilience and long-term value creation.

I have to report that, in December 2024, we bid farewell to Mr. Lekani Katandula who dedicated his time, energy and expertise to making invaluable contributions to the Company and served with distinction. On behalf of the entire company, I would like to express our deepest gratitude for his service.

I would like to welcome our new Board member who filled the casual vacancy that arose, Dr. Frank Dalitso Chozenga. Dr. Chozenga has over 25 years of experience, including two decades in leadership roles, across leading African telecommunications companies. He brings to the TNM Board a rare blend of financial expertise, deep industry insight, corporate governance expertise and a proven track record in business transformation. I am certain that his expertise will aid the delivery of our strategic priorities.



Chief Executive Officer's Message

From struggling to thriving – we made it happen. After a difficult period of transformation, I am proud to report that TNM is no longer in recovery mode but moving fast on growth.

2024 was a turning point.

We returned to profitability. Growth accelerated. And we launched bold innovations that are reshaping how Malawians connect, transact, and thrive in a digital world. The momentum we created in 2023—despite serious external headwinds— in 2024 translated into real, measurable results. These outcomes aren't just numbers. They prove our model works, our execution is sharp, and our people are resilient.

We are building for the long term—driven by a stronger GSM network and an expanded Mpamba platform—to deliver true digital and financial inclusion for every Malawian, everywhere.

We delivered.

TNM posted a net profit after tax of MK10.05 billion—reversing two years of losses and putting us back into a strong cumulative profit position over these three years. Revenue and other income rose 34% to MK158.17 billion. But the real story is data. It's the lifeblood of the digital economy, and we're leading the way.

Data revenue grew 40% year-on-year, powered by relentless investment in network quality, functionality and coverage. We upgraded core infrastructure,

enhanced ISP resilience, and added redundant international fibre to cut latency and boost availability. The result? Faster speeds, better reliability, and a superior customer experience everywhere. Our customers tell us what the numbers confirm: TNM now has Malawi's best network—for both data and voice.

We brought the same focus to Mpamba—making it more available, more liquid, and more useful. Today, Mpamba offers better financial products, including access to credit, empowering more Malawians to participate fully in the digital economy. Our customers have developed complete trust in mpamba to hold their money, send it where it needs to be, and depend on it when funds are needed urgently.

Mpamba broke records in 2024.

Revenue surged 57% to MK29.39 billion, driven by explosive growth in transaction volumes, more KYC registration devices in the field, and a major expansion of our agent network. We injected new liquidity into the ecosystem through thousands of service shops, kiosks, and access points—bringing digital finance closer to where people live and work.


But Mpamba is more than a high-growth business—it's a platform of progress. We introduced new products for loans, merchant services, and businesses, expanding financial inclusion and creating real economic value. In 2024, Mpamba became the leading channel for government and donor payments—from social cash transfers to salary disbursements—proving its role as a trusted infrastructure for Malawi's financial future.

Our standout product, N'dikhankhe, continued to scale—giving over one million customers immediate, short-term access to credit when they need it most. It's not just innovative. It's life-changing.

Looking ahead, we're building the next generation of the Mpamba platform—designed to deliver even more powerful financial services and unlock deeper financial inclusion for millions more Malawians.

We operate in one of the toughest economic environments in the region—and we're getting stronger because of it. In 2024, we faced persistent macroeconomic pressures: currency devaluation, inflation, and high interest rates. But instead of waiting for conditions to improve, we acted. Decisively. We restructured our capital base, cut down on debt—especially foreign exchange—exposed liabilities—and launched an aggressive program to reduce high-interest borrowing, which culminated in the Issue-For-Cash equity injection to replace high interest-bearing debt.

At the same time, we focused on operational discipline. A company-wide cost efficiency drive delivered MK4 billion in savings. We did more with less—without compromising on service or growth. With MACRA's approval, we introduced phased, responsible pricing adjustments to keep telecom services viable, while protecting affordability for



customers. The market responded with confidence. Usage increased. Our customer base grew. And the results speak for themselves: TNM is now leaner, more resilient, generates more revenue and better positioned for long-term success.

We continued to put the customer at the center of everything we do.

Our Smile Rewards program proved its value—reducing churn, increasing retention, and strengthening customer loyalty. Today, over 1 million customers actively benefit from Smile, the only telecom loyalty program of its kind in Malawi. As a result, our monthly churn rate now sits below 4%—an industry best.

Our innovative loan products also deepened financial access and became a key revenue driver for Mpamba. We've led the market by consistently launching products that solve real customer needs. Mixit Mixit is one example: a flexible, personalized offer that's been widely adopted for its convenience, control, and value. MixitMixit has now become our flagship product used most often by Malawians everywhere.

On the network side, we continued to deliver industry-leading performance. TNM maintained the highest P3 rating in the market and delivered a consistently resilient service—proving that great experiences build lasting relationships.

We know that no transformation is possible without great people.

In 2024, we aligned our organizational structure to support growth and execution at speed. We eliminated layers of bureaucracy that slowed us down and focused on agility, accountability, and results. But the most important investment we made was in our people.

We doubled down on upskilling, leadership development, and performance management—laying the foundation for a high-performance culture built on clarity, ownership, and reward. Our employees are not just part of the journey—they're driving it. And we're building a workplace where talent thrives, contribution is recognized, and performance is the path to growth.

We continued to lead the market by doing what we do best: innovating first.

In 2024, we launched a series of digital breakthroughs designed to change how our customers connect, transact, and manage their lives. We introduced eSIM technology for both 4G and 5G—giving customers the freedom to activate TNM services instantly, without the need for a physical SIM card. It's faster, easier, and built for the digital age. On the Mpamba front, we empowered small-scale traders with the launch of the Micro Merchants Wallet—a secure, simple platform to receive payments and manage float. We also rolled out Mpamba Quick Pay, delivering instant, seamless payments for goods and services across the country. And with Mpamba Salary Overdraft, we gave salaried customers real-time access to short-term funds—helping over a million Malawians bridge financial gaps when it matters most.

These innovations weren't just product launches—they were steps toward a more inclusive digital economy. And we're just getting started. In the year ahead, we'll continue to open new frontiers in digital and financial inclusion, reaching more people with more value, faster than ever before.

2024 came with real challenges.

Foreign currency was scarce. Fuel supply was inconsistent. Interest rates stayed high, inflation persisted, and power outages disrupted operations. These pressures tested our cost base, our efficiency, and our ability to deliver at scale.

We responded with focus and discipline. We rationalized costs, renegotiated key contracts, and tightened operational controls. We accelerated our shift to renewable energy, deploying solar solutions to reduce reliance on unstable power sources. Every decision was aimed at protecting business continuity and preserving value in a tough environment.

We know some of these challenges won't disappear overnight. But we're not standing still. We're building a more resilient TNM—agile, adaptive, and ready to withstand whatever comes next.

We are very proud of the TNM brand, built in Malawi truly and only for Malawians. We are proud of our roots and even prouder of the role we continue to play in connecting people, empowering businesses, and transforming communities. The challenges of recent years tested us—but they also revealed the best of who we are. In true Malawian spirit, we met adversity with unity, resilience, and unwavering optimism. We reignited our growth engine, modernized our operations, and put the customer at the center of every decision.

Today, with profitability restored, our foundation strengthened, and innovation accelerating, TNM is not just back—we're leading from the front. We are ready to write the next chapter of Malawi's digital and financial future. One that's more inclusive, more connected, and more empowered than ever before.

Our brand promise, *Always With You*, is more than a slogan; it is a commitment to stay close to our customers, to serve every Malawian with the best digital experience possible and to create long-term value for all our stakeholders.

The future is calling. And we're ready to build it.



Michel Antoine Hebert
Chief Executive Officer

Corporate Governance

Telekom Networks Malawi plc is steadfast in its commitment to the highest standards of corporate governance in the conduct of the Company's affairs. We recognize that good governance is a critical enabler of long-term sustainability, responsible corporate citizenship and the delivery of enduring value to our stakeholders.

The Company complies with applicable legislation, regulations, standards and codes, including the Companies Act, 2013 and its subsidiary regulations. In addition, Telekom Networks Malawi Plc aligns its governance systems with internationally recognized principles and the local framework set out in the Code of Best Practice for Corporate Governance in Malawi (Malawi Code II), as well as the Malawi Stock Exchange Listings Requirements. In addition to statutory compliance, TNM remains committed to benchmarking itself against evolving best practices in corporate governance, both regionally and globally.

TNM's Compliance Officer to whom any concerns over non-compliance can be addressed is Chisomo Governor and she can be contacted on chisomo.governor@tnm.co.mw

Governance framework

The Board of Directors is the highest governing body of the Company and is ultimately accountable for the long-term success and sustainability of the business. The Board is comprised of eight Non-Executive Directors, each bringing a wealth of experience, independent perspective and strategic insight.

While the Company's day-to-day operations are delegated to executive management, the Board retains overall responsibility for setting the strategic direction, approving key policies, monitoring performance, ensuring effective risk management and promoting high standards of corporate governance and ethical conduct.

The Board convenes at least once every quarter and holds additional meetings when necessary. At each meeting, the Chief Executive Officer and executive management team provide comprehensive updates on the Company's financial and operational performance, strategic initiatives, legal and regulatory developments, risk exposures and other material issues affecting the business. This regular engagement enables the Board to discharge its oversight responsibilities effectively and make informed decisions in the best interests of the Company and its stakeholders. Directors are

required to declare any interest that could constitute a real, potential, or apparent conflict of interest, with respect to participation on the Board.

TNM maintains a separation between the roles of the Chairman of the Board and the Chief Executive Officer. The Chairman is an independent Non-Executive Director.

The Board recognises that a well-balanced, diverse, and inclusive Board enhances the quality of governance, broadens perspectives in decision-making and strengthens the Company's ability to respond to complex business challenges. The current Board is diverse in terms of skills, experience, professional background, and age. While progress has been made, the Board remains committed to improving diversity further, with gender diversity being a key focus area.

Board of Directors meeting attendance record for 2024

Name of Director	13th Feb 2024	25th Mar 2024	24th May 2024	23rd Jul 2024	23rd Jul 2024	2nd Aug 2024	14th Oct 2024	21st Oct Oct 2024	25th Nov 2024	16th Dec 2024
					29th AGM				Board Strategy	
Mr. Ted Sauti - Phiri	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mr. Lekani Katandula	A	Y	Y	Y	Y	Y	Y	Y	A	Y
Dr. Lyton Chithambo	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Dr. Ronald Mangani	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Ms. Madalo Nyambose	A	A	Y	Y	Y	Y	Y	Y	Y	Y
Mr. Khumbo Phiri	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mr. Tobias Jack	Y	Y	Y	Y	Y	Y	Y	A	Y	Y
Mr. Gerald Chungu	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

Y Attended, A Apologies



Audit Committee

The Board is assisted in risk oversight and risk management by the Audit Committee.

Roles and responsibilities

- Monitoring and advising on risk management and the internal control structure designed to safeguard Telekom Networks Malawi Plc's assets and to ensure reliable financial records are maintained.
- Overseeing relations with the external auditor.
- Reviewing the effectiveness of the internal audit function.
- Monitoring the Company's compliance with legal, governance, and regulatory requirements.

Audit Committee attendance record for 2024

Name of Director	27th Mar 2024	15th Jul 2024	23rd Oct 2024	3rd Dec 2024
Mr. Lekani Katandula	A	Y	A	Y
Dr. Lyton Chithambo	Y	A	Y	Y
Mr. Gerald Chungu	Y	Y	Y	Y

Y Attended, A Apologies

Finance and Procurement Committee

The Finance and Procurement Committee assists the Board in fulfilling its oversight responsibilities in relation to the Company's financial strategy, financial reporting processes, capital expenditure, and overall financial performance. The Committee is also responsible for overseeing procurement activities, including the review of procurement policies, internal procurement controls and adherence to regulatory and ethical standards in procurement practices. It ensures that financial and procurement decisions are aligned with the Company's strategic objectives, risk appetite, and governance standards.

Finance and Procurement Committee attendance record for 2024

Name of Director	12th Mar 2024	24th Jun 2024	17th Jul 2024	1st Aug 2024	3rd Oct 2024	14th Oct 2024	25th Nov 2024
Ms. Madalo Nyambose	Y	Y	Y	Y	Y	Y	Y
Mr. Tobias Jack	Y	Y	Y	Y	Y	Y	Y
Dr. Ronald Mangani	Y	Y	Y	Y	Y	Y	Y

Y Attended

Appointments and Remuneration Committee

The Appointments and Remuneration Committee is responsible for guiding the Board on matters of Board and executive composition, succession, and compensation. Its core responsibilities include identifying and evaluating suitable candidates for appointment to the Board, the role of Chief Executive Officer and other Executives. It also makes recommendations on the overall composition of the Board, with regard to the appropriate mix of skills, experience, size, and committee structure. The Committee also reviews and approves the executive management structure to ensure alignment with the Company's strategic objectives. In relation to remuneration, the Committee ensures that management and staff are fairly rewarded for their individual contributions to the performance of the Company, while promoting accountability and long-term value creation.

Appointments and Remuneration Committee attendance record for 2024

Name of Director	1st Feb 2024	14th Mar 2024	17th Jul 2024	28th Nov 2024	14th Dec 2024
Dr. Lyton Chithambo	Y	Y	Y	Y	Y
Ms. Madalo Nyambose	Y	Y	Y	Y	Y
Mr. Khumbo Phiri	Y	Y	Y	Y	Y

Y Attended



Business Planning Committee

The Business Planning Committee provides strategic oversight over commercial matters and business plans. Given that commercial functions lie at the heart of TNM's operations, the Committee supports the Board and Management in navigating key strategic choices that influence the Company's growth, competitiveness, and long-term sustainability. The fast-paced nature of technological change in the telecoms sector demands agile yet well-governed decision-making. The Business Planning Committee helps ensure that TNM is well-positioned to seize emerging opportunities, safeguard its interests and remain responsive to market dynamics.

The duties of the Committee are to review and approve the following:

- Revenue initiatives and decisions that require a business case.
- New tariff structures and changes to existing tariffs before submission to MACRA.
- Dealer incentives and commissions.
- Decisions on establishment of new revenue streams.
- Changes to interconnect tariffs.
- Business case for commercial related CAPEX such as sites, kiosks and branches.
- Any decisions and actions that are likely to affect 5% of the total revenue run rate.
- Business case for commercial related CAPEX such as sites, kiosks and branches.
- Any decisions and actions that are likely to affect 5% of revenue run rate

Business Planning Committee attendance record for 2024

Name of Director	17th Mar 2024	17th Jul 2024	27th Sep 2024	2nd Dec 2024
Mr. Ted Sauti – Phiri	Y	Y	Y	Y
Mr. Lekani Katandula	Y	Y	Y	Y
Mr. Tobias Jack	Y	Y	Y	Y

Y Attended

Governance of risk

The Board considers business risks when setting strategies, approving budgets and monitoring progress against budgets. TNM Management continuously develops and enhances its risk and control procedures to improve risk identification, assessment, and monitoring of these strategies.

Risks are periodically reviewed and updated. For key risks, reporting and accountability process ensures that the risks are reported to, and are reviewed by, the Board Audit Committee.

In accordance with TNM enterprise risk framework, TNM has adopted the three lines of defence risk governance structure. In this structure, the first line of defence consists of Management who are responsible for day-to-day ownership, oversight, and management of risk; the second line are risk functions such as the Risk Management and Compliance departments who are responsible for risk management process coordination, policies, and methodologies while the third line of defence consists of Internal Audit department and external auditors who provide independent assurance. Risks are divided into four categories namely strategic, operational, financial and compliance risks. Within the TNM risk management framework, risk is managed at different levels including the three outlined below.

Risk management committee

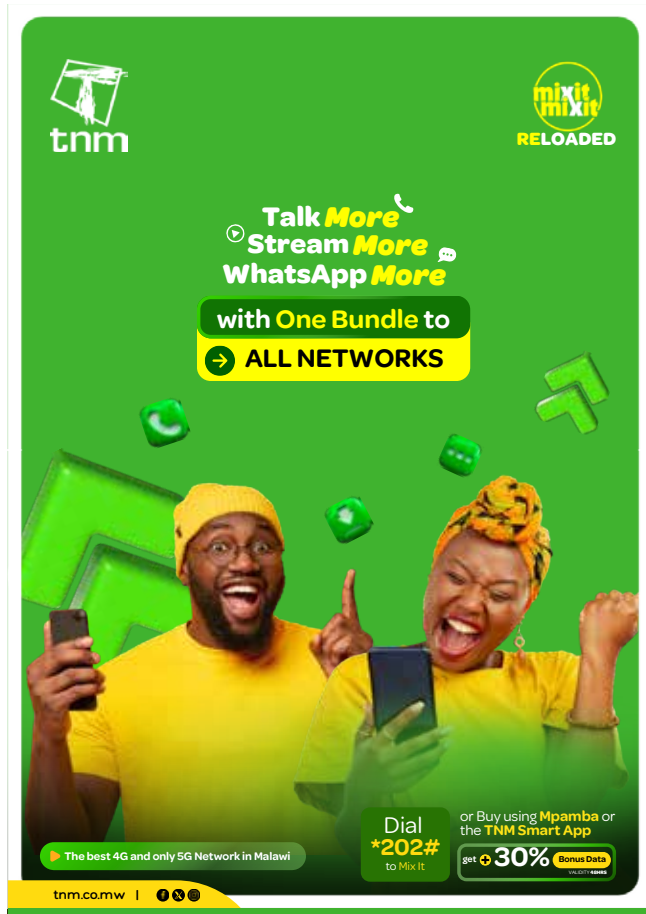
- Responsible for filtering and approving all strategically high and critical risks, and presenting these risks to the Board
- Oversees and monitors the various projects and structures designed to manage specific identified risks
- Comprises the Executive Committee members of the Company
- Chaired by the Chief Executive Officer
- Meets four times a year

Risk working group

- Comprises senior management and other line management members, who have direct operational responsibility over various processes and associated risks
- Monitors risk management initiatives
- Reports to the Risk Management Committee

Risk management department

- Supports the Board through the Board Audit Committee (BAC) to perform the role of risk oversight, risk policy and methodology formulation and independent monitoring and reporting of key risk issues.
- Initiates improvements in governance, risk and control processes to support revenue and profit maximisation, cost reduction and recovery, and zero financial waste.
- In collaboration with Management, implements enterprise-wide risk management which is integrated with strategic management, business planning, budgeting and performance management.
- On an annual basis, in collaboration with Management, sets appropriate risk appetite and tolerance levels and presents the risk appetite statement to the Board for approval.



Internal audit

TNM's management implements internal controls that comprise policies, procedures and processes to safeguard assets, prevent and detect errors, manage risks and promote good corporate governance. The Company is continuously embedding internal controls into the organisational culture. Internal audit provides assurance on the system of internal within the Company. The mission of TNM Internal Audit Division is to provide independent, objective assurance and consulting services designed to add value and improve the Company's operations. Internal Audit supports the company in accomplishing its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

The Internal Audit Division functionally reports to the Audit Committee. The roles and responsibilities of the internal audit function are outlined in a defined Internal Audit Charter that the Audit Committee of the Board has approved. The Charter conforms to the Global Internal Audit standards as set by the Institute of Internal Auditors (IIA). Internal Audit team continuously monitors its operating environment to safeguard its independence and objectivity. Independence ensures that the Internal Audit function can fulfill its mandate without any management influence, which may affect the trust that the board places in its assurance and advisory mandate.

The Internal Audit Division continuously implements an internal audit framework that uses appropriate tools and techniques such as risk assessment, process mapping and sampling to ensure improvements and maturity of the internal audit function. In line with global best practice, the Internal Audit Division has implemented an internal audit management software to enhance effectiveness and efficiency of the function. The audit methodology is based on a risk-based audit approach. An internal audit plan is compiled annually, and is approved by the Audit Committee and communicated to the executive and senior management of the Company. Special assignments are also conducted on request, with appropriate arrangements to ensure that these do not compromise the achievement of the overall audit plan and that such assignments do not weaken the independence of the internal audit function.



Environmental, Social and Governance Report

TNM's activities are always aligned with its Mission, Vision and its core values. These forms the basis for implementing an ESG program that is aligned to TNM's objectives.

TNM's Mission Statement: To build world-class digital solutions to empower every

Malawian and connect Malawi to the whole world

Vision: To digitally empower every Malawian

Core Values – TNM believes in:

- a. Customer First - Put customers first in everything
- b. Integrity - Speak out honestly and transparently
- c. Courage - No fear, be bold and move fast
- d. Innovation - Innovate big and be first
- e. Excellence - Do something better every day and be accountable

TNM's ESG Approach

TNM's Environmental, Social and Governance (ESG) approach reflects our deep commitment to responsible and sustainable business practices. For the 2024 financial year, our ESG agenda focused on advancing Malawi's digital transformation while upholding our duty to the environment, supporting inclusive social progress and strengthening governance. TNM has adopted an ESG framework that is aimed at tracking ESG Metrics in line with the GSMA ESG recommendations for the telecommunications industry. TNM's current focus in areas such as emissions reduction, digital rights protection, responsible procurement and expanding mobile access will go a long way in achieving outcomes stipulated in UN SDGs, the Paris Agreement and Malawi Agenda 2063.

ESG Objectives

TNM has the following five key objectives when implementing the ESG Compliance program

- a. Promote sustainable development: Integrate ESG considerations into all strategic decision making. The aim is to reduce the environmental footprint of our processes and infrastructure, including energy use and e-waste.
- b. Enhance stakeholder trust: Building transparency and trust with

shareholders, customers, regulators and communities through clear ESG reporting and disclosures.

- c. Innovation and technology: Encouraging the adoption of sustainable technologies such as energy efficient networks and renewable energy sources.
- d. Regulatory compliance and risk management: Address regulatory requirements and align with global ESG standards and MSE requirements.
- e. Improved social impact: Enhancing connectivity in underserved areas to bridge the digital divide. We also have regular stakeholder engagement with our stakeholders, i.e. shareholders, customers, employees, business partners and suppliers, distribution partners and agents, government and regulators, society.

Our ESG philosophy is guided by the principles of discipline, independence, responsibility, fairness, social responsibility, transparency and accountability. As a Malawian company, we pride ourselves in being accountable to the Malawian population through advancement of ESG practices and fostering a more responsible and inclusive digital ecosystem. TNM's ESG framework has three pillars which guide our operations: Environment Sustainability, Social Impact and Governance. This framework guides and enables us to deliver a substantive impact on our market.

Environmental Sustainability

TNM understands the importance of ensuring that the environment is protected to ensure sustainability of the already scarce resources. The company has embarked on an initiative focused on using green energy on most of its network sites. In 2024, the company added 113 solar sites to make a total of 183 which are on green energy. The company has invested MK6.24 billion in solar energy to ensure that sites that are off grid are using clean energy thereby reducing carbon emissions. TNM has a total of 504 owned sites hence solar energy sites account for 36% which is above the 20% set by MACRA and also in line with the goal set by ITU for the ICT industry to reduce carbon emissions by 45% by 2030.

The company also phased out the use of scratch cards thereby reducing usage of paper by a value of MK20 million monthly in 2025 against 2024. Currently the market has about 5% scratchcard and customers have migrated to recharging using digital means.

Across the company, TNM is driving innovation and embedding sustainability into its day-to-day operations by actively reducing paper use and embracing digital solutions. As part of our broader commitment to environmental stewardship, we have undertaken a deliberate shift toward paperless processes across internal and customer-facing

functions. This includes digitising workflows and adopting electronic document management systems. These efforts not only reduce our reliance on paper but also enhance operational efficiency and responsiveness.

The company also introduced an e-ticketing solution to reduce the use of paper tickets for patrons of various events. This will go a long way in contributing to forest conservation and reducing the carbon footprint associated with paper production, thereby reducing the effects of climate change. This will also reduce the litter caused by paper tickets around the events, promoting cleaner environments and more sustainable event management practices.



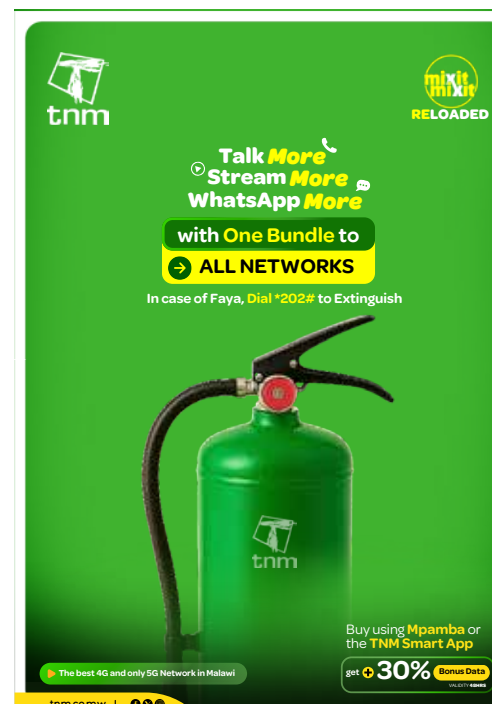
Digital Inclusion

Our network has a geographical coverage of 71.3% which covers 89.4% (19.7 million) of Malawi's 22 million people, serving over 5 million subscribers as of 31st December 2024. The company has invested MK33.4 billion in the network and this has helped connect over 1 million subscribers and improved access for subscribers in the rural areas. Connectivity helped to spur economic activities, for example, selling agricultural goods through digital platforms, thereby making communication easier for the people of Malawi. TNM remains committed to leveraging its infrastructure to bridge the digital divide and ensure that no Malawian is left behind in the journey toward inclusive digital transformation.

TNM is also sponsoring TNM Super league to the tune of MK500 million for the next three years. This is an investment that drives the passion of many Malawians with a combined watching and listening audience (in stadiums, on TV, and on radio) of over 8 million Malawians on a weekly basis. Football is the top pass time activity for Malawi.

Financial Inclusion and Value Creation

TNM through TNM Mpamba Limited has helped to disburse MK81 billion in social cash transfers to 1.4 million beneficiaries in the year 2024 alone, thereby ensuring that people in the remote areas of Malawi are financially included. As of 31 December 2024, TNM Mpamba had over 2,909,283 active customers. Our TNM Mpamba



overdraft allows both consumers and agents to borrow money that has improved their livelihoods and businesses. TNM's revolutionary salary wallets have allowed workers in the agriculture and security sectors, among many sectors, to receive their wages through their mobile money wallets, replacing the risky cash payments which were subject to various risks to both employees and their employers. Additionally, introduction of merchant wallets for micro-merchants allows many Malawians doing trading of various items in markets and roadsides to get payment through the Mpamba merchant wallet. This has allowed many micro merchants to have a secure payment solution but also allowing them to have an extra revenue stream that allows them to trade in Airtime sales.

TNM has also helped create employment by recruiting 97,452 Mpamba Agents and 17,729 KYC Agents. These agents provide access points through which people are able to complete their transaction needs. TNM will continue growing the agent network to close the financial access gap. It is worth noting that nationally the value of mobile money transactions done through the agent network almost doubled in 2024, increasing by 80.9 percent to MK19.5 trillion in 2024 from MK10.8 trillion in 2023 (2024 Payment Systems report). These demonstrate the impact that the company is having on the economy.

Social Responsibility

TNM invested MK32 million in social responsibility. The sectors supported included the children's cancer ward, planting of trees, education, and provision of connectivity solutions towards various causes including early warning and management of natural disasters.

