



A MEMBER OF THE  OLD MUTUAL GROUP

ANNUAL REPORT 2025



MPICO

A MEMBER OF THE  **OLD MUTUAL** GROUP

ANNUAL **20**
REPORT **25**



**PROPERTY
DEVELOPMENT**



**PROJECT
MANAGEMENT**



**PROPERTY
VALUATION**



**PROPERTY
MANAGEMENT**



**PROPERTY
OWNERSHIP**



**PROPERTY
LEASING**



**FACILITIES
MANAGEMENT**



26

PROPERTIES

Commercial, residential, retail and industrial properties with a total of 67,800 square meters of lettable space

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Leadership & Strategic Direction

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Chairperson's Statement

Economic Overview

Malawi's economic performance in 2025 showed a modest recovery relative to 2024, with Gross Domestic Product (GDP) growth estimated at 2.4%, up from 1.8% in 2024, supported by a partial rebound in agricultural output following improved weather conditions and a gradual recovery in selected service sectors. However, persistent foreign currency shortages, high import costs, and subdued industrial activity continued to constrain speedy economic recovery.

Headline inflation remained elevated, averaging 28.4% in 2025, slightly lower than the 32.2% recorded in 2024, reflecting some easing in food prices due to higher humanitarian food support towards year-end, and positive base effects. That said, continued pressure from exchange rate pass-through, fuel costs, and fiscal adjustments persisted. The Reserve Bank of Malawi (RBM) maintained the Policy rate at 26.0% (since February 2024 when it was hiked by 200 basis points) to contain second-round inflation effects and stabilize inflation expectations.

Listed equities sustained strong returns, recording an annual capital gain of 247.6% in 2025 (2024: 55.1%), underpinned by inflation-hedging demand and solid earnings growth in selected counters. Fixed income investments continued to post negative real returns, particularly on the short end of the yield curve, amid high inflation, while property investments delivered nominal appreciation albeit constrained in real terms due to elevated construction costs and weak effective demand.

Group Performance

The Board of MPICO plc is pleased to announce the Group's results for the year ended 31 December 2025.

Revenue grew by 44% compared to 2024, driven by a 16% increase in rental income to MK9.31 billion (from MK8.06 billion in 2024) following rent reviews, and a 63% increase in fair value gains to MK19.63 billion (from MK12.07 billion in 2024).

Total operating expenditure rose by 20% to MK8.07 billion (from MK6.74 billion in 2024), largely reflecting inflationary pressures.

Profit after tax increased by 59% to MK19.32 billion (from MK12.18 billion in 2024), mainly due

to higher rental income and property fair value gains.

Government rental arrears, however, rose to MK7.24 billion as at 31 December 2025 (up from MK3.4 billion in 2024), which continued to adversely affect the Group's operations.

Property Market in Malawi

The real estate sector continued to be resilient amidst the challenging operating environment with rising inflation, high interest rates, fuel shortages and sporadic supply of construction materials. The retail and residential sector remained the strongest as shown by developers increasingly investing in mid-range shopping centers and housing with strong demand for smaller unit shops and smaller housing units.

The office market remained relatively stable, with occupancy levels averaging around 85%. Rent reviews improved as most landlords achieved rent escalations in the range of 20% to 28%. This was an improvement on the 18% achieved in a similar reporting period of 2024. The relocation of some Government offices and parastatals from Lilongwe to Blantyre will possibly have a negative impact on the Lilongwe market in the short to medium term and have a positive impact on the Blantyre and Zomba markets. Despite slow construction progress, the office buildings are being constructed in the Central Business Districts (CBD) in the major cities.

Prospects for 2026

In addition to development of office space and mid-range open plan mix use complexes, student accommodation is becoming attractive in locations near public and private universities. The developments are largely undertaken by small to medium investors.

The enacting of 2024 Sectional Titles Act where a person owns a specific unit within a larger building or development, together with a shared interest in common areas may boost the real estate sector by stimulating growth, maximizing land use and improving urban development and modernization.

Group Property Portfolio Performance

The Group property portfolio performance improved in 2025. The occupancy rate for the Group increased to 96% in 2025 from 92% in 2024. The drivers for the strong performance

were property refurbishments, demarcation of larger units at The Gateway into smaller units, and prime location of the property portfolio.

Building maintenance works were implemented which resulted into the refurbishment of 9,503 square meters of space. As at 31 December 2025, overall execution stood at 75%, compared to the annual target of 90%. The variance is mainly attributable to budgetary constraints arising from significant increases in the cost of maintenance materials. The continued rehabilitation and maintenance works are keeping MPICO plc's property portfolio in a good state of repair.

Rehabilitation of Tikwere House which was damaged by fire in May 2023 was completed by third quarter 2025.

Economic Outlook

Economic growth in 2026 is projected to remain positive, albeit subdued, projected at 2.2%, according to the International Monetary Fund (IMF), contingent on agricultural performance, progress in securing external financing, and improved foreign exchange inflows. Shifts in macroeconomic policy direction, including renewed emphasis on fiscal consolidation, public debt restructuring, and re-engagement with development partners to unlock concessional financing will likely continue. Inflation is expected to gradually decelerate in 2026, provided food supply improves and exchange rate pressures ease; however, risks remain including lower than expected agricultural output, a steep exchange rate depreciation, global commodity supply disruptions due to the United States – Iran geopolitical conflicts and further hikes in energy prices as well as utility tariffs.

Edmund Hami
Board Chairperson



**Property
refurbishments
and strategic
unit
reconfiguration
contributed
significantly
to improved
portfolio
performance.**





Board of Directors

EDMUND HAMI

INDEPENDENT NON-EXECUTIVE
DIRECTOR
Chairperson



Mr. Edmund Hami is a Certified Chartered Accountant (ACCA – UK), a holder of Masters Business Administration (MBA) degree from East and Southern Africa Management Institute. He is a board member of MPICO plc, New Capital Properties Limited and Capital Developments Limited. Previously, he served in several senior finance management positions in Unilever PLC, Central Africa, East Africa, West Africa and Middle East Regions for over 28 years of which 14 years were in international finance service. He briefly worked for Carlsberg (Malawi) and Kentam products as Chief Finance Officer and Finance & Operations Manager, respectively.

FELIX MANGANI

INDEPENDENT NON-EXECUTIVE
DIRECTOR



Mr. Felix Mangani is a former Commissioner for Lands and before that Surveyor General in Government. He holds a Bachelor of Science (Hons) degree in Surveying and Mapping Sciences obtained from the University of East London (UK) formerly Northeast London Polytechnic majoring in Land Surveying and Land Registration in 1985. He retired from Government in 2018 after 37 years of public service. He is currently a practicing licensed Land Surveyor and a member of the Land Surveyors Registration Board and the Surveyors Institute of Malawi (SIM).

DR PETER MATIPWIRI
INDEPENDENT NON EXECUTIVE
DIRECTOR



Dr. Peter Matipwiri holds a PhD by research in sustainable Infrastructure Management from University of Bolton, England, Master of Business Administration and Bachelor of Science in Civil Engineering from the University of Malawi, The Polytechnic. He successfully founded PBM Group of companies comprising PBM construction, PBM Drilling company and PBM consultants.

MARTHA MKANDAWIRE
INDEPENDENT NON-EXECUTIVE
DIRECTOR



Mrs. Martha Mkandawire is a seasoned professional in finance, administration, and management, holding a Bachelor's Degree in Accounting and an MBA from the University of Malawi. Mrs Mkandawire is a Fellow Certified Chartered Accountant (FCCA) of the UK, Associate Member of CIPS, and Full Member of the Institute of Chartered Accountants, ICAM. With over 28 years of experience, she has held senior roles in organizations such as KPMG, NCIC and the National Council for Higher Education. Currently serving as Director of Finance and Administration where her leadership extends to various boards including NGORA and MBTS. Mrs. Mkandawire's expertise underscores her commitment to excellence in finance, administration, and governance across public and private sectors.

TAVONA BIZA

NON-EXECUTIVE DIRECTOR



Mr. Tavona Biza is a seasoned business leader with extensive experience in financial services specializing in leadership, insurance, pension and actuarial science. He is a qualified Actuary and Fellow of the Institute and Faculty of Actuaries (UK). He also holds an MBA from the University of Cape Town and has completed executive education at INSEAD and Witz Business School. Mr Biza is the Group Chief Executive Officer of Old Mutual Malawi and serves as a Director on various industry boards in Zimbabwe, Malawi and Ghana.

STEPHEN KAPFUNDE

INDEPENDENT NON-EXECUTIVE DIRECTOR



Mr. Stephen Kapfunde heads the Old Mutual Property Boutique in Zimbabwe and has more than 25 years' experience in Real Estate. He has carried out work in Zimbabwe, Sub-Saharan Africa, and the Middle East. Mr Kapfunde holds a BSc in Estate Management from the University of Reading (England) and Master of Science (MSc) in Construction Project Management from the National University of Science and Technology (NUST), (Zimbabwe). In addition, he is a Chartered Surveyor in Commercial property practice with the Royal Institution of Chartered Surveyors (MRICS) and a Registered Valuer with the Royal Institution of Chartered Surveyors (RICS) as well as a Registered Valuer with the Zimbabwe Valuers Council.

WISDOM KALIMA

INDEPENDENT NON-EXECUTIVE
DIRECTOR



Wisdom Kalima is a Member of the Association of Chartered Certified Accountants (ACCA)-UK. He holds a Bachelor's Degree in Accountancy and an Advanced Diploma in Accounting and Business (ACCA). He has over 15 years in Public Finance Management, having previously served as an Auditor for National Audit Office, TEVETA and Financial Compliance Officer for Treasury. Currently serving as an Accountant in the Ministry of Finance (AG).

CHIFUNDO KALAILE

COMPANY SECRETARY



Ms. Chifundo Kalaile is a holder of an LLM in Commercial Law from Cardiff University and LLB(Hons) from University of Malawi, Chancellor College. Ms. Kalaile completed her Management Advancement Programme with the University of Wits in 2013. Ms. Kalaile qualified as a certified Anti Money Laundering Specialist in 2019. Ms. Kalaile currently works for Old Mutual (Malawi) Group as the Corporate Governance Executive and Company Secretary, a position she has held since 2008. She previously worked for Ministry of Justice for 7 years as a State Advocate. Her legal career spans over 19 years.

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Corporate Social Investment

1. The Gateway Central Region Netball Challenge

The Gateway Netball Challenge was successfully rolled out in 2025, marking the seventh edition since its inception in 2016 as MPICO plc's Corporate Social Investment towards sports development in Malawi. Implemented in partnership with the Central Region Netball Committee (CRNC), the initiative continues to complement Government efforts while empowering the girl child through sport.

In 2025, MPICO plc increased its sponsorship to MK47,000,000.00 with 136 teams from 10 districts participating in the league, which took place between June and August 2025. Young Eagles emerged as champions, receiving MK5,000,000.00 while runners-up received MK2,500,000.00 and third and fourth place teams received MK1,500,000.00 and MK1,000,000.00 respectively.

The Gateway Central Region Netball League continues to play an important role in developing netball in the region, producing players for national teams, including the Under-21 team, while also supporting coaches and administrators at national level. The league is also producing elite talent, with teams such as MDF Lioness, Civil Service, Blue Eagles, Mafco, and Vanessa Sisters now competing in the 2025 FDH Bank Premier Netball League, highlighting its role as a pipeline for top-tier competition.



2. SKILLS DEVELOPMENT

MPICO plc advanced its economic empowerment agenda through a partnership with Soche Technical College to deliver an intensive five-week vocational training programme aimed at equipping young people with practical skills to foster self-reliance and contribute to poverty reduction.

MPICO plc supported training in Plumbing and Electrical Installation, benefiting 37 young people from vulnerable communities in Blantyre. The initiative targeted youths who, in some cases, had been excluded from formal education, thereby providing them with a second opportunity to develop sustainable livelihoods.

In addition to technical training, all 37 beneficiaries received financial literacy education. MPICO invested MK10 million into the programme.

The programme reflects a growing collaboration between private sector actors and educational institutions to address unemployment and enhance skills development in Malawi.



3. FINANCIAL AWARENESS

MPICO plc extended its economic empowerment efforts through a financial literacy initiative conducted for its 8 SME tenants, aimed at strengthening financial management capabilities.

The training programme was centred on the “Five Secrets of Money Management,” covering key areas including savings and investments, financial goal setting, budgeting, debt management, and insurance.





Directors' Responsibility and Approval Statement

The Directors are responsible for the preparation and fair presentation of the financial statements of MPICO plc "the Company" and its subsidiaries together "the Group", comprising the consolidated and separate statements of financial position as at 31 December 2025, consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and the notes to the consolidated and separate financial statements which include material accounting policy information and other explanatory notes as contained on pages 42 to 88, in accordance with IFRS® Accounting Standards as issued by the 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, 2013 of Malawi. In addition, the Directors are responsible for preparing the directors' report.

The Companies Act also requires the Directors to ensure the Group keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Company and to ensure the financial statements comply with the Companies Act, 2013 ('the Act') of Malawi.

In preparing the financial statements, the directors accept responsibility for the following:

- Maintenance of proper accounting records;
- Selection of suitable accounting policy information and applying them consistently;
- Making judgements and estimates that are reasonable and prudent;
- Compliance with applicable accounting standards, when preparing the consolidated and separate financial statements; and
- Preparation of the consolidated and separate financial statements on a going concern basis unless it is inappropriate to presume the Group and/or Company will continue in business in the foreseeable future.

The Directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error and for maintaining adequate accounting records and an effective system of risk management.

The Directors have made an assessment of the ability of the Group and Company to continue as a going concern and have no reason to believe the Group and/or Company will not be a going concern for at least 12 months from the date of issue of financial statements.

The external auditor is responsible for reporting on whether the consolidated and separate financial statements give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and in the manner required by the Companies Act, 2013 of Malawi. Their unmodified report appears on pages 31-34.

Approval of Financial Statements

The consolidated and separate financial statements of the Group and Company identified in the first paragraph, were approved and authorised for issue by the Board of Directors on 5 March 2026 and are signed on its behalf by:

Board Chairperson
Mr Edmund Hami

Director
Mrs Martha Mkandawire

Lilongwe
23 April 2026



Old Mutual Investment Group (OMIG) Managing Director's Responsibility Statement

The Managing Director, whose name is stated below, hereby confirm that:

- a) the annual financial statements set out on pages 36 to 88, give a true and fair view of the consolidated and separate financial position, consolidated and separate financial performance and cash flows in terms of IFRS Accounting Standards as issued by the international Accounting Standards Board;
- b) to the best of my knowledge and beliefs, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- c) internal financial controls have been put in place to ensure that material information have been provided to effectively prepare the financial statements;
- d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled my role and function as Managing Director with primary responsibility for implementation and execution of controls;
- e) where we are not satisfied, we have disclosed to the audit committee and the auditors any material deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- f) I am not aware of any fraud involving Directors.

Mphatso Kasalika
Managing Director

23 April 2026



Corporate Governance Report

These consolidated and separate financial statements are for MPICO plc and its subsidiaries ("the Group"). MPICO plc is the holding Company ("the Company").

The Company has a Board comprising a majority of independent and non-executive directors (the Board). The non-executive chairperson (the Chairperson) of the Board for the whole year was Mr. Edmund Hami.

The Company has an overarching governance structure (Group Governance Framework - GGF), incorporating principles of good governance, to facilitate effective and dynamic management and oversight of the Group. The Group being a subsidiary of Old Mutual Limited resolved to adhere to the GGF, noting that it is a governance framework for the promotion of efficiency and mitigation of risks, in the interests of the Company, whilst maintaining the primary fiduciary duties of the Board.

THE BOARD OF DIRECTORS

Role

The Board has a charter which defines its functions and responsibilities and separates these from the role of management.

Selection and succession planning

The selection and appointment of directors is effected through a formal and transparent process and is a matter for the Board as a whole. A formal orientation program exists to familiarize incoming Directors with the Group's operations, senior management and its business environment and to induct them in their fiduciary duties and responsibilities.

Rotation and retirement

Newly appointed directors may hold office only until the next annual general meeting at which they retire and become available for re-election by the shareholders on the recommendation of the Board. All Directors are subject to retirement by rotation and re-election by the shareholders at least once every three years.

Performance and assessment

The Board meets regularly, having met four times in 2025. It may also meet as and when required to deal with specific matters that may arise between scheduled meetings. Self-evaluation reviews to assess the board's effectiveness are conducted annually.

Access to company resources

All Directors have access to management including the Company Secretary and to such information as is needed to carry out their duties and responsibilities fully and effectively. The Company Secretary provides support to the Board to ensure its effective functioning and proper administration of Board proceedings. The Company ensures that the non-executive directors are kept informed on latest developments regarding the Group's business and industry-wide issues through a formal communication process.

Board Committees

Audit, Risk and Compliance Committee

Purpose

MPICO plc ("the Holding Company") has established an umbrella Audit, Risk and Compliance Committee at a holding Company level with overarching control and oversight of its subsidiaries to assist the Board in discharging its responsibilities. The ARCC has provided a report included on page 18 on its composition and execution of its duties.

The Committee is chaired by an independent non-executive director supported by the corporate secretarial department and is free to take independent professional advice as and when necessary.

Internal control environment

The Board acknowledges its overall responsibility for the Group's system of internal control and for reviewing its effectiveness, whilst executive management is accountable to the Board for monitoring the system of internal control and for providing assurance to the Board that it has done so.

Executive management has implemented an internal control system designed to facilitate effective and efficient operation of the Group aimed at enabling management to respond appropriately to significant business, operational, financial, compliance and other risks to achieving the Group's business objectives. These include safeguarding shareholders' investments, safeguarding assets from inappropriate use or from loss and fraud, and ensuring that risks are identified and managed, and addressing any social, environmental or ethical matters that are significant for the Group's business.

The system of internal control also helps to ensure the quality of internal and external reporting, compliance with applicable laws and regulations, and internal policies with respect to the conduct of business. The Group's internal control system is designed to manage, rather than eliminate, the risk of failure to achieve the Group's business objectives, and can only provide reasonable, and not absolute assurance against material misstatement or loss.

In the past financial year, the Group has substantially implemented its Risk Management Strategy having regard to the risks it is designed to control.

APPROACH TO RISK MANAGEMENT

Creating long-term shareholder value is the Group's business objective and the Group derives its approach to risk management and control from a shareholder value perspective. As a result, the business manages a broad range of risk categories which have been categorised into the following major risk categories: market risk, liquidity risk, strategic risk, credit & counterparty risk, market conduct risk, IT risk, people risk operational risk, legal & regulatory risk, external risk, insurance risk and growth risk. The Groups' overall approach is to understand the diversity and full breadth of risk to its objectives, and to respond to it appropriately, with a strong emphasis on implementing controls that reduce inherent risk to a level calculated to optimize the level of return on investment. However, risk management is not limited solely to risks that may adversely affect the Groups' ability to achieve its objectives; it is also about identifying and seizing new opportunities while ensuring that the risks are understood, evaluated, appropriately taken and managed.

The Group operates a risk management framework, which contains the following components:

- (i) a robust risk governance structure;
- (ii) risk appetites established at Group level;
- (iii) group-wide risk policies; and
- (iv) methodologies that focus on risk identification, risk assessment, risk response, action/control plans, monitoring and reporting.

RISK GOVERNANCE

A risk governance model based on three lines of assurance complements the formal governance structure described earlier in this report. This model distinguishes between functions owning and managing risks, functions overseeing risks and functions providing independent assurance.

The first line of assurance (operations and business units) comprises Line Management that is responsible for identifying and managing risks. The Group's Executive Management Committee ("Exco") sets the risk appetite, and risk strategy and is also responsible for managing the system of internal controls. The Group Chief Executive Officer, supported by the ExCo, has overall responsibility for the management of risks facing the Group. Management and staff within each business unit have the primary responsibility for managing risk and are required to take ownership for identification, assessment, management, monitoring and reporting of enterprise risks arising within their areas of responsibility.

The second line of assurance (management assurance): comprises the specialist functions, namely the Risk, Compliance, Tax etc. These functions provide the first line with technical support and advice to assist in the identification, assessment, management, monitoring and reporting of financial and non-financial risks. The Chief Risk Officer recommends the Group's Risk Policies for approval by the Audit, Risk and Compliance Committee, provides objective oversight and co-ordinates Enterprise Risk Management (ERM) activities in conjunction with other specialist risk related functions. The Chief Risk Officer is not accountable for the day-to-day management of financial and non-financial risks.

The third line of assurance (independent assurance): provides independent objective assurance on the effectiveness of the management of enterprise risks across the Group. This is provided by the Internal and External Auditors and the Audit, Risk and Compliance Committee.

RISK APPETITE

The fundamental purpose of the Group's risk appetite is to define how much risk the Group is willing to take. Risks falling outside the agreed risk appetite are identified for immediate remedial action and subjected to executive management and Audit, Risk and Compliance Committee oversight. The Group has set escalation criteria to establish a reporting process that will provide a sound risk culture and identify and escalate to appropriate levels of management significant risks, control breakdowns and material risks.

Risk Methodologies

The risk methodologies adopted by the group include the following:

Risk identification

Strategic objectives reflect management's choice as to how the Group will seek to create value for its stakeholders. Strategic objectives are translated into business unit objectives. Risks are then identified that would prevent the achievement of both the strategic and business objectives. For this reason, risk identification is part of the annual business planning process. Risks to the achievement of the Group's objectives are continuously being identified throughout the year.

Risk assessment and response

Risks identified are inherently assessed based on both impact and likelihood criteria in accordance with the company's escalation matrix. The executive management team of the Group then agrees appropriate risk responses for the prioritised risks.

Monitoring and reporting

Risks are recorded in a risk register, with details of existing controls and actions to mitigate the risks, any associated timeframe, details of who owns the actions or controls, and a measure of the residual risk. The risk register is reported on a quarterly basis to the Audit, Risk and Compliance Committee, which is responsible for reviewing the adequacy and effectiveness of the Group's system of internal controls and reports to the Board.

Other risk reporting includes:

The Executive Directors, together with Executive Management, report to the Board on behalf of their respective businesses on major changes in the business and the external environment that affect the significant risks to the businesses. The Board receives these reports quarterly.

Internal control environment

The Group's Internal Audit function carries out regular risk-focused reviews of the system of internal controls. The Group's Internal Audit function operates independently of executive management and have unrestricted access to the Chairperson of the Audit, Risk and Compliance Committee (ARCC). An Internal Audit Charter, reviewed and approved by the MPICO Audit Committee, governs internal audit activity within the Group. Progress against the plan is reported regularly to the Audit Risk and Compliance Committee (ARCC).

Whistle blowing

The Group has adopted a policy on fraud, theft, corruption and associated irregularities and has provided an employee reporting mechanism through GFS tip-off anonymous to ensure that employees remain anonymous when reporting any Group business or related irregularities.

