

Annual Results

and ordinary and special dividend declaration

For the year ended 31 March 2025

Seamlessly connecting our customers to a better life

Telkom returns R1.3 billion to shareholders on the back of successful strategy execution in FY2025 and sets a new roadmap for continued profitable growth

Group highlights for continuing operations

<div>Strong group performance</div> <div>Group Revenue <div>↑</div>3.3% to R43.9bn</div>	<div>Enhanced profitability</div> <div>Adjusted EBITDA<sup>1,2,3</sup> <div>↑</div>25.1% to R11.8bn</div>	<div>Margin expansion</div> <div>Adjusted EBITDA margin<sup>1,2,3</sup> <div>↑</div>4.7ppts to 26.9%</div>	<div>Sustained cash generation</div> <div>Free cash flow<sup>2</sup> <div>↑</div>R2.4bn to R2.8bn</div>
<div>Balance sheet strength restored</div> <div>Net debt to adjusted EBITDA<sup>1,2,3</sup> 0.6x</div>	<div>Masts and towers disposal concluded</div> <div>Cash proceeds R6.6bn</div>	<div>Dividend resumption</div> <div>Dividends 261cps</div>	<div><div><sup>1</sup> Earnings before interest, tax, depreciation and amortisation.</div><div><sup>2</sup> This is a non-IFRS financial measure.</div><div><sup>3</sup> Adjusted financial measures exclude the impact of the R160 million restructuring cost, and the Telkom Retirement Fund derecognition loss of R618 million in continuing operations.</div><div><sup>4</sup> Swiftnet continued to meet the IFRS 5 requirements and was classified as held for sale and was therefore excluded from the results for continuing operations. Telkom disposed of its 100% equity shareholding in Swiftnet effective 31 January 2025.</div></div>

Message from Serame Taukobong, Group CEO

Strategic vision realised – Exceptional results and a focused future

Telkom's strategic vision is translating into exceptional results, demonstrating our unwavering commitment to strengthening our position as the digital backbone of South Africa. Our data-centric strategy continues to be the key driver, enabling us to deliver sustained, impressive performance.

Outlook

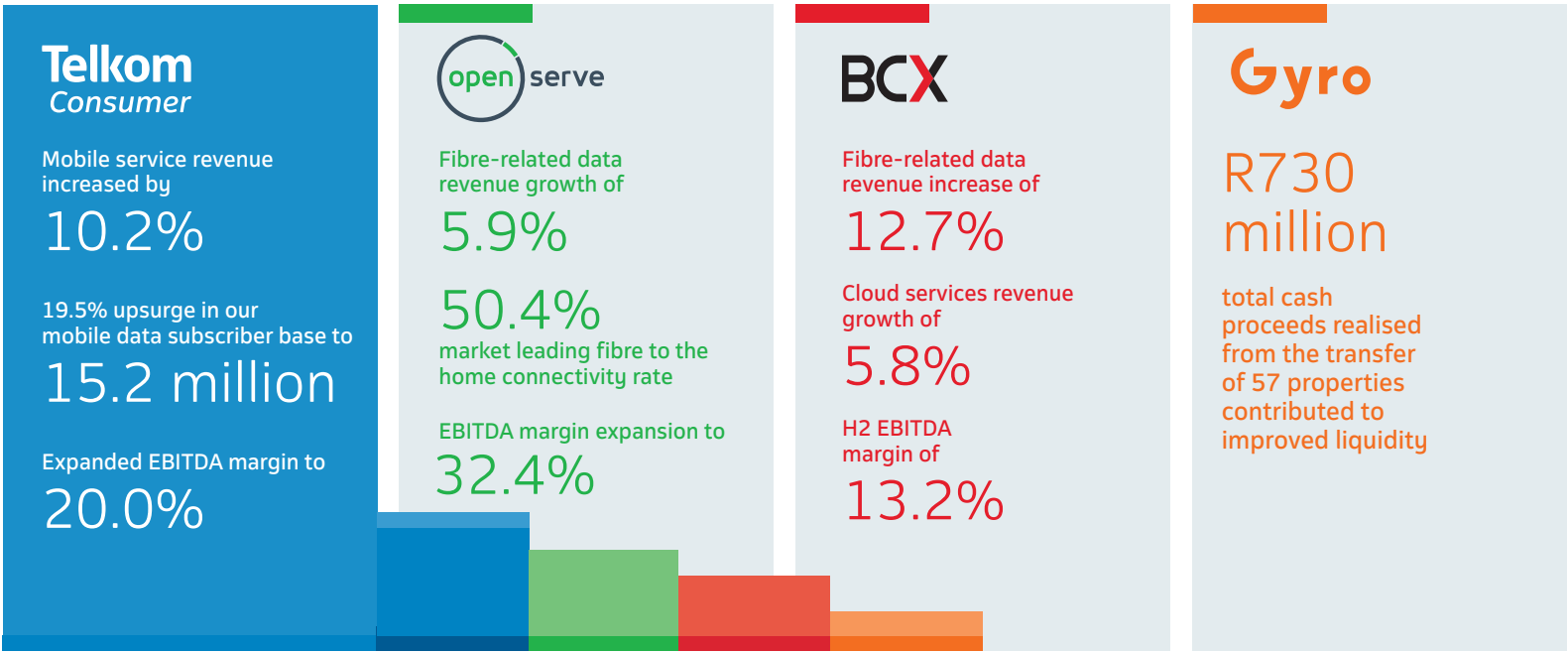
Leveraging our current momentum, we are setting ambitious yet achievable objectives for the next three years. We will continue to navigate global macro-economic uncertainties and domestic challenges with a focus on sustaining business growth and delivering long-term value, while contributing meaningfully to South Africa.