TNM also collaborated with other industry players to curb fraud arising from the prison. The reduction has ensured that customers are digitally safe and their rights are respected. The company continuously disseminated messages highlighting red flags that customers must look out for in order to have a digitally safe environment. Internally, TNM reinforced its commitment to fostering a diverse, inclusive, and



empowering workplace culture. As part of this ongoing drive, the Company launched the Pink Potential leadership development program, specifically designed to nurture and elevate women across the country. The initiative targeted female employees in various departments and roles, providing them with structured mentorship, leadership training and career advancement support. This program reflects TNM’s broader ambition to build a more inclusive leadership pipeline, close gender gaps in senior roles and create an environment where all employees can thrive. In addition, TNM implemented a range of other workforce-focused initiatives aimed at enhancing employee wellbeing, engagement, and productivity. These included wellness programs, training and upskilling sessions across departments, employee recognition efforts and initiatives to strengthen internal communication and collaboration. Together, these activities underscore TNM’s holistic approach to workforce development and its commitment to being an employer of choice.

Governance

Strong corporate governance is the foundation of TNM’s long-term sustainability and stakeholder trust. In 2024, we continued to strengthen our governance framework to ensure transparency, accountability, ethical leadership and effective risk management across all levels of the organisation. Our Board of Directors provides strategic oversight and is supported by Board Committees including the Audit Committee; Finance and Procurement Committee; Appointments and Remuneration Committee; and the Business Planning Committee. We enhanced Board effectiveness through ongoing training and performance evaluations and ensured alignment with emerging governance standards and regulatory requirements.

Conclusion

At TNM, our ESG journey is grounded in the belief that sustainable growth is only possible when we create lasting value for our people, our communities, and our planet. In 2024, we made meaningful strides in deepening our environmental stewardship, advancing social equity, and strengthening governance frameworks. From expanding digital access and empowering women through leadership programs, to investing in greener technologies and fostering transparency and accountability, each initiative reflects our commitment to responsible business. As we look ahead, TNM remains committed to embedding ESG at the core of our strategy, ensuring that we continue to drive inclusive growth while contributing to a sustainable and digitally empowered Malawi.





**Talk More,
Stream More,
WhatsApp More on
our Upgraded Network**


With One Bundle to

→ ALL NETWORKS




Dial *202#

to **talk more** on our
upgraded Network

 Your Best Network in All of Malawi

Upgraded Districts

Blantyre	Likoma
Mulanje	Phalombe
Lilongwe	Kasungu
Monkey Bay	Ntcheu
Zomba	Karonga
Mchinji	Nsanje
Thyolo	Dowa
Mangochi	Nkhotakota
Salima	Dedza
Machinga	Nkhata Bay
Rumphi	Chitipa
Chikwawa	Neno
Mzimba	Chiradzulu
Balaka	Mzuzu
Mwanza	

tnm.co.mw |   

TNM Moments



Above: TNM launches pink potential, a leadership and mentorship program for women within TNM

Below: TNM staff across various regions extended their compassionate outreach as part of the "Green Touch Initiative." The employees visited Malawi's four central hospitals to provide upliftment and support to the patients.



Above: TNM celebrates the graduation of Elizabeth Kaungama, Tadala Jeremiah and Jeany Safari & Violet Tiyamike Phiri (KUHEs), who have been on full TNM sponsorship from secondary school to university.



Above: Shout out to Ma Bankers! Congratulations for the 2024 TNM Super League Championship!

Right: TNM Plc hikes the sponsorship for the TNM Super League by 300%



Right: TNM supports MIAC, an institution that seeks to provide an independent forum for the resolution of commercial, investment and other disputes by way of arbitration.



Below: TNM CEO challenged final year IT students from Malawi University of Business and Applied Sciences to set themselves apart by joining the industry with passion, creativity and adaptive mindset if they are to succeed in the IT world.



Above: TNM secured the prestigious Best Internet Connectivity award at the 2024 ICTAM Corporate Awards



Below: MACRA renews TNM's operating licenses for 10 years. MACRA Chairperson praised TNM Plc for being "a steadfast partner in the journey towards a more connected and digitally inclusive Malawi since 1995."





Profile of Directors

Mr. Sauti-Phiri has over 20 years of distinguished career showcased by extensive experience and knowledge in telecoms having worked in several countries in Africa. Mr Sauti-Phiri has worked at executive level for Airtel in Malawi, Tanzania, Zambia, and Sierra Leone. He has also worked for Helios Towers in Tanzania, Vodafone in Zambia, Econet in Johannesburg.

He currently serves as the Regional Finance Director of Multichoice for Southern Africa Countries excluding South Africa.



Mr. Ted Sauti-Phiri Chairman (62)

Master of Business Administration from Liverpool University
Bachelor of Science Honours Degree in Chemistry and Computer Science from University of Malawi

Fellow of the Chartered Association of Certified Accountant of the UK

Appointed to the Board on 30th March 2022

Dr. Ronald Mangani studied economics, finance and investment at the Universities of Malawi, York and Cape Town, and held visiting scholar positions at the International Monetary Fund Institute and the University of Oxford. Until his appointment as Chief Executive Officer of Press Corporation Plc, he was an associate professor of economics at the University of Malawi, Chairman of Old Mutual Malawi Limited, and director of First Capital Bank Malawi. He was Secretary to the Treasury of the Government of Malawi between 2014 and 2017. Previously, he also served as an independent director on the boards of the Reserve Bank of Malawi, the Malawi Stock Exchange, the MDC Limited, and the Malawi Institute of Management, among others. He also sat on the Monetary Policy Committee of the Reserve Bank of Malawi.

He is a founding member of the Economics Association of Malawi, a network member of the African Economic Research Consortium of Kenya, and part of the global faculty of the Tanzania-based Trade Policy Training Centre in Africa. He brings to Telekom Networks Malawi plc extensive experience in managerial leadership, investment decision-making, financial management, and strategic planning.

Dr. Ronald Mangani Non-executive Director (57)

PhD (Economics), University of Cape Town, South Africa (June 2005)

MSc (Project Analysis, Finance and Investment), University of York, England (July 1997)

BSocSc (Economics major, with distinction), University of Malawi, Malawi (October 1992)

Appointed to the Board on 13th March 2023



Profile of Directors

(continued)

Dr. Chithambo has over 20 years of dedicated, broad Malawi financial market knowledge and extensive hands-on experience in high level financial and risk analysis, business and strategy development, project analysis and management, and diverse aspects of operations management. His expertise in turnaround strategies was also confirmed by his certification by Harvard Business School corporate revitalization strategies program. He also has substantial and impactful peer review research publications in Finance, Accounting and Risk. Prior to rejoining the corporate world, Dr. Chithambo lectured in finance, accounting, investment management and risk in United Kingdom for 3 years. Prior to this, he had spent almost 10 years at the Reserve Bank of Malawi helping champion reforms in the financial sector supervision division. He is currently the Chief Operations Officer for Press Corporation Plc and sits on various boards of its subsidiaries.



Dr. Lyton Chithambo

Non-executive Director (46)

*Doctor of Philosophy, Finance
Master's Degree in Finance and Risk (Distinction), both from Bournemouth University
Fellow of Association of Chartered Certified Accountants (ACCA)
Bachelor's degree in accountancy from the University of Malawi
An alumnus of both the prestigious INSEAD Business School Advanced Management Program and the Oxford's Said Business School Bank Governance Program*

Appointed to the Board on 8th April 2021

Mr. Khumbo Phiri is the Chief Operating Officer at Old Mutual Malawi Limited. He has previously held various positions including Chief Operating Officer for Old Mutual Swaziland. He was instrumental in the creation of the first Unit Trust in Malawi, Old Mutual Unit Trust Company (Malawi) Limited, a company he later headed as Managing Director. He was also key in the creation of the MPAMBA FESA digital product that is a partnership between Old Mutual and TNM. His career spans over 20 years in financial services areas of corporate and retail life insurance, unit trusts, strategy, digital distribution and operations. He is the Chairman at MPICO Malls Limited, Director at Frontline Investments Limited, Capital investments Limited and REPSSI.

Mr. Khumbo Phiri

Non-executive Director (44)

*Master of Financial Services from the University of New England
Chartered Insurer with the Chartered Insurance Institute (CII) of London
Bachelor of Education Humanities from the University of Malawi*

Appointed to the Board on 26th September 2017





Profile of Directors

(continued)

Ms. Madalo Nyambose is a senior public officer with more than 26 years' experience in the Public Sector. She has risen through the ranks and has previously held the positions of Director of Policy and Planning (4) in the Ministry of Transport and Public Works; Director of Debt and Aid Management (2 years) and Head of Unit for the National Authorizing Officer Support Unit working on European Union funded interventions (5 years) in the Ministry of Finance. She started her career in the Ministry of Finance working in the Budget Section of the Ministry from July 1998.

Ms. Madalo Nyambose Non-executive Director (53)

*Bachelor of Business Administration
from University of Malawi, The
Polytechnic*

*MSc in Finance and Postgraduate
Diploma in Accounting and Finance
from the University of Essex*

**Appointed to the Board
on 30th March 2022**



Mr. Tobias Jack is a visionary and innovative leader with an ambitious drive. He has over 30 years of extensive experience in the ICT industry, specializing in the strategic setup and implementation of growth-centric business models. He is an expert in fostering business expansion and profitability by harnessing the best in people, processes, and tools.

He has experience working with a diverse range of multinational organizations in various countries in Africa and these include major network Operators in Africa (MIC Tigo, MTN, Orascom, Vodafone), Equipment Vendors (Ericsson) and Telecoms Service companies across Africa in positions of Senior CPM, CTIO, COO and CEO .

He possesses a robust background in managing startups and greenfield projects with a sharp focus on time-to-market efficiency and project management to deliver quality outcomes in cost-effective ways. He excels in operational management, consistently ensuring top-tier quality service and cost efficiency. His proficiency extends to managing services and outsourcing operations, empowering Operational Companies to concentrate on key areas while maintaining network quality and optimizing OPEX through vendor-managed service models.

A cornerstone of his professional ethos in his roles as a CEO/CTO/COO is to provide overarching leadership, steering organizations to meet and exceed budgeted revenues, P&L, and EBITDA targets. His strategic acumen and leadership skills are the driving forces behind his ability to lead teams and companies to success.

Tobias boasts of over 20 plus years of senior managerial and leadership experience, working with dynamic teams in a global and multi-cultural environment. Currently, he is the Chief Operations Officer of ATM Technologies Limited, Local Director of VIASAT Tanzania and Director in APM Telecoms in South Africa and Eswatini.

Mr. Tobias Jack Non-executive Director (63)

*Registered professional Engineer
(PE) by ERB Tanzania*

*Registered (R Eng) ERB Zambia
Professional Engineer (PE) by
Engineering Institution of Zambia*

*Certificate of Cyber security-
Managing Risk in the information
age from Harvard University*

*Certified Global talents on Field
Services Organizations (FSO)
Leadership -Ericsson Sweden*

*B Tech Electronics and
communication engineering-
Indian Institute of Technology
(IIT) BHU India*

*Ongoing MBA in Artificial
intelligence and Blockchain in
UCAM Catholic University of
Murcia -Spain.*

**Appointed to the Board
on 21st February 2023**



Profile of Directors

(continued)

Mr. Gerald Chungu is a seasoned Information Technology (IT) Specialist with over 15 years' experience of working in the financial services industry (Banking, Microfinance, Insurance, and Asset Management). He is experienced in management of IT Systems, Business Resilience (Disaster Recovery, Business Recovery and Crisis Management), people, Projects, IT Budgets, vendors, IT Infrastructure, IT Security (NIST, COBIT), IT Strategy formulation and execution, ICT policies documentation, review, and enforcement, among others.

He has been at the helm of Information Technology Departments for several credible international financial institutions including Old Mutual Life Assurance Company (Malawi) Ltd, NICO Life Insurance Company Ltd and FINCA International. As one of the key Technical Leads in a World Bank funded project, he was instrumental in the establishment of the Malawi Microfinance Processing HUB. Before joining the corporate world in 2008, Gerald worked in IT Departments with the Anti-Corruption Bureau, the Malawi University of Business and Applied Sciences (MUBAS) and the National College of ICT between 2005 and 2008. He is the incumbent Group Information Technology Executive for Old Mutual Malawi.

Mr. Gerald Mayamiko Chungu Non-executive Director (43)

*Master of Business Administration
from Eastern and Southern Africa
Management Institute*

*Post Graduate Diploma in Senior
Management Practice Practice
from the Henley Business School -
University of Reading*

*Bachelor's degree in computer
science from the University
of Malawi (with Financial &
Managerial Accounting and
Demography as supporting
courses)*

**Appointed to the Board
on 4th July 2023**



Dr. Frank Chozenga is a highly accomplished executive with over 25 years of professional experience, including 21 years in the telecommunications sector. He has held senior leadership roles in leading telecom companies such as Vodacom, Airtel Africa, and Safaricom Ethiopia, with a strong focus on business strategy, financial planning, mobile financial services, and corporate governance.

He began his career as an auditor at Deloitte Malawi before moving into the telecom industry, gaining deep knowledge of the local market through roles at Malawi Telecommunications Limited and Airtel Malawi. Promoted to Airtel Africa in 2010, he was in the pioneering team of Airtel Money that developed the strategy, business structuring, rollout across 15 markets, and formed key partnerships with Comviva, MasterCard, banks, GSMA, and the Gates Foundation. His efforts led to over 50% of these markets reaching breakeven within three years.

From 2014 to 2016, he worked in the CEO's Office at Airtel Africa, overseeing business strategy and performance across seven African countries, including Malawi, Kenya, Uganda, and Tanzania. Between 2016 and 2021 he was at Vodacom Mozambique where he served as Executive Head of Financial Planning and Analysis and led corporate governance and company secretarial functions. He was instrumental in driving revenue growth initiatives and financial discipline, contributing to the company's first-ever dividend declaration.

Most recently, he was seconded as Executive Head of Finance Business Partnering and Planning to Safaricom Ethiopia, a US\$1 billion startup backed by major global investors.

Frank Chozenga is a member of the Institute of Chartered Accountants in Malawi (ICAM)

He brings to the TNM Board a strong combination of strategic vision, financial acumen, strong corporate governance experience and deep industry insight.

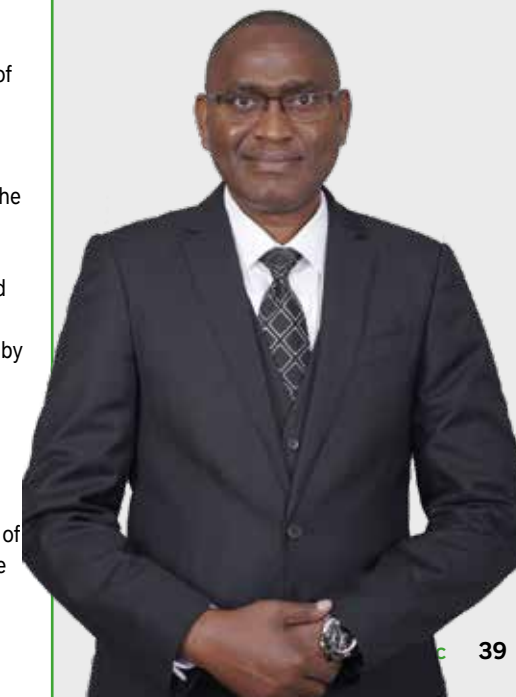
Dr. Frank Dalitso Chozenga Non-executive Director (49)

*Doctor of Philosophy-PhD
Organizational Leadership-
concentration entrepreneurial
leadership (2024), Regent
University, Virginia, United States of
America*

*Masters in Communications
Management (2007), University of
Strathclyde (Strathclyde Business
School), Glasgow, United Kingdom*

*Fellow Association of Chartered
Certified Accountants (ACCA)
Completed (2001), Malawi College
of Accountancy, Blantyre, Malawi
Bachelor of Accountancy with
Distinction (1998), University of
Malawi the Polytechnic), Blantyre,
Malawi*

**Appointed to the Board on
25th March 2025**





Profiles of Executive Management



Mr. Michel A. Hebert
Chief Executive Officer

Master of Business Administration, University of Chicago Booth School of Business, USA
Bachelor of Science in Electrical Engineering, University of Waterloo, Canada

Mr. Michel A. Hebert is a seasoned telecommunications executive with over 25 years of leadership experience across Africa, the Middle East, North America, and Asia-Pacific. As CEO and senior executive, he has driven organizational transformation, market expansion, and revenue growth for major telecom operators, including Orange (Egypt), Ooredoo (Tunisia), Djezzy (Algeria), Comium (Côte d'Ivoire), and Digicel (Papua New Guinea).

Previously, as a senior consultant with AT Kearney (USA), he advised global telecom leaders, including Motorola, Telstra, NTT, PT Inti, and SK Telecom, shaping strategic and operational frameworks.

Most recently, he has led technological advancements at Sudatel Group (Sudan) in 4G LTE, data centers, mobile financial services, and fiber optics, increasing market share, revenue share and profitability to lead the markets. As CEO of Liquid in the Democratic Republic of Congo, he oversaw a national fiber infrastructure expansion, tripling revenues and profits in three years.

He was appointed Chief Executive Officer on 15 March 2023.

Mr. Peter Kadzitché is an accomplished finance professional with over 20 years of expertise in accounting, financial management, and auditing. His leadership has been instrumental in driving financial strategy and operational efficiency within TNM since he joined the organization in 2005.

Throughout his tenure, Peter has held several key positions, demonstrating strong financial acumen and strategic oversight. In 2011, he was appointed Head of Division, Financial Management, where he played a pivotal role in enhancing financial governance and performance. His leadership potential was recognized in 2013 when he was appointed Acting Chief Finance Officer, a role he successfully transitioned into on a permanent basis in 2016.

In 2019, Peter took on the role of Chief Audit Officer, where he strengthened risk management frameworks and corporate compliance. His extensive expertise and strategic leadership led to his reappointment as Chief Finance Officer in 2021, where he continues to drive financial excellence, operational sustainability, and long-term growth.



Mr. Peter Kadzitché
Chief Finance Officer

Master of Business Administration (MBA)
Fellow Chartered Management Accountant, Chartered Institute of Management Accountants (CIMA)
Bachelor of Accountancy, Malawi Polytechnic, University of Malawi
Advanced Diploma in Management Accounting

Profiles of Executive Management (continued)



Mr. Amon Sobhuza Jere
Chief Commercial Officer

Master's degree in economics (Monetary Economic Policy Management)

Master of Business Administration (MBA)
Mini MBA in Telecoms

Bachelor of Arts
Bachelor of Laws (LLB)

Advanced Executive Management Program (AMP), London Business School

Mr. Amon Sobhuza Jere is a seasoned business leader with over 25 years of international experience in commercial strategy, marketing, sales, and business transformation within the telecommunications sector. His extensive leadership tenure spans Southern, East, and West Africa, where he has successfully driven commercial turnarounds and market expansion for leading telecom operators.

As Chief Commercial Officer at Vodafone Zambia, Amon played a pivotal role in shaping the company's commercial strategy, driving revenue growth, and strengthening its market position. His expertise in customer acquisition, pricing models, and business development contributed to Vodafone Zambia's competitive edge in a dynamic and evolving industry landscape.

Throughout his career, Amon has held senior executive positions at major telecom operators, including Celtel Zambia, Celtel Kenya, Vodafone Ghana, Zamtel Zambia, GLO Mobile Ghana and Nigeria, and MTN Zambia. His strategic vision and commercial acumen were instrumental in transforming Vodafone Ghana from a struggling parastatal into a formidable industry competitor. Additionally, his leadership at MTN Zambia significantly increased the company's market share, reinforcing its dominance in the sector.

Beyond his corporate leadership, Amon has actively contributed to governance and industry development. He has served as a non-executive director at Freddy Hirsch and held board roles at MTN Zambia, its mobile money division, and the Audit and Risk Committee. His commitment to knowledge-sharing is reflected in his role as a lecturer at Chreso University Business School, where he teaches Business Strategy, Business Law, and Employment Law.

Amon Sobhuza Jere continues to be a driving force in the telecommunications industry, leveraging his expertise to foster commercial excellence, market expansion, and sustainable business growth.

He was appointed Chief Commercial Officer on 9th May 2024

Mr. Lloyd Gowera is a seasoned telecommunications engineer with 23 years of expertise in mobile communications, including over nine years in senior management positions. His career encompasses network operations, infrastructure deployment, and technical leadership, contributing to advancements across diverse and challenging markets.

During his 15-year tenure at Airtel Malawi, he rose to the position of Senior Manager Radio & Transmission, where he played a pivotal role in optimizing network performance, expanding coverage, and implementing innovative solutions to enhance service delivery. Between 2008 and 2009, he supported technical operations in Madagascar that led to complete transformation and overall improvement of network quality mostly in Antananarivo, in addition to many other towns across the country. In 2016, he also supported technical operations in Zambia mainly in improving the transmission network and radio network quality in Lusaka and across the country. His leadership was instrumental in driving operational efficiencies and strengthening the network's competitive positioning in the region.

He later joined DIGICEL Papua New Guinea, where he led complex telecommunications projects for four years, overseeing large-scale infrastructure development and network modernization initiatives in a very challenging logistical and security environment. His expertise in project execution ensured seamless implementation of cutting-edge technologies, reinforcing DIGICEL's market presence and service reliability. Prior to handling projects, he worked on improvement of overall network quality in Port Moresby and the entire mainland inclusive of many islands. He played a pivotal role in the expansion of internet services through satellite technologies based on low orbit high capacity O3b active tracking technology as by then, there were no international fiber connections to the internet PoPs.

Lloyd's strategic vision, deep industry knowledge, and technical acumen have established him as a key leader in telecommunications, driving efficiency, innovation, and advanced connectivity solutions across evolving digital landscapes.



Mr. Lloyd Gowera
Chief Technical Officer

Master of Science in Project Management, University of Salford (UK)

Master of Business Administration (MBA), ESAMI
Bachelor of Science in Information Technology

Diploma in Telecommunications and Electronics Engineering
Project Management Professional (PMP) Certification

Advanced Management Program Certification (INSEAD, France)

Profiles of Executive Management

(continued)



Mr. Peter Munthali
Chief Information Officer

Master of Business Administration (MBA)

University of Cape Town Graduate School of Business (with Distinction)

Master of Science in Advanced Computer Science, University of East Anglia, UK (with Distinction)

Bachelor of Science, University of Malawi (with Distinction)

Mr. Peter Munthali is an accomplished IT executive with over 20 years of experience in Information Technology, including 16 years in senior management roles within the Financial Services, and Telecommunications sectors. His expertise spans technology operations, digital transformation, project management, fintech & innovation, large-scale system implementations, Information security, change control, and IT governance.

Before his tenure as Chief Information Officer at TNM Plc, Peter held leadership roles at NBM Plc as IT Services Manager and at Indebank Limited as Head of Information Technology. His strategic vision has been instrumental in enhancing technological advancements in TNM, operational efficiencies, and entrenching digital service delivery for the GSM and Mobile money companies.

Throughout his career, he has contributed to industry development, notably serving on the steering committee that established the National Switch and holding a Board Director position for a pension and group life assurance company. His leadership continues to shape the evolving IT landscape, ensuring sustainable innovation and digital excellence.

Ms. Chisomo Govenor has over a decade's wealth of experience spanning legal practice, corporate leadership, company secretarial and transactional work. With specialisation in the telecommunications sector, she has advised and represented mobile telecommunications companies, internet service providers, equipment manufacturers, and network infrastructure providers, ensuring compliance with complex and evolving legal frameworks.

Previously, Chisomo served as Principal Associate at Savjani and Co., where she successfully handled high-value, cross-border, and complex disputes. She later co-founded DNC Chambers and served as its Managing Partner, leading the firm to earn the prestigious Best Dispute Resolution Specialists award within two years and attracting a strong portfolio of local and international clients.

Beyond legal practice, Chisomo has played a pivotal role in advancing professional development in advocacy and litigation, conducting specialized training for lawyers in Malawi, Botswana, Kenya, and Uganda. She has also served as President for the Women Lawyers Association and as Director on various boards of governmental and private entities.



Ms. Chisomo Govenor
Company Secretary, Legal and Regulatory Director

Master of Laws in Commercial and Corporate Law, University of London, UK (UoL)

Master of Laws in Human Rights, University of Pretoria, South Africa

Postgraduate Diploma in International Business Law, UoL

Postgraduate Certificate in Banking and Finance, UoL
Bachelor of Laws (Honours) Degree, University of Malawi
Strategic Finance for Non-Finance Executives Certification, UoL

Certified Trial Advocacy Trainer



Profiles of Executive Management (continued)



Mrs. Dalitso Nkunika

Human Resources and Administration Director

Master of Science in Human Resource Management, Edinburgh Napier University, UK

Master of Business Administration in Project Management and Consultancy, University of East London, UK
Bachelor of Education (Science), University of Malawi, Chancellor College
Human Resources Management Certificate, University of Cape Town
Business Development Certificate, University of Cape Town

Mrs. Dalitso Nkunika is a seasoned human resource professional with over 16 years' experience in business transformation, organizational development, talent management and succession planning, organizational culture transformation and performance management. She has a proven track record of designing and implementing strategic HR initiatives with HR technology that optimize employee engagement and performance, drive leadership development, foster winning and inclusive culture, and drive sustainable business growth. As Head of Learning and Development at Standard Bank Malawi, she played a pivotal role in developing learning strategies, talent programs, and leadership frameworks, ensuring alignment with corporate objectives. Additionally, she actively supported Standard Bank Group projects, contributing to the broader Human Capital transformation efforts across the Group.

Her experience extends beyond banking into media and consultancy. As Executive Director at the Malawi Institute of Journalism, she led the institution's transformation into a center of excellence in the media industry, strengthening stakeholder relationships and effectively negotiating collective bargaining agreements with workers' unions to create a balanced and productive work environment and was awarded CEO of the Year by the Communication Workers Union (COWUMA).

Beyond these roles, Dalitso has worked as an HR Consultant, partnering with various institutions to design and implement HR initiatives that enhance business performance and operational efficiency. She has also served as a training consultant for leading organizations within the financial industry and non-governmental organizations such as Gender Links of South Africa, UNICEF, UNESCO among others, providing expertise in corporate governance, leadership development, and talent strategy.

Mr. Ackson Banda is a seasoned internal audit professional with over 20 years of progressive experience in auditing and risk management. He has extensive experience reporting at Board level across various sectors in five different countries.

His audit portfolio includes engagements across eight African countries, spanning industries such as telecommunications, banking, insurance, asset management, and humanitarian sector. Prior to joining TNM in July 2021, Ackson served in senior management roles including Head of Internal Audit at First Capital Bank, Reunion Insurance, and the Medical Aid Society of Malawi (MASM). He also held positions as Risk and Internal Audit Manager at NICO Holdings Plc and as Internal Auditor at World Vision International.

Ackson is a former President of the Institute of Internal Auditors Malawi and served on the Board of the African Federation of Institutes of Internal Auditors. He was also a member of the Malawi Government's Advisory Committee on Financial Management and Control (2012 – 2015). Additionally, he has served on several board audit committees, including those of First Capital Bank Mozambique, the Bankers Association of Malawi, Sir Harry Johnston International School and Kamuzu University of Health Sciences.



Mr. Ackson Banda

Internal Audit Director

Master of Business Administration (MBA) from the University of Bolton, UK
Bachelor of Accountancy degree from the University of Malawi
Certified Internal Auditor (CIA)
Fellow of the Chartered Certified Accountants (FCCA)
Certified Fraud Examiner (CFE).

