



PRESS CORPORATION PLC

SUMMARY OF UNAUDITED RESULTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

In millions of Malawi Kwacha

SUMMARY OF CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	CONSOLIDATED			SEPARATE		
	Un-audited 30-Jun-25	Un-audited 30-Jun-24	Audited 31-Dec-24	Un-audited 30-Jun-25	Un-audited 30-Jun-24	Audited 31-Dec-24
Continuing operations						
Revenue, insurance revenue and interest income	331,318	236,259	559,633	279	279	557
Dividend income	-	-	-	27,063	9,422	33,651
Earnings before interest, tax, depreciation and amortization	166,295	98,408	243,585	24,025	7,379	21,817
Depreciation and amortization	(16,406)	(15,381)	(30,871)	(120)	(106)	(217)
Operating profit before finance costs	149,889	83,027	212,714	23,905	7,273	21,600
Net interest paid	(5,881)	(6,840)	(14,503)	(596)	(1,028)	(2,623)
Exchange losses	(3,397)	(1,992)	(3,539)	-	(735)	-
Net finance cost	(9,278)	(8,832)	(18,042)	(596)	(1,763)	(2,623)
Share of profit of equity-accounted investments and impairment reversal of equity accounted profit	5,298	2,743	12,790	-	-	-
Profit before income tax	145,909	76,938	207,462	23,309	5,510	18,977
Income tax expense	(51,524)	(31,661)	(81,113)	(2,706)	(942)	(3,054)
Profit for the year	94,385	45,277	126,349	20,603	4,568	15,923
Total other comprehensive income net of tax	(1,459)	7,954	29,654	663,918	133,669	392,439
Total comprehensive income for the year	92,926	53,231	156,003	684,521	138,237	408,362
Profit attributable to:						
Equity holders of the parent	46,739	22,608	64,673	20,603	4,568	15,923
Non-controlling interests	47,646	22,669	61,676	-	-	-
	94,385	45,277	126,349	20,603	4,568	15,923
Total comprehensive income attributable to:						
Equity holders of the parent	45,766	29,513	90,192	684,521	138,237	408,362
Non-controlling interests	47,160	23,718	65,811	-	-	-
	92,926	53,231	156,003	684,521	138,237	408,362
Earnings per share						
Basic and diluted earnings per share (MK)	388.84	188.09	538.04			
Basic and diluted earnings per share (MK) (continuing operations)	388.84	188.09	538.04			

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

	CONSOLIDATED			SEPARATE		
	Un-audited 30-Jun-25	Un-audited 30-Jun-24	Audited 31-Dec-24	Un-audited 30-Jun-25	Un-audited 30-Jun-24	Audited 31-Dec-24
ASSETS						
Non-current assets						
Property, plant and equipment, right of use assets, biological assets and investment properties	277,742	227,435	265,016	3,497	3,305	3,547
Intangible assets	39,718	27,937	37,206	167	186	176
Investments in subsidiaries, joint ventures and associates	97,416	78,238	96,890	1,799,525	860,120	1,122,305
Investments in government securities and equity	473,544	279,150	395,448	15,474	8,790	9,420
Loans and advances and finance lease receivable	400,159	330,518	323,358	-	-	-
Long term receivables and contract assets	1,596	287	550	1,147	-	-
Deferred tax assets	9,639	11,908	10,506	945	634	945
	1,299,814	955,473	1,128,974	1,820,755	873,035	1,136,393
Current assets						
Investments in government securities and equity	298,222	188,300	276,553	-	-	-
Loans and advances and finance lease receivable	164,152	123,688	136,466	-	-	-
Trade and other receivables, contract assets and insurance assets	94,732	68,076	87,484	20,339	4,036	2,359
Other current assets	14,846	11,293	13,225	1,165	1,025	1,129
Cash and cash equivalents	699,704	397,708	496,591	847	12,967	16,114
	1,271,656	789,065	1,010,319	22,351	18,028	19,602
Assets classified as held for sale	26,443	26,978	26,210	6,061	8,941	6,061
	1,298,099	816,043	1,036,529	28,412	26,969	25,663
Total assets	2,597,913	1,771,516	2,165,503	1,849,167	900,004	1,162,056
EQUITY AND LIABILITIES						
Equity						
Issued capital	1	1	1	1	1	1
Share premium	2,097	2,097	2,097	2,097	2,097	2,097
Reserves and retained earnings	385,700	292,803	347,339	1,830,235	881,392	1,145,714
Total equity attributable to equity holders of the parent	387,798	294,901	349,437	1,832,333	883,490	1,147,812
holders of the parent	240,943	158,107	169,570	-	-	-
Non controlling interests	628,741	453,008	519,007	1,832,333	883,490	1,147,812
Total equity						
Non-current liabilities						
Deferred tax liabilities	10,759	10,778	9,967	-	-	-
Contract liabilities	8,847	1,904	1,230	-	-	-
Borrowings and lease liabilities	45,474	46,513	29,273	2,111	3,570	2,418
	65,080	59,195	40,470	2,111	3,570	2,418
Current liabilities						
Bank overdraft	3,888	13,358	8,889	2,212	6,490	-
Borrowings and lease liabilities	10,079	14,537	28,509	1,464	4,937	2,836
Liabilities directly associated with assets classified as held for sale	26,913	28,392	27,321	-	-	-
Customer deposits	1,583,799	1,050,248	1,305,316	-	-	-
Insurance liabilities and other current liabilities	279,413	152,778	235,991	11,047	1,517	8,990
	1,904,092	1,259,313	1,606,026	14,723	12,944	11,826
Total liabilities	1,969,172	1,318,508	1,646,496	16,834	16,514	14,244
Total equity and liabilities	2,597,913	1,771,516	2,165,503	1,849,167	900,004	1,162,056

