



# **AIRTEL UGANDA LIMITED**

**Interim financial results for the  
six months period ended 30 June 2025**

## **Strong and growing operating and financial performance reflects resilient demand and supports shareholder returns**

### **Operating highlights**

- Our total customer base grew by 14.7% to 17.9 million. Data customer penetration continues to rise, with a 25.9% increase in data customers to 7.5 million. Data usage per customer increased by 22.6% to 5.95 GBs, with smartphone penetration increasing by 196 basis points to reach 39.9%.
- Demand for data services across the network remained strong with data traffic increasing 57.4% over the period. Data ARPU growth of 1.5% continued to support overall ARPUs, whereas voice ARPUs declined 15.4% on the back of the interconnect rate cut resulting in an overall decline in ARPU of 3.0% YoY.
- Customer experience remains core to our strategy with sustained network investment during the period. In line with our strategic priorities, network capacity has continued to increase with all sites 4G enabled, and the continued expansion of our 5G network footprint. During the period we rolled out 176 sites and 1,793km of fibre.

### **Financial performance**

- Revenue grew by 12.3% to Ushs 1,084.8bn, with strong data revenue growth underpinned by continued growth across other VAS segments despite the decline in voice revenues resulting from the interconnect rate cut from Ushs 45 to Ushs 26, effective September 2024. Revenue growth was primarily supported by the continued strong momentum in customer growth over the period. The increased demand for data services contributed to a 30.4% growth in data revenues to Ushs 525.7bn.
- EBITDA grew by 19.3% to Ushs 567.3bn with EBITDA margins expanding further to 52.3% from 49.2% in the prior period driven by continued operating momentum, and sustained benefits from our cost efficiency programme.
- Profit after tax grew by 28.7% to Ushs 197.2bn with PAT margins expanding further to 18.2% from 15.9% in the prior year. The growth was largely driven by sustained revenue growth and largely flat operating expenses which offset higher finance costs during the period. Finance costs were impacted by higher interest on lease liabilities resulting from continued network rollout and extension of the American Tower Company ('ATC') tower lease agreement late last year.

### **Capital allocation**

- Capital expenditure was at Ushs 87.8 bn for the six months period ended 30 June 2025. 4G rollout continued, with 176 additional sites during the period. As at the 30 June 2025, 100% of our sites are 4G enabled. Furthermore, 5G investment continued with an additional 150 sites added, which combined with additional fibre rollout, resulted in enhanced capacity across our network.
- Leverage has increased from 1.5x to 1.7x primarily reflecting the Ushs 407bn increase in lease liabilities arising from the extension of our tower lease agreements during last twelve month. Adjusted for lease liabilities, leverage as of 30 June 2025 was 0.77x compared to 0.84x a year ago.
- The Board has declared an interim dividend of Ushs 2.5 per share equating to Ushs 100bn for the quarter ended 30 June 2025, resulting in a total of Ushs 4.35 per share totaling to Ushs 174bn for the half year to June 2025. The total dividend for the period to date in 2025 increased by 31.8% YoY, in line with our progressive dividend policy.

*Unless stated otherwise, the financial and non-financial growth rates are presented on a year-on-year basis (YoY, six months period ended 30 June 2025 versus six months period ended 30 June 2024).*

## **Soumendra Sahu, Managing Director, on the H1 Results FY 2025:**

Our strategy that focuses on investing in our customers' brilliant experience is creating value for our customers and shareholders. We have achieved 12.3% growth in revenue with EBITDA margin of 52.3% for H1 2025 that solidifies our market position.

### **Good network experience supporting customer base growth**

The investment in the network has greatly improved our customers' experience and our regulated Quality of Service commitments. We deliver superior voice calls and a brilliant data experience.

Our customer base grew by 14.7%, while our data customers grew by 25.9%. Our distribution network of over 60k+ sim selling outlets, 97 company-owned service centres and 2.5k+ franchise-owned service centres continues to extend our affordable services to people across all regions without differentiation. We have simplified our USSD and MyAirtel app menus to support easy navigation for both featurephone and smartphone users. We are reachable.

### **Our innovation continues**

We are deploying world-class innovative tools to accurately determine and improve network performance across the country. In April 2025, we deployed Africa's first AI based "SPAM ALERT" service embedded into our network. This is a customer protection service that alerts our customers of spam on SMS. It is our commitment to a safer ecosystem, and is a first for our customers and society.