Corporate citizenship

MPICO plc engages in various social activities required of a responsible business. The Group keeps a comprehensive record of all the activities in which it was involved. The Maadili Charter provides an ethical guide to the Group's business conduct/dealings with employees, customers, communities and stakeholders.



Directors' Report

The Directors of MPICO plc ("the Company") have pleasure in submitting their report on the Consolidated and Separate Financial Statements for the year ended 31 December 2025.

Incorporation and registered office

The Company and its subsidiaries are all incorporated in Malawi under the Malawi Companies Act, 2013. MPICO plc is listed on the Malawi Stock Exchange. The address of the Company's registered office is:

Old Mutual House, Robert Mugabe Crescent,
P.O. Box 30459,
Lilongwe 3.

Nature of the Business

The principal activity of the Company is the development, rental and management of investment property.

Areas of operation

The Group has 26 (2024: 26) investment properties in the country, mainly in Lilongwe and Blantyre, which it rents out to the Government and the private sector.

Financial performance

The operating results and financial position of the Group and Company are set out in the statements of financial position, the statements of profit or loss and other comprehensive income, the statements of changes in equity, the statements of cash flows and accompanying notes.

Share capital

The authorized share capital of the Company is K150 million (2024: K150 million) divided into 3 000 000 000 ordinary Shares of 5 tambala each (2024: 3 000 000 000 ordinary shares of 5 tambala each). The issued capital is K114.902 million (2024: K114.902 million) divided into 2 298 047 460 ordinary shares of 5 tambala each (2024: 2 298 047 460 ordinary shares of 5 tambala each), fully paid.

The shareholders and their respective shareholding as at year-end were:

	2025 %	2024 %
Old Mutual Life Assurance Company (Malawi) Limited	42.98	42.98
Old Mutual (Malawi) Limited	11.00	11.00
Public Service Pension Trust Fund	19.46	19.46
General Public	21.55	21.55
Lincoln Investments Limited	5.01	5.01
	100.00	100.00

Dividends

The following dividends were declared in respect of the year ended 31 December 2025 and 31 December 2024:

- 2025 Final ordinary dividend of K988 million in respect of 2024 profits was declared by MPICO plc; and
- 2024 Final ordinary dividend of K873 million in respect of 2023 profits was declared by MPICO plc.

MPICO plc ("the Company") paid dividends of K988 million (2024: K873 million) to MPICO plc's shareholders registered on the Malawi Stock Exchange.

Directorate

The details of Directors and Company Secretary currently holding office are below.

Name	Position as Director	
Mr. E. Hami (Chairperson)	Independent Non-Executive Director	All year
Mr. F. Mangani	Independent Non-Executive Director	All year
Mr. T. Biza	Non-Executive Director	From 19 Feb 2025
Dr. P. Matipwiri	Independent Non-Executive Director	All year
Mr. B. Ndau	Independent Non-Executive Director	Up to 27 June 2025
Mrs. M. Mkandawire	Independent Non-Executive Director	All year
Mr. C Kamoto	Independent Non-Executive Director	Up to 27 June 2025
Mrs. V. Zulu	Non-Executive Director	Up to 27 June 2025
Ms. C Kalaile	Company Secretary	All year

The following Directors served for the subsidiaries during the year.

MPICO MALLS LIMITED		
Name	Position as Director	
Mr. K. Phiri (Chairperson)	Non-Executive Director	All year
Mr. F. Mangani	Independent Non-Executive Director	All year
Mr. B. Ndisale	Independent Non-Executive Director	All year
Ms. J. Namitembo	Independent Non-Executive Director	All year
Mrs. M. Mkandawire	Independent Non-Executive Director	All year

CAPITAL INVESTMENTS LIMITED		
Name	Position as Director	
Mr. T. Manda (Chairperson) ¹	Non-Executive Director	From 20 Aug 2025
Mr. K. Phiri ²	Non-Executive Director	Up to 25 June 2025
Mr. B. Jere	Independent Non-Executive Director	Up to 20 Oct 2025
Mr. W. Mabulekesi	Independent Non-Executive Director	Up to 20 Oct 2025
Mrs. E. Chimpanzi	Non-Executive Director	From 21 July 2025
Mr. D. Kabango	Non-Executive Director	From 19 Sep 2025
Mrs. M. Gwembere	Non-Executive Director	From 19 Sep 2025

¹ Mr. T. Manda was Non-Executive Director until 20 August when he became a Chairperson of the Board.

² Mr. K. Phiri was a Chairperson of the Board until when he resigned on 25 June 2025.

FRONTLINE INVESTMENTS LIMITED		
Name	Position as Director	
Mr. K. Phiri (Chairperson)	Non-Executive Director	All year
Mr. P. Fitzsimons	Independent Non-Executive Director	All year
Mr. T. Manda	Non-Executive Director	All year

Directors' interests

The Directors noted below hold the following ordinary shares in the company as at 31 December 2025:

Mr. F. Mangani: 12,000 (2024: 12 000) shares

Auditors

The Group auditors, Deloitte, have indicated their willingness to continue in office as auditors in respect of the Group's 31 December 2026 financial statements and a resolution will be proposed at the forthcoming Annual General Meeting to re-appoint them.

Events after the reporting period

The Directors are not aware of any material events (as defined per IAS 10 – Events after the Reporting Period) after the reporting date of 31 December 2025 until the date of authorisation of these audited consolidated and separate financial statements.

Going concern

The Board has satisfied itself that the Group has adequate resources to continue in operation for at least 12 months from the date of issue of the annual financial statements, taking into account the Group's most recent business plan and the capital and liquidity position. The annual financial statements have accordingly been prepared on a going concern basis.

Edmund Hami

Board Chairperson
Mr Edmund Hami

Martha Mkandawire

Director
Mrs Martha Mkandawire

Lilongwe
23 April 2026



Audit, Risk and Compliance Committee Report

In addition to having its own statutory responsibilities, the Audit, Risk and Compliance Committee (the Committee) is a committee of the Board of Directors, and in this regard, serves in an advisory capacity to the Board and assists the Directors to discharge their duties relating to the safeguarding of assets, the operation of adequate systems, risk management and internal controls, the review of financial information and the preparation of the financial statements. This includes satisfying the Board that adequate internal, operating and financial controls are in place and that material corporate risks have been identified and are being effectively managed and monitored.

The Committee's mandate extends to include all companies which fall under the responsibility of MPICO Group. These include Capital Developments Limited, New Capital Properties Limited, Capital Investments Limited, Frontline Investments Limited and MPICO Malls Limited.

Terms of Reference

The Committee has adopted a formal term of reference that has been updated and approved by the Board of Directors and has executed its duties during the past financial year in compliance with these in all material respects.

Composition and Meeting Process

The members of the Committee serving during the year were Mrs. M. Mkandawire (Chairperson), Mr. B. Ndau (up to 27 June 2025) and Mrs. V. Zulu (up to 27 June 2025), Mr P. Matipwiri and Mr. F. Mangani. They are all independent non-executive directors except for Mrs. V. Zulu who was non-executive director.

The Committee which comprises of independent non-executive directors and non-executive director met four times during the year with senior management which includes the Managing Director, certain senior executive management, and the Corporate Governance Executive. The Independent External Auditor and Company Internal Auditors attend these meetings by invitation and to ensure that their independence is not impaired, have unrestricted access to the Committee and to its Chairperson. Ad hoc meetings are held as required.

Duties

In execution of its statutory duties the Committee has:

- Nominated for appointment as external auditor of the Company a registered auditor who, in the opinion of the committee, was independent of the Company.
- Determined the fees to be paid to the external auditor and such auditor's terms of engagement.
- Ensured that the appointment of the external auditor complies with legislation relating to the appointment of such.
- Considered the independence of the external auditors and has concluded that the external auditor has been independent of the Company throughout the year taking into account all other non-audit services performed and circumstances known to the committee.
- Received and dealt appropriately with any complaints relating to the accounting practices and internal audit of the Company, the content or auditing of its financial statements, the internal financial controls of the Company, or to any related matter.
- Made submissions to the Board on any matter concerning the Company's accounting policies, financial control, records and reporting.

Legal Requirements

To the best of the Committee members' knowledge and belief, the Committee has complied with all applicable legal, regulatory and other responsibilities for the year under review.

Financial Statements

Following our review of the consolidated and separate financial statements of MPICO plc and its subsidiaries for the year ended 31 December 2025, we are of the opinion that, they comply with the relevant provisions of the Companies Act IFRS Accounting Standards, IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM), and that they give a true and fair view of the financial position at 31 December 2025 and the results of its operations and cash flows for the year then ended.

Martha Mkandawire

Mrs. M. Mkandawire

Chairperson of the Audit, Risk and Compliance Committee



Environmental, Social, Governance Report

About the Report

MPICO plc prides itself as a responsible business that pursues commercial success responsibly and sustainably whilst upholding the interests of individuals, society, and the natural environment.

Our approach to Responsible Business is informed by understanding the expectations society has of our business, to meet the governance and regulations of the country we operate in, awareness of growing environmental and social crises, and driven by the business imperative to grow our business whilst creating a positive societal impact.

Our values guide our actions and behaviors in the manner in which we lead our people and deal with our stakeholders. These stakeholders include our customers, the Government, our regulators, the communities we operate in, our suppliers, and our shareholders. MPICO plc sustainability initiatives align to contribute to the attainment of Malawi's long-term vision, the Malawi 2063 which aspires for the country to become a sustainably wealth and self-reliant nation. In the process our initiatives feed to the attainment of the United Nation's Sustainable Development Goals (SDGs) by 2030.

In our 2025 sustainability report, in accordance with the GRI framework, we show our performance and progress with respect to Environment, Social, and Governance (ESG)-related aspects. We report against our impact in our identified material topics, aligning with the business's strategy. Our Sustainability Report reflects on our sustainability journey, sharing insights into how we manage our most significant ESG risks and opportunities. The report will be of interest to a wide range of stakeholders to have a holistic and empirically grounded understanding of the broader societal impact we make.

Approval

The Board of Directors of MPICO plc acknowledges its responsibility for ensuring the integrity of the Sustainability Report 2025 (this report). In their opinion, this report addresses all the material sustainability initiatives, activities and impacts throughout the Group to create shared value during the period.

Scope

This report covers the sustainability initiatives and activities of MPICO Group for the period 1 January 2025 to 31 December 2025. It provides an overview of key ESG initiatives and activities to create shared value during the period.

Guiding framework

The content of our reporting suite is compiled with reference to multiple sources to guide our reporting and disclosures. For this report, we were guided by:

1. The Companies Act 2013
2. Global Reporting Initiative (GRI) reporting framework, as guided and recommended by the Malawi Stock Exchange
3. Electronic Transactions and Cyber Security Act 2016
4. Labour Relations Act 1996
5. Occupational Safety, Health, and Welfare Act 1997
6. Old Mutual Gender Policy
7. Environmental Management Act
8. Group Environment, Health and Safety Policy
9. National Construction Industry Act
10. Land Act 2016
11. Physical Planning Act 2016
12. Malawi National Urban Policy

Who we are

MPICO was incorporated on 12 August 1972 with a nominal capital of MK4 million by Capital City Development Corporation (CCDC), a parastatal established with the objective of attracting international and Malawian based commercial investment for the development of Malawi's new Capital City, Lilongwe, in accordance with the Capital City Construction Act of 1968.

While CCDC concentrated on fabricating infrastructure for the new Capital City, low-cost shelter, government offices and housing, MPICO concentrated on building private sector offices, housing, shops, factories, hotels, warehousing etc with the assistance of private sector capital. MPICO incorporated subsidiary companies to suit the needs of particular investors and development projects. By 1979 the MPICO group comprised 18 companies, 400 residential units, 2 hotels, 11 industrial units and a number of other properties with funds utilized or available of over MK29 million, involving 59 investors other than CCDC.

With CCDC's major objectives having been achieved, the corporation was dissolved in early 1984. Reorganisation of the MPICO group took place between 1980 and 1984 and by 1983 MPICO became autonomous with independent management and operating systems and a focus on industrial and commercial property development. Its investment and development programmes were expanded to a national basis and targeted at Malawi's 3 major urban centres Lilongwe, Mzuzu and Blantyre. In 1987 MPICO launched a consultancy service undertaking valuation, property management and related services.

In the late 1980s and 1990s many of MPICO's industrial and residential interests were sold or transferred. The current portfolio of 26 properties is now worth over K119.05 billion.

MPICO was established to facilitate private investment into property development in 1972. MPICO's Initial Public Offer (IPO) in 2007 serves to further this original objective by broadening MPICO's ownership base and providing it with access to capital markets to raise finance, if required, in the future.

Our Vision

To be a leading provider of property solutions in Malawi creating shareholder and customer value whilst being an employer of first choice.

A Message from MPICO PLC Board Chairperson – Mr Edmund Hami

As MPICO plc continues its journey of growth and innovation in Malawi's property and asset management sector, I am deeply grateful for the enduring trust our shareholders, customers, communities, and the nation have placed in us. This trust remains the foundation upon which we build our vision of creating spaces that uplift, inspire, and contribute meaningfully to the sustainable development of our beloved country.

Our commitment to environmental sustainability grows stronger with each passing year. The realities of climate change demand urgent and sustained action, and MPICO plc remains steadfast in our responsibility to address these challenges through meaningful intervention. Our green building initiative continues to gain momentum, with sustainable innovations now embedded across our construction projects and property management operations. We are designing and managing developments that optimize water and energy efficiency while minimizing carbon emissions, ensuring that every property we touch contributes to a greener, more resilient future for Malawi.

Beyond environmental stewardship, we remain deeply invested in the well-being of our communities. The Gateway Mall Netball Challenge continues to be a source of pride for us, demonstrating the transformative power of sports in uniting communities and empowering our youth. Through this initiative, we are nurturing talent, building character, and reinforcing our commitment to the holistic development of the communities we serve. This dedication to societal impact runs parallel to our environmental priorities, reflecting our belief that true sustainability encompasses both planet and people.

As we forge ahead, our alignment with Malawi 2063 and the United Nations Sustainable Development Goals remains unwavering. We recognise that urbanization and thoughtful city-building are fundamental to achieving the industrialisation aspirations outlined in our national vision. MPICO plc is committed to developing properties that set new standards in quality, design, and environmental responsibility. Through continuous innovation in construction practices, intelligent resource management, and our pursuit of a green economy, we are positioning ourselves as a cornerstone in shaping Malawi's infrastructure for generations to come.

I would like to take this opportunity to express my heartfelt gratitude to our board members, tenants, stakeholders, and suppliers for their steadfast support and commitment to our shared mission. Together, we will continue to create spaces that inspire, uplift, and drive sustainable progress for Malawi.

Sustainability Strategy Overview

Central to MPICO plc's sustainability strategy is its commitment to balancing financial success with social responsibility, guided by Environmental Social and Governance (ESG) standards. The company is deeply vested in implementing initiatives that generate meaningful benefits for individuals, families, and society, focusing on key areas such as, sports development, entrepreneurship, and skills development. This approach fosters growth, inclusion, and resilience across Malawi, ensuring alignment with ESG goals and long-term value creation.

Sustainability is key to Old Mutual (Malawi) Limited strategy which MPICO plc is a member company. The business addresses environmental concerns, advancing social equity, and maintaining robust governance practices. The company positions itself to meet both immediate societal needs and future challenges.

Through the integration of ESG principles, MPICO plc blends property management expertise with impactful community investments, solidifying its role as a trusted partner in building a prosperous and sustainable future.

Scope

This report covers the sustainability initiatives and activities of MPICO plc for the period 1 January 2025 to 31 December 2025. It provides an overview of key ESG initiatives and activities to create shared value during the period.

Our Impacts and Material Topics

MPICO plc applied a double materiality assessment to identify material topics and align with reporting best practice. Materiality is informed by the company's operating context, including the geographies, industries, and sectors in which it operates, its value chain, and the impact of its services and products on the economy, society, and environment over time. The double materiality assessment aligns with the Malawi Stock Exchange recommended reporting framework and the Global Reporting Initiative (GRI) framework, which focuses on impact to people and the planet.

MPICO plc material topics align with the business's strategy and are carefully selected to feed into the attainment of the Malawi 2063 and the Sustainable Development Goals (SDGs). The topics respond to the following goals of SDGs.

- a. Goal number 1 (End Poverty in all its forms)
- b. Goal number 5 (Achieve gender equality and empower all women and girls)
- c. Goal number 8 (Decent work and Economic growth)
- d. Goal number 9 (Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation)
- e. Goal number 10 (Reduced inequalities)
- f. Goal number 11 (Make cities and human settlements inclusive, safe, resilient, and sustainable)
- g. Goal number 13 (Take urgent action to combat climate change and its impacts)
- h. Goal number 17 (Partnership for the goals)

SECTION 1: CLIMATE ACTION (ENVIRONMENT)

Reducing the carbon footprint and managing other environmental-related risks remains a focus for business in contributing to mitigating the effects of climate change. The business takes deliberate steps to achieve efficiencies in the use of energy, water, waste management, and reforestation efforts. These are some of the initiatives the business implemented in 2025 in contributing to Malawi's sustainability journey."

Reforestation and Decarbonisation Drive

Malawi's total forest cover as of 2021 stands at 22,954 square km representing 24.4% of the total land area. The average annual deforestation rate is estimated at 0.66% ± 0.03% per year, equivalent to approximately 11,565 ± 1,067 hectares of forest loss annually. To combat deforestation and support reforestation, Old Mutual planted 10,000 trees across eight communities in the 2025 forestry season. Old Mutual's reforestation initiative is implemented in collaboration with the Wildlife and Environmental Society of Malawi (WESM). Since 2017, Old Mutual, together with WESM, has planted 90,000 trees across Malawi, with an overall survival rate of 70%.

In 2025, MPICO plc, through its mother company, Old Mutual (Malawi) Limited planted 10,000 trees across the following communities in the Northern Region: Mgathira Primary School, Geti Primary School, Zolozolo Primary School, and Mzuzu Academy Primary School. Following a tree monitoring exercise conducted on 3 December 2025, the tree survival rate in the Northern Region stands at 64%.

In the Central Region, trees were planted in three communities across Traditional Authority (T/A) Masumbankhumba's area: Spoko Jaisi Village Forest Area, Ali Mitamba Village Forest Area, and Kaole Village Forest Area. Following a tree monitoring exercise conducted on 6 December 2025, the tree survival rate in the Central Region stands at 43%.

In the Southern Region, trees were planted at Michiru Forest Reserve, Kachanga Primary School, and Chintumbira Village Forest Area. Following a tree monitoring exercise conducted on 8 December 2025, the survival rate stands at 92%. Across all regions, the 10,000 trees planted in 2025 in partnership with WESM have an overall survival rate of 66%.

Key challenges with the reforestation programme include the lack of ownership in some communities, where there are no strong village-level structures championing the care and protection of trees. In addition, deliberate bush fires and the use of designated forest areas for grazing livestock undermine efforts to restore forests within communities and across Malawi.

To ensure improvement in the trees survivor rate, in 2026, the business will ensure the following:

- a. Strengthening community ownership and governance: The business will collaborate with WESM in working with traditional leaders, schools, and community-based natural resource management committees to establish village-level tree stewardship structures where there is none and strengthen existing ones. These committees will be responsible for monitoring, protection, and accountability at community level.
- b. Improved site selection and land-use planning: Future planting will prioritise areas with clear land-use agreements, reduced grazing pressure, and lower exposure to bush fires.

Construction and Refurbishment Projects

MPICO plc continues to strengthen its environmental sustainability efforts through initiatives focused on energy efficiency, water conservation, reducing greenhouse gas emissions, and the use of eco-friendly construction materials across various properties.

MPICO plc has made progress in replacing R22 gas-reliant air-conditioning units with R410a systems, with 5 units replaced this year as part of a phased approach targeting 25 units.

MPICO plc continues to prioritise integrating sustainable design and operational practices within its properties. Notable examples include the use of eco-friendly construction materials in the Area 11 residential units and the installation of dual-flush toilets at CIL House and MPICO House (KIA) to support water conservation. Additionally, Old Mutual is exploring opportunities to expand its renewable energy footprint through an ongoing feasibility study for solar power installation at the Blantyre Head Office and four MPICO sites in Lilongwe.

MPICO plc has taken initial steps towards its 2025 sustainability targets across priority areas. For energy efficiency, 50 high-energy light fittings have been replaced as part of a planned 250-unit programme. Water conservation efforts have seen 10 installations completed towards a target of 75. In reducing greenhouse gas emissions, 5 R22 air-conditioning units have been replaced with R410a systems as part of the 25-unit transition plan. These foundational efforts establish a baseline for accelerated progress in subsequent phases.

The company continues to adhere to sustainable construction and maintenance practices. In 2025, MPICO completed three construction and maintenance projects out of five planned for the year, including MPICO House KIA, Tikwere House, and Lingadzi House

SECTION 2: SOCIAL

As a leading provider of property solutions in Malawi, we recognise that the success of our business is integrally linked to the wellbeing of the many communities we form part of and operate in. In this section, we provide details on our impact on key stakeholders and social imperatives, these include:

- Our nation: Being fully compliant with tax obligations, ensuring that our financial contributions support national development and public services.
- Customers: Meeting their evolving needs and expectations, enhancing their financial wellbeing, providing financial education and inclusion, and dealing fairly in providing services.
- Communities: Addressing the prevailing socio-economic challenges within the communities in which the company operates.

- Suppliers: Focusing on ethical procurement, promoting SMME growth, and facilitating beneficial long-term relationships

a. Responsible to our nation

MPICO plc recognises that responsible corporate citizenship extends beyond business operations to include full tax compliance and transparent fiscal contributions. Through adherence to all tax obligations, MPICO plc supports government revenue that funds essential infrastructure, healthcare, education, and social services for all Malawians. In 2025, MPICO plc contributed K1,917,955,400.63.

b. Responsible to our Customers

Committed to Championing the Customer

MPICO plc ensures that its customers are prioritised in all its operations. The business has a Customer Service Charter that defines the services MPICO plc offer and provides channels for customer feedback. Additionally, the business is guided by the MPICO plc Customer complaints framework on how it relates with customers. Among others the business is expected to:

- Ensuring that Customers are provided with clear, consistent, readily available information to our complaint's resolution processes.
- Employing people who are skilled and empowered to deal with all customer complaints.
- Dealing with customer complaints in a timely manner, with each complaint receiving due consideration in a process that is managed appropriately and effectively.
- Keeping complainants informed of the progress of their complaint.
- Ensuring that where the complaint is resolved in a customer's favour, a full and appropriate level of redress is offered, with minimal delay.
- Customers are provided with clear and relevant escalation processes where they are dissatisfied with the outcomes of the complaints process and their right to refer complaints to the Internal Arbitrator (where applicable) or to the external ombudsman or regulator (where applicable).
- Maintaining records of all complaints received, for a period of 7 years after the business unit has discharged its obligations in terms of the contract, or such longer period as may be guided by Old Mutual Malawi data retention policy, and any other applicable law such as the Consumer Protection Act No 14 of 2003.
- Ensuring that complaint learnings are shared, thereby proactively endeavouring to avoid recurrences of similar situations.
- Adhering to applicable industry standards for complaints management that may be set from time to time for the industry of which MPICO plc is a member.
- Ensuring that if there is a Conflict of Interest between the individual conducting the complaint process and the subject of the complaint, the complaint is escalated to a Senior Manager who is responsible for determining an appropriate course of action.

