airtel

Airtel Malawi plc

27TH Annual General Meeting Pack



airtel

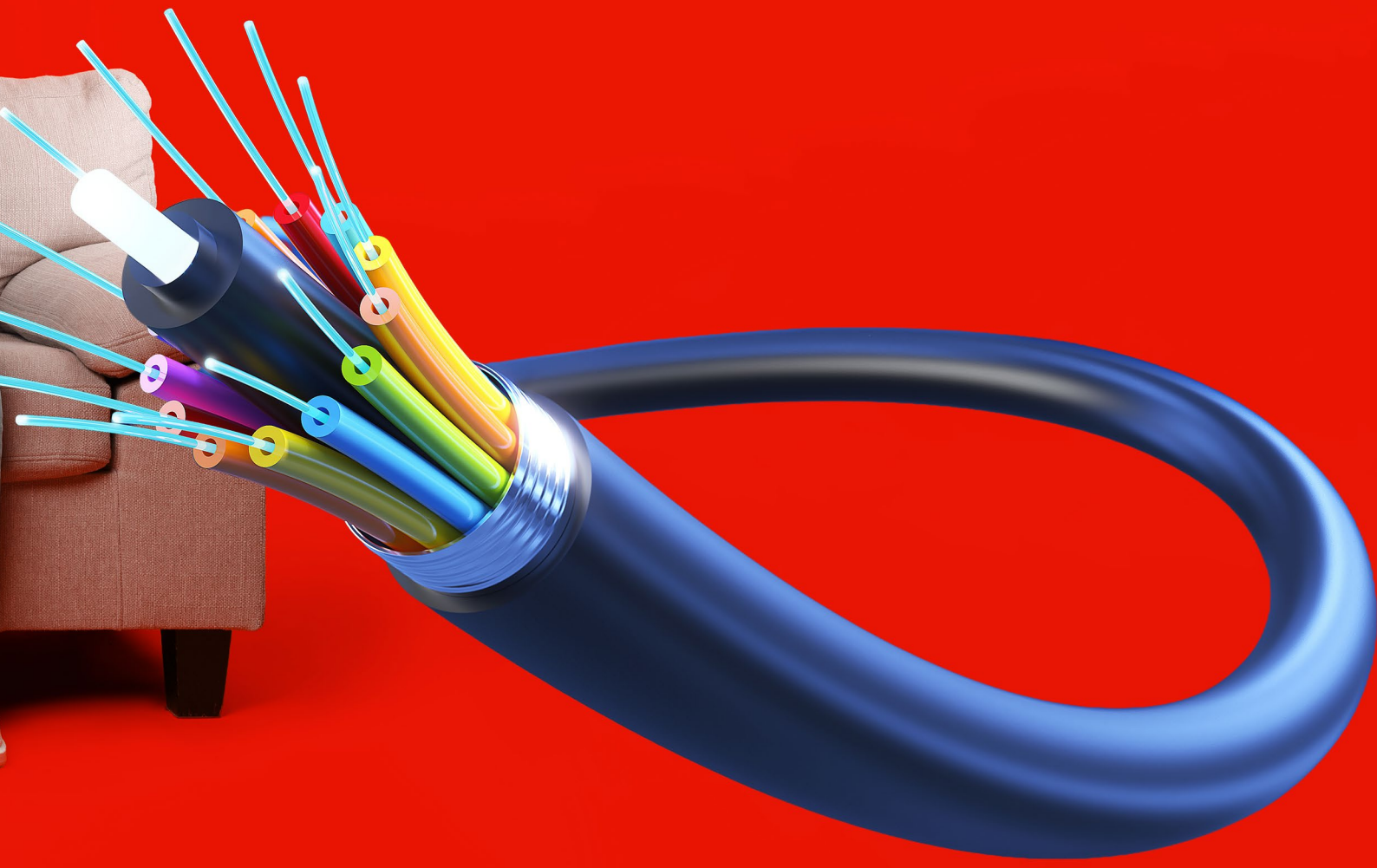

POPCORN
POPCORN
airtel
smart connect
Home & Office WiFi
smart connect
Home & Office WiFi
airtel

Your home deserves
Real 5G Internet

Fast

Stable

Built for your life



*T's & C's Apply

www.airtel.mw

airtel



10

Key 5G Districts Activated

Lilongwe, Blantyre, Dowa, Kasungu,
Mchinji, Mzimba, Mzuzu, Mangochi,
Salima and Zomba.

Welcome to
the future of connectivity
on the BIGGEST, WIDEST and REAL 5G network in Malawi!

Get in the Airtel 5G zone

Contents.

01 - 04 Notice and Agenda of the 27th Annual General Meeting

05 - 10 Minutes of the 26th Annual General Meeting of Airtel Malawi plc

11 - 17 Directors' Report

18 Statement of Directors' Responsibilities

19-22 Independent Auditor's Report

23 - 24 Statement of Financial Position

25 — Statement of Comprehensive Income

26 — Statement of Changes in Equity

27 - 28 — Statement of Cash Flow

29 - 88 — Notes to the Financial Statements

91 — Proposed Resolutions for the 27th Annual General Meeting of Airtel Malawi plc

92 - 93 — Form of Proxy for the 27th Annual General Meeting of Airtel Malawi plc

airtel

100%

VoLTE network!

Enjoy faster connections, clearer calls, and browse while you talk without interruptions with Airtel VoLTE.





All across Malawi.

SWITCH ON

VoLTE ON

NOTICE AND AGENDA OF THE 27TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 27th Annual General Meeting of members of Airtel Malawi plc ("the Company") will be held both virtually and physically from Grand Palace Hotel, Mzuzu, Malawi, on 15th day of May 2026 at 10:00 hours.

PROCEDURE OF HOLDING THE ANNUAL GENERAL MEETING

1. The electronic pack of the Annual General Meeting (AGM) consisting of the Notice, Agenda, Minutes, a Proxy Form and audited Financial Statements for the Company for the year ended 31st December 2025, together with the reports of the Directors and Auditors and proposed resolutions will be sent to email addresses provided by the Shareholders and can also be accessed on the Company's website (www.airtel.mw/investors).

2. Additionally, the physical copies of the AGM pack can be collected from the Company's registered office and shops or at the Company's Transfer Secretaries office at Standard Bank Regional Office, Blantyre. Shareholders are also requested to send up to date postal addresses to the Company's Transfer Secretaries to enable them to send physical copies of the AGM Pack.

3. Shareholders who wish to participate electronically either in person or by proxy are required to contact investor@mw.airtel.com or Custodymalawi@standardbank.co.mw, call or send a WhatsApp message to Investor Services on telephone number **+265 999 161 161** not later than forty-eight (48) hours before the meeting starts. A link for attending the meeting virtually will be provided to Shareholders on request through their registered email addresses or WhatsApp.

4. All questions and comments pertaining to the AGM should be channelled to investor@mw.airtel.com or Custodymalawi@standardbank.co.mw or WhatsApp number **+265 999 161 161** not later than the **4th day of May 2026.** The consolidated questions and responses shall be shared via the Company's website (www.airtel.mw/investors).

AGENDA OF THE AGM

BUSINESS TO BE TRANSACTED AT THE AGM

A. AS ORDINARY BUSINESS

To consider and, if deemed fit, to pass with or without modification the following ordinary resolutions:

1. APPROVAL OF MINUTES

To consider and, if deemed appropriate, approve Minutes of the 26th Annual General Meeting of the Company held on 25th day of June 2025.

2. FINANCIAL STATEMENTS

To receive, consider and if thought fit adopt the report of the Directors, the report of the Auditors and the Audited Financial Statements for the period ended 31st December 2025.

3. DIVIDEND

To consider and if deemed appropriate to accept the Director's recommendation to declare a dividend of MK38.5 billion representing MK3.50 per share in respect of the 2025 profits.

4. DIRECTORS' APPOINTMENT, RE-ELECTION, AND RETIREMENT

4.1 To note the resignation of Mr. Mark Mikwamba from the Board of Directors of the Company, following his submission of a resignation letter effective 15 May 2026.



Mr. Mark Mikwamba
Malawian

Mr. Mark Mikwamba was confirmed as the Company Director on 17th July 2020.

Mr. Mark Mikwamba is an experienced finance and investment professional with a strong background in portfolio management, corporate governance, and strategic oversight. During his tenure on the Board of Airtel Malawi plc, he provided valuable guidance on financial stewardship and risk management. He served as Chairperson of the Audit, Risk and Investment Committee, where he played a vital role in strengthening internal controls, enhancing compliance frameworks, and supporting sound investment decisions. Mr. Mikwamba leaves the Board with appreciation from his fellow Directors for his commitment, professionalism, and contribution to the Company's governance and long term value creation. The Company is grateful for his contribution and extends its best wishes to him in his future endeavours.

4.2 To note the resignation of Mr. Apoorva Mehrotra from the Board of Directors of the Company, following his submission of a resignation letter effective 31 March 2026.



Mr. Apoorva Mehrotra
Indian

Mr. Apoorva Mehrotra was confirmed as the Company Director on 11th October 2022. The Board of Directors acknowledges the contribution of Mr. Apoorva Mehrotra, who served as Regional Director for East Africa at Airtel Africa Group, based in Dubai, UAE. In this role, he provided strategic oversight for the Malawi, Tanzania, Uganda, Kenya, Rwanda, and Zambia operations, bringing strong commercial leadership and cross market operational experience to the Company. Mr. Mehrotra also served as a member of the Human Capital Committee, where he supported people strategy alignment and leadership development. The Board extends its appreciation for his service and wishes him the best in his future endeavours.

4.3 To re-elect Mr. Kayisi M'bwana Sadala as a Director of the Company and confirm his appointment as the Chairperson of the Company until 30 June 2027 pursuant to Article 73(1) of the Company Articles of Association.



Mr. Kayisi M'bwana Sadala
Malawian

Mr. Sadala was appointed as Airtel Malawi plc Director on 9th December 2019. He has provided steady leadership as Interim Chairperson during key transitional periods, and served as the Chairperson of the Human Capital Committee, thereby helping the Company maintain strong performance despite challenging macroeconomic conditions. His appointment as Chairperson represents a smooth and well considered succession, grounded in his deep familiarity with the Company. With over 30 years of financial sector experience, he continues to offer valuable expertise in stakeholder engagement, business development, banking, treasury management and governance.