Summary of financial results

Financial indicators Rm	Reported FY2025	Reported FY2024	Reported % change	Adjusted <sup>3</sup> FY2025	Adjusted <sup>3</sup> % change
Profit for the year	7 503	1 881	+298.9	8 071	+329.1
Continuing	2 783	1 454	+91.4	3 351	+130.5
Discontinued <sup>4</sup>	4 720	427	+1 005.4	4 720	+1 005.4
Basic earnings per share (cents)	1 528.0	385.5	+296.4	1 643.7	+326.4
Continuing	566.0	297.8	+90.1	681.7	+128.9
Discontinued <sup>4</sup>	962.0	87.7	+996.9	962.0	+996.9
Headline earnings per share (cents) <sup>2</sup>	544.5	376.0	+44.8	660.2	+75.6
Continuing	467.5	288.1	+62.3	583.2	+102.4
Discontinued <sup>4</sup>	77.0	87.9	(12.4)	77.0	(12.4)
Dividend (cps)	261	–	+100	–	–

The Board of Directors of Telkom (the Board) has declared a final ordinary gross cash dividend of 163 cents per ordinary share totalling R833 million and a special gross cash dividend of 98 cents per ordinary share, totalling R500 million, payable from available cash balances in respect of the year ended 31 March 2025. Refer to the full annual results announcement for the dividend declaration.

Growth powered by connectivity and digital transformation



Telkom SA SOC Ltd  
(Registration number: 1991/005476/30)  
JSE share code: TKG  
JSE bond code: BITEL  
ISIN: ZAE000044897  
(Telkom, the Company or the Group)  
Transfer secretaries are Computershare and they are contactable on +27 11 370 5000.

Pro forma financial information:

The Group presents various non-IFRS financial measures in the results announcement. These non-IFRS financial measures include i) the net debt, ii) the free cash flow and iii) return on invested capital. In addition to the non-IFRS financial measures noted above, the financial information in the current financial year excludes the impact of restructuring costs as well as the loss with the derecognition of the Telkom Retirement Fund (TRF) and the related tax impact on the results. These measures constitute pro forma financial information and are annotated throughout the results announcement.

The pro forma financial information was presented to illustrate the impact of the pro forma adjustments on the audited consolidated annual financial statements for the year ended 31 March 2025 to achieve a comparable year-on-year analysis and show the adjusted performance of the business. The pro forma adjustments were determined in terms of the Group accounting policies disclosed in the audited consolidated annual financial statements for the year ended 31 March 2025. The pro forma financial information is the responsibility of the Directors and because of its nature, may not fairly present the financial position, changes in equity, results of operations or cash flows of Telkom.

Further information:

The short-form announcement is the responsibility of the Board. It is only a summary of the information contained in the annual financial statements for the year ended 31 March 2025 (AFS 2025) and does not contain full or complete details. Any investment decisions should be based on the AFS 2025 published on the JSE's cloud link on Tuesday, 10 June 2025 and also available on Telkom's website. The outlook statement has not been reviewed or reported on by Telkom's external auditor.

The pro forma financial information contained in this results announcement was reported on by the Group's independent external auditor. The AFS 2025, which includes the Group's external auditor, PricewaterhouseCoopers Inc. unmodified opinion and their unmodified reasonable assurance report prepared in terms of ISAE 3420, is available on the Company's website at: https://group.telkom.co.za/ir/financialinformation.html and on the JSE's cloud link at: https://senspdf.jse.co.za/documents/2025/jse/isse/TKG/ye2025.pdf.

Copies of the AFS 2025 may be requested from our Group Company Secretary, Ephy Motlhamme at motlhae1@telkom.co.za

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