



Airtel Malawi plc

Results for the half year ended 30 June 2025

25 Sept 2025

Consistently strong operating and financial performance reflects sustained demand for voice and data services and effective execution of our strategy.

Operating highlights

- Our total customer base grew by 10.3%, with data customers growing by 3.8%.
- Data usage per customer has increased by 47% to 7.6 GBs, as smartphone penetration continued to rise, driving total data traffic growth of 52%.
- Average revenue per user per month (ARPU) increased by 23.8% to K 3,397 primarily driven by increased usage across both voice and data services.

Financial performance

- Revenues increased by 39% to K 163,826 million, driven by the continued strength in demand for both voice and data services across the country.
- This strong demand is reflected across all the business segments, with voice revenues growing 42.8% and data revenues increasing 36.1% over the year.
- EBITDA grew by 31.7% to K 67,478 million with an EBITDA margin of 41.2%. The EBITDA margin declined by 228 basis points over the period due to higher inflationary pressures and a subsequent increase in operating costs.
- Net finance costs decreased by 19.7% largely as a result of a more stable currency in the current period and an increase in the interest income.
- Profit before tax increased by 86.6%, to K 36,2 million, primarily driven by strong growth in operating profits and lower finance cost.
- Profit after tax of K 22,409 million, increased from a profit of K 21,331 million in the prior period. This is primarily driven by the continued strong operating performance over the year.

Capital allocation

- Capex investment increased by 12% to K 17,318 million, as we continue to invest for future growth and drive increased capacity across our network.
- Leverage decrease from 1.19x net debt/EBITDA to 0.74x, and remains well within the range of the industry peer-group.

Dividend

The Board of Directors has not declared an interim dividend for the period due to continued uncertainty around the economic environment and its potential impact on the business. The Board will continue to monitor the outlook and will consider future dividends accordingly.

Key financial information

Description	UoM	Half Year Ended		
		Jun-25	Jun-24	Change %
Profit & loss summary				
Revenue	K Mn	163,826	117,857	39.0%
Voice Revenue	K Mn	86,779	60,763	42.8%
Data Revenue	K Mn	60,896	44,744	36.1%
Other Revenue	K Mn	16,151	12,350	30.8%
Expenses	K Mn	(96,348)	(66,620)	44.6%
EBITDA	K Mn	67,478	51,237	31.7%
EBITDA Margin	%	41.19%	43.47%	(228)bps
Depreciation & Amortization	K Mn	(14,819)	(11,367)	30.4%
Other income	K Mn	10	28	-64.3%
Operating Profit	K Mn	52,669	39,898	32.0%
Net finance costs	K Mn	(16,464)	(20,495)	-19.7%
Profit Before Tax	K Mn	36,205	19,403	86.6%
Income tax credit/(expense)	K Mn	(13,796)	1,928	-815.6%
Profit After Tax	K Mn	22,409	21,331	5.1%
Basic EPS	K	2.04	1.94	5.1%
Weighted Average No of Shares	In Mn	11,000	11,000	0.0%
Capex	K Mn	17,318	15,482	11.9%
Net Debt	K Mn	100,481	121,575	
Leverage (net debt to EBITDA)	times.	0.74x	1.19x	
Operating KPIs				
ARPU	K	3,397	2,743	23.8%

We Continue to Drive Growth.

Sustained momentum fueled by usage, excellence and efficiency.

39.0% Revenue Growth

86.6% Profit Before Tax

31.7% EBITDA Growth

Financial review for the half year, ended 30 June 2025

Revenue

Revenues increased by 39% to K 163,826 million for the half year ended 30 June 2025, versus K 117,857 million in the prior period. Revenue growth of 39% was driven by both subscriber growth of 10.3% and ARPU growth of 23.8%. Revenue growth was broad-based across all key business segments: voice revenue increased by 42.8%, data revenues rose by 36.1% and other revenues increased by 30.8%.

