AIRTEL UGANDA LIMITED

Interim financial results for the

six months period ended 30 June 2026

Resilient demand for services and strong operational execution support sustained financial performance and consistent shareholder value creation

Operating highlights

- Our total customer base grew by 10.0% to 19.7 million. Data customer penetration continues to rise, with an 18.8% increase in data customers to 8.9 million. Data usage per customer increased by 21.0% to 7.2 GBs, with smartphone penetration increasing by 676 basis points to reach 46.6%.
- Demand for data services across the network remained strong, with data traffic growing by 42.1% during the period. Overall ARPU declined marginally by 0.5%, primarily due to reductions in both voice and data ARPU. These declines were driven by interconnect rate cuts and the temporary shutdown of internet services during Uganda's national general elections, in January 2026. Data ARPU decreased by 1.1%, largely attributable to the internet service disruption during the election period. Voice ARPU declined by 3.7%, reflecting the impact of interconnect rate reductions as well as the optimization of voice propositions aimed at enhancing customer value.
- Customer experience remains core to our strategy with sustained network investment during the period. We continued to enhance network capacity in line with our strategic priorities, with all sites now 4G enabled and ongoing expansion of our 5G network. During the period we rolled out 494 4G sites, 384 5G sites and 1,621 km of fibre.

Financial performance

- Revenue increased by 10.2% to Ushs 1,194.9bn, driven by strong growth in data revenues and sustained momentum in voice revenues. This performance was achieved despite the reduction in interconnect rates from Ushs 26 to Ushs 22.5, effective January 2026, and the internet shutdown during Uganda's national general elections in January 2026. Voice and data revenues grew by 6.6% and 16.1%, respectively, supported by continued expansion of the customer base. The rising demand for data services remained a key growth driver, resulting in data revenues increasing by 16.1% to Ushs 610.6bn.
- EBITDA grew by 13.4% to Ushs 643.5bn with EBITDA margins expanding further to 53.9% from 52.3% in the prior period driven by continued strong operating momentum, and sustained benefits from our cost efficiency programs.
- Profit after tax grew by 13.9% to Ushs 224.7bn, with PAT margins expanding to 18.8% from 18.2% in the prior year. This growth was primarily driven by sustained revenue growth and continued cost efficiencies, which helped offset higher finance costs during the period. Finance costs increased mainly due to adverse exchange rate movements compared to the same period last year, as well as higher interest on lease liabilities arising from the ongoing network rollout.

Capital allocation

- Capital expenditure was Ushs 160.5bn for the six-month period ended 30 June 2026, an 82.9% increase from the prior period. 4G rollout continued, with 494 additional sites during the period. As at the 30 June 2026, 100% of our sites are 4G enabled. Furthermore, 5G investment continued with an additional 384 sites added, which combined with additional fibre rollout, resulted in enhanced capacity across our network and improved service quality.
- Leverage reduced to 1.5x from 1.7x at the end of June 2026, primarily reflecting the EBITDA growth over the period. Adjusted for lease liabilities, leverage as of 30 June 2026 was 0.63x compared to 0.77x a year ago.
- The Board has declared an interim dividend of Ushs 3.1 per share equating to Ushs 124bn for the quarter ended 30 June 2026, resulting in a total of Ushs 4.90 per share totaling to Ushs 196bn for the half year to June 2026. The total dividend for the period to date in 2026 increased by 12.6% 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 2026 versus six months period ended 30 June 2025).

Soumendra Sahu, Managing Director and CEO, on the H1 Results FY 2026:

The first half of 2026 was marked by continued resilience and growing confidence in Uganda's economy amid a challenging global environment.

Uganda's economy sustained solid growth through the first half of 2026. Real GDP grew 5.8% year-on-year, easing from the exceptional 8.5% expansion recorded in previous quarter, as growth in agriculture and industry normalised from unusually strong prior levels.