He also brings extensive executive and governance experience from both the public and financial sectors. His roles have included being the current CEO of the Malawi Enterprise Development Fund (MEDF), Chairperson of the Electricity Supply Corporation of Malawi (ESCOM) and Lilongwe Water Board, and board memberships at the National Oil Company of Malawi (NOCMA), the Competition and Fair-Trading Commission (CFTC) and the Malawi Switch (MALSWITCH) Ltd. He has held senior managerial positions such as CEO of the Tobacco Control Commission, Deputy CEO and Acting CEO at Malawi Savings Bank, and various leadership roles at Continental Discount House, National Bank of Malawi plc and Indefund Limited.

Mr. Sadala holds an MBA in Banking and Finance from the University of Wales (UK), a Bachelor of Arts in Public Administration from the University of Malawi, and a Diploma in Development and Management of Small Businesses and Industries from Galilee College, Israel.

NOTICE AND AGENDA OF THE 27TH ANNUAL GENERAL MEETING (Continued...)

4.4 To confirm the appointment of Associate Professor Winford Henderson Masanjala as an Independent and Non -Executive Director of the Board of the Company pursuant to Article 73(1) of the Company Articles of Association.



Associate Professor Winford Henderson Masanjala

Malawian

Associate Professor Winford Henderson Masanjala is an Associate Professor of Economics at the University of Malawi. He has over 31 years of professional experience, including more than 19 years post doctoral, and has served in senior Government roles including being the Secretary for Economic Planning and Development, Secretary for Energy and Mining, and Director of Economic Affairs in the Ministry of Finance.

He has extensive corporate governance experience, having served as the Chairperson of the Malawi Stock Exchange, Vice Chairperson of the National Planning Commission, and as a director on several boards including for the Electricity Corporation of Malawi (ESCOM), the Malawi Energy Regulatory Authority (MERA), the National Oil Company of Malawi (NOCMA), Air Malawi Ltd, Roads Fund Administration, the Public Private Partnership (PPP) Commission, and the Smallholder Farmers Fertiliser Revolving Fund of Malawi (SFFRFM).

Associate Professor Masanjala holds an MSc [1999] and PhD [2003] in Economics from the Louisiana State University, Baton Rouge, Louisiana, USA; a Post-graduate Diploma in Population and Development Studies [1995] from the Institute of Social Studies in Netherlands; and a Bachelor of Social Science Degree majoring in Economics [1991] from the University of Malawi.

4.5 To confirm the appointment of Mr. Rohit Marwha who was co-opted as a Non-Executive Director during the year following his nomination to fill the vacancy created by the resignation of Mr. Apoorva Mehrotra pursuant to Art. 73(1)(b) of the Company's Articles of Association.



Mr. Rohit Marwha

Indian

Mr. Marwha currently serves as the Chief Marketing and Sales Officer for Airtel Africa. He previously held senior executive roles including Group Director – Marketing and HBB (Airtel Africa), CEO – Maharashtra and Goa (Bharti Airtel India), and National Marketing Head – Market Operations and Pricing (Bharti Airtel India).

His leadership has contributed significantly to revenue growth, market share expansion, and commercial transformation across Airtel operations. Mr. Rohit Marwha brings over 25 years of experience in business operations, P&L delivery, consumer marketing, pricing, portfolio management, and sales and distribution across India and Africa.

Mr. Marwha holds a Bachelor of Business Studies from the College of Business Studies Delhi, India and University Postgraduate Diploma in Management from the Institute of Management Technology Ghaziabad, India.

4.6 To confirm the appointment of Mr. Mphatso John Kasalika as a Non -Executive Director of the Board of the Company, following his nomination to fill the vacancy created by the resignation of Mr. Mark Mikwamba pursuant to Art. 73(1)(b) of the Company's Articles of Association..



Mr. Mphatso John Kasalika

Malawian

Mr. Mphatso John Kasalika has over 20 years of experience in management and investment. He is currently the Managing Director of Old Mutual Investment Group Limited and has previously held senior roles within the Old Mutual Group, including Head of Portfolio Management, Manager – Equity and Property Investments, Investment Analyst, and as Senior Resource and Business Planning Officer with the Electricity Supply Corporation of Malawi (ESCOM), among others.

Mr. Mphatso John Kasalika is a Chartered Financial Analyst (CFA) and holds a Bachelor of Business Administration (BBA) degree from the University of Malawi. He has also completed various executive leadership programs, including Management Advanced Program at the University of the Witwatersrand, South Africa, and with the Chartered Institute of Management Accountants.

4.7 To re-elect Ms. Monicah Kambo who retires by rotation in terms of Article 74 of Articles of Association but being eligible, has offered herself for re-election.



Ms. Monicah Kambo
Kenyan

Ms. Monicah Kambo is the Group Human Resources Director at Airtel Africa based in Dubai and Nairobi. She has more than 22 years of rich experience in human resource management and general management.

She joined Airtel Africa from WPP-Scan Group, where she was the Group Human Resource Director. In this role, she was instrumental in developing and up-scaling talent across African operations. Prior to that she was Managing Director for Wavemaker and Ogilvy Africa, both subsidiaries for WPP-Scan Group.

Other roles held include General Manager - McCann Worldwide Group amongst other expatriate roles in South Africa and Uganda.

Ms. Kambo holds a Master's Degree in Global Human Resource Management from the University of Liverpool, is an accredited MCIM (Chartered Institute of Marketing-UK) and attended INSEAD/ALU courses.

5. DIRECTORS' REMUNERATION

To consider and, if deemed appropriate, to approve that the Chairperson and Directors' remuneration for their services after approval at the Annual General Meeting be maintained as follows:

5.1 FEES

Chairperson - MWK11,500,000 per annum payable quarterly in arrears (2025: MWK11,500,000)

Directors – MWK7,000,000 per annum payable quarterly in arrears (2025: MWK7,000.000).

5.2 SITTING ALLOWANCES

Chairperson: **MK900,000** per sitting (2025: MWK900,000).

Directors: **MWK600,000** per sitting (2025: MWK600,000).

6. APPOINTMENT OF AUDITORS

To re-appoint Deloitte – Chartered Accountants as Auditors for the year ending 31 December 2026 and to authorize the Directors to determine their remuneration.

B. OTHER BUSINESS

To transact such other business as may be transacted at an Annual General Meeting.

7. STATEMENT OF RIGHTS

A Member entitled to attend and vote at the meeting is entitled to appoint a representative (if it is a body corporate or unincorporated association), or proxy (or more than one proxy) to attend and vote in his/her/its stead. The proxy need not be a member of the company.

The instrument appointing a proxy or representative, and the power of attorney or other authority, if any, under which it is signed or a notarial certified copy of that power or authority shall be deposited at the Company Secretary's office or sent to investor@mw.airtel.com or Custodymalawi@standardbank.co.mw not less than 48 hours before the time for holding the meeting, in default of which the instrument of proxy shall not be treated as valid. A copy of the proxy can be downloaded from the Company's website (www.airtel.mw).

Dated the 24th day of April 2026

BY ORDER OF THE BOARD.

CHRISTOPHER NKHONJERA CHIBWANA
COMPANY SECRETARY
Registered office:
Airtel Complex, City Centre,
Off Convention Drive
LILONGWE

MINUTES OF THE 26TH ANNUAL GENERAL MEETING OF AIRTEL MALAWI PLC HELD BOTH VIRTUALLY AND PHYSICALLY FROM BINGU INTERNATIONAL CONFERENCE CENTRE (BICC), LILONGWE ON 25TH JUNE 2025 AT 10:00 HOURS

ATTENDANCE

The following attendance details were recorded from the official AGM attendance register.

SHAREHOLDERS PRESENT

SHAREHOLDER NAME	SHAREHOLDER NAME
Rabia Akimu	Mathews Kampeza
Mpho Bwanali	Orama Evans Maliro
Palisha Mwanja	David Phiri Chikafa
Lawrence Ali	Alinafe Mpwinoni
Prof B Kampanje	Virginia Mwanza Jere
Sokalawo Kachali	Monica Mzanda
Wako Nthiliro	Joe Maere
Dorcus Chavula	Thoko Kamkondo Sande
Elizabeth Chiwaula	Wukani Chipenya
Andy Chiwaula	Wilson Kuyokwa
Jacqueline Kapyola	Gresham ITF D Nkhonjera
Misheck Kavuta	Gresham ITF S Nkhonjera
Alfred Bond Chiwewe	Norah Chavula Chirwa
Patrick Mleya	Douglas Nyirenda
Nephter C Kamakanda	Limbani Nsona
Fr David Niwagaba	Gift Mthunzi
Davide Kaduya	Jackson Chakuma
Frank Harawa	Patience Kanzingeni
Peter Maluwa	George Sambakunsi
Alemekezeke Jumbe	Eleanor Gondwe
Kezzie Mkandawire	Dorothy Masache
Height Furniture	Emily Matila
Valentine Bandawe	Stan Kaunda
Purity Chitalo	Fortune Mpakani
Joseph Gausi	Esther Misomali
Arthur Kapolo	Evance Malito
Lovemore Thom Chisale	Gift Gowero
Joash Kamakanda	Soyapi Mumba

OBSERVERS

NAME	NAME
Prisca Liuma	Nora Chavula-Chirwa
Ethel Kalimbuka	Waza K Phiri
Ethel Kalima	George Lumwira
Heights Furniture	Steve Mafeni Soko
Patricia Chiwaula	Plinda Litoe
Jehia Kukada	Mphatso Makamo
Sana Kamakanda	Aubrey Hamilton
Jacqueline Ngalande	Robert Chandilira
Harriet Chikopa	Precious Kumbatira