Five year

Group value added statement

	2024	2023	2022	2021	2020
Sales	193.19	144.50	119.20	118.17	108.97
VAT	(23.66)	(17.53)	(14.91)	(15.58)	(13.78)
Excise tax	(10.96)	(8.47)	(7.53)	(7.27)	(6.96)
International incoming call termination levy	(0.40)	(0.40)	(0.41)	(0.50)	(0.93)
Revenue	158.17	118.10	96.35	94.82	87.30
Direct costs	(33.68)	(18.71)	(16.47)	(17.57)	(14.53)
Operating costs	(32.75)	(32.40)	(22.64)	(18.14)	(19.35)
Net foreign exchange losses	(2.61)	(9.71)	(1.53)	(1.20)	(0.47)
Finance income	0.42	0.31	0.12	0.57	0.39
Net wealth created	89.55	57.59	55.83	58.48	53.34
Wealth distributed					
To employees as salaries, wages and other benefits	16.63	16.82	12.38	11.09	9.93
To government as taxation	9.90	4.32	5.19	3.82	5.05
To distribution partners	7.82	4.85	4.36	5.76	6.65
To government as fees and levies through MACRA	9.50	7.47	6.21	5.83	5.58
To shareholders as dividends	-	-	1.00	4.02	5.52
To lenders of capital as interest	12.13	11.00	8.25	5.95	4.19
Total	55.98	44.46	37.39	36.47	36.92

	2024	2023	2022	2021	2020
Wealth reinvested					
Retained profit/(loss)	10.05	(4.93)	(1.76)	5.67	2.21
Depreciation and amortization	18.17	20.50	19.56	16.33	14.05
Deferred taxation	1.90	2.20	(1.16)	0.01	0.16
Total	30.12	17.77	16.64	22.01	16.42
Environment					
Number of base station sites	1,131	983	907	812	732
Number of shared sites	618	480	475	355	250
Taxes					
Net VAT paid	18.70	14.60	11.30	9.40	6.90
Excise tax	11.00	8.50	7.50	7.30	7.00
ICTR levy	0.40	0.40	0.50	0.50	0.90
Non - resident tax	1.30	0.60	0.90	1.60	2.30
Corporate tax	4.70	1.50	1.60	2.80	4.60
PAYE	3.20	3.40	2.30	2.20	2.20
Fringe benefit tax	0.20	0.30	0.30	0.30	0.30
Customs and excise tax	2.90	2.20	2.00	4.40	3.00
Total	42.40	31.50	26.40	28.50	27.20

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TELEKOM NETWORKS MALAWI Plc

Consolidated and Company Financial Statements
for the year ended 31 December 2024

Directors' report

For the year ended 31 December 2024

The Directors are hereby presenting their report and the audited consolidated and company financial statements of Telekom Networks Malawi plc ("the company") and its subsidiary, TNM Mpamba Limited, ("the group") for the year ended 31 December 2024.

Nature of business

The company is engaged in providing telecommunication services in accordance with its license issued by Malawi Communications Regulatory Authority (MACRA). The company has a wholly owned subsidiary, TNM Mpamba Limited, a company incorporated in Malawi and engaged in providing mobile money services.

Registered office

Telekom Networks Malawi plc is a company incorporated in Malawi under the Malawi Companies Act. It was listed on the Malawi Stock Exchange on 3 November 2008.

The address of its registered office is, Fifth Floor, Livingstone Towers, Glyn Jones Road, P.O Box 3039, Blantyre, Malawi.

Financial performance

The results, state of affairs and cash flows of the group and company are set out in the accompanying consolidated and company statements of comprehensive income, the consolidated and company statements of financial position, the consolidated and company statements of changes in equity, the consolidated and company statements of cash flows and notes to the financial statements which include a summary of material accounting policy information.

Shareholding

The shareholding structure at year end was as follows:-

	2024	2023
	%	%
Press Corporation plc	43.72	43.72
Old Mutual Life Assurance Company Malawi Limited #	23.85	23.57
Nico Life Insurance Company Limited #	7.86	8.16
Others	24.57	24.55
Total	100.00	100.00

Public shareholder as defined by paragraph 2.16 of the Malawi Stock Exchange Listing Requirements.

Directorate and company secretary

Directors and Company Secretary who served during the year are listed below:

Mr. Ted Sauti-Phiri	-	Chairman – Non-executive Director
Mr. Khumbo Phiri	-	Non-executive Director
Mr. Lekani Katandula	-	Non-executive Director (Up to 31 December 2024)
Dr. Lyton Chithambo	-	Non-executive Director
Ms. Madalo Nyambose	-	Non-executive Director
Mr. Gerald Chungu	-	Non-executive Director
Mr. Tobias Jack	-	Non-executive Director
Dr. Ronald Mangani	-	Non-executive Director
Mrs. Nitta Chikaipa	-	Company Secretary (Up to January 2024)
Ms. Chisomo Governor	-	Company Secretary (From February 2024)

As at 31 December 2024, the following directors had direct interest in the shares of the company as follows:

	As at 31 December 2024	As at 31 December 2023
	Number of shares million	Number of shares million
Mr. Lekani Katandula	1.37	1.37
Mr. Khumbo Phiri	0.24	0.24
Dr. Lyton Chithambo	0.01	0.01

Directorate and company secretary

None of the Directors had an interest in any material contract relating to the business of the company or of any of its subsidiary undertakings during the year ended 31 December 2024 (2023: nil).

Non-executive directors' remuneration

The Non-executive Directors' remuneration for the current year have been disclosed in note 9 and note 19(b) to the financial statements.

Donations

The total donations made during the year are disclosed in note 9 to the financial statements under corporate social responsibility.

Directors' Report (continued)

Corporate governance

The company continues to embrace and abide by the main principles of modern corporate governance as contained in the Malawi Code II (Code of Best Practice for Corporate Governance in Malawi). In this regard, the company has at Board level, a Board Audit Committee, a Finance and Procurement Committee and a Board Appointments and Remuneration Committee. The Committees comprise of Non-Executive Directors.

Environmental, social and governance

The Directors have made an assessment of the impact of climate change on the group's and company's assets, financial performance and the ability to continue as a going concern. The Directors are of the opinion that risks associated with climate change do not pose any significant negative impact on the group's assets, financial performance and its going concern. The group will continue monitoring and assessing the impact of climate change and make necessary adjustments to ensure it remains a going concern.

Dividends

No dividends were declared and paid in 2024.

Auditors

Deloitte, Chartered Accountants, P.O Box 187, Blantyre, have indicated their willingness to continue in office and a resolution is to be proposed at the forthcoming Annual General Meeting in relation to their appointment as auditors in respect of the year ending 31 December 2025.

The total audit fees for the current year have been disclosed in note 9 to the financial statements and includes MK35.8 million for non-assurance services.



Mr. Ted Sauti-Phiri
Chairman of the Board



Dr. Lyton Chithambo
Chairman of Board Audit Committee

Date: 25 March 2025

Statement of directors' responsibilities

For the year ended 31 December 2024

The Directors are responsible for the preparation and fair presentation of the consolidated and company financial statements of Telekom Networks Malawi plc and its subsidiary, comprising the consolidated and company statements of financial position as at 31 December 2024, and the consolidated and company statements of comprehensive income, consolidated and company statements of changes in equity and the consolidated and company statements of cash flows for the year then ended, and the notes to the consolidated and company financial statements, which include a summary of material accounting policy information and other explanatory notes, in accordance with IFRS® Accounting standards as issued by International Accounting Standards Board, IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM) and in the manner required by the Companies Act.

The Act also requires the Directors to ensure the group keeps proper accounting records which disclose with reasonable accuracy the financial position of the group and enable them to ensure that the financial statements comply with the Malawi Companies Act.

In preparing the consolidated and company financial statements the Directors accept responsibility for the following:

- Maintenance of proper accounting records;
- Selection of suitable accounting policies and consistent application thereof;
- Making judgements and estimates that are reasonable and consistently applied;
- Compliance with applicable accounting standards when preparing consolidated and company financial statements; and
- Preparation of consolidated and company financial statements on a going concern basis unless it is inappropriate to presume that the group will continue in business in the foreseeable future.

The Directors also accept responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to maintain adequate systems of internal control to prevent and detect fraud and other irregularities.

The Directors have made an assessment of the group's and company's ability to continue as a going concern and have a reasonable expectation that the group and company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The Directors are of the opinion that the consolidated and company financial statements give a true and fair view of the state of the financial affairs of the group and of its operating results.



Mr. Ted Sauti-Phiri
Chairman of the Board



Dr. Lyton Chithambo
Chairman of Board Audit Committee

Date: 25 March 2025

**Independent auditor's report
to the members of
Telekom Networks Malawi plc****Opinion**

We have audited the consolidated and company financial statements (the financial statements) of Telekom Networks Malawi plc (the Group and Company) set out on pages 62 to 136, which comprise the consolidated and company statements of financial position as at 31 December 2024, and the consolidated and company statements of comprehensive income, the consolidated and company statements of changes in equity and the consolidated and company statements of cash flows for the year then ended, and notes to the consolidated and company financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated and company financial statements give a true and fair view of the consolidated and company financial position of Telekom Networks Malawi plc as at 31 December 2024, and its consolidated and company financial performance and consolidated and company cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board with directive Notice No. PN 2024-12 on IAS 29 issued by the Institute of Chartered Accountants in Malawi and in the manner required by the Companies Act.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to performing audits of financial statements in Malawi. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 company financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and company financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter**How our audit addressed the key audit matter****Recognition of revenue (for group and company)**

The company's billing systems for voice and data operate on dedicated computer platforms. These systems process millions of pieces of data to electronic records which enables the company to charge their customers, in real time, based on service usage.

The operations of these systems are fairly complex with dynamic and intelligent tariffs regimes which provide for various promotions and discounts that are dependent on demand and individual usage profiles. Income is determined taking into account the profile and usage of each individual customer.

In addition, prepaid phone units are used over periods that can straddle more than one accounting period. The determination of the correct cut off between what has been used and can be included in income and what has not been used and should be contract liabilities is also a key audit consideration.

The nature of the systems and billing profiles make this a complex audit area in relation to the auditor assessing completeness and accuracy of income. Accordingly, we consider this a key audit matter.

The revenue recognition policy of the group has been disclosed in note 3.11 to the financial statements and the revenue streams analysis is in note 6 to the financial statements. The contract liabilities are disclosed in note 26 to the financial statements.

We assessed the revenue recognition policy and ensured the policy is in line with International Financial Reporting Standard 15.

We involved our Information Technology (IT) audit specialists in the engagement and:

- We assessed the general computer controls around the significant revenue and billing systems;
- We assessed the design and implementation of the relevant controls;
- We evaluated the process for capturing the tariff plans, combined with testing of a sample of related transactions. A key aspect of this exercise was to ensure that tariffs were properly approved;
- We obtained downloads of information recorded in the group's billing system and by using advanced data analytics mirrored the dynamic, intelligent tariff regimes to independently compute the income for the year and thus assess the completeness and accuracy of the figures in the revenue reports;
- We obtained a contract liabilities reconciliation for the expected contract liabilities as at period end and tested the accuracy and completeness of the reconciling items;
- Re-computed contract liabilities from Intelligent Network (IN) data using analytics (IN is a telephone network architecture devised to deliver increased service management control); and
- We checked that the contract liabilities in the billing system was being reconciled to the records.



Key audit matter (Continued)

Key audit matter	How our audit addressed the key audit matter
Recognition of revenue (for group and company)	
	Based on the work performed, we concluded that revenue was properly recorded. In addition, the contract liabilities have been assessed to be in accordance with the revenue recognition policy.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' Report, the Statement of Directors' Responsibilities, as required by the Companies Act, which we obtained prior to the date of this auditor's report, and the Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated and company financial statements and our auditor's report thereon.

Our opinion on the consolidated and company financial statements does not cover the other information and we will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and company financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and company financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of the consolidated and company financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board with directive Notice No. PN 2024-12 on IAS 29 issued by the Institute of Chartered Accountants in Malawi and the requirements of the Companies Act, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and company financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the group and/or the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and company financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

Key audit matter (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or the company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated and company financial statements, including the disclosures, and whether the consolidated and company financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and company financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Chartered Accountants
Vilengo Beza
Partner

Date: 29 April 2025

Statements of comprehensive income

For the year ended 31 December 2024

	Note	Group		Company	
		2024	2023	2024	2023
		MK'm	MK'm	MK'm	MK'm
Revenue	6	142 007	110 484	118 037	93 691
Interest revenue	6	2 283	-	-	-
Cost of sales	7	(95 254)	(73 113)	(81 160)	(64 650)
Gross profit		49 036	37 371	36 877	29 041
Other income	8	13 876	7 659	15 960	7 459
Administrative expenses	9	(32 267)	(31 567)	(29 610)	(30 188)
Loss allowance	18	(930)	(592)	(215)	(592)
Operating profit		29 715	12 871	23 012	5 720
Finance income	10	414	306	48	73
Finance expenses	10	(14 750)	(20 708)	(15 283)	(20 808)
Net finance expenses		(14 336)	(20 402)	(15 235)	(20 735)
Profit before income tax		15 379	(7 531)	7 777	(15 015)
Income tax credit	11	(5 326)	2 599	(2 405)	4 913
Profit/(loss) for the year		10 053	(4 932)	5 372	(10 102)
Other comprehensive income					
<i>Items that may not be reclassified subsequently to profit or loss:</i>					
Fair value gain on investments in equity instruments designated as at fair value through other comprehensive income (FVTOCI)	13	39	172	39	172
Total comprehensive profit/(loss) for the year		10 092	(4 760)	5 411	(9 930)
Earnings per share					
Basic and diluted earnings per share (MK)	12	1.01	(0.47)		

Statements of financial position

As at 31 December 2024

	Note	Group		Company	
		2024	2023	2024	2023
		MK'm	MK'm	MK'm	MK'm
Assets					
Non-current assets					
Equity investments	13	373	334	1 629	1 590
Property, plant and equipment	14	89 583	76 164	86 777	73 871
Intangible assets	15	17 287	13 120	17 178	12 770
Right of use assets	16	18 275	12 220	18 275	12 220
Deferred tax assets	23	2 924	4 794	2 706	4 890
Equipment receivables*	18	542	711	542	711
Total non-current assets		128 984	107 343	127 107	106 052
Current assets					
Inventories	17	1 951	1 573	1 951	1 573
Equipment receivables*	18	604	840	604	840
Trade and other receivables	18	29 831	21 000	23 799	16 387
Loans and advances	18	1 096	-	-	-
Amount due from related companies	19	745	-	2 193	1 914
Current tax recoverable	11	1 020	-	2 802	1 489
Bank and cash balances	20	47 719	31 845	1 359	3 464
Total current assets		82 966	55 258	32 708	25 667
Total assets		211 950	162 601	159 815	131 719

Statements of financial position (continued)

As at 31 December 2024

	Note	Group		Company	
		2024	2023	2024	2023
		MK'm	MK'm	MK'm	MK'm
Equity and liabilities					
Equity					
Share capital	21	402	402	402	402
Share premium	22	2 347	2 347	2 347	2 347
Retained earnings		49 096	39 004	35 146	29 735
Total equity		51 845	41 753	37 895	32 484
Non-current liabilities					
Long-term portion of interest bearing loans	24	12 752	27 108	12 752	27 108
Total non-current liabilities		12 752	27 108	12 752	27 108
Current liabilities					
Amounts due to related parties	19	210	39	1 551	2 039
Bank overdraft	20	15 692	10 774	15 692	10 774
Current portion of interest-bearing loans	24	18 100	11 449	18 100	11 449
Contract liabilities	26	2 761	4 249	2 761	4 249
Trade and other payables	27	75 637	45 942	70 726	43 435
Amounts payable to owners of e-money	28	34 615	20 809	-	-
Current portion of lease liabilities	29	338	181	338	181
Current tax payable	11	-	297	-	-
Total current liabilities		147 353	93 740	109 168	72 127
Total liabilities		160 105	120 848	121 920	99 235
Total equity and liabilities		211 950	162 601	159 815	131 719

* The asset previously recorded as contract asset has been renamed to equipment receivables. This does not affect the asset's classification and measurement. Refer to note 18 for further details.

The financial statements on pages 62 to 136 were approved and authorised for issue by the Board of Directors on 25 March 2025 and were signed on its behalf by:



Mr. Ted Sauti-Phiri
Chairman of the Board



Dr. Lyton Chithambo
Chairman of Board Audit Committee

Statements of changes in equity

For the year ended 31 December 2024

	Share capital MK'm	Share premium MK'm	Retained earnings MK'm	Total MK'm
Group				
2024				
Balance at 1 January 2024	402	2 347	39 004	41 753
Profit for the year	-	-	10 053	10 053
Comprehensive income for the year	-	-	39	39
Balance at 31 December 2024	402	2 347	49 096	51 845
2023				
Balance at 1 January 2023	402	2 347	43 764	46 513
Loss for the year	-	-	(4 932)	(4 932)
Comprehensive income for the year	-	-	172	172
Balance at 31 December 2023	402	2 347	39 004	41 753
Company				
2024				
Balance at 1 January 2024	402	2 347	29 735	32 484
Profit for the year	-	-	5 372	5 372
Comprehensive income for the year	-	-	39	39
Balance at 31 December 2024	402	2 347	35 146	37 895
2023				
Balance at 1 January 2023	402	2 347	39 665	42 414
Loss for the year	-	-	(10 102)	(10 102)
Comprehensive income for the year	-	-	172	172
Balance at 31 December 2023	402	2 347	29 735	32 484

Statements of cash flows

For the year ended 31 December 2024

	Note	Group		Company	
		2024 MK'm	2023 MK'm	2024 MK'm	2023 MK'm
Cash flows from operating activities					
Cash generated from operations	30	76 549	41 402	52 923	32 586
Interest received		414	306	48	73
Interest paid	31	(11 364)	(10 176)	(11 889)	(10 176)
Income tax paid	11	(4 773)	(1 612)	(1 534)	(1 263)
Cash generated from operating activities		60 826	29 920	39 548	21 220
Cash flows from investing activities					
Dividend received		-	-	2 211	256
Purchase of property, plant and equipment	14	(26 229)	(12 259)	(25 129)	(11 698)
Purchase of intangible assets	15	(7 211)	(2 431)	(7 211)	(1 840)
Proceeds from sale of property, plant and equipment		645	50	633	50
Net cash used in investing activities		(32 795)	(14 640)	(29 496)	(13 232)
Cash flows from financing activities					
Bank overdraft	20b	4 918	(220)	4 918	(220)
Proceeds from loans	24	4 947	15 659	4 947	15 659
Repayment of loans	24	(13 416)	(18 141)	(13 416)	(18 141)
Lease liability payments	29	(8 606)	(3 402)	(8 606)	(3 402)
Net cash from financing activities		(12 157)	(6 104)	(12 157)	(6 104)
Net increase in cash and cash equivalents		15 874	9 176	(2 105)	1 884
Cash and cash equivalents at beginning of the year		31 845	22 669	3 464	1 580
Cash and cash equivalents at end of the year	20a	47 719	31 845	1 359	3 464

Notes to the Financial Statements

For the year ended 31 December 2024

1. General information

Reporting entity

Telekom Networks Malawi plc (TNM) is a company domiciled in Malawi and incorporated under the Malawi Companies Act. The address of the company's registered office is Fifth floor, Livingstone Towers, Glyn Jones Road, and P. O. Box 3039, Blantyre. The company was listed on the Malawi Stock Exchange on 3 November 2008.

The company is primarily involved in the provision of telecommunication services in accordance with its licence issued by the Malawi Communications Regulatory Authority (MACRA) renewed in August 2024, for a period of ten years from the date of renewal.

The company's subsidiary, TNM Mpamba Limited, is primarily involved in the provision of a wide range of mobile money services.

The group comprises of Telekom Networks Malawi plc and its wholly owned subsidiary.

2. Adoption of new and revised IFRS Accounting Standards

2.1 Standards and Interpretations affecting amounts reported and/or disclosed in the financial statements

In the current year, the group has adopted those new and revised Standards and Interpretations issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee of the International Accounting Standards Board that are relevant to its operations and are effective for annual reporting periods beginning on 1 January 2024.

Effective date	Standard, Amendment or Interpretation
Annual reporting periods beginning on or after 1 January 2024	<p>Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)</p> <p>The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.</p>
Annual reporting periods beginning on or after 1 January 2024	<p>Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)</p> <p>The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.</p>
Annual reporting periods beginning on or after 1 January 2024	<p>Non-current Liabilities with Covenants (Amendments to IAS 1)</p> <p>The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.</p>
Annual reporting periods beginning on or after 1 January 2024	<p>Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)</p> <p>The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.</p>

The adoption of these new and revised Standards and Interpretations did not have a significant impact on the financial statements of the group and company.

Notes to the Financial Statements (continued)

2. Adoption of new and revised IFRS Accounting Standards (continued)

2.2 Standards and Interpretations in issue, not yet effective

A number of new standards, amendments to standards and interpretations are issued and effective for annual periods beginning on or after 1 January 2025 and have not been applied in preparing these financial statements. Those which may be relevant to the group are set out below. The group does not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated:

Effective date	Standard, Amendment or Interpretation
Annual reporting periods beginning on or after 1 January 2025	<p>Lack of Exchangeability (Amendments to IAS 21)</p> <p>The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.</p>
Annual reporting periods beginning on or after 1 January 2025	<p>Amendments to the SASB standards to enhance their international applicability.</p> <p>The amendments remove and replace jurisdiction-specific references and definitions in the SASB standards, without substantially altering industries, topics or metrics.</p>
Annual reporting periods beginning on or after 1 January 2026	<p>Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments</p> <p>The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments.</p>
Annual reporting periods beginning on or after 1 January 2026	<p>Annual Improvements to IFRS Accounting Standards – Volume 11</p> <p>The pronouncement comprises the following amendments:</p> <ul style="list-style-type: none"> • IFRS 1: Hedge accounting by a first-time adopter • IFRS 7: Gain or loss on derecognition • IFRS 7: Disclosure of deferred difference between fair value and transaction price • IFRS 7: Introduction and credit risk disclosures • IFRS 9: Lessee derecognition of lease liabilities • IFRS 9: Transaction price • IFRS 10: Determination of a 'de facto agent' • IAS 7: Cost method

Effective date	Standard, Amendment or Interpretation
Annual reporting periods beginning on or after 1 January 2027	<p>IFRS 18 Presentation and Disclosures in Financial Statements</p> <p>IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements.</p>
Annual reporting periods beginning on or after 1 January 2027	<p>IFRS 19 Subsidiaries without Public Accountability: Disclosures</p> <p>IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.</p>

The directors anticipate that other than IFRS 18 Presentation and Disclosures in Financial Statements and amendments to IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments, these Standards and Interpretations in future periods will have no significant impact on the financial statements of the group and company. IFRS 18 will impact the presentation and disclosure of information in financial statements and IFRS 7 and IFRS 9 will impact the classification and measurement of financial instruments. Management is in the process of assessing the impact of these new standards and interpretations on the financial statements.

3. Material accounting policies

Entities are required to disclose material accounting policy information. Accounting policy information is material if it can reasonably be expected to influence decisions that the primary users of financial statements make on the basis of those financial statements when considered together with other information included in the financial statements. In determining the basis for determining material accounting policies for the company, the directors have considered the impact of materiality on financial statements and economic decisions, adhering to industry-specific and regulatory requirements, reflecting the company's business model, operations, and financial condition while complying with relevant IFRSs.

Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM) and in the manner required by the Companies Act, and the provisions of the Malawi Companies Act.

Notes to the Financial Statements (continued)

3. Material accounting policies (continued)

Basis of preparation

The financial statements are prepared under the historical cost convention except for financial instruments at fair value through profit or loss which are measured at fair value. The principal accounting policies adopted are set out below.

The consolidated financial statements incorporate the financial statements of the company and its subsidiary made up to 31 December each year. Control is achieved when the company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The company considers all relevant facts and circumstances in assessing whether or not the company's voting rights in an investee are sufficient to give it power, including:

- the size of the company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the company gains control until the date when the company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the group are eliminated on consolidation.

3.1 Functional and presentation currency

These financial statements are presented in Malawi Kwacha, which is the group's functional currency. All financial information presented in Malawi Kwacha has been rounded to the nearest million.

3.2 Foreign currency

Transactions in foreign currencies are converted to Malawi Kwacha at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are converted to Malawi Kwacha at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss, except for those capitalised into property, plant and equipment under policy note 3.4.6.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are converted using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are converted to Malawi Kwacha at foreign exchange rates ruling at the dates the fair value was determined.

3.3 Use of estimates and judgments

The preparation of the financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Judgements made by management in the application of IFRSs that have significant effect on the amounts recognised in the financial statements are discussed in note 4 to these financial statements.

Notes to the Financial Statements (continued)

3. Material accounting policies (continued)**3.4 Property, plant and equipment****3.4.1 Recognition and measurements**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost of self-constructed assets includes the cost of material and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

3.4.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefit embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

3.4.3 Depreciation

No depreciation is provided for land. Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives of assets for current and comparative periods are as follows:-

- Buildings 4- 20 years
- Equipment and machinery 4- 15 years
- Office equipment 2- 5 years
- Motor vehicles 4- 5 years

3.4.4 Determination of residual values and useful lives

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each reporting date. Where the carrying amount of an asset is less than its estimated residual value, no further depreciation is charged.

3.4.5 Gains and losses on disposal

Gains and losses on disposals of an item of property, plant and equipment are determined by comparing the proceeds with the carrying amount of the item and are recognised net within "other income" in the statements of comprehensive income.

3.4.6 Interest and exchange losses on loans

Interest and exchange losses on loans which are utilised for the construction of qualifying property, plant and equipment are capitalised until the commissioning of the related asset

after which they are dealt with in profit or loss. Qualifying assets are those that necessarily take a substantial period of time to get ready for their intended use or sale.

3.4.7 Capital work in progress

Capital work in progress is an integral part of property, plant and equipment and is measured at cost. Cost includes all expenditures directly attributable to the asset under construction. Capital work in progress is not depreciated until it is available for use upon which it is capitalized to its relevant class of property, plant and equipment.

3.5 Intangible assets**3.5.1 Computer software**

Computer software acquired by the group is recognised initially at cost. Cost includes all directly attributable costs in order to bring the asset into a state for its intended use. Computer software is measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. Amortisation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use.

The estimated useful life for current and comparative periods for acquired computer software is 5 years.

PTS license acquired by the group is recognised initially at cost. Cost is the price of the license paid by the group to the regulator. PTS license is measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure is recognised in the profit or loss in the period the expenditure is incurred. Amortisation is recognised in the profit or loss on a straight-line basis over the life of the license from the date it is available for use. The life for current and comparative periods for acquired PTS license is 10 years.

3.5.2 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the group's cash generating units that is expected to benefit from the synergies of the combination.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If

Notes to the Financial Statements (continued)

3. Material accounting policies (continued)

3.4 Property, plant and equipment (continued)

the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.6 Leases

(a) The group as lessee

The group assesses whether a contract is or contains a lease, at inception of the contract. The group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;

Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

The lease liability is presented as a separate line in the statements of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the

lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The group has used this practical expedient.

Notes to the Financial Statements (continued)

3. Material accounting policies (continued)**3.6 Leases (continued)****(b) The group as lessor**

The group enters into lease agreements as a lessor with respect to some of its assets.

Leases for which the group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease and it is included in other income. Refer to note 8.