Total service revenue for the six-month period grew 10.9% year on year, EBITDA grew by 13.4% with a margin of 53.9% (H1 2025 52.3%) and PAT grew by 13.9%. Data revenue grew 16.1% on the backdrop of our strong performance in the Home Broadband segment where we strengthened our go-to-market strategy, and an 18.8% growth in Data customers for the period. Voice revenue grew 6.6% anchored by a 10.0% overall customer base growth.

Our capital expenditure increased by 82.9% to Ushs 160.5bn (H1 2025 Ushs 87.8bn) reflecting our accelerated network rollout as we look to enhance coverage and capacity. During the period we deployed 494 4G and 384 5G sites, with an additional 1,621 fibre kilometers added compared to the same period last year.

We remained focused on enhancing customer experience through broader network coverage, improved service quality and products tailored to evolving customer needs. This commitment was reinforced by further investment in telecommunications infrastructure, including the expansion of our 4G footprint and 5G coverage across major urban centres, improving access to high-speed connectivity for consumers and businesses. We recently extended our network to many previously unserved areas such as Sigulu Islands in Namayingo District on Lake Victoria, connecting more communities to the opportunities of a digital network.

In addition to terrestrial network, we are also planning to expand our coverage through satellite technology. We have secured approval from the regulator and are currently testing Direct-To-Cell (DTC) technology in partnership with Starlink.

During the period, the Company continued to engage constructively with the Uganda Communications Commission, the Ministry of ICT and National Guidance, and the Ministry of Finance, Planning and Economic Development on issues affecting digital inclusion, tele-density and the affordability of mobile services, including taxation.

The Uganda Communications Commission undertook and published research on the Impact of the current tax policy stance on the growth potential of the ICT and Telecommunications Sector. We will continue to engage policy makers to realise some of the compelling recommendations from the research.

Our contribution to Uganda extends beyond the services we provide. In May 2026, Airtel Uganda remitted Ushs 42.9 bn to the Uganda Communications Universal Service and Access Fund (UCUSAF), supporting the expansion of digital access in underserved communities. Together with our ongoing investments, this reflects our commitment to narrowing the digital divide and enabling inclusive growth.

We also continue to generate broader economic value through employment, support for local suppliers and distributors, tax contributions, technology investments and partnerships that foster innovation across the economy. As Uganda enters a new phase of growth driven by infrastructure development, industrialisation and the oil and gas sector, Airtel Uganda remains committed to being a trusted partner in the country's progress.

Our investment in the network is transforming the broadband experiences of Ugandan homes and businesses that rely on it to connect, transact and grow. The deployment of 584 5G sites across key cities, with further expansion into additional areas, supports the delivery of high-speed connectivity to meet the evolving business and lifestyle needs of our customers. During this period, we have supported the productive capacity of the economy by extending broadband to over 57,000 homes and small businesses —an increase of 64% over the period.

We continued our investment in society through the Airtel Africa Foundation work. The 13th edition of the Airtel Kabaka Birthday run raised over Ushs 3.2bn to support the Kingdom's activities in the fight against HIV/AIDS in Uganda. We appreciate all Ugandans who came forward for the biggest run in Africa.

Through our partnership for digital learning with UNICEF, we connected 190 new schools, bringing access to 436 schools serving over 130,000 schoolchildren and 12,000 teachers. Many of these schools are serving children in previously underserved communities covered by the Airtel network.

Looking ahead to the second half of 2026, we remain optimistic about Uganda's economic prospects. While global uncertainties and inflationary pressures warrant continued vigilance, strong economic fundamentals, rising digital adoption and favorable demographics present significant opportunities. We will continue to invest in network excellence, innovation and customer experience to support sustainable growth and create long-term value for all stakeholders.

On behalf of the Board and Management, I thank our customers for their trust, our employees for their dedication, our partners for their collaboration, the Government and regulators for their continued support, and our shareholders for their confidence in Airtel Uganda.