VIRTUAL ATTENDANCE

SHAREHOLDER	OBSERVER
GEOFFREY OFESI	COMFORT KACHAJE
IDA LEWANIKA	RICHARD CHEWALE
DANIEL JERE	ABUDALLAH MSAKATIZA
SAMUEL SANDE	MACDONALD JONAMU
CHARLES KAMOTO	YASH PATEL
ABDULLAH JUMA	DAVIE NJOLO
KINGSLEY MVULA	EDDA KHULAMBA
TREVOR MATABWA	MARON MWALE
EDITH NAPHIYO	MWAI JANNA
BRENDA MANDA	JEFTA PHIRI
MPHATSO BAKILI	JOSEPH BWANALI
ZUNZO MITOLE	TYSON MWESO
NDAWONA BANDA	DANIEL MATAVATA
CHRISTOPHER LUPANDE	MICHAEL NANTUPA
GOODSON SICHALI	CHIYEMBEKEZO SHEMU
SAMMY KUMWENDA	LIMBANI MZOMERA
IVY KAPALASA MUNTHALI	STEVE BANDA
AARON BANKAM	HAPPY MALASHA
KHUMBO MFUNE	PRINCE TAFATATHA
MAKHUMBO CHIKAONDA	DAVID PHIRI
JAYESH PATEL	CYRUS KASAKULA
	JOSEPH BWANALI
NELLY TEMBO	CHRISPIN KAISA
KONDWANI MKANDAWIRE	PEMPHERO CHIUTSI
MAXWELL MAKUNGWA	UCHIZI MKANDAWIRE
LOVEMORE THOM-CHISALE	ANGELLA MAKOLIJA
DAVID KATEKETA	GRACE KAMPUTA LIWEWE
GLORIA MATUPI	FORTUNE MWAWA
ARNOLD MANDALA	DAVIE GAMULA
DUMISANI KADANGO	UTTAM PUROHIT
THANDIWE NTUTHA	LUGHANO NG'AMBI
SOPHIE PHIRI	DANIEL MATAVATA
NALLYCE KASALIKA	BRIDGET MATAMULA

SHAREHOLDER	OBSERVER
DUNCAN CHIONE	ANDREW KAKHUTA
MICHAEL MAPUNDAH	CHIMWEMWE MHANGO
MPHO BWANALI	ALLAN MAZOWANGEYI
CHIFUNDO KAPESI	FAITH KASAMBARA
ALLAN TSEKA	
JOSEPH BWANALI	
SAMUEL SANDE	
DENNIS MWANGULUBE	
MIKE MATANDALA	
MWIZA NKHWAZI	
KINGSLEY MVULA	
BRONEX WHAYO	
FUMBANI MWENDA	
JOEY LIGOMEKA	
FESTONE CHAKANI	
TREVOR MATABWA	
KHAMA BANDA	
FANNY BEYA	
NOEL OWEN	
KEL DAKISHONI	
VIOLET PHIRI	
KONDWANI KALUA	
ALICE TENTHANI	
ELLEN PENSULO	
ANGELA KAYANGE	
GRACE AUSTIN	
NORAH CHIRWA	
LINDIWE MWACHANDE	
YAMIKANI LIHOYA	
AIRTEL MALAWI?	
KENNETH MANYENJE	
ALLAN BANDA	
BLESSINGS MCHENGA	

PROXY REGISTER

PROXY NAME	REPRESENTING SHAREHOLDER
Tiyamike Kampaundi	Semacia Mwase
Stan Kaunda	Colin Kaunda
Stan Kaunda	Chaweya Kaunda
Lilian Macheso	Lifeco
James Mbingwa	Continental Asset Management
Violet Tumba	Ronald Tumba
Mphatso Kasalika/ Curthbert Mnyenyembe	Aviation Pension Fund
Mphatso Kasalika/ Curthbert Mnyenyembe	Cham Pension Fund
Mphatso Kasalika/ Curthbert Mnyenyembe	First Capital Bank Pension Fund
Mphatso Kasalika/ Curthbert Mnyenyembe	FDH Financial Holdings Pension Fund
Mphatso Kasalika/ Curthbert Mnyenyembe	Magetsi Pension Fund
Mphatso Kasalika/ Curthbert Mnyenyembe	Malawi Post Corporation Pension Fund
Mphatso Kasalika/ Curthbert Mnyenyembe	MUST Endownment Fund
Mphatso Kasalika/ Curthbert Mnyenyembe	Madzi Pension Fund
Mphatso Kasalika/ Curthbert Mnyenyembe	Old Mutual Life Assurance Company (Malawi) Limited)
Mphatso Kasalika/ Curthbert Mnyenyembe	Old Mutual Unit Trust Balanced Fund
Mphatso Kasalika/ Curthbert Mnyenyembe	Public Service Pension Trust Fund
Mphatso Kasalika/ Curthbert Mnyenyembe	Reserve Bank of Malawi Pension Fund
Mphatso Kasalika/ Curthbert Mnyenyembe	SUCOMA Group Pension Fund
Mphatso Kasalika/ Curthbert Mnyenyembe	Telekom Networks Malawi Pension Fund
Velma Gendo	Bharti Airtel Malawi Holdings B.V.
Velma Gendo	Bharti Airtel Africa B.V.
Alice Kariuki	Jantina Catharina Van De Vreede
Paul Mojoo/Viktor Kaupa	Associated Pensions Trust
Paul Mojoo/Viktor Kaupa	Limbe Leaf Tobacco Pension Scheme
Paul Mojoo/Viktor Kaupa	SUCOMA Group Pension Scheme
Paul Mojoo/Viktor Kaupa	NAML RBM Pension Fund
Paul Mojoo/Viktor Kaupa	Alliance One Tobacco (Malawi) Limited Group Pension Fund
Paul Mojoo/Viktor Kaupa	Msonkho Pension Fund
Paul Mojoo/Viktor Kaupa	Magetsi Pension Fund
Paul Mojoo/Viktor Kaupa	Standard Bank Pension Fund
Paul Mojoo/Viktor Kaupa	CFAO Mobility Malawi Limited Pension Fund
Paul Mojoo/Viktor Kaupa	Public Service Pension Trust Fund
Paul Mojoo/Viktor Kaupa	NAML PCL Group Pension Fund
Paul Mojoo/Viktor Kaupa	Malawi Environment Endowment Trust
Paul Mojoo/Viktor Kaupa	NICO Life Insurance
Paul Mojoo/Viktor Kaupa	National Investment Trust Plc
Paul Mojoo/Viktor Kaupa	Timasuke - NBS Pension Fund
Paul Mojoo/Viktor Kaupa	Timasuke - NHL Pension Fund
Paul Mojoo/Viktor Kaupa	Timasuke Pension Fund - Pooled
Paul Mojoo/Viktor Kaupa	Vanguard Pension Fund
Chairman	Wilson Kuyokwa
EMMANUEL CHOKANI	RESERVE BANK OF MALAWI PENSION FUND
EMMANUEL CHOKANI	BRIDGEPATH CAPITAL

IN ATTENDANCE

BOARD OF DIRECTORS

NAME
Kayisi Sadala (Interim Chairman)
Mark Mikwamba
Alice Kariuki
Aashish Dutt

INTERIM COMPANY SECRETARY

NAME
Abdulhakim Mkwanda

EXECUTIVE MANAGEMENT

NAME	DESIGNATION
Aashish Dutt	Managing Director
Abdul Shaik	Finance Director
Mphatso Manda	Networks Director
Misheck Kavuta	Sales and Distribution Director
Michael Mang'anda	Customer Services Director
Joshua Sichinga	Marketing Director
Shreyosi Choudhuri	Acting Human Resources Director
Allan Banda	IT Director
Patrick Mleya	Head of Home Broadband
Obester Thindwa	Acting Supply Chain Management Director

EXTERNAL LEGAL ADVISOR

NAME
Raphael Mhone

AUDITORS

NAME
Christopher Kapenda

MALAWI STOCK EXCHANGE

NAME
Douglas David Nyirenda

26/1 WELCOME REMARKS

The Meeting was called to order at 10:00 Hours by the Interim Chairman, **Mr. Kayisi M'bwana Sadala,** who welcomed all those in attendance both physically and virtually. He introduced the Board of Directors, External Auditors, External Legal Adviser and members of Management present.

26/2 NOTICE AND QUORUM

The Notice convening the meeting, having been published in the local papers and circulated to Shareholders through email and the Transfer Secretaries (Standard Bank) Blantyre offices, and also accessible on the Company's website (www.airtel.mw) within the statutory period, was taken as read.

The Interim Company Secretary confirmed that the quorum requirement under Article 100 of the Company's Articles of Association had been met, with more than three members present in person or by proxy and representing more than 20% of the voting rights.

26/3 PROXIES

The Company Secretary confirmed that thirty six (36) valid proxy forms had been lodged within the stipulated time.

26/4 ADOPTION OF THE AGENDA

On a proposal duly seconded, it was **RESOLVED** by show of hands that the following Agenda for the 26th Annual General Meeting **BE APPROVED:**

Agenda Item 1. Approval Of Minutes
Agenda Item 2. Financial Statements
Agenda Item 3. Dividend
Agenda Item 4. Directors' Appointment, Re-Election and Retirement
Agenda Item 5. Directors' Remuneration
Agenda Item 6. Appointment Of Auditors
Agenda Item 7. Other Business

26/5 CONFIRMATION OF MINUTES OF THE 25TH ANNUAL GENERAL MEETING AND 25TH ADJOURNED ANNUAL GENERAL MEETING

The Minutes of the 25th Annual General Meeting held on 31st May 2024 and the Minutes of the Adjourned 25th Annual General Meeting held on 22nd October 2024 were presented.

Upon a motion duly proposed and seconded, it was **RESOLVED** by show of hands that the said Minutes **BE CONFIRMED** as a correct record of the proceedings.

26/6 AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024

The Chairperson invited Management and External Auditors (Deloitte) to present their reports.

The meeting received and considered the Directors' Report, Auditors' Report and Audited Financial Statements for the year ended 31st December 2024.

On a motion duly proposed and seconded, it was **RESOLVED** by show of hands that the Directors' and Auditors' Reports and the Audited Financial Statements for the year ended 31st December 2024 **BE ADOPTED.**

26/7 DECLARATION OF DIVIDEND

The Chairperson informed the meeting that the Board had recommended the declaration of a final dividend of **MK22 billion,** representing MK2.00 per share, in respect of the financial year ended 31st December 2024.

