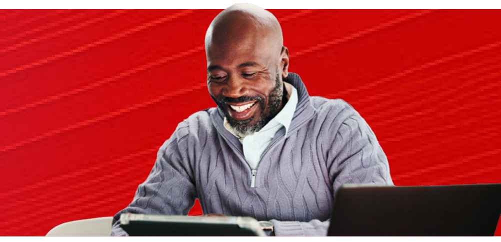
airtel

Airtel Malawi plc
Results for the year ended 31 December 2025



2 April 2026

Focused execution drives strong operating and financial performance

Airtel Malawi Plc delivered a strong set of operating and financial results for the year ended 31 December 2025, underpinned by sustained customer growth, increased usage across services and disciplined capital allocation.

34.0% Revenue Growth

54.9% Profit Before Tax Growth

29.4% EBITDA Growth

Operating key performance indicators (KPIs)

- Mobile data customers grew by 14.2%, supported by network investment and rising smartphone adoption.
- Average Revenue per user per month (ARPU) was up 20.8% to K3,604 primarily driven by increased usage across both voice and data services.

Financial performance

- Revenue grew by 34.0% to K363,101 million, reflecting growth across all core service segments.
- Voice revenues increased by 36.7%, while data revenues grew by 35.2%, reflecting very strong demand for connectivity services.
- EBITDA rose by 29.4% to K153,701 million, with an EBITDA margin of 42.3%, a decline of 152 basis points, primarily reflecting inflationary pressures and higher fuel costs.
- Net finance costs decreased by 3.0%, largely due to improved currency stability during the period.
- Profit after tax increased to K51,248 million, up from K42,722 million in the prior year, largely driven by higher operating profit.

Capital allocation

- Capex investment increased by 45.3 % to K50,366 million, as we continue to invest for future growth and drive increased capacity across our network.
- Leverage decrease from 1.1x net debt/EBITDA to 0.75x, and remains well within the range of the industry peer-group.

Dividend

- The Board has recommended a dividend of K3.5 per share, equivalent to K38.5 billion for the year ended 31 December 2025.

Key financial information

Decription	UoM	Year Ended		
		Dec 25	Dec 24	Change %
P&L summary				
Revenue	**K Mn**	**363,101**	**270,967**	**34.0%**
Voice revenue	K Mn	190,421	139,272	36.7%
Data revenue	K Mn	136,367	100,826	35.2%
Other revenue	K Mn	36,313	30,869	17.6%
Expenses	K Mn	(209,400)	(152,152)	37.6%
EBITDA	**K Mn**	**153,701**	**118,815**	**29.4%**
EBITDA margin	%	42.33%	43.85%	(152)bps
Depreciation & amortisation	K Mn	(30,779)	(24,878)	23.7%
Other income	K Mn	387	144	168.8%
Operating profit	**K Mn**	**123,309**	**94,081**	**31.1%**
Net finance costs	K Mn	(37,508)	(38,680)	-3.0%
Profit before tax	**K Mn**	**85,801**	**55,401**	**54.9%**
Income tax expense	K Mn	(34,553)	(12,679)	172.5%
Profit after tax	**K Mn**	**51,248**	**42,722**	**20.0%**
Basic EPS	K	4.66	3.88	20.0%
Weighted average no. of shares	In Mn	11,000	11,000	0.0%
Capex	**K Mn**	**50,366**	**34,668**	**45.3%**
Net debt	**K Mn**	**114,844**	**130,766**	
Leverage (net debt to EBITDA)	times.	0.75x	1.10x	
Operating KPIs				
ARPU	K	3,604	2,984	20.8%

Financial review for the year, ended 31 December 2025

Revenue

Revenues increased by **34.0% to K363,101 million** for the year ended 31 December 2025, compared to **K270,967 million** in the prior year. This growth was supported by the growth in our customer base of **8.3%** and ARPU growth of 20.8%. Revenue growth was broad-based, with voice revenues increasing by **36.7%,** data revenues by **35.2%,** and other revenues by **17.6%.**

EBITDA

EBITDA amounted to **K153,701 million,** representing an increase of 29.4% year-on-year. This performance reflects strong top-line growth and continued cost management initiatives. However, EBITDA margins declined to **42.3%** from **43.9%** in the prior year due to inflationary pressures and rising fuel costs.

Profit after tax

Profit after tax improved to **K51,248 million from K42,722 million** in 2024, driven primarily by higher operating profit and a reduction in net finance costs attributable to greater currency stability during the year.