Together, we are connecting Uganda to opportunity, prosperity, and a truly digital future.

Financial review for the six-month period ended 30 June 2026

The current period financial information contained in this report is drawn from Airtel Uganda's unaudited condensed interim financial statements prepared for the six months period ended 30 June 2026. The Company's auditors provide an independent review report on such condensed interim financial statements for the period ended 30 June 2026. The comparative information is drawn from unaudited IAS 34 reviewed financials of 30 June 2025.

Key financial information

Description	UoM	Half year ended June-26	June-25	YoY	Full Year 2025
Revenue	**Ushs Mn**	**1,194,942**	**1,084,793**	**10.2%**	**2,249,736**
Voice Revenue	Ushs Mn	549,517	515,442	6.6%	1,057,399
Data Revenue	Ushs Mn	610,565	525,736	16.1%	1,101,733
Other Service revenue	Ushs Mn	33,923	35,663	-4.9%	73,765
Other Income	Ushs Mn	937	7,952	-88.2%	16,839
Expenses	Ushs Mn	551,416	517,516	6.6%	1,014,380
EBITDA	**Ushs Mn**	**643,526**	**567,277**	**13.4%**	**1,235,356**
EBITDA Margin	%	53.9%	52.3%	1.6%	54.9%
Depreciation and amortisation	Ushs Mn	208,434	187,746	11.0%	386,171
EBIT	**Ushs Mn**	**435,092**	**379,531**	**14.6%**	**849,185**
Net finance costs	Ushs Mn	113,332	96,877	17.0%	209,275
Profit before tax	**Ushs Mn**	**321,760**	**282,654**	**13.8%**	**639,910**
Taxation	Ushs Mn	97,045	85,412	13.6%	193,049
Profit after tax	**Ushs Mn**	**224,715**	**197,242**	**13.9%**	**446,861**
Earnings per share	Ushs	5.6	4.9	13.9%	11.2
PAT margin	%	18.8%	18.2%	0.6%	19.9%
Net debt	Ushs Mn	2,014,464	1,847,803	9.0%	1,877,863
Leverage (net debt to EBITDA)	Times	1.54	1.70	(0.09)	1.5
Lease-adjusted leverage	Times	0.63	0.77	(0.18)	0.6
Capex (excluding leases)	Ushs Mn	160,482	87,766	82.9%	252,467
Capex intensity	%	13.4%	8.1%	5.3%	11.2%
Operating KPIs					
ARPU	Ushs	10,271	10,321	-0.5%	10,368
Total customer base	Mn	19.7	17.9	10.0%	19.2
Data customer base	Mn	8.9	7.5	18.8%	8.7

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 10.2% on a YoY basis for the half year period ended 30 June 2026 largely driven by the total customer base growth of 10.0%. This revenue growth was further supported by the sustained growth in usage across all the various business segments and product offerings. ARPU declined marginally by 0.5%, despite being impacted by the decline in voice ARPU and data ARPU due to the interconnect rate cuts and the shutdown of internet services during Uganda's national general elections, in January 2026.

Voice revenues grew by 6.6% 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 7.8% 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 26 to Ushs 22.5 effective January 2026). As a result, the voice revenue contribution to total revenues reduced to 46.0% (H1 2025: 47.9%) for the six months period ended 30 June 2026.

Data revenues grew by 16.1% YoY anchored by an 18.8% growth in overall data customers to 8.9 million, despite the internet shutdown during Uganda's national general elections in January 2026. The continued investment in network expansion and enhancement, coupled with improvement in overall smartphone penetration has resulted in a 21.0% growth in data usage per subscriber with total data traffic on the network up by 42.1% over the period. 4G and 5G traffic contributed 91.9% of the total data traffic, up from 86.9% in the same period last year.

The home broadband segment continues to expand with a 46.5% growth YoY in the user base for the period, while on the fibre front, our overall coverage across the country increased by 1,621 km 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 reported strong growth in overall revenues, with the data revenue contribution to service revenues improving to 51.1% (H1 2025: 48.8%) for the six months period ended 30 June 2026.