On a motion duly proposed and seconded, it was **RESOLVED** by show of hands that a final dividend of **MK22 billion** representing MK2.00 per share **BE DECLARED.**

26/8 DIRECTORS' APPOINTMENT, RETIREMENT AND RE-ELECTION

26/8.1 Confirmation of Director Appointed to Fill a Casual Vacancy

The meeting noted that **Mrs. Alice Wangari Kariuki** had been appointed during the year to fill a casual vacancy pursuant to Article 73(1)(b). She was subsequently invited to greet the members, and she thanked them for their warm welcome.

On a motion duly proposed and seconded, it was **RESOLVED** by show of hands that **Mrs. Alice Wangari Kariuki BE CONFIRMED** as a Director of the Board.

26/8.2 Re-Election of Directors Retiring by Rotation

The following Directors retired by rotation under Article 74 and offered themselves for re-election:

- Mr. Mark Mikwamba
- Mr. Alok Bafna

Separate motions for each Director were duly proposed and seconded, and it was **RESOLVED** by show of hands:

- THAT Mr. Mark Mikwamba **BE RE-ELECTED** as Director of the Board.
- THAT Mr. Alok Bafna **BE RE-ELECTED** as Director of the Board.

26/9 DIRECTORS' REMUNERATION

The Chairperson presented a proposed recommendation for the Directors' Remuneration for the year to remain unchanged as follows:

- Chairman: K11,500,000 per annum
- Directors: K7,000,000 per annum
- Sitting Allowances: Chairman K900,000 per sitting; Directors K600,000 per sitting

A motion duly proposed and seconded was carried, and it was **RESOLVED** by show of hands that the Directors' remuneration **BE MAINTAINED.**

26/10 APPOINTMENT OF AUDITORS AND AUTHORISATION TO FIX THEIR REMUNERATION

On a proposal duly seconded, it was **RESOLVED** by show of hands:

1. THAT **Deloitte – Chartered Accountants BE RE-APPOINTED** as Auditors of the Company until the conclusion of the next Annual General Meeting.
2. THAT the Directors **BE AUTHORISED** to fix the remuneration of the Auditors.

26/11 OTHER BUSINESS

The Chairperson invited comments and questions from Shareholders. Management responded to all questions raised.

The Shareholders advised the Company to quickly fill-up with substantive appointments the positions of the Chairperson and Company Secretary.

No further business requiring resolution arose.

26/12 CLOSURE

There being no further business, the Chairperson thanked all members for attending and declared the meeting **closed.**

INTERIM CHAIRPERSON	**INTERIM SECRETARY**

Airtel Malawi plc

DIRECTORS' REPORT

For the year ended 31 December 2025

The directors have pleasure in presenting to members audited financial statements for the year ended 31 December 2025 and report thereon as follows:

1. REVIEW OF ACTIVITIES

Airtel Malawi Limited was incorporated in Malawi under the Malawi Companies Act 1984 as repealed by the Companies Act 2013 as a private Company limited by shares. It was subsequently re-registered as Airtel Malawi plc ("the Company") on 18 November 2019.

The holding Company is Bharti Airtel Malawi Holdings B.V., incorporated in Netherlands. The Company was listed on the Malawi Stock Exchange on 24 February 2020.

The registered office of the Company is located at Airtel Malawi premises, Airtel Complex, City Centre, Off Convention Drive, P.O. Box 57, Lilongwe, Malawi. The main business of the Company consists of the provision of telecommunication services.

OPERATIONS

The Company is the leading provider of mobile telecommunication services (GSM mobile cellular telephone services) in Malawi, connecting millions of Malawians to the world through our voice telephony, messaging, data, international and national long-distance telecommunications services and value adding services.

The Company continues to show growth in its customers with 8.3% year on year and ending with a total of 8.8 million customers. During the year the Company added a total of 0.67 million new customers into its network.

The Company's revenue continues to grow strong with 34% year on year growth on the back of customer base growth and usage growth. The Company generated 13.6 billion minutes on its network in year 2025 as compared to 10.91 billion minutes in previous year giving a year-on-year growth of 24.7% in minutes. Moreover, the outgoing voice rate increased from K13 per minute in year 2024 to K14 in year 2025 thus a year-on-year increase of 7.7%. The data revenue has increase by 33.6% on year on year basis, increase in data revenue was supported by growth in both base and usage. In year 2025, the Company clocked 275 billion Mbs as against 181 billion Mbs in year 2024, a growth of 51.9% on yearly basis. Data realization decreased from K0.52 per Mb in year 2024 to K0.50 per Mb in year 2025, thus a decrease of 3.9% on yearly basis. During the year the Company expanded its network with roll out of additional 58 sites.

2. SHARE CAPITAL

The Authorised Share Capital of the Company as at 31 December 2025 comprises of 11 000 000 000 (2024: 11 000 000 000) Ordinary shares. The issued and fully paid capital of the Company comprises of 11 000 000 000 (2024: 11 000 000 000) Ordinary shares of K0.000091 each (2024: K0.000091 each), total amounting to K1 000 000 (2024: K1 000 000).

The key shareholders and their respective shareholding as at year-end were:

	2025	2024
	%	%
Bharti Airtel Malawi Holdings B.V.	79.95	79.95
General Public	11.41	11.41
Old Mutual Life Assurance	8.64	8.64
	100.00	**100.00**

3. FINANCIAL COST AND INCOME

The results and state of affairs of the Company are set out in the accompanying statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements, which include a summary of material accounting policy information.

	2025	2024
	K'000	K'000
Revenue	363 101 029	270 966 503
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**

4. CORPORATE GOVERNANCE

Airtel Malawi plc takes the issue of corporate governance seriously. The Company's focus is to have a sound corporate governance framework that contributes to improved corporate performance and accountability in creating long term shareholder value.

The Company continues to embrace and abide by the main principles of modern corporate governance as contained in the Malawi Code II (Code of Best Practice for Corporate Governance in Malawi). In this regard, the Company's Board comprises of Non-Executive directors and one Executive director.

The Board meets at least four times a year and concerns itself with key matters and the responsibilities for implementing the Company's strategy is delegated to management. The Board of directors continues to provide considerable depth of knowledge and experience to the business.

There is strong focus by the Audit, Investment & Risk Committee on matters relating to financial operations, fraud, application of accounting and control standards and results. The Audit, Investment & Risk Committee also meets at least four times a year.

The Human Capital Committee (Nomination and Remuneration) ("the Committee") is constituted to assist the Board of directors ("Board") of Airtel Malawi plc ("the Company") with its oversight and management of the nomination and remuneration philosophy and policies in the Company and its subsidiaries to ensure that Company attracts and retains the talent needed to deliver on its mandate and business objectives. The Human Capital Committee (Nomination and Remuneration) also meets at least four times a year.

DONATIONS

In the year 2025, Airtel Malawi plc continued to advance its commitment to education, digital inclusion, and community development through impactful, scalable initiatives across the country.

As part of its education and connectivity agenda, the Company connected 9 additional schools through the Nzeru Connect School Connectivity Project, implemented in partnership with UNICEF Malawi and the Ministry of Education, bringing the total number of schools from 17 last year to 26 in the current year. Airtel Malawi plc also zero-rated seven more educational e-learning websites, bringing the total from 5 to 12, and enabling more than 1 135 037 users nationwide to access essential online educational content at no cost.

To complement connectivity support, each of the newly added Nzeru Connect schools received a package of digital learning tools including 20 tablets pre-loaded with e-learning content, an 85-inch smart TV, a desktop computer, and fixed broadband internet valued at K139 million. The 2025 beneficiary schools were Limbe Primary School (Blantyre), Ngabu Secondary School (Chikwawa), Chiradzulu Secondary School (Chiradzulu), Nkhatabay

Boys Secondary School (Nkhatabay), Chipoka Secondary School (Salima), Mbomba Secondary School (Ntchisi), Jenda CDSS, Chididi Secondary School (Nkhotakota), and Njolomole Secondary School (Ntcheu).

In support of environmental sustainability and circular economy initiatives, Airtel Malawi plc donated K1 million to Kibebe, a local social enterprise that produces materials from recycled plastics, as part of the 2025 World Environment Day commemorations.

Later in the year, the Company contributed K300 million (on behalf of Airtel Africa foundation) to the Department of Disaster Management Affairs (DoDMA) and the Malawi Red Cross Society (MRCS) to strengthen the national response to the hunger crisis affecting all 28 districts of Malawi. This support underscores Airtel Malawi's commitment to safeguarding vulnerable communities and contributing to national resilience efforts.

5. DIRECTORS

The following directors appointed in terms of the Articles of Association of the Company served office during the year.

Name	Residence	Nationality	Effective Date
1. Mr. Aashish Dutt**	Malawi	Indian	01-Feb-2025
2. Mr. Alok Bafna*	UAE	Indian	04-Jan-2017 up to 31-July-2025
3. Mr. Kayisi Sadala*	Malawi	Malawian	12-Sep-2019
4. Mr. Mark Mikwamba*	Malawi	Malawian	17-July-2020
5. Ms. Monicah Kambo*	Kenya	Kenyan	08-Aug-2022
6. Mr. Apoorva Mehrotra*	UAE	Indian	11-Oct-2022
7. Mr. Oliver Fortuin*	UAE	South African	01-July-2024 up to 19-May-2025
8. Ms. Alice Kariuki*	Kenya	Kenyan	26-May-2025
9. Mr. Neeraj Jain*	UAE	Indian	01-August-2025
10. Mr. Abdul Shaik**	Malawi	Indian	01-Nov-2024 up to 31-Jan-2025

* Non-executive director ** Executive director

6. DIRECTORS PAYMENTS

Directors' fees paid to independent non-executive directors -

Name	2025	2024
	K'000	K'000
Prof. Ngeyi Ruth Kanyongolo (Deceased)	-	12 700
Mr. Mark Mikwamba	11 650	15 200
Mr. Kayisi Sadala	13 600	12 000
	25 250	**39 900**

7. COMPANY SECRETARY

The secretary of the Company is Mr. Christopher Nkhonjera Chibwana.

8. DIRECTORS' INTERESTS

The directors noted below hold the following ordinary shares in the Company at the year-end.