To ensure that the business is responsive and ably meet the expectation of the customers who are the key stakeholders, the business makes sure that it;

- Efficiently collect and track customer feedback through a robust Customer Relationship Management (CRM) system. This powerful tool allows the logging of complaints, Compliments, Enquiries, and Requests, giving the business the ability to provide proactive and effective feedback to the customers.
- Conducts Net Promoter Score survey (NPS) to collect and provide feedback from customers. Reports are generated and sent to business unit managers for monthly management actions which are tracked through the monthly NPS meetings.
- The Net Effort Score survey (NES) is also used to collect and track customer feedback. Agents, as client-facing personnel, are engaged through the survey to explore their experiences with customers.

In 2025, MPICO plc focused on strengthening customer experience through targeted process and structural improvements aimed at making interactions simpler, faster, and more responsive. A key initiative was the digitisation of the complaints form, making it easier for both customers and staff to submit and track complaints efficiently. In addition, a dedicated Retail Customer Retention function was introduced within the Customer Experience division to enhance relationship management, proactively address customer concerns, and improve retention outcomes.

The business strives for customer satisfaction, which is measured using the Net Promoter Score (NPS) that assesses customer loyalty and the likelihood of recommending Old Mutual's products

and services. In 2025, Old Mutual maintained an NPS score of 65%, consistent with the 2024 result, though slightly lower than the 71% recorded in 2023. Old Mutual is working on the feedback from our customers to ensure improvement of this key performance indicator going forward.

Looking ahead, MPICO plc will focus on enhancing the digital customer experience, building a customer-centric culture across the organisation, and introducing products and services aligned to evolving customer needs.

c. Occupational Health and safety

MPICO plc recognises the importance of preventing harm to the environment and reducing waste. The company commits to providing safe and healthy working conditions to prevent work-related injuries and ill health of employees, contractors, visitors, or any other persons using Old Mutual buildings or office spaces. The business, therefore, commits its segments and business units to applying best practice in Environment, Health and Safety (EHS) Management and sets the following objectives:

- Ensure compliance with all relevant EHS laws, regulations and standards applicable to its business in Malawi i.e. Occupational Safety Health and Welfare Act (SHWA), 1997, Environmental Management Act (EMA) 2017 and all best international IFC/World Bank EHS performance standards.
- Identify hazards and aspects to introduce a hierarchy of controls to reduce risks associated with all business activities.
- Set specific, measurable, realistic, achievable and time-bound EHS objectives
- Ensure that EHS objectives are in the Key Performance Indicators (KPI's) of policy compliance enablers.
- Consult and collaborate with management, employees and their representatives to embrace and demonstrate a culture of involvement in the organisation's decision-making process supporting the EHS Management system.
- Document, implement and maintain EHS activities based on the policy and ensure that all is communicated to all employees, contractors, visitors and stakeholders with the intent that they are made aware of their individual EHS responsibilities.
- Make EHS policy easily accessible to interested and affected parties.
- Apply EHS policy for effective control over the organizations' outsourced processes.
- Regularly monitor and report on EHS objectives and targets in relevant forums.
- Review EHS targets and objectives annually to ensure continual improvement.
- Ensure that MPICO plc EHS performance and the status of its conformance to this policy are included in the management review agenda.
- Review EHS policy annually in conjunction with employees' EHS representatives to ensure it remains relevant and appropriate to the organization.

MPICO plc through its mother company, Old Mutual (Malawi) Limited has continued to strengthen its commitment to workplace safety and environmental health by embedding Environmental, Health and Safety (EHS) practices into everyday operations. Through the Health and Safety team, all new employees undergo mandatory EHS inductions during the onboarding process. This ensures that employees are fully aware of potential EHS risks within the workplace and understand their responsibilities in maintaining a safe and healthy working environment from the outset.

In addition, the business operates under an integrated EHS policy that is prominently displayed across offices to enhance awareness and accessibility. This policy provides clear guidance on safety standards, environmental health requirements, and compliance expectations.

d. Commitment to ethical standards

MPICO uses its values to guide all dealings with each other, customers, communities, and other stakeholders. It is expected that employees conduct themselves with integrity and within the parameters of the laws applicable to the business. In so doing, the company inspires the confidence of its shareholders and customers. The Maadili Charter is one of the ways MPICO plc puts its values into practice, and it is built around the understanding that everything the company does is measured against the highest possible standards of ethical business conduct. Every year, the business conducts annual attestation on the Maadili Charter, which is the business's guiding ethics charter.

e. Commitment to quality stakeholder relationships

MPICO is committed to strong and lasting stakeholder relations, which are viewed as a pillar to guide alignment with the needs and expectations of those who are vital to the company's success. The business values trustworthiness, relationship quality, and the overall satisfaction of its stakeholders. The company maintains a robust stakeholder engagement plan that aims to establish the ability to anticipate issues and provide agile responses to emerging risks, market developments, and other related stakeholder matters that may impact the company's reputation, performance, and business sustainability.

MPICO maintains constructive relationships with key stakeholders, including government, professional bodies, and regulators, to contribute to industry forums that enhance and entrench responsible investment policies and regulations. To enhance its brand and strengthen relationships with key stakeholders, the company implemented the following stakeholder engagement activities in 2025.

- a) Launch of the inaugural 2024 Sustainability Report
- b) Old Mutual Executive Golf Tournaments both in Lilongwe and Blantyre through Old Mutual (Malawi) Limited
- c) MPICO Investor Engagement
- d) MPICO plc Annual General Meetings

f. Commitment to suppliers

MPICO plc through Old Mutual (Malawi) Limited aims to ensure proficient sourcing and selection of goods and services in accordance with ethical procurement standards and techniques, and to promote fairness, accountability, and transparency in the sourcing and selection processes. The company focuses on promoting SMME growth and facilitating beneficial long-term relationships, regular engagement, and support.

The group integrates sustainability principles into its procurement practices by prioritising local suppliers wherever practical, supporting economic development within Malawian communities. The company maintains strict ethical standards in all business relationships, aligned with Old Mutual's governance policies. All suppliers are required to meet minimum standards as part of a prequalification process, which includes disclosure of litigation history to assess ethical standing. Additionally, suppliers are vetted using the Dow Jones risk assessment platform, ensuring comprehensive due diligence and risk management across the supply chain.

The business will update its Internal Procurement processes to extend to labour practices, ensuring compliance with labour laws and the elimination of child labour throughout the supply chain. This reflects the company's recognition that ethical procurement encompasses not only direct business relationships but also the broader social impact of supplier operations.

In 2025, Old Mutual Malawi's procurement practices generated tangible community impact through local sourcing and deliberate SME engagement. 16 of the company's suppliers are small and medium-sized enterprises, contributing to job creation and economic empowerment within communities. The sourcing of labour from local areas for various projects enabled Old Mutual Malawi to strengthen community livelihoods whilst building resilient local supply chains. This approach demonstrates the company's commitment to creating shared value and supporting the development of Malawi's entrepreneurial ecosystem.

The company monitors supplier performance through systematic evaluation of delivery quality, measuring the number of defects and goods delivery turnaround time. Old Mutual Malawi is transitioning from ad hoc assessments to a routine annual supplier evaluation procedure, strengthening accountability and continuous improvement across the supply chain. This enhanced monitoring framework ensures that suppliers maintain high standards for ethical conduct, quality, and reliability over time.

g. Responsible to our community

At MPICO, we believe that supporting resilient communities is integral to our sustainability goals. Our efforts extend beyond financial wellness and inclusion to fostering initiatives that strengthen social well-being, enhance economic opportunities, and promote environmental stewardship. Through deliberate strategies we empower communities to thrive in a changing world. This section highlights our commitment to creating a positive and lasting impact, ensuring that our contributions align with the diverse needs of the communities we serve.

Skills Development

MPICO plc made strides in promoting economic empowerment through an initiative aimed at equipping young people with vocational skills, enabling them to become self-reliant and contribute to poverty alleviation.

The company supported a five-week training programme in Plumbing and Electrical Installation for 37 young people at Soche Technical College. The initiative targeted vulnerable youth from communities across Blantyre, some of whom had not had the opportunity to attend formal education, providing them with a second chance to build sustainable livelihoods. MPICO invested MK10 million in the initiative, and the 37 beneficiaries also received financial education training.

Sports Development

MPICO plc through its subsidiary MPICO Malls Limited that own The Gateway Mall greatly contributes significantly to the development of sports through its sponsorship of netball, Malawi's leading sport and the country's flag carrier. MPICO collaborated with the Central Region Netball Committee, an affiliate of the Netball Association of Malawi, in sponsoring The Gateway Mall Central Region Netball League to the tune of MK47 million, an increase from MK40 million in 2024. Cumulatively, since 2016, MPICO plc has invested a total of MK231 million in the league.

The league remains instrumental in shaping the netball sport in Malawi as it is the only initiative for the central region targeting grassroots development. In 2025, 150 teams from all 10 districts of the central region participated, starting at district level, with winners competing at regional level. The Gateway Netball Challenge continues to provide opportunities for scouting new talent and intensive training of players in preparation for national competitions and when national team duty calls.

SECTION 3: GOVERNANCE

MPICO plc believes that good corporate governance is fundamental to the company's success, sustainability, and legitimacy. The organisation's corporate governance principles, frameworks, and risk management practices ensure that decisions align with its purpose, vision, values, and strategy across its subsidiaries.

This section provides insight into the governance of key sustainability themes across:

- Governance Structure
- Our relationship with regulators and our compliance activities
- Our risk management and Compliance approach, including our emerging risk methodology

a. Governance Structure

The Company has a balanced unitary board comprising a majority of independent and non-executive directors (the Board). The independent non-executive chairperson (the Chairperson) of the Board is Mr. Edmund Hami.

The Company has an overarching governance structure (Group Governance Framework - GGF), incorporating principles of good governance, to facilitate effective and dynamic management and oversight of the Group. The Group has entered into a relationship agreement with Old Mutual Limited and resolved to adhere to the GGF, noting that it is a governance framework for the promotion of efficiency and mitigation of risks, in the interests of the Company, whilst maintaining the primary fiduciary duties of the Board.

The Board of Directors' role

The Board has a charter which defines its functions and responsibilities and separates these from the role of management.

Selection and succession planning

The selection and appointment of Directors is conducted through a formal and transparent process and is a matter for the Board as a whole. A formal orientation program exists to familiarise incoming directors with the Group's operations, senior management and its business environment and to induct them in their fiduciary duties and responsibilities.

Rotation and retirement

Newly appointed Directors may hold office only until the next annual general meeting at which they retire and become available for re-election by the shareholders on the recommendation of the Board.

All Directors are subject to retirement by rotation and re-election by the shareholders at least once every three years.

Performance and assessment

Annual self-evaluation reviews are conducted to assess Board effectiveness, identify areas for improvement, and reinforce strong governance practices. Where necessary, the results of these assessments are tracked during Board meetings, with management actions monitored and formal action plans developed to address identified issues.

Board attendance

The company Boards meet regularly, with additional meetings convened as necessary to address specific matters arising between scheduled sessions.

Access to company resources

All Directors have access to management, including the Company Secretary, and to such information as is needed to carry out their duties and responsibilities fully and effectively. The Company Secretary provides support to the Board to ensure its effective functioning and proper administration of Board proceedings. The Company ensures that the non-executive directors are kept informed on latest developments regarding the Group's business and industry-wide issues through a formal communication process.

Board Committees

Audit, Risk and Compliance Committee (ARCC)

Purpose

MPICO plc has an Audit, Risk and Compliance Committee to assist the board in discharging its responsibilities. The Committee is chaired by an independent non-executive director supported by the corporate secretarial department and is free to take independent professional advice as and when necessary.

Terms of Reference

The Audit, Risk and Compliance Committee has adopted a formal term of reference that has been updated and approved by the Board of Directors. ARCC held four meetings in 2025.

Internal control environment

The Board acknowledges its overall responsibility for the business's system of internal control and for reviewing its effectiveness, whilst executive management is accountable to the Board for monitoring the system of internal control and for providing assurance to the Board that it has done so. Executive management has implemented an internal control system designed to facilitate effective and efficient operation of the business aimed at enabling management to respond appropriately to significant business, operational, financial, compliance and other risks to achieving the Group's business objectives. These include safeguarding shareholders' investments, safeguarding assets from inappropriate use or from loss and fraud, and ensuring that risks are identified and managed, and addressing any social, environmental or ethical matters that are significant for MPICO plc.

The system of internal control also helps to ensure the quality of internal and external reporting, compliance with applicable laws and regulations, and internal policies with respect to the conduct of business. The business's internal control system is designed to manage, rather than eliminate, the risk of failure to achieve MPICO plc objectives, and can only provide reasonable, and not absolute assurance against material misstatement or loss. In the past financial year, the business has substantially implemented its Risk Management Strategy having regard to the risks it is designed to control.

i. Governance reforms and improvements implemented in 2025

Digital Governance Tools: MPICO plc through Old Mutual (The holding company) adopted Boardvantage, a governance tool to support efficiency and record keeping of all Board and Committee meetings. All Directors have access to the platform, equal availability of information pertaining to the Boards they sit on. In 2025, the business continued to enhance governance and meeting preparations through this tool in improving efficiency, report and timely/accessible information flow.

j. Our relationship with regulators and our compliance activities

Regulatory Compliance: The business maintains rigorous and ongoing monitoring of activities

to ensure full adherence to applicable regulatory requirements. A dedicated Group Compliance function oversees the implementation of compliance programmes across all entities, providing regular assessments and reporting. The business has also adopted a zero-tolerance policy towards regulatory non-compliance, reinforcing a culture of accountability, ethical conduct, and proactive risk management

All our engagements with our regulators are based on five key principles

1. Responsive
2. Purposeful
3. Relevant
4. Open and honest
5. Pro-active

Our key regulators include:

1. National Construction Industry Council
2. Ministry of Lands, Housing and Urban Development
3. Lilongwe City Council
4. Blantyre City Council
5. Mzuzu City Council
6. Land Economy Board
7. Malawi Bureau of Standards.

Key highlights and engagements

We maintain constructive relationships with key stakeholders including the government, professional bodies and regulators to contribute to industry forums that enhance and entrench responsible investment policies and regulations. To enhance our brand and strengthen relationships with key stakeholders, we implemented the following stakeholder engagement activities in 2025:

- a. Annual General Meeting: In fulfilling listing requirements by the Malawi Stock Exchange, the business successfully conducted an Annual General Meeting for MPICO plc shareholders in June 2025.
- b. MPICO plc Investor Engagement: prior to the MPICO AGM, we engaged with all MPICO plc shareholders on 23 June 2025 to keep them informed and updated on relevant matters.

k. Our risk Management and compliance approach

Creating long-term shareholder value is the Group's business objective and the Group derives its approach to risk management and control from a shareholder value perspective. As a result, the business manages a broad range of risk categories which have been categorised into the following major risk categories: market risk, liquidity risk, strategic risk, credit & counterparty risk, market conduct risk, IT risk, people risk operational risk, legal & regulatory risk, external risk, insurance risk and growth risk.

The Groups' overall approach is to understand the diversity and full breadth of risk to its objectives, and to respond to it appropriately, with a strong emphasis on implementing controls that reduce inherent risk to a level calculated to optimize the level of return on investment. However, risk management is not limited solely to risks that may adversely affect the Groups' ability to achieve its objectives; it is also about identifying and seizing new opportunities while ensuring that the risks are understood, evaluated, appropriately taken and managed.

The Group operates a risk management framework, which contains the following components:

- i. A robust risk governance structure.
- ii. Risk appetites established at Group level.
- iii. Group-wide risk policies; and
- iv. Methodologies that focus on risk identification, risk assessment, risk response, action/control plans, monitoring and reporting.

l. Corporate Citizenship

MPICO plc engages in various activities required of a responsible business. The business keeps a comprehensive record of all the activities in which it was involved. The Maadili Charter provides an ethical guide to the business's conduct and dealings with employees, customers, communities and stakeholders.

SECTION 4: CONCLUSION

As we reflect on the progress made in this reporting period, we are proud of the strides MPICO plc has taken toward achieving our sustainability goals. Through focused efforts in environmental stewardship, social responsibility, and governance, we have not only contributed to a more sustainable future but also strengthened the resilience of our business and the communities we serve.

We are fully aware that sustainability is an ongoing journey. The challenges we face are complex and evolving, but they also present opportunities for pushing beyond boundaries, collaboration, and growth. As we move forward, we remain committed to continuously improving our practices, setting ambitious targets, and working together with stakeholders to create lasting, positive change.

We are excited about the path ahead and are confident that our collective actions will create positive future for generations to come. In 2026, the business will continue to focus on its three main pillars; Climate Action, Financial Wellness, and strong corporate governance.

LIST OF ACRONYMS

- AGM: Annual General Meeting
- ARCC: Audit, Risk and Compliance Committee; CRM: Customer Relationship Management; CRS: Corporate Social Responsibility;
- CRNC: Central Region Netball Committee;
- CFTC: Competition and Fair-Trading Commission; ESG: Environment Social and Governance;
- EHS: Environment, Health and Safety; EMA: Environmental Management Act; FIA: Financial Intelligence Authority;
- GEHSP: Group Environment, Health and Safety Policy; GGF: Group Governance Framework;
- GRI: Global Reporting Initiative; LED: Light Emitting Diode; NES: Net Effort Score;
- NPS: Net Promoter Score;
- SDG: Sustainable Development Goals;
- SMME: Small, Medium and Micro Enterprises; UN: United Nations; and
- WESM: Wildlife and Environmental Society of Malawi.

Auditor's Report

Independent Auditor's Report – 31

03





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Independent Auditor's Report To the Shareholders of MPICO plc

Opinion

We have audited the consolidated and separate financial statements ("the financial statements") of MPICO plc and its subsidiaries ("the Group"), set out on pages 36 to 88 which comprise the consolidated and separate statements of financial position as at 31 December 2025, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and the notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of MPICO plc as at 31 December 2025, and its consolidated and separate financial performance, consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM) and the requirements of the Companies Act.

Basis for 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), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to performing audits of financial statements of public interest entities in Malawi. We have also 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 separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate 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
Valuation of Investment Properties (Consolidated and Separate financial statements) The Group and the Company have investment properties which are carried at fair value in accordance with IAS 40 Investment Property (IAS 40) and IFRS13 Fair Value Measurement (IFRS13). Significant judgement is required by the directors in determining the fair value of the investment properties. The valuation of investment properties is considered a key audit matter due to the significance of the balance to the financial statements as a whole, combined with methods used to value the investment properties, the judgement and estimation uncertainty associated with determining the amounts. The significance of the amount to the financial statements The most significant assets for the Group and Company are investment properties and had consolidated fair value of K119 billion as at 31 December 2025 and K36.6 billion in the Company's separate financial statements. The use of judgement and assumptions by the valuers and complexity of the methods used. The investment properties were revalued as at 31 December 2025 by professional independent property valuation expert using the investment method and, wherever appropriate, the direct comparison method and depreciated replacement cost method. The valuation of investment properties is of a specialised nature and rely on judgmental inputs and assumptions. Key areas of judgement relating to inputs into the valuation of investment properties include capitalisation and rental market rates. Refer to note G2 to the financial statements for the accounting policy and critical accounting estimates and judgements and for investment properties disclosures.	Our audit procedures included, amongst others: - We assessed the design and implementation controls relating to valuation of investment properties; - We assessed the competence, capabilities, and objectivity of the management's investment property valuation experts, and we verified their qualifications and experience. In addition, we discussed the scope of their work and reviewed their terms of engagement to determine that there were no matters that affected their independence and objectivity or imposed scope limitations upon them. We confirmed that the approach they used is appropriate and consistent with the prior year and industry norms; - We also involved our independent investment property valuation expert in evaluating the directors and their expert valuer's judgements, including the methods and related assumptions used; - Our independent valuation experts counterchecked the data used for calculation and the output from the calculation of the investment properties and the emerging gain as prepared and presented by the directors; - We performed an analysis of the significant assumptions made by the management's expert so as to evaluate the extent of impact on investment properties and assessed the appropriateness of disclosures in the financial statements; and - In addition, we tested a selection of data inputs underpinning the valuation, including total rental income, percentage rental increase in a year, rental market rates and occupancy levels to appropriate supporting evidence, to assess the accuracy and completeness thereof. We found that the methods used for valuation of investment properties were appropriate; and the disclosures pertaining to the investment properties were found to be appropriate and comprehensive in the consolidated and separate financial statements.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report, Directors' responsibility, and approval statement, as required by the Companies Act, Managing Director's responsibility statement, the corporate governance report, Audit, Risk and Compliance Committee Report and the Environmental, Social, Governance Report 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 separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate 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 separate 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 separate 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 separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM) and the requirements of the Companies Act 2013, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate 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 separate 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 separate 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 separate 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;
- 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 separate 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 separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes 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 separate 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

The Deloitte logo, featuring the word "Deloitte" in a stylized, handwritten-style font.

