

Summarised audited consolidated and separate financial statements for the year ended 31 December 2025

Performance

The Board is pleased to announce the financial results for the group for the year ended 31 December 2025. The group consolidated gains achieved through implementation of strong distribution efforts, network improvements and achieved a net profit after taxation of MK121.27 billion from MK10.05 billion in 2024.

The group delivered strong financial performance, with revenue increasing by 41% to MK222.90 billion (2024: MK158.17 billion). This growth was primarily driven by a 77% growth in mobile money revenue to MK51.93 billion (2024: MK29.38 billion) and a 49% increase in data revenue to MK67.47 billion (2024: MK45.25 billion). The growth in mobile money revenue is due to higher customer activity and an increase in customer base while data revenue growth was supported by improved network quality and marketing initiatives.

Group EBITDA increased by 48% to MK70.82 billion (2024: MK47.86 billion) with margin of 32% as compared to margin of 30% in 2024. This performance was driven by the strong revenue growth supported by continued cost containment initiatives across the business.

The group invested MK30.87 billion in capital expenditure during the period (2024: MK33.44 billion) in distribution systems, network improvements and license upgrades catering for expansion, improvement, and business growth needs.

Outlook*

The macro-economic environment is expected to remain challenging, putting pressure on the group's operations and performance. Volatile exchange rate, foreign currency scarcity, fuel price increases and pressure on inflation will result in increase in the cost of our operations and reduction in customer disposable income.

The group will continue developing and implementing initiatives to drive customer growth, grow revenues, deliver efficiencies in costs and improve overall group financial performance.

Dividends

Total dividends of MK7.96 billion equivalent to MK0.69 per share (2024: nil per share) are proposed for the period ended 31 December 2025.

MK2.31 billion	:20 tambala per share was declared in August 2025
MK3.00 billion	:26 tambala per share was declared in March 2026
MK2.65 billion	:23 tambala per share to be declared at the upcoming AGM

The Directors propose a final dividend of MK0.23 (twenty three) tambala per share out of the profit of the company for the year ended 31 December 2025, to be declared at the forthcoming Annual General Meeting.

Basis of preparation

The Directors have prepared the summary consolidated and separate financial statements to meet the listing requirements of the Malawi Stock Exchange. The Directors believe that the summary consolidated and separate statements of financial position, summary consolidated and separate statements of comprehensive income, summary consolidated and separate statements of changes in equity, and summary consolidated and separate statements of 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 and the IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM).

The summary financial statements have been derived from the Annual Financial Statements, which the Board of Directors approved on 24 March 2026 and are available on the company's website, www.tnm.co.mw.

Mr. Ted Sauti-Phiri
Chairman

Dr. Frank Dalitsa Chozenga
Chairman, Board Audit Committee

27 April 2026

*unaudited

KEY FINANCIAL HIGHLIGHTS

41%
growth in revenue to

MK 222.90
billion

77%
growth in mobile money revenue to

MK 51.93
billion

49%
growth in data revenue to

MK 67.47
billion

48%
growth in EBITDA to

MK 70.82
billion

112%
growth in net profit after taxation to

MK 21.27
billion

Infrastructure investment

MK 30.87
billion

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

To the shareholders of Telekom Networks Malawi plc

Opinion

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

In our opinion, the accompanying summary consolidated and separate financial statements are a fair summary of the audited consolidated and separate financial statements, and are prepared on the basis described in the basis of preparation paragraph.

Summary Consolidated and Separate Financial Statements

The summary consolidated and separate financial statements do not contain all the disclosures required by IFRS Accounting Standards and the IAS 29 directive as Issued by Institute of Chartered Accountants in Malawi (ICAM). 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 30 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

The Directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the basis described on the basis of preparation paragraph.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements are a fair summary of the audited consolidated and separate 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
30 April 2026

Deloitte.