Mr. Kayisi Sadala	**197,003 shares**

9. NUMBER OF COMMITTEE AND BOARD MEETINGS HELD

The Board maintains a scheduled calendar of meetings and a standing agenda. The meetings are held quarterly and the Board at times also schedules adhoc meetings. Further, where necessary some specific items are added to the agenda in order to allow the Board to focus on key matters at each prevailing time. After each quarterly meeting, the Board schedules informal sessions and interactions, which allows directors, management and other stakeholders to discuss matters affecting the business.

During the year ended 31 December 2025 attendance by each director is given below:

MEMBERS	25-Mar-25	29-May-25	18-Sep-25	17-Nov-25
Mr. Alok Bafna #	A*	√	NA	NA
Mr. Kayisi M'bwana Sadala	√	√	√	√
Mr. Mark Mikwamba	√	√	√	√
Ms. Monicah Kambo	√	√	√	√
Mr. Apoorva Mehrotra	√	√	√	A*
Mr. Oliver Fortuin #	A*	NA	NA	NA
Mr. Aashish Dutt	√	√	√	√
Ms. Alice Kariuki	NA	√	√	√
Mr. Neeraj Jain	NA	NA	√	√

Key | **√= Attendance** | **A=Apology** | **NA= Not a Member of the Board** | **#=The director retired in 2025**

The Board met four times during the year.

PS
* Mr. Alok Bafna appointed Mr. Aashish Dutt as his Alternate director
* Mr. Apoorva Mehrotra appointed Mr. Aashish Dutt as his Alternate director
* Mr. Oliver Fortuin appointed Ms. Monicah Kambo as his Alternate director

AUDIT, INVESTMENT AND RISK COMMITTEE MEETING ATTENDANCE

MEMBERS	24-Mar-25	28-May-25	18-Sep-25	14-Nov-25
Mr. Mark Mikwamba	√	√	√	√
Mr. Alok Bafna	A*	A*	NA	NA
Mr. Oliver Fortuin	A*	NA	NA	NA
Ms. Alice Kariuki	NA	√	√	√
Mr. Neeraj Jain	NA	NA	√	√

Key **√= Attendance** **A=Apology** **NA= Not a Member of the Committee**

The Committee met four times during the year.

PS
* Mr. Alok Bafna appointed Mr. Aashish Dutt as his Alternate director
* Mr. Oliver Fortuin appointed Ms. Monicah Kambo as his Alternate director

HUMAN CAPITAL COMMITTEE MEETING ATTENDANCE

MEMBERS	19-Mar-25	27-May-25	15-Sep-25	13-Nov-25
Mr. Kayisi M'bwana Sadala	√	√	√	√
Ms. Monicah Kambo	√	√	√	√
Mr. Apoorva Mehrotra	A*	√	√	√

Key **√= Attendance** **A=Apology** **NA= Not a Member of the Committee**

The Committee met four times during the year.

PS
* Mr. Apoorva Mehrotra appointed Ms. Monicah Kambo and his Alternate director

10. HEALTH AND SAFETY

The Company has policies and procedures to safeguard the occupational health, safety and welfare of its employees. The Company has measures in place in line with the country's health guidelines which are monitored regularly.

11. ENVIRONMENTAL SOCIO AND CORPORATE GOVERNANCE

Airtel Malawi plc is committed to reducing and eliminating the environmental impact of our operations along our entire value chain. As part of our environmental stewardship goal, the entity continued to focus on re-use and recycling of our electrical and electronic waste (e-waste). During the year as part of Airtel Africa group-wide contract renewal process with our strategic equipment manufacturers and suppliers such as Nokia, Ericsson, ZTE and Huawei, we added a clause on 'obsolete equipment take-back' where the suppliers are obligated to take back any old equipment for recycling and safe disposal. We also enhance our collection and recycling across the business by providing safe disposal mechanisms and building awareness among staff and partners for other solid waste generated from our operations. These initiatives are part of the larger Airtel Africa's sustainability strategy and environmental stewardship goal which aims to eliminate hazardous waste from our operations and significantly reduce non-hazardous waste outputs.

The Company also complies with all legal and regulatory requirements on responsible waste management by working with authorized and licensed third-party waste management partners across the country. In addition, we conducted training for staff at our three offices in Lilongwe, Blantyre and Mzuzu on e-waste collection and recycling.

12. RESERVES

Details of the reserves of the Company are shown in the statement of changes in equity on page 26.

13. DIVIDENDS

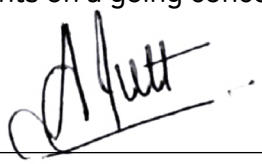
The directors propose a final dividend of K38.5 billion equivalent of K3.5 per share for the year ended 31 December 2025.

14. GOING CONCERN

In accordance with their responsibilities, the directors considered the appropriateness of the going concern basis for the preparation of the financial statements. The Company recorded a profit after taxation for the year ended 31 December 2025 of K51.2 billion (2024: K42.7 billion), as at that date, it had a net liabilities position of K70.1 billion (2024: K66.3 billion) and had positive shareholders' equity of K61.4 billion (2024: K32.1 billion). The directors prepared a cash flow forecast until March 2027 which shows that the Company has adequate financial resources to meet its obligations as they become due. Therefore, the directors determined that the Company is a going concern and thus prepared financial statements on a going concern basis.



Chairperson
Mr Kayisi Sadala



Managing Director
Mr Aashish Dutt

STATEMENT OF DIRECTORS' RESPONSIBILITIES

For the year ended 31 December 2025

The Malawi Companies Act, 2013 requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the operating results for that period.

The directors are responsible for the preparation and fair presentation of the financial statements of Airtel Malawi plc, comprising the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of material accounting policy information and other explanatory notes, in accordance with IFRS Accounting Standards, IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi, and in the manner required by the Companies Act.

The Act also requires the directors to ensure that the Company keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Malawi Companies Act, 2013.

In preparing the financial statements, the directors accept responsibility for the following:

- Maintenance of proper accounting records;
- Selection of material accounting policy information and consistent application thereof;
- Making judgements and estimates that are reasonable and prudent;
- Compliance with applicable accounting standards when preparing financial statements; and
- Preparation of financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are also responsible for establishing internal controls that ensure the propriety of transactions and accuracy and reliability of the accounting records and to safeguard the assets of the Company against loss by theft, fraud, defalcation or otherwise.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the Company is not a going concern in the near future from the date of this statement.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its operating results and cash flows for the year ended 31 December 2025.



Chairperson
Mr Kayisi Sadala



Managing Director
Mr Aashish Dutt

31 March 2026

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF AIRTEL MALAWI PLC

Deloitte.

P.O Box 187
Blantyre
Malawi

Deloitte Chartered Accountants
Registered Auditors
First Floor, PCL House
Top Mandala
Kaohsiung Road
Blantyre
Malawi

Cell: +265 (0) 887 828 002/003
+265 (0) 997 515 647
Email: btdeloitte@deloitte.co.mw
www.deloitte.com

Opinion

We have audited the financial statements of Airtel Malawi plc (the Company) set out on pages 23 to 88, which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and cash flows for the year then ended in accordance with 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 the requirements of the Companies Act 2013.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Malawi. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

MAKING AN IMPACT THAT MATTERS since 1845

Partners: VW BEZA CA Kapenda
Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Key audit matter	How our audit addressed the key audit matter
Recognition of revenue	
The Company's billing systems for voice and data operate on dedicated computer platforms. These systems process millions of pieces of data to electronic records which enables the Company to charge their customers, in real time, based on service usage. The operations of these systems are fairly complex with dynamic and intelligent tariffs regimes which provide for various promotions and discounts that are dependent on demand and individual usage profiles. Income is determined taking into account the profile and usage of each individual customer. In addition, prepaid phone units are used over periods that can straddle more than one accounting period. The determination of the correct cut off between what has been used and can be included in income and what has not been used and should be contract liabilities (creditor) is also a key audit consideration. The nature of the systems and billing profiles make this a complex audit area in relation to the auditor assessing completeness and accuracy of income. Accordingly, we consider this a key audit matter. The revenue recognition policy of the Company has been disclosed in note 3.4 and the revenue streams analysis is in note 26 to the financial statements.	We assessed the revenue recognition policy and ensured the policy is in line with IFRS Accounting Standards and industry practice. We involved our Information Technology (IT) audit specialists in the engagement and: • We assessed the general computer controls around the significant revenue and billing systems; • We assessed the design and implementation of the relevant controls; • We evaluated the process for capturing the tariff plans, combined with testing of a sample of related transactions. A key aspect of this exercise was to ensure that tariffs were properly approved; • We obtained downloads of information recorded in the Company's billing system and by using advanced data analytics to mirror the dynamic, intelligent tariff regimes to independently compute the income for the selected months of the year and thus assess the completeness and accuracy of the figures in the revenue reports; • We also performed analytical reviews for the other months of the year by developing an expectation using total revenue for the recalculated period; • We also performed a call testing data / airtime to ensure that data / airtime used is accurate to the value captured in the system; • We obtained a contract liabilities reconciliation for the expected contract liabilities as at period end and tested the accuracy and completeness of the reconciling items; • We re-computed contract liabilities from Intelligent Network data using Computer Assisted Audit Techniques (CAATS); and • We checked that the contract liabilities in the billing system were being reconciled to the records. Based on the work performed, we concluded that revenue was properly recorded and the disclosures pertaining to the revenue were found to be appropriate. We have also assessed the policy and found it to be in line with IFRS Accounting Standards and industry practice.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report and the Statement of Directors Responsibilities, as required by the Companies Act, which we obtained prior to the date of this auditor's report and the Annual Report, which is expected to be made available to us after that date. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors for the Financial Statements

The directors are responsible for the preparation of the financial statements in accordance with 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 the requirements of the Companies Act 2013, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte.