### **Data portfolio is shaping our growth story**

The data segment continues to shape Airtel Uganda's growth story, with an overall revenue growth of 30.4%. In the reporting period, we registered a 25.9% increase in data users and a 22.7% rise in average data usage per subscriber. Overall data traffic on our network surged by 57.4%, driven by ongoing investments in network expansion and upgrades. The partnerships for device financing and expansion of partner device distribution networks are starting to bear fruit.

Airtel Uganda, as the nation's leading technology innovator, continues to empower Ugandans and their enterprises by opening doors to global opportunities. Our focus is on driving data growth across our markets by promoting wider smartphone adoption and expanding the Airtel Smart Connect wifi for each office and home. MyAirtel app is changing the way our customers interact with us and our offering. The average monthly active users are an impressive 1.25million.

### **Capex investment continues**

We continued our investment efforts in Uganda, allocating capex worth Ushs 87.8Bn for H1 2025 towards strengthening our core network. This focused on increasing network capacity to ease congestion and improve user experience. In the last year, we've launched 176 4G new sites to improve coverage and capacity. As a result, our 4G population coverage rose to 91.5%. We have continued to expand our fiber network by 1,793 kms over the last year, aligning with our strategy to enhance site connectivity, manage rising data traffic, and accelerate the rollout of Airtel Smart Connect wifi for home and business.

### **The macroeconomic operating environment**

The country's inflation remained modest, averaging 3.6% for H1 2025 (versus 3.4% in H1 2024). The Ugandan shilling appreciated by 2.4% year-to-date against the US dollar, driven by higher remittance inflows and export earnings. The central bank maintained its benchmark interest rate at 9.75% throughout the review period.

### **Transforming lives**

As part of our commitment to society, we continued to partner with Buganda Kingdom to join the fight to end HIV/AIDS by 2030. In partnership, we concluded the Airtel Kabaka Birthday Run 12th Edition in April 2025 with over 120,000 runners rallying to support the cause. We also expanded the Airtel-UNICEF partnership by extending the opportunities of the internet to another 133 schools over the period, and are now reaching over 40,000 learners and 2,505 teachers in 167 schools.

## Financial review for the six months period ended 30 June 2025

The current period financial information contained in this report is drawn from Airtel Uganda's interim unaudited condensed financial statements prepared for the six months period ended 30 June 2025. The Company's auditors provide an independent review report on such interim financial statements for the period ended 30 June 2025. The comparative half yearly information is drawn from unaudited IAS 34 reviewed financials of 30 June 2024.

### Key financial information

Description	UoM	Half year ended			Full Year 2024
		June-25	June-24	YoY	
<b>Revenue</b>	<b>Ushs Mn</b>	<b>1,084,793</b>	<b>966,128</b>	<b>12.3%</b>	<b>1,986,498</b>
Voice Revenue	Ushs Mn	515,445	526,097	-2.0%	1,012,966
Data Revenue	Ushs Mn	525,733	403,125	30.4%	899,763
Other Service revenue	Ushs Mn	35,663	30,824	15.7%	66,086
Other Income	Ushs Mn	7,952	6,082	30.7%	7,683
Expenses	Ushs Mn	517,516	490,709	5.5%	994,068
<b>EBITDA</b>	<b>Ushs Mn</b>	<b>567,277</b>	<b>475,419</b>	<b>19.3%</b>	<b>992,430</b>
EBITDA Margin	%	52.3%	49.2%	3.1%	50.0%
Depreciation and amortisation	Ushs Mn	187,746	177,744	5.6%	363,310
<b>EBIT</b>	<b>Ushs Mn</b>	<b>379,531</b>	<b>297,675</b>	<b>27.5%</b>	<b>629,120</b>
Net finance costs	Ushs Mn	96,877	77,927	24.3%	177,384
<b>Profit before tax</b>	<b>Ushs Mn</b>	<b>282,654</b>	<b>219,748</b>	<b>28.6%</b>	<b>451,736</b>
Taxation	Ushs Mn	85,412	66,523	28.4%	134,996
<b>Profit after tax</b>	<b>Ushs Mn</b>	<b>197,242</b>	<b>153,225</b>	<b>28.7%</b>	<b>316,740</b>
Earnings per share	Ushs	4.9	3.8	28.7%	7.9
PAT margin	%	18.2%	15.9%	2.3%	15.9%
Net debt	Ushs	1,847,803	1,416,994	30.4%	1,832,978
Leverage (net debt to EBITDA)	times	1.7	1.5	0.2	1.8
Lease-adjusted leverage	times	0.77	0.84	(0.07)	0.83
Capex (excluding leases)	Ushs Mn	87,766	122,120	-28.1%	244,419
Capex intensity	%	8.1%	12.6%	-4.5%	12.3%
<b>Operating KPIs</b>					
ARPU	Ushs	10,321	10,644	-3.0%	10,594
Total customer base	Mn	17.9	15.6	14.7%	16.9
Data customer base	Mn	7.5	6.0	25.9%	7.3