3.7 Impairment of non-financial assets

At the end of each reporting period, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss unless the relevant asset is carried at a revalued amount in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.8 Trade and equipment receivables

Trade and other receivables consist of amounts owed to us by customers and amounts that we pay to our suppliers in advance. Equipment receivables reported within this note represent amounts in respect of goods or services delivered to customers for which a trade receivable does not yet exist.

Trade and other receivables consist of amounts owed to us by customers and amounts that we pay to our suppliers in advance. Equipment receivables reported within this note represent an asset for accrued revenue in respect of goods or services delivered to customers for which a trade receivable does not yet exist.

Receivables are measured at amortised cost using the effective interest method less any allowance made for impairment of these receivables. The group always recognises lifetime expected credit loss for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

3.9 Income tax

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting.

Current tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Taxable income differs from profit as reported in the statements of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated and company financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the

Notes to the Financial Statements (continued)

3. Material accounting policies (continued)

temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.10 Earnings per share

The calculation of basic earnings per share is based on the profit for the period attributable to ordinary shareholders and the weighted average number of shares in issue during the period. Where new equity shares have been issued by way of capitalisation or subdivision, the profit is apportioned over the shares in issue after the capitalisation or subdivision and the corresponding figures for all earlier periods are adjusted accordingly.

3.11 Revenue from contracts with customers

The group principally generates revenue from providing mobile telecommunication services (comprising of prepaid, data, international incoming, messaging, enterprise business services, postpaid and roaming), mobile money services and from the sale of various devices.

Products and services are either sold separately or in bundled packages. The typical length of a contract for postpaid bundled package is 24 months.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties such as taxes. The group recognises revenue when it transfers control of a product or as services are rendered to a customer.

For bundled packages, the group accounts for individual products and services separately if they are distinct - i.e. if a product or service is separately identifiable from other items in the bundled package and if a customer can benefit from it. The consideration is allocated between separate products and services in a bundle based on their stand-alone selling prices. The stand-alone selling prices are determined based on the list prices at which the group sells mobile devices and network services separately.

The main categories of revenue and the basis of recognition are as follows:

Telecommunication Services

These comprise of prepaid, data, international incoming, messaging, enterprise business services, postpaid and roaming, mobile money services and from the sale of various devices.

Enterprise business services relate to speed based internet services and virtual private network (VPN) solutions which allows customers to access the network and are sold to companies and non-governmental organisations. The services are sold based on fixed bandwidth.

Mobile telecommunications services are considered to represent a single performance obligation as all are provided over the Telekom Networks Malawi plc network and transmitted as data representing a digital signal on the network.

The transmission of data consume network bandwidth and therefore, irrespective of the nature of the communication, the subscriber ultimately receives access to the network and the right to consume network bandwidth. Network services are, therefore, viewed as a single performance obligation represented by capacity on the Telekom Networks Malawi plc network.

Revenue from telecommunication services is recognized over time when the customer has received access to the network and has used the service. This faithfully depicts the transfer of the service to the customer as it is the actual point at which the customer enjoys the service.

Devices

The group sells a range of devices. The group recognises revenue when customers obtain control of devices, normally being when the customers take possession of the devices. For devices sold separately, customers pay in full at the point of sale. For devices sold in bundled packages, customers usually pay monthly in equal instalments over a period of 24 months. Equipment receivables are recognised when customers take possession of devices.

The Group assesses the contract handsets which are bundled with postpaid and prepaid contracts that run over a period of 24 months to determine if they contain a significant financing component. The Group does not charge a premium for selling these handsets in bundled 24-month contracts. However, in line with IFRS 15:61, the Group computes the financing component of the devices to assess if it is significant and hence reduce the device

Notes to the Financial Statements (continued)

3. Material accounting policies (continued)

3.11 Revenue from contracts with customers (continued)

revenue and recognize interest revenue over the period between satisfying the related performance obligation and payments. The Group considers the prevailing interest rates in the market in arriving at the discount rate.

The Group's assessment of the financing component of the devices for the year ended 31 December 2024 showed that it was less than 1% hence the Group concluded that it was not significant.

Mobile money services

This is a mobile money transaction service allowing customers to deposit, transfer and withdraw money or pay for goods and services and using a mobile phone. Registration is free and available at any Mpamba agent.

Revenue from this service is earned largely from transfer and withdrawal transactions performed by customers. A graduated tariff depending on the funds being transacted is applied on all transactions which are cumulatively reported as Mpamba transaction fees. Revenue is recognised when a customer performs successful Mpamba transaction. Revenue from mobile money services is recognized over time as the customers use the services.

The expected credit losses for each receivable category arising from the above revenue categories is explained and computed in note 18.

3.12 Financial instruments

Financial assets and financial liabilities are recognised in the group's and the company's statement of financial position when the group and the company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.12.1. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.12.2. Trade and other receivables

Entities are required to disclose material accounting policy information. Accounting policy information is material if it can reasonably be expected to influence decisions that the primary users of financial statements make on the basis of those financial statements when considered together with other information included in the financial statements. In determining the basis for determining material accounting policies for the company, the directors have considered the impact of materiality on financial statements and economic decisions, adhering to industry-specific and regulatory requirements, reflecting the company's business model, operations, and financial condition while complying with relevant IFRSs.

Trade and other receivables are measured at amortised cost using the effective interest method, less loss allowance. Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) excluding expected credit losses, through the expected life of the debt instruments, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Notes to the Financial Statements (continued)

3. Material accounting policies (continued)

3.12 Financial instruments (continued)

3.12.3 Impairment of financial assets

The group recognises a loss allowance for expected credit losses on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The group always recognises lifetime expected credit loss for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

3.12.4. Derecognition of financial assets

The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

3.13 Financial liabilities

3.13.1 Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not either held for trading or it is designated as at FVTPL are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the amortised cost of a financial liability.

3.13.2 Derecognition of financial liabilities

The group derecognises financial liabilities when, and only when, the group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.14 Segment reporting

A segment is a distinguishable component of the group that is engaged either in providing products or service (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. Refer to note 37.

4. Critical accounting judgments and key sources of estimation uncertainty

4.1 Critical judgements in applying the group's accounting policies

In the application of the group's accounting policies, which are described in note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

4.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

4.2.1 Loss allowance for trade and other receivables

The group provides credit terms to customers on post paid services and selected dealers. Management is aware that certain debts due to the group may not be recoverable either in part or in full. The group always recognises lifetime expected credit losses for trade receivables and other receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Notes to the Financial Statements (continued)

4. Critical accounting judgments and key sources of estimation uncertainty (continued)

4.2.2 Property, plant and equipment

The residual values and useful lives of property, plant and equipment are reviewed and adjusted, if appropriate, at each reporting date to reflect current estimate of their remaining lives in the light of technological change, prospective economic utilisation and physical conditions of the assets concerned.

4.2.3 Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the Directors to estimate the future cash flows expected to arise from the cash generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

4.2.5 Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

4.2.6 Provisions and contingent liabilities

The group exercises judgement in measuring the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities (see notes 27 and 38 to the financial statements). Judgement is necessary to assess the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of any financial settlement. The inherent uncertainty of such matters means that actual losses may materially differ from estimates.

5. Financial risk management

Overview

The group has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk;
- market risk;
- currency risk; and
- interest rate risk.

This note presents information about the group's exposure to each of the above risks, the group's objectives, policies and processes for measuring and managing risk, and the group's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the group's risk management framework. The Board is responsible for developing and monitoring the group's risk management policies.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities. The group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee of the Board of Directors oversees how management monitors compliance with the group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the group.

5.1 Credit risk

Credit risk is the risk of financial loss to the group if a customer or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers, bank balances and other cash and cash equivalents. Telekom Networks Malawi plc deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

a) Trade and other receivables

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Over 70% of the group's revenue arises from cash sales.

The average credit period on sale of goods and services is 60 days. No interest is charged on outstanding trade receivables.

The group has adopted to measure the loss allowance for trade receivables at an amount equal to their life time expected credit losses. The expected credit losses on trade receivables are estimated using a provisional matrix by reference to past default experience of the debtor and an analysis of the debtors' current financial position, adjusted for factors that are specific to the debtors' general economic conditions of the industry in which the debtor operate an assessment of both current as well as the forecast direction of conditions at the reporting date.

Notes to the Financial Statements (continued)

5. Financial risk management (continued)

5.1 Credit risk (continued)

b) Cash and cash equivalents

The group limits its exposure to credit risk by depositing its cash and cash equivalents with reputable financial institutions.

5.2 Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The nature of the business results in capital expenditure being financed by short-term liabilities. Current liabilities therefore will be substantially higher than current assets in most circumstances as the group is still growing. Over 70% of the group's sales are on cash basis, therefore the risk of default which would affect the going concern is mitigated.

5.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity and commodity prices will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

5.4 Currency risk

The group transacts the majority of its sales, non-capital expenditure purchases and borrowings in its functional currency Malawi Kwacha (MK). The group is exposed to currency risk where these transactions are denominated in currencies other than functional currency.

The group's most capital expenditure is in currencies other than the functional currency and using exposes the group to currency risk.

The group mitigates currency risk by immediate settlement of foreign denominated liability through local borrowings.

5.5 Interest rate risk

The group is exposed to interest rate risk as it finances a portion of its capital expenditure and operations through loan and bank overdrafts. The risk is managed by the group by maintaining an appropriate mix between fixed and floating rate borrowings.

The group's exposures to interest on financial liabilities are detailed in notes 20, 24 and 31 to the financial statements.

5.6 Capital management

The group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure.

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm

6. Revenue*

Revenue is derived from the following revenue streams:

Services transferred over time

Prepaid	42 926	38 404	42 926	38 404
Data	45 249	31 777	45 249	31 777
International incoming	1 153	1 064	1 153	1 064
Messaging	2 860	3 072	2 860	3 072
Mpamba fees and commissions	27 100	18 750	965	484
Enterprise business services	13 732	10 303	15 897	11 776
Interconnect	2 542	725	2 542	725
Post-paid	3 736	3 310	3 736	3 310
Visitors roaming	354	188	354	188

	139 652	107 593	115 682	90 800
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Goods transferred at a point in time

Handsets, equipment and accessories	2 355	2 891	2 355	2 891
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Revenue

	142 007	110 484	118 037	93 691
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Interest revenue – IFRS 9	2 283	-	-	-
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Total revenue	144 290	110 484	118 037	93 691
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* Refer to note 18 for details of the change in presentation.

Notes to the Financial Statements (continued)

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
7. Cost of sales				
Dealer commission	3 640	3 237	7 381	5 642
MACRA annual levy	5 283	3 904	5 283	3 904
Interconnect charges	2 523	923	2 523	923
International direct dialling call charges	768	703	768	703
Dent incentives	4 093	3 800	4 716	4 202
Mpamba expenses	17 194	10 222	-	-
Cost of recharge vouchers	497	341	497	341
Ring back tone and other subscription charges	1 563	1 168	1 563	1 168
Cost of starter packs and sim cards	3 085	1 269	3 085	1 269
Handsets, equipment and accessories	2 357	2 913	2 357	2 913
International roaming charges	384	334	384	334
Depreciation and amortisation	14 938	17 095	14 697	16 771
Network repairs and maintenance	10 341	7 749	9 376	7 063
Power and site security	9 162	6 438	9 104	6 400
Lease circuit and fibre charges	2 552	1 196	2 552	1 196
Site and space rental	12 474	8 091	12 474	8 091
Data access and bandwidth charges	184	169	184	169
Spectrum, frequency and other licences	4 216	3 561	4 216	3 561
Total cost of sales	95 254	73 113	81 160	64 650

8. Other income

Airtel site sharing (note 33)	11 986	5 797	11 986	5 797
Rental income (note 33)	1 378	1 338	1 378	1 338
Sundry income	256	524	130	68
Dividend income	-	-	2 211	256
Profit on disposal of property, plant and equipment	256	-	255	-
Total other income	13 876	7 659	15 960	7 459

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
9a. Administrative expenses				
Staff costs and allowances	16 631	16 806	15 451	15 892
Depreciation and amortisation	3 234	3 398	2 659	2 996
Marketing and other expenses	3 446	2 487	3 204	2 217
Office and other administrative expenses	5 289	5 891	4 847	6 164
Consultancy and other expenses	172	95	91	74
Motor vehicle running costs	2 495	2 013	2 495	2 013
Insurance	358	209	305	201
Audit fees	314	294	246	227
Fees for other services*				
Directors' remuneration	296	248	282	237
Loss on disposal of property, plant and equipment	-	126	-	126
Corporate social responsibility	32	-	30	41
Total administrative expenses	32 267	31 567	29 610	30 188

9b. Audit fees

Audit of the group's annual consolidated and separate financial statements	278	278	210	211
Regulatory related services				
- Other non audit services	36	16	36	16
Total	314	294	246	227

*All fees for services paid to the group and company's auditors were considered and appropriately approved by the group's audit committee in terms of its non-audit policy

Notes to the Financial Statements (continued)

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
10. Finance income and expenses				
Interest on bank deposits and other short term investments	374	225	8	8
Interest on staff loans	40	81	40	65
Total finance income	414	306	48	73
Interest expenses				
- interest bearing loans and bank overdrafts	(11 926)	(10 629)	(12 451)	(10 629)
Lease interest expenses	(202)	(370)	(202)	(370)
Net foreign exchange losses	(2 622)	(9 709)	(2 630)	(9 809)
Total finance expenses	(14 750)	(20 708)	(15 283)	(20 808)
Net finance expenses	(14 336)	(20 402)	(15 235)	(20 735)

11. Income taxes

Current tax

Current year tax charge	3 235	2 303	-	28
Final tax on dividend received from subsidiary	221	-	221	-

Deferred tax

Tax loss	(3 292)	(2 995)	(3 292)	(2 995)
Origination and reversal of temporary differences	5 162	(1 907)	5 476	(1 946)
Total income tax credit	5 326	(2 599)	2 405	(4 913)

Reconciliation of effective tax rate

	Group		Company	
	2024	2023	2024	2023
	%	MK'm	%	MK'm
Group				
Income tax charge at 30%	30.00	4 614	30.00	(2 259)
Effect on final tax on dividends from subsidiaries	(1.44)	(221)	-	-
Expenses not deductible for tax purposes*	6.07	933	4.51	(340)
	34.63	5 326	34.51	(2 599)

	Group		Company	
	2024	2023	2024	2023
	%	MK'm	%	MK'm
Company				
Income tax charge	30.00	2 333	30.00	(4 505)
Effect on final tax on dividends from subsidiaries	(2.84)	(221)	-	-
Expenses not deductible for tax purposes*	3.76	293	2.72	(408)
	30.92	2 405	32.72	(4 913)
Current tax payable/(recoverable)				
At 1 January	297	(394)	(1 489)	(254)
Charge for the year	3 456	2 303	221	28
Current tax paid	(4 773)	(1 612)	(1 534)	(1 263)
At 31 December	(1 020)	297	(2 802)	(1 489)

*Under the tax laws of Malawi, it is provided that some expenses/incomes are strictly disallowed. For the group, items included in the tax reconciliation relating to expenses not deductible for tax purposes above include depreciation, taxes such as fringe benefit tax, tax penalties, unrealised exchange losses, provisions which include bonus provisions, the Technical, Entrepreneurial and Vocational Education and Training (TEVET) levy, subscriptions, and donations to organisations not gazetted.

**Deferred tax assets have been recognised in respect of tax losses carried forward, because it is probable that future taxable profits will be available against which the company can utilise the benefits there from. The company has reported profits as of 31 December 2024 and projects profitability in the foreseeable future.

12. Earnings per share

The calculation of the basic and diluted earnings per share for the year ended 31 December 2024 was based on the loss attributable to ordinary shareholders of MK10,092 million, (2023: loss of MK4,760 million) and the weighted average number of ordinary shares in issue for the year ended 31 December 2024.

There are no diluting items for the purpose of calculating diluted earnings per share. The weighted average number of ordinary shares for the purpose of diluted earnings per share is the same as the weighted average number of ordinary shares used in the calculation of basic earnings per share.

Notes to the financial statements (continued)

12. Earnings per share (continued)

	Group	
	2024	2023
	MK'm	MK'm
Profit/(loss) attributable to ordinary shareholders for the year (MK'm)	10 092	(4 760)
Weighted average number of shares ('million)	10 040	10 040
Basic earnings per share (MK)	1.01	0.47
Diluted earnings per share (MK)	1.01	0.47
Average number of shares ('million)		
Issued ordinary shares as at beginning and end of the year	10 040	10 040

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm

13. Investments

National Switch Limited – equity investment	373	334	373	334
TNM Mpamba Limited – investment in subsidiary	-	-	1 256	1 256
	373	334	1 629	1 590

Group and Company

Investment in Natswitch reconciliation		
At 1 January	334	162
Fair value gain	39	172
At 31 December	373	334

TNM Mpamba Limited is a wholly owned subsidiary of Telekom Networks Malawi plc incorporated in 2018 and started its operations on 1 January 2019. The total capital for TNM Mpamba Limited at the date of registration was MK1 255 million which was the value of total assets transferred from Telekom Networks Malawi plc. TNM Mpamba Limited started operations in January 2019. The investment in TNM Mpamba Limited is carried at cost.

The company purchased shares of National Switch Limited (Natswitch) at a price of MK2.71 per share. The total purchase cost of the investment is MK162 million. This company is involved in connecting financial institutions systems to offer domestic interoperability of digital payment systems in Malawi. The Directors of the group do not consider that the group is able to exercise significant influence over National Switch Limited. The investment is carried at its fair value.

The fair value was determined using the market multiples approach as at the reporting date. The valuation was carried out by a qualified valuer.

14. Property, plant and equipment

	Land and buildings	Equipment and machinery	Motor vehicles	Office equipment	Capital work in progress	Total
	MK'm	MK'm	MK'm	MK'm	MK'm	MK'm
Group Cost						
At 1 January 2024	9 593	126 123	4 027	5 865	10 619	156 227
Additions	40	6 017	2 631	2 155	15 386	26 229
Transfers	4	2 815	-	-	(2 819)	-
Disposals	-	-	(1 416)	-	-	(1 416)
At 31 December 2024	9 637	134 955	5 242	8 020	23 186	181 040
Depreciation and impairment losses						
At 1 January 2024	6 746	66 855	1 803	4 659	-	80 063
Charge for the year	1 459	9 852	323	787	-	12 421
Disposals	-	-	(1 027)	-	-	(1 027)
As at 31 December 2024	8 205	76 707	1 099	5 446	-	91 457
Cost						
At 1 January 2023	8 686	121 530	4 268	5 921	5 569	145 974
Additions	884	2 862	328	580	7 605	12 259
Transfers	23	2 532	-	-	(2 555)	-
Disposals	-	(801)	(569)	(636)	-	(2 006)
At 31 December 2023	9 593	126 123	4 027	5 865	10 619	156 227

Notes to the financial statements (continued)

14. Property, plant and equipment (Continued)

	Land and buildings	Equipment and machinery	Motor vehicles	Office equipment	Capital work in progress	Total
	MK'm	MK'm	MK'm	MK'm	MK'm	MK'm
Depreciation and impairment losses						
At 1 January 2023	4 698	56 782	2 102	4 691	-	68 273
Charge for the year	2 048	10 814	230	528	-	13 620
Disposals	-	(741)	(529)	(560)	-	(1 830)
As at 31 December 2023	6 746	66 855	1 803	4 659	-	80 063
Carrying amount						
At 31 December 2024	1 432	58 248	4 143	2 574	23 186	89 583
At 31 December 2023	2 847	59 268	2 224	1 206	10 619	76 164
Company Cost						
At 1 January 2024	7 676	125 690	3 884	5 473	10 366	153 089
Additions	40	6 017	2 393	1 782	14 897	25 129
Transfers	4	2 815	-	-	(2 819)	-
Disposals	-	-	(1 335)	-	-	(1 335)
At 31 December 2024	7 720	134 522	4 942	7 255	22 444	176 883
Depreciation and impairment losses						
At 1 January 2024	5 764	67 321	1 701	4 432	-	79 218
Charge for the year	970	9 852	296	727	-	11 845
Disposals	-	-	(957)	-	-	(957)
At 31 December 2024	6 734	77 173	1 040	5 159	-	90 106

	Land and buildings	Equipment and machinery	Motor vehicles	Office equipment	Capital work in progress	Total
	MK'm	MK'm	MK'm	MK'm	MK'm	MK'm
Company Cost						
At 1 January 2023	7 307	121 097	4 125	5 552	5 316	143 397
Additions	346	2 862	328	557	7 605	11 698
Transfers	23	2 532	-	-	(2 555)	-
Disposals	-	(801)	(569)	(636)	-	(2 006)
At 31 December 2023	7 676	125 690	3 884	5 473	10 366	153 089
Depreciation and impairment losses						
At 1 January 2023	4 076	57 248	2 027	4 480	-	67 831
Charge for the year	1 688	10 814	203	512	-	13 217
Disposals	-	(741)	(529)	(560)	-	(1 830)
At 31 December 2023	5 764	67 321	1 701	4 432	-	79 218
Carrying amount						
At 31 December 2024	986	57 349	3 902	2 096	22 444	86 777
At 31 December 2023	1 912	58 369	2 183	1 041	10 366	73 871

Property, plant and equipment is encumbered as disclosed in notes 20 and 24 to the financial statements. Capital work in progress represents buildings and equipment and machinery still under construction and installation.

Notes to the Financial Statements (continued)

15. Intangible assets

	Goodwill	PTS licence	Computer software	Total
	MK'm	MK'm	MK'm	MK'm
Group				
Cost				
At 1 January 2024	588	1 648	30 116	32 352
Additions	-	7 004	207	7 211
Disposals	-	(1 648)	-	(1 648)
At 31 December 2024	588	7 004	30 323	37 915
Amortisation				
At 1 January 2024	-	1 552	17 680	19 232
Amortisation for the year	-	388	2 656	3 044
Disposals	-	(1 648)	-	(1 648)
At 31 December 2024	-	292	20 336	20 628
Carrying amount				
At 31 December 2024	588	6 712	9 987	17 287
Group				
Cost				
At 1 January 2023	588	1 648	27 685	29 921
Additions	-	-	2 431	2 431
At 31 December 2023	588	1 648	30 116	32 352
Amortisation				
At 1 January 2023	-	1 387	14 341	15 728
Amortisation for the year	-	165	3 339	3 504
At 31 December 2023	-	1 552	17 680	19 232
Carrying amount				
At 31 December 2023	588	96	12 436	13 120

	Goodwill	PTS licence	Computer software	Total
	MK'm	MK'm	MK'm	MK'm
Company				
Cost				
At 1 January 2024	588	1 648	28 048	30 284
Additions	-	7 004	207	7 211
Disposals	-	(1 648)	-	(1 648)
At 31 December 2024	588	7 004	28 255	35 847
Amortisation				
At 1 January 2024	-	1 552	15 962	17 514
Amortisation for the year	-	388	2 415	2 803
Disposals	-	(1 648)	-	(1 648)
At 31 December 2024	-	292	18 377	18 669
Carrying amount				
At 31 December 2024	588	6 712	9 878	17 178
Company				
Cost				
At 1 January 2023	588	1 648	26 208	28 444
Additions	-	-	1 840	1 840
At 31 December 2023	588	1 648	28 048	30 284
Amortisation				
At 1 January 2023	-	1 387	12 946	14 333
Amortisation for the year	-	165	3 016	3 181
At 31 December 2023	-	1 552	15 962	17 514
Carrying amount				
At 31 December 2023	588	96	12 086	12 770

Notes to the Financial Statements (continued)

15. Intangible assets (continued)

Goodwill comprises a control premium paid to acquire the business and related assets of Burco Electronics Systems Limited in 2015. The amounts were paid in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of the Burco Electronics Systems Limited business. These benefits are not recognised separately from goodwill as the future economic benefits arising from them cannot be reliably measured. On acquisition, Burco Electronics Systems Limited ceased to operate as a separate entity and it integrated in the company as a business unit.

Annual test for impairment

Annual test for impairment

The group determined the recoverable amount of the cash generating unit (Enterprise Business Services Unit) to be MK35.0 billion (2023: MK33.1 billion) based on the value in use model. The value in use was based on discounted future cash flows (using the group's approved budgeted figures for 2023 and projections covering a 4 year period from 2025) discounted at a pre-tax discount rate of 26.1% (2023: 23.53%).

All forecasts used in the determination of value in use are extracted from the 2025 budget approved by the Board of Directors.

Cashflow projections during the budget period were based on the same expected gross margins and price inflation through the budget period. The cash flows beyond that five-year period have been extrapolated using an average of 10% per annum growth rate, which is the projected long-term average growth rate for cash generating unit. The directors believe that any reasonably possible change in the key assumption on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

The carrying amount of the CGUs was MK0.8 billion (2023: MK0.8 billion). As such, in accordance with IAS 36 Impairment of Assets, the group determined that the goodwill was not impaired as at 31 December 2024.

Public Telecommunications Services (PTS) licence relates to the license that the Malawi Communications Regulatory Authority issued to the group. This is a licence that enables the group to operate telecommunication services in Malawi. The licence is carried at cost (amount paid for the licence) less amortisation. The useful life is the duration of the licence. Amortisation is recognised on a straight-line basis over its useful life.

Computer software are intangible assets with finite useful lives that are acquired separately and are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis.

16. Right of use assets

	Land and buildings MK'm	Equipment and machinery MK'm	Total K'm
Group and Company			
2024			
Cost			
At 1 January 2024	7 127	14 070	21 197
Additions	-	8 763	8 763
At 31 December 2024	7 127	22 833	29 960
Depreciation			
At 1 January 2024	2 378	6 599	8 977
Charge for the year	1 824	884	2 708
Disposals			
At 31 December 2024	4 202	7 483	11 685
Carrying amount	2 925	15 350	18 275
2023			
Cost			
At 1 January 2023	7 127	14 812	21 939
Additions	-	1 645	1 645
Disposal	-	(2 387)	(2 387)
At 31 December 2023	7 127	14 070	21 197
Depreciation			
At 1 January 2023	4 434	3 561	7 995
Charge for the year	331	3 038	3 369
Disposals	-	(2 387)	(2 387)
At 31 December 2023	4 765	4 212	8 977
Carrying amount	2 362	9 858	12 220

The group leases several assets including buildings, sites and dark fibre. The average lease term is 4 to 5 years.

Notes to the Financial Statements (continued)

16. Right of use assets (continued)

	Group and Company	
	2024	2023
Amounts recognised in profit and loss		
Depreciation expense on right-of-use assets	2 707	3 369
Interest expense on lease liabilities (note 29)	202	370
Expense relating to short-term leases	779	91

At 31 December 2024, the group is committed to MK522 million (2023: MK69 million) for short-term leases.

The total cash outflow for leases amount to MK8.81 billion for the year ended 31 December 2024 (2023: MK3.8 billion).

The maturity analysis of lease liabilities is presented in note 29 to the financial statements.

17. Inventories

	Group and Company	
	2024	2023
	MK'm	MK'm
Recharge vouchers	931	449
Handsets and data equipment	654	828
Starter packs and Sim cards	152	315
Spares and goods in transit	340	260
Net realisable value write down	(126)	(279)
	<u>1 951</u>	<u>1 573</u>

Inventories are carried at the lower of cost and net realisable value. The cost of inventories recognised as an expense during the year was MK5.9 billion (2023: MK4.5 billion). The inventory write down was on handsets, starter packs and sim cards.