EBITDA

EBITDA of K 67,478 million, increased by 31.7%, supported by strong revenue growth and continued cost efficiency improvements. EBITDA margins declined by 228 bps from 43.5% in H1'24 to 41.2% in H1'25.

Profit before tax

Profit before tax increased by 86.6%, to K 36,205 million, primarily driven by strong growth in operating profits and lower finance cost.

Income Tax

Total income tax charges amounted to K 13,796 million, compared to a tax gain of K 1,928 million in the prior period, mainly due to a deferred tax gain of K 8,688 million recognized in H1'24 following changes to corporate tax rates in 2024.

Profit after tax

Profit after tax of K 22,409 million improved from K 21,331 million in the prior year, mainly due to the increase in operating profit over the year.

Outlook

We remain focussed on supporting the Malawi economy, and keeping communities and businesses in Malawi connected. Our view on the medium-term opportunity for growth in Malawi remains attractive, as we continue to see sustained demand for the essential services that we offer to our customers.

We will continue executing our strategy focussed on offering a great customer experience and remain committed to investing in the network to drive increased penetration of mobile services, and facilitating data adoption to further enhance the digitalisation of the Malawi economy.

The economy and company remains exposed to currency volatility and unfavourable agricultural output. Despite these headwinds we will focus on investing in our network to support customer growth, and driving increased revenues with a particular focus on cost efficiencies across the business.

Other significant updates

In August 2025, the Bank of America facility of USD 31.1 million has been extended for another 2 year on the existing terms & conditions and expiring on 13th September 2027.

Summary Financial Statements

	Unaudited six month to		
	30 June 2025	30 June 2024	31 December 2024
	K'000	K'000	K'000
Income			
Revenue	163,825,853	117,857,144	270,966,503
Other income	10,039	27,764	122,303
	163,835,892	117,884,908	271,088,806
Expenses			
Network operation and maintenance	(38,491,955)	(23,178,461)	(55,146,191)
Sales and marketing expenses	(18,745,879)	(11,796,169)	(28,176,798)
Employee benefits expenses	(5,696,262)	(4,477,942)	(9,640,443)
Access charges	(2,586,725)	(2,609,006)	(5,441,859)
Other expenses	(19,923,987)	(16,231,473)	(34,050,774)
License fee and spectrum usage charges	(11,564,449)	(8,023,950)	(19,129,076)
Impairment recovered/ (loss) on financial assets	661,239	(303,237)	(544,351)
Depreciation and amortisation	(14,818,686)	(11,366,748)	(24,877,837)
	(111,166,704)	(77,986,986)	(177,007,329)
Operating profit	52,669,188	39,897,922	94,081,477
Net foreign exchange losses	(7,685,750)	(10,164,959)	(19,461,714)
Finance costs	(12,656,633)	(12,223,491)	(23,818,475)
Finance income	3,878,572	1,893,418	4,600,052
Profit before tax	36,205,377	19,402,890	55,401,340
Income tax (expense)/credit	(13,796,112)	1,927,685	(12,679,229)
Profit and total comprehensive income for the period	22,409,265	21,330,575	42,722,111
Basic and diluted earnings per share (K)	2.04	1.94	3.88