**Note:**

- Voice revenue includes interconnect, activation and roaming.
- Data revenue includes fixed and mobile data.
- Other service revenue includes VAS, SMS, rental and device revenues.
- CAPEX excludes right of use assets.
- Customer base: The total number of active subscribers that have used any of our services (voice, SMS and data) in the last 30 days.
- ARPU: Average revenue per user per month. This is derived by dividing total revenue during the relevant period by the average number of customers during the period and dividing the result by the number of months in the relevant period.
- Lease-adjusted leverage reflects the Company's financial market debt position by removing the volatility associated with the impact of lease accounting under IFRS16.

**Overall revenue** grew by 12.3% on a YoY basis for the half year period ended 30 June 2025 largely driven by the total customer base growth of 14.7%. This revenue growth was further supported by the sustained growth in usage across all the various business segments and product offerings. ARPU declined by 3.0%, primarily impacted by the decline in voice ARPU as the cut in interconnect rates impacted trends during the period.

**Voice revenues** declined by 2.0% YoY. This was on the back of the continued growth in the customer base driven by a comprehensive usage and retention strategy which contributed to a 6.9% growth in voice traffic across the network. The current period's voice revenue growth rate was impacted by the regulatory intervention (reduction of the local interconnect rate from Ushs 45 to Ushs 26 effective September 2024). As a result, the voice revenue contribution to Company revenue dropped to 47.9% (H1 2024: 54.8%) for the six months period ended 30 June 2025.

**Data revenues** grew by 30.4% YoY anchored by a 25.9% growth in overall data customers to 7.5 million. The continued investment in network expansion and enhancement, coupled with improvement in overall smartphone penetration has resulted in a 22.6% growth in data usage per subscriber with total data traffic on the network up by 57.4% over the period. 4G traffic contributed 86.9% of the total data traffic, up from 80.4% in the same period in 2024.

The home broadband segment continues to expand with a 158% growth YoY in active Router (4G and 5G) user base for the period, while on the fibre front our overall coverage across the country increased by 1,793 km's to support continued growth in the enterprise business offerings and faster speed across the network. These segments are expected to support and drive future data revenue growth.

The above initiatives have resulted in the strong growth in overall revenues, with the data revenue contribution to service revenues improving to 48.8% (H1 2024: 42.0%) for the six months period ended 30 June 2025.

**EBITDA** for the year grew by 19.3% driven by the resilient revenue growth and cost efficiency benefits, resulting in EBITDA margins of 52.3% (H1 2024: 49.2%). This strong performance was driven by a below growth increase in operating costs of 5.5% as cost efficiency measures offset the costs associated with increased network scale and growing distribution footprint across the country. There is continued emphasis on operating cost optimisation and reduction initiatives ('war on waste') to drive continued EBITDA growth.

**Depreciation and amortisation** for the period rose by 5.6% YoY driven by the continued investments in the network sites and retail footprint to support future growth efforts. The continued network investments led to increase in lease liabilities, and therefore an increase in overall costs for the period.

**Net finance costs** for the period increased by 24.3%, primarily due to increase in the interest cost on lease liabilities and borrowings. Lease liabilities increased following the addition of 176 sites and the extension of the American Tower Company ('ATC') tower lease agreement late last year, which contributed to an increase in interest costs. Interest cost on borrowings and overdrafts was down 1.6% compared to the same period last year.

**Profit after tax (PAT)** increased by 28.7% YoY to Ushs 197.2 bn. PAT margin expanded YoY by 2.3 percentage points to 18.2% in H1 2025. Earnings Per Share (EPS) was Ushs 4.9, an increase of 28.7% compared to Ushs 3.8 in the prior year.

## Capital allocation

**Total Capex (excluding leases)** for the period was Ushs 87.8 billion driven mainly by the continued densification of our network footprint across the country. These investments are helping drive current and future growth for the company.