Outlook*

Airtel Malawi remains committed to supporting the Malawi economy by keeping communities and businesses connected through reliable and affordable telecommunications services. The medium-term growth outlook remains attractive, supported by ongoing demand for voice and data services.

The Company will continue to execute its strategy of delivering an enhanced customer experience, investing in network expansion and capacity, and driving increased adoption of mobile data services to support the digitisation of the Malawi economy.

While the business continues to face challenges related to currency volatility, foreign exchange scarcity and agricultural output risks, management remains focused on disciplined investment, revenue growth, customer acquisition and cost optimisation.

*The Outlook section represents management's assessment and is unaudited.

Other significant updates

Expansion of network coverage

During the year, the Company expanded its network through the rollout of an additional 58 sites, improving coverage and service quality

Dividend

Subsequent to the year end, on 27 March 2026, the Board has recommended a dividend per share of K3.5, equating to a total dividend payment of K38.5 billion in respect of the 2025 financial year.

Summary Financial Statements

Summary Statement of Comprehensive Income

	For the year ended 31 December 2025	For the year ended 31 December 2024
Income		
Revenue	363 101 029	270 966 503
Other income	387 235	144 321
	363 488 264	**271 110 824**
Expenses		
Network operation and maintenance	(81 026 051)	(55 146 191)
Sales and marketing expenses	(41 347 576)	(28 176 798)
Employee benefits expenses	(14 416 030)	(9 640 443)
Access charges	(6 349 282)	(5 441 859)
Other expenses	(43 459 544)	(34 050 774)
License fee and spectrum usage charges	(23 056 744)	(19 129 076)
Impairment recovered/ (loss) on financial assets	254 630	(566 369)
Depreciation and amortisation	(30 778 583)	(24 877 837)
	(240 179 180)	**(177 029 347)**
Operating profit	**123 309 084**	**94 081 477**
Net foreign exchange losses	(22 384 306)	(19 461 714)
Finance costs	(25 729 854)	(23 818 475)
Finance income	10 606 311	4 600 052
Profit before tax	**85 801 235**	**55 401 340**
Income tax expense	(34 553 221)	(12 679 229)
Profit for the year	**51 248 014**	**42 722 111**
Basic and diluted earnings per share (K)	4.66	3.88

Summary Statement of Financial Position

	As at 31 December 2025	As at 31 December 2024
	K'000	K'000
ASSETS		
Non-current assets		
Property, plant and equipment	102 938 952	81 711 461
Capital work in progress	17 179 738	9 986 840
Intangible assets	11 274 576	8 022 963
Right-of-use assets	90 196 782	73 254 420
Deferred tax asset	32 979 005	35 149 803
Investment	-	81 000
Other non-current assets	16 425 598	17 307 654
Total non-current assets	**270 994 451**	**225 514 141**
Current assets		
Inventories	4 100 112	1 325 111
Trade and other receivables	7 891 435	8 684 636
Cash and cash equivalents	82 440 258	55 483 617
Other bank balances	7 123 707	408 237
Investment	8 755 001	-
Income tax receivable	307 365	794 685
Other current assets	35 953 268	34 730 095
Total current assets	**146 571 146**	**101 426 381**
Total assets	**417 565 797**	**326 940 522**
EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	1 000	1 000
Share premium	398 375	398 375
Retained earnings	60 964 322	31 716 308
Total Shareholders' equity	**61 363 697**	**32 115 683**
Non-current liabilities		
Lease liabilities	137 830 191	125 293 893
Deferred spectrum liabilities	1 657 688	1 785 793
Provisions	8 016	6 574
Total non-current liabilities	**139 495 895**	**127 086 260**
Current liabilities		
Borrowings	54 128 150	57 441 344
Lease liabilities	5 326 138	3 514 723
Deferred Spectrum liabilities	183 374	169 245
Trade and other payables	135 035 206	94 185 520
Contract liabilities	8 624 939	7 634 017
Provisions	4 135 762	4 080 211
Other current liabilities	9 272 636	713 519
Total current liabilities	**216 706 205**	**167 738 579**
Total liabilities	**356 202 100**	**294 824 839**
Total equity and liabilities	**417 565 797**	**326 940 522**