Chartered Accountants

Vilengo Beza
Partner

24 April 2026

Consolidated and Separate Financial Statements

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Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income

For the year ended 31 December

K'000	Notes	CONSOLIDATED		SEPARATE	
		2025	2024	2025	2024
Revenue-Rental income	D1	9 308 296	8 061 131	3 790 930	3 188 527
Interest income on rental arrears	D2	1 810 803	989 703	676 861	355 868
Total rental and interest income on rental arrears		11 119 099	9 050 834	4 467 791	3 544 395
Increase in fair value of investment properties	G2	19 625 821	12 070 336	6 056 099	3 657 384
Dividend income from subsidiaries		-	-	507 500	1 090 750
Other income	D3	446 211	511 434	1 150 538	1 609 942
Total income		31 191 131	21 632 604	12 181 928	9 902 471
Credit impairment charges		(121 695)	39 703	(58 757)	(56 896)
Property and administrative expenses	D5	(7 485 764)	(6 133 709)	(5 375 689)	(4 416 664)
Total operating expenses		(7 607 459)	(6 094 006)	(5 434 446)	(4 473 560)
Interest on bank deposits and staff loans	D2	276 629	193 861	7 985	10 236
Finance cost on borrowings	D4	(734 262)	(842 145)	(103 699)	(137 126)
Net finance cost		(457 633)	(648 284)	(95 714)	(126 890)
Profit before tax		23 126 039	14 890 314	6 651 768	5 302 021
Income tax expense	D6	(3 807 943)	(2 705 696)	(1 286 331)	(900 374)
Profit after tax for the financial year		19 318 096	12 184 618	5 365 437	4 401 647
Appropriation of profit for the year					
Realised profits		1 611 524	996 053	485 780	1 301 575
Unrealised profits		11 968 895	7 544 112	4 879 657	3 100 072
Attributable to					
Equity holders of the parent		13 580 419	8 540 165	-	-
Non-controlling interests		5 737 677	3 644 453	-	-
		19 318 096	12 184 618	-	-
Basic and diluted earnings per ordinary share (K)	C1	5.91	3.72	-	-
Analysed as:					
Realised (K)	C1	0.70	0.43	-	-
Unrealised (K)	C1	5.21	3.29	-	-



Consolidated and Separate Statements of Financial Position

As at 31 December

	Notes	CONSOLIDATED		SEPARATE	
		At 31 December 2025	At 31 December 2024 Restated*	At 31 December 2025	At 31 December 2024
K'000					
Assets					
Capital work in progress*	G8	1 364 608	98 320	-	-
Property and equipment	G1	195 921	191 509	142 707	150 182
Investment property	G2	119 049 646	98 789 205	36 656 772	30 600 673
Investment in subsidiary entities		-	-	14 640 612	14 640 612
Deferred tax assets	G5	216 015	138 523	-	-
Secured staff loans		9 961	11 740	9 961	11 740
Amounts due from related parties	J1	-	-	1 425 152	1 207 072
Current tax receivable ¹	D6(c)	2 834 449	3 421 722	2 069 568	2 720 218
Trade and other receivables	G4	9 930 368	6 489 565	3 545 642	2 375 467
Cash and cash equivalents	J5	1 384 181	3 650 573	68 910	312 289
Total assets		134 985 149	112 791 157	58 559 324	52 018 253
Liabilities					
Deferred tax liabilities*	G5	15 906 975	13 306 954	7 704 842	6 581 559
Borrowed Funds	G7	2 254 719	2 321 256	-	-
Amounts due to group companies	J1	2 785 053	1 853 246	2 785 053	1 853 246
Accruals	G6	438 266	241 865	178 744	202 833
Current tax payable ¹	D6(c)	734 364	461 297	-	-
Trade, other payables and other liabilities	G6	1 685 845	1 201 778	673 910	478 846
Bank overdraft	J5	276 338	338 609	276 338	338 609
Total liabilities		24 081 560	19 725 005	11 618 887	9 455 093
Net assets		110 903 589	93 066 152	46 940 437	42 563 160
Shareholders' equity					
Share capital	G9	114 902	114 902	114 902	114 902
Share premium		8 626 938	8 626 938	8 626 938	8 626 938
Realised reserves		7 096 473	6 473 109	9 382 327	9 884 707
Unrealised reserves		61 678 348	49 709 453	28 816 270	23 936 613
Equity attributable to the equity holders of the parent		77 516 661	64 924 402	46 940 437	42 563 160
Non-Controlling Interest		33 386 928	28 141 750	-	-
Total equity		110 903 589	93 066 152	46 940 437	42 563 160

** The order of liquidity has been re-presented in the current period to present Capital Work in Progress higher up in the order of liquidity, additionally, deferred tax liabilities have been restated by moving it higher up in the order of liquidity due to an error, in order to comply with the requirements of IAS 1, Presentation of financial statements. The changes only impact the presentation of these line items in the consolidated and separate statement of financial position and have no other impacts on the consolidated and separate financial statements.*

¹ Refer to note A1.2: Restatement of 2024 consolidated financial statements.

The consolidated and separate financial statements were approved and authorised for issue by the Board of Directors on 5 March 2026 and were signed on its behalf by:



Board Chairperson
Mr Edmund Hami



Director
Mrs Martha Mkandawire



Consolidated and Separate Statements of Cash Flows

For the year ended 31 December

		CONSOLIDATED		SEPARATE	
K'000	Notes	2025	2024	2025	2024
Cash flows from operating activities					
Profit before tax		23 126 039	14 890 314	6 651 768	5 302 021
Non-cash movements and adjustments to profit before tax	J5.1	(20 793 775)	(12 403 915)	(7 035 608)	(4 888 567)
Net changes in working capital	J5.1	(1 950 224)	4 485 082	(344 233)	139 817
Interest received	D2	1 818 754	989 703	684 811	355 868
Interest paid	D4	(734 262)	(842 145)	(103 699)	(137 126)
Taxation paid		(425 072)	(935 563)	487 605	(171 816)
Net cash flows from operating activities		1 041 460	6 183 476	340 644	600 197
Cash flows from investing activities					
Interest received	D2	268 678	193 861	34	10 236
Dividend received		-	-	507 500	1 490 750
Acquisition of property, plant and equipment	G1	(68 673)	(22 533)	(43 645)	(26 500)
Addition to investment properties	G2	(634 620)	-	-	-
Increase in capital work in progress	G8	(1 266 288)	(85 668)	-	-
Proceeds from disposal of property, plant and equipment		740	14 999	740	14 999
Receipts from staff long-term loans		1 779	67 683	1 779	67 683
Net cash outflow from investing activities		(1 698 384)	168 342	466 408	1 557 168
Cash flows from financing activities					
Dividends paid		(988 160)	(873 258)	(988 160)	(873 258)
Dividends paid to non-controlling shareholders		(492 500)	(409 250)	-	-
Additions during the year		165 803	-	-	-
Repayment of long-term debt		(232 340)	(765 085)	-	-
Net cash outflow from financing activities		(1 547 197)	2 047 593)	(988 160)	(873 258)
Net cash inflow		(2 204 121)	4 304 225	(181 108)	1 284 107
Cash and cash equivalents at beginning of the year		3 311 964	(992 261)	(26 320)	(1 310 427)
Cash and cash equivalents at end of the year		1 107 843	3 311 964	(207 428)	(26 320)
Comprising					
Cash and cash equivalents ¹		1 107 843	3 311 964	(207 428)	(26 320)

1 Refer to note J5



Consolidated and Separate Statements of Changes in Equity

For the year ended 31 December 2025

CONSOLIDATED

	Share capital	Share premium	Realised Reserves	Unrealised Reserves	Equity attributable to owners of the Company	Non-controlling interest	Total
At 1 January 2025	114 902	8 626 938	6 473 109	49 709 453	64 924 402	28 141 750	93 066 152
Comprehensive income							
Realised profit for the year	-	-	1 611 524	-	1 611 524	744 523	2 356 047
Unrealised profit for the year	-	-	-	11 968 895	11 968 895	4 993 155	16 962 050
Total comprehensive income	114 902	8 626 938	8 084 633	61 678 348	78 504 821	33 879 428	112 384 249
Transactions with owners of the company							
Dividends	-	-	(988 160)	-	(988 160)	(492 500)	(1 480 660)
Balance at 31 December 2025	114 902	8 626 938	7 096 473	61 678 348	77 516 661	33 386 928	110 903 589
At 1 January 2024	114 902	8 626 938	6 350 314	42 165 340	57 257 494	24 906 546	82 164 040
Comprehensive income							
Realised profit for the year	-	-	996 053	-	996 053	501 117	1 497 170
Unrealised profit for the year	-	-	-	7 544 113	7 544 113	3 143 337	10 687 450
Total comprehensive income	114 902	8 626 938	7 346 367	49 709 453	65 797 660	28 551 000	94 348 660
Transactions with owners of the company							
Dividends	-	-	(873 258)	-	(873 258)	(409 250)	(1 282 508)
Balance at 31 December 2024	114 902	8 626 938	6 473 109	49 709 453	64 924 402	28 141 750	93 066 152

SEPARATE

	Share capital	Share premium	Realisable Reserves	Unrealisable Reserves	Total
At 1 January 2025	114 902	8 626 938	9 884 707	23 936 613	42 563 160
Comprehensive income					
Realised profit for the year	-	-	485 780		485 780
Unrealised profit for the year	-	-	-	4 879 657	4 879 657
Total comprehensive income	114 902	8 626 938	10 370 487	28 816 270	47 928 597
Transactions with owners of the company					
Dividends			(988 160)		(988 160)
Balance at 31 December 2025	114 902	8 626 938	9 382 327	28 816 270	46 940 437
At 1 January 2024	114 902	8 626 938	9 456 389	20 836 541	39 034 770
Comprehensive income					
Realised profit for the year	-	-	1 301 576	-	1 301 576
Unrealised profit for the year		-	-	3 100 072	3 100 072
Total comprehensive income	114 902	8 626 938	10 757 965	23 936 613	43 436 418
Transactions with owners of the company					
Dividends	-	-	(873 258)	-	(873 258)
Balance at 31 December 2024	114 902	8 626 938	9 884 707	23 936 613	42 563 160



Notes to the Financial Statements

For the year ended 31 December 2025

A: Material accounting policy information

A1: Basis of preparation

1.1 Statement of compliance

MPICO plc, the holding company of the Group, is incorporated in Malawi under the Malawi Companies Act, 2013. The financial statements for the year ended 31 December 2025 consolidate the results of the Group and its subsidiaries (together 'the Group').

The consolidated and separate financial statements (financial statements) comprise the consolidated and separate statements of financial position at 31 December 2025, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year ended 31 December 2025 and explanatory notes to the consolidated and separate financial statements.

The financial statements are prepared on the going concern basis, which the directors believe is appropriate, taking into account the Group's most recent business plan and the capital and liquidity position. The financial statements were approved by the board of directors on 4 March 2026.

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), including interpretations of IFRS as issued by the IFRS Interpretations Committee (IFRIC), IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM), the MSE Listing requirements; and requirements of the Companies Act, 2013.

The annual financial statements give a true and fair view of the financial position, financial performance, and cash flows of the Group in terms of the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Only material information, as determined using the Group's internal framework for materiality has been included in these annual financial statements. The Group's internal framework for materiality was developed taking into cognisance, the requirements of IFRS, the MSE listings requirements as well as other relevant statutory reporting requirements applicable to the Group. Information is considered material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of these financial statements make based on these financial statements.

The Group presents separately each material class of similar items. The Group also presents separately items of a dissimilar nature or function unless they are immaterial.

If a line item is not individually material, it is aggregated with other items either in these financial statements or in the notes. An item that is not sufficiently material to warrant separate presentation in the primary statements may warrant separate presentation in the notes.

When applying the IFRS the Group shall decide, taking into consideration all relevant facts and circumstances, how it aggregates information in the financial statements, which include the notes. The Group does not reduce the understanding of its financial statements by obscuring material information with immaterial information or by aggregating material items that have different natures or functions.

IFRS specifies information that is required to be included in the financial statements, which include the notes. The Group does not provide a specific disclosure required by an IFRS if the information resulting from that disclosure is not material and could detract from providing meaningful and concise financial statements. This is the case even if the IFRS contains a list of specific requirements or describes them as minimum requirements. The Group may also provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users of financial statements to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance.

The principal accounting policies applied in the preparation of the consolidated and separate financial statements are set out and included in the specific notes to which they relate. These policies have been consistently applied. The consolidated and separate financial statements have been prepared under the historical cost convention modified to include the fair valuation of investment property and particular financial instruments to the extent required or permitted under IFRS as set out in the relevant accounting policies.

Amounts are stated in thousands of Malawi Kwacha (K'000), which is the presentation and the functional currency of the Group.

1.2

a. Comparative information

Unless otherwise indicated, comparative information presented at and for the year ended 31 December 2024 within these financial statements has been correctly extracted from the Group's audited financial statements for the year ended 31 December 2024, unless otherwise restated/represented as indicated.

b. Restatement of 2024 financial statements

In order to comply with IAS 12:73, the consolidated statement of financial position has been restated to disclose separately gross receipts and payments of tax (tax receivable and tax payable) under assets and liabilities, respectively.

The impact of the restatement is included in the analysis below:

		CONSOLIDATED		
K'000	Notes	At 31 December 2024	Adjustment	At 31 December 2024 Restated*
Assets				
Current tax receivable	D6(c)	2 960 425	461 297	3 421 722
Liabilities				
Current tax payable	D6 (c)	-	461 297	461 297
Net impact		2 960 425	-	2 960 425

1.3 Accounting policy elections

The following material accounting policy elections have been made by the Group:

Area	Details
Investment properties	The Group has elected to recognise all investment properties at fair value, with changes in fair value being recognised in profit or loss.
Property plant and equipment	Plant and equipment are carried at cost less accumulated depreciation and impairment losses. Plant and equipment are depreciated on the straight-line basis at rates that will reduce book amounts to estimated residual values over the anticipated useful lives of the assets. The assets residual values and useful lives are reviewed and adjusted if appropriate at every year-end. An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.
Investments in subsidiaries	The Group has elected to recognise these investments at cost in the separate financial statements.

1.4 Going concern

As part of preparing the financial results, the Group has performed a detailed going concern assessment. This assessment has relied on the Group's 2026 to 2028 business plan and has considered the profitability and solvency projections over the plan period. The business plan delivered strong shareholder value creation while maintaining stable capital and solvency positions throughout the cycle.

Despite the challenging local economic environment, the results of the projections indicate that the Group is expected to continue as a going concern. No material uncertainties that would require disclosure have been identified in relation to the ability of the Group to remain a going concern for at least the next 12 months from the date of issuing annual financial statements. The directors therefore consider it appropriate for the going concern basis to be adopted in preparing the annual financial statements.

1.5 Basis of preparation of other non IFRS measures

The Group uses adjusted headline earnings in the calculation of various other non IFRS measures which are used by management, alongside IFRS metrics, to assess performance. Non IFRS measures are not defined by IFRS, are not uniformly defined or used by all entities and may not be comparable with similarly labelled measures and disclosures provided by other entities. The basis of preparation of each is outlined below.

(a) Return on adjusted net asset value (RoNAV)

RoNAV (expressed as a percentage), is calculated as profit after tax and non-controlling interest divided by the average of the opening and closing balances of IFRS equity.

RoNAV is used to assess and measure the capital efficiency of the Group, and it is one of a range of measures by which management performance and remuneration is assessed.

A2: Critical accounting estimates and judgements

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

The critical accounting estimates and judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements of the Group for the year ended 31 December 2024.

Critical accounting estimates and judgements

The following table sets out the items that require the Group to make critical estimates and judgements in the application of the relevant accounting policy, with additional detail provided below on key accounting judgements applied in the current year. As such, additional disclosure has been provided in the relevant notes of the assets and liabilities that require estimation and judgement.

Critical accounting estimates	Accounting policy reference
Fair value measurement of financial assets and liabilities	E1/E2
Investments in subsidiaries and associated undertakings	H1
Measurements of deferred tax assets	G5
Fair value of investment properties	G2

A3: Liquidity analysis of the statement of financial position

The statement of financial position is in order of liquidity as is permitted by IAS 1 'Presentation of Financial Statements'.

Statements of financial position captions generally expected to be recovered no more than 12 months after the reporting date are classified as current and as non-current if the expected recovery or settlement date is more than 12 months after the reporting date. The analysis of significant statements of financial position captions into current and non-current are disclosed in the individual notes to which they relate.

A4: Items labelled as "Other"

Where items have been found to be individually immaterial, they have been disclosed under the 'Other' category. Where applicable comments have also been added to reflect the nature of these amounts and/or the major balances contained within these line items.

B: Segment information

Operating Segments

Operating segments have been identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

Products and services from which reportable segments derive their revenues.

The Group has one principal line of business – rental and management of investment property. Information reported to and used by the Managing Director for decision making for the purposes of resource allocation and assessment of segment performance is more specifically focused on each of the Group's current 27 (2024: 27) investment properties.

Geographical information

The Group's investment property is situated principally in the two major cities in Malawi. The following analysis shows the rental income, investment property values and property fair value movements by geographical market:

CONSOLIDATED

For the year ended 31 December

	Rental income		Property values		Fair value increase	
	2025	2024	2025	2024	2025	2024
K'000						
Blantyre	721 617	607 572	9 421 578	7 892 879	1 539 299	967 444
Lilongwe	8 283 798	7 207 619	107 443 228	89 083 506	17 725 102	10 864 392
Other markets	302 881	245 940	2 184 840	1 812 820	361 420	238 500
Total	9 308 296	8 061 131	119 049 646	98 789 205	19 625 821	12 070 336

SEPARATE

For the year ended 31 December

	Rental income		Property values		Fair value increase	
	2025	2024	2025	2024	2025	2024
K'000						
Blantyre	721 617	607 572	9 421 578	7 892 879	1 539 299	967 444
Lilongwe	2 775 779	2 344 502	25 134 614	20 965 194	4 169 420	2 460 350
Other markets	293 534	236 453	2 100 580	1 742 600	347 380	229 590
Total	3 790 930	3 188 527	36 656 772	30 600 673	6 056 099	3 657 384

C: Other key performance information**C1: Earnings and earnings per share**

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share for the parent are as follows:

K'000	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
At 31 December				
Profit after tax for the financial year	19 318 096	12 184 618	5 365 437	4 401 647
Appropriation of profit for the year				
Realised profits	1 611 524	996 053	485 780	1 301 575
Unrealised profits	11 968 895	7 544 112	4 879 657	3 100 072
Attributable to				
Equity holders of the parent	13 580 419	8 540 165	5 365 437	4 404 647
Non-controlling interests	5 737 677	3 644 453	-	-
	19 318 096	12 184 618	5 365 437	4 401 647
Weighted average number of ordinary shares for the purposes	2 298 047	2 298 047	2 298 047	2 298 047
Basic and diluted earnings per share	5.91	3.72	2.33	1.92
Realised (K)	0.70	0.43	0.21	0.57
Unrealised (K)	5.21	3.29	2.12	1.35

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the group and Company by the weighted average number of ordinary shares in issue during the year. There were no potentially dilutive shares outstanding at 31 December 2025 and 31 December 2024. Diluted earnings per share is therefore the same as basic earnings per share.

C2: Return on net asset value (RoNAV)

The following table outlines the calculation of RoNAV, using profit after tax and non-controlling interest. The basis of preparation of RoNAV is described in note A1.5.

CONSOLIDATED

At 31 December Km or %	2025	2024
Total RoNAV (%)	19.07%	13.98%
Average Adjusted IFRS Equity	71 220 532	61 090 948
Closing Adjusted IFRS Equity	77 516 661	64 924 402

SEPARATE

At 31 December Km or %	2025	2024
Total RoNAV (%)	11.99%	13.98%
Average Adjusted IFRS Equity	44 751 799	61 090 948
Closing Adjusted IFRS Equity	46 940 437	64 924 402

C3: Dividends

For the year ended 31 December Km	Ordinary dividend payment date	2025	2024
2023 Final dividend paid – 38 tambala per share	24 July 2024	-	873 258
2024 Final dividend paid – 43 tambala per share	28 July 2025	988 160	-
Dividend declared to ordinary equity holders for the year			

The total dividend paid to ordinary equity holders is calculated using the number of shares in issue at the record date.

A final dividend of 50tambala (2024: 43 tambala), per ordinary share in the Company has been declared by the Directors and will be paid on 28 July 2026 to shareholders on the register.

D: Other consolidated income statement notes

D1: Revenue-Rental income

Rental income from investment properties is recognised on a straight-line basis over the term of the relevant lease and is accounted for in terms of IFRS 16 leases. Such rental income recognition commences when an occupancy agreement with a tenant is formalised. The consolidated rental income is K9.3 billion (2024: K8.1 billion). Rental income for separate is K3 800 million (2024: K3 200 million).

The Group as a lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties. 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.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

D2: Interest income

Interest and similar income

Interest is charged on receivables in respect of outstanding rentals at 4% above base lending rate. Interest income also included interest from Investment and securities and Cash and cash equivalents. Consolidated interest income for the year is K2 087 million (2024: K1 184 million) (separate K685 million (2024: K366 million))

Due to the change in the operating model, MPICO entered into an agreement with Old Mutual Investment Group (OMIG) where OMIG manages the business from both an operations and investment management perspectives. Accordingly, there are no employees in MPICO hence no new loans are granted to staff. The outstanding staff loans relate mainly to legacy car loans which are still being recovered through OMIG and are secured on cars that staff bought through the loans. Due to the latter, no ECL has been provided on staff loans. The loans attract interest at the rate of 50% of the base lending rate of the National Bank of Malawi.

Due to improved cash flows in three subsidiaries of the Group during the year, funds were invested in short-term investments with First Discount House Limited pending utilisation of the same in various projects. The funds were invested at an average rate of 25% per annum and matured before year end.

Year ended 31 December K'000	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
Interest income on rental arrears	1 810 803	989 703	676 861	355 868
Interest on bank deposits and staff loans	276 629	193 861	7 985	10 236
Total	2 087 432	1 183 564	684 846	366 104

D3: Other income

This note analyses the other income earned by the Group, from consultancy services offered to third parties and pop-up events at The Gateway, the property under the subsidiary entity, MPICO Malls Limited.

Year ended 31 December K'000	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
Management fees	-	-	727 187	1 218 922
Other income	22 960	123 711	100	3 297
Consultancy services	422 511	372 724	422 511	372 724
Profit on sale of non-current assets	740	14 999	740	14 999
Total	446 211	511 434	1 150 538	1 609 942

D4: Finance costs and similar expenses

Finance costs include interest payable on borrowed funds and interest and similar expenses related to financial liabilities measured at amortised cost.

MPICO plc, the parent company, has overdraft facilities of K900 million and K500 million with FDH Bank plc and National Bank of Malawi plc respectively. MPICO Malls Limited (MML), a subsidiary of MPICO plc, has a loan of K2 255 million with Standard Bank plc. MML initially borrowed K4.6 billion from Standard Bank plc in the year 2018. The loan is subject to interest charges at 1.1% above the publicly quoted reference lending rate per annum and as at year end the actual interest rate was 26.4% (2024: 26.4%). The loan balances of K3.3 billion was extended for a period of 5 years to 30 September 2028. The loan is secured by investment property, The Gateway, which is included in investment properties as detailed in note G2 to the financial statements and as at 31 December 2025 was valued at K53 billion (2024: K44.1 billion).

Year ended 31 December K'000	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
Finance costs				
Interest on borrowed funds	630 563	705 018	-	-
Interest on overdraft facilities	103 699	137 127	103 699	137 127
Total finance costs	734 262	842 145	103 699	137 127

D5: Property and administrative expenses

This note gives further detail on the items included in property and administrative expenses.