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS

	CONSOLIDATED			SEPARATE		
	Un-audited 30-Jun-25	Un-audited 30-Jun-24	Audited 31-Dec-24	Un-audited 30-Jun-25	Un-audited 30-Jun-24	Audited 31-Dec-24
Cash generated by / (used in) operations						
Interest received	254,853	46,332	363,200	(22,470)	(1,266)	(1,764)
Interest paid, tax paid and refund	151,154	108,355	238,217	524	402	867
Net cash from / (used in) operating activities	(92,795)	(64,949)	(126,869)	(2,092)	(3,645)	(7,698)
Investing activities						
Proceeds from sale of property, plant and equipment	313,212	89,738	474,548	(24,038)	(4,509)	(8,595)
Gross receipts from investments	354	745	2,656	-	-	2
Gross payments from investments	69,552	88,509	172,618	-	-	-
Decrease/(Increase) in equity and other investments	(178,601)	(175,969)	(507,199)	(1,147)	-	-
Proceeds from disposal of equity investments	6,634	58,972	(458)	-	-	-
Payment for right of use assets	12,047	-	545	-	-	-
Dividend received	(207)	416	(11,717)	-	-	-
Purchase of property, plant and equipment,intangible assets and investment properties	323	303	5,873	27,063	9,422	33,651
Net cash flow from the acquisition of subsidiary	(30,504)	(26,078)	(61,884)	(62)	(34)	(122)
Investment in subsidiaries and associates	-	872	872	-	-	-
Net cash (used in) / from investing activities	(120,402)	(52,230)	(287,380)	8,238	8,088	30,867
Financing activities						
Net proceeds and repayment of long term borrowings and leasing liabilities	(1,504)	(8,802)	(17,678)	(1,679)	(1,832)	(5,085)
Changes in bank overdrafts with financing component	(5,921)	(5,134)	2,560	-	-	-
Capitalisation by non-controlling interest	12,515	-	-	-	-	-
Dividends paid to shareholders of the Company	-	-	(5,803)	-	-	(5,803)
Dividend paid to non-controlling interest shareholders	4,293	5,900	(25,729)	-	-	-
Net cash from / (used in) financing activities	9,383	(8,036)	(46,650)	(1,679)	(1,832)	(10,888)
Net increase/(decrease) in cash and cash equivalents	202,193	29,472	140,518	(17,479)	1,747	11,384
Cash and cash equivalents at beginning of the year	496,591	356,072	356,072	16,114	4,362	4,362
Effect on foreign exchange rate changes	-	-	1	-	368	368
Cash and cash equivalents at end of the year	698,784	385,544	496,591	(1,365)	6,477	16,114

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

	CONSOLIDATED			SEPARATE
	Equity Holders of the Parent	Non Controlling Interest	Total	Total
As at 30 June 2025				
Balance at 1 January 2025	349,437	169,570	519,007	1,147,812
Comprehensive income for the year				
Profit for the year	46,739	47,646	94,385	20,603
Other comprehensive income	(973)	(486)	(1,459)	663,918
Total comprehensive income for the year	45,766	47,160	92,926	684,521
Transactions reported directly in equity	(7,405)	19,920	12,515	-
Dividend to equity holders	-	4,293	4,293	-
Balance as at period end	387,798	240,943	628,741	1,832,333
As at 30 June 2025				
Balance at 1 January 2024	264,787	127,367	392,154	745,253
Comprehensive income for the year				
Profit for the year	64,673	61,676	126,349	15,923
Other comprehensive income	25,038	4,616	29,654	392,439
Total comprehensive income for the year	89,711	66,292	156,003	408,362
Transactions reported directly in equity	742	1,640	2,382	-
Dividend to equity holders	(5,803)	(25,729)	(31,532)	(5,803)
Balance as at period end	349,437	169,570	519,007	1,147,812