Chartered Accountants
Christopher Kapenda
Partner
31 March 2026

Statement Of Financial Position
AS AT 31 DECEMBER 2025

	Notes	As at 31 December 2025 K'000	As at 31 December 2024 K'000
ASSETS			
Non-current assets			
Property, plant and equipment	5	102 938 952	81 711 461
Capital work in progress	5	17 179 738	9 986 840
Intangible assets	6	11 274 576	8 022 963
Right-of-use assets	7	90 196 782	73 254 420
Deferred tax asset	8	32 979 005	35 149 803
Investment	10	-	81 000
Other non-current assets	9	16 425 598	17 307 654
Total non-current assets		**270 994 651**	**225 514 141**
Current assets			
Inventories	11	4 100 112	1 325 111
Trade and other receivables	13.1	7 891 435	8 684 636
Cash and cash equivalents	15.1	82 440 258	55 483 617
Other bank balances	15.2	7 123 707	408 237
Investment	10	8 755 001	-
Income tax receivable	14	307 365	794 685
Other current assets	13.2	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**

	Notes	As at 31 December 2025 K'000	As at 31 December 2024 K'000
Non-current liabilities			
Lease liabilities	17	137 830 191	125 293 893
Deferred spectrum liabilities	18	1 657 688	1 785 793
Provisions	25	8 016	6 574
Total non-current liabilities		**139 495 895**	**127 086 260**
Current liabilities			
Borrowings	16	54 128 150	57 441 344
Lease liabilities	17	5 326 138	3 514 723
Deferred Spectrum liabilities	18	183 374	169 245
Trade and other payables	19	135 035 206	94 185 520
Contract liabilities	21	8 624 939	7 634 017
Provisions	25	4 135 762	4 080 211
Other current liabilities	22	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**

The financial statements on pages 23 to 88 were approved and authorised for issue by the Board of directors on 27 March 2026 and signed on its behalf by:

Chairperson
Mr Kayisi Sadala

Managing Director
Mr Aashish Dutt

Statement Of Comprehensive Income

For the year ended 31 December 2025

	Notes	For the year ended 31 December 2025 K'000	For the year ended 31 December 2024 K'000
INCOME			
Revenue	26	363 101 029	270 966 503
Other income	27	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	37	(14 416 030)	(9 640 443)
Access charges		(6 349 282)	(5 441 859)
Other expenses	29	(43 459 544)	(34 050 774)
License fee and spectrum usage charges	30	(23 056 744)	(19 129 076)
Impairment recovered/ (loss) on financial assets	13	254 630	(566 369)
Depreciation and amortisation	31	(30 778 583)	(24 877 837)
		(240 179 180)	**(177 029 347)**
OPERATING PROFIT		**123 309 084**	**94 081 477**
Net foreign exchange losses	32	(22 384 306)	(19 461 714)
Finance costs	33	(25 729 854)	(23 818 475)
Finance income	28	10 606 311	4 600 052
Profit before tax		**85 801 235**	**55 401 340**
Income tax expense	34	(34 553 221)	(12 679 229)
Profit for the year		**51 248 014**	**42 722 111**
Basic and diluted earnings per share (K)	39	4.66	3.88

There were no items of other comprehensive income for the year (2024: Nil)

Statement Of Changes in Equity

For the year ended 31 December 2025

	Notes	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	23	-	-	(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**

	2025	2024
	K'000	K'000
Share Capital		
Authorised Share Capital		
11 000 000 000 (2024: 11 000 000 000) Ordinary shares	1 000	1 000
Issued and fully paid share Capital		
11 000 000 000 (2024: 11 000 000 000) Ordinary shares	1 000	1 000

The Company has equity shares having par value of K0.000091 per share. Each holder of ordinary shares is entitled to one vote per share and carry a right to dividends.

Statement Of Cash Flows

For the year ended 31 December 2025

	Notes	For the year ended 31 December 2025 K'000	For the year ended 31 December 2024 K'000
Cash flows from operating activities			
Profit before taxation		**85 801 235**	**55 401 340**
Adjustments for:			
Depreciation & amortisation	31	30 778 583	24 877 837
Interest income	28	(10 606 311)	(4 600 052)
Net unrealised foreign exchange (gain)/losses	32	(2 975 996)	6 301 307
Liability written back	27	(311 085)	(48 983)
Profit on disposal of scrap	27	(14 436)	(95 338)
Finance costs	33	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 other 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	14	(31 895 103)	(25 268 056)
Net cash generated from operating activities		**123 305 936**	**95 763 569**

	Notes	For the year ended 31 December 2025 K'000	For the year ended 31 December 2024 K'000
Cash flows from investing activities			
Purchase of property, plant and equipment & Intangible assets	20	(34 040 105)	(43 599 848)
Interest received		9 738 101	4 600 052
Purchase of investment	10	(8 755 001)	-
Net changes in earmarked balances and margin accounts with banks		(6 715 470)	(408 237)
Proceeds on disposal of scrap	27	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	16	(3 602 657)	(28 541)
Repayment of borrowings- interest	16	(3 814 821)	(4 684 291)
Other finance costs	33	(1 119 856)	(1 154 462)
Dividends paid	23	(13 857 769)	(17 318 192)
Repayment of spectrum liability- principal	18	(114 372)	(130 385)
Repayment of spectrum liability- interest	18	(250 610)	(243 831)
Repayment of lease liability- principal	17	(12 286 604)	(1 935 717)
Repayment of lease liability- interest	17	(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	**15.1**	**82 440 258**	**55 483 617**

1. Corporate information

Airtel Malawi Limited was incorporated in Malawi under the Malawi Companies Act 1984 as repealed by the Companies Act 2013 as a private Company limited by shares. It was subsequently re-registered as Airtel Malawi plc ("the Company") on 18 November 2019. The registered office of the Company is located at Airtel Complex, City Centre, Off Convention Drive, P.O. Box 57, Lilongwe, Malawi.

The holding Company is Bharti Airtel Malawi Holdings B.V. incorporated in the Netherlands. The main business of the Company consists of the provision of telecommunication services. Ultimate controlling entity is Bharti Enterprises (Holding) Private Limited. It is held by private trusts of Bharti family, with Mr. Sunil Mittal's family trust effectively controlling the Group.

2. Application of new and revised IFRS Accounting Standards

2.1 New and amended Standards that are effective for the current year

No new IFRS Accounting Standards issued during the year are applicable to the Company.

During the current year, the Company has applied amendments to IFRS Accounting Standards issued by the IASB, that are mandatorily effective for the current year. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements. The list of newly issued amendments is as follows:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability: Effective 1 January 2025, the amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' relating to lack of exchangeability are applicable. These amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency (also refer note 4.2).

2.2 New and revised standards in issue but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following new and amended IFRS Accounting Standards that have been issued effective for annual periods beginning on or after 1 January 2026.

- Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments
- Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity
- Annual IFRS improvement Volume 11 which includes Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows.
- Amendment to IAS 21 - Translation to a Hyperinflationary Presentation Currency
- IFRS 18 - Presentation and Disclosure in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures

The amendments to IFRS 9, IFRS 7 and Annual Improvements are effective for annual periods beginning on or after 1 January 2026 whilst Amendment to IAS 21, IFRS 18 and IFRS 19 are effective for annual periods beginning on or after 1 January 2027.

The Company is the process of assessing the impact of IFRS 18 and amendments relating to IFRS 7 and IFRS 9 on the Company's financial statements and will present the impact, when available.

The amendments relating to Annual improvements are not expected to have a material impact on the Company's financial reporting on adoption.

Further, the Company's equity instruments are publicly traded, hence the requirements under IFRS 19 are not applicable. Also, the amendments to IAS 21 are not applicable to the Company.

3. Material accounting policy information

The following is a summary of the significant accounting policies adopted by the Company. These policies have been consistently applied to all year presented unless otherwise stated.

3.1 Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) including the IAS 29 Hyperinflation Directive issued by the Institute of Chartered Accountants Malawi (ICAM) and in the manner required by the Companies Act.

3.2 Basis of preparation

The financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies 3.17 below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All the amounts included in the financial statements are reported in Malawian Kwacha, with all values rounded to the nearest thousands (K'000) except when otherwise indicated. Further, amounts which are less than half a thousand are appearing as '0'.

Fair value is the price at the measurement date at which an asset can be sold, or the price paid to transfer a liability in an orderly transaction between market participants.

The Company is required to classify the fair valuation method of the financial/non-financial assets and liabilities either measured or disclosed at fair value in the financial statements using a three-level fair value hierarchy (which reflects the significance of inputs used in the measurement of fair value). Accordingly, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In addition, for financial reporting purposes, fair value measurements are categorised in Level 1, 2 or 3 based on the degree to which the inputs to their fair value measurements are observable and the significance of the inputs to fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active market for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies of the Company, which are set out below, have been consistently followed in all material respects.

3. Material accounting policy information (Continued)

3.3 Current versus non-current classification

The Company classifies assets and liabilities in the statement of financial position as current or non-current.

Deferred tax assets and liabilities, and all assets and liabilities which are not 'current' (as discussed in the below paragraphs) are classified as non-current assets and liabilities.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in the Company's normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, asset is a cash or cash equivalent unless restricted from being exchanged or asset is used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is expected to be settled in the Company normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within 12 months after the reporting period, or the Company does not have the right to defer the settlement of the liability at the end of the reporting period for at least 12 months after the reporting period.

3.4 Revenue

The Company's revenue arises from billing customers for monthly subscription, airtime usage, connections, reconnection fees and sale of sim cards, equipment (handsets) and accessories and interconnection revenue.

Revenue is recognised upon transfer of control of promised products or services to the customer at the consideration which the Company has received or expects to receive in exchange of those products or services, net of any taxes / duties and discounts. When determining the consideration to which the Company is entitled for providing promised products or services via intermediaries, the Company assesses whether the intermediary is a principal or agent in the onward sale to the end customer. To the extent that the intermediary is considered a principal, the consideration to which the Company is entitled is determined to be that received from the intermediary. To the extent that the intermediary is considered an agent, the consideration to which the Company is entitled is determined to be the amount received from the customer; the discount provided to the intermediary is recognised as a cost of sale.

The Company has entered into certain multiple-element revenue arrangements which involve the delivery or performance of multiple products, services or rights to use assets. At the inception of the arrangement, all the deliverables therein are evaluated to determine whether they represent distinct performance obligations, and if so, they are accounted for separately. Total consideration related to the multiple element arrangements is allocated to each performance obligation based on their relative standalone selling prices. The stand-alone selling prices are determined based on the list prices at which the Company sells equipment and network services separately. Revenue is recognised when, or as, each distinct performance obligation is satisfied.

