



GOVERNMENT OF MALAWI

(Issued under the provisions of the Malawi Public Finance Management Act)

2-YEAR FIXED COUPON TREASURY NOTE – 04 FEBRUARY 2025

The Government of Malawi as fiscal authorities in the Republic of Malawi invites bids for the above Treasury note whose terms are as follows:

A. TERMS AND CONDITIONS	
1. Issuer:	Government of Malawi
2. Purpose:	Debt Refinancing
3. Mode:	Multiple price bid auction
4. Auction frequency:	To be prescribed by the Government
5. Initial auction	04 February 2025
6. Amount:	K46.02 Billion
7. Tenor:	2 years
8. Settlement date:	Funds to be received by 15:00 hours on value date (T+2) by debit of customer accounts at commercial banks
9. Price per K100 Par Value of Treasury note:	Quoted at discount
10. Minimum bid size:	K1,000,000.00 and multiples of K100,000.00 thereafter
11. Access to bid forms	Investors are required to complete bid forms available at Reserve Bank of Malawi offices and on Reserve Bank of Malawi website
12. Bids closure	15:00 hours on auction day
13. Non-competitive bids:	Non-competitive bidding strictly prohibited
14. Coupon:	10.00 percent per annum
15. Coupon payments:	Semi-annual
16. Day count convention:	Actual/365
17. Tax:	Discount/interest amount is subject to withholding tax as provided for under existing tax laws
18. Form of issuance:	Dematerialized certificates
19. Rediscounting:	RBM will rediscount as a last resort
20. Listing:	The bond will be listed on the Malawi Stock Exchange
21. Trading:	Secondary trading to commence a week after each auction
22. Eligibility:	Residents only
23. Right to accept applications:	Government through Reserve Bank of Malawi reserves the right to accept bids in full or part thereof or reject them in total without giving any reason

For further details contact any of the following:

- Banking Operations Department, Reserve Bank of Malawi, P O Box 30063, Lilongwe 3
- Tel: 01771600,01770600 Fax: 01772219, 01774498
- e-Mail: GovernmentDebtDealers@rbm.mw
- website: www.rbm.mw

B. GENERAL INFORMATION

1. Notice

- This prospectus only applies to Treasury notes issued under this prospectus.

2. Advantages of the Treasury note

- It is transferable and negotiable.
- It can be pledged as collateral.
- The rate of return is competitive.
- It is issued through market-based procedures.

3. Auction Process

- A press release will be issued before each auction, announcing the auction date, and other terms and conditions.
- Investors are invited to submit bids using prescribed tender forms, which will be available from Reserve Bank of Malawi offices and website as well as commercial bank offices.
- The auction for this note will be conducted on a multiple price bid basis whereby each successful bidder pays the price quoted for the amount tendered. Bids are listed, starting with the highest bid price, down to the lowest bid price that exhausts the face value amount of the note offered for sale.
- Results of the auction will be published on the Reserve Bank of Malawi website: <http://www.rbm.mw> and may also be published in the print media.

4. Payment and Settlement Procedures

- Successful bidders are obliged to settle their bids on the auction date (T+2).
- Payment shall be received by 15:00 hours on value date by debit of customer accounts at commercial banks.
- In case of non-compliance with the time limit for payment, successful bidders will be disqualified from participation in subsequent auctions. In case of failed settlement, Reserve Bank of Malawi reserves the right to indefinitely bar the investor from participating in all or subsequent auctions.
- Coupon will be paid semi-annually by crediting customer accounts at commercial banks.

5. Redemption

- On maturity, the notes will be redeemed directly at Reserve Bank of Malawi.
- Investors will receive the par value (100 percent) of their respective bids.

6. Secondary Market Trading

- After the primary auction, the note may be traded on the Malawi Stock Exchange.
- Rules and guidelines for trading notes on the Malawi Stock Exchange shall apply.
- The listing price for the note shall equal the weighted average price from the primary auction.
- Malawi Stock Exchange will notify Reserve Bank of Malawi immediately after transactions occur to allow Reserve Bank of Malawi update its register with respect to holders of respective securities.