EBITDA for the year grew by 13.4% driven by the resilient revenue growth and cost efficiency benefits, resulting in EBITDA margins of 53.9% (H1 2025: 52.3%). This strong performance was largely driven by the growth in revenues despite an increase in operating costs of 6.6% as cost efficiency measures offset the costs associated with increased network scale and the growing distribution footprint across the country. There is continued emphasis on cost optimisation initiatives('war on waste and reducing inefficiencies') to drive continued EBITDA growth.

Depreciation and amortisation for the period rose by 11.0% 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 17.0%, primarily due to increase in the interest cost on lease liabilities and an adverse movement in the foreign exchange rate compared to the same period last year. Lease liabilities increased following the addition of 494 sites.

Profit after tax (PAT) increased by 13.9% YoY to Ushs 224.7bn. The PAT margin expanded by 0.6 percentage points to 18.8% in the period ending June 2026. Earnings Per Share (EPS) was Ushs 5.6, an increase of 13.9% compared to Ushs 4.9 in the prior period last year.

Capital allocation

Total capex (excluding leases) for the period was Ushs 160.5 billion driven mainly by the continued densification of our network footprint across the country. This represented a significant increase in investment as we continued to expand network coverage and capacity to support current demand and future growth.

Leverage of 1.5x on 30 June 2026 reduced from the previous year (June 2025: 1.7x). The reduction was largely driven by the strong growth in EBITDA during the period, partly offset by an increase in lease liabilities arising from the expansion of our network footprint. The lease adjusted leverage as of June 2026 improved to 0.63x from 0.77x as of June 2025.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

Network coverage obligation

As of 30 June 2026, our countrywide population and geographical coverage stood at 99.0% and 82.4% 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. 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.

Trial testing of Direct-to-Cell (D2C) technology

We are currently carrying out functional testing of Direct-to-Cell (D2C) Satellite Technology in the Murchison National Game Park, in partnership with Starlink. The pilot commenced on 21 July 2026 and is expected to be concluded by 30 September 2026. The introduction of D2C technology reinforces our commitment to bridge the digital divide and offer seamless connectivity to all Ugandans in response to the Digital Transformation Roadmap, Digital Uganda Vision and Vision 2040.

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 2026, Airtel Uganda is poised for another transformative year, continuing to lead the digital revolution through strategic investments. We remain committed to providing 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 remain optimistic about Uganda's economic prospects. While global uncertainties and inflationary pressures warrant continued vigilance, strong economic fundamentals, rising digital adoption and favorable demographics present significant opportunities.

Customer experience continues to remain 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.

In line with our objective to maximise shareholder value, we will maintain a robust capital structure, uphold disciplined cost management through efficiency initiatives, and sustain strategic investments in our network to deliver profitable growth and long-term value creation.

Notice of declaration of interim dividend

The Board of Directors of Airtel Uganda Limited (the "Company"), at the meeting held on 26 August 2026, recommended a quarterly dividend of Ushs 124 billion amounting to Ushs 3.10 per share for the quarter ended 30 June 2026. The total dividend recommended by the Board of Directors for the six-month period ended 30 June 2026 amounts to Ushs 4.90 per share, equating to a total of Ushs 196 billion.

The interim dividend shall be payable by or before 7 October 2026, net of withholding tax, to the shareholders registered in the share register of the Company at the close of business on 16 September 2026 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 2026
Shares commence trading ex-dividend	13 September 2026
Record (book closure) date	16 September 2026
Payment date	07 October 2026
Board Meeting date	26 August 2026

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 2026 were reviewed by Deloitte & Touche, Certified Public Accountants. The financial statements were approved by the Board of Directors on Wednesday, 26 August 2026 and signed on its behalf by:

Soumendra Sahu

Managing Director

Hannington Karuhanga

Board Chairman

Interim condensed financial statements for the period ended 30 June 2026

The current period financial information contained in this report is drawn from Airtel Uganda's unaudited interim condensed financial statements prepared for the six months period ended 30 June 2026. The Company's auditors provide an independent review report on such condensed interim financial statements for the period ended 30 June 2026. The comparative half yearly information is drawn from unaudited IAS 34 condensed financials of 30 June 2025. The company's auditors provided an independent review report on condensed interim financial statements for the period ended 30 June 2025.