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
18. Trade and other receivables				
Contract receivables	9 485	8 440	9 485	8 440
Allowance for expected credit losses	(90)	(84)	(90)	(84)
	<u>9 395</u>	<u>8 356</u>	<u>9 395</u>	<u>8 356</u>
Other receivables				
Staff advances and loans	2 095	1 356	1 844	1 196
Deposits and prepayments	10 572	3 181	10 572	3 181
Sundry receivables	7 769	8 107	1 988	3 654
	<u>20 436</u>	<u>12 644</u>	<u>14 404</u>	<u>8 031</u>
As at 31 December	<u>29 831</u>	<u>21 000</u>	<u>23 799</u>	<u>16 387</u>

	Group and Company	
	2024	2023
	MK'm	MK'm
		Restated*
Equipment receivables*		
Equipment receivables	1 183	1 551
Loss allowance	(37)	-
	<u>1 146</u>	<u>1 551</u>
Current	604	840
Non-current	542	711
	<u>1 146</u>	<u>1 551</u>

	Group
	2024
Loans and advances to customers	
Group loans	1 811
Allowance for impairment losses	(715)
	<u>1 096</u>

Notes to the Financial Statements (continued)

16. Right of use assets (continued)

Group

Loans and advances to customers – credit risk

The risk that a customer might default on their loan is monitored on an on-going basis. To manage the level of credit risk, the Group deals with counterparties of sound credit standing, and the customers are vetted using a credit scoring system. In order to minimise credit risk, the Group has tasked its credit management committee to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. The Group's credit risk grading framework comprises ten categories. The credit rating information is based on a range of data that is determined to be predictive of the risk of default and applying experienced credit judgement. The nature of the exposure and type of borrower are taken into account in the analysis.

Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. The credit risk grades are designed and calibrated to reflect the risk of default as credit risk deteriorates. As the credit risk increases the difference in risk of default between grades changes. Each exposure is allocated to a credit risk grade at initial recognition, based on the available information about the counterparty. All exposures are monitored, and the credit risk grade is updated to reflect current information. The monitoring procedures followed are both general and tailored to the type of exposure.

The Group uses a credit scoring system to obtain credit history of all the loan applications before approving the loans. The credit scoring system allocates credits limits to each qualifying customer. This enhances the credit risk management in that loans are only given out to customers who have the capability to pay.

Low and fair risk – Grade 1 to 6

These are performing loans that the group expects to fully recover the estimated future cash flows. These are categorized under stage 1 when calculating the ECL.

Watch list – Grade 7

These are loans where contractual interest or principal payments are past due, but the group believes that individual impairment is not appropriate on the basis that the customer wallets are still transacting. These are categorized under stage 2 when calculating the ECL.

Individually impaired and substandard – Stage 3

Substandard and impaired loans are loans for which the group determines that it is probable that it will be unable to collect all principal and interest. These are customer wallets which have not transacted for a period of 90 days and above since accessing the loan. These loans are categorized under stage 3 when calculating the ECL.

The table below shows the credit quality of the loans and advances, based on the Group's credit rating system.

	Group 2024
<u>Mobile money customer loans</u>	
Stage 1	784
Stage 2	324
Stage 3	703
	<u>1 811</u>

The Group applies three-stage approach to measuring expected credit losses (ECL) on loans and advances carried at amortised cost. The table below shows expected credit losses per risk grade and related ECL stage.

	Group 2024	
	Gross amount MK'm	Loss allowance MK'm
<u>Mobile money customer loans</u>		
Stage 1	784	54
Stage 2	324	93
Stage 3	703	568
	<u>1 811</u>	<u>715</u>

The Group writes off a loan balance (and any related allowances for impairment losses) when it has determined that the loans are uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the borrower/ issuer's financial position such that the borrower/issuer can no longer pay the obligation or has left the network.

Notes to the Financial Statements (continued)

16. Right of use assets (continued)

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
		Restated*		Restated*
Reconciliation of impairment loss				
Contract receivables	178	592	178	592
Equipment receivables	37	-	37	-
Loans to customers	715	-	-	-
	930	592	215	592

*A prior year misstatement in respect of the recognition and measurement of equipment receivables of MK1.5 billion has been identified in the group and company financials statements. These were previously recognised as contract assets in terms of IFRS 15 Revenue and disclosed in note 6 to the financial statements. The terms of the customer contracts supports that the group and company's right to consideration is unconditional in compliance with IFRS 9 *Financial instruments* recognition requirements.

Movement in the loss allowance is as follows:

Group	Collectively assessed	Individually assessed	Total
	MK'm	MK'm	MK'm
2024			
As at 1 January 2024	84	-	84
Increase during the year	930	-	930
Receivables written off during the year as uncollectible	(172)	-	(172)
At 31 December 2024	842	-	842
2023			
As at 1 January 2023	60	598	658
Increase during the year	592	-	592
Receivables written off during the year as uncollectible	(568)	(598)	(1 166)
At 31 December 2023	84	-	84

Company	Collectively assessed	Individually assessed	Total
	MK'm	MK'm	MK'm
2024			
As at 1 January 2024	84	-	84
Increase during the year	215	-	215
Receivables written off during the year as uncollectible	(172)	-	(172)
At 31 December 2024	127	-	127
2023			
As at 1 January 2023	60	598	658
Increase during the year	592	-	592
Receivables written off during the year as uncollectible	(568)	(598)	(1 166)
At 31 December 2023	84	-	84

Group and Company

The write off relate to trade receivables which became uncollectable during the year. None of the trade receivables that have been written off are subject to enforcement activities.

Contract receivables arise as a result of services delivered to contract customers whose consideration is not yet received by the group and are included in trade receivables.

Equipment receivables relate to unbilled revenue recorded for the sale of devices under mobile contract packages.

Loss allowances for equipment receivables are recognized as per IFRS 9.

Loans relates to money borrowed by mobile money customers under the Mpamba Ndikanke overdraft facilities customers access the loans using their mobile wallets. A credit scoring system is used to score and group customers according to their credit units. These are recovered automatically once a customer makes a deposit to their account. The loans are unsecured.

Sundry receivables include withholding tax recoverable and fees and commissions receivables.

The average credit period on sales of goods and services is 60 days. No interest is charged on outstanding trade receivables.

Other than the above changes, management, in its judgement, has concluded that there will be no significant changes in the macro-economic conditions which will significantly affect the default rates.

Notes to the Financial Statements (continued)

18. Trade and other receivables (continued)

For the purposes of grouping the receivables based on the shared credit risk characteristics, the identified six (6) groups of receivables are as follows:

1. Dealers;
2. Postpaid;
3. Interconnect and international incoming;
4. Roaming;
5. Enterprise; and
6. Other trade receivables.

* Due to past experience, interconnect, international incoming and roaming receivables have zero default rates. There are net-off agreements in place with these customers since they provide the group with similar services. The current net-off agreements with these customers will run over the next 12 months. The group expects no change to this in the foreseeable future hence no expected credit loss allowance for these groups is determined.

For the above these debtor categories, the group has corresponding payables to the same partners and hence only net amount is either reviewed or after netting off. The group has netting-off agreements in place with these partners.

Group and Company

At 31 December 2024 the lifetime expected loss provision for trade receivables was as follows::

Expected credit loss rate	Current	30 days	60 days	90 days	120 days	150 days	>180 days
Dealers	0.3%	1.0%	1.6%	2.6%	3.7%	5.2%	-
Postpaid	1.5%	1.9%	2.5%	3.5%	5.4%	8.3%	11.8%
Interconnect & international incoming*	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Roaming*	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
TNM Business Services	0.6%	1.9%	2.6%	3.3%	4.0%	5.3%	6.6%
Other receivables	0.2%	0.7%	1.2%	2.0%	4.4%	7.5%	9.3%
Equipment receivables	0.7%	1.2%	1.3%	2.0%	2.4%	4.2%	4.3%

Group and Company

Gross carrying amount	Current	30 days	60 days	90 days	120 days	150 days	>180 days	Total
Trade and other receivables								
Dealers	1 895	242	96	-	-	-	-	2 233
Postpaid	420	342	220	110	86	46	260	1 484
Interconnect & international incoming*	-	-	-	-	-	-	-	-
Roaming*	92	82	1	8	9	2	121	315
TNM Business Services	222	40	6	2	-	-	1	271
Other trade receivables	4 847	160	53	14	76	10	22	5 182
	7 476	866	376	134	171	58	404	9 485
Equipment receivables	135	84	77	99	85	48	655	1 183
Total	7 611	950	453	233	256	106	1 059	10 668

Notes to the Financial Statements (continued)

18. Trade and other receivables (continued)

Group and Company (continued)

Expected credit loss	Current	30 days	60 days	90 days	120 days	150 days	>180 days	Total
Trade and other receivables								
Dealers	5	3	2	-	-	-	-	10
Postpaid	6	6	6	4	5	4	34	65
Interconnect & international incoming*								
Roaming*								
TNM Business Services	1	1	-	-	-	-	-	2
Other trade receivables	5	1	1	-	3	1	2	13
	17	11	9	4	8	5	36	90
Equipment receivables	1	1	1	2	2	2	28	37
Total	18	12	10	6	10	7	64	127

At 31 December 2023 the lifetime expected loss provision for trade receivables was as follows:

Expected credit loss rate	Current	30 days	60 days	90 days	120 days	150 days	>180 days
Dealers	0.2%	0.7%	1.2%	1.9%	2.7%	3.8%	9.4%
Postpaid	1.0%	1.0%	2.0%	2.7%	4.2%	7.1%	24.6%
Interconnect & international incoming	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Roaming*	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
TNM Business Services	0.9%	3.2%	4.3%	5.3%	6.6%	8.5%	10.7%
Other receivables	0.0%	0.1%	0.1%	0.3%	0.7%	1.5%	2.3%

Gross carrying amount	Current	30 days	60 days	90 days	120 days	150 days	>180 days	Total
Dealers	1 788	422	86	11	11	1	38	2 357
Postpaid	345	185	146	78	47	31	162	994
Interconnect & international incoming*	511	735	43	37	6	-	286	1 618
Roaming*	27	49	1	12	7	6	173	275
TNM Business Services	454	200	-	31	1	15	19	720
Other trade receivables	1 505	681	119	66	47	5	53	2 476
Total	4 630	2 272	395	235	119	58	731	8 440
Expected credit loss	Current	30 days	60 days	90 days	120 days	150 days	>180 days	Total
Dealers	4	3	1	-	-	-	5	13
Postpaid	3	2	3	2	2	2	40	54
Interconnect & international incoming*	-	-	-	-	-	-	-	-
Roaming*	-	-	-	-	-	-	-	-
TNM Business Services	4	6	-	2	-	1	2	15
Other trade receivables	-	1	-	-	-	-	1	2
Total	11	12	4	4	2	3	48	84

Notes to the Financial Statements (continued)

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
19a. Amounts due from/to related companies				
<u>Due from</u>				
National Bank of Malawi plc	745	-	745	-
TNM Mpamba Limited	-	-	1 448	1 914
	<u>745</u>	<u>-</u>	<u>2 193</u>	<u>1 914</u>
<u>Due to:</u>				
Press Cooperation plc	-	8	-	8
Malawi Telecommunication Limited	210	-	210	31
TNM Mpamba Limited	-	31	1 341	2 000
	<u>210</u>	<u>39</u>	<u>1 551</u>	<u>2 039</u>

Related party balances are denominated in Malawi Kwacha. The amounts outstanding are unsecured and will be settled in cash. No interest is charged on the outstanding amounts. No guarantees have been given or received. No loss allowance has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties as the potential rate of default is so low, it is considered to be nil. All outstanding amounts from related parties are considered collectible in full.

19b. Related party disclosures

The group transacts part of its business with shareholders and parties related to or under the control of its shareholders. Details of such related party transactions of the group are set out below:

Income

Fellow subsidiaries of Press Corporation plc

Malawi Telecommunications Limited

Interconnection	6	6	6	6
Site rentals	554	448	554	448
International incoming	134	117	134	117

National Bank of Malawi plc

Broadband	1 545	1 232	1 545	1 232
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	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
<u>Old Mutual Life Assurance Company (Malawi) Limited</u>				
Pension contributions and group life assurance	(1 126)	(1 495)	(1 010)	(1 414)
<u>TNM Mpamba Limited</u>				
SMS revenue	-	-	2 453	1 473
Management fees	-	-	6	6

Charges

Fellow subsidiaries of Press Corporation plc

Malawi Telecommunications Limited

Interconnection	(2)	(139)	(2)	(139)
Site rentals	(1 782)	(801)	(1 782)	(801)

National Bank of Malawi plc

Finance charges	(1 298)	(895)	(1 298)	(895)
Commission on airtime sales	(498)	(363)	(498)	(363)

	Company	
	2024	2023
	MK'm	MK'm
<u>Subsidiary</u>		
TNM Mpamba Limited		
Commission on airtime sales	(4 365)	(2 805)

National Bank of Malawi Plc

Banking facilities with this fellow subsidiary of Press Corporation plc are disclosed in note 20 to the financial statements.

In addition, related parties including shareholders, Directors and parties related thereto are subscribers to the group's services for which they are charged at an arms-length basis.

Notes to the Financial Statements (continued)

19b. Related party disclosures (continued)

Compensation of Directors and key management personnel

The remuneration of Directors and other members of key management personnel during the year was as follows:

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
Directors' remuneration:				
- fees for services as Directors	282	248	282	237
Senior management salaries and other short-term benefits	1 932	1 239	1 801	1 148

20a. Bank and cash balances

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
Bank and cash balances	47 719	31 845	1 359	3 464
<u>Bank and cash comprises</u>				
Standard Bank plc	8 296	3 117	-	-
National Bank of Malawi plc	8 448	5 997	-	-
First Capital Bank plc	11 569	7 681	-	-
FDH Bank plc	3 581	7 157	-	1 934
Other bank accounts*	15 825	7 893	1 358	1 530
Bank and cash balance	47 719	31 845	1 359	3 464

Included in group bank and cash balances are customer balances of MK42.4 billion (2023: MK20.8 billion) which are not available for use by the group. The bank balances in the customer accounts are invested and earned interest at an average rate of 9% as at 31 December 2024 (2023: 7.5%). 9% of the interest earned in these accounts is distributed to the owners of e-money. All other bank balances are non-interest earning. The customer balances are measured at fair value through profit and loss.

*Other bank accounts include NBS Bank Plc of MK13.3 billion (2023: MK5.2 billion), Centenary Bank Limited of MK2.4 billion (2023: nil) and FINCA Malawi of MK100 million (2023: MK0.8 billion) and other banks of nil (2023: MK1.9 billion).

20b. Bank overdraft

	Group and Company	
	2024	2023
	MK'm	MK'm
<u>Bank overdraft comprises</u>		
Standard Bank plc	3 875	3 394
National Bank of Malawi plc	6 803	4 445
First Capital Bank plc	5 014	2 935
	15 692	10 774

Overdraft facilities

The company has the following overdraft facilities:

Standard Bank plc	4 500	4 500
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The bank overdraft facility is unsecured and is payable on demand. The rate of interest is Standard Bank plc reference minus 1.2% effectively 24.1% (2023: 22.4%) and expires on 31 July 2025.

National Bank of Malawi plc	7 000	3 500
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The bank overdraft facility is secured by a debenture of MK4.5 billion (2023: MK4.5 billion) over the group's assets.

The rate of interest is National Bank of Malawi plc reference rate plus 1.8% effectively 27.1% (2023: 25.4%) and expires on 30 June 2025.

First Capital Bank plc	5 000	3 000
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The bank overdraft facility is secured by a debenture of MK3.0 billion (2022: MK3.0 billion) ranking pari passu with the debenture securing the National Bank of Malawi plc overdraft facility. The rate of interest is First Capital Bank plc reference rate plus 2.2% effectively 27.5% (2023: 25.8%) and expires on 31 July 2025.

Notes to the Financial Statements (continued)

21. Statement of capital

	Group and Company	
	2024	2023
Number (million)	10 040	10 040
Nominal value per share (Malawi Kwacha)	0.04	0.04
Nominal value (million Malawi Kwacha)	402	402

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share on a poll at meetings of the group..

22. Share premium

On 3 November 2008, in an offer to the public, 1 290 450 000 ordinary shares of 4 tambala each were allotted at a premium of 196 tambala per share. The resultant premium on issue of MK2 529 282 000 less offer expenses of MK182 361 000 was credited to the share premium account. It is available for a limited range of purposes as set out in the Malawi Companies Act, 2013 including the issue of fully paid up bonus shares. It is not available for distribution.

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm

23. Deferred tax

Deferred tax assets

Balance as at 1 January	4 794	(108)	4 890	(51)
Origination and reversal of temporary differences	(1 870)	4 902	(2 184)	4 941

As at 31 December	2 924	4 794	2 706	4 890
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Analysed as:

Accelerated capital allowances	(1 795)	(1 523)	(1 813)	(1 726)
Deferred income	828	1 275	828	1 275
Tax losses	3 292	2 995	3 292	2 995
Other temporary differences	599	2 047	399	2 346
Deferred tax assets/(liabilities)	2 924	4 794	2 706	4 890

24. Interest bearing loans

	Old Mutual Investment Group Limited commercial paper MK'm	Standard Bank dual currency revolving facility MK'm	Total MK'm
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Group and Company

2024

At beginning of the year	14 500	24 057	38 557
Additions	-	4 947	4 947
Interest charged	3 702	5 055	8 757
Capital repayments	(1 850)	(11 566)	(13 416)
Interest paid	(3 702)	(4 291)	(7 993)
	12 650	18 202	30 852
Long term portion of loans	-	12 752	12 752
Current portion of loans	12 650	5 450	18 100
	12 650	18 202	30 852

2023

At beginning of the year	17 000	23 216	40 216
Additions	-	15 659	15 659
Interest charged	4 654	3 738	8 392
Capital repayments	(2 500)	(15 641)	(18 141)
Interest paid	(4 654)	(2 915)	(7 569)
	14 500	24 057	38 557
Long term portion of loans	14 500	12 608	27 108
Current portion of loans	-	11 449	11 449
	14 500	24 057	38 557

Notes to the Financial Statements (continued)

24. Interest bearing loans (continued)

Old Mutual Investment Group Limited

On 26 February 2015, the company secured commercial debt paper of MK5.0 billion. The arranger and administrator was Old Mutual Investment Group Limited (OMIGL). The commercial paper was for a period of 5 years with an option of early repayment in tranches of MK1.0 billion after the third year. The coupon rate was 364 Treasury bill rate plus 200 basis points. The loan was secured with a debenture ranking behind National Bank of Malawi Plc overdraft facility and First Capital Bank Plc overdraft facility debentures and ranking pari pasu with the NICO Asset Managers Limited commercial paper debenture. On 25 February 2020 the loan was rolled over for another 5 year period on the same terms.

In 2020, the company secured commercial debt paper of MK10.0 billion. The arranger and administrator is Old Mutual Investment Group Limited (OMIGL). The commercial paper is for a period of 5 years with an option of early repayment in tranches of MK1.0 billion after the third year. The coupon rate is 364 treasury bill rate plus 175 basis points. The loan is secured with a debenture ranking behind National Bank of Malawi Plc overdraft facility and First Capital Bank plc overdraft facility debentures and ranking pari pasu with the Old Mutual Investment Group commercial paper and NICO Asset Managers Limited commercial paper debentures.

In 2021, the company secured additional commercial paper of MK2.0 billion from Old Mutual Investment Group Limited for a period of 5 years with the same terms as the other existing Old Mutual Investment Group Limited commercial papers. During the year a total of MK2.5 billion in capital repayment was made.

Standard Bank plc revolving credit facility

TNM entered into a revolving credit facility with Standard Bank plc for amount of up to MK24 billion. The purpose of the facility is to finance or refinance capital expenditure. The facility has a tenor of 60 months from the drawdown date and attracts interest at a rate of Standard Bank Malawi plc reference rate minus 0.8% effectively 24.5%. TNM has covenanted to maintain a USD denominated account with Standard Bank plc for the lifetime of the facility and to channel all its USD receivables to the said account.

Group and Company

2024	2023
MK'm	MK'm

25. Dividend payable

No dividends were declared during the year.

26. Contract liabilities

2 761	4 249
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Contract liabilities consist of the value of unused airtime on prepaid service sold to customers and unused bonuses in customer phones. These are consumed within one month after recharge and there is no interest charged on these liabilities.

27. Trade and other payables

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
Capital expenditure payables	23 630	13 486	23 630	13 486
Trade payables	43 589	18 446	39 196	16 265
International incoming termination levy	286	37	286	37
Accrued expenses	4 190	12 062	4 274	11 985
VAT, excise tax and other taxes	3 942	1 911	3 340	1 662
Total trade and other payables	75 637	45 942	70 726	43 435

The Directors consider that the carrying values approximate the fair value of trade and other payables. These do not attract any interest charge.

Notes to the Financial Statements (continued)

28. Amounts payable to owners of e-money

	Group	
	2024	2023
	MK'm	MK'm
Customers	18 583	10 529
Agents	9 673	5 192
Billers	2 891	2 955
Others	3 468	2 133
Total amounts payable to owners of e-money	34 615	20 809

Amounts payable to owners of e-money comprise of deposits made by subscribers to their respective mobile money wallets and the group holds equivalent balances in the trust bank accounts as disclosed in note 20 to the financial statements. The funds are not available for the group's use. The Directors consider that the carrying value of these balances approximates its fair value. The customer balances are measured at fair value through profit and loss.

29. Lease liabilities

The group as a lessee

	Group and Company	
	2024	2023
	MK'm	MK'm
Lease liabilities	338	181
Short term portion of lease liability	338	181
Maturity analysis		
Year 1	382	226
Less: Unearned interest	(44)	(45)
	338	181

The group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the group's finance division.

All lease obligations are denominated in Malawi Kwacha.

	Group and Company	
	2024	2023
Opening balance	181	1 938
Additions	8 763	1 645
Capital repayments	(8 606)	(3 402)
Interest charged	202	370
Interest payment	(202)	(370)
Balance at end of the year	338	181
Short-term portion lease liability	338	181

Additions include indefeasible right of use asset (IRU) with MTN Global of K8 billion and K0.8 billion for leased assets. The IRU agreement with MTN Global is a 10 year prepayment.

30. Cash flows from operating activities

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
Profit/(loss) before tax	15 379	(7 531)	7 777	(15 015)
Adjustments for				
Depreciation, amortisation and impairment	18 173	20 493	17 356	19 767
Interest expenses	12 128	10 999	12 653	10 999
Dividend received	-	-	(2 211)	(256)
Profit/(loss) on disposal of fixed assets	(256)	126	(255)	126
Finance income	(414)	(306)	(48)	(73)
Increase in inventories	(378)	(304)	(378)	(304)
Increase in loan and advances to customers	(1 096)	-	-	-
Increase in trade and other receivables	(8 831)	(5 036)	(7 412)	(1 552)
Decrease in equipment receivables*	405	693	405	693
(Increase)/decrease in related party receivables	(745)	642	(279)	(234)
Increase in trade and other payables	29 695	17 546	27 291	17 000
Decrease in contract liabilities	(1 488)	(399)	(1 488)	(399)
Increase in amounts payable to owners of e-money	13 806	4 645	-	-
Increase/(decrease) in related party payables	171	(166)	(488)	1 834
Cash generated from operating activities	76 549	41 402	52 923	32 586

* Refer to note 18 for details of the restatement.

Notes to the Financial Statements (continued)

	Note	Group		Company	
		2024	2023	2024	2023
		MK'm	MK'm	MK'm	MK'm
31. Interest paid					
Interest expense – interest borrowings	10	11 926	10 629	12 451	10 629
– leases	10	202	370	202	370
Total interest expense		12 128	10 999	12 653	10 999
Accrued interest		(764)	(823)	(764)	(823)
Interest paid		11 364	10 176	11 889	10 176

32. Capital commitments

	Group and Company	
	2024	2023
	MK'm	MK'm
Authorised and contracted for	12 315	11 560
Authorised but not contracted for	20 600	30 019

The capital expenditure will be financed from internally generated resources and existing facilities.

33. Operating lease arrangements*

Operating leases in which the group relate to network passive infrastructure owned by the group with lease terms of between one to ten years, with a one year extension option. All operating lease agreements contain market review clauses if the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

The unguaranteed residual values do not represent a significant risk for the group, as they relate to network infrastructure which is in locations with a constant increase in value over the last 10 years. The group did not identify any indications that this situation will change.

Maturity analysis of operating lease payments:

Year	2024	2023
	MK'm	MK'm
Year 1	15 369	13 365
Year 2	17 675	15 569
Year 3	20 326	17 675
Year 4	23 375	20 326
Year 5	26 881	23 375
Year 6 and onwards	125 061	108 749

The following table presents the amounts reported in profit or loss:

Airtel site sharing (note 8)	11 986	5 797
Rental income (note 8)	1 378	1 338
Total	13 364	7 135

*The disclosure was previously erroneously omitted and therefore it is corrected in the current year including the comparative disclosures.

Notes to the Financial Statements (continued)

34. Financial instruments—exposure to currency risk

The group's exposure to foreign currency risk was as follows:

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
US Dollar				
Bank balances	76	238	76	238
Trade receivables				
-international roaming	315	275	315	275
Trade receivables				
-international incoming traffic	(525)	1 479	(525)	1 479
Trade payables				
-international roaming and other payables	(328)	(2 857)	(328)	(337)
Capital expenditure and other foreign liabilities	(5 262)	-	(5 262)	-
Statement of financial position exposure	(5 724)	(865)	(5 724)	1 655
Euro				
Bank balances	6	(5)	6	(5)
Capital expenditure and other foreign liabilities	(16 788)	(14 989)	(16 788)	(14 989)
Statement of financial position exposure	(16 782)	(14 994)	(16 782)	(14 994)
Total statement of financial position exposure	(22 506)	(15 859)	(22 506)	(13 339)

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm

35. Sensitivity analysis

Foreign currency sensitivity analysis

Transaction losses arising on a 10% strengthening of the United States Dollar and Euro against the Malawi Kwacha as at 31 December would result in a decrease in equity and profit for the year as shown below:

US Dollar	(572)	(87)	(572)	(87)
Euro	(1 678)	(1 499)	(1 678)	(1 499)

A 10% weakening of the United States Dollar and the Euro against the functional currency as at 31 December would have had an equal but opposite effect.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for the bank borrowings as at 31 December 2024. The analysis is prepared assuming the amount of the bank overdraft outstanding at 31 December 2024 was outstanding for the whole year. A 5% increase or decrease in the rate is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had increased/decreased by 5% for all borrowings and all other variables were held constant, the company's profit for the year ended 31 December 2024 would decrease/increase by MK2 327 million (2023: MK2 476 million).

Notes to the Financial Statements (continued)

36. Financial instruments-exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk at the reporting date was as follows:-

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
		Restated*		Restated*
Trade and other receivables** (note 18)	19 259	17 819	13 227	13 206
Equipment receivables* (note 18)	1 146	1 551	1 146	1 551
Loans and advances to customers	1 096	-	-	-
Bank and cash balances** (note 20)	47 719	31 845	1 359	3 464
Amount due from related parties (note 19)	745	-	2 193	1 914
	69 965	51 215	17 925	20 135

* Refer to note 18 for details of the restatement.

** Other receivables and bank and cash balances were incorrectly excluded from the financial instruments' exposure to credit risk disclosure against the requirement of IFRS 7 Financial Instruments Disclosure to include all financial assets. The prior year disclosures have been restated to comply with this requirement.

37. Financial instruments-exposure to liquidity risk

The following are the contractual obligations due within 1 year which may affect the liquidity of the company.