Year ended 31 December K'000	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
Property expenses	2 685 880	1 960 074	999 589	642 603
OMIG management fees	749 210	608 086	749 210	608 086
Group shared expenses	1 260 144	935 948	1 260 144	935 948
Listing costs	46 002	38 708	46 002	38 708
Transfer secretaries' expenses	65 247	25 363	65 247	25 363
Depreciation	64 261	62 542	51 120	46 648
Direct expense recoveries	1 378 673	1 286 646	1 378 673	1 286 646
Advertising and marketing expenses	125 121	101 030	87 093	44 136
Donation	15 000	-	15 000	-
Communication costs	25 139	34 889	25 139	34 889
Computer, software and processing costs	52 853	35 535	41 679	33 659
Vehicle operating costs and insurance expenses	14 123	7 390	14 123	7 390
Directors' fees	276 938	298 022	98 390	137 545
Office space costs	54 466	54 462	54 466	54 282
Technical and professional fees	64 665	188 443	55 969	145 410
Printing and stationery costs	44 287	40 639	43 948	40 738
Travel & subsistence expenses	154 929	126 915	152 281	116 209
Auditors' remuneration - fees for audit service	204 262	163 410	88 304	70 643
Other ¹	204 564	165 607	149 312	147 761
Property and administration expenses	7 485 764	6 133 709	5 375 689	4 416 664

¹ Other costs include subscriptions, insurance for fixed assets, legal fees and office consumables.

D6: Income tax expense**Current tax**

Current tax is the expected tax payable on the 'taxable income' as contemplated for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The calculation of the Group's tax charge involves a degree of estimation and judgement. Sometimes the Group may have open tax returns with the Malawi Revenue Authority, and this is normally resolved by having frequent engagements with the Authority. Taxation provisions relating to open items are recognised based on the Group's estimate of the most likely outcome, after taking into account external advice where appropriate. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact profit or loss, current and deferred income tax assets and liabilities in the period that such determination is made.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts required to be used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets are recognised for tax losses carried forward, only to the extent that realisation of the related tax benefit is probable, where on the basis of all available evidence, it is considered more likely than not that there will be suitable taxable profits against which the reversal of the deferred tax asset can be applied. In certain circumstances, as required by accounting guidance, deferred tax balances are not recognised. In particular, where the liability relates to the initial recognition of goodwill, or transactions that are not 'business combinations' as contemplated and at the time of their occurrence, affect neither accounting nor taxable profits.

Deferred tax relating to items recognised outside profit or loss (for example, items adjusted for against retained income) is accounted for on a similar basis. Deferred tax is recognised in alignment with the underlying transaction, either in other comprehensive income or directly in equity, as appropriate.

Deferred tax assets and liabilities are only offset when there is both a legal right to set-off and an intention to settle on a net basis.

Dividends tax

In Malawi, dividends tax is levied on the recipient of a dividend. In terms of the dividends tax provisions, the tax is withheld at a rate of 10% by the entity which declares such dividend.

Tax laws substantially enacted

In terms of IAS 12, both current and deferred tax assets and liabilities are to be valued applying the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Changes in Malawi tax laws should be regarded as being substantively enacted when the changes in tax laws have been approved by parliament and signed into law, by the president.

IAS 12 requires an entity to recognise deferred tax for temporary differences between the tax base of an asset or liability and its carrying amount in the statement of financial position.

(a) Analysis of total income tax expense

The total income tax expense for the year comprises:

Year ended 31 December Km	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
Current tax				
Current tax	1 234 663	888 975	112 297	164 064
Total current tax	1 234 663	888 975	112 297	164 064
Deferred tax				
Deferred tax expense relating to the origination and reversal of temporary differences	2 522 530	1 667 646	1 123 284	587 235
Total deferred tax	2 522 530	1 667 646	1 123 284	587 235
Dividend tax	50 750	149 075	50 750	149 075
Total income tax expense	3 807 943	2 705 696	1 286 331	900 374

(b) Reconciliation of total income tax expense

The income tax expense charged to profit or loss differs from the income tax expense that would apply if all of the Company's profits from continuing operations from the different revenue categories had been taxed at the standard corporation tax rate. The difference in the effective rate of the continuing operations is explained below:

Year ended 31 December K'000	Note	CONSOLIDATED		SEPARATE	
		2025	2024	2025	2024
Profit before tax		23 126 039	14 890 314	6 651 768	5 302 020
Tax at standard rate of 30.0% (2024: 30.0%)		6 937 812	4 467 094	1 995 530	1 590 606
Disallowable expenses ¹		140 740	308 561	112 126	237 387
Indexation of investment property ²		(3 270 609)	(2 069 959)	(821 325)	(927 619)
		3 807 943	2 705 696	1 286 331	900 374

¹ Disallowable expenses mainly include expenses incurred in the production of non-taxable income and are therefore non-deductible for tax purposes.

² It mainly relates to the application of Consumer price Indices (CPI) on investment properties to determine the tax base against the book values

(c) Movement in tax

Tax Receivable K'000	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
Tax recoverable at 1 January	3 421 722	3 380 515	2 720 218	2 861 541
Income tax charge for the year	(256 932)	(225 229)	(112 297)	(164 064)
Tax refunds	(1 918 813)	(1 557 383)	(1 579 456)	(1 304 363)
Withholding tax	1 588 472	1 729 277	1 041 103	1 327 104
Income tax paid during the year	-	94 542	-	-
Tax recoverable at 31 December	2 834 449	3 421 722	2 069 568	2 720 218
Tax payable				
Tax payable at 1 January	(461 297)	(317 604)	-	-
Income tax charge	(977 731)	(663 746)	-	-
Withholding tax	238 213	197 295	-	-
Income tax paid during the year	466 451	322 758	-	-
Total payable during the year	(734 364)	(461 297)	-	-
Tax split:				
Tax recoverable at 31 December	2 834 449	3 421 722	2 069 568	2 720 218
Tax payable at 31 December	(734 364)	(461 297)	-	-
Total tax recoverable	2 100 085	2 960 425	2 069 568	2 720 218
Analysis of tax recoverable and payable				
MPICO plc	2 069 568	2 720 221	2 069 568	2 720 218
MPICO Malls Limited	697 814	606 453	-	-
Capital Developments Limited	67 067	95 048	-	-
Capital investments Limited	(324 294)	(188 022)	-	-
Frontline Investments Limited	(183 447)	(127 025)	-	-
New Capital Properties Limited	(226 623)	(146 250)	-	-
Net tax recoverable	2 100 085	2 960 425	2 069 568	2 720 218

E: Financial assets and liabilities

Accounting policy information

Classification and measurement of financial assets and financial liabilities Initial recognition of financial assets

Financial instruments are measured at initial recognition at fair value net of directly attributable transaction costs, unless the financial instrument is classified as fair value through profit or loss. For instruments classified at fair value through profit or loss attributable transaction costs are immediately expensed.

At initial recognition, the Group considers the appropriate classification as:

- Amortised cost; or
- Fair Value through Profit or Loss (FVTPL).

The classification of financial assets is based on whether the financial assets are equity instruments, debt instruments held or derivative assets. The classification and measurement of debt instruments is dependent on the business model in which the financial asset is managed and its contractual cash flow characteristics.

The business model refers to how the Group is managing its financial instruments to generate cash flows. Business model assessments are performed on shareholder and policyholder portfolios and consider investment mandates, how the portfolios are being managed to generate cash flows and performance indicators. The Group first assesses the business model before considering whether an instrument meets the definition of the contractual cash flow test.

Only if the financial instruments are held in a business model to collect contractual cash flows or a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, the cash flows characteristics test is performed.

Transaction costs that are directly attributable to the acquisition of financial assets are expensed in profit or loss for financial assets initially classified at FVTPL. For financial assets not classified at FVTPL, transaction costs are added to or deducted from the fair value at initial recognition.

Subsequent measurement of financial assets

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Derecognition of financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.
- the Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Initial recognition of financial liabilities

Financial liabilities not measured at FVTPL on initial recognition are measured at fair value less transaction costs that are incremental and directly attributable to the issue of the financial liability. Transaction costs of financial liabilities carried at FVTPL are expensed in profit or loss.

Subsequent measurement of financial liabilities

Fair value movements attributable to changes in the credit risk of a financial liability designated at FVTPL is recorded in other comprehensive income and not recycled to profit or loss. On derecognition of the financial liability, the amount included in other comprehensive income is reclassified to retained earnings. The balance of the fair value movement is recorded in profit or loss.

Financial liabilities at amortised cost

These liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign currency exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities at fair value through profit or loss

These liabilities are subsequently measured at fair value. Net fair value gains and losses, including any interest expense are recognised in profit or loss.

Derecognition of financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

E1: Categories of financial instruments

The analysis of financial assets and liabilities into their categories as defined in IFRS 9 *Financial Instruments* is set out in the tables below. Assets and liabilities of a non-financial nature, or financial assets and liabilities that are specifically excluded from the scope of IFRS 9, are reflected in the non-financial assets and liabilities category.

Information about the methods and assumptions used in determining fair value is included in note E2.

CONSOLIDATED

At 31 December 2025 K'000	Total	Mandatorily fair value through profit or loss	Designated fair value through profit and loss	Amortised cost	Non- financial other assets and liabilities
Assets					
Trade and other receivables	9 930 368	-	-	9 930 368	-
Cash and cash equivalents	1 384 181	-	-	1 384 181	-
Total assets	11 314 549	-	-	11 314 549	-
Liabilities					
Borrowings	2 254 719	-	-	2 254 719	-
Amounts due to group companies	2 785 053	-	-	2 785 053	-
Bank overdraft	276 338	-	-	276 338	-
Trade and other payables	2 124 111	-	-	2 124 111	-
Total liabilities	7 440 221	-	-	7 440 221	-
	Gross carrying		Expected credit losses		Net carrying amount
Cash and cash equivalents split by:					
Cash at bank and in hand	1 384 181		-	1 384 181	
Total	1 384 181		-	1 384 181	
Bank overdraft	276 338		-	276 338	
Cash and cash equivalents as per cashflows	1 107 843		-	1 107 843	

At 31 December 2024 K'000	Total	Mandatorily fair value through profit or loss	Designated fair value through profit and loss	Amortised cost	Non- financial other assets and liabilities
Assets					
Trade and other receivables	6 489 565	-	-	6 489 565	-
Funds at call and on deposit	3 014 511	-	-	3 014 511	-
Cash and cash equivalents	636 062	-	-	636 062	-
Total assets	10 140 138	-	-	10 140 138	-
Liabilities					
Borrowings	2 321 256	-	-	2 321 256	-
Amounts due to group companies	1 853 246	-	-	1 853 246	-
Bank overdraft	338 609	-	-	338 609	-
Trade and other payables	1 201 778	-	-	1 201 778	-
Total liabilities	5 714 889	-	-	5 714 889	-
	Gross carrying		Expected credit losses	Net carrying amount	
Cash and cash equivalents split by:					
Cash at bank and in hand	636 062		-	636 062	
Short term deposits	3 014 511		-	3 014 511	
Total	3 650 573		-	3 650 573	
Bank overdraft	338 609		-	338 609	
Cash and cash equivalents as per cashflows	3 311 964		-	3 311 964	

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At 31 December 2025 K'000	Total	Mandatorily fair value through profit or loss	Designated fair value through profit and loss	Amortised cost	Non- financial other assets and liabilities
Assets					
Trade and other receivables	3 545 642	-	-	3 545 642	-
Cash and cash equivalents	68 910	-	-	68 910	-
Total assets	3 614 552	-	-	3 614 552	-
Liabilities					
Amounts due to group companies	2 785 053	-	-	2 785 053	-
Bank overdraft	276 338	-	-	276 338	-
Trade and other payables	852 653	-	-	852 653	-
Total liabilities	3 914 045	-	-	3 914 045	-
	Gross carrying	Expected credit losses	Net carrying amount		
Cash and cash equivalents split by:					
Cash at bank and in hand	68 910	-	98 910		
Total	68 910	-	68 910		
Bank overdraft	276 338	-	276 338		
Cash and cash equivalents as per cash flows	(207 428)	-	(207 428)		

At 31 December 2024 K'000	Total	Mandatorily fair value through profit or loss	Designated fair value through profit and loss	Amortised cost	Non- financial other assets and liabilities
Assets					
Trade and other receivables	2 375 467	-	-	2 375 467	-
Cash and cash equivalents	312 289	-	-	312 289	-
Total assets	2 687 756	-	-	2 687 756	-
Liabilities					
Amounts due to group companies	1 853 246	-	-	1 853 246	-
Bank overdraft	338 609	-	-	338 609	-
Trade and other payables	681 679	-	-	681 679	-
Total liabilities	2 873 534	-	-	2 873 534	-
	Gross carrying		Expected credit losses	Net carrying amount	
Cash and cash equivalents split by:					
Cash at bank and in hand	312 289		-	312 289	
Total	312 289		-	312 289	
Bank overdraft	338 609		-	338 609	
Cash and cash equivalents as per cashflows	(26 320)		-	(26 320)	

E2: Fair values of financial assets and liabilities

The description of the determination of fair value and the fair value hierarchies of financial assets and liabilities described in this section applies to all financial assets and liabilities.

(a) Determination of fair value

The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset or liability is not active, or quoted prices cannot be obtained without undue effort, another valuation technique is used.

In general, the following inputs are taken into account when evaluating the fair value of financial instruments:

- assessing whether instruments are trading with sufficient frequency and volume, that they can be considered liquid.

There have been no significant changes in the valuation techniques applied when valuing financial instruments. The general principles applied to those instruments measured at fair value are outlined below:

Investment and securities (investment assets at FVTPL and investment assets at amortised cost)

Other investments and securities that are recognised at fair value are measured at observable market prices where available. In the absence of observable market prices, these investments and securities are fair valued utilising one or more of the following techniques: discounted cash flows, the application of an EBITDA multiple or any other relevant technique.

Investment contract liabilities

The fair value of the investment contract liabilities is determined with reference to the fair value of the underlying funds that are held by the Group.

Other financial assets and liabilities

The fair values of other financial assets and liabilities comprising other receivables and other payables reasonably approximate their carrying amounts as included in the statement of financial position as they are short-term in nature or re-priced to current market rates frequently.

(b) Fair value hierarchy

Fair values are determined according to the following hierarchy:

Description of hierarchy	Types of instruments classified in the respective levels
Level 1 – quoted market prices: financial assets and liabilities with quoted prices for identical instruments in active markets.	Listed equity securities.
Level 2 – valuation techniques using observable inputs: financial assets and liabilities with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial assets and liabilities valued using models where all significant inputs are observable.	Unlisted equity and debt securities where the valuation is based on models involving no significant unobservable data, with a majority determined with reference to observable prices. Debt instruments and investment contract liabilities.
Level 3 – valuation techniques using significant unobservable inputs: financial assets and liabilities valued using valuation techniques where one or more significant inputs are unobservable.	Unlisted equity and securities with significant unobservable inputs, securities where the market is not considered sufficiently active.

The judgement as to whether a market is active may include, for example, consideration of factors such as the magnitude and frequency of trading activity, the availability of prices and the size of bid/offer spreads. In inactive markets, obtaining assurance that the transaction price provides evidence of fair value or determining the adjustments to transaction prices that are necessary to measure the fair value of the asset or liability requires additional work during the valuation process.

The Group has significant processes in place to perform reviews of the appropriateness of the valuation of Level 3 instruments.

The majority of valuation techniques employ only observable data and so the reliability of the fair value measurement is high. However, certain financial assets and liabilities are valued on the basis of valuation techniques that feature one or more significant inputs that are unobservable, and, for them, the derivation of fair value is more judgemental. A financial asset or liability in its entirety is classified as valued using significant unobservable inputs if a significant proportion of that asset or liability's carrying amount is driven by unobservable inputs.

In this context, 'unobservable' means that there is little or no current market data available for which to determine the price at which an arm's length transaction would be likely to occur. It generally does not mean that there is no market data available at all upon which to base a determination of fair value. Furthermore, in some cases the majority of the fair value derived from a valuation technique with significant unobservable data may be attributable to observable inputs.

Consequently, the effect of uncertainty in determining unobservable inputs will generally be restricted to uncertainty about the overall fair value of the asset or liability being measured.

F: Financial risk management

The Group is exposed to financial risk through its financial assets. The most important components of financial risk are credit risk, market risk, interest rate risk and liquidity risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the Audit Risk and Compliance Committee (ARCC), which is responsible for developing and monitoring the Group's risk management

policies through the Risk Control Function. The ARCC reports regularly to the Board of Directors on its activities.

The Group's risk preferences and appetite limits are set out in the Group's Strategy and describes specific risk preferences and metrics. This Risk Strategy is regularly reviewed by the Board and subsidiary risk preferences and appetite limits are adjusted accordingly whenever required.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for identification, measurement, monitoring and controlling risk, and the Group's management of capital. Details of the material accounting policy information and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the financial statements.

FI.1: Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and ensuring that tenants pay rentals in advance, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit worthiness of its tenants is continuously monitored. Excluding Government rentals, receivables are from a large number of tenants, spread across diverse sectors and geographical areas.

Apart from the exposure to Government, the Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The credit risk exposure is managed by proactively engaging Government on amounts due from it and agreeing on a settlement plan for the outstanding balance. The credit risk on liquid funds is limited because the counterparties are financial institutions in a highly regulated industry.

The carrying amount of receivables (note G4) and cash and cash equivalents (note J5) recorded in the financial statements, grossed up for any allowances for losses, represents the Group's maximum exposure to credit risk.

1.7 Impairment of financial assets

(a) Overview

During the current financial year, the Group recognised credit loss of K121 million (2024: credit loss reversal of K40 million) (Company K59 million (2024: K57 million)) as disclosed in note G4.

(b) Calculation of ECL

The entity recognises lifetime Expected Credit Losses (ECL) for trade and other receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the entity'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.

The process of determining ECL involves high degree of judgement from management, which affects valuation of the balance, hence gives risk to significant risk.

(c) Significant increase in credit risk and default

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers quantitative and qualitative information based on the Group's historical experience, credit assessment and including forward-looking information. The Group's assessment of a significant increase in credit risk from initial recognition consists of a primary and secondary risk driver as follows:

- The primary risk driver aligns to the quantitative credit risk assessments performed, such as the behaviour score, credit rating, probability of default or arrears aging of a financial instrument.
- The secondary risk assessment considers a broad range of qualitative risk factors based on a forward-looking view such as economic and sector outlooks. The secondary risk assessment can be performed on a portfolio basis as opposed to a quantitative assessment at a financial instrument level.

These primary and secondary risk drivers are included by the Group as part of the ongoing credit risk management. When making a quantitative assessment, the Group uses the change in the probability

of default occurring over the expected life of the financial instrument. This requires a measurement of the probability of default at initial recognition and at the reporting date. A rebuttable assumption is that the credit risk since initial recognition has increased significantly if a financial instrument is 30 days past due on any payments or is one payment in arrears. It is not anticipated that this assumption will be rebutted. Financial assets at amortised cost can be transferred back to stage 1 or 2 within the ECL model if specific criteria have been met. A financial asset is in default when the financial asset is credit-impaired or if the Basel definition of default is met. Where applicable, the rebuttable presumption that default does not occur later than when a financial asset is 90 days past due, is applied.

(d) Write-off policy

The Group writes off a financial instrument at amortised cost when the entity has no reasonable expectation of recovery of the outstanding balance of the instrument. Determining when to write off financial assets is a matter of judgement and incorporates both quantitative and qualitative information. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

The following are examples of what could result in the write off a financial asset at amortised cost:

- legal prescription;
- settlement campaigns, collection efforts and legal processes do not result in the settlement of balances outstanding;
- receipt of payments from insurers; and
- financial assets have been in arrears for a significant amount of time with no qualifying payments being received in recent months.

F2 Interest rate risk

The Group is exposed to interest rate risk as it has significant borrowings. All borrowings are at commercial rates based on the bank base lending rate. Changes to the base lending rate would have a significant impact on the results for the year.

Sensitivity analysis

As at year-end, MPICO Malls Limited (the subsidiary Company of MPICO plc) had an outstanding loan of K2 255 million with Standard Bank plc. The loan is subject to interest charges at 1.1% above the publicly quoted reference lending rate per annum and as at year end the actual interest rate was 26.4%. An increase or decrease by 5% from the current reference rate of 25.3% per annum would result in actual interest rate of 31.4% or 21.4%, respectively.

An analysis of the sensitivity of the Group's profit or loss to a 5% increase or decrease in interest rates at the reporting date, assuming that all other variables remain constant, is presented below

CONSOLIDATED

At 31 December 2025 K'000	Profit or loss	
	Increase	Decrease
Borrowing costs	108 054	108 054
At 31 December 2024 K'000		
Borrowing costs	103 594	103 594

F3: Liquidity risk

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 entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted contractual maturities and cash

flows of financial liabilities based on the earliest date on which the Company can be required to pay.

CONSOLIDATED

At 31 December 2025 K'000	Carrying amount	Gross/ Nominal inflow/ outflow	0-3 months	3-12 months	Over 12 months
Assets					
Trade and other receivables	9 930 368	9 930 368	7 929 780	656 675	1 343 913
Cash and bank balances	1 384 181	1 384 181	1 384 181	-	-
Total	11 314 549	11 314 549	9 313 961	656 675	1 343 913
Liabilities					
Trade and other payables	2 124 111	2 124 111	2 124 111	-	-
Amounts due to related parties	2 785 053	2 785 053	2 785 053	-	-
Borrowings	2 254 719	3 489 593	82 049	294 587	3 112 957
Bank overdraft	276 338	276 338	276 338	-	-
Total financial liabilities measured at fair value	7 440 221	8 675 095	5 267 551	294 587	3 112 957
Liquidity gap	3 874 328	2 639 454	4 046 410	362 088	(1 769 044)

At 31 December 2024 K'000	Carrying amount	Gross/ Nominal inflow/ outflow	0-3 months	3-12 months	Over 12 months
Assets					
Trade and other receivables	6 489 565	6 489 565	4 026 523	933 284	1 529 758
Cash and bank balances	3 650 573	3 650 573	3 650 573	-	-
Total	10 140 138	10 140 138	7 677 096	933 284	1 529 758
Liabilities					
Trade and other payables	1 443 643	1 443 643	1 018 166	-	425 477
Amounts due to related parties	1 853 246	1 853 246	1 853 246	-	-
Borrowings	2 321 256	3 451 540	314 619	887 047	2 249 874
Bank overdraft	338 609	338 609	338 609	-	-
Total financial liabilities measured at fair value	5 956 754	7 087 038	3 524 640	887 047	2 675 351
Liquidity gap	4 183 384	3 053 100	4 152 456	46 237	(1 145 593)

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At 31 December 2025 K'000	Carrying amount	Gross/ Nominal inflow/ outflow	0-3 months	3-12 months	Over 12
Assets					
Trade and other receivables	3 545 642	3 545 642	3 334 661	210 981	-
Intercompany receivables	1 425 153	1 425 153	343 541	1 081 612	-
Cash and bank balances	68 910	68 910	68 910	-	-
Total	5 039 705	5 039 705	3 747 112	1 292 593	-
Liabilities					
Trade and other payables	852 653	852 653	632 530	-	220 123
Amounts due to related parties	2 785 053	2 785 053	2 785 053	-	-
Bank overdraft	276 338	276 338	276 338	-	-
Total financial liabilities measured at fair value	3 914 044	3 914 044	3 693 921	-	220 123
Liquidity gap	1 125 661	1 125 661	(53 191)	1 292 593	(220 123)
At 31 December 2024 K'000	Carrying amount	Gross/ Nominal inflow/ outflow	0-3 months	3-12 months	Over 12 months
Assets					
Trade and other receivables	2 375 467	2 375 467	2 200 642	174 825	-
Intercompany receivables	1 207 072	1 207 072	335 615	871 457	-
Cash and bank balances	312 289	312 289	312 289	-	-
Total	3 894 828	3 894 828	2 848 546	1 046 282	-
Liabilities					
Trade and other payables	681 679	681 679	482 067	-	-
Amounts due to related parties	1 853 246	1 853 246	1 853 246	-	199 612
Bank overdraft	338 609	338 609	338 609	-	-
Total financial liabilities measured at fair value	2 874 534	2 874 534	2 673 922	-	199 612
Liquidity gap	1 021 294	1 021 294	174 624	1 046 282	(199 612)

F4: Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of mainly equity comprising issued capital, reserves and retained earnings as disclosed in the statement of changes in equity.