Statement of Comprehensive Income for the Period

	June-26 (Reviewed) Ushs millions	June-25 (Reviewed) Ushs millions
Income		
Revenue	1,194,005	1,076,841
Other income	937	7,952
	1,194,942	**1,084,793**
Expenses		
Network operating expenses	(212,770)	(176,272)
Access charges	(55,524)	(50,131)
Licence fees and spectrum usage charges	(27,737)	(24,926)
Employee benefit expenses	(48,291)	(47,526)
Sales and marketing expenses	(120,372)	(133,800)
Other operating expenses	(85,643)	(86,355)
Impairment (loss)/reversal on financial assets	(1,079)	1,494
Depreciation and amortisation	(208,434)	(187,746)
	(759,850)	**(705,262)**
Operating profit	**435,092**	**379,531**
Finance income	4,738	14,775
Finance costs	(118,070)	(111,652)
Profit before tax	**321,760**	**282,654**
Income tax expense	(97,045)	(85,412)
Profit for the period	**224,715**	**197,242**
Other comprehensive income		
Other comprehensive income for the period, net of tax	(4)	54
Total comprehensive income for the period, net of tax	**224,711**	**197,296**
Basic and diluted earnings per share (Ushs)	**5.6**	**4.9**

Statement of Financial Position as at

	June-26 (Reviewed) Ushs millions	June-25 (Reviewed) Ushs millions	December-25 (Audited) Ushs millions
ASSETS			
Non-current assets			
Property plant and equipment	906,776	829,290	833,946
Capital work-in-progress	90,211	38,962	88,418
Right of use asset	1,182,373	1,094,959	1,137,307
Intangible assets	357,392	371,321	369,810
Other non-current assets	76,413	60,946	86,831
	2,613,165	**2,395,478**	**2,516,312**
Current assets			
Inventories	1,945	2,025	3,662
Financial assets			
Trade receivables	77,589	84,817	74,032
Cash and cash equivalents	27,682	37,746	27,199
Derivative financial assets	-	-	1,433
Others	10,592	6,392	13,160
Other current assets	104,839	95,926	100,384
	222,647	**226,906**	**219,870**
TOTAL ASSETS	**2,835,812**	**2,622,384**	**2,736,182**
EQUITY AND LIABILITIES			
Equity			
Share capital	40,000	40,000	40,000
Retained earnings	155,977	125,643	145,262
Other reserves	169	165	173
TOTAL EQUITY	**196,146**	**165,808**	**185,435**
Non-current liabilities			
Financial liabilities			
Borrowings	313,189	169,054	189,579
Lease liabilities	1,168,920	1,058,054	1,108,508
Others	140,855	146,945	135,978
Deferred revenue	7,287	8,767	8,054
Provisions	2,206	1,642	2,011
Deferred tax liabilities	84,968	128,591	140,182
	1,717,425	**1,513,053**	**1,584,312**
Current liabilities			
Financial liabilities			
Borrowings	387,026	522,857	455,438
Lease liabilities	173,011	135,584	151,537
Trade payables	184,523	145,790	168,400
Derivative financial liabilities	1,407	5,197	-
Others	48,216	36,096	71,026
Deferred revenue	21,374	26,924	27,204
Provisions	10,363	11,258	10,621
Income tax payable (net)	40,907	250	17,652
Other current liabilities	55,414	59,567	64,557
	922,241	**943,523**	**966,435**
TOTAL LIABILITIES	**2,639,666**	**2,456,576**	**2,550,747**
TOTAL EQUITY AND LIABILITIES	**2,835,812**	**2,622,384**	**2,736,182**