**Leverage** of 1.7x on 30 June 2025 increased slightly from the previous year (June 2024: 1.5x). The increase was mainly due to an increase in lease liabilities arising from the extension of our tower lease agreements. The lease adjusted leverage as of June 2025 improved to 0.77x compared to 0.84x as of June 2024. Our positive operational net cash flow position reinforces the company's ability to meet all its current and non-current financial obligations.

## Other significant updates

### Consumer protection and empowerment

Airtel Anti-Spam Service: In line with our commitment to protect and empower our customers, Airtel was the first operator in Uganda to launch the anti-spam service which uses artificial intelligence (AI) technology to detect and alert our customers of potential spam messages. The alerts are instant so that the customers are empowered to take note of and make a choice on how to interact with such messages.

### Network coverage obligation

As of 30 June 2025, our countrywide population and geographical coverage stood at 98.9% and 82.3% respectively, based on Airtel's internal measurements and thresholds. The company continues to invest in network expansion to achieve the 90% coverage obligation set by the regulator under the National Telecommunications Operator License and the applicable licensing regulations. With the support of our group, Airtel Africa, we are exploring new technologies, partnerships and synergies to leverage new technologies to bridge the coverage (digital) gap and deliver contemporary world class services across Uganda.

### Proactive engagement of regulators and key stakeholders

We continue to proactively engage the industry regulator, the Uganda Communications Commission (UCC), the Ministry of ICT and National Guidance, the Ministry of Finance, Planning and Economic Development and other relevant government agencies on matters that impact digital inclusion, mobile penetration, tele-density and the cost of basic telecom services. High on the agenda, is our appeal to the government to reduce the tax on end user devices including smartphones and other broadband equipment; and the need to prioritise nationwide population coverage and quality of experience.

## Our outlook

In 2025, Airtel Uganda is poised for a transformative year, leading the digital revolution through strategic investments. We are committed to provide best in class voice and data experience through new network deployment, upgrades, and fibre expansion. As we move into the second half of the year, we are optimistic about our ability to achieve strong growth in both customer base and revenue.

Customer experience remains core to our strategy. In addition to enhancing the network experience for our customers, we are deeply committed to simplifying the customer journey across all our touchpoints—because we understand that every interaction matters, and we genuinely care about making each one safe and valued.

Looking forward, Airtel Uganda is committed to driving digital inclusion, fostering economic growth, and creating a sustainable society. Through technological advancements and customer focused solutions, we aim to continue leading the digital transformation in Uganda, enriching lives and connecting communities across the nation.

With the objective to maximise our shareholders' returns through dividend payouts, we will continue to maintain our robust capital structure, continuously monitor our costs through our cost efficiency initiatives and continue investing in our network to drive profitable growth.

## Notice of declaration of interim dividend

The Board of Directors of Airtel Uganda Limited (the “Company”), at the meeting held on 26 August 2025, declared a quarterly dividend of Ushs 100 billion amounting to Ushs 2.50 per share for the quarter ended 30 June 2025. The total dividend declared by the Board of Directors for the six-month period ended 30 June 2025 amounts to Ushs 4.35 per share, equating to a total of Ushs 174 billion.

The interim dividend shall be payable by or before 7 October 2025, net of withholding tax, to the shareholders registered in the share register of the Company at the close of business on 18 September 2025 which shall be the book closure date for the purpose of Rule 41 of the Uganda Securities Exchange (USE) Listing Rules, 2025.

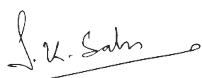
In compliance with the requirements of the Uganda Securities Exchange (USE) Listing Rules 2025 and Uganda Securities Exchange (USE) Trading Rules 2025, the salient dates relating to the payment of the dividend are as follows:

Last day to trade shares cum dividend	12 September 2025
Shares commence trading ex-dividend	15 September 2025
Record (book closure) date	18 September 2025
Payment date	07 October 2025
Board Meeting date	26 August 2025

The interim dividend will be transferred, electronically, to the bank accounts or mobile money wallets as per the share register. The shareholders are reminded to provide the Company with their current payment details and contact information to ensure dividend payments and other shareholder communication are received correctly and timeously.