SUMMARY STATEMENTS OF COMPREHENSIVE INCOME

In billions of Malawi Kwacha

	Group for the year ended 31 Dec 2025	Group for the year ended 31 Dec 2024	Company for the year ended 31 Dec 2025	Company for the year ended 31 Dec 2024
Revenue	203.74	142.01	163.24	118.04
Interest revenue	4.24	2.28	-	-
Cost of sales	(123.79)	(95.25)	(97.17)	(91.16)
Gross profit	84.19	49.04	66.07	36.88
Other income	14.93	13.88	14.91	15.96
Administrative expenses	(47.45)	(32.27)	(43.39)	(29.61)
Loss allowance	(0.47)	(0.93)	(0.26)	(0.22)
Operating profit	51.20	29.72	37.33	23.01
Finance income	0.46	0.42	0.06	0.05
Finance expenses	(18.16)	(14.75)	(19.03)	(15.28)
Net finance expenses	(17.70)	(14.33)	(18.97)	(15.23)
Profit before income tax	33.50	15.39	18.36	7.78
Income tax	(12.23)	(5.34)	(6.46)	(2.41)
Profit for the year	21.27	10.05	11.90	5.37
Other comprehensive income	3.82	0.04	3.82	0.04
Deferred tax	(1.49)	-	(1.49)	-
Total comprehensive income for the year	23.60	10.09	14.23	5.41
Basic earnings per share (MK)	2.14	1.01		
Diluted earnings per share (MK)	2.04	1.01		
Weighted average number of ordinary shares on issue (billion)	11.04	10.04		
Number of ordinary shares on issue (billion)	11.54	10.04		

SUMMARY STATEMENTS OF FINANCIAL POSITION

In billions of Malawi Kwacha

	Group as at 31 Dec 2025	Group as at 31 Dec 2024	Company as at 31 Dec 2025	Company as at 31 Dec 2024
Assets				
Non-current assets				
Equity investments	4.19	0.37	5.45	1.63
Property, plant and equipment	101.54	89.58	97.84	86.78
Intangible assets	18.34	17.29	16.68	17.18
Right of use assets	16.75	18.28	16.75	18.28
Deferred tax assets	-	2.92	-	2.71
Equipment receivables	0.63	0.54	0.63	0.54
Total non-current assets	141.45	128.98	137.35	127.12
Current assets				
Inventories	6.72	1.95	6.72	1.95
Equipment receivables	0.51	0.60	0.51	0.60
Trade and other receivables	33.76	29.83	27.86	23.80
Loans and advances	1.83	1.10	-	-
Minimum alternative tax credit entitlement	0.82	-	0.82	-
Amount due from related companies	1.89	0.75	2.03	2.19
Current tax recoverable	-	1.02	-	2.80
Bank and cash balances	84.20	47.72	4.11	1.36
Total current assets	129.73	82.97	42.05	32.70
Total assets	271.18	211.95	179.40	159.82
Equity and liabilities				
Equity				
Share capital	32.29	0.40	32.29	0.40
Share premium	-	2.35	-	2.35
Retained earnings	70.39	49.10	47.06	35.14
Total equity	102.68	51.85	79.35	37.89
Non-current liabilities				
Deferred tax liabilities	5.20	-	5.24	-
Long-term portion of interest bearing loan	3	8.74	12.75	8.74
Total non-current liabilities	13.94	12.75	13.98	12.75
Current liabilities				
Amounts due to related parties	-	0.21	2.89	1.55
Bank overdraft	10.26	15.69	10.26	15.69
Current portion of interest bearing loans	3	4.54	4.54	18.10
Contract liabilities	3.92	2.76	3.92	2.76
Trade and other payables	70.23	75.64	64.40	70.74
Amount payable to owners of e-money	63.08	34.61	-	-
Current portion of lease liabilities	4	0.34	-	0.34
Current tax payable	2.53	-	0.06	-
Total current liabilities	154.56	147.35	86.07	109.18
Total liabilities	168.50	160.10	100.05	121.93
Total equity and liabilities	271.18	211.95	179.40	159.82