SEGMENTAL PERFORMANCE

	Financial Services	Telecomm- unications	Energy	All other segments	Total
June 2025					
Revenue	212,750	100,349	16,970	1,249	331,318
External revenues	859	2,392	-	280	3,531
Inter-segment revenue	213,609	102,741	16,970	1,529	334,849
Segment revenue					
Segment operating profit	129,574	20,463	1,992	26,172	178,201
Segment interest income	-	192	590	526	1,308
Segment interest expense	(1,046)	(9,112)	(241)	(1,436)	(11,835)
Segment income tax expense	(44,419)	(3,146)	(1,190)	(2,769)	(51,524)
Segment Profit	84,109	8,397	1,151	22,493	116,150
Depreciation and amortization	5,890	9,757	1,078	320	17,045
Segment assets	2,110,472	287,466	73,444	1,886,416	4,357,798
Segment liabilities	1,774,088	208,608	22,110	24,363	2,029,169
Capital additions	9,454	13,190	8,069	93	30,806
Reconciliation of profit on reportable segments to IFRS measures					
Total profit for reportable segments	84,109	8,397	1,151	22,493	116,150
Elimination of dividend income from Group companies	-	-	-	(27,063)	(27,063)
Share of profit of equity accounted investees	-	-	-	5,298	5,298
Impairment reversal of equity accounted investee	-	-	-	-	-
Profit from increase in controlling interest from associates	-	-	-	-	-
Consolidated profit	84,109	8,397	1,151	728	94,385

June 2024

Revenue
External revenues
Inter-segment revenue

Segment revenue

Segment operating profit
Segment interest income
Segment interest expense
Segment income tax expense

Segment Profit

Depreciation and amortization
Segment assets
Segment liabilities
Capital additions

Reconciliation of profit on reportable segments to IFRS measures

Total profit for reportable segments
Elimination of dividend income from Group companies
Share of (loss)/profit of equity accounted investees
Impairment of equity accounted investee
Profit from increase in controlling interest from associates

Consolidated profit/(loss)

PERFORMANCE OVERVIEW

The Board of Press Corporation Plc (PCL) is pleased to announce the unaudited interim financial results for the Group for the six-month period ended 30th June 2025.

OPERATING ENVIRONMENT

The operating environment for the half-year period to June 2025 remained challenging due to weak agricultural performance arising from delayed rainfall and prolonged dry spells in some parts of the country, as well as foreign exchange scarcity and high inflation. The Reserve Bank of Malawi (RBM) revised further downwards the economic growth forecast for 2025 to 2.8%, from the initial and subsequent projections of 4% and 3.2%, respectively. The headline inflation rate moderated to 27.1% in June 2025, from 33.3% in June 2024. At its Monetary Policy Committee meeting of July 30 and 31, 2025, the RBM noted that further tightening of monetary policy was not necessary and retained the policy rate at 26%. The rate has remained at this level since February 2024. The economy continues to experience foreign exchange shortages that have constrained the importation of essential commodities, inputs and capital goods.

GROUP RESULTS

The Group's exposure is predominantly within the country; hence it is more susceptible to the local economic conditions. The Group, therefore, readjusts its operational strategies from time to time to enhance its resilience and deliver on its plans.

The Group has achieved profit after tax of MK94.4 billion for the half-year ended 30 June 2025 against a prior half-year profit of MK45.28 billion, representing a year-on-year growth of 108%. The growth in profitability was driven by a 40% growth in revenue and continued implementation of cost containment measures. An improvement in the share of profit from equity accounted investments to MK5.3 billion from MK2.7 billion in prior period also contributed to the growth in performance. However, the Group was negatively impacted by the aforesaid unfavourable economic conditions. In particular, foreign exchange shortages resulted in delayed completion of the Group's revenue-generating projects.

SEGMENTAL PERFORMANCE

The Financial Services segment's profit after tax for the period was MK84.1 billion, which was 100% higher than the profit for the same period last year of MK42.1 billion. This outturn was mainly due to a 34% growth in revenue and 6% reduction in operating expenses. The segment's revenue growth was largely driven by a 23% increase in the loan book which was mainly funded by an increase of 50% in customer deposits. Investment in fixed income securities also grew by 67%. Nevertheless, the segment's performance was negatively affected by a net loss of MK0.8 billion reported by its foreign investment in Akiba Commercial Bank plc in Tanzania. This was better than the loss of MK2.6 billion recorded in 2024. High credit impairment charges, which grew by 51% from the prior year as a result of unfavourable macroeconomic conditions, were another drawback to the performance.

The Telecommunications' Segment's performance continues to grow, and registered a profit of MK8.4 billion, up from MK2.9 million reported during the same period last year. The improved performance was due to growth in revenue by 50% to MK102.7 billion compared to MK68.5 billion reported during the same period last year. Both Telekom Networks Malawi plc and Malawi Telecommunications Limited reported profits during the period under review.

Due to lower production volumes, the Energy Segment registered a profit of MK1.2 billion, being 8% below the prior year same period profit of MK1.3 billion. This was largely attributable to the late resumption of production following delays in the supply of the raw materials in view of climate change challenges.

The All-Other Segment reported a profit of MK22.5 billion, up from the prior year profit of MK5.5 billion by 309%. This was largely due to a dividend receipt timing difference. Press Properties Ltd continued implementing its strategy of increasing its footprint in the property development and management business segment. The Foods Company Limited started revamping its three potentially profitable business units, namely feed production, fingerlings production, and aquaculture.

THE EQUITY ACCOUNTED INVESTMENTS

The equity accounted investments contributed a profit of MK5.3 billion to the Group's profit, being 96% above the prior year contribution of MK2.7 billion. This was largely occasioned by early production start at Limbe Leaf Tobacco Company.

DIVESTURE