## Directors’ statement

The below interim financial statements for the period ended 30 June 2025 were reviewed by Deloitte & Touche, Certified Public Accountants. The financial statements were approved by the Board of Directors on Tuesday, 26 August 2025 and signed on their behalf by:



Soumendra Sahu

**Managing Director**



Hannington Karuhanga

**Board Chairman**

## Interim condensed financial statements for the period ended 30 June 2025

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### Statement of Comprehensive Income

	June-25 (Reviewed) Ushs millions	June-24 (Reviewed) Ushs millions	2024 (Audited) Ushs millions
<b>Income</b>			
Revenue	1,076,841	960,046	1,978,815
Other income	7,952	6,082	7,683
	<b>1,084,793</b>	<b>966,128</b>	<b>1,986,498</b>
<b>Expenses</b>			
Network operating expenses	(176,272)	(163,854)	(334,080)
Access charges	(50,131)	(52,154)	(104,809)
Licence fees and spectrum usage charges	(24,926)	(22,783)	(46,771)
Employee benefits expenses	(47,526)	(42,564)	(88,978)
Sales and marketing expenses	(133,800)	(110,058)	(227,215)
Other operating expenses	(90,095)	(99,115)	(191,106)
Impairment gain/ (loss) on financial assets	5,234	(181)	(1,109)
Depreciation and amortisation	(187,746)	(177,744)	(363,310)
	<b>(705,262)</b>	<b>(668,453)</b>	<b>(1,357,378)</b>
<b>Operating profit</b>	<b>379,531</b>	<b>297,675</b>	<b>629,120</b>
Finance income	14,775	6,538	14,969
Finance costs	(111,652)	(84,465)	(192,353)
<b>Profit before tax</b>	<b>282,654</b>	<b>219,748</b>	<b>451,736</b>
Income tax expense	(85,412)	(66,523)	(134,996)
<b>Profit for the period</b>	<b>197,242</b>	<b>153,225</b>	<b>316,740</b>
<b>Other comprehensive income</b>			
Other comprehensive income for the period, net of tax	54	18	32
<b>Total comprehensive income for the period</b>	<b>197,296</b>	<b>153,243</b>	<b>316,772</b>
<b>Basic and diluted earnings per share</b>	<b>4.9</b>	<b>3.8</b>	<b>7.9</b>

## Statement of Financial Position

	June-25 (Reviewed) Ushs millions	June-24 (Reviewed) Ushs millions	2024 (Audited) Ushs millions
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property plant and equipment	829,290	790,617	845,455
Capital work-in-progress	38,962	52,933	29,145
Right of use asset	1,094,959	670,247	1,082,205
Intangible assets	371,321	404,681	387,887
Other non-current assets	60,946	63,856	60,251
	<b>2,395,478</b>	<b>1,982,334</b>	<b>2,404,943</b>
<b>Current assets</b>			
Inventories	2,025	3,671	3,027
<b>Financial assets</b>			
Trade receivables	66,219	98,010	75,235
Cash and cash equivalents	37,746	20,283	9,443
Others	24,990	25,774	10,883
Income tax asset (net)	-	5,186	13,478
Other current assets	95,926	78,384	88,521
	<b>226,906</b>	<b>231,308</b>	<b>200,587</b>
<b>TOTAL ASSETS</b>	<b>2,622,384</b>	<b>2,213,642</b>	<b>2,605,530</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	40,000	40,000	40,000
Retained earnings	125,643	107,886	102,401
Other reserves	165	97	111
	<b>165,808</b>	<b>147,983</b>	<b>142,512</b>
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	169,054	275,473	258,717
Lease liabilities	1,058,054	602,589	1,063,657
Others	146,945	145,165	141,782
Deferred revenue	8,767	10,301	9,534
Provisions	1,642	2,744	2,391
Deferred tax liability	128,591	106,151	132,340
	<b>1,513,053</b>	<b>1,142,423</b>	<b>1,608,421</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	522,857	375,498	394,773
Lease liabilities	135,584	183,717	125,274
Trade payables	145,790	205,106	181,067
Derivative financial instruments	5,197	6,598	3,549
Others	36,096	56,230	47,005
Deferred revenue	26,924	30,079	29,464
Provisions	11,258	12,548	14,692
Income tax payable (net)	250	-	-
Other current liabilities	59,567	53,460	58,773
	<b>943,523</b>	<b>923,236</b>	<b>854,597</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,622,384</b>	<b>2,213,642</b>	<b>2,605,530</b>

