

FINANCIAL PERFORMANCE FOR THE HALF YEAR ENDED 30 JUNE 2026

The Board of Directors is pleased to present the unaudited summary results of Sunbird Tourism Plc (the Group) for the half year ended 30 June 2026.

Operating Environment

The operating environment remained challenging during the first half of 2026. The tourism and hospitality sector continued to navigate the effects of changes in international aid policies, which reduced activity from the NGO sector and certain government-sponsored programmes. Government fiscal consolidation and austerity measures also continued to constrain demand from the public sector. In addition, the road infrastructure challenges affected domestic travel and accessibility to tourism destinations.

The domestic economic environment remained characterised by high inflation, shortages of foreign currency and elevated interest rates. These conditions continued to exert pressure on the Group's operating costs, while limiting the Group's flexibility in pricing its products and services.

Internationally, tourism continued to expand, albeit at a more moderate pace amid heightened geopolitical and trade uncertainty. The United Nations World Travel Organization (UNWTO) estimates that global international tourist arrivals grew by 2% from same period in 2025. However, ongoing geopolitical conflicts and disruptions to international aviation routes continued to affect traveller confidence and travel flows in some markets.

Financial Performance

Against the operating environment outlined above, the Group remained focused on strengthening revenue performance, maintaining operational efficiency and managing costs while continuing to invest in its infrastructure.

The Group recorded revenue of K41.0 billion for the six months ended 30 June

2026, representing an increase of 33% from K30.8 billion reported for the corresponding period in 2025. Profit for the period increased by 10% to K6.0 billion, from K5.5 billion reported in the first half of 2025. The lower growth in profit relative to revenue was mainly attributable to a higher income tax and financing charges during the period.

Dividend

The Board has declared an interim dividend of K904 million or K3.456 per share, representing an increase of approximately 23% from the interim dividend of K732.4 million or K2.80 per share paid in 2025.

Outlook

The outlook for the tourism and hospitality sector for the remainder of 2026 remains generally positive. Nevertheless, the operating environment remains subject to significant risks. Globally, economic uncertainty, trade tensions and geopolitical conflicts, could affect traveller confidence and travel activity. Locally, high inflation, elevated interest rates, foreign currency constraints and weaknesses in road infrastructure remain key risks to business performance. The Board and Management will continue to closely monitor these developments and take appropriate measures to mitigate their impact on the Group's performance.

Several product improvement and expansion initiatives currently underway are expected to progress during the second half of the year. These include the construction of a new restaurant, car park and reception facilities at Sunbird Lilongwe; construction of additional rooms at Sunbird Nkopola; and refurbishment of guest rooms and dining facilities at Sunbird Capital and Mount Soche. These initiatives are expected to enhance the Group's product offering, improve guest experience and position the properties to capture additional demand as market conditions improve.

On behalf of the Board, dated this 03 September 2026


Mr. Luciano Mickus
Chairman


Ms. Moureen Mbeye
Director

STATEMENT OF COMPREHENSIVE INCOME

	CONSOLIDATED			COMPANY		
	UNAUDITED 6 MONTHS 30-Jun-26 MK'000	UNAUDITED 6 MONTHS 30-Jun-25 MK'000	AUDITED 12 MONTHS 31-Dec-25 MK'000	UNAUDITED 6 MONTHS 30-Jun-26 MK'000	UNAUDITED 6 MONTHS 30-Jun-25 MK'000	AUDITED 12 MONTHS 31-Dec-25 MK'000
Revenue	41,020,096	30,812,345	71,745,480	39,758,575	29,808,000	68,022,775
Cost of sales	(12,874,191)	(10,297,632)	(23,599,945)	(11,903,445)	(9,594,134)	(21,472,591)
Gross profit	28,145,905	20,514,713	48,145,535	27,855,130	20,213,866	46,550,184
Other income	131,298	86,521	205,755	131,298	86,521	855,755
Impairment of financial assets	(357,836)	(24,709)	76,755	(382,445)	2,756	130,10
Administration and other expenses	(16,784,380)	(12,546,566)	(25,785,358)	(16,277,009)	(12,323,819)	(25,174,012)
Operating Profit	11,134,987	8,029,959	22,642,687	11,326,974	7,979,524	22,362,032
Finance Income	31,551	75,490	76,037	31,551	75,490	76,037
Net finance costs	(1,130,783)	(309,704)	(640,917)	(1,113,751)	(309,704)	(640,067)
Profit before taxation	10,035,755	7,795,745	22,077,807	10,244,774	7,745,310	21,798,002
Income tax expense	(4,033,885)	(2,336,723)	(9,599,052)	(4,097,909)	(2,323,593)	(9,363,147)
Profit for the period	6,001,870	5,457,022	12,478,755	6,146,865	5,421,717	12,434,855
Other comprehensive income items that will not be reclassified to profit and loss						
Revaluation surplus on property net of deferred tax	-	-	58,600,525	-	-	58,471,298
Total other comprehensive income	-	-	58,600,525	-	-	58,471,298
Total comprehensive income attributable to: Equity holders of the company	6,001,870	5,457,022	12,478,755	6,146,865	5,421,717	12,434,855
Earnings per share (kwacha)- Basic and diluted	22.94	20.86	47.70	23.50	20.86	47.54