Summary Statement of Changes in Equity

	Share capital	Share premium	Retained earnings	Total
	K'000	K'000	K'000	K'000
Year ended 31 December 2025				
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 year	-	-	51 248 014	51 248 014
Balance at 31 December 2025	**1 000**	**398 375**	**60 964 322**	**61 363 697**
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 year	-	-	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

	For the year ended 31 December 25	For the year ended 31 December 24
	K'000	K'000
Cash flows from operating activities		
Profit before taxation	85 801 235	55 401 340
Adjustments for:		
Depreciation & amortisation	30 778 583	24 877 837
Interest income	(10 606 311)	(4 600 052)
Net unrealised foreign exchange (gain)/losses	(2 975 996)	6 301 307
Liability written back	(311 085)	(48 983)
Profit on disposal of scrap	(14 436)	(95 338)
Finance costs	25 729 854	23 818 475
Operating cash flow before working capital changes	**128 401 844**	**105 654 586**
Changes in working capital:		
Increase in trade and other receivables	(232 952)	(1 775 871)
(Increase)/decrease in inventory	(2 775 001)	31 012
Decrease/(increase) in assets	527 093	(6 093 390)
Increase in trade and other payables	26 815 254	24 261 843
Increase in provisions	56 993	880 045
Increase/(decrease) in other liabilities	1 407 808	(1 926 600)
Net cash generated from operations	**154 201 039**	**121 031 625**
Income tax paid	(31 895 103)	(25 268 056)
Net cash generated from operating activities	**123 305 936**	**95 763 569**
Cash flows from investing activities		
Purchase of property, plant and equipment & Intangible assets	(34 040 105)	(43 599 848)
Interest received	9 738 101	4 600 052
Purchase of investment	(8 755 001)	-
Net changes in earmarked balances and margin accounts with banks	(6 715 470)	(408 237)
Proceeds on disposal of scrap	14 436	95 338
Net cash used in investing activities	**(39 758 039)**	**(39 312 695)**
Cash flows from financing activities		
Repayment of borrowings- principal	(3 602 657)	(28 541)
Repayment of borrowings- interest	(3 814 821)	(4 684 291)
Other finance costs	(1 119 856)	(1 154 462)
Dividends paid	(13 857 769)	(17 318 192)
Repayment of spectrum liability- principal	(114 372)	(130 385)
Repayment of spectrum liability- interest	(250 610)	(243 831)
Repayment of lease liability- principal	(12 286 604)	(1 935 717)
Repayment of lease liability- interest	(20 544 567)	(17 735 891)
Net cash used in financing activities	**(55 591 256)**	**(43 231 310)**
Net increase in cash & cash equivalents	26 956 641	13 219 564
Cash & cash equivalents at the beginning of the year	55 483 617	42 264 053
Cash & cash equivalents as at end of the period	**82 440 258**	**55 483 617**

Notes to the Summary Financial Statements

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

	Year Ended	
	31 December 2025	31 December 2024
	K'000	K'000
At the beginning of the year	57 441 344	55 758 596
Interest charges	3 814 821	4 684 291
Repayments	(7 417 478)	(4 712 832)
Exchange difference	289 463	1 711 289
At the end of the year	**54 128 150**	**57 441 344**
Current portion	54 128 150	57 441 344
Non-current portion	-	-

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Capital commitments

	Year Ended	
	31 December 2025	31 December 2024
	K'000	K'000
Capital expenditure		
Approved capital expenditure to be incurred	18 824 062	15 786 767

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 Annual Financial Statements that are prepared 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 the manner required by the Companies Act 2013 and were approved by the Board of Directors on 27 March 2026.

The audited Financial Statements for the period ended 31st December 2025 can be accessed on Airtel's website ***www.airtel.mw/investors***

Mr Kayisi Sadala
Board Chairperson

Aashish Dutt
Managing Director

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the members of Airtel Malawi Plc

Opinion
The summary financial statements, which comprise the summary statement of financial position as at 31 December 2025, and the summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended are derived from the audited financial statements of Airtel Malawi Plc for the year ended 31 December 2025.

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

Summary Financial Statements
The summary financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the international Accounting Standards Board, IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM) and requirements of Companies Act 2013, of Malawi. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon
We expressed an unmodified audit opinion on the audited financial statements in our report dated 31 March 2026. That report also includes 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 financial statements of the current year.

Directors' Responsibility for the Summary Financial Statements
The directors are responsible for the preparation of the summary 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 financial statements are a fair summary of the audited 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
Christopher Kapenda
Partner
2 April 2026

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-roaming 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