## Statement of Changes in Equity

	Share Capital (Reviewed) Ushs millions	Retained earnings (Reviewed) Ushs millions	Other comprehensive income (Reviewed) Ushs millions	Total equity (Reviewed) Ushs millions
<b>At 1 January 2024</b>	<b>40,000</b>	<b>86,661</b>	<b>79</b>	<b>126,740</b>
Profit for the period	-	153,225	-	153,225
Dividends - Final Dividend FY23	-	(86,000)	-	(86,000)
Dividends – Interim Dividend FY24	-	(46,000)	-	(46,000)
Other comprehensive income	-	-	18	18
<b>At 30 June 2024 (Reviewed)</b>	<b>40,000</b>	<b>107,886</b>	<b>97</b>	<b>147,983</b>
<b>At 1 January 2024</b>	<b>40,000</b>	<b>86,661</b>	<b>79</b>	<b>126,740</b>
Profit for the period	-	316,740	-	316,740
Dividends - Final Dividend FY23	-	(86,000)	-	(86,000)
Dividends – Interim Dividend FY24	-	(215,000)	-	(215,000)
Other comprehensive income	-	-	32	32
<b>At 31 December 2024 (Audited)</b>	<b>40,000</b>	<b>102,401</b>	<b>111</b>	<b>142,512</b>
<b>At 1 January 2025</b>	<b>40,000</b>	<b>102,401</b>	<b>111</b>	<b>142,512</b>
Profit for the period	-	197,242	-	197,242
Dividends - Final Dividend FY24	-	(100,000)	-	(100,000)
Dividends – Interim Dividend FY25	-	(74,000)	-	(74,000)
Other comprehensive income	-	-	54	54
<b>At 30 June 2025 (Reviewed)</b>	<b>40,000</b>	<b>125,643</b>	<b>165</b>	<b>165,808</b>

## Statement of Cash Flows

	June-25 (Reviewed) Ushs millions	June-24 (Reviewed) Ushs millions	2024 (Audited) Ushs millions
<b>OPERATING ACTIVITIES</b>			
Profit before tax	282,654	219,748	451,736
<b>Adjustments for:</b>			
Depreciation and amortisation	187,746	177,744	363,310
Interest income	(1,360)	(306)	(626)
Unrealised foreign exchange gain	(13,415)	(5,290)	(14,343)
Interest on borrowings	46,064	47,380	93,433
Interest on lease liabilities	51,246	31,269	72,211
Interest on spectrum liabilities	5,180	5,603	10,929
Movement in provision for trade receivables	670	(249)	1,305
Movement in provision for inventory obsolescence	(417)	544	(78)
Asset write off	2,340	-	217
<b>Operating cash flow before changes in working capital</b>	<b>560,708</b>	<b>476,443</b>	<b>978,094</b>
Decrease / (Increase) in inventories	1,419	(770)	496
Decrease / (Increase) in trade receivables	5,916	(1,162)	19,224
Increase in other financial and non-financial assets	(21,777)	(9,614)	(414)
(Decrease)/Increase in trade payables	(35,931)	7,200	(12,574)
(Decrease)/Increase in deferred revenue	(3,307)	227	(1,155)
(Decrease)/Increase in other financial, provisions and non-financial liabilities	(2,398)	5,698	7,200
<b>Net cash generated from operations before tax</b>	<b>504,630</b>	<b>478,022</b>	<b>990,871</b>
Income tax paid	(75,457)	(60,306)	(110,916)
<b>Net cash generated from operating activities (a)</b>	<b>429,173</b>	<b>417,716</b>	<b>879,955</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment and capital WIP	(99,629)	(114,378)	(235,861)
Interest received	1,360	306	626
<b>Net cash flows used in investing activities (b)</b>	<b>(98,269)</b>	<b>(114,072)</b>	<b>(235,235)</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from borrowings	80,000	35,000	35,000
Repayment of borrowings	(18,678)	(89,886)	(105,451)
Interest on borrowings	(45,746)	(48,569)	(94,071)
Repayment of lease liabilities	(69,593)	(63,255)	(144,161)
Interest paid on lease liabilities	(51,246)	(31,269)	(72,211)
Payment of spectrum liabilities	-	-	(17,644)
Dividend paid	(174,006)	(132,000)	(301,009)
<b>Net cash flows used in financing activities (c)</b>	<b>(279,269)</b>	<b>(329,979)</b>	<b>(699,547)</b>
<b>Net movement in cash and cash equivalents during the period (a+b+c)</b>	<b>51,635</b>	<b>(26,335)</b>	<b>(54,827)</b>
Cash and cash equivalents as at beginning of the period	(351,746)	(296,919)	(296,919)
<b>Cash and cash equivalents as at end of the period</b>	<b>(300,111)</b>	<b>(323,254)</b>	<b>(351,746)</b>

## Glossary

### Industry Terms

**4G data customer** A customer having a 4G handset and who has used at least 1 MB on any of the Company's GPRS, 3G and 4G network in the last 30 days.

