



OLD MUTUAL PENSION SERVICES COMPANY LIMITED

Registration Number COYR-BQ51838

SUMMARY AUDITED FINANCIAL STATEMENTS FOR THE YEARENDED 31 DECEMBER 2024

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

K'000	31-Dec- 24	31-Dec- 23 Restated
Fee income from service activities*	5 549 883	3 779 176
Investment income	534 784	473 902
Other income	3 368	-
Total income	6 088 035	4 253 078
Operating and administration expenses	(4 538 295)	(3 463 699)
Profit before tax	1 549 740	789 379
income tax expense	(512 874)	(242 459)
Profit after tax	1 036 866	546 920

*The prior year balances have been restated

SUMMARY STATEMENT OF FINANCIAL POSITION

K'000	At 31 December 2024	At 31 December 2023	At 1 January 2023
		Restated	Restated
Assets			
Plant and equipment	406 789	170 533	105 514
Deferred tax assets	112 494	84 087	39 802
Investment in promissory note	502 714	408 609	953 180
Current tax receivable*	644 242	170 521	27 171
Amounts due from group companies	326 874	-	-
Other receivables*	113 268	195 239	177 622
Cash and cash equivalents	2 463 109	3 034 756	2 066 027
Total Assets	4 569 490	4 063 745	3 369 316
SHAREHOLDERS EQUITY			
Share capital	250 000	250 000	250 000
Retained earnings*	2 287 763	1 750 897	1 403 977
Total equity	2 537 763	2 000 897	1 653 977
Liabilities			
Amounts payable to group companies	716	237 492	507 481
Other payables	2 031 011	1 825 356	1 207 858
Total liabilities	2 031 727	2 062 848	1 715 339
TOTAL EQUITY AND LIABILITIES	4 569 490	4 063 745	3 369 316

*The prior year balances have been restated

SUMMARY STATEMENT OF CASH FLOWS

K'000	At 31 December 2024	At 31 December 2023
		Restated
Net cash generated from operating activities*	(221 837)	251 503
Net cash used in investing activities	150 190	917 226
Net cash used in financing activities	(500 000)	(200 000)
Net increase in cash and cash equivalents	(571 647)	968 729
Cash and cash equivalents at beginning of year	3 034 756	2 066 027
Cash and cash equivalents at end of year	2 463 109	3 034 756

SUMMARY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

K'000	Share capital	Retained earnings	Equity attributable to owners of the Company
At 1 January	250 000	1 750 897	2 000 897
Profit for the year	-	1 036 866	1 036 866
Dividend	-	(500 000)	(500 000)
Balance at 31 December	250 000	2 287 763	2 537 763
For the year ended 31 December 2023			
K'000	Share capital	Retained earnings (Restated)	Equity attributable to owners of the Company (Restated)
At 1 January	250 000	1 403 977	1 653 977
Profit for the year*	-	546 920	546 920
Dividends	-	(200 000)	(200 000)
Balance at 31 December	250 000	1 750 897	2 000 897
Opening balance as at 1 January 2023			
K'000	Share capital	Retained earnings (Restated)	Equity attributable to owners of the Company (Restated)
As at 1 January as previously reported	250 000	1 198 252	1 448 252
Adjustment	-	(152 375)	(152 375)
Restated as at 1 January 2022	250 000	1 045 877	1 295 877
Profit for the year	-	358 100	358 100
Closing balance as at 31 December 2022 (restated)	250 000	1 403 977	1 653 977

*The prior year balances have been restated

FINANCIAL REVIEW

BASIS OF PREPARATION
The summary financial statements have been prepared to meet the requirements of the Financial Services Act 2010. The Directors have considered the requirements of the Financial Services Act 2010 and believe that the summary statements of financial position, comprehensive income, changes in equity and cash flows are sufficient to meet the requirements of the users of the summary financial statements. The amounts in the summary financial statements are prepared in accordance with the framework concepts and the measurement and recognition requirements of 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. The summary financial statements have been derived from the audited Annual Financial Statements which were approved by the Board of Directors on 30 March 2025 and are available at the Company's registered office.

ECONOMIC REVIEW
Malawi faced significant economic challenges in 2024, with Gross Domestic Product (GDP) growth slowing to an

estimated 1.8% (2023: 1.9%) from initial projection of over 3%, as climatic shocks and persistent foreign currency shortages constrained economic growth. Inflation remained high and averaged 32.2% (2023: 28.8%), driven by high food prices and forex shortages which impacted import costs. The Monetary Policy Committee decided to maintain the policy rate at 26% to support economic activity.

Despite the economic headwinds, the Malawi Stock Exchange All share index registered an above inflation price return of 55.1%, albeit lower than the 78.9% achieved in 2023. Returns from Interest bearing assets lagged average inflation for the year, while property returns were within expectations.

Total revenue for the year grew by 43% to K6.088 billion in 2024 from K4.253 billion(restated) in 2023. This was driven by an increase in administration fees from new business and pension contribution receipts from Funds that were in arrears. Profit before tax therefore also grew by 96% to MK1 549 million (MK789 million in 2023).

OUTLOOK*
Economic growth will continue to be constrained by weather-related shocks, foreign currency supply shortages and a policy shift by major donors. Authorities project a rebound in GDP growth to 3.2% in 2025 compared to the estimated 1.8% in 2024 on the account of increased agricultural output. Progress on the International Monetary Fund Extended Credit Facility Programme will remain key to strengthening donor confidence going forward. Inflation on the other hand is projected to remain elevated due to pressure on both food and non-food costs.

The Board will continue to monitor economic development and take appropriate actions to preserve value for all stakeholders.

*Unaudited

BY ORDER OF THE BOARD


Alfred Kaponda
Director

16th April 2025


Evelyn Mwapasa
Chairperson

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF OLD MUTUAL PENSION SERVICES COMPANY LIMITED

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2024, and the summary statement of profit or loss and other comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended, are derived from the audited financial statements of Old Mutual Pension Services Company Limited for the year ended 31 December 2024.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements of Old Mutual Pension Company Limited, and on the basis described in the "basis of preparation" paragraph.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon


We expressed an unmodified audit opinion on the audited financial statements in our report dated 31 March 2025.

Directors' Responsibility For The Summary Financial Statements

Directors are responsible for the preparation of the summary financial statements in accordance with the basis in the "basis of preparation" paragraph and for such internal control as the directors determine is necessary to enable the preparation of the summary financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810 (Revised) Engagements to Report on Summary Financial Statements.


Chartered Accountants
Vilengo Beza
Partner

29 April 2025
Deloitte.