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
		Restated*		Restated*
Financial assets				
Trade and other receivables** (note 18)	19 259	17 819	13 227	13 206
Amounts due from related companies (note 19)	745	-	2 193	1 914
Loans and advances to customers	1 096	-	-	-
Equipment receivables* (note 18)	604	840	604	840
Bank and cash balances (note 20)	47 719	31 845	1 359	3 464
Total current financial assets	69 423	50 504	17 383	19 424

	Group		Company	
	2024	2023	2024	2023
	MK'm	MK'm	MK'm	MK'm
		Restated*		Restated*
Financial liabilities				
Bank overdraft (note 20)	(15 692)	(10 774)	(15 692)	(10 774)
Trade and other payables (note 27)	(67 505)	(31 969)	(63 112)	(29 788)
Contract liabilities (note 26)	(2 761)	(4 249)	(2 761)	(4 249)
Amounts payable to owners of e-money (note 28)	(34 615)	(20 809)	-	-
Amount due to related parties (note 19)	(210)	(39)	(1 551)	(2 039)
Current portion of lease liabilities (note 29)	(338)	(181)	(338)	(181)
Current portion of interest bearing loans (note 24)	(18 100)	(11 449)	(18 100)	(11 449)
Total current financial liabilities	(139 221)	(79 470)	(101 554)	(58 480)
Net liquidity exposure	(69 798)	(28 966)	(84 171)	(39 056)

* Refer to note 18 for details of the restatement.

** Other receivables were incorrectly excluded from the financial instruments' exposure to credit risk disclosure against the requirement of IFRS 7 Financial Instruments Disclosure to include all financial assets. The prior year disclosures have been restated to comply with this requirement.

The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. The group ensures that it has credit facilities at any point in time to finance its operations.

Ultimate responsibility for liquidity risk management rests with the board of directors which has built an appropriate liquidity risk management framework for the management of the group's short, medium and long-term funding and liquidity requirements. The responsibility for the day-to-day management of these risks lies with management. The group manages liquidity risk by maintaining adequate reserves and banking facilities, continuously monitoring forecast and actual cash flows.

Over 80% of the groups sales are on a cash basis and management do not expect a further increase in the liquidity gap in the foreseeable future.

Notes to the Financial Statements (continued)

37. Financial instruments-exposure to liquidity risk (continued)

The following table details the Group's remaining contractual maturity for its non-derivate financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

	Less than 1 month	1-3 months	3-12 months	2-5 years	Total	Carrying amount
	MK'm	MK'm	MK'm	MK'm	MK'm	MK'm
Group						
As at 31 December 2024						
Bank overdraft (note 20)	15 692	-	-	-	15 692	15 692
Loans and borrowings (note 24)	1 697	13 739	5 423	15 644	36 503	30 852
Lease liabilities (note 29)	-	-	338	-	338	338
Related party payables (note 19a)	-	210	-	-	210	210
Amounts payable to owners of e-money (note 28)	34 615	-	-	-	34 615	34 615
Trade and other payables	-	71 994	-	-	71 994	67 505
Contract liabilities (note 6)	2 761	-	-	-	2 761	2 761
Total financial liabilities	54 765	85 943	5 761	15 644	162 113	151 973
As at 31 December 2023						
Bank overdraft (note 20)	10 774	-	-	-	10 774	10 774
Loans and borrowings (note 24)	3 645	2 146	8 894	24 887	39 572	38 557
Lease liabilities (note 29)	-	-	181	-	181	181
Related party payables (note 19a)	-	39	-	-	39	39
Amounts payable to owners of e-money (note 28)	20 809	-	-	-	20 809	20 809
Trade and other payables	-	33 855	-	-	33 855	31 969
Contract liabilities (note 6)	4 249	-	-	-	4 249	4 249
Total financial liabilities	39 477	36 040	9 075	24 887	109 479	106 578

	Less than 1 month	1-3 months	3-12 months	2-5 years	Total	Carrying amount
	MK'm	MK'm	MK'm	MK'm	MK'm	MK'm
Company						
As at 31 December 2024						
Bank overdraft (note 20)	15 692	-	-	-	15 692	15 692
Loans and borrowings (note 24)	1 697	13 739	5 423	15 644	36 503	30 852
Lease liabilities (note 29)	-	-	338	-	338	338
Related party payables (note 19a)	-	1 551	-	-	1 551	1 551
Trade and other payables	-	67 309	-	-	67 309	63 112
Contract liabilities (note 6)	2 761	-	-	-	2 761	2 761
Total financial liabilities	20 150	85 599	5 761	15 644	124 154	114 306
As at 31 December 2023						
Bank overdraft (note 20)	10 774	-	-	-	10 774	10 774
Loans and borrowings (note 24)	3 645	2 146	8 894	24 887	39 572	38 557
Lease liabilities (note 29)	-	-	181	-	181	181
Related party payables (note 19a)	-	2 039	-	-	2 039	2 039
Trade and other payables	-	31 545	-	-	31 545	29 788
Contract liabilities (note 26)	4 249	-	-	-	4 249	4 249
Total financial liabilities	18 668	35 730	9 075	24 887	88 360	85 588

38. Operating segments

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the group's other components.

All operating segments' operating results are reviewed regularly by the group's Chief Executive Officer (CEO) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the group's headquarters), head office expenses, and assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, investment property and intangible assets other than goodwill.

Notes to the Financial Statements (continued)

38. Operating segments (continued)

38.1 Basis for segmentation

The group has two reportable segments which are based on the type of business among its subsidiary,

These segments are: telecommunication services and mobile money services. The segments offer different products and services and are managed separately because they require different regulation. These segments operate in the same economic environment.

The following summary describes the operations in each of the group's reportable segments:

Reportable segment Operations

Telecommunications	Provides a wide range of communications and products and services.
Mobile money	Provides a wide range of mobile money services which among other services include: money transfers, cash withdrawals, bill payments, cash deposits, merchant payments

38.2 Geographical segment presentation

All operations of the group are in Malawi and therefore geographical segment presentation has not been made.

38.3 Information about major customers

The group's customers are many and there is no single customer that individually contributes more than five percent of the group's total revenues.

37.4 Information about reportable segments

Information regarding the results of each reportable segment is set out below. Performance is measured based on segment profit after tax, as included in the internal management reports that are reviewed by the group's CEO. Segment profit after tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of the respective segment. Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise income earning assets and revenue, interest bearing loans, borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one year.

	Telecom- munication services	Mobile money services	Total
	MK'm	MK'm	MK'm
2024			
Revenue			
External revenue			
- Over time	113 229	28 706	141 935
- At a point in time	2 355	-	2 355
Other income – external – over time	13 750	126	13 876
Inter-segment revenue – over time	4 564	4 366	8 930
Segment revenue	133 898	33 198	167 096
Cost of sales*			
- External	77 819	17 435	95 254
- Inter-segment	3 341	3 476	6 817
Segment cost of sales	81 160	20 911	102 071
Segment operating profit	23 012	6 703	29 715
Segment interest income	48	366	414
Segment interest expense	(12 653)	525	(12 128)
Segment foreign exchange losses	(2 630)	8	(2 622)
Segment expenses	(2 405)	(2 921)	(5 326)
Segment profit for the year	5 372	4 681	10 053
Depreciation and amortization	17 358	815	18 173
Segment assets	159 815	52 135	211 950
Segment liabilities	121 920	38 185	160 105
Capital additions	41 103	1 100	42 203

Notes to the Financial Statements (continued)

38. Operating segments (continued)

38.4 Information about reportable segments (continued)

	Telecom- munication services MK'm	Mobile money services MK'm	Total MK'm
2023			
Revenue			
External revenue			
- Over time	89 201	18 392	107 593
- At a point in time	2 891	-	2 891
Other income – external over time	7 142	391	7 533
Inter-segment revenue – over time	1 600	2 807	4 407
Segment revenue	100 834	21 590	122 424
Cost of sales*			
- External	61 843	11 270	73 113
- Inter-segment	2 807	1 473	4 280
Segment cost of sales	64 650	12 743	77 393
Segment operating profit	5 720	7 151	12 871
Segment interest income	73	233	306
Segment interest expense	(10 999)	-	(10 999)
Segment foreign exchange losses	(9 809)	100	(9 709)
Segment expenses	4 913	(2 314)	2 599
Segment (loss)/profit for the year	(10 102)	5 170	(4 932)
Depreciation and amortisation	19 767	726	20 493
Segment assets	131 719	30 882	162 601
Segment liabilities	99 235	21 613	120 848
Capital additions	15 183	1 152	16 335

Revenue from telecommunication services includes prepaid MK42.9 billion, data MK45.2 billion, enterprise MK13.7 billion, postpaid MK3.7 billion and others MK10.1 billion. Mobile money revenue includes cashout fees of MK18.1 billion, bill pay MK2.3 billion, cash transfers MK3.2 billion, bulk disbursement fees MK1.3 billion and others MK3.8 billion.

*Segment cost of sales has been included in the operating segment note to enhance the presentation. This was not presented in the prior year and is now included to enhance understanding of the operating segments' performance.

	2024 MK'm	2023 MK'm
Revenue		
Total revenues for reportable segments		
- Over time	150 865	112 256
- At a point in time	2 355	2 891
Elimination of inter-segment revenue	(8 930)	(4 663)
Consolidation revenue	144 290	110 484
Consolidated profit/(loss)	10 053	(4 760)
Assets		
Total assets for reportable segments	214 654	165 983
Inter-segment eliminations	(1 448)	(2 126)
Eliminations of investment in subsidiaries	(1 256)	(1 256)
Consolidated total assets	211 950	162 601
Liabilities		
Total liabilities for reportable segments	161 446	122 974
Inter-segment eliminations	(1 341)	(2 126)
Consolidated total liabilities	160 105	120 848

39. Contingent liabilities

	Group and Company	
	2024 MK'm	2023 MK'm
Legal claims	6 920	2 667

Legal claims

These represent legal claims made against the group in the ordinary course of business, the outcome of which is uncertain. The amount disclosed represents an estimate of the cost to the group in the event that legal proceedings find the group to be in the wrong. In the opinion of the Directors, the claims are not expected to give rise to a cost to the group. The increase in legal claims is due some cases in relation to former staff which are still in court and their outcome is not certain.

Notes to the Financial Statements (continued)

40. Fair value measurements

This note provides information about how the group determines fair values of various financial assets and financial liabilities.

40.1 Valuation techniques and assumptions applied for the purposes of measuring fair value

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).
- The fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

40.2 Fair value measurements recognised in the statements of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

40.3 Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

41. Going concern

The Board of Directors ("Board") believes that, as of the date of this report, the going concern presumption is appropriate and accordingly, the consolidated and separate statements of the group and the company have been prepared on the going concern basis of accounting. Their assessment included an assessment of the relevance of its business models, the nature of the primary assets, and the cash-flows generated from these assets as well as the company's balance sheet. IAS 1 Preparation of financial Statements ("IAS 1") requires management to perform an assessment of the group's ability to continue as a going concern. If management is aware of material uncertainties related to events or conditions that may cast significant doubt upon the group's ability to continue as a going concern, IAS 1 requires these uncertainties to be disclosed.

During the year ended 31 December 2024, the company recorded a net profit after tax of MK10.05 billion a turnaround from a net loss of MK4.93 billion recorded in 2023. As at the reporting date, the group was in a net current liability position of MK69.8 billion (2023: MK29.0 billion). Over 80% of the group's business is cash based therefore the group has the capacity to generate sufficient funds to meet its obligations as they fall due. In addition, subsequent to the reporting date, the company was in a process of raising additional capital of MK30.0 billion through the issue for cash transaction. This combined with available financing facilities is expected to provide adequate liquidity to the company to meet obligations as they fall due.

To achieve positive cash flows, the company has suspended all non-critical and non-revenue generating Capex. Capex for 2025 is MK21.0 billion which primarily will be on distribution network and some network elements like towers, sectors, licences and systems. The group has also introduced several cost management initiatives which are expected to save the company over MK4.0 billion in the 2025 financial year. The cost management initiatives include the following:

- Recruitment limited to critical positions;
- Promote customer use of electronic recharges to save on voucher costs and dealer commissions and incentives;
- Negotiate with starter pack suppliers for unit cost reduction;
- Negotiate with Huawei for reduction in Service Level Agreement (SLA) cost

The group has considered various cash flow forecast scenarios, including stress testing the cashflows. In the stressed cash flow scenarios, the group has concluded that there is access to sufficient funds in the short-term to meet all contractual obligations as they become due and payable. After carefully considering all of these, the board believes that the group can discharge its liabilities in the normal course of business and are therefore of the opinion that the going concern assumption is appropriate in the preparation of the financial statements.

Notes to the Financial Statements (continued)

42. Events subsequent to the reporting date

Subsequent to the reporting date, the company was in the process of raising additional capital of MK30.0 billion through the issue for cash transaction. The transaction was not yet concluded as at the date of issuing these financial statements.

The United States of America (USA) also announced several measures subsequent to reporting date which would affect USA affiliated organisations as well as countries worldwide. The directors are of the position that these measures had no impact on the financial statements as at the reporting date.

No other events of a material nature occurred between the reporting date and the date of approval of these financial statements, which would result in an adjustment to or disclosure in the financial statements.

43. Exchange rates and inflation

The average of selling and buying exchange rates at year end of major foreign currencies affecting the performance of the company are stated below, together with the increase in the National Consumer Price Index which represents an official measure of inflation.

	2024	2023
Kwacha/GBP	2 275.34	2 213.59
Kwacha/Euro	1 919.37	1 919.19
Kwacha/Rand	96.87	93.59
Kwacha/US Dollar	1 725.42	1 683.33
Inflation rate (%)	28.1	28.8

As at the time of approval of these financial statements, the above rates had moved as follows:

Kwacha/GBP	2 305.89
Kwacha/US Dollar	1 733.83
Kwacha/Euro	1 934.25
Kwacha/Rand	97.38
Inflation rate (%) (March 2025)	30.5

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TELEKOM NETWORKS MALAWI Plc

Notice of Annual General Meeting

Telekom Networks Malawi plc
(Company registration number COYR-K9019K)

NOTICE IS HEREBY GIVEN THAT THE 30TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF TELEKOM NETWORKS MALAWI PLC WILL BE HELD VIRTUALLY AND PHYSICALLY AT MOUNT SOCHE HOTEL, BLANTYRE, ON MONDAY, 21ST JULY 2025 AT 14:00HRS AT WHICH THE FOLLOWING BUSINESS SHALL BE TRANSACTED:

ORDINARY BUSINESS

1. MINUTES

- 1.1. To approve the minutes of the 29th Annual General Meeting held on 23rd July 2024.
- 1.2. To approve the minutes of the Extraordinary General Meeting held on 2nd May 2025.

2. FINANCIAL STATEMENTS

To receive and consider for adoption the audited annual Financial Statements of the Company for the year ended 31st December 2024, together with the report of the Directors and the Auditors thereon.

3. DIVIDEND

To declare a nil final dividend for the year ended 31st December 2024, upon the Directors' recommendation.

No interim dividends were declared by the Directors in respect of the year ended 31st December 2024.

4. RE-APPOINTMENT OF AUDITORS

To re-appoint Deloitte, Chartered Accountants, as Auditors of the Company for the year ending 31st December 2025 and to authorize the Directors to determine their remuneration.

5. RESIGNATION OF DIRECTORS

To note that, during the year, Mr. Lekani Katandula, resigned from the Board.

6. APPOINTMENT OF DIRECTORS

- 6.1. To confirm the appointment of Dr. Frank Dalitso Chozenga (49) who was co-opted during the year to fill a casual vacancy.

Dr. Frank Chozenga is a highly accomplished executive with over 25 years of professional experience, including 21 years in the telecommunications sector. He has held senior leadership roles in leading telecom companies such as Vodacom, Airtel Africa, and Safaricom Ethiopia, with a strong focus on business strategy, financial planning, mobile financial services, and corporate governance.

He began his career as an auditor at Deloitte Malawi before moving into the telecom industry, gaining deep knowledge of the local market through roles at Malawi Telecommunications Limited and Airtel Malawi. Promoted to Airtel Africa in 2010, he was in the pioneering team of Airtel Money that developed the strategy, business structuring, rollout across 15 markets, and formed key partnerships with Comviva, MasterCard, banks, GSMA, and the Gates Foundation. His efforts led to over 50% of these markets reaching breakeven within three years.

From 2014 to 2016, he worked in the CEO's Office at Airtel Africa, overseeing business strategy and performance across seven African countries, including Malawi, Kenya, Uganda, and Tanzania. Between 2016 and 2021 he was at Vodacom Mozambique where he served as Executive Head of Financial Planning and Analysis and led corporate governance and company secretarial functions. He was instrumental in driving revenue growth initiatives and financial discipline, contributing to the company's first-ever dividend declaration.

Most recently, he was seconded as Executive Head of Finance Business Partnering and Planning to Safaricom Ethiopia, a US\$1 billion startup backed by major global investors.

Frank Chozenga is a member of the Institute of Chartered Accountants in Malawi (ICAM).

He brings to the TNM Board a strong combination of strategic vision, financial acumen, strong corporate governance experience and deep industry insight.

7. RE-ELECTION OF DIRECTORS

- 7.1. To re-elect Mr. Tobias Jack (63) who retires by rotation in terms of Article 21 of the Articles of Association but being eligible has offered himself for re-election.

Mr. Tobias Jack is a visionary and innovative leader with an ambitious drive. He has over 30 years of extensive experience in the ICT industry, specializing in the strategic setup and implementation of growth-centric business models. He is an expert in fostering business expansion and profitability by harnessing the best in people, processes, and tools.

He has experience working with a diverse range of multinational organizations in various countries in Africa and these include major network Operators in Africa (MIC Tigo, MTN, Orascom, Vodafone), Equipment Vendors (Ericsson) and Telecoms Service companies across Africa in positions of Senior CPM, CTIO, COO and CEO.

He possesses a robust background in managing startups and greenfield projects with a sharp focus on time-to-market efficiency and project management to deliver quality outcomes in cost-effective ways. He excels in operational management, consistently ensuring top-tier quality service and cost efficiency. His proficiency extends to managing services and outsourcing operations, empowering Operational Companies to concentrate on key areas while maintaining network quality and optimizing OPEX through vendor-managed service models.

A cornerstone of his professional ethos in his roles as a CEO/CTO/COO is to provide overarching leadership, steering organizations to meet and exceed budgeted revenues, P&L, and EBITDA targets. His strategic acumen and leadership skills are the driving forces behind his ability to lead teams and companies to success.

Tobias boasts of over 20 plus years of senior managerial and leadership experience, working with dynamic teams in a global and multi-cultural environment. Currently, he is the Chief Operations Officer of ATM Technologies Limited, Local Director of VIASAT Tanzania and Director in APM Telecoms in South Africa and Eswatini.

7.2. To re-elect Dr. Ronald Mangani (57) who retires by rotation in terms of Article 21 of the Articles of Association but being eligible has offered himself for re-election.

Dr. Ronald Mangani studied economics, finance and investment at the Universities of Malawi, York and Cape Town, and held visiting scholar positions at the International Monetary Fund Institute and the University of Oxford. Until his appointment as Chief Executive Officer of Press Corporation plc, he was an associate professor of economics at the University of Malawi, Chairman of Old Mutual Malawi Limited, and director of First Capital Bank Malawi. He was Secretary to the Treasury of the Government of Malawi between 2014 and 2017. Previously, he also served as an independent director on the boards of the Reserve Bank of Malawi, the Malawi Stock Exchange, the MDC Limited, and the Malawi Institute of Management, among others. He also sat on the Monetary Policy Committee of the Reserve Bank of Malawi.

He is a founding member of the Economics Association of Malawi, a network member of the African Economic Research Consortium of Kenya, and part of the global faculty

of the Tanzania-based Trade Policy Training Centre in Africa. He brings to Telekom Networks Malawi plc extensive experience in managerial leadership, investment decision-making, financial management, and strategic planning.

8. NON-EXECUTIVE DIRECTORS' REMUNERATION

8.1. To approve an increase in the remuneration of the Chairman and Non-Executive Directors as follows:

8.1.1. Annual Fees

Chairperson of Board of Directors: MK12,196,800 (2024: MK10,164,000) per annum

Chairperson of Board Committees: MK10,744,800 (2024: MK8,954,000) per annum

Other Non-Executive Directors: MK9,742,920 (2024: MK8,119,100) per annum

8.1.2. Sitting Allowances

Chairperson of the Board of Directors: MK935,330 (2024: MK850,300) per sitting

Chairperson of the Board Committees: MK851,840 (2024: MK774,400) per sitting

Other Non-Executive Directors: MK758,670 (2024: MK689,700) per sitting

SPECIAL RESOLUTIONS

9. AMENDMENT OF MEMORANDUM OF ASSOCIATION -

Following the special resolution of the Company to amend the Memorandum of Association of the company to convert the ordinary shares of the Company from shares of nominal value to shares of no par or nominal value, the Memorandum of Association be amended by deleting the current Clause 5 and replacing it with the following

The stated capital of the Company is MK32,269,037,294.23

See note 7 below.

10. ALTERATION OF SELECTED PROVISIONS OF TELEKOM NETWORKS MALAWI PLC'S ARTICLES OF ASSOCIATION

10.1. To consider and, if approved, pass the following resolutions with or without modification:

10.1.1. That Article 20.2 of the Articles of Association of the Company be amended to align with Section 11.20(d) of Schedule 11 of the Malawi Stock Exchange Listings Requirements as follows:

“the minimum number of directors shall be six (6) and the maximum number of directors shall be twelve (12). If the number of directors falls below the minimum number, the remaining directors shall only be permitted to act for the purpose of filling vacancies or calling general meetings of shareholders.”

10.1.2 That Article 66.3 of the Articles of Association of the Company be amended to align with Section 11.22(d) of Schedule 11 of the Malawi Stock Exchange Listings Requirements and the Public Finance Management Act, 2022, as follows:

“If six (6) years have passed from the date on which a dividend or other sum became due for payment and the distribution recipient has not claimed it, the distribution recipient shall no longer be entitled to that dividend or other sum and such money shall be paid into the Consolidated Fund in line with sections 60-69 of the Public Finance Management Act”

9. OTHER BUSINESS

To transact such other business as may be transacted at an Annual General Meeting of members of which prior notice should have been given to the Company Secretary not less than 21 days before the date of the Annual General Meeting.

Dated: 26th June 2025

BY ORDER OF THE BOARD

CHISOMO GOVERNOR COMPANY SECRETARY

Registered Office:
Telekom Networks Malawi Plc,
Fifth Floor, Livingstone Towers,
Glyn Jones Road,
P.O Box 3039,
Blantyre, Malawi.

NOTES

1. The Annual Report, also containing the pack for the Annual General Meeting (AGM), has been dispatched to shareholders and can be accessed on the Company's website: www.tnm.co.mw. Additionally, a physical copy of the Annual Report can be collected from the Company's registered office or at the Company's Transfer Secretaries office at National Bank of Malawi plc, NBM Towers, Transfer Secretaries Section, Legal Department, 7 Henderson Street, Blantyre

2. Only those shareholders registered in the Company's register of members at 5.00 pm on 14th July 2025; or if the meeting is adjourned, 48 hours before the time set for the adjourned meeting, shall be entitled to attend, speak and vote at the meeting.
3. A member entitled to attend and vote at the meeting is entitled to appoint a representative (if it is a body corporate or unincorporated association), or proxy (or more than one proxy) to attend, speak and vote in his/her/its stead. The representative or proxy need not be a member of the Company.
4. The instrument appointing a proxy or representative and the power of attorney or other authority, if any, under which it is signed or a notarial certified copy of that power of attorney or authority shall be deposited at the Company Secretary's office or the Transfer Secretary's Office not later than forty-eight (48) hours before the time appointed for holding the meeting and in default the instrument shall not be treated as valid.
5. All shareholders who intend to attend the AGM virtually are required to register their email addresses by sending their name and email address to the Transfer Secretaries through email to tnmshareholders@natbankmw.com. A link to the meeting will be sent to shareholders through their registered email addresses.
6. The Company may process personal data of attendees at the meeting. This may include photos, videos, and audio and other forms of personal data, including your name, contact details and the votes you cast. The Company shall process such personal data in accordance with Data Protection laws. If you do not wish to be recorded or included in photographs or video footage, please contact the Company Secretary in advance of the meeting at cosec@tnm.co.mw.
7. Before the issue for cash transaction, the company's authorized number of shares was 10,040,450,000 with a nominal value of MK401,618,000.00 and share premium of MK2,346,921,000.00 (comprised of issue premium of MK2,529,282,000.00 less issue costs of MK182,361,000.00). The total share capital of the company was MK2,748,539,000.00. In 2025, the company issued additional 1,500,750,375 shares at a total consideration of MK29,999,999,996.25 with issue costs of MK479,501,702.00 resulting in net additional capital of MK29,520,498,294.23. After conversion of the nominal shares of par or nominal value to shares of no par or nominal value, the issue premium was converted to share capital resulting in total share capital of MK32,269,037,294.23. A majority of at least 75% of the shareholders attending in person or by proxy is required to pass this resolution.