Service revenue is derived from the provision of telecommunication services to customers. The majority of the customers of the Company subscribe to the services on a pre-paid basis. Telecommunication service revenues mainly pertain to usage, subscription and customer onboarding charges, which include activation charges and charges for voice, data, messaging and value added services.

Telecommunication services (comprising voice, data and SMS) are considered to represent a single performance obligation as all are provided over the Company's network and transmitted as data representing a digital signal on the network. The transmission consumes network bandwidth and therefore, irrespective of the nature of the communication, the customer ultimately receives access to the network and the right to consume network bandwidth.

A contract liability is recognised for amounts received in advance, until the services are provided or when the usage of services becomes remote.

The Company recognises revenue from these services when performance obligation has been met. Revenue is recognised based on actual units of telecommunication services provided during the reporting period as a proportion of the total units of telecommunication services consumed.

Subscription charges are recognised over the subscription pack validity period.

Revenues recognised in excess of amounts invoiced are classified as unbilled revenue (contract assets).

Service revenues also includes revenue from interconnection / roaming charges for usage of the Company's network by other operators for voice, data, messaging and signaling services. These are recognised upon transfer of control of services being transferred over time.

Revenues from long distance operations comprise of voice services and bandwidth services (including installation), which are recognised on provision of services and over the period of respective arrangements.

The Company has interconnect agreements with local and foreign operators. This allows customers from either network to originate or terminate calls to each others' network. Revenue is earned and recognised as per bilateral agreements when other operators' calls are terminated to the Company's network i.e. the service is rendered.

The Company has estimated that the historic average customer life is longer than 12 months and believes that its churn rate provides the best indicator of anticipated average customer life and recognises customer acquisition cost over the expected average life time of the customer (for more details refer to note 9).

Equipment sales mainly pertain to sale of telecommunication equipment, handsets and related accessories for which revenue is recognised when the control of equipment is transferred to the customer i.e. transferred at a point in time

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

3. Material accounting policy information (Continued)

3.5 Property plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably.

All categories of property, plant and equipment are initially recorded at cost. All property, plant and equipment is subsequently measured at historical cost less accumulated depreciation and impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The expenditures that are incurred after an item of property, plant and equipment has been put to use, such as repairs and maintenance, are normally charged to the profit or loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

When significant parts of property and equipment are required to be replaced in intervals, the Company recognizes such parts as separate components of assets. When an item of property, plant and equipment is replaced, then its carrying amount is de-recognised from the statement of financial position and cost of the new item is recognised.

Assets are depreciated to the residual values on a straight-line basis over the estimated useful lives. Freehold Land is not depreciated.

Depreciation is calculated on a straight-line basis at a rate that will reduce book amounts to estimated residual values over the estimated useful lives of the assets as follows:

	Years
Buildings	20
Leaseholds improvements	10 or period of lease applicable, which ever is less
Network equipment	3-25
Computer equipment	3-5
Furniture and office equipment	1-5
Vehicles	5

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Gains and losses arising from retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss on the date of retirement and disposal.

The useful lives, residual values and depreciation method of property, plant and equipment are reviewed, and adjusted appropriately, at-least as at each reporting date so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives, residual values and/ or depreciation method are accounted prospectively, and accordingly the depreciation is calculated over the property, plant and equipment's remaining revised useful life.

Property, plant and equipment in the course of construction is carried at cost, less any accumulated impairment and presented separately as capital work-in-progress ('CWIP') including capital advances in the statement of financial position until capitalised. Such cost comprises of purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost.

3.6 Intangible assets

The Company's intangible asset comprise of licenses, computer software and Spectrum (Spectrum is a range of electromagnetic radio frequencies used for transmission of voice, data and images). These are recognised as an asset when it is probable that future economic benefits from the asset will flow to the Company and the cost of their costs can be reliably measured.

Licenses, computer software and spectrum are initially measured at cost and subsequently amortised on a straight-line basis over their useful lives. Intangible assets are measured at cost less accumulated amortisation and impairment losses. Acquired licenses and spectrum are amortised commencing from the date when the related network is available for intended use in the relevant jurisdiction over the relevant licence period.

Computer software are intangible assets with finite useful lives that are acquired separately and are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis.

Gains or losses arising from derecognition of licenses are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised. Cellular and spectrum licenses are amortised over a period of 10 years and useful life for acquired computer software is 3-5 years.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. Amortisation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use.

The cost of intangible assets under development includes the amount of spectrum awarded to the Company for which services are yet to be rolled out.

3.7 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its PPE, ROU and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets under development are tested for impairment, at least annually or earlier, if circumstances indicate that those may be impaired.

PPE, ROU and intangible assets with definite lives are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the cash-generating-unit ('CGU') level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro rata basis.

3. Material accounting policy information (Continued)

3.7 Impairment of non-financial assets (Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss.

3.8 Leases

a. Company as a lessee

At the inception of a contract, the Company assesses a contract as or containing a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether the contract involves the use of an identified asset, the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use, and the Company has right to direct the use of the asset.

The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones).

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate

Lease liabilities include the net present value of fixed payments (including in-substance fixed payments), variable lease payments that are based on consumer price index ('CPI'), the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Subsequently, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments including due to changes in CPI or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or when the lease contract is modified and the lease modification is not accounted for as a separate lease. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the related right-of-use asset has been reduced to zero.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs.

Subsequent to initial recognition, right-of-use asset are stated at cost less accumulated depreciation and any impairment losses and adjusted for certain remeasurements of the lease liability. Depreciation is computed using the straight-line method from the commencement date to the end of the useful life of the underlying asset or the end of the lease term, whichever is shorter. The estimated useful lives of right-of-use assets are determined on the same basis as those of the underlying assets.

In the statement of financial position, the right-of-use assets and lease liabilities are presented separately.

When a contract includes lease and non-lease components, the Company allocates the consideration in the contract on the basis of the relative stand-alone prices of each lease component and the aggregate stand-alone price of the non-lease components.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases of machinery that have a lease term of 12 months or less. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

b. Company as a lessor

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under a finance lease are recognised as receivables at an amount equal to the net investment in the leased assets. Finance lease income is allocated to the periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the finance lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

When a contract includes lease and non-lease components, the Company applies IFRS 15 to allocate the consideration under the contract to each component.

The Company enters into 'Indefeasible right to use' ('IRU') arrangements wherein the right to use the assets is given over the substantial part of the asset life. However, as the title to the assets and the significant risks associated with the operation and maintenance of these assets remains with the Company, such arrangements are recognised as operating lease. The contracted price is recognised as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the statement of financial position.

3.9 Taxation

The income tax expense comprises current and deferred income tax. Income tax is recognised in the profit and loss, except to the extent that it relates to items recognised outside profit and loss, in other comprehensive income or directly in equity, in which case the related income tax is also recognised accordingly within other comprehensive income or directly in equity.

a. Current tax

Current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date and generate taxable income. The payment made in excess/ (shortfall) of Company income tax obligation for the respective periods are recognised in the statement of financial position under income tax assets/income tax liabilities, respectively.

3. Material accounting policy information (Continued)

3.9 Taxation (Continued)

a. Current tax (Contiinued)

Any interest relating to accrued liabilities for potential tax assessments are not included in the income tax charge or (credit), but are recognised within finance costs. A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. These provisions are measured at the best estimate of the amount expected to become payable or based on the expected value approach, as applicable and are presented within current tax liabilities. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b. Deferred tax

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. However, deferred tax is not recognised, if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Further, deferred tax liabilities are not recognised, if they arise from the initial recognition of goodwill. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences, tax losses and tax credits can be utilised. To assess such probability, the Company considers profit generation capability of the taxable entity based on historical trends as well as forecast profitability for the foreseeable future. When it is probable that there will be future taxable profits, an evaluation is performed to assess the availability of sufficient deductible temporary differences during the foreseeable future, relating to the same taxation authority and in the same taxable entity. Deferred tax assets, recognised and unrecognised, are reviewed at each reporting date and assessed for recoverability based on best estimates of taxable profits for the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

3.10 Functional currency translations

(a) Functional and presentation currency

The financial statements are presented in Malawi Kwacha, being the currency of the primary economic environment in which the Company operates (the functional currency). Transactions in foreign currencies are converted into Malawi Kwacha using the exchange rates prevailing at the dates of the transactions.

(b) Transactions and balances

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the foreign exchange rate ruling at that date. Exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at the closing date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) – with the resulting foreign exchange difference, on subsequent re-statement/settlement, recognised in the profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity.

3.11 Employee benefits

a. Retirement benefit obligations

The Company operates a defined contribution scheme for all its employees. The Company and all its employees also contribute to the National Pension Scheme Fund, which is a defined contribution scheme. A defined contribution plan is a retirement benefit plan under which the Company pays fixed contributions into a separate Company. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The contributions to the defined contribution schemes are recognised in profit or loss in the year in which they fall.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Company contributes to a defined contribution pension scheme that is administered by Old Mutual Pension Fund.

b. Other entitlements

The estimated liability for employees' long service award at the reporting date as determined by actuarial valuation and annual leave entitlement accounted as per accrual basis.

3.12 Inventories

Inventories include handsets, modems and related accessories.

Inventories are stated at the lower of cost (determined using the first-in-first-out method) and net realisable value. The costs comprise its purchase price and any directly attributable cost of bringing it to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated variable costs necessary to make the sale.

The amount of any write down of inventories to net realisable value and all losses of inventories is recognised as an expense in the period the write down or loss occurs.

3.13 Dividend

Dividends to shareholders of the Company are deducted from retained earnings and recognised as a liability, in the year in which the dividends are approved by the shareholders. Interim dividends are deducted from the retained earnings when they are paid.

