



PRESS CORPORATION PLC

SUMMARY OF AUDITED RESULTS

FOR THE 12 MONTHS PERIOD ENDED 31 DECEMBER 2025

PERFORMANCE OVERVIEW

The Board of Press Corporation Plc (PCL) is pleased to announce the audited financial results for the Group for the year ended 31st December 2025.

OPERATING ENVIRONMENT

The economic fundamentals in Malawi remained weak during the year 2025. The economy was characterised by heightened but dissipating inflationary pressures, high interest rates, acute shortages of foreign exchange, and fiscal deficits. Erratic fuel and power supply hindered business operations. The economy is estimated to have grown by 2.7per cent in 2025, better than the growth rate of 1.7per cent attained in 2024, but still far below the target growth rate of 6per cent set by the authorities. The relatively higher growth outturn was on account of agricultural recovery and investments in tourism, mining, and manufacturing sectors.

The annual average year-on-year inflation rate for 2025 stood at 28.4per cent, down from 32.2per cent recorded in 2024. This deceleration was driven by a decline in food inflation to 33.2per cent from the prior year rate of 40.2per cent, as a result of food supply interventions by the government. Non-food inflation averaged 20.7per cent, marginally lower than the 21.2per cent recorded in 2024.

In 2025, the annual average USD exchange rate was MK1,750.15/USD compared to MK1,741.11/USD in 2024. The closing middle rate remained relatively unchanged at MK1,749.00/USD. However, the foreign exchange supply in the market remained very subdued relative to demand, hence the commodities pricing was not reflective of the official rate. Year-on-year, the Kwacha depreciated against all the major trading currencies including the Euro, the British Pound, and the South African Rand. In 2025, the policy rate was maintained at 26.0per cent, hence the cost of borrowings remained high.

GROUP RESULTS

The performance of the Group was greatly impacted by the above alluded to economic conditions. The Group was unable to import most of the critical goods and services for its operations and projects due to shortage of foreign exchange. High inflation and interest rates drove up operating expenses at a pace that exceeded the ability to adjust consumer pricing, which compressed profit margins.

Despite these economic challenges, the Group's business model proved robust, delivering a profit after tax of MK261.04 billion for the year ended December 31, 2025, which was 107 per cent more than the profit for the previous year of MK126.35 billion. The growth in profitability was driven by a 47.2 per cent increase in revenue as well as continued implementation of cost containment measures. A 73.4 per cent increase in the share of profit from equity-accounted investments also contributed significantly to the growth in profitability.

SEGMENTAL PERFORMANCE

The Financial Services Segment: National Bank of Malawi plc

The Financial Services segment made a profit after tax of MK197.97 billion, a growth of 94.6 per cent over the previous year's profit of MK101.71 billion. This performance was driven primarily by strong revenue performance. Overall, net revenue grew by 62 per cent. This was attributed to an increase in customer deposits by 44 per cent which mainly funded the growth of 31 per cent and 33 per cent of the loan book and fixed income securities, respectively. Additionally, the segment recorded significant net unrealised capital gains from listed equity investments.

Net impairment charges on financial assets grew by 69%, from MK12.66 billion to MK21.39 billion, due to the challenging operating environment. The performance was further negatively affected by a net loss of MK3.18 billion (2024: MK3.94 billion) reported by its foreign investment, Akiba Commercial Bank plc in Tanzania, as a result of the underperformance of its loans and advances. During the year, efforts to turn around the investment had intensified.

The Telecommunications Segment: Telekom Networks Malawi plc and Malawi Telecommunications Limited

The Telecommunications Segment continued to grow its profit, attributed to revenue growth as a result of network improvements and customer base expansion. The segment registered a profit of MK21.99 billion, compared to MK11.09 billion in the previous year (2024). However, exchange losses of MK9.4 billion (2024: MK2.06 billion) negatively impacted the performance.

Effective October 1, 2025, MTL was de-recognized from the group consolidation due to its disposal.

The Energy Segment: PressCane Limited and Ethanol Company Limited

Driven by revenue growth, the Energy Segment's 2025 profit of MK19.21 billion was 25.6 per cent above the prior year profit of MK15.29 billion. The segment faced delays in commissioning of important expansion projects, shortages of raw materials and late start of production due to prolonged rainy season and shortage of forex.

All-Other Segment: PCL Company, The Foods Company Limited and Press Properties Limited

The All-Other Segment reported a profit of MK41.53 billion for 2025. This was 122.9 per cent above the prior year profit. The performance was largely attributed to reduced losses in the Foods Company Limited as a result of operational improvements, profit realized on disposal of MTL, and fair value gains on revaluation of investment properties. The prior year segment performance was negatively impacted by high provisions. The Foods Company Limited successfully completed its research and development in aquaculture production. The PCL Board approved funding for the company that allowed it to scale up aquaculture operations using larger commercial cages.