Minutes of previous Annual General Meeting

Telekom Networks Malawi plc

(Company registration number COYR-K9019K)

MINUTES OF THE 29TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF THE COMPANY HELD AT SUNBIRD MOUNT SOCHE HOTEL, BLANTYRE, ON TUESDAY, 23RD JULY 2024 FROM 14:00 HOURS

PRESENT:

Mr. Ted Sauti-Phiri	}	Chairman
Mr. Lekani Katandula	}	Director
Ms. Madalo Nyambose	}	Director
Dr. Ronald Mangani	}	Director
Mr. Tobias Jack	}	Director
Mr. Khumbo Phiri	}	Director
Mr. Gerald Chungu	}	Director

VIRTUAL

Dr. Lyton Chithambo	}	Director
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IN ATTENDANCE:

Ms. Chisomo Governor	}	Company Secretary
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EXECUTIVE MANAGEMENT:

Mr. Michel A. Hebert	}	Chief Executive Officer
Mr. Lloyd Gowera	}	Chief Technical Officer
Mr. Peter Kadzitchi	}	Chief Finance Officer
Mr. Peter Munthali	}	Chief Information Officer
Ms. Harriet Z. Mariani	}	Acting Chief Human Resources Officer
Mr. Sobhuza Ngwenya	}	Marketing Director
Mr. Ackson Banda	}	Internal Audit Director
Mr. Christopher Sukasuka	}	General Manager – TNM Mpamba Limited

EXTERNAL AUDITORS

Mr. Vilengo Beza – Deloitte

SHAREHOLDERS PRESENT

1. Jessie Zuwayo
2. Frank Harawa

3. Alex Chinyamu
4. Jack Kaphetsa
5. Lucia Chola
6. Joyce Kasiya
7. James Kasiya
8. C Makadia
9. Max Emmanuel Malakafu
10. Luwani Kapusa
11. Augustine Maere
12. Randson Mwadiwa
13. Dalitso Kampanje
14. Wilson Kuyokwa
15. Takondwa Mlenga
16. Martin Khoriyo
17. Francis Chikadza
18. Kondwani Kalua
19. Joseph Masuza
20. Arnold Kaombe
21. G Mwamiba
22. Kondwani D Chitsulo
23. L. Mwandire
24. Menard Kaumphawi
25. Mkwainswani
26. Abigail Zuwayo
27. Brian Kampanje
28. R. P. Musa
29. D. D. Nyirenda
30. Leonard Chisale
31. Memory Chipembere
32. Victor Munthali
33. Tayesa Mvula
34. Chimwemwe Mangazi
35. Abel Kwelani
36. Girishkumar Chatrabhuj Bhuptani
37. M Mkwezalamba
38. Culthbert Mnyenyembe
39. Armstrong Kamphazi
40. Joe Maere
41. Wanangwa Chimozi Chiwaka
42. Benardette Kanzandu
43. Mary Kalanga
44. Kondwani Chitsulo
45. Major Juma
46. George Samaul Sambakunsi

47. Snowden Chitsulo
48. Yankho Kampanje

SHAREHOLDERS REPRESENTED BY PROXIES

1. NBM Pal Unrestricted Pf
2. NBM Pension Fund
3. NBM Equity Fund
4. Madzi Pension Fund Cap
5. NBM Equity Fund
6. NBM Pension Fund
7. NBM Pension Fund
8. NBM Equity Fund
9. Prince Nagizi
10. CEAR Pension Fund
11. NBM Death Benefits Top Up Fund
12. VLAC Pension Fund
13. MBS Pension Fund C/1082
14. NBM Pension Fund
15. W Matewera
16. Ephraim Madalitso
17. Ronald Tumba
18. Lilian Macheso
19. Plupert Nkhono
20. Culthbert Mnyenyembe
21. Wesley Mankhokwa
22. Natasha Nsamala
23. Ubuntu
24. Kondwani Makwakwa
25. Owen Mwawira
26. Indetrust Ltd Pension & Death Benefits Funds
27. National Bank of Malawi Pension Fund
28. National Bank of Malawi
29. Old Mutual Life Assurance Co Mw Ltd
30. FMB Pension Fund
31. Old Mutual Life Assurance Company (Malawi) Ltd
32. Limbe Leaf Pension Fund
33. MISALICO
34. Nesona Ltd
35. Luvinda General Dealers
36. Ellen Lynda Kadawati
37. Std Bank Mw Itf Old Mutual Unit Trust Bal. Fund
38. Old Mutual Life Assurance Co. Mw. Ltd
39. Aviation Pension Fund
40. TNM Pension Fund

41. Magetsi Pension Fund
42. Aviation Pension Fund
43. HAM Pension Fund
44. Malawi Environmental Endowment Trust
45. Madzi Pension Fund OML
46. FDH Holdings Pension Fund
47. Public Service Pension Trust Fund OML
48. OMIG RBM Pension Fund
49. OMIG Sucoma Group Pension Scheme
50. Cham Pension Fund- OML
51. FMB Pension Fund
52. FDH Financial Holdings Ltd Pension Fund OMIG
53. Magetsi Pension Fund
54. MPC Pension Fund
55. Malawi Posts Corporation Pension Fund
56. OMIG Must Endowment
57. Public Service Pension Fund
58. Press Corporation Limited
59. Lifeco Unrestricted Pension Fund
60. Cam Nominees A/C Chaupi Chihana
61. Cam Nominees A/C Udziti Capital
62. Cam - Audrey Mwala
63. Cam Nominees A/C Bena Nkhoma
64. Cdam Nominees / Cear Pension Fund
65. Cam Nom Duncan Mwapasa
66. Cam Nom Emily Makuta
67. Cam Nominees A/C Public Service Pension Trust Fund
68. Cam Nominees A/C Pcl Pension Fund
69. Cam Nominees A/C Continental Unrestricted Pf
70. Cam Nominees A/C Matundu Mbulo Trust
71. Cam Nominees A/C Modcai Msisha
72. Cam Nominees A/C Chiza Austin Patrick Jere
73. Cam Nominees A/C Cham Pension Fund
74. Press Corporation Limited Pension Fund
75. Cam Nominees A/C Harold Lungu
76. Cam Nominees A/C Ian Bonongwe
77. Cam Nom Vanguard Pension Services Company Ltd Cam
78. Cam Nominiees A/C Must Gratuity Fund
79. Cam Nom / Allan Banda
80. Cam Nominees A/C Mtakati Holdings
81. Cam Nominees A/C Cear Pension Fund
82. Cam Nominiees A/C Khusi Trust
83. Cam Nominees A/C Constance Musopole
84. Cam Nominees A/C Mr Devanand Manubhai Amin

85. Cam Nominees A/C Robert Abbey
86. Cam Nominees A/C Christopher Kapanga
87. Stb Mw Itf Old Mutual Unit Trust Bal. Fund
88. Cam Nom Anganile Mwenifumbo
89. Cam Nominees A/C Gomezgani Neba
90. Standard Bank Itf Omut Balanced Fund
91. Cam Nominees A/C Aviation Pension Fund
92. Cam Nom Elia Zawanda
93. Cpl Pension Fund
94. Cam Nominees A/C Henry Mathanga
95. Cpl Pension Fund
96. Cam Nominees A/C Rebert Abbey
97. Cam Nominees A/C T H Trust
98. Cam Nominees A/C O & A Trust
99. Cam Nom Frank Magombo
100. Cam Nominees A/C Cdh Group
101. Cam Nom / Chiza Jere
102. Cam Nominees A/C Mercy Kumbatira
103. Cam Nominees A/C Unrestricted Pf
104. Cam Nominees A/C Raphael Kamoto
105. Cam Nominees A/C Felicite Sazuze
106. Cam Nominees A/C Misheck Esau
107. Cam Nom General Peter Namathanga
108. Cam Nominees A/C Evarista Chafulumira
109. Cam Nominees A/C Abdul Panjwani
110. Cam Nominees A/C Shadrack Chikusilo
111. Cam Nominees A/C St Martins House
112. Cam Nominees / Simon Itaye
113. Cam Nominees A/C Henosis Group Investment Group
114. Cam Nominees / United General Insurance
115. Cam Nominees A/C Multi Choice Malawi Ltd Pf
116. Cam Nominees Ddd & Pc Charitable
117. Cam Nominees A/C Benard Mwenebungu
118. Cam Nominees A/C Kingsley Zulu
119. Cam Nominees A/C Matilda Kachule
120. Cam Nominees A/C Cear P/F
121. Cam Nominees A/C Arnold Hastings Makanda
122. Cam Nominees A/C Maja Trust
123. Cam Nominees A/C Investmates Limited
124. Cam Nominees A/C Christine And Balraj Sharma
125. Cam Nominees A/C Elias Azele Malion
126. Cam Nominees A/C Chiwawa Nkhoma
127. Cam Nominees A/C Mbiraga Mussa
128. Cam Nominees A/C Loyce Merrick

129. Cam Nominees A/C O And A Trust
130. Cam Nominees / Ddd & Pc Charitable Trust
131. Cam Nominees A/C Temwa Nyirenda
132. Cam Nominees A/C Gloria Angella Chingota
133. Cam Nominees A/C Dr Chatonda Manda
134. Cam Nominees A/C Panja Ziyad Yunus
135. Cam Nominees A/C Mwiza & Dorica Nkhata
136. Cam Nominees A/C Samba Nyirenda Esau
137. Cam Nom Rosemary Chitera
138. Cam Nominees A/C Indira Sharma Surtee Trust
139. Cam Nominees A/C Collins Mtambo
140. Cam Nominees A/C Chikondi Senzani
141. Cam Nominees A/C Sylvia Gomes
142. Cam Nominees A/C Mayamiko & Tereza Mtimaukanena
143. Cam Nominees A/C Kelvin Mponda
144. Cam Nominees A/C Tiwonga Kaluwa
145. Cam Nominees A/C Luvinda General Dealers
146. Cam Nominiees A/C Tiwonge Kaluwa
147. Cam Nominees A/C Benedicto And Victoria Nkhoma
148. Cam Nom Michael Malingamoyo
149. Cam Nom Chikumbutso Namelo
150. Cam Nominees A/C Major & Fortune Mwawa
151. Cam Nominees A/C James Bwirani
152. Cdhm A/C Shabir Mussa Itf Laaibah S Mussa
153. Cdhm A/C Meet
154. Cdhm A Sazuze Itf Felicite Katrina Sazuze
155. Cdh Asset Mgt A/C Dr Kondwani Kawaza
156. Cam Nominiees A/C Sam Thunde & Rachel Erickson
157. Cam Nominiees A/C Pamawa Investments Group
158. Cam Nominiees A/C Makhumbo Chikaonda
159. Cam Nominiees A/C Graham Carr
160. Cam Nominiees A/C Gillian Nkhalamba
161. Cam Nominiees A/C David Itf Favour Mzandu
162. Cam Nominees Joline Bapu
163. Cam Nominees A/C Zmr Investment Group
164. Cam Nominees A/C Wezi Kumwenda
165. Cam Nominees A/C Weston S Chindebvu
166. Cam Nominees A/C Vintage Investico Limited
167. Cam Nominees A/C Towera Gondwe Chigwenembe
168. Cam Nominees A/C Tiyezge Matandika
169. Cam Nominees A/C Tiyenkhu Chavula
170. Cam Nominees A/C Thokozani Mwapasa
171. Cam Nominees A/C Thokozani Katulukira
172. Cam Nominees A/C Tamandani Mzandu

173. Cam Nominees A/C Stella Nthara
174. Cam Nominees A/C Rowland Imran Masi
175. Cam Nominees A/C Renee Chikaonda
176. Cam Nominees A/C Principal Mdolo
177. Cam Nominees A/C Pierre Mhango
178. Cam Nominees A/C Peter Maele
179. Cam Nominees A/C Omar Farrok Siddiq
180. Cam Nominees A/C Ngina Nampota
181. Cam Nominees A/C Monfort Howahowa
182. Cam Nominees A/C Mirrium Chisi
183. Cam Nominees A/C Mercy Banda
184. Cam Nominees A/C Mayamiko Bazale
185. Cam Nominees A/C Maxwell Mtupanyama
186. Cam Nominees A/C Mathias Malunga
187. Cam Nominees A/C Lydia Sauti Phiri
188. Cam Nominees A/C Lusizi Mhango
189. Cam Nominees A/C Lucy Nyirenda
190. Cam Nominees A/C Lorraine Chalamba Itf Tavereli
191. Cam Nominees A/C Labren Frank Sondhi
192. Cam Nominees A/C Kenneth Mmadi
193. Cam Nominees A/C Jones J Chidothe
194. Cam Nominees A/C John Lino
195. Cam Nominees A/C James Mbingwa
196. Cam Nominees A/C J & J Nsamala Trust
197. Cam Nominees A/C Isaac Yamikani Chilima
198. Cam Nominees A/C Indiss Trust
199. Cam Nominees A/C Ida Suliya
200. Cam Nominees A/C Ida Fatch Suliwa
201. Cam Nominees A/C Harriet Mariani
202. Cam Nominees A/C First Street Fund
203. Cam Nominees A/C Farida Mendes
204. Cam Nominees A/C Faith Kufeyani Daudi
205. Cam Nominees A/C Dr Tilinde Chokothe
206. Cam Nominees A/C Dr Kondwani Kawazai
207. Cam Nominees A/C Dr Kawaza
208. Cam Nominees A/C Denzio Likungwa
209. Cam Nominees A/C David Itf Divine Mzandu
210. Cam Nominees A/C Daniel Henry Dunga
211. Cam Nominees A/C Clement Kayila
212. Cam Nominees A/C Chisomo Faith Kuyenda
213. Cam Nominees A/C Chimwemwekatulukira
214. Cam Nominees A/C Chimwemwe Joseph Mhango
215. Cam Nominees A/C Chifwayi Chirambo
216. Cam Nominees A/C Chatonda Manda

217. Cam Nominees A/C Bywell Blair Chiwoni
218. Cam Nominees A/C Bride Investments
219. Cam Nominees A/C Bertha Magwira
220. Cam Nominees A/C Bernard P P Mwenebungu
221. Cam Nominees A/C Anne Fletcher
222. Cam Nominees A/C Anastasia Chirambo
223. Cam Nominees A/C Almond Investment Alliance
224. Cam Nominees A/C Takondwa Katulukira
225. Cam Nominees A/C Sophie Katulukira
226. Cam Nominees A/C Chisomo Katulukira
227. Cam Nominees A/C Ethyo Trust
228. Cam Nominees A/C Central East African Railways
229. Cam Nom Wone Banda
230. Cam Nom Temwani Simwaka
231. Cam Nom Tchutchuchu Group
232. Cam Nom Sngss Class Of 91 Investors
233. Cam Nom Ronald Itf Ronhenry Tsonga
234. Cam Nom Reuben Kumwenda And Lillian Chirwa
235. Cam Nom Pirira Chirwa Kachiwala
236. Cam Nom Patricia Nyirenda
237. Cam Nom Nellie Liba
238. Cam Nom Motha Investment Ltd
239. Cam Nom Mercy Banda
240. Cam Nom Mazaza Investments
241. Cam Nom Mavis Kanjaza
242. Cam Nom Marrium Mustapher
243. Cam Nom Linda Fannie Munthali
244. Cam Nom Lillian H Thindwa
245. Cam Nom Kumbukani Itaye
246. Cam Nom Kukula Fund
247. Cam Nom Hoka Coaching Centre
248. Cam Nom George Jim
249. Cam Nom G10 Investments
250. Cam Nom Eunice Itate
251. Cam Nom Eugenio Tebulo
252. Cam Nom Dr Chipiliro Kadzongwe
253. Cam Nom Dinnah Chimutu
254. Cam Nom Brenald Martin Dzonzi
255. Cam Nom Abundant Life Investment Trust
256. Cam Nom A/C Helen C. S. Mkandawire
257. Cam Nom / Themba Mzilahowa
258. Cam Nom / Mabvuto J Mukaka
259. Cam Nom / Grant Mwenechanya

NON-SHAREHOLDERS PRESENT

No.	Observers	Organisation
1.	Funny Chembekeza	MUBAS
2.	Dalitso Chilipo	MUBAS
3.	Idrissa Sadi	Bridgepath Capital
4.	Tintha Kantuma	Bridgepath Capital
5.	Chikumbutso Chiluzu	TNM
6.	Maureen Mbeye	PCL
7.	Clara Khaki	PCL
8.	G Mvamira	
9.	Sandra Mankhokwe	MUBAS
10.	Sebastian Nkosi	TNM
11.	Stanley Chikapondwa	TV Islam
12.	Enock Chitemwe	TNM
13.	Tiyanjane Manjani	
14.	Steven Mkweteza	
15.	Andrew Tembo	GD TV
16.	Chisomo Phiri	OM
17.	Phillip Mawinda	
18.	Chifuniro Mphonde	
19.	Charles Kalampa	
20.	Chikondi Sande	
21.	Charles Chisale	
22.	Francis Sefa	
23.	Khumbo Phiri	
24.	Camilon Kamwendo	MBC
25.	Alufisha Fischer	MBC
26.	Job Mwatikana	OMG
27.	Wilfred Wasili	OMG
28.	Chris Sande	Zodiak
29.	Douglas David Nyirenda	Malawi Stock Exchange
30.	Mervin Banda	MUBAS
31.	Alinafe Chinkho	MUBAS
32.	Mathews Biti	MUBAS
33.	Lumbani Nkhoma	MUBAS
34.	Khatija Khan	Deloitte
35.	Yasin Limu	
36.	Lucy Kadaweta	TV Islam
37.	Bernedette Kauzanda	
38.	Kondwani Makwakwa	SML
39.	Enock Chitembere	TV Islam
40.	Philip Malinda	GD TV
41.	Camilon Kamwendo	MBC

42.	Alufisha Fischer	BC
43.	Yasin Limu	TV Islam
44.	Chimwemwe Mangazi	Times

1. WELCOME REMARKS

1.1. The meeting was called to order at 2:00pm by the Chairman who welcomed all those in attendance.

1.2. He introduced the Directors of the Board, Executive Management of the Company and the Company's External Auditors.

2. NOTICE AND QUORUM

2.1. The notice of the meeting, which was published in the newspapers, circulated by email and post to shareholders, as well as posted on the company's website, was taken as read.

2.2. The Secretary confirmed that, since there were more than three shareholders present in person or by proxy, the requirements for a quorum set out in Article 27.2 of the Articles of Association had been fulfilled.

3. PROXIES

The Secretary confirmed that 259 instruments of proxy had been received.

4. ADOPTION OF AGENDA

4.1. The Agenda was adopted without any amendment.

4.2. The Secretary informed the meeting that no notice had been received of any other business to be transacted at the meeting.

5. CONFIRMATION OF THE MINUTES OF THE 28TH ANNUAL GENERAL MEETING HELD ON TUESDAY, 25th JULY 2023

On a proposal of the motion duly seconded and voted on, it was resolved that the Minutes of the 28th Annual General Meeting be confirmed as a correct record of the proceedings thereat.

6. FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023 AND THE DIRECTORS' AND AUDITORS' REPORTS THEREON

6.1. The audited Financial Statements and the Directors' and Auditors' Reports for the year ended 31st December 2023 were presented.

6.2. On a proposal of the motion duly seconded and voted on, it was resolved that the Financial Statements for the year ended 31st December 2023 together with the Reports of the Directors and Auditors thereon as presented at the meeting be adopted.

7. DECLARATION OF DIVIDEND

7.1. During the year ended 31st December 2023 no interim dividend was declared as recommended by the Directors.

7.2. On a proposal of the motion duly seconded and voted on, it was resolved that, upon the recommendation of the Directors, no final dividend be declared in respect of the year ended 31st December 2023.

8. RE-APPOINTMENT OF AUDITOR

8.1. Deloitte had indicated its willingness to continue to act as Auditors to the Company.

8.2. On a proposal of the motion duly seconded and voted on, it was resolved that, having agreed to act as Auditors, Deloitte, Chartered Public Accountants, be appointed Auditors to the Company to hold office until the conclusion of the next Annual General Meeting and that the Directors be authorized to fix the remuneration of the Auditors.

9. DIRECTORS' APPOINTMENTS, RE-ELECTION AND RESIGNATION APPOINTMENT OF MR. GERALD MAYAMIKO CHUNGU AS DIRECTOR

9.1. Mr. Gerald Chungu was co-opted during the year to fill a casual vacancy. His qualifications and experience were set out in the notice of the meeting.

9.1.2. On a proposal of the motion duly seconded and voted on it was resolved that Mr. Gerald Mayamiko Chungu, who was co-opted during the year to fill a casual vacancy, be appointed as Director.

9.2. RE-ELECTION OF MR. TED SAUTI-PHIRI AS DIRECTOR

9.2.1. Mr. Ted Sauti-Phiri retired by rotation in terms of Article 21 of the Articles of Association but, being eligible, offered himself for re-election.

9.2.2. On a proposal of the motion duly seconded and voted on, it was resolved that Mr. Ted Sauti-Phiri, who retired by rotation in terms of Article 21 of the Articles of Association be re-elected as Director.

9.3. RE-ELECTION OF MS. MADALO NYAMBOSE AS DIRECTOR

9.3.1. Ms. Madalo Nyambose retired by rotation in terms of Article 21 of the Articles of Association but, being eligible, offered herself for re-election.

9.3.2. On a proposal of the motion duly seconded and voted on, it was resolved that Ms. Madalo Nyambose, who retired by rotation in terms of Article 21 of the Articles of Association be re-elected as Director.

9.4. RESIGNATION OF DR. ISAAC NZYOKA

9.4.1. It was noted that, during the year, Dr Isaac Nzyoka resigned from the board.

10. DIRECTORS' REMUNERATION

10.1. On a proposal of the motion duly seconded and voted on, it was resolved that the remuneration for the Chairman of the Board of Directors, the Chairpersons of the Board Committees and other Non-Executive Directors be maintained as follows:

10.1.1. Annual Fees
Chairperson of Board of Directors: MK10,164,000 (2023: MK10,164,000) per annum
Chairperson of Board Committees: MK8,954,000 (2023: MK8,954,000) per annum
Other Non-Executive Directors: MK8,119,100 (2023: MK8,119,100) per annum

10.1.1.1. Annual Fees
Chairperson of Board of Directors: MK10,164,000 (2023: MK10,164,000) per annum
Chairperson of Board Committees: MK8,954,000 (2023: MK8,954,000) per annum
Other Non-Executive Directors: MK8,119,100 (2023: MK8,119,100) per annum

10.2. On a proposal of the motion duly seconded and voted on, it was resolved that the meeting attendance fees for the Chairperson of the Board of Directors, Chairpersons of the Board Committees and other Non-Executive Directors be maintained as follows:

10.2.1. Sitting Allowances
Chairman of the Board of Directors: MK850,300 (2023: MK850,300) per sitting
Chairman of the Board Committees: MK774,400 (2023: MK774,400) per sitting
Other Non-Executive Directors: MK689,700 (2023: MK689,700) per sitting

11. ANY OTHER BUSINESS/CLOSURE

11.1. As there was no further business to discuss for which prior notice had been given, the meeting was declared closed at 15:45 hours.

CONFIRMED AS CORRECT

Mr. Ted Sauti-Phiri

Minutes of the Extraordinary General Meeting

Telekom Networks Malawi plc

(Company registration number COYR-K9019K)

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE
SHAREHOLDERS OF THE COMPANY HELD AT SUNBIRD MOUNT SOCHE HOTEL,
BLANTYRE, ON FRIDAY, 2ND MAY 2025 FROM 14:30 HOURS**

PRESENT:

Mr. Ted Sauti-Phiri	}	Chairman
Dr. Lyton Chithambo	}	Director
Ms. Madalo Nyambose	}	Director
Dr. Ronald Mangani	}	Director
Mr. Tobias Jack	}	Director
Mr. Khumbo Phiri	}	Director
Mr. Gerald Chungu	}	Director

IN ATTENDANCE:

Ms. Chisomo Governor	}	Company Secretary
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EXECUTIVE MANAGEMENT:

Mr. Michel A. Hebert	}	Chief Executive Officer
Mr. Amon Jere	}	Chief Commercial Officer
Mr. Lloyd Gowera	}	Chief Technical Officer
Mr. Peter Kadzitcha	}	Chief Finance Officer
Mr. Peter Munthali	}	Chief Information Officer
Mr. Christopher Sukasuka	}	General Manager – TNM Mpamba Limited
Mrs. Dalitso Nkunika	}	Human Resources and Administration Director
Mr. Ackson Banda	}	Internal Audit Director

SCRUTINEERS

Mr. Amos Malikeyu – Ernst & Young

SHAREHOLDERS PRESENT

1. Rhoda Zione Mulinde Phiri
2. Wanangwa Chiwaka
3. Douglas Nyirenda
4. Alice Khoza
5. Takondwa Mlenga
6. Suleman Heritage Trust
7. Christopher Makuta
8. Makhumbo Ngulube
9. Elton Masibawo
10. Chimwemwe Magwede
11. Douglas Musumbu
12. Aryan Musumbu
13. Elia Ng'ambi
14. G Maere
15. Frank Harawa
16. George Sambakusi
17. Joe Maere
18. Investment Perspective Holdings
19. Mustapher Faque
20. Allan H. Chilongo
21. Lovemore Tinto
22. Mverani Martin Chauluka
23. William Matewere
24. Francis Chikadza
25. G Mwamira
26. James Chunda
27. Menard Kaumphawi
28. Lucy Chola
29. R. P. Musa
30. Alex M. B. Chinyamu
31. F. Chidzanja Nkhoma
32. B. T. Maele
33. Berta Trading
34. Elta Mkwezalamba
35. Obetta Mkwezalamba
36. Rex Katunda
37. Abel Kwelaniz
38. Brain Kampanje
39. Yankho Kampanje
40. Yamike Kampanje
41. Ruth Magolo
42. Kondwani Kalua

43. Wellos Chikapa
44. Chakudza S. Chiligo
45. Joseph Maguza
46. Arnold Kaombe
47. Daniel Milandu
48. Mphatso Phethi
49. Sunduzwayo L. Chaula
50. Wilson Kuyokwa
51. Felix Mbokola
52. Augustine Maere

SHAREHOLDERS REPRESENTED BY PROXIES

1. VLAC PENSION FUND
2. AVIATION PENSION FUND
3. AVIATION PENSION FUND
4. AVIATION PENSION FUND
5. CHAM PENSION FUND
6. CHAM PENSION FUND - OML
7. FDH FINANCIAL HOLDINGS LTD PENSION FUND OMIG
8. FDH HOLDING PENSION FUND
9. FMB PENSION FUND
10. FMB PENSION FUND
11. FMB PENSION FUND
12. MADZI PENSION FUND OML
13. MAGETSI PENSION FUND
14. MALAWI POSTS CORPORATION PENSION FUND
15. MPC PENSION FUND
16. OLD MUTUAL LIFE ASSURANCE CO MW LTD
17. OLD MUTUAL LIFE ASSURANCE CO.MW.LTD
18. OLD MUTUAL LIFE ASSURANCE COMPANY (MALAWI) LTD
19. OMIG MUST ENDOWMENT
20. OMIG RBM PENSION FUND
21. OMIG SUCOMA GROUP PENSION SCHEME
22. PUBLIC SERVICE PENSION TRUST FUND OML
23. TNM PENSION FUND
24. TNM PENSION FUND
25. PUBLIC SERVICE PENSION FUND
26. MADZI PENSION FUND CAP
27. NBM PAL UNRESTRICTED PF
28. NBM PENSION FUND
29. NBM DEATH BENEFITS TOP UP FUND
30. NBM EQUITY FUND
31. NBM EQUITY FUND

32. NBM EQUITY FUND
33. NBM EQUITY FUND
34. NBM NOMINEES X/499
35. MBS PENSION FUND C/1082
36. NBM PENSION FUND
37. NBM PENSION FUND
38. CEAR PENSION FUND
39. PRESS CORPORATION LIMITED
40. AHL GROUP PENSION FUND
41. ALLIANCE ONE TOBACCO (MALAWI) LIMITED GROUP PENSION FUND
42. ASSOCIATED PENSIONS TRUST
43. ASSOCIATED PENSIONS TRUST LIMITED
44. ASSOCIATED PENSIONS TRUST LIMITED
45. ASSOCIATED PENSIONS TRUST LTD
46. CFAO MOBILITY MALAWI LTD PENSION FUND
47. ILLOVO GROUP PENSION FUND
48. ILLOVO SUGAR MALAWI PENSION FUND
49. LIMBE LEAF PENSION FUND
50. LIMBE LEAF PENSION FUND
51. LIMBE LEAF PENSION FUND
52. LIMBE LEAF TOBACCO GROUP PENSION FUND
53. MALAWI ENVIRONMENTAL ENDOWMENT TRUST
54. MSONKHO PENSION FUND
55. NAML MAGETSI PENSION FUND
56. NAML PUBLIC SERVICE PF
57. NAML RESERVE BANK OF MALAWI PENSION FUND
58. NAML VANGAURD PENSION SERVICES
59. NAML VANGUARD ANNUITY FUND
60. NAML VANGUARD LIFE ASSURANCE
61. NAML VANGUARD SHAREHOLDERS FUND
62. NATIONAL BANK OF MALAWI PENSION FUND
63. NATIONAL INVESTMENT TRUST LIMITED
64. NATIONAL INVESTMENT TRUST LIMITED
65. NATIONAL INVESTMENT TRUST LIMITED,
66. NICO GENERAL INSURANCE COMPANY LTD
67. NICO LIFE
68. NICO LIFE ANNUITIES FUND
69. NICO LIFE COMPANY
70. NICO LIFE DEPOSIT ADMINISTRATION FUND
71. NICO LIFE FUND LIMITED
72. NICO LIFE GROUP LIFE ASSURANCE FUND
73. NICO LIFE INSURANCE COMPANY
74. NICO LIFE INSURANCE COMPANY
75. NICO LIFE SHAREHOLDERS FUND