3.14 Earnings per share

The Company presents the Basic and Diluted EPS data. Basic EPS is computed by dividing the profit for the period attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period. Diluted EPS is computed by adjusting, the profit for the year attributable

3. Material accounting policy information (Continued)

3.14 Earnings per share (Continued)

to the shareholders and the weighted average number of shares considered for deriving Basic EPS, for the effects of all the shares that could have been issued upon conversion of all dilutive potential shares. The dilutive potential shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Further, the dilutive potential shares are deemed converted as at beginning of the period, unless issued at a later date during the period.

3.15 Share capital and share premium

Issued ordinary shares are classified as 'share capital' in equity when the Company has an un-conditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Company and there is no contractual obligation whatsoever to that effect. Any premium received over and above the par value of the shares is classified as 'share premium' in equity.

3.16 Statement of cash flows

Cash flows are reported using the indirect method as per IAS-7 "Statement of cash flows", whereby profit for the period is adjusted for the effect of transactions of a non-cash nature, any deferral or accrual of past or future cash operating receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

3.17 Financial instruments

3.17.1. Recognition, classification and presentation

Financial instruments are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial instruments at initial recognition.

The Company classifies its financial assets in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- those to be measured at amortised cost. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

The Company has classified all non-derivative financial liabilities as measured at amortised cost.

Financial assets with embedded derivatives are considered in their entirety for determining the contractual terms of the cash flow and accordingly, embedded derivatives are not separated. However, derivatives embedded in non-financial instrument/financial liabilities (measured at amortised cost) host contracts are classified as separate derivatives if their economic characteristics and risks are not closely related to those of the host contracts.

Financial assets and liabilities arising from different transactions are off-set against each other and the resultant net amount is presented in the statement of financial position, if and only when, the Company currently has a legally enforceable right to set-off the related recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

3.17.2. Measurements – Non derivative financial instruments

Initial measurement

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit and loss.

Subsequent measurement - financial assets

The subsequent measurement of non-derivative financial assets depends on their classification as follows:

i. Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest rate ('EIR') method. Interest income from these financial assets is included in finance income.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

ii. Financial assets at fair value through profit or loss ('FVTPL')

Equity Investment

All equity instruments and financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income ('FVTOCI') are measured at FVTPL. Interest (based on the EIR method) and dividend income from financial assets at FVTPL along with other gains/losses arising from changes in the fair value is recognised in profit and loss within finance income/finance costs.

3.17.3. Measurements – Derivative financial instruments

Derivative financial instruments, including separated embedded derivatives, that are not designated as hedging instruments in a hedging relationship are classified as financial instruments at fair value through profit or loss. Such derivative financial instruments are initially recognised at fair value. They are subsequently measured at their fair value, with changes in fair value being recognised in profit and loss within finance income/finance costs.

3.17.4 Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically;

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss: and
- or financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss.

3. Material accounting policy information (Continued)

3.17 Financial instruments (Continued)

3.17.5 Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, 12 month expected credit loss ('ECL') is used to provide for impairment loss, otherwise lifetime ECL is used. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. For trade receivables and contract assets, the Company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

3.17.5.1. Write-off policy

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

3.17.5.2. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit and loss.

3.17.6 Financial liabilities and equity instruments

3.17.6.1 Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

3.17.6.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3.17.6.3 Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

3.17.6.4 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

3.17.6.5 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.18 Employee stock option plan (ESOP)

Employees (including senior executives) of the Company have received remuneration from the ultimate holding Company in the form of share-based payments, whereby employees render services as consideration for equity instruments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The Company recognizes the expense over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied, with corresponding credit taken to payables since the cost will be subsequently reimbursed to the parent.

3.19. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3.20 Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs include costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period they occur.

3.21 Provisions

a. General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the relevant obligation, using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to un-winding of the discounting due to the passage of time is recognised within finance costs.

3. Material accounting policy information (Continued)

3.21 Provisions (Continued)

b. Provision for legal, tax and regulatory matters

The Company is involved in various legal, tax and regulatory matters, the outcome of which may not be favourable to the Company. Management, in consultation with legal, tax and other advisers where required, assesses the likelihood that a pending claim will succeed against the Company. The Company recognises a provision in cases where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations arising from such claims.

3.22 Contingencies

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised and disclosed only where an inflow of economic benefits is probable.

3.23 Going concern

The financial statements have been prepared on a going concern basis. In making this going concern assessment, the Company has considered cash flow projections to March 2027 (going concern assessment period) under both a base case and reasonable worst-case scenarios including a reverse stress test. This assessment takes into consideration its principal risks and uncertainties including a reduction in revenue and EBITDA. This assessment also takes into consideration the repayment of all liabilities that fall due over the going concern period including the repayment of borrowings and other liabilities.

4. Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors including experience of future events that are believed to be reasonable under the circumstances.

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Key judgements made by management in the application of IFRS Accounting Standards have significant effect on the amounts recognised in the financial statements.

4.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Receivables

Critical estimates are made by the Directors in determining the recoverable amount of receivables. The Company uses a provision matrix to measure the expected credit loss of trade receivables. Factors taken into consideration in making such judgments include historical trends and the number of days a debt is past its due date for payment. The carrying amount of impaired receivables is set out in note 13.

An assessment of both the current economic conditions as well as the forecasted economic is done at the reporting date, including assessment of time value of money where appropriate.

Malawi economy, financial difficulties of the debtors, or financial reorganisation and delinquency in paying, amongst others, are also taken into account.

Deferred Tax Assets

Deferred tax assets are recognised by the Company, for temporary differences for which there is probability of utilisation against the taxable profit. Uncertainties exist in determination of the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. For details, refer note 8.

Determination of residual values and useful lives

Judgment and estimations are used when determining the residual values and useful lives of property, plant and equipment on annual basis.

Contingent liabilities and provisions

The Company is involved in various legal, tax and regulatory matters, the outcome of which may not be favourable to the Company. Management in consultation with the legal, tax and other advisers to assess the likelihood that a pending claim will succeed. The Company has applied its judgement and has recognised liabilities based on whether additional amounts will be payable and has included contingent liabilities where economic outflows are considered possible but not probable. However, given the nature of these matters, there may be a risk of a material change within the next financial year.

4.2 Critical judgments in applying the Company's accounting policies

In the process of applying the Company's accounting policies, management has made judgments in determining:

a. Determining the incremental borrowing rate for lease contracts

The Company has recognised lease liabilities at present value using the incremental borrowing rate (IBR) based on considerations specific to the lease agreement. Since determination of incremental borrowings is not directly available for the given markets in which Company operates, the Company has used judgement in determining the IBR by taking into consideration risk free borrowing rate based on US$ bonds and adjusting it for country and Company specific risk premiums. The IBR used across the Company is 14.72% for USD leases and 18.02% for MW leases.

b. Separating lease and non-lease components

The consideration paid by the Company in telecommunication towers lease contracts include the use of land, passive infrastructure as well as maintenance, security services, etc. Therefore, in determining the allocation of consideration between lease and non-lease components, for the additional services that are not separately priced, the Company performs detailed analysis of cost split to arrive at relative stand-alone prices of each of the components.

c. Foreign exchange movement on USD portion of leases

The Company has lease contracts with payments that are payable in Malawi Kwacha, however, a portion of payments either increase or decrease each year depending on movements in the Malawi Kwacha to United States Dollar exchange rate (hereafter termed the US$ portion). The Company has used judgment in determining that the impact of foreign exchange movement on the USD portion is not treated as an index adjustment or rate adjustment under IFRS 16 - *Leases* but is remeasured to the kwacha/USD spot exchange rate at the end of each reporting period in line with IAS 21 - The Effects of Changes in Foreign Exchange Rates.

3. Material accounting policy information (Continued)

3.21 Provisions (Continued)

d. Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

e. Lack of exchangeability

In applying the amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates (effective 1 April 2025), the Company has exercised judgement in assessing whether currencies in the jurisdictions in which it operates meet the criteria for being considered non exchangeable. This assessment requires consideration of the economic and regulatory environment and the presence of functioning foreign exchange mechanisms. Based on the current facts and circumstances, the Company has concluded that the IAS 21 amendment's requirements are not clearly met. The Company will continue to monitor developments and reassess this judgement as and when new information becomes available.

5. Property, plant and equipment

	Network equipment	Computer equipment	Furniture and office equipment
	K'000	K'000	K'000
For the Year ended 31 December 2025			
Cost			
At the beginning of the year	163 767 595	25 817 242	7 444 900
Additions	-	-	-
Transfer from CWIP	36 524 442	4 102 055	2 262 983
Disposal	(2 780 951)	(12 424 174)	(240 584)
Reclassification	-	-	29 918
Transfer to Intangible assets*	-	(4 154 240)	-
At the end of the year	197 511 086	13 340 883	9 497 217
Accumulated depreciation			
At the beginning of the year	89 334 353	22 023 846	5 644 989
Disposal	(2 780 951)	(12 424 174)	(240 584)
Charge for the year	15 575 674	1 539 025	1 645 128
Reclassification	-	-	3 180
Transfer to Intangible assets*	-	(1 237 711)	-
At the end of the year	102 129 076	9 900 986	7 052 713
NBV 31 December 2025	**95 382 010**	**3 439 897**	**2 444 504**
NBV 31 December 2024	**74 433 242**	**3 793 396**	**1 799 911**

Buildings	Freehold land	Vehicles	Leasehold improvements	Total	Capital work in progress
K'000	K'000	K'000	K'000	K'000	K'000
4 323 916	88 526	342 098	522 979	202 307 256	9 986 840
-	-	-	-	-	50 365 878
-	-	283 500	-	43 172 980	(43 172 980)
-	-	-	-	(15 445 709)	-
-	-	-	(29 918)	-	-
-	-	-	-	(4 154 240)	-
4 323 916	88 526	625 598	493 061	225 880 287	17 179 738
2 776 575	-	342 097	473 935	120 595 795	-
-	-	-	-	(15 445 709)	-
206 786	-	56 390	5 957	19 028 960	-
-	-	-	(3 180)	-	-
-	-	-	-	(1 237 711)	-
2 983 361	-	398 487	476 712	122 941 335	-
1 340 555	**88 526**	**227 111**	**16 349**	**102 938 952**	**17 179 738**
1 547 341	**88 526**	**1**	**49 044**	**81 711 461**	**9 986 840**

5. Property, plant and equipment (Continued)