STATEMENT OF FINANCIAL POSITION

	GROUP			COMPANY		
	UNAUDITED 6 MONTHS 30-Jun-26 MK'000	UNAUDITED 6 MONTHS 30-Jun-25 MK'000	AUDITED 12 MONTHS 31-Dec-25 MK'000	UNAUDITED 6 MONTHS 30-Jun-26 MK'000	UNAUDITED 6 MONTHS 30-Jun-25 MK'000	AUDITED 12 MONTHS 31-Dec-25 MK'000
ASSETS						
Non-current assets						
Property and equipment	234,438,295	110,943,681	227,249,072	233,156,844	109,981,473	225,989,746
Investment in subsidiaries	-	-	-	36	36	36
Intangible assets	103,880	142,063	357,656	103,308	141,507	357,285
Total non-current assets	234,542,175	111,085,744	227,606,728	233,260,188	110,123,016	226,347,067
Current assets						
Inventories	8,558,348	8,881,883	7,662,597	8,352,523	8,766,104	7,488,146
Trade and other receivables	8,666,425	5,646,147	5,290,261	8,301,066	5,297,651	5,095,994
Amounts due from related parties	3,543,088	2,917,761	1,792,184	5,102,246	4,118,787	2,822,191
Income Tax Receivable	949,395	-	2,379,142	625,258	-	2,293,562
Cash and cash equivalents	1,806,262	3,526,925	1,720,014	1,803,348	3,516,221	1,716,063
Total current assets	23,523,518	20,956,716	18,844,198	24,184,441	21,689,763	19,415,958
TOTAL ASSETS	258,065,693	132,042,460	246,450,926	257,444,629	131,812,779	245,763,025
EQUITY AND LIABILITIES						
Share capital	13,079	13,079	13,079	13,079	13,079	13,079
Share premium	1,966	1,966	1,966	1,966	1,966	1,966
Revaluation reserve	99,012,157	41,068,810	99,551,070	98,883,692	41,068,810	99,421,834
Retained earnings	44,505,405	34,285,672	37,964,622	44,605,729	34,230,367	37,920,722
Total equity	143,532,607	79,387,527	137,530,737	143,504,466	79,352,222	137,357,601
Non-current liabilities						
Corporate bonds	15,700,000	16,000,000	16,000,000	15,700,000	16,000,000	16,000,000
Provisions	681,567	272,813	646,385	681,567	272,813	646,385
Deferred tax liabilities	76,144,317	25,824,224	76,144,303	76,128,611	25,824,224	76,128,611
Loans and borrowings	1,188,372	1,466,520	1,502,843	1,101,555	1,416,520	1,405,322
Total non-current liabilities	93,714,256	43,533,357	94,295,531	93,620,333	43,513,357	94,182,318
Current liabilities						
Bank overdraft	3,620,446	150,689	138,024	3,620,446	150,689	138,024
Trade and other payables	11,674,560	7,753,017	10,158,067	11,244,312	7,753,017	9,977,212
Provisions	783,994	446,188	914,543	783,994	446,188	914,543
Employee benefits	1,333,981	1,183,668	515,890	1,303,869	1,083,346	438,006
Amounts due to related parties	1,334,895	1,405,239	1,608,256	1,334,695	1,405,239	1,599,056
Corporate bonds	800,000	500,000	500,000	800,000	500,000	500,000
Short term loan	410,105	332,013	-	410,105	332,013	-
Contracts liabilities	252,642	65,278	257,842	252,642	65,278	257,842
Loans and borrowings	608,207	569,770	532,036	599,767	569,770	498,424
Current tax liabilities	-	815,714	-	-	800,584	-
Total current liabilities	20,818,630	13,151,576	16,424,558	20,319,830	12,956,200	14,223,106
TOTAL LIABILITIES	114,532,886	56,684,933	108,720,089	113,940,163	56,469,557	108,405,424
TOTAL EQUITY AND LIABILITIES	258,065,693	132,042,460	246,450,926	257,444,629	131,812,779	245,763,025