**Average customers** The average number of active customers for a period. Derived from the monthly averages during the relevant period. Monthly averages are calculated using the number of active customers at the beginning and the end of each month.

**Average revenue per user (ARPU)** Average revenue per user per month. This is derived by dividing total revenue during the relevant period by the average number of customers during the period and dividing the result by the number of months in the relevant period.

**Basic earnings per share** Basic earnings per share is calculated 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.

**Capital employed** Capital employed is defined as sum of equity attributable to equity holders of company, non-controlling interests ('NCI') and net debt.

**Capital expenditure (Capex)** An alternative performance measure (non-GAAP). Defined as investment in gross fixed assets (both tangible and intangible but excluding spectrum and licenses) plus capital work in progress (CWIP), excluding provisions on CWIP for the period.

**Cash profit from operations before derivative and foreign exchange losses** It is not a GAAP measure and is defined as profit from operating activities before depreciation, amortisation and exceptional items adjusted for finance cost (net of finance income) before adjusting for derivative and foreign exchange losses.

**Churn** Churn is derived by dividing the total number of customer disconnections during the relevant period by the average number of customers and dividing the result by the number of months in the relevant period.

**Customer** Defined as a unique active subscriber with a unique mobile telephone number who has used any of Airtel's services in the last 30 days.

**Customer base** The total number of active subscribers that have used any of our services (voice calls, SMS, data usage or mobile money transaction) in the last 30 days.

**Data average revenue per user (ARPU)** Data average revenue per user per month. Data ARPU is derived by dividing total data revenue during the relevant period by the average number of data customers and dividing the result by the number of months in the relevant period.

**Data capacity** Total data capacity per day for the company.

**Data customer base** The total number of subscribers who have consumed at least 1 MB on the company's GPRS, 3G or 4G network in the last 30 days.

**Data customer penetration** The proportion of customers using data services. Calculated by dividing the data customer base by the total customer base.

**Data usage per customer** Calculated by dividing the total MBs consumed on the company's network during the relevant period by the average data customer base over the same period and dividing the result by the number of months in the relevant period.

**Earnings per share (EPS)** EPS is calculated 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.

**EBIT** Defined as operating profit/(loss) for the period adjusted for exceptional items.

**EBITDA** An alternative performance measure (non-GAAP). Defined as operating profit before depreciation, amortisation and exceptional items.

**EBITDA margin** An alternative performance measure (non-GAAP). Calculated by dividing EBITDA for the relevant period by revenue for the relevant period.

**Lease-adjusted EBITDA (EBITDAaL)** An alternative performance measure (non-GAAP). Defined as operating profit/(loss) for the period before depreciation and amortisation and exceptional items less principal repayments due on right-of-use assets during the period and interest on lease liabilities.

**Interconnect user charges (IUC)** Interconnect user charges are the charges paid to the telecom operator on whose network a call is terminated.

**Interest coverage ratio** An alternative performance measure (non-GAAP) indicating the company's ability to pay interest on its debts. Calculated as EBITDA for the relevant period divided by interest on borrowing for the relevant period.

**Lease liability** Lease liability represents the present value of future lease payment obligations.

**Leverage** An alternative performance measure (non-GAAP). Leverage (or leverage ratio) is calculated by dividing net debt at the end of the relevant period by the EBITDA for the preceding 12 months.

**Mobile services** Mobile services are our core telecom services, mainly voice and data services, but also including revenue from VAS services provided by the company.

**Net debt** An alternative performance measure (non-GAAP). The Company defines net debt as borrowings including lease liabilities less cash and cash equivalents, term deposits with banks, processing costs related to borrowings and fair value hedge adjustments.

**Net debt to EBITDA (annualized)** An alternative performance measure (non-GAAP). Calculated by dividing net debt at the end- of the relevant period by EBITDA for the relevant period (annualised).