The Board reviews the capital situation on an annual basis and based on each review, the Group will balance its overall capital structure through the payment of dividends and raising finance through borrowings or repaying any existing borrowings.

Gearing ratio

The gearing ratio as at year end was as follows:

At 31 December 2025 K'000	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
Borrowings	2 254 719	2 321 256	-	-
Trade and other payables	2 124 111	1 443 643	852 653	681 679
Amounts due to related parties	2 785 053	1 853 246	2 785 053	1 853 246
Bank overdraft	276 338	338 609	276 338	338 609
Net debt	7 440 221	5 956 754	3 914 044	2 873 534
Equity	110 903 589	93 066 152	46 940 437	42 563 160
Net debt to equity ratio	6.7%	6.4%	8.3%	6.8%

G: Non-Financial Assets and Liabilities**G1: Fixed assets****(a) Plant and equipment**

Plant and equipment are shown at cost, less related accumulated depreciation, and impairment losses.

Plant and equipment are depreciated on the straight-line basis at rates that will reduce book amounts to estimated residual values over the anticipated useful lives of the assets as follows:

Fixtures and fittings	5 years
Computers	3 years
Generators and Lifts	10 years
Motor vehicles	4 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at every year-end. An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. In the schedule below, furniture and equipment include computers and lifts.

Category	Valuation Model	Measurement
Equipment	Cost model	Plant and equipment, principally computer equipment, motor vehicles, fixtures and fittings are stated at cost less accumulated depreciation and impairment losses. The maximum estimated useful life ranges from three to ten years.

The following tables analyses plant and equipment.

CONSOLIDATED

	Plant and equipment				
K'000	Fixture and fittings	Generators	Motor vehicles	Furniture equipment	Total
Gross carrying amount					
Balance at 1 January 2024	252 871	291 554	118 147	510 195	1 172 767
Additions	2 225	-	-	20 308	22 533
Disposals	-	-	(84 360)	(6 023)	(90 383)
Balance at 31 December 2024	255 096	291 554	33 787	524 480	1 104 917
Additions	45 431	-	-	23 242	68 673
Disposals	-	-	-	(4 401)	(4 401)
Balance at 31 December 2025	300 527	291 554	33 787	543 321	1 169 189
Accumulated depreciation					
Balance at 1 January 2024	223 698	161 210	118 147	438 194	941 249
Depreciation charge for the year	13 909	22 881	-	25 752	62 542
Disposal	-	-	(84 360)	(6 023)	(90 383)
Balance at 31 December 2024	237 607	184 091	33 787	457 923	913 408
Depreciation charge for the year	11 730	22 455	-	30 076	64 261
Re-classification between categories	(633)	451	-	182	-
Disposals	-	-	-	(4 401)	(4 401)
Balance at 31 December 2025	248 704	206 997	33 787	483 780	973 268
Net carrying amount at:					
31 December 2024	17 489	107 463	-	66 557	191 509
31 December 2025	51 823	84 557	-	59 541	195 921

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	Plant and equipment				
	Fixture and fittings	Generators	Motor vehicles	Furniture equipment	Total
K'000					
Gross carrying amount					
Balance at 1 January 2024	93 430	179 367	118 147	303 311	694 255
Additions	2 225	-	-	24 274	26 499
Disposals	-	-	(84 360)	(6 023)	(90 383)
Balance at 31 December 2024	95 655	179 367	33 787	321 562	630 371
Additions	29 743	-	-	13 902	43 645
Disposals	-	-	-	(4 401)	(4 401)
Balance at 31 December 2025	125 398	179 367	33 787	331 063	669 615

Accumulated depreciation

Balance at 1 January 2024	82 950	92 590	118 147	237 696	835 385
Depreciation charge for the year	7 458	15 114	-	-	108 113
Disposal	-	-	(84 360)	(6 023)	(2 249)
Balance at 31 December 2024	82 950	107 704	33 787	255 749	480 190
Depreciation charge for the year	7 980	15 114	-	28 025	51 119
Disposals	-	-	-	(4 401)	(4 401)
Balance at 31 December 2025	90 930	122 818	33 787	279 373	526 908

Net carrying amount at:

31 December 2024	12 705	71 663	-	65 814	150 182
31 December 2025	34 468	56 549	-	51 690	142 707

G2: Investment property**Classification**

Investment properties are held to earn rentals or for capital appreciation or both and are not significantly occupied by the Group or any of its related entities.

Measurement

Investment properties are stated at fair value determined as economic conditions dictate by an independent registered valuer. Fair value is based on current prices in an active market for similar properties in the same location and condition. Properties are valued by independent valuers annually on a willing seller, willing buyer basis on an open market value. Any gain or loss arising from a change in fair value is recognized in the income statement. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the year in which they arise.

The increase in the fair value of investment properties, net of the related deferred tax, is appropriated to a non-distributable reserve in compliance with profit distribution restrictions included in the Companies Act, 2013. In the event of disposal of the property held at fair value, the related portion of the reserve is transferred to the distributable reserve. The statement of comprehensive income will then report a profit or loss on disposal based on the difference between proceeds and the carrying value. A property is deemed to have been sold when formal Government consent to the sale is received and that investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Valuation

As of 31 December 2025, and 31 December 2024 the investment properties were revalued at fair value. The valuations were carried out by an independent registered valuer, Desmond N. Namangale, MSc. Intl. Project. Mgmt.; BSc (Est. Man), Pg.Cert. Research; Methods, & PGCert.

Prop Dev. & invest. MSIM, of Knight Frank (Malawi) Limited, in accordance with the Appraisal and Valuation Standards laid down by the Royal Institution of Chartered Surveyors and the International Valuation Standards, and the resultant fair value increase was taken to profit or loss in line with the IAS 40 *Investments Property* requirements.

A register of land and buildings comprising investment properties and giving details under the Companies Act, 2013 is maintained at the Group's registered office and is open for inspection by members or their duly authorised agents.

The value of freehold and leasehold properties are as follows:

Year ended 31 December K'000	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
Freehold	54 707 318	45 287 197	32 814 403	27 452 063
Leasehold	64 342 328	53 502 008	3 842 369	3 148 610
Total investment properties	119 049 646	98 789 205	36 656 772	30 600 673

Movements in the valuation of investment properties are set out below:

Freehold	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
Year ended 31 December K'000				
At the beginning of the year	45 287 197	39 804 369	27 452 063	24 194 209
Additions	225 339	-	-	-
Fair value adjustment	9 194 782	5 482 828	5 362 340	3 257 854
At the end of the year	54 707 318	45 287 197	32 814 403	27 452 063

Leasehold	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
Year ended 31 December K'000				
At the beginning of the year	53 502 008	46 914 499	3 148 610	2 749 080
Additions	409 281	-	-	-
Fair value adjustment	10 431 039	6 587 509	693 759	399 530
At the end of the year	64 342 328	53 502 008	3 842 369	3 148 610
Total valuation	119 049 646	98 789 205	36 656 772	30 600 673

Fair value hierarchy of the Group's properties

The fair values of the Group's investment properties are categorised into Level 3 of the fair value hierarchy. The following table reconciles the fair value measurements of Group's investment properties:

		CONSOLIDATED		SEPARATE	
		2025	2024	2025	2024
Year ended 31 December K'000	Notes	Owned by the Group	Owned by the Group	Owned by the Group	Owned by the Group
Balance at beginning of the year		98 789 205	86 718 868	30 600 673	26 943 289
Additions		634 620	-	-	-
Net gain from fair value adjustments		19 625 821	12 070 337	6 056 099	3 657 384
Balance at end of the year		119 049 646	98 789 205	36 656 772	30 600 673

All of the Group's 27 investment properties are located in Malawi.

Amounts recognised in profit or loss for investment properties

The following table analyses the amounts recognised in profit or loss for the owned investment properties:

		CONSOLIDATED		SEPARATE	
		2025	2024	2025	2024
Year ended 31 December K'000	Notes				
Rental income from investment property		9 308 296	8 061 131	3 790 930	3 188 527
Direct operating expense arising from investment property that generated rental income		(2 685 880)	(1 960 074)	(999 589)	(642 603)

Fair value hierarchy of the Group's property

The fair value of the Group's properties is categorised into Level 3 of the fair value hierarchy.

Overall, there has been an increase in the investment properties balance. This was largely attributable fair value gains in the current financial year.

Unobservable inputs are inputs for which there is no market data available. They are developed using the best information available about the assumptions that market participants would use when pricing the asset or liability.

The information in the table below discloses the significant unobservable inputs used at year end in measuring investment properties categorised at level 3:

Type of property	Valuation technique	Key unobservable inputs	Range of estimates for unobservable inputs
Commercial, retail and industrial properties	• The valuation techniques used were investment or income method and, wherever appropriate, the direct comparison method and depreciated replacement cost method were used. • The Income approach relies much on rental income of the property while comparable approach relies on recent sales data and all relevant factors pertaining to the property like age of the buildings and remaining lease life for the land. The rental is benchmarked to market rentals as opposed to rack end rentals that a subject property may be raking due to different varying factors. • Replacement method is applied on the assumption of replacing a particular property as new by calculating its valued based current construction rates. Depreciation is subtracted from the replacement cost to reflect the age of the property. The land value is added to the depreciated value of improvements to arrive at the total value.	• Capitalisation rates • Market rentals per square metre	• Capitalisation rates for office space: 6% to 16.5% (2024: 5% to 17%). • Market rentals for office space: MK5 000 to MK24 000 per m² (2024: MK4 500 to MK15 000 per m²) • Capitalisation rates for retail space: 6.5% to 9% (2024: 7.5% to 11%). • Market rentals for retail space: MK7 000 to MK60 000 per m² (2024: MK5 000 to MK47 300 per m²) • Capitalisation rates for industrial space: 8.0% to 17% (2024: 8.5% to 17%). • Market rentals for industrial space: MK2 000 to MK7 000 m² (2024: MK1 950 to MK6 858 per m²)

Sensitivity analysis

The table below indicates the sensitivity of the aggregate property market values for a movement in discount and capitalisation rates and market rentals:

Year ended 31 December K'000	2025	2024
An increase of 1% in capitalisation rates would decrease the fair value by:	(12 047 278)	(9 133 687)
A decrease of 1% in capitalisation rates would increase the fair value by:	15 351 303	11 466 592
An increase of 10% in market rentals per m2 would increase the fair value by:	11 125 137	9 133 467
A decrease of 10% in market rentals per m2 would decrease the fair value by:	(11 123 114)	(9 232 543)

Cost of the investment properties

Year ended 31 December K'000	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
At cost	20 206 905	19 572 285	305 956	305 956
Fair values	98 842 741	79 216 920	36 350 816	30 294 717
Balance at end of the year	119 049 646	98 789 205	36 656 772	30 600 673

Property encumbrance

Included in the investment property balances as at 31 December 2025 were properties encumbered as follows:

1. Aquarius House in Lilongwe valued at K2 000 million (2024: K1 681 million) and Chief Kilipula House valued at K2 575 million (2024: K2 110 million). These properties are the subject of a charge in favour of FDH Bank plc and National Bank of Malawi plc to secure overdraft facilities of K900 million and K500 million, respectively for MPICO plc.
2. Gateway Mall valued at K53 021 million (2024: K44, 108 million). The property is the subject of a charge in favour of Standard Bank plc to secure a loan of K3.3 billion for MPICO Malls Limited.

Increase in fair value of investment properties

During the year, a fair value adjustment to investment properties has been credited and the associated tax has been charged to the statement of comprehensive income. The net of tax balance has been transferred to unrealised reserves. This is analysed as follows:

Year ended 31 December K'000	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
Fair value adjustment credited to statement of comprehensive income	19 625 821	12 070 336	6 056 099	3 657 384
Related deferred tax	(2 663 773)	(1 382 887)	(1 176 442)	(557 312)
Non-controlling interests	(4 993 153)	(3 143 337)	-	-
Amount transferred to unrealised reserves	11 968 895	7 544 112	4 879 657	3 100 072

G4: Trade, other receivables and other assets

CONSOLIDATED

At 31 December K'000	2025			2024		
	Gross carrying value	Expected credit loss provision	Net carrying value	Gross carrying value	Expected credit loss provision	Net carrying value
Rent and service charges	9 091 264	(1 054 335)	8 036 929	5 324 943	(932 366)	4 392 577
Staff loans	65 273	-	65 273	159 158	-	159 158
IFRS 16	1 343 913	-	1 343 913	1 529 758	-	1 529 758
Prepayments	303 825	-	303 825	129 481	-	129 481
Other receivables ¹	180 428	-	180 428	278 591	-	278 591
Total other receivables	10 984 703	(1 054 335)	9 930 368	7 421 931	(932 366)	6 489 565

¹ Other receivables include Value Added Tax receivable and rent deposits invested with Unit Trust

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At 31 December K'000	2025			2024		
	Gross carrying value	Expected credit loss provision	Net carrying value	Gross carrying value	Expected credit loss provision	Net carrying value
Rent and service charges	3 569 197	(325 603)	3 243 594	2 273 635	(266 396)	2 007 239
Staff loans	65 273	-	65 273	159 158	-	159 158
Prepayments	133 179	-	133 179	54 560	-	54 560
Other receivables ¹	103 596	-	103 596	154 510	-	154 510
Total other receivables	3 871 245	(325 603)	3 545 642	2 641 863	(266 396)	2 375 467

¹ Other receivables include Value Added Tax receivable and rent deposits invested with Unit Trust

Interest is charged on receivables in respect of outstanding rentals at 4% above base lending rate. As at year end the amount outstanding from Government was K7 236 million (2024: K3 354 million) for the Group (Company K2 830 (2024: K1 319 million)). The total interest charged on overdue rentals and other tenants amounted to K1 811 million (2024: K990 million) (Company K677 million (2024: K356 million)) for the year.

The IFRS 16 receivable of K1 343 million (2024: K1 530 million) relates to a receivable that arose as a result of the entity recognizing income on a straight-line basis over the lease term in line with IFRS 16 Leases. This is applicable to leases that are not renewable on an annual basis.

Due to the change in the operating model, MPICO entered into an agreement with Old Mutual Investment Group (OMIG) where OMIG manages the business from both an operations and investment management perspectives. Accordingly, there are no employees in MPICO hence no new loans are granted to staff. The outstanding staff loans relate mainly to legacy car loans which are still

being recovered through OMIG and are secured on cars that staff bought through the loans. Due to the latter, no ECL has been provided on staff loans.

The directors consider that the carrying amount of trade and other receivables approximates their fair value due to their short term nature.

Rentals and service charges receivables which were outstanding as at year end are analysed below:

Year ended 31 December K'000	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
0-90 days	1 856 796	843 597	668 929	386 198
Over 90 days	7 234 468	4 481 347	2 900 268	1 887 437
	9 091 264	5 324 944	3 569 197	2 273 635

Movement in Expected Credit Losses (ECL)

Year ended 31 December K'000	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
Balance at the beginning of the year	932 366	1 253 504	266 396	398 495
Increase/(decrease) in ECL recognised in the profit or loss	121 695	(39 703)	58 757	56 896
Amounts written off during the year	-	(286 050)	-	(190 340)
Amounts recovered during the year	274	4 615	450	1 345
Balance at the end of the year	1 054 335	932 366	325 603	266 396

In determining the recoverability of rentals receivable, the Group considers any change in the quality of the credit receivable from the date credit was initially granted up to the reporting date. Except for the Government, which for the Group accounts for approximately 32% (2024: 34%) rental income, the concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe that there is no further credit provision required in excess of the loss allowance for trade receivables.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtors 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 debtors operate and on the assessment of both the current as well as the forecast direction of conditions at the reporting date. The Group has recognized a loss allowance of 100% against all receivables that were handed over to external debt collectors. The Group has recognized a loss allowance for all Government receivables at 1.5%. This was based on the directors' judgment in the determination of the probability of default and loss given default.

The following table details the risk profile of trade receivables other than from Government and those handed over to external collectors based on the Group's provision matrix. As the Group's historical credit loss allowance does not show significantly different loss patterns for different customer segments and based on future dealings with the Government and forward-looking information the provision for loss allowance based on past due status is not further distinguished between the Group's different customer bases.

CONSOLIDATED

Trade receivables for Government – days past due

At 31 December 2025 K'000					
	Current	93 to 184 days	185 to 275 days	276 to 365 days	Over 365 days
Estimated total gross carrying amount at default	1 424 834	1 392 788	1 161 851	747 777	2 509 050
Expected loss rate	1.5%	1.5%	1.5%	1.5%	1.5%
Lifetime ECL	21 373	20 892	17 428	11 217	37 636

Trade receivables for private tenants – days past due

At 31 December 2025 K'000					
	Current	93 to 184 days	185 to 275 days	276 to 365 days	Over 365 days
Estimated total gross carrying amount at default	411 422	180 764	133 591	74 946	148 432
Expected loss rate	1%	1%	2%	6%	6%
Lifetime ECL	4 114	1 808	2 672	4 497	8 906

Trade receivables with external debt collectors

At 31 December 2025 K'000					
	Current	93 to 184 days	185 to 275 days	276 to 365 days	Over 365 days
Estimated total gross carrying amount at default	21 197	15 020	2 542	34 178	645 202
Expected loss rate	100%	100%	100%	100%	100%
Lifetime ECL	21 197	15 020	2 542	34 178	645 202

SEPARATE*Trade receivables for Government – days past due*

At 31 December 2025 K'000					
	Current	93 to 184 days	185 to 275 days	276 to 365 days	Over 365 days
Estimated total gross carrying amount at default	460 284	406 246	488 323	402 301	1 072 592
Expected loss rate	1.5%	1.5%	1.5%	1.5%	1.5%
Lifetime ECL	6 904	6 094	7 325	6 035	16 089

Trade receivables for private tenants – days past due

At 31 December 2025 K'000					
	Current	93 to 184 days	185 to 275 days	276 to 365 days	Over 365 days
Estimated total gross carrying amount at default	190 592	31 277	12 785	22 612	99 844
Expected loss rate	1%	1%	2%	6%	6%
Lifetime ECL	1 906	313	256	1 357	5 991

Trade receivables with external debt collectors

At 31 December 2025 K'000					
	Current	93 to 184 days	185 to 275 days	276 to 365 days	Over 365 days
Estimated total gross carrying amount at default	18 053	9 732	6 671	12 004	213 244
Expected loss rate	100%	100%	100%	100%	100%
Lifetime ECL	18 053	9 732	6 671	12 004	213 244

G5: Deferred tax assets and liabilities

Deferred income taxes are calculated on all temporary differences using the tax rate relevant to a shareholder.

(a) Deferred tax assets

Deferred tax assets are recognised for tax losses carried forward only to the extent that realisation of the related tax benefit is probable, where on the basis of all available evidence, it is considered more likely than not that there will be suitable taxable profits against which the reversal of the deferred tax asset can be deducted. Management has made an assessment and is comfortable that there will be sufficient taxable profit against which the deferred tax asset will be utilised. In addition, deferred tax assets is recognised on investments assets due to uplifting of taxable values using consumer price indexes (CPIs) where the taxable values are higher than the carrying values.

The movement on the deferred tax assets account is as follows:

	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
At 31 December K'000				
Deferred tax asset				
Accelerated capital allowances	23 033	27 543	-	-
Other temporary differences ¹	192 982	110 980	-	-
Total	216 015	138 523	-	-
Reconciliation of deferred tax asset				
At beginning of the year	138 523	395 146	-	-
Income statement charge	77 492	(256 623)	-	-
At end of the year	216 015	138 523	-	-

¹ Includes provision for doubtful receivables and property maintenance accruals

(b) Deferred tax liabilities

The following table provides an analysis of the deferred tax liabilities account:

	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
At 31 December K'000				
Deferred tax liabilities				
Investment property	(16 182 225)	(13 518 452)	(7 872 623)	(6 696 180)
Accelerated tax depreciation	28 953	27 292	21 450	19 224
Other temporary differences ¹	246 297	184 206	146 331	95 397
Total	(15 906 975)	(13 306 954)	(7 704 842)	(6 581 559)
Reconciliation of deferred tax liability				
At beginning of the year	(13 306 954)	(11 895 931)	(6 581 559)	(5 994 324)
Income statement charge	(2 600 021)	(1 411 023)	(1 123 283)	(587 235)
Other movements	-	-	-	-
At end of the year	(15 906 975)	(13 306 954)	(7 704 842)	(6 581 559)

¹ Includes provision for doubtful receivables and property maintenance accruals

(c) Net deferred tax Movement

	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
At 31 December K'000				
Income statement charge				
Deferred tax asset	216 015	138 523	-	-
Deferred Tax liability	(15 906 975)	(13 306 954)	(7 704 842)	(6 581 559)
Total	(15 690 960)	(13 168 431)	(7 704 842)	(6 581 559)

G6 Trade, other payables and other liabilities

	Notes	CONSOLIDATED		SEPARATE	
		2025	2024	2025	2024
At 31 December K'000					
Property expenses payable		533 940	374 814	297 442	195 054
Accrued expenses		438 266	241 865	178 744	202 833
Prepaid rentals		792 785	637 958	307 311	269 593
Other payables ¹		359 120	189 006	69 157	14 200
Total payables		2 124 111	1 443 643	852 654	681 680

¹ *Other payables include Value Added Tax payable*

Accruals are in respect of various expenses incurred but whose invoices have not yet been received or received but not booked as at year-end.

Property expenses payable relate to unpaid but booked invoices for property maintenance and other directly attributable property management costs. No interest is chargeable on these payables and there is no specific credit period from the date of the invoice, but the Group's financial risk management policies include ensuring that invoices are paid within 30 days.

The directors consider that the carrying amount of trade payables approximates to their fair value.