Summary Statement of Financial Position

	Unaudited as at		Audited year ended
	30 June 25	30 June 24	31 December 24
	K'000	K'000	K'000
ASSETS			
Non-current assets			
Property, plant and equipment	99,429,058	81,255,995	91,698,301
Intangible assets	7,585,817	8,466,141	8,022,963
Right-of-use assets	77,604,796	61,822,343	73,254,420
Deferred tax asset	36,992,961	36,667,688	35,149,803
Other non-current assets	16,333,010	17,604,485	17,307,654
Investment	81,000	81,000	81,000
Total non-current assets	238,026,642	205,897,652	225,514,141
Current assets			
Inventories	1,726,047	1,093,602	1,325,111
Trade and other receivables	13,572,136	7,250,414	8,684,636
Cash and cash equivalents	84,199,760	50,474,527	55,891,854
Other current assets	27,090,574	33,892,135	34,730,095
Income tax receivable	-	-	794,685
Total current assets	126,588,517	92,710,678	101,426,381
Total assets	364,615,159	298,608,330	326,940,522
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	1,000	1,000	1,000
Share premium	398,375	398,375	398,375
Retained earnings	32,125,573	10,324,772	31,716,308
Total Shareholders' equity	32,524,948	10,724,147	32,115,683
Non-current liabilities			
Lease liabilities	126,973,570	111,535,222	125,293,893
Provisions	6,730	-	6,574
Deferred spectrum liabilities	1,545,708	1,564,632	1,785,793
Total non-current liabilities	128,526,008	113,099,854	127,086,260
Current liabilities			
Borrowings	54,118,758	57,419,145	57,441,344
Lease liabilities	3,588,336	3,095,206	3,514,723
Deferred Spectrum liabilities	170,617	257,079	169,245
Provisions	3,677,057	3,589,978	4,080,211
Trade and other payables	111,439,188	87,637,667	94,185,520
Contract liabilities	6,844,639	10,909,183	7,634,017
Income tax payable	3,563,147	4,341,039	-
Other current liabilities	20,162,461	7,535,032	713,519
Total current liabilities	203,564,203	174,784,329	167,738,579
Total liabilities	332,090,211	287,884,183	294,824,839
Total equity and liabilities	364,615,159	298,608,330	326,940,522

Summary Statement of Changes in Equity

	Share Capital	Share Premium	Retained earnings / (accumulated losses)	Total
	K'000	K'000	K'000	K'000
Unaudited Six months to 30 June 25				
At the beginning of the year	1,000	398,375	31,716,308	32,115,683
Dividend declared for 2024 profit	-	-	(22,000,000)	(22,000,000)
Total comprehensive income for the period ended	-	-	22,409,265	22,409,265
Balance at 30 June 2025	1,000	398,375	32,125,573	32,524,948
Unaudited Six months to 30 June 24				
At the beginning of the year	1,000	398,375	(11,005,803)	(10,606,428)
Total comprehensive income for the period ended	-	-	21,330,575	21,330,575
Balance at 30 June 2024	1,000	398,375	10,324,772	10,724,147
Audited year ended 31 December 2024				
At the beginning of the year	1,000	398,375	(11,005,803)	(10,606,428)
Total comprehensive income for the period ended	-	-	42,722,111	42,722,111
Balance at 31 December 2024	1,000	398,375	31,716,308	32,115,683

Summary Statement of Cash Flows

	Unaudited six month to		Audited year ended
	30 June 25	30 June 24	31 December 24
	K'000	K'000	K'000
Cash flows from operating activities			
Profit before taxation	36,205,377	19,402,890	55,401,340
Adjustments for:			
Depreciation & amortization	14,818,686	11,366,748	24,877,837
Interest income	(3,878,572)	(1,893,418)	(4,600,052)
Unrealised exchange(gain)/ losses	(2,151,392)	5,957,822	6,301,307
Liability written back	-	(26,965)	(26,965)
Profit on disposal of scrap	(10,039)	(799)	(95,338)
Finance cost	12,656,633	10,739,504	23,818,475
Operating cash flow before working capital changes	57,640,693	45,545,782	105,676,604
Changes in working capital:			
Increase in trade and other receivables	(4,903,422)	(427,427)	(1,775,871)
(Increase)/decrease in inventory	(400,936)	262,521	31,012
Decrease /(increase) in other assets	8,614,165	(5,552,261)	(6,093,390)
Increase in trade and other payables	9,288,140	21,053,035	24,239,825
(Decrease)/Increase in Provisions	(402,998)	383,238	880,045
(Decrease)/increase in other liabilities	(1,137,293)	907,923	(1,926,600)
Net cash generated from operations before tax	68,698,349	62,172,811	121,031,625
Income tax paid	(11,281,438)	(7,043,303)	(25,268,056)
Net cash generated from operating activities	57,416,911	55,129,508	95,763,569
Cash Flows from investing activities			
Purchase of property, plant and equipment & Intangible assets	(9,168,586)	(27,467,784)	(43,599,848)
Interest received	3,878,572	1,893,418	4,600,052
Proceed on disposal of scrap	10,039	799	95,338
Net cash used in investing activities	(5,279,975)	(25,573,567)	(38,904,458)
Cash flows from financing activities			
Repayment of borrowings- principal	(3,593,539)	(11,113)	(28,541)
Repayment of borrowings- interest	(1,934,604)	(2,364,119)	(4,684,291)
Other finance costs	(451,411)	(581,186)	(1,154,462)
Dividends paid	(3,143)	(10,056,035)	(17,318,192)
Repayment of spectrum liability- principal	(238,088)	(260,388)	(130,385)
Repayment of spectrum liability- interest	(125,638)	(110,678)	(243,831)
Repayment of lease liability- principal	(7,337,627)	(1,646,200)	(1,935,717)
Repayment of lease liability- interest	(10,144,980)	(6,315,748)	(17,735,891)
Net cash used in financing activities	(23,829,030)	(21,345,467)	(43,231,310)
Net increase in cash & cash equivalents	28,307,906	8,210,474	13,627,801
Cash & Cash equivalents at the beginning of the year	55,891,854	42,264,053	42,264,053
Cash & Cash equivalents as at end of the period	84,199,760	50,474,527	55,891,854