**Lease-adjusted Net Debt** An alternative performance measure (non-GAAP). The Company defines Lease-adjusted net debt as borrowings excluding lease liabilities less cash and cash equivalents, term deposits with banks, processing costs related to borrowings and fair value hedge adjustments.

**Lease adjusted leverage (LTM)** An alternative performance measure (non-GAAP) Calculated by dividing Lease-adjusted net debt as at the end of the relevant period by Lease-adjusted EBITDA (EBITDAaL) for the preceding 12 months (from the end of the relevant period).

**Net profit margin** It is computed by dividing Profit attributable to owners of the company by total revenue.

**Net revenue** An alternative performance measure (non-GAAP). Defined as total revenue adjusted for IUC (interconnection usage charges), cost of goods sold.

**Network towers or 'sites'** Physical network infrastructure comprising a base transmission system (BTS) which holds the radio transceivers (TRXs) that define a cell and coordinates the radio link protocols with the mobile device. It includes all ground-based, roof top and in-building solutions.

**Operating free cash flow** An alternative performance measure (non-GAAP). calculated by subtracting capital expenditure from EBITDA.

**Operating leverage** An alternative performance measure (non-GAAP). Operating leverage is a measure of the operating efficiency of the business. It is calculated by dividing operating expenditure (excluding regulatory charges) by total revenue.

**Operating profit** Operating profit is a GAAP measure of profitability. Calculated as revenue less operating expenditure (including depreciation and amortisation and operating exceptional items).

**Other revenue** Other revenue includes revenues from messaging, value added services (VAS), enterprise, site sharing and handset sale revenue.

**Revenue** An alternative performance measure (non-GAAP). Defined as revenue before exceptional items.

**Service Revenue** An alternative performance measure (non-GAAP). Defined as revenue excluding other income.

**Smartphone** A smartphone is defined as a mobile phone with an interactive touch screen that allows the user to access the internet and additional data applications, providing additional functionality to that of a basic feature phone which is used only for making voice calls and sending and receiving text messages.

**Smartphone penetration** Calculated by dividing the number of smartphone devices in use by the total number of customers.

**Total employees** Total on-roll employees as at the end of respective period.

**Total MBs on network** Includes total MBs consumed (uploaded and downloaded) on the network during the relevant period.

**Voice minutes of usage per customer per month** Calculated by dividing the total number of voice minutes of usage on the Company's network during the relevant period by the average number of customers and dividing the result by the number of months in the relevant period.

**Voice minutes on network (minutes of usage)** Minutes of usage refer to the duration in minutes for which customers use the Company's network for making and receiving voice calls. It includes all incoming and outgoing call minutes, including roaming calls.

## Abbreviations

**2G** Second-generation mobile technology

**3G** Third-generation mobile technology

**4G** Fourth-generation mobile technology

**5G** Fifth-generation mobile technology

**ARPU** Average revenue per user

**bn** Billion

**bps** Basis points

**Capex** Capital expenditure

**CSR** Corporate social responsibility

**DTA** Deferred Tax Asset

**EBIT** Earnings before interest and tax

**EBITDA** Earnings before interest, tax, depreciation and amortisation

**EPS** Earnings per share

**GAAP** Generally accepted accounting principles

**GB** Gigabyte

**IAS** International accounting standards

**IFRS** International financial reporting standards

**IPO** Initial public offering

**KPIs** Key performance indicators

**KYC** Know your customer

**LTE** Long-term evolution (4G technology)

**m** Million

**MB** Megabyte

**MI** Minority interest (non-controlling interest)

**P2P** Person to person

**PAYG** Pay-as-you-go

**pp** Percentage points

**PPE** Property, plant and equipment

**QoS** Quality of service

**ROCE** Return on capital employed

**SIM** Subscriber identification module

**SMS** Short messaging service

**TB** Terabyte

**Telecoms** Telecommunications

**UNICEF** originally the United Nations International Children's Emergency Fund, officially United Nations Children's Fund

**UoM** Unit of measure



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#### About us

As a subsidiary of Airtel Africa plc, we look at ourselves as a proud Ugandan company; here to uphold our promise to connect and enable all Ugandans and enrich their lives. We introduced affordable communication products and services that have transformed the lives and businesses of millions of Ugandans. Our network is 100% 4G across Uganda, supporting the delivery of seamless connectivity in all the territorial boundaries of Uganda. We also offer the most affordable products, services, and solutions available on the market for voice, data, and other value-added services.