G7: Borrowed funds

	CONSOLIDATED		SEPARATE	
	2025	2024	2025	2024
At 31 December K'000				
Balance at 1 January	2 321 256	3 086 341	-	-
Interest charged	630 563	705 018	-	-
Interest paid	(630 563)	(705 018)	-	-
Additions during the year	165 803	-	-	-
Repayments during the year	(232 340)	(765 085)	-	-
Total borrowings	2 254 719	2 321 256	-	-

	CONSOLIDATED		SEPARATE	
At 31 December K'000	2025	2024	2025	2024
Amounts due after 1 year	1 878 083	1 658 040	-	-
Amounts due within 1 year	376 636	663 216	-	-
Total borrowings	2 254 719	2 321 256	-	-

MPICO Malls Limited (the subsidiary Company of MPICO plc) initially borrowed K4.6 billion from Standard Bank plc in the year 2018. The amount is subject to interest charges at 1.1% above the publicly quoted reference lending rate per annum and as at year end the actual interest rate was 26.4% (2024: 26.4%). The loan balance of K3.3 billion was extended for a period of 5 years to 30 September 2028. The loan is amortised over 5 years and is repayable on a quarterly basis. The loan is secured by investment property, The Gateway Mall as disclosed in the investment properties note G2. The carrying amount approximates the fair value because there is no secondary market in which the financial instrument could be traded.

G8: Capital work in progress

Cost

At 31 December K'000	Notes	2025	2024
At the beginning of the year		98 320	12 652
Costs incurred in the year		1 266 288	85 668
At the end of the year		1 364 608	98 320

The capital work in progress relates to development planning fee and construction of four Area 11 residential units. The units are scheduled to be completed in the first half of 2026 and Tikwere House restoration project. Both projects are currently being financed through internal resources.

G9: Share capital

Share capital

(a) Authorised share capital

	CONSOLIDATED		SEPARATE	
At 31 December K'000	2025	2024	2025	2024
3 000 000 000 (2024: 3 000 000 000) ordinary shares of 5 tambala each	150 000	150 000	150 000	150 000

(b) Issued share capital

	CONSOLIDATED		SEPARATE	
At 31 December K'000	2025	2024	2025	2024
Share Capital 2 298 047 460 (2024: 2 298 047 460) ordinary shares of 5 tambala each	114 902	114 902	114 902	114 902

G10: Other reserves

Unrealised reserves

The unrealised reserve comprises an increase in the fair value of investment properties, net of the related deferred tax, which is appropriated to unrealised reserves in compliance with profit distribution restrictions included in the Companies Act, 2013. In the event of disposal of the property held at fair value, the related portion of the reserve is transferred to the realised reserve. The statement of comprehensive income will then report a profit or loss on disposal based on the difference between proceeds and the carrying value.

Realised reserves

The realised reserves comprise the cumulative total comprehensive income recognised from inception (reduced by any amounts transferred to a separate reserve), reduced by dividends paid to date.

H: Interests in subsidiaries, associates and joint ventures

Basis of consolidation and equity accounting

	Subsidiaries	Associates	Joint Ventures
Typical shareholding in the assessment of entities that are not structured entities	Greater than 50%	Between 20% and 50%	Between 20% and 50%
Nature of the relationship	Entities over which the group has control as defined in IFRS 10 are consolidated.	Entities over which the group has significant influence as defined in IAS 28.	A joint arrangement in terms of which the group and the other contracting parties have joint control as defined in IFRS 11.

Critical accounting estimates and judgements – Investments in subsidiaries, associated undertakings and joint ventures

The Group has applied the following key judgements in the application of the requirements of the consolidation set of standards (IFRS 10 'Consolidated Financial Statements' and IFRS 11 'Joint Arrangements'):

Consolidation of subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

II: Subsidiaries

(a) Principal subsidiaries and Group enterprises

The following table lists the principal Group undertakings whose results are included in the consolidated financial statements. All shares held are ordinary shares and are held directly and indirectly by the Company.

Name	Nature of business	2025 % holding	2024 % holding
Capital Developments Limited	Development and rental of property	100	100
New Capital Properties Limited	Development and rental of property	100	100
Capital Investments Limited	Development and rental of property	50.75	50.75
Frontline Investments Limited	Development and rental of property	69.50	69.50
MPICO Malls Limited	Development and rental of property	53.10	53.10

All the above companies have a year end of 31 December and their financial results have been incorporated and are included in the Group financial statements. MPICO has control over its subsidiary entities due to its ability to direct strategic direction of the entities and has the ability to use its power to affect the returns of the subsidiaries.

(b) Non-controlling interests in subsidiaries

The following table summarises the information relating to the Group's subsidiaries that have material non-controlling interests:

CONSOLIDATED

At 31 December 2025 K'000	Capital Investments Limited	Frontline Investments Limited	MPICO Malls Limited	Total
Consolidated statement of financial position				
Total assets	15 326 600	7 462 305	55 921 689	78 710 594
Total liabilities	3 936 798	1 962 305	3 990 152	9 889 255
Net assets	11 389 802	5 499 999	51 931 537	68 821 338
Non-controlling interests				
Non-controlling interests (%)	49.25%	30.5%	46.9%	
Consolidated income statement				
Total revenue	4 410 262	1 974 127	10 687 265	17 071 654
Profit before tax	3 833 396	1 686 021	8 595 549	14 114 966
Income tax expense	(1 068 812)	(500 340)	(35 883)	(1 605 035)
Profit/(loss) after tax for the financial year	2 764 584	1 185 681	8 559 666	12 509 931
Non-controlling interests	1 361 558	361 633	4 014 484	5 737 675
Consolidated statement of cash flows				
Net increase in cash and cash equivalents	(765 035)	(986 876)	316 972	(1 434 939)
At 31 December 2024 K'000	Capital Investments Limited	Frontline Investments Limited	MPICO Malls Limited	Total
Consolidated statement of financial position				
Total assets	12 874 812	5 851 881	46 886 478	65 613 171
Total liabilities	3 248 594	1 537 463	3 514 606	8 300 663
Net assets	9 625 218	4 314 418	43 371 872	57 311 508
Non-controlling interests				
Non-controlling interests (%)	49.25%	30.5%	46.9%	
Consolidated income statement				
Total revenue	3 060 965	1 338 605	7 247 483	11 647 053
Profit before tax	2 456 540	999 575	5 767 038	9 223 153
Income tax expense	(682 044)	(295 254)	(317 790)	(1 295 088)
Profit/(loss) after tax for the financial year	1 774 496	704 321	5 449 248	7 928 065
Non-controlling interests	873 939	214 818	2 555 697	3 644 454
Consolidated statement of cash flows				
Net increase in cash and cash equivalents	1 244 927	999 979	158 999	2 403 905

During the year ended 31 December 2025, dividends of K492.5 million (2024: K409 million) were paid to non-controlling interests.

J: Other Notes

J1: Related parties

(a) Transactions with the Holding Group, subsidiaries, and other companies

At the year-end, the Company had the following balances with subsidiary companies in respect of management fees for various services property management.

	2025	2024
Capital Developments Limited	131 879	21 149
New Capital Properties Limited	3 344	109 311
Capital Investments Limited	21 149	114 252
Frontline Investments Limited	187 169	90 903
MPICO Malls Limited	1 081 613	871 457
Net amount due from related parties	1 425 154	1 207 072

The intermediate holding companies are Old Mutual Life Assurance Company (Malawi) Limited and Old Mutual Malawi. The ultimate holding Group is Old Mutual Limited, incorporated in South Africa. The Group's principal interest in and the amounts due by or (to) other group companies is disclosed in the note below. Other companies consist of fellow subsidiaries and holding Group. Transactions and balances with holding Group and other group companies are as follows:

			Value of transactions		Balance at year end	
Related party	Nature of related party	Type of transaction	2025	2024	2025	2024
Old Mutual Life Assurance Company	Holding company	Dividend paid	(424 711)	(375 326)	-	-
		Group shared expenses	372 413	-	(216 857)	
		VAT on Group shared expenses	61 448	-		
		Rental and service charges	318 369	245 921		-
		Repayments	217 003	664 703		-
Old Mutual (Malawi) Limited	Holding company	Dividend paid	(108 698)	(249 576)		-
		Director's fees	(10 826)	(15 797)		-
Old Mutual Investment Group	Fellow subsidiary	Management fees	(749 210)	(608 086)	(2 568 196)	(1 853 246)
		VAT on fees	(106 757)	(66 875)		-
		Shared operating expenses	(2 266 415)	(2 222 594)		-
		Repayments	2 392 951	3 250 000		-
		Rental and service charges	199 021	149 607		-
Total				-	(2 785 053)	(1 853 246)

(b) Transactions with key management personnel, remuneration and other compensation

The parent company entered into an agreement with Old Mutual Investment Group Ltd (OMIG) where OMIG manages the business both from an operations and investment management perspectives. Accordingly, there are no employees in MPICO hence no staff compensation carried in the Company's books. Neither were any staff loans advanced by the Company to employees during the year (2024: nil). At 31 December 2025 the total loans balance outstanding from employees of K10 million (2024: K12 million) relates to legacy loans which are still being recovered through OMIG.

Compensation paid to the Board of directors is listed below. The fees due to the non-executive directors are paid Old Mutual Malawi Limited.

Year ended 31 December K'000	Position as director	2025 K'000	2024 K'000
Directors' fees paid to non-executive directors and independent non-executive directors			
Mrs. E. Hami	Independent non-executive director	12 736	9 132
Mr. F. Mangani	Independent non-executive director	10 825	8 392
Dr. P. Matipwiri	Independent non-executive director	11 462	8 392
Mr. B. Ndaui	Independent non-executive director	5 413	8 392
Mrs. M. Mkandawire	Independent non-executive director	10 825	8 392
Mr. T. Biza	Non-executive Director	5 413	-
Mrs. V. Zulu	Non-executive Director	5 413	8 392
Mr. C. Kamoto	Independent non-executive director	5 413	6 294

J2: Operating lease arrangement

The Group as lessor

Leasing arrangements

Operating leases relate to the investment property owned by the Group with lease terms of between 1 and 10 years, with an option to extend the lease term. All operating lease contracts contain market based rental review clauses in the event that the lessee exercises its option to renew. Additionally, the rentals are renegotiated on an annual basis based on prevailing market conditions. The lessees do not have options to purchase the property at the expiry of the lease period.

The property rental income earned by the Group from its investment property, all of which is leased out under operating leases, amounts to K9 308 million (2024: K8 061 million).

J3: Contingent liabilities

The Group is currently contesting various civil cases filed by various plaintiffs. Based on Group's legal representatives, the outcome will not materialise into any loss.

J4: Commitments

Capital expenditure commitments are financed from internal resources, existing facilities as well as external sources.

			SEPARATE	
At 31 December K'000	2025	2024	2025	2024
Authorised	713 600	1 620 000	383 600	195 000

J5: Cash flow information**Cash and cash equivalents**

Cash and cash equivalents comprise:

- Coins and bank notes and;
- Balances with banks and;
- Money at call and short notice;

Cash and cash equivalents only include items held for the purpose of meeting short-term cash commitments rather than for investing or other purposes. Cash and cash equivalents have a maturity of less than three months from the date of acquisition. Prior year amounts had a tenor of one month and were being rolled over if not utilised.

Cash and cash equivalents included in the cash flow statement comprise coins and bank notes, money at call and short notice and balances with banks.

	CONSOLIDATED		SEPARATE	
Year ended 31 December K'000	2025	2024	2025	2024
Cash and cash equivalents as stated in the statement of financial position				
Funds at call and on deposit	-	3 014 511	-	-
Bank balances and cash	1 384 181	636 062	68 910	312 289
Total funds on deposit and in banks	1 384 181	3 650 573	68 910	312 289
Bank overdraft	(276 338)	(338 609)	(276 338)	(338 609)
Total cash and cash equivalents	1 107 843	3 311 964	(207 428)	(26 320)

MPICO plc has an overdraft facility of K900 million (2024: K900 million) with FDH Bank plc and K500 million (2024: K500 million) with National Bank of Malawi plc. The FDH Bank plc facility is secured on Aquarius House and accrues interest at the rate of 4.6% above the floating bank reference rate. The National Bank of Malawi plc facility is secured on Chief Kilipula House and accrues interest at the rate of 4.6% above the floating bank reference lending rate. Both Aquarius House and Chief Kilipula House are included in investment properties as detailed in note G2 to the financial statements. These bank overdraft facilities are repayable on demand.

The deposit accounts are maintained with National Bank of Malawi Plc and FDH Bank plc and attract interest at an average 7.5% (2024: 7.5%) per annum.

J5.1: Cash flows from operating activities

		CONSOLIDATED		SEPARATE	
Year ended 31 December K'000	Notes	2025	2024	2025	2024
Non-cash movements and adjustments to profit before tax					
Depreciation and Impairments of property, plant, and		64 261	62 542	51 120	46 648
Interest income		(2 087 432)	(1 183 564)	(684 845)	(366 104)
Finance costs		734 262	842 145	103 699	137 126
Dividend income		-	-	(507 500)	(1 090 750)
Expected credit loss		121 695	(39 703)	58 757	56 896
Profit on disposal of non-current assets		(740)	(14 999)	(740)	(14 999)
Fair value gains and losses on investment property		(19 625 821)	(12 070 336)	(6 056 099)	(3 657 384)
Total non-cash movements and adjustments to profit before tax		(20 793 775)	(12 403 915)	(7 035 608)	(4 888 567)
Changes in working capital					
Movement in related party receivables		-	-	(218 080)	281 391
Movement in related party payables		931 807	(1 606 895)	931 807	(1 606 895)
Movements in trade and other receivables		(3 562 499)	941 546	(1 228 933)	62 745
Movements in promissory notes receivables		-	5 095 690	-	1 369 825
Movements in payables, accruals, and provisions		680 468	54 741	170 974	32 751
Total changes in working capital		(1 950 224)	4 485 082	(344 232)	139 817

J6: Events after the reporting date

The Directors are not aware of any material events (as defined per IAS 10 Events after the Reporting Period) after the reporting date of 31 December 2025 until the date of authorisation of these audited consolidated financial statements.

K: Future standards, amendments to standards and interpretations not early adopted in the 2025 financial statements

In the current year, the entity 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 2025.

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

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

The following Standards were issued but not effective for the period commencing 1 January 2025:

Effective date	Standard amendment or Interpretation
Annual reporting periods beginning on or after 1 January 2025	Lack of Exchangeability (Amendments to IAS 21) The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.
Annual reporting periods beginning on or after 1 January 2025	Amendments to the SASB standards to enhance their international applicability. The amendments remove and replace jurisdiction-specific references and definitions in the SASB standards, without substantially altering industries, topics or metrics.

Standards and interpretations in issue, not yet effective

Annual reporting periods beginning on or after 1 January 2026	Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments. The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments.
Annual reporting periods beginning on or after 1 January 2026	Annual Improvements to IFRS Accounting Standards— Volume 11 The pronouncement comprises the following amendments: • 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
Annual reporting periods beginning on or after 1 January 2026	Amendments to IFRS 9 and IFRS 7 regarding power purchase arrangements The amendments aim at enabling entities to include information in their financial statements that in the IASB's view more faithfully represents contracts referencing nature-dependent electricity.
Annual reporting periods beginning on or after 1 January 2027	IFRS 18 Presentation and Disclosures in Financial Statements IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements.
Annual reporting periods beginning on or after 1 January 2027	IFRS 19 Subsidiaries without Public Accountability: Disclosures IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.

Effective date	Standard amendment or Interpretation
Annual reporting periods beginning on or after 1 January 2027	Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures The amendments cover new or amended IFRS Accounting Standards issued between 28 February 2021 and 1 May 2024 that were not considered when IFRS 19 was first issued. Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21)
Annual reporting periods beginning on or after 1 January 2027	The amendments clarify how companies should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one. Amendments to Greenhouse Gas Emissions Disclosures (Amendments to IFRS S2) The amendments to IFRS S2 aim at supporting entities applying IFRS S2 by reducing the complexity, risk of potential duplication of reporting and related costs of applying specific requirements in IFRS S2. Third edition of the IFRS for SMEs The third edition of the standard includes the following major amendments: • amended section 2 Concepts and Pervasive Principles • amended section 9 Consolidated and Separate Financial Statements • amended section 11 Basic Financial Instruments and section 12 Other Financial Instrument Issues (combined into one section) • new Section 12 Fair Value Measurement • amended section 19 Business Combinations and Goodwill • amended section 23 Revenue

Except for IFRS 18, the directors anticipate that these Standards and Interpretations in future periods will have no significant impact on the financial statements of the Group and Company.

L: Exchange rates and inflation

At 31 December K'000	2025	2024
	MK	MK
Malawi Kwacha / GBP	2 428.09	2 270.10
Malawi Kwacha / ZAR	108.60	101.08
Malawi Kwacha / US Dollar	1 751	1 751.00
Inflation rate (%)	26%	28.1%
At the time of approval of these financial statements the exchange rate and inflation rate had moved to:		
Malawi Kwacha / GBP	2 454.78	
Malawi Kwacha / ZAR	112.50	
Malawi Kwacha / US Dollar	1 751.00	
Inflation rate (%) (March 2026)	23.8%	

53rd Annual General Meeting

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NOTICE OF THE 53rd ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 53rd Annual General Meeting (AGM) of the Shareholders of MPICO plc will be held physically at Sunbird Capital Hotel, Lilongwe, 29 June 2026 at 14:00 pm.

Notes:

1. The AGM Pack and proxy form will be sent via email, post and be available on the MPICO website (www.mpicomw.com) from 8th June 2026 onwards.
2. Shareholders can raise their questions during a two-week period by email, WhatsApp or post, starting from 12th June to 26th June 2026.
3. The Company will collate all questions and publish these on its website. Questions and answers will be read out and commented upon to give context by the Chairperson during the meeting.
4. Shareholders will be required to send the proxy forms by 26th June 2026.
5. To facilitate this process, all shareholders are requested to send their email addresses and mobile phone numbers to: mpicoshareholders@natbankmw.com or WhatsApp Number +265 99 715 2592 by 14th June 2026.

ORDINARY BUSINESS

To consider and, if deemed fit, to pass, with or without modification, the following ordinary resolutions.

For an ordinary resolution to be adopted, it is required to be supported by a simple majority of the total number of voting rights entitled to be exercised by Shareholders present or represented by proxy at the AGM.

1. MINUTES

To approve the minutes of the 52nd Annual General Meeting held on 27th June 2025.

2. FINANCIAL STATEMENTS

To receive and consider the Directors and Auditors' report and Financial Statements of the Company for the year ended 31st December 2025.

3. DIVIDEND

To declare a final dividend of K1,149,023,730.00 in respect of 2025 profits, representing 50 tambala per share. The final dividend in respect of 2024 profits was K 988,160,407.80 representing 43 tambala per share.

The dividend will be payable on Friday, 24th July 2026 to those Shareholders appearing in the register of members by close of business on Friday, 17th July 2026. MPICO plc shares will trade ex-dividend from

Wednesday, 15th July 2026.

4. APPOINTMENT OF AUDITORS

To appoint Ernst and Young (EY) – Certified Accountants as Auditors for the ensuing year and authorize the Directors to determine the Auditors' remuneration for the period.

5. RE-ELECTION OF DIRECTORS

To individually re-elect Directors comprising one-third of the Non-executive Directors of the Company, who retire from office at this AGM in accordance with Article 30 of the Company's Articles of Association.

5.1. To re-elect Mr. Felix Mangani as a Director of the company who retires by rotation and being eligible, offers himself for re-election. The Board recommends his re-election.

Appointed: 26th May 2021

Qualifications: BSc(Land Surveying Mapping and Land Registration), BSc Maths and Physics), PG.Dip. Public Administration.

Committee Membership: Technical Committee

Major external positions, directorship or associations: Membership with the

Surveyors Institute of Malawi (SIM) and Registered Licensed Land Surveyor with the Land Surveyors Registration Board.

Key Skills and Experience: Real Estate, Land Administration, Land Surveying, Public Administration

6. APPOINTMENT OF DIRECTORS

6.1 To confirm the appointment of Mr. Stephen Kapfunde as Director to fill a vacant position

Name: Stephen Kapfunde

Appointed: 5th March 2026

Qualifications: Royal Institute of Chartered Surveyors (RICS) Registered Valuer; Chartered Surveyor with RICS; MSc Construction Project Management, BSc (Honours) Estate Management

Committee Membership: Technical Committee

Major external positions, directorships

or associations: General Manager-

Old Mutual Investment Group

(Zimbabwe)

Property Boutique; Surveyor with RICS in Commercial Property Practice

Key Skills and Experience: Real Estate, Valuer, Land Surveyor

6.2 To confirm the appointment of Mr. Wisdom Kalima as Director nominated by the Shareholder Public Service Pension Trust Fund

Name: Wisdom Kalima

Appointed: 5th March 2026

Qualifications: Chartered Accountant with the Association of Chartered Certified Accountants (ACCA); Bachelor of Accountancy, Advanced Diploma in Accounting and Business

Committee Membership: Audit, Risk and Compliance Committee.

Major external positions, directorships

or associations: Institute of Internal Auditors Malawi (IIAM); Membership with the Institute of Chartered Accountants in Malawi (ICAM) & the Association of Chartered Certified Accountants (ACCA)

Key Skills and Experience: Accounting, Audit, Public Finance

per annum payable in arrears
(**MK10,825,272** – 2025).

ii. Sitting Allowances

Chairperson-MK489,957 per sitting
(**MK376,890** – 2025)

Non-Executive Directors – MK375,486 per sitting (**MK288,835** – 2025).

8. OTHER BUSINESS

To transact such other business as may be transacted at an Annual General Meeting of members and which the Secretary will have been duly notified not less than 28 days before the date of the meeting.

Dated 8th June 2026

BY ORDER OF THE BOARD

CHIFUNDO KALAILE

COMPANY SECRETARY

Registered Office:

MPICO plc

Old Mutual House, P.O. Box 30459, Lilongwe 3

A member entitled to attend and vote at the meeting is entitled to appoint a proxy (or more than one proxy) to attend and vote in his / her stead. A proxy need not to be a member of the company.

The instrument appointing a proxy and the power of attorney or the other authority, if any, under which if it is signed or a notarially certified copy of that power or authority shall be deposited at the Company Secretary's Office not less than forty-eight hours before the time for holding the meeting and in default the instrument of proxy shall not be treated as valid.