Notes to the Summary Financial Statements

The borrowing is due to the following:
External borrowings: Bank of America

	Unaudited as at		Audited as at
	30 June 25	30 June 24	31 December 24
	K'000	K'000	K'000
At the beginning of the year	57,441,344	55,758,596	55,758,596
Interest Charges	1,934,604	2,364,119	4,684,291
Repayments	(5,528,143)	(2,375,232)	(4,712,832)
Exchange difference	270,953	1,671,662	1,711,289
At the end of the period	54,118,758	57,419,145	57,441,344
Current portion	54,118,758	57,419,145	57,441,344
Non-Current portion	--	-	-

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Results for the half year ended 30 June 2025 Cntd...

Contingent liabilities

As at 30 June 2025, the Company had contingent liabilities of K 3,402 million (H1'24: K 4,275 million) in respect of on-going legal cases. The cases are still in court awaiting deliberations hence no provisions have been made in the financial statements.

Capital commitments

	Unaudited as at		Audited as at
	30 June 25	30 June 24	31 December 24
	K'000	K'000	K'000
Capital expenditure			
Approved capital expenditure to be incurred	20,891,367	15,012,031	15,786,767

Reclassification of 30 June 2024 statement of cash flows and statement of comprehensive income.

The statement of cash flows for the year ended 30 June 2024, has been reclassified to disclose the realised forex gains and losses relating to the foreign payables with an FEC which were incorrectly classified as financing activities instead of operating activities. The overall closing cash and cash equivalents did not change as a result of this reclassification. In addition, in order to comply with IAS 1:29,30, the statement of comprehensive income has been reclassified to disclose separately finance costs and foreign exchange gains and losses. The impact of the reclassification is included below :

STATEMENT OF CASH FLOWS

	Half Year ended 30 June 2024		
	As previously reported	Adjustment	Restated
	K'000	K'000	K'000
Cash flows from operating activities			
Finance cost	12,223,491	(1,483,987)	10,739,504
Liability written back	-	(26,965)	(26,965)
Movement in Provisions	383,238	(383,238)	-
Operating cash flow before working capital changes	47,439,972	(1,894,190)	45,545,782
(Decrease)/Increase in Provisions	-	383,238	383,238
Net cash generated from operations before tax	63,683,763	(1,510,952)	62,172,811
Net cash generated from operating activities	56,640,460	(1,510,952)	55,129,508
Cash flows from financing activities			
Other finance costs	(2,065,173)	1,483,987	(581,186)
Liability written back	(26,965)	26,965	-
Net cash used in financing activities	(22,856,419)	1,510,952	(21,345,467)
Net increase/(decrease) in cash & cash equivalents	8,210,474	-	8,210,474
Cash & cash equivalents at the beginning of the year	42,264,053	-	42,264,053
Cash & cash equivalents as at end of the period	50,474,527	-	50,474,527