SUMMARY STATEMENTS OF CHANGES IN EQUITY

In billions of Malawi Kwacha

Group	Share Capital	Share Premium	Retained earnings	Total
Balance at 1 January 2025	0.40	2.35	49.10	51.85
Share premium capitalisation	2.35	(2.35)	-	-
Issue of new shares	29.54	-	-	29.54
Profit for the year	-	-	21.27	21.27
Comprehensive income for the year	-	-	3.82	3.82
Deferred tax on equity investment	-	-	(1.49)	(1.49)
Dividend declared (MK0.20 per share)	-	-	(2.31)	(2.31)
Balance at 31 December 2025	32.29	-	70.39	102.68
Group				
Balance at 1 January 2024	0.40	2.35	39.01	41.76
Profit for the year	-	-	10.05	10.05
Comprehensive income for the year	-	-	0.04	0.04
Balance at 31 December 2024	0.40	2.35	49.10	51.85
Company				
Balance at 1 January 2025	0.40	2.35	35.14	37.89
Share premium capitalisation	2.35	(2.35)	-	-
Issue of new shares	29.54	-	-	29.54
Profit for the year	-	-	11.90	11.90
Comprehensive income for the year	-	-	3.82	3.82
Deferred tax on equity investment	-	-	(1.49)	(1.49)
Dividend declared (MK0.20 per share)	-	-	(2.31)	(2.31)
Balance at 31 December 2025	32.29	-	47.06	79.35
Company				
Balance at 1 January 2024	0.40	2.35	29.73	32.48
Profit for the year	-	-	5.37	5.37
Comprehensive income for the year	-	-	0.04	0.04
Balance at 31 December 2024	0.40	2.35	35.14	37.89

SUMMARY STATEMENTS OF CASH FLOWS

In billions of Malawi Kwacha

	Group for the year ended 31 Dec 2025	Group for the year ended 31 Dec 2024	Company for the year ended 31 Dec 2025	Company for the year ended 31 Dec 2024
Cash flows from operating activities				
Cash generated from operations	74.90	76.54	34.48	52.92
Interest received	0.46	0.41	0.06	0.05
Interest paid	(8.38)	(11.36)	(9.65)	(11.89)
Income tax paid	(2.85)	(4.77)	2.04	(1.53)
Cash generated from operating activities	64.13	60.82	26.93	39.55
Cash flow from investing activities				
Dividend received	-	-	-	2.21
Purchase of property, plant and equipment	5	(26.58)	(26.23)	(25.12)
Purchase of intangible assets	5	(4.29)	(7.21)	(2.47)
Proceeds from sale of property, plant and equipment	-	0.65	-	0.63
Net cash used in investing activities	(30.87)	(32.79)	(27.40)	(29.49)
Cash flows from financing activities				
Bank overdraft	(5.43)	4.92	(5.43)	4.92
Proceeds from loans	4.50	4.95	4.50	4.95
Proceeds from issue of share	29.54	-	29.54	-
Repayment of loans	3	(22.49)	(13.42)	(13.42)
Lease liability payments	4	(0.59)	(8.61)	(8.61)
Payment of dividends	-	(2.31)	-	-
Net cash from/(used in) financing activities	3.22	(12.16)	3.22	(12.16)
Net increase/(decrease) in cash and cash equivalents	36.48	15.87	2.75	(2.10)
Cash and cash equivalents at the beginning of the year	47.72	31.85	1.36	3.46
Cash and cash equivalents at the end of the year	84.20	47.72	4.11	1.36

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Summarised audited consolidated and separate financial statements for the year ended 31 December 2025