Statement of Changes in Equity for the Period

	Share Capital (Reviewed) Ushs millions	Retained earnings (Reviewed) Ushs millions	Other comprehensive income (Reviewed) Ushs millions	Total equity (Reviewed) Ushs millions
At 1 January 2025	**40,000**	**102,401**	**111**	**142,512**
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
At 30 June 2025 (Reviewed)	**40,000**	**125,643**	**165**	**165,808**
At 1 January 2025	**40,000**	**102,401**	**111**	**142,512**
Profit for the period	-	446,861	-	446,861
Dividends - Final Dividend FY24	-	(100,000)	-	(100,000)
Dividends – Interim Dividend FY25	-	(304,000)	-	(304,000)
Other comprehensive income	-	-	62	62
At 31 December 2025 (Audited)	**40,000**	**145,262**	**173**	**185,435**
At 1 January 2026	**40,000**	**145,262**	**173**	**185,435**
Profit for the period	-	224,715	-	224,715
Dividends - Final Dividend FY25	-	(142,000)	-	(142,000)
Dividends – Interim Dividend FY26	-	(72,000)	-	(72,000)
Other comprehensive income	-	-	(4)	(4)
At 30 June 2026 (Reviewed)	**40,000**	**155,977**	**169**	**196,146**

Statement of Cash Flows for the Period

	June-26 (Reviewed) Ushs millions	June-25 (Reviewed) Ushs millions
OPERATING ACTIVITIES		
Profit before tax	**321,760**	**282,654**
Adjustments for:		
Depreciation and amortisation	208,434	187,746
Interest income	(706)	(1,360)
Unrealised foreign exchange loss/(gain)	12,502	(13,415)
Interest on borrowings	40,185	46,064
Interest on lease liabilities	59,914	51,246
Interest on spectrum liabilities	5,005	5,180
Movement in provision for trade receivables	1,079	(1,494)
Movement in provision for inventory obsolescence	2,359	(417)
Asset write off	-	2,340
Operating cash flow before changes in working capital	**650,532**	**558,544**
(Increase)/decrease in inventories	(642)	1,419
Increase in trade receivables	(4,246)	(10,543)
Decrease/(Increase) in other financial and non-financial assets	8,624	(3,177)
Increase/(decrease) in trade payables	17,760	(35,931)
Decrease in deferred revenue	(6,597)	(3,307)
Decrease in other financial, provisions and non-financial liabilities	(8,224)	(2,399)
Net cash generated from operations before tax	**657,207**	**504,606**
Income tax paid	(129,004)	(75,433)
Net cash generated from operating activities (a)	**528,203**	**429,173**
INVESTING ACTIVITIES		
Purchase of property, plant and equipment & capital work in progress	(199,639)	(99,629)
Purchase of intangible assets and intangible assets under development	(8,264)	-
Interest received	706	1,360
Net cash flows used in investing activities (b)	**(207,197)**	**(98,269)**
FINANCING ACTIVITIES		
Proceeds from borrowings	130,100	80,000
Repayment of borrowings	(157,052)	(18,678)
Interest on borrowings	(40,683)	(45,746)
Repayment of lease liabilities	(61,031)	(69,593)
Interest paid on lease liabilities	(59,914)	(51,246)
Dividend paid	(214,000)	(174,006)
Net cash flows used in financing activities (c)	**(402,580)**	**(279,269)**
Net movement in cash and cash equivalents during the year (a+b+c)	**(81,574)**	**51,635**
Cash and cash equivalents as at beginning of the period	(159,219)	(351,746)
Cash and cash equivalents as at end of the period	**(240,793)**	**(300,111)**

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 software, 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 (annuali~~z~~sed) 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

A REASON TO **IMAGINE**

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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.