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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Half Year ended 30 June 2024		
	As previously reported	Adjustment	Restated
	K'000	K'000	K'000
Operating profit			
Net foreign exchange losses	-	(10,164,959)	(10,164,959)
Finance costs	(22,388,450)	10,164,959	(12,223,491)
Profit before tax	19,402,890	-	19,402,890

Basis of preparation

The Directors have prepared the summary financial statements to meet the listing requirements of the Malawi Stock Exchange. The Directors have considered the listing requirements of the Malawi Stock Exchange and believe that the summary statement of financial position, summary statement of comprehensive income, summary statement of cash flows and summary statement of changes in equity are sufficient to meet the requirements of the users of the summary financial statements.

The summary financial statements have been derived from the Interim Financial Statements that are prepared in accordance with IFRS Accounting Standards and IAS 34 as issued by the International Accounting Standards Board ("IASB") including the IAS 29 Directive as issued by the Institute of Chartered Accountants Malawi (ICAM) and in the manner required by the Companies Act 2013.

The unaudited Financial Statements for the period ended 30 June 2025 can be accessed on Airtel's website www.airtel.mw/investors



Mr Kayisi Sadala
Board Chairperson



Aashish Dutt
Managing Director

Glossary

Technical and Industrial Terms

ARPU	Average revenue per user per month, which is derived by dividing total revenue during the relevant period by the average number of customers.
Average customers	Average customers are derived by computing the average of the monthly average customers for the relevant period.
Capital expenditure	It is not a GAAP measure and is defined as investment in capital work in progress (CWIP) gross fixed assets (tangible and intangible excluding spectrum/licence) and excluding provision on capital work in progress (CWIP).
Customer	A customer is defined as a unique subscriber with a unique mobile telephone number who used any of Airtel's services in the last 30 days.
Customer base	Total number of subscribers that used any of our services (voice calls, SMS, data usage or Other revenues) in the last 30 days.
Data customer base	Total subscribers who consumed at least 1MB on the Group's GPRS, 3G or 4G network in the last 30 days.
Underlying EBITDA	It is not a GAAP measure and is defined as operating profit before depreciation, amortisation, CSR cost and exceptional items.
Underlying EBITDA margin	It is not a GAAP measure and is computed by dividing Underlying EBITDA for the relevant period by total revenue for the relevant period.
Earnings per share (EPS)	EPS is computed by dividing the profit for the period attributable to the owners of the company by the weighted average number of ordinary shares outstanding during the period.
Free cash flow	Free cash flow defined as Operating free cash flow less cash interest, cash tax and change in operating working capital.
Minutes of usage	Duration in minutes for which a customer uses the Group's network. It is typically expressed over a period of one month. It includes incoming, outgoing and in-coming minutes.
Net debt	It is not a GAAP measure and is defined as the long-term borrowings, short term borrowings and leased liability less cash and cash equivalents.
Leverage (net debt to EBITDA)	Financial leverage is computed by dividing net debt at the end of year with EBITDA for the year.
Operating profit	It is a GAAP measure and is computed as revenue less operating expenditure including depreciation & amortisation and operating exceptional items.
Weighted average number of shares	The weighted average number of shares is calculated by taking the number of outstanding shares and multiplying the portion of the reporting period those shares covered, doing this for each portion and, finally, summing the total.

Abbreviations

2G	Second-generation technology
3G	Third-generation technology
4G	Fourth-generation technology
ARPU	Average revenue per user
bps	Basis points
EBITDA	Earnings before interest, tax, depreciation and amortisation
EPS	Earnings per share
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering
KPIs	Key performance indicators
M	Million
MB	Megabyte
UoM	Unit of measure