Equity Accounted Investments: (PUMA Energy Malawi Limited, Macsteel Malawi Limited, Limbe Leaf Tobacco Company Limited, LifeCo Holdings Limited and Open Connect Limited)

The profit contribution from equity-accounted investments to the Group was MK21.97 billion, representing a 73.4 per cent increase over the MK12.67 billion contribution from the previous year. Increased sales volumes and reduction in finance costs led to the notable improvement in performance. The performance of equity-accounted investments was significantly impacted by the lack of foreign exchange and erratic fuel supply. Open Connect Limited continued reporting losses and facing liquidity challenges. The company is in the process of divesting from some of its primary cash generating units. The future of the business will be determined after completion of the disposal of these units.

BUSINESS DIVESTURE - MALAWI TELECOMMUNICATIONS LIMITED (MTL)

During the year, PCL sold its 52.7 per cent stake in MTL to the Government of Malawi (GoM). This is part of a strategic reorganization of its telecommunications business to maximize shareholder value. The consideration amounted to 0.58 per cent of PCL's market capitalization of MK1,049.64 billion on the Malawi Stock Exchange, as at 31st December, 2025. The process of handing-over the business to GoM is currently in progress.

DIVIDEND

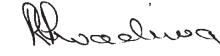
For the year ended 31st December 2025, the company paid its first interim dividend of MK2.50 billion (2024: MK1.35 billion) in September 2025. This represented MK20.79 for each ordinary share, compared to MK11.25 in 2024. In January 2026, the second interim dividend of MK5.78 billion, or MK48.10 per ordinary share, was paid. No second interim dividend was paid in 2024. The Directors have recommended a final dividend of MK8.00 billion (2024: Nil) in respect of the year 2025 profit, which represents MK66.52 for each ordinary share. The total dividend for the year will, therefore, be MK16.28 billion, or MK135.42 for each ordinary share, compared to MK1.35 billion, or MK11.25 per ordinary share, in 2024. The proposed final dividend for the year is subject to shareholders' approval during the forthcoming annual general meeting.

OUTLOOK

The Malawi economy is expected to marginally recover and grow by 3.8 per cent in 2026, primarily due to anticipated improvement in agricultural production and continued investments in manufacturing, tourism, and mining. The recovery may be hampered by ongoing foreign exchange shortages, domestic cost pressure, higher taxes, and fiscal pressure. Moreover, heightening global geopolitical tensions are projected to adversely affect the prices and availability of fuel and other critical commodities. Although inflation is projected to moderate to an annual average of 24.8 per cent in 2026, this projection may be compromised by the anticipated price increases for goods and services. Nevertheless, food inflation is predicted to decline as the food supply improves. The pressure on the Kwacha to depreciate against its major foreign currencies is expected to continue in the future due to low foreign reserves and heavy imports.

In order to provide long-term sustainable returns, the Group will continue to strengthen its framework for risk management and to advance long-lasting operational agility and resilience in response to the national and international economic landscape. As we "Press On", the Group will continue implementing its strategic projects in the energy and tourism sectors as well scoping for new export-oriented opportunities.

BY ORDER OF THE BOARD


Mr Randson Mwadiwa

Chairman



Ms Moureen Mbeye

Chief Finance and Administration Executive


Mrs Bettie Mahuka

Chair – Audit and Finance Committee



Dr Ronald Mangani

Chief Executive Officer

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

To the members of Press Corporation Plc

The summary consolidated and separate financial statements, which comprise the summary statements of financial position as at 31 December 2025, the summary statements of profit or loss and other comprehensive income, summary statements of changes in equity and summary statements of cash flows for the year then ended and related notes, are derived from the audited consolidated and separate financial statements of Press Corporation plc for the year ended 31 December 2025.

In our opinion, the accompanying summary consolidated, and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM), Companies Act, 2013 and the requirements of the Malawi Stock Exchange.

SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The summary consolidated and separate financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), Companies Act, 2013 and the requirements of the Malawi Stock Exchange. Reading the summary consolidated and separate financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditor's report thereon. The summary consolidated and separate financial statements and the audited consolidated and separate financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated and separate financial statements.

THE AUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 29 April 2026. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current year.

DIRECTORS' RESPONSIBILITY FOR THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM) and in compliance with the Malawi Stock Exchange; and for such internal control as the directors determine is necessary to enable the preparation of the summary consolidated and separate financial statements that are free from material misstatements, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.



Shape the future
with confidence

Chartered Accountants (Malawi)
Macdonald Kamoto - Partner
Registered Practicing Accountant

29 April 2026