STATEMENT OF CASH FLOWS

	GROUP			COMPANY		
	UNAUDITED 6 MONTHS 30-Jun-26 MK'000	UNAUDITED 6 MONTHS 30-Jun-25 MK'000	AUDITED 12 MONTHS 31-Dec-25 MK'000	UNAUDITED 6 MONTHS 30-Jun-26 MK'000	UNAUDITED 6 MONTHS 30-Jun-25 MK'000	AUDITED 12 MONTHS 31-Dec-25 MK'000
Cash flows from operating activities						
Cash generated from operations	8,687,926	5,786,298	27,459,845	8,451,593	5,756,571	26,428,040
Interest received	31,551	75,490	76,037	31,551	75,490	76,037
Interest paid	(2,450,481)	(2,119,373)	(4,596,792)	(2,433,449)	(2,119,373)	(4,595,932)
Taxation paid	(2,603,294)	(2,452,871)	(5,853,151)	(2,429,607)	(2,452,871)	(5,291,972)
Net cash from operating activities	3,665,702	1,289,544	17,285,949	3,620,088	1,259,817	16,616,179
Cash flows from investing activities						
Acquisition of property and equipment	(7,184,430)	(6,530,205)	(20,346,897)	(7,132,256)	(6,511,183)	(20,199,935)
Acquisition of intangible assets	(27,620)	-	(241,953)	(27,620)	-	(241,953.00)
Dividend received	-	-	-	-	-	650,000.00
Proceeds from sale of property and equipment	-	-	16,580	-	-	16,580
Net cash used in investing activities	(7,192,050)	(6,530,205)	(20,572,270)	(7,159,876)	(6,511,183)	(19,775,312)
Cash flows from financing activities						
Proceeds from borrowings	932,000	5,598,175	5,982,761	932,000	5,598,175	5,851,623
Repayment of borrowings	(760,195)	(502,627)	(1,170,636)	(745,718)	(502,627)	(1,170,636)
Dividend paid	-	-	(3,479,048)	-	-	(3,479,048)
Net cash from financing activities	171,805	5,095,548	1,333,077	186,282	5,095,548	1,201,944
Net decrease in cash and cash equivalents	(3,354,543)	(145,113)	(1,953,244)	(3,353,506)	(155,818)	(1,957,191)
Cash and cash equivalents at beginning of the period	1,581,990	3,521,284	3,521,284	1,578,039	3,521,284	3,521,284
Effect of exchange rate fluctuations on cash held	(41,631)	66	13,950	(41,631)	66	13,950
Cash and cash equivalents at end of the period	1,814,184	3,376,237	1,581,990	(1,817,098)	3,365,532	1,578,039

STATEMENT OF CHANGES IN EQUITY

GROUP	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total
Unaudited 2026					
Balance as at 1 January 2026	13,079	1,966	99,551,070	37,964,622	137,530,737
Profit for the period	-	-	-	6,001,870	6,001,870
Total Comprehensive Income	-	-	-	6,001,870	6,001,870
Transfer to retained earnings	-	-	(538,913)	538,913	-
Balance as at 30 June 2026	13,079	1,966	99,012,157	44,505,405	143,532,607
Audited 2025					
Balance as at 1 January 2025	13,079	1,966	41,314,334	28,601,126	69,930,505
Profit for the period	-	-	-	7,147,756	12,478,756
Total Comprehensive Income	-	-	-	7,147,756	12,478,756
Other comprehensive income	-	-	-	58,600,525	58,600,525
Revaluation surplus net of tax	-	-	58,600,525	-	58,600,525
Transactions with the owners					
Dividend Paid	-	-	-	(3,479,048)	(3,479,048)
Transfer to retained earnings	-	-	(363,789)	363,789	-
Balance as at 31 December 2025	13,079	1,966	99,551,070	37,964,622	137,530,737
COMPANY					
Share Capital					
Share Premium					
Revaluation Reserve					
Retained Earnings					
Unaudited 2026					
Balance as at 1 January 2026	13,079	1,966	99,421,834	37,920,722	137,357,601
Profit for the period	-	-	-	6,146,865	6,146,865
Total Comprehensive Income	-	-	-	6,146,865	6,146,865
Transfer to retained earnings	-	-	(538,142)	538,142	-
Balance as at 30 June 2026	13,079	1,966	98,883,692	44,605,729	143,504,466
Audited 2025					
Balance as at 1 January 2025	13,079	1,966	41,314,334	28,601,126	69,930,505
Profit for the period	-	-	-	7,090,153	12,434,855
Total Comprehensive Income	-	-	-	7,090,153	12,434,855
Other comprehensive income	-	-	-	58,471,298	58,471,298
Revaluation surplus net of tax	-	-	58,471,298	-	58,471,298
Transactions with the owners					
Dividend Paid	-	-	-	(3,479,048)	(3,479,048)
Transfer to retained earnings	-	-	(363,789)	363,789	-
Balance as at 31 December 2025	13,079	1,966	99,421,834	37,920,722	137,357,601



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