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

In billions of Malawi Kwacha

	Group as at 31 Dec 25	Group as at 31 Dec 24	Company as at 31 Dec 25	Company as at 31 Dec 24
1. Capital commitments				
Authorised and contracted for	12.00	12.32	12.00	12.32
Authorised and not contracted for	29.70	20.60	29.70	20.60
2. Contingent liabilities				
Legal claims	2.15	6.92	2.15	6.92
3. Loans and borrowings				
Group and Company	Old Mutual Investment Group Limited commercial paper	Press Corporation plc shareholder loan	Standard Bank plc revolving credit facility	Total
Opening balance - 1 January 2025	12.65	-	18.20	30.85
Additions	-	4.50	-	4.50
Interest charge	1.81	0.45	3.63	5.89
Capital repayments	(12.65)	(4.50)	(5.34)	(22.49)
Interest paid	(1.81)	(0.45)	(3.21)	(5.47)
Balance as at 31 December 2025	-	-	13.28	13.28
Long term portion of loans	-	-	8.74	8.74
Current portion of loans	-	-	4.54	4.54
	-	-	13.28	13.28

Group and Company	Old Mutual Investment Group Limited commercial paper	Press Corporation plc shareholder loan	Standard Bank plc revolving credit facility	Total
Opening balance - 1 January 2024	14.50	-	24.05	38.55
Additions	-	-	4.96	4.96
Interest charge	3.70	-	5.06	8.76
Capital repayments	(1.85)	-	(11.57)	(13.42)
Interest paid	(3.70)	-	(4.30)	(8.00)
Balance as at 31 December 2024	12.65	-	18.20	30.85
Long term portion of loans	-	-	12.75	12.75
Current portion of loans	12.65	-	5.45	18.10
	12.65	-	18.20	30.85

Old Mutual Investment Group Limited (OMIGL)

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

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

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

All the Old Mutual Investment Group Limited facilities were fully paid during the year.

Press corporation plc shareholder loan

In 2025, the company obtained a shareholders loan of MK4.5 billion from Press Corporation plc, a material shareholder. The loan was unsecured for the period of 12 months and was based on National Bank of Malawi plc reference rate plus 4.5%. The loan was fully paid in July 2025.

Standard Bank plc revolving credit facility

We entered into a revolving credit facility with Standard Bank plc for amount of up to MK24 billion. The purpose of the facility is to finance or refinance capital expenditure. The facility has a tenor of 60 months from the drawdown date and attracts interest at a rate of Standard Bank Malawi plc reference rate minus 0.8% effectively 25.30%. TNM has covenanted to maintain a USD denominated account with Standard Bank plc for the lifetime of the facility and to channel all its USD receivables to the said account.

4. Lease liabilities

	Group as at 31-Dec-25	Group as at 31-Dec-24	Company as at 31-Dec-25	Company as at 31-Dec-24
Opening balance	0.34	0.18	0.34	0.18
Additions	0.25	8.77	0.25	8.77
Capital repayments	(0.59)	(8.61)	(0.59)	(8.61)
Interest charged	0.09	0.20	0.09	0.20
Interest payment	(0.09)	(0.20)	(0.09)	(0.20)
Balance at end of the year	-	0.34	-	0.34
Short-term portion of lease liability	-	0.34	-	0.34
	-	0.34	-	0.34

NOTES TO THE SUMMARY FINANCIAL STATEMENTS (continued)