7. NON-EXECUTIVE DIRECTORS' FEES AND SITTING ALLOWANCES

To approve the increase in Directors' fees and sitting allowances of the Chairperson and Non-Executive Directors with effect from 1st January 2026 as follows:

i. Directors' fees

Chairperson – MK16,556,673 per annum payable in arrears (**MK12,735,902** 2025)

Non-Executive Directors –MK14,072,855



MINUTES OF THE 52ND ANNUAL GENERAL MEETING OF THE COMPANY HELD ON FRIDAY, 27TH JUNE 2025, HELD AT SUNBIRD CAPITAL HOTEL IN LILONGWE

SHAREHOLDERS PRESENT

1. Frank Harawa
2. Jacqueline Kapyola
3. Henry E. Chipeta
4. Brian Kampanje
5. Mary Sululu
6. Purity Chitalo
7. Bernadett Kanzandu
8. Chrein Thom
9. George Sambakusi
10. Takondwa Mlenga
11. Richard Butao

PROXIES

1. Cuthbert Mnyenyembe - All clients under Old Mutual Investment Group Ltd
2. James Mbingwa - All clients under Continental Asset Management
3. Waza Phiri- All clients under Continental Asset Management
4. Brian Kampanje - MISALICO
5. Lilian Macheso - All clients under LifeCo
6. J Kukada
7. Ian Msusa

IN ATTENDANCE

DIRECTORS

Mr. E. Hami	Chairperson
Mr. P. Matipwiri	Director
Mr. B. Ndau	Director
Mrs. V. Zulu	Director
Mrs. M. Mkandawire	Director
Mr. F. Mangani	Director

EXECUTIVE MANAGEMENT

Ms. C. Kalaile	Company Secretary
Mr. E. Jambo	Head of Property Services
Mr. R. Butao	Finance Manager
Mr. L. Mwabutwa	Facilities Manager
Mrs. G. Mkandawire	Gateway Manager

EXTERNAL AUDITORS

Mr. V. Beza	Deloitte, Audit Partner
Ms. T. Kulijili	Deloitte, Audit Manager

1. QUORUM AND NOTICE

- a. The Chairperson called the meeting to order at 11:10 am. The Company Secretary confirmed that a quorum had been formed and that the meeting was duly constituted.
- b. The Chairperson proposed that the notice of the meeting, having been previously circulated, be taken as read.
- c. The Chairperson proceeded to declare the meeting duly constituted and welcomed all present.

2. CONFIRMATION OF THE MINUTES OF THE 51ST ANNUAL GENERAL MEETING

- a. The minutes of the 51st Annual General Meeting held on Friday, 28th June 2024, were tabled before the meeting for adoption and confirmation.
- b. After confirmation from the Company Secretary that there were no corrections to the minutes received, the members voted for the resolution to adopt the minutes
- c. **Resolved:** That the minutes be adopted and confirmed as a correct record of the proceedings, subject to the request by the Shareholders that voting be by poll rather than a show of hands.

3. APPROVAL OF FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31ST DECEMBER 2024

- a. The audited financial statements for the year ended 31st December 2024 were tabled before the Shareholders.
- b. The External Auditors informed the members that the 2024 financial statements gave a true and fair view of the financial performance for the year ended 2024.
- c. The motion to receive, consider, and adopt the Annual Report and Financial Statements for the year ended 31st December 2024, together with the Reports of the Auditors thereon, was adopted by the members.
- d. Shareholders expressed concern that recent changes to the formatting of the Audited Financial Statements (AFS) had resulted in a different presentation of the AFS. They further requested that an organogram of MPICO plc be included in the next reports.
- e. **Resolved:** That the Audited Financial Statements for the year ended 31st December 2024, together with the reports of the Auditors and Directors, be approved and adopted.

4. DIVIDEND PROPOSAL

- a. A proposal was made for the final dividend of MK988.16 million, representing 43 tambala per share from the profits of the year 31st December 2024.
- b. The members voted for the resolution to declare the dividend.
- c. **Resolved:** THAT a final dividend of MK988.16 million be declared from the profits of the year ended 31st December 2024.

5. RE-APPOINTMENT OF EXTERNAL AUDITORS

- a. A proposal was made to re-appoint Deloitte Certified Public Accountants as the Auditors of the Company for the ensuing year and authorize Management to fix their remuneration.
- b. **Resolved:** That Deloitte, Certified Public Accountants, be reappointed as Auditors of the Company for the ensuing financial year and that Management be authorised to fix their remuneration.

6. DIRECTORS' RESIGNATION, RE-ELECTION AND APPOINTMENT

Resignation of Directors

- a. The members noted the resignation of the following Directors: Mrs. Vera Zulu. Mr. Charles Kamoto, Mr. Benard Ndau and Mrs Edith Jiya.
- b. The Shareholders expressed concern regarding the simultaneous resignation of four Directors. The Shareholders were informed that this was partly due to the reduction of Old Mutual (Malawi)'s shareholding to facilitate the Public Service Pension Trust Fund, which held a 19.46% shareholding, in nominating its representatives to the Board.
- c. The Shareholders further requested that gender balance be taken into consideration in future Board appointments.

Re-election of Directors

A proposal was made to re-elect Mrs. Martha Mkandawire as Director of the Company.

Resolved: That the re-election of Mrs. Martha Mkandawire be approved.

Appointment of Directors

- a. The Shareholders were informed that the appointment of Director Mapfidza was retracted as he was no longer available to take the Board seat.
- b. A proposal was made to confirm the appointment of Mr. Tavona Biza as Director of the company to fill a vacant position.

Resolved: That the appointment of Mr. Tavona Biza be approved.

7. DIRECTORS' REMUNERATION

- a. A proposal was made that the remuneration of the Chairperson and Non-Executive Directors be approved with effect from 1st January 2025
- b. **Resolved:** That the remuneration of the Chairperson and Non-Executive Directors be fixed with effect from 1st January 2025.
- c. **Resolved:** that Management should review the sitting allowances for 2026, noting that the current allowances were considered too low.

The approved remuneration for the Directors with effect from 1st January 2025 was as follows;

Director's Fees

Chairperson- MK12,735,902 per annum payable in arrears (MK9,872,792)

Non-Executive Directors -MK10,825,272.00 per annum payable in arrears (MK8,391,684)

Sitting Allowances

Chairperson - MK376,890 per sitting (MK292,163)

Non-Executive Directors – MK288,835 per sitting (MK223,903)

8. OTHER BUSINESS

There was no further business of which due notice was given. The meeting was declared closed at 13.28 hours.



Reg. No. COYR – A5K1E78

PROXY FORM

I/We (name/s in block letters)

of(address)

being the member/members of the above-named company and entitled to vote do hereby appoint:

- 1.ofor failing him/her.
- 2.of or failing him/her.
- 3. the Chairperson of the meeting as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the Fifty-Third Annual General Meeting of the company to be held physically at Sunbird Capital Hotel in Lilongwe on Monday, 29th June 2026 at 14.00 pm and at any adjourned meeting thereof as follows:

	Agenda Item	Mark with ✓ where applicable		
	Ordinary Business	In favour	Against	Abstain
1.	Approval of Minutes of the 52 nd AGM.			
2.	Adoption of 2025 Directors' and Auditors' Report and Financial Statements of the Company for the Year Ended 31 st December 2025			
3.	Declaration of a Final Dividend of K1,149,023,730.00			
4.	To appoint Ernst & Young(EY) – Certified Accountants as Auditors for the ensuing year and to authorize the directors to determine the Auditors' remuneration for the period.			
5.	To re-elect Mr Felix Mangani as a Director of the Company			
6.1	To confirm the appointment of Mr. Stephen Kapfunde			
6.2	To confirm the appointment of Mr. Wisdom Kalima			
7(i)	To approve the increase in the director's fees of MK16,556,673 per annum for the Chairperson and MK14,072,856 per annum for the Non-Executive Directors			

7(ii)	To approve the increase in the sitting allowances of K489,957 per sitting for the Chairperson and MK375,486 per sitting for the Non-Executive Directors.			
8	Any other Business			

Signed aton thisday of2026

Signature

Assisted by me (where applicable) (see note 3):

.....

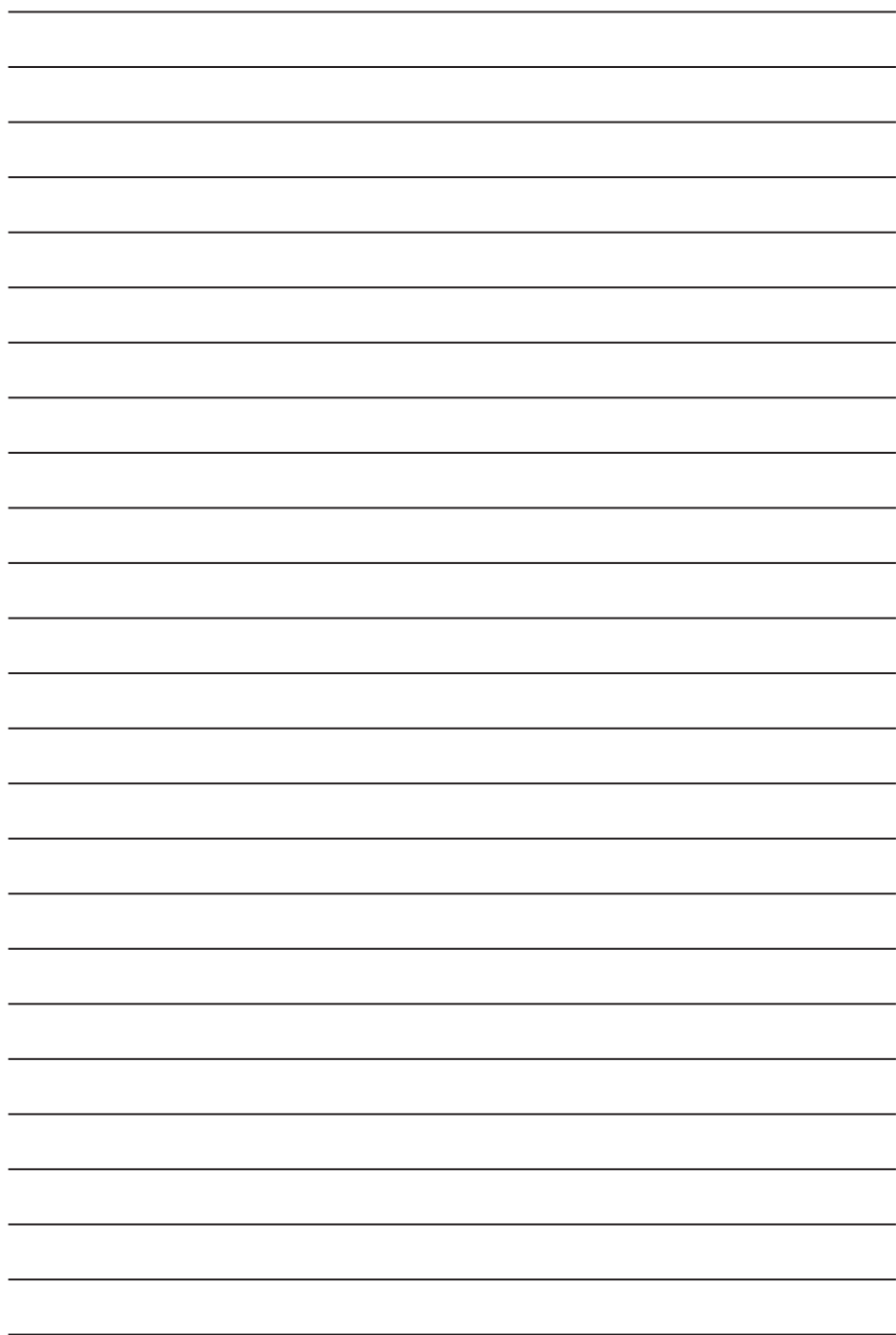
Full name/s of signatory/ies if signing in a representative capacity (see note 4):

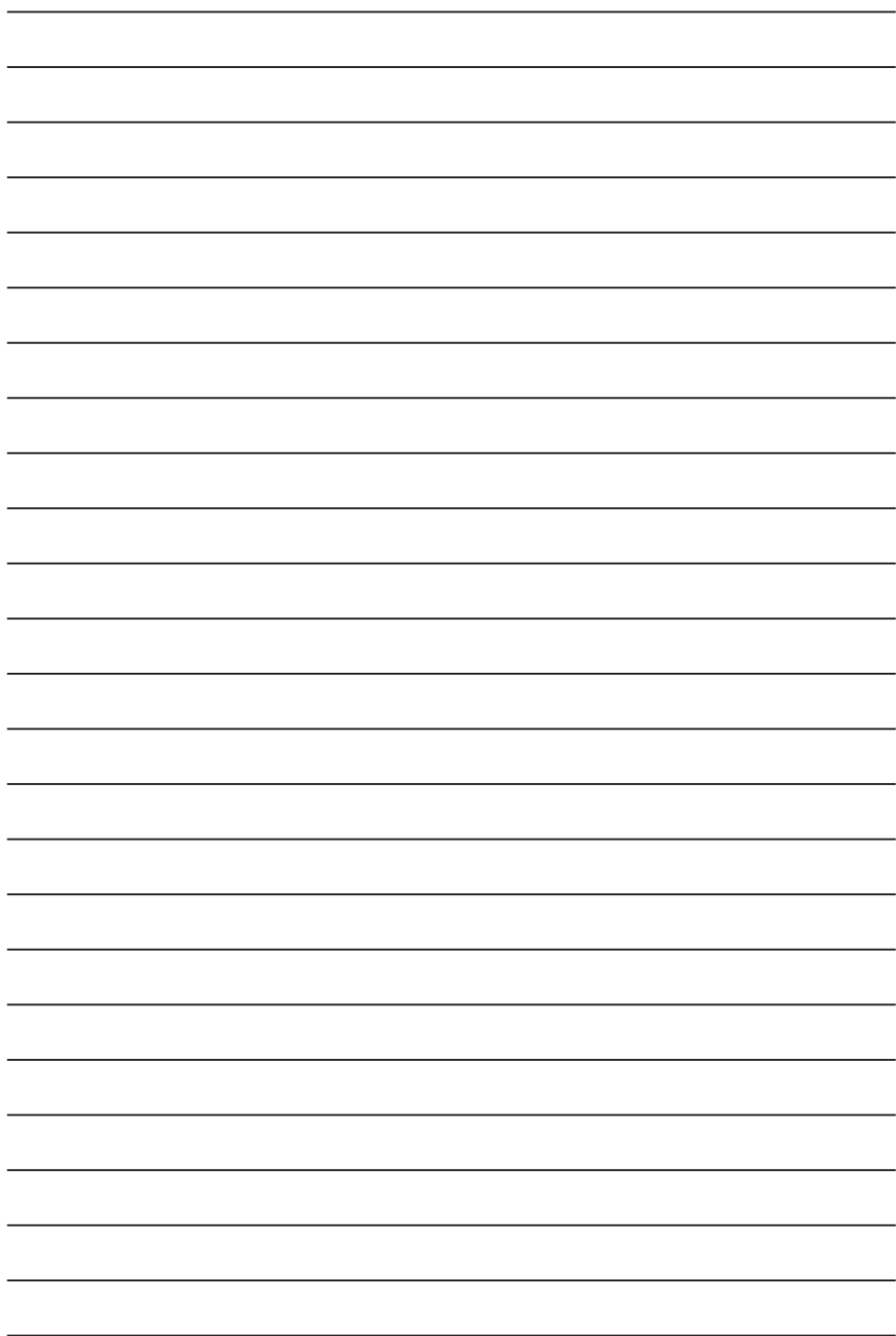
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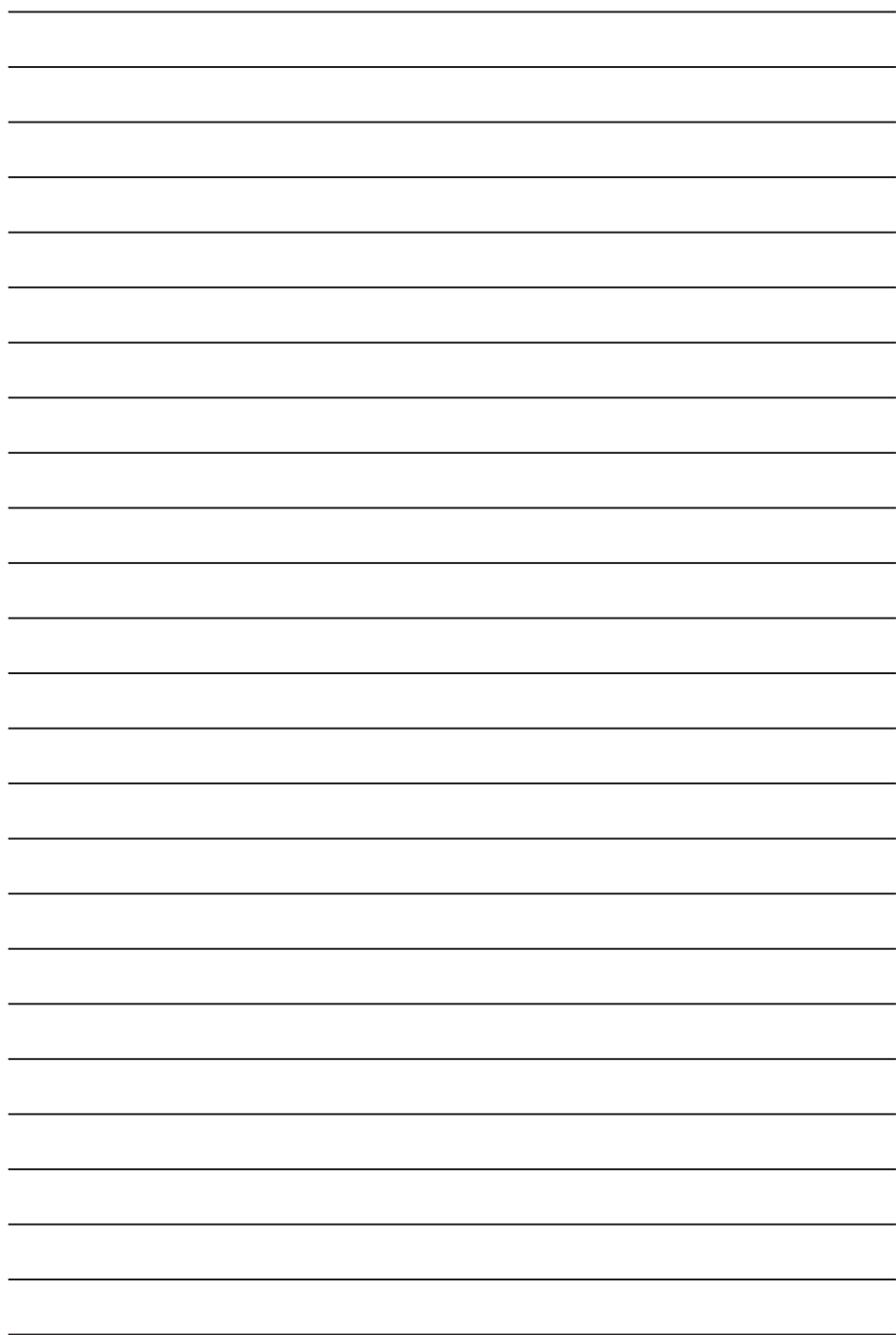
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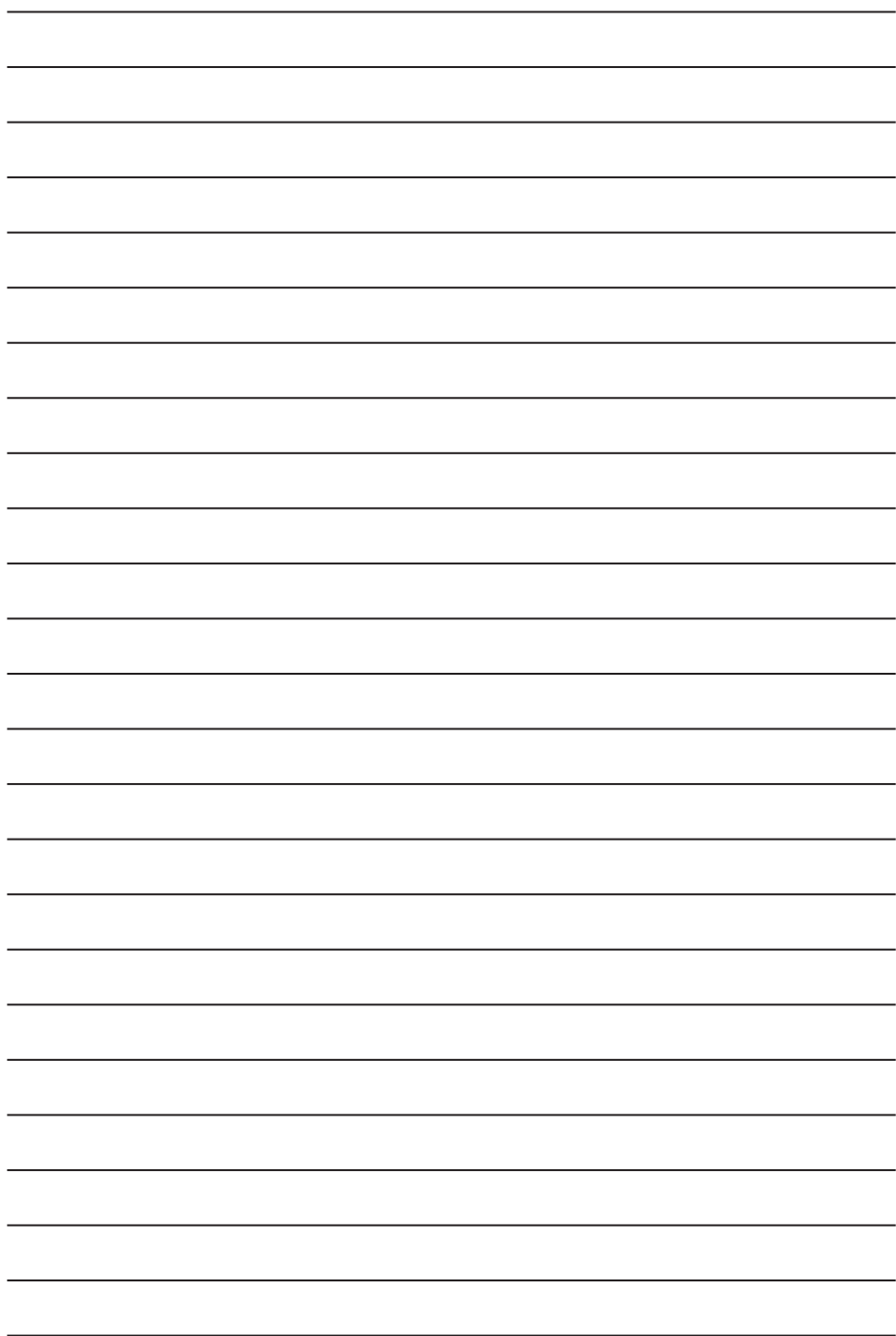
1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the company.	4. In order to be effective, proxy forms must reach the registered office of the company or the Transfer Secretaries, National Bank of Malawi, P O Box 945, Blantyre or at 7 Henderson Street, Blantyre OR deposited at the Company Secretary's office not later than 48 hours before the time for holding the meeting.
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.	5. 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.
3. A minor must be assisted by his or her guardian.	

A proxy need not be a member of the company.











MPICO

A MEMBER OF THE  OLD MUTUAL GROUP

- Property Development
- Property Management
- Property Valuation
- Property Management
- Property Ownership
- Property Leasing
- Facilities Management

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