76. NICO TIMASUKE PENSION FUND
 77. NICO TIMASUKE PENSION FUND - HOLDINGS
 78. NICO TIMASUKE PENSION FUND - NBS
 79. PRESS CORPORATION LIMITED PENSION FUND
 80. STANDARD BANK PENSION FUND
 81. STANDARD BANK PENSION FUND
 82. THE NATIONAL INVESTMENT TRUST LTD
 83. SUCOMA GROUP PENSION FUND
 84. SUCOMA GROUP PENSION SCHEME
 85. CAM NOM / ALLAN BANDA
 86. CAM NOM / BIZVEST INVESTMENT GROUP
 87. CAM NOM / GRANT MWENECHANYA
 88. CAM NOM / MABVUTO J MUKAKA
 89. CAM NOM / THEMBA MZILAHOWA
 90. CAM NOM ABUNDANT LIFE INVESTMENT TRUST
 91. CAM NOM ANGANILE MWENIFUMBO
 92. CAM NOM BRENALD MARTIN DZONZI
 93. CAM NOM CHIKUMBUTSO NAMELO
 94. CAM NOM DINNAH CHIMUTU
 95. CAM NOM DR CHIPILIRO KADZONGWE
 96. CAM NOM DUNCAN MWAPASA
 97. CAM NOM ELIA ZAWANDA
 98. CAM NOM ELIYA ZAWANDA
 99. CAM NOM EMILY MAKUTA
 100. CAM NOM EUGENIO TEBULO
 101. CAM NOM EUNICE ITATE
 102. CAM NOM FESA INVESTMENT GROUP
 103. CAM NOM G10 INVESTMENTS
 104. CAM NOM GENERAL PETER NAMATHANGA
 105. CAM NOM GEORGE JIM
 106. CAM NOM HOKA COACHING CENTRE
 107. CAM NOM INNOCENT THINDWA
 108. CAM NOM JACOB EMILIO PHIRI
 109. CAM NOM KUKULA FUND
 110. CAM NOM KUMBUKANI ITAYE
 111. CAM NOM LAURYN KAMWANA
 112. CAM NOM LINDA FANNIE MUNTHALI
 113. CAM NOM MAGIGO TRADING
 114. CAM NOM MARRIUM MUSTAPHER
 115. CAM NOM MAVIS KANJADZA
 116. CAM NOM MAZAZA INVESTMENTS
 117. CAM NOM MERCY BANDA
 118. CAM NOM MICHAEL MALINGAMOYO
 119. CAM NOM MOTHA INVESTMENT LTD

120. CAM NOM NELLIE LIBA
 121. CAM NOM PATRICIA NYIRENDA
 122. CAM NOM PIRIRA CHIRWA KACHIWALA
 123. CAM NOM REUBEN KUMWENDA AND LILLIAN CHIRWA
 124. CAM NOM RONALD ITF RONHENRY TSONGA
 125. CAM NOM ROSEMARY CHITERA
 126. CAM NOM SMGSS CLASS OF 91 INVESTORS
 127. CAM NOM SUSAN SILIKA
 128. CAM NOM TCHUTCHUTCHU GROUP
 129. CAM NOM TEMWANI SIMWAKA
 130. CAM NOM VANGUARD PENSION SERVICES COMPANY LTD CAM
 131. CAM NOM WONE BANDA
 132. CAM NOMINEES A/C MULTI CHOICE MALAWI LTD PF
 133. CAM NOMINEES A/C CEAR P/F
 134. CAM NOMINEES A/C CENTRAL EAST AFRICAN RAILWAYS
 135. CAM NOMINEES A/C ETHYO TRUST
 136. CAM NOMINEES / DDD & PC CHARITABLE TRUST
 137. CAM NOMINEES / SIMON ITAYE
 138. CAM NOMINEES / UNITED GENERAL INSURANCE
 139. CAM NOMINEES A/C CHISOMO KATULUKIRA
 140. CAM NOMINEES A/C SOPHIE KATULUKIRA
 141. CAM NOMINEES A/C TAKONDWA KATULUKIRA
 142. CAM NOMINEES A/C ABDUL PANJWANI
 143. CAM NOMINEES A/C ALMOND INVESTMENT ALLIANCE
 144. CAM NOMINEES A/C ANASTASIA CHIRAMBO
 145. CAM NOMINEES A/C ANNE FLETCHER
 146. CAM NOMINEES A/C ARNOLD HASTINGS MAKANDA
 147. CAM NOMINEES A/C AVIATION PENSION FUND
 148. CAM NOMINEES A/C BENA NKHOMA
 149. CAM NOMINEES A/C BENARD MWENEBUNGU
 150. CAM NOMINEES A/C BENEDICTO AND VICTORIA NKHOMA
 151. CAM NOMINEES A/C BERTHA MAGWIRA
 152. CAM NOMINEES A/C BRIDE INVESTMENTS
 153. CAM NOMINEES A/C BYWELL BLAIR CHIWONI
 154. CAM NOMINEES A/C CDH GROUP
 155. CAM NOMINEES A/C CEAR PENSION FUND
 156. CAM NOMINEES A/C CHAM PENSION FUND
 157. CAM NOMINEES A/C CHATONDA MANDA
 158. CAM NOMINEES A/C CHAUPI CHIHANA
 159. CAM NOMINEES A/C CHIFWAYI CHIRAMBO
 160. CAM NOMINEES A/C CHIKONDI SENZANI
 161. CAM NOMINEES A/C CHIMWEMWE JOSEPH MHANGO
 162. CAM NOMINEES A/C CHIMWEMWEKATULUKIRA
 163. CAM NOMINEES A/C CHISOMO FAITH KUYENDA

164. CAM NOMINEES A/C CHIWAHA NKHOMA
 165. CAM NOMINEES A/C CHIZA AUSTIN PATRICK JERE
 166. CAM NOMINEES A/C CHRISTINE AND BALRAJ SHARMA
 167. CAM NOMINEES A/C CHRISTOPHER KAPANGA
 168. CAM NOMINEES A/C CLEMENT KAYILA
 169. CAM NOMINEES A/C COLLINS MTAMBO
 170. CAM NOMINEES A/C CONSTANCE MUSOPOLE
 171. CAM NOMINEES A/C CONTINENTAL UNRESTRICTED PF
 172. CAM NOMINEES A/C DANIEL HENRY DUNGA
 173. CAM NOMINEES A/C DAVID ITF DIVINE MZANDU
 174. CAM NOMINEES A/C DR CHATONDA MANDA
 175. CAM NOMINEES A/C DR KAWAZA
 176. CAM NOMINEES A/C DR KONDWANI KAWAZAI
 177. CAM NOMINEES A/C DR TILINDE CHOKOTHO
 178. CAM NOMINEES A/C ELIAS AZELE MALION
 179. CAM NOMINEES A/C EMERITUS REINSURANCE
 180. CAM NOMINEES A/C EVARISTA CHAFULUMIRA
 181. CAM NOMINEES A/C FAITH KUFUYANI DAUDI
 182. CAM NOMINEES A/C FARIDA MENDES
 183. CAM NOMINEES A/C FELICITE SAZUZE
 184. CAM NOMINEES A/C FIRST STREET FUND
 185. MAKHUMBO NGULUBE
 186. CAM NOMINEES A/C GLORIA ANGELLA CHINGOTA
 187. CAM NOMINEES A/C HARIET MARIANI
 188. CAM NOMINEES A/C HAROLD LUNGU
 189. CAM NOMINEES A/C HENOSIS GROUP INVESTMENT GROUP
 190. CAM NOMINEES A/C HENRY MATHANGA
 191. CAM NOMINEES A/C IAN BONONGWE
 192. CAM NOMINEES A/C INVESTMATES LIMITED
 193. CAM NOMINEES A/C ISAAC YAMIKANI CHILIMA
 194. CAM NOMINEES A/C J & J NSAMALA TRUST
 195. CAM NOMINEES A/C JAMES BWIRANI
 196. CAM NOMINEES A/C JAMES MBINGWA
 197. CAM NOMINEES A/C JOHN LINO
 198. CAM NOMINEES A/C JONES J CHIDOTHE
 199. CAM NOMINEES A/C KELVIN MPONDA
 200. CAM NOMINEES A/C KENNETH MMADI
 201. CAM NOMINEES A/C KINGSLEY ZULU
 202. CAM NOMINEES A/C LABREN FRANK SONDI
 203. CAM NOMINEES A/C LORRAINE CHALAMBA ITF TAVERELI
 204. CAM NOMINEES A/C LOYCE MERRICK
 205. CAM NOMINEES A/C LUCY NYIRENDA
 206. CAM NOMINEES A/C LUSIZI MHANGO
 207. CAM NOMINEES A/C LUVINDA GENERAL DEALERS

208. CAM NOMINEES A/C LYDIA SAUTI PHIRI
 209. CAM NOMINEES A/C MAJA TRUST
 210. CAM NOMINEES A/C MATHIAS MALUNGA
 211. CAM NOMINEES A/C MATILDA KACHULE
 212. CAM NOMINEES A/C MATUNDU MBULO TRUST
 213. CAM NOMINEES A/C MAXWELL MTUPANYAMA
 214. CAM NOMINEES A/C MAYAMIKO & TEREZA MTIMAUKANENA
 215. CAM NOMINEES A/C MAYAMIKO BAZALE
 216. CAM NOMINEES A/C MBIRAGA MUSSA
 217. CAM NOMINEES A/C MERCY BANDA
 218. CAM NOMINEES A/C MERCY KUMBATIRA
 219. CAM NOMINEES A/C MIRRIUM CHISI
 220. CAM NOMINEES A/C MISHECK ESAU
 221. CAM NOMINEES A/C MODECAI MSISHA
 222. CAM NOMINEES A/C MONFORT HOWAHOWA
 223. CAM NOMINEES A/C MR DEVANAND MANUBHAI AMIN
 224. CAM NOMINEES A/C MTAKATI HOLDINGS
 225. CAM NOMINEES A/C MWIZA & DORICA NKHATA
 226. CAM NOMINEES A/C NGINACHE NAMPOTA
 227. CAM NOMINEES A/C O & A TRUST
 228. CAM NOMINEES A/C O AND A TRUST
 229. CAM NOMINEES A/C Omar Farrok Siddiq
 230. CAM NOMINEES A/C PANJA ZIYAD YUNUS
 231. CAM NOMINEES A/C PCL PENSION FUND
 232. CAM NOMINEES A/C PEMPHO CHALAMANDA
 233. CAM NOMINEES A/C PETER MAELE
 234. CAM NOMINEES A/C PIERRE MHANGO
 235. CAM NOMINEES A/C PRESS MOTOR FUND
 236. CAM NOMINEES A/C PRINCIPAL MDOLO
 237. CAM NOMINEES A/C PUBLIC SERVICE PENSION TRUST FUND
 238. CAM NOMINEES A/C RENEE CHIKAONDA
 239. CAM NOMINEES A/C ROBERT ABBEY
 240. CAM NOMINEES A/C SAMBA NYIRENDA ESAU
 241. CAM NOMINEES A/C SHADRICK CHIKUSILO
 242. CAM NOMINEES A/C SLYVIA GOMES
 243. CAM NOMINEES A/C ST MARTINS HOUSE
 244. CAM NOMINEES A/C T H TRUST
 245. CAM NOMINEES A/C TAMANDANI MZANDU
 246. CAM NOMINEES A/C TEMWA NYIRENDA
 247. CAM NOMINEES A/C THOKOZANI KATULUKIRA
 248. CAM NOMINEES A/C THOKOZANI MWAPASA
 249. CAM NOMINEES A/C TIWONGA KALUWA
 250. CAM NOMINEES A/C TIYENKHU CHAVULA
 251. CAM NOMINEES A/C TIYEZGE MATANDIKA

252.	CAM NOMINEES A/C TOWERA GONDWE CHIGWENEMBE
253.	CAM NOMINEES A/C UDZITI CAPITAL
254.	CAM NOMINEES A/C UNRESTRICTED PF
255.	CAM NOMINEES A/C VINTAGE INVESTICO LIMITED
256.	CAM NOMINEES A/C WESTON S CHINDEBVU
257.	CAM NOMINEES A/C WEZI KUMWENDA
258.	CAM NOMINEES A/C ZMR INVESTMENT GROUP
259.	CAM NOMINEES DDD & PC CHARITABLE
260.	CAM NOMINEES A/C DAVID ITF FAVOUR MZANDU
261.	CAM NOMINEES A/C GILLIAN NKHALAMBA
262.	CAM NOMINEES A/C GRAHAM CARR
263.	CAM NOMINEES A/C KHUSI TRUST
264.	CAM NOMINEES A/C MAKHUMBO CHIKAONDA
265.	CAM NOMINEES A/C MUST GRATUITY FUND
266.	CAM NOMINEES A/C PAMAWA INVESTMENTS GROUP
267.	CAM NOMINEES A/C SAM THUNDE & RACHEL ERICKSON
268.	CAM NOMINEES A/C TIWONGE KALUWA
269.	CDH ASSET MGT A/C DR KONDWANI KAWAZA
270.	CDHAM A SAZUZE ITF FELICITE KATRINA SAZUZE
271.	CDHAM A/C MEET
272.	CDHAM A/C SHABIR MUSSA ITF LAAIBAH S MUSSA
273.	CDHAM NOMINEES / CEAR PENSION FUND
274.	CDHAM NOMINEES A/C KINGSLEY ZULU
275.	MADZI PENSION FUND – CAM
276.	MCDONALD ZEMBERE
277.	RONALD TUMBA
278.	MAKHUMBO NGULUBE

NON-SHAREHOLDERS PRESENT

NAME	ORGANISATION
1.	Duncan Singano SP Law
2.	Benson Jere NBM Capital
3.	Christopher Banda MUSCO
4.	Steven Mkweteza
5.	Mwai Mtamba MUBAS
6.	Raphael Mwamlowa MUBAS
7.	Clement Gulumba OMIG
8.	Mwaiwathu Majawa SP LAW
9.	David Magombo STOCKBROKERS
10.	Freedom MISALICO
11.	Memory Chipembere NICO ASSET
12.	Patrick Dimao
13.	Gilbert Phiri
14.	Jones Gadama MARAVI POST

15.	S. Jossam	CO & B CPS
16.	John R. Kamanga	MSE
17.	Dennis Musowa	
18.	Blessings Chinyamu	
19.	Dalitso Nzanza	
20.	Q Sivjana	SP LAW
21.	R. Purshotam	SP LAW
22.	C. J. Banda	SP LAW
23.	Douglas David Nyirenda	MSE
24.	Marsha Malindima	MUBAS
25.	Jack Suleman	OMU
26.	Wilfred Wasili	OMU
27.	J. K. Mkwanda	AD 2000 & CO
28.	P. E. Butari	
29.	M. Khorio	COPY TECH
30.	Roseyln Ngolanga	MUBAS
31.	Solomon Gondwe	TNM
32.	Lingalireni Kapakasa	TNM
33.	Dyson Mwadzera	TNM
34.	Tayesa Mvula	TNM
35.	Nitta Chikaipa	TNM
36.	Marthayoshi Katangwe	TNM
37.	Steven Ngwira	TNM
38.	David Nyirenda	TNM
39.	Victor Munthali	TNM

1. WELCOME REMARKS

The meeting was called to order at 14:30hrs by the Chairman who welcomed all those in attendance.

2. NOTICE AND QUORUM

- 2.1. The notice of the meeting, which was published in the newspapers, circulated by email and post to shareholders, as well as posted on the company's website, was taken as read.
- 2.2. The Secretary confirmed that, since there were more than three shareholders present in person or by proxy, the requirements for a quorum set out in Article 27.2 of the Company's Articles of Association had been fulfilled.

3. PROXIES

The Secretary confirmed that 278 instruments of proxy had been received.

4. ADOPTION OF AGENDA

The Agenda was adopted without amendment.

5. SPECIAL RESOLUTION NUMBER 1: AUTHORIZATION FOR THE CONVERSION OF ITS EXISTING PAR OR NOMINAL VALUE SHARES INTO NO PAR OR NOMINAL VALUE SHARES IN ACCORDANCE WITH THE COMPANIES ACT

- 5.1. Section 87(1) of the Companies Act 2013 provides that any shares created or issued after the commencement of the Act shall be shares with no par or nominal value. The effect of this is that a company cannot create or authorize new shares of nominal or par value after the commencement of the Act.
- 5.2. Under section 87(3) of the Companies Act, 2013, the Company's ordinary shares can be converted from shares of par and nominal value to shares of no par or nominal value.
- 5.3. TNM has one class of shares, being ordinary shares. TNM has issued all its created ordinary shares. Any new shares which TNM intends to issue should therefore be shares of no par or nominal value.
- 5.4. The company intended that any new shares to be issued following authorizing at the meeting should be shares of the same class as the existing ordinary shares. Since the shares which are to be issued can only be shares of no par or nominal value, it was required that the existing ordinary shares also be converted into shares of no par or nominal value.
- 5.5. A special resolution or consent in writing of 75% of shareholders present and voting is required to effect the conversion.
- 5.6. The following resolution was therefore put to the vote of the general meeting:

"It is resolved that, in terms of section 87(3) of the Companies Act, 2013, the Company's ordinary shares be and are hereby, converted from shares of par and nominal value to shares of no par or nominal value to comply with the Companies Act."
- 5.7. On a proposal of the motion duly seconded and passed with 99.6% of the shareholders present or represented by proxy voting in favour:
- 5.7.1. It was resolved that, in terms of section 87 (3) of the companies Act, 2013, the company's ordinary shares be converted from shares of par and nominal value to shares of no par or nominal value to comply with the Companies Act.

6. SPECIAL RESOLUTION NUMBER 2: AMENDMENT OF THE COMPANY'S MEMORANDUM OF ASSOCIATION

- 6.1. On a proposal of the motion duly seconded and passed with 99.6% of the shareholders present or represented by proxy voting in favour:
- 6.1.1. It was resolved that, following the conversion of the ordinary shares of the company from shares of nominal value to shares of no par or nominal value, the memorandum of the association of the company be amended by removing references to ordinary shares of par or nominal value to reflect that the ordinary shares of the company are of no par or nominal value.

7. SPECIAL RESOLUTION NUMBER 3: AUTHORIZATION FOR THE ISSUANCE OF SHARES FOR CASH IN LINE WITH MSE LISTING REQUIREMENTS

- 7.1. The Board recommended a specific issue of shares for cash to enable the company to raise funds in a swift, certain and cost-efficient manner, for the company to be able to meet its immediate goal of timely paying off expensive and other critical debts for the ultimate benefit of all shareholders. This would result in reduction of the company's debt burden by MK30 billion and thereby enhance growth, profitability and dividend prospects.
- 7.2. On a proposal of the motion duly seconded and passed with 99.6% of the shareholders present or represented by proxy voting in favour:
- 7.2.1. It was resolved that, in accordance with the provisions of the Companies Act and Malawi Stock Exchange Listings Requirements, the Directors be authorized to allot and issue 1,500,750,375 new shares with a total consideration of up to MK30,000,000,000.00 in the company to the subscribers, pursuant to the terms of the subscription agreements and specific issue, as detailed in the circular circulated to shareholders. The shares to be issued to the subscribers were as follows:
 - a. Press Corporation Plc-794,771,098 shares.
 - b. Old Mutual Life Assurance Company Malawi Limited-483,227,694 shares.
 - c. NICO Life Insurance Company Limited-172,462,153 shares.
- 7.2.2. It was further resolved that any of the above-mentioned subscribers may take up additional shares, but the total number of shares taken under this issue shall not exceed 1,500,750,375.

8. SPECIAL RESOLUTION NUMBER 4: WAIVER OF PRE-EMPTIVE RIGHTS

- 8.1. Shareholders have pre-emptive rights under section 92 of the Companies Act. Pre-emptive rights can be waived to enable the specific issue for cash if approved by 90% of shareholders present and voting at the EGM under rule 3.55(2) of the Malawi Stock Exchange Listings Requirements. Shareholders can do so considering the expected benefits of the transaction in unlocking both short and long-term value for all shareholders.
- 8.2. On a proposal of the motion duly seconded and passed with 99.6% of the shareholders present or represented by proxy voting in favour:
- 8.2.1. It was resolved that, to enable the issuance of shares to the subscribers as resolved in special resolution number 3, any pre-emptive rights which the shareholders of the company have at law or otherwise in relation to the issuance of the shares be waived.

9. ORDINARY RESOLUTION GENERAL AUTHORITY

- 9.1 On a proposal of the motion duly seconded and passed with 99.6% of the shareholders present or represented by proxy voting in favour:
- 9.1.1 It was resolved that, any of the Directors of the Company and/ or the Company Secretary be and are hereby authorized to take all such actions, sign all such documents and do all such other things as may be necessary for or incidental to the implementation of the above special resolutions and that any and all such actions already taken by the Directors in connection therewith be and are hereby ratified.

10. ANY OTHER BUSINESS/CLOSURE

As there was no further business to discuss for which prior notice had been given, the meeting was declared closed at 16:35hrs.

CONFIRMED AS CORRECT

Mr. Ted Sauti-Phiri

Form of proxy

Telekom Networks Malawi plc



FORM OF PROXY FOR THE 30TH ANNUAL GENERAL MEETING

I/We _____ [name(s) in block letters]

of _____ [address]

being a shareholder / member of the above-named
company and entitled to [1 share = 1 vote]

number of votes

Agenda item	Mark with an 'X' where applicable		
	In Favour	Against	Abstain
1. Approval of Minutes of the 29th AGM			
2. Approval of Minutes of the EGM			
3. Adoption of the 2024 financial statements			
4. Declaration of final dividend			
5. Appointment of Deloitte, Chartered Accountants as Auditors for the financial year 2025			
6. To confirm the appointment of Dr. Frank Dalitso Chozenga as a director			
Re-election of the following directors:			
7.1 To re-elect Mr. Tobias Jack			
7.2 To re-elect Dr. Ronald Mangani			
Approval of Directors' remuneration			
8.1 Annual fees			
8.1.1 Board Chairperson			
8.1.2 Committee Chairperson			
8.1.3 Other non-executive Directors			
8.2 Sitting allowances			
8.2.1 Board Chairperson			
8.2.2 Committee Chairperson			
8.3.3 Other non-executive Directors			
9. Approval of Change of Statement of Capital			
10. Approval of alteration of the following articles of association:			
10.1 Article 20.2 of the Articles of Association			
10.2 Article 66.3 of the Articles of Association			

Signed at _____ on this _____ day of _____ 2025

Signature _____

Assisted by me _____ [where applicable] [see Note 3]

Assisted by me _____ [where applicable] [see Note 3]

Full name(s) of signatory(ies) if signing in a representative capacity [see Note 4]

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her/its stead. A proxy need not be a member of the company.
2. If this proxy form is returned without any indication as to how the proxy should vote, the proxy will be entitled to vote or abstain from voting as he/she thinks fit.
3. A minor must be assisted by his/her guardian.
4. The authority of a person signing a proxy in a representative capacity must be attached to the proxy unless the company has already recorded that authority.
5. In order to be effective, proxy forms must reach the registered office of the company Fifth Floor, Livingstone Towers, P O Box 3039, Blantyre, Malawi or the transfer secretaries National Bank of Malawi, Transfer Secretaries Section, Legal Department, NBM Towers, 7 Henderson Street, P.O. Box 945, Blantyre, Malawi by not later than forty-eight (48) hours before the time appointed for holding the meeting.
6. The delivery of a duly completed proxy form shall not preclude any member or his/her/its duly authorised representative from attending the meeting, speaking and voting instead of such duly appointed proxy.
7. If two or more proxies attend the meeting, then that person attending the meeting whose name appears first on the proxy form, and whose name is not deleted, shall be regarded as the validly appointed proxy.

TNM Plc Annual General Meeting July 2025

HOW TO ACCESS VOTING APP

Open your internet browser and open:

www.tnm.co.mw/agm

2. Alternatively, scan the QR Code below:



3. To access the App, you will need the following:
 - Shareholder Certificate Number
 - Default Password '12345678'

HOW TO LOGIN

1. Once the app opens, the page below will appear;



a) Select your role: Proxy or shareholder

b) Enter shareholder certificate Shareholder No. as Holder ID and the

*Default password provided.

- For proxies, email address is the Holder ID
- You will be required to change password before proceeding. The new password should have a minimum of 8 characters.

HOW TO VOTE



a) Click as shown above

b) Vote for each resolution by Clicking either In Favour, Against or Abstain.

Select Shareholders

Response: IN FAVOR

☐ Select All Users

☐ Shareholder 1

☐ Shareholder 2

☐ Shareholder 3

submit vote(s)

You will have 30sec to vote. Another resolution will appear thereafter

If you are a proxy, you will be required to select the shareholder that you are voting for at each resolution.

Head office

Off Glyn Jones Road, Livingstone Towers, Fifth Floor,
c/o Telekom Networks Malawi Plc, Livingstone Towers,
PO Box 3039, Blantyre, Malawi
Tel: +265 (0) 888 800 800 Fax: +265 (0) 1 830 092
Email: customercare@tnm.co.mw

Administration

SERVICE CENTRE	LOCATION
TNM Mzimba Service Centre	Mzimba Boma
TNM Mzuzu Shoprite Service Centre	At Mzuzu ShopRite
TNM Ntcheu Service Centre	Ntcheu township opposite old bus depot
TNM Balaka Service Centre	Opposite NBS bank
TNM BICC Service Centre	Bingu International Convention Center
TNM Blantyre Service Centre	Blantyre City in Livingstone towers
TNM Maselema Service Centre	Area 43 opposite area 30 filling station
TNM Chitipa Service Centre	Chitipa township next to Airtel shop
TNM City Centre Service Centre	Opposite Select Financial Services
TNM Cross Roads Service Centre	Opposite Xroads hotels
TNM Dedza Service Centre	Dedza township closer to the bus depot
TNM Gateway Mall Service Centre	At gate way opposite National Bank
TNM Karonga Service Centre	Karonga township next to National Bank
TNM Kasungu Service Centre	Kasungu township opposite Chikho Hotel
TNM KIA Service Centre	Kia International Airport
TNM Limbe Service Centre	Limbe township opposite Limbe police
TNM Liwonde Service Centre	Liwonde township next to Banja la Mtsogolo
TNM Mangochi Service Centre	Mangochi township opposite FDH Bank
TNM Mchinji Service Centre	Mchinji township opposite National Bank
TNM Mponela Service Centre	Mponela trading center
TNM Mwanza Service Centre	Mwanza township next to Vitafoam
TNM Mzuzu Service Centre	Mzuzu township in MPICO house
TNM Nchalo Service Centre	Nchalo township opposite National Bank
TNM Nkhatabay Service Centre	Nkhatabay township next to ZANACK Pharmacy
TNM Salima Service Centre	Salima township next to NBS Bank
TNM Zomba Service Centre	Zomba township opposite One Acre Fund
TNM Mulanje Service Centre	Mulanje township next to Maranatha herbal clinic
TNM Rumphi Service Centre	Rumphi township next to Kulima Gold
TNM Phalombe Service Centre	Phalombe township next to NICE
TNM Jenda Service Centre	Jenda Trading Center
TNM Nsanje Service Centre	Nsanje Boma next to Airtel
TNM Northgate Service Centre	Blantyre Ginnery Corner
TNM Area 23 Service Centre	Area 23 Market
TNM AREA 2 Service Centre	Lilongwe township closer to the mosque
TNM Chichiri Service Centre	Chichiri ShopRite
TNM Lilongwe City Mall Service Centre	Opposite game stores



Service Center Footprint 2025

- TNM Service Centers Overall 37
- Cities

1 Super Dealers	77
2 Mobile Money Branches	414
3 Mpamba Agents	113,533
4 KYC Agents	21,848
5 Kiosks	26,212