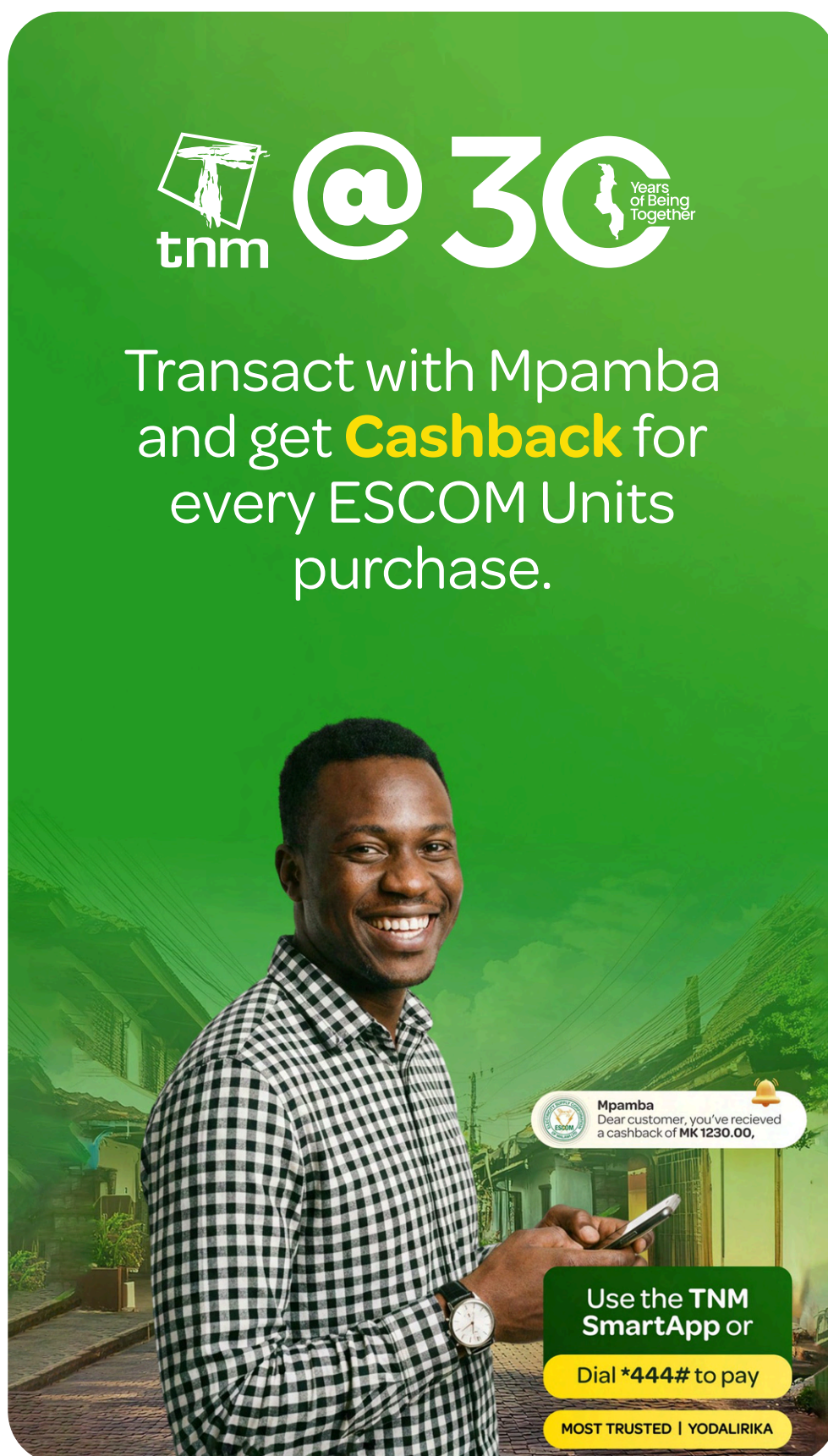
In billions of Malawi Kwacha

5. Capital expenditure

	Group as at 31-Dec-25	Group as at 31-Dec-24	Company as at 31-Dec-25	Company as at 31-Dec-24
Acquisition of property, plant and equipment	26.58	26.23	24.93	25.12
Acquisition of intangible assets	4.29	7.21	2.47	7.21
	30.87	33.44	27.40	32.33

6. Depreciation and amortisation

	Group for the year ended 31-Dec-25	Group for the year ended 31-Dec-24	Company for the year ended 31-Dec-25	Company for the year ended 31-Dec-24
	19.62	18.17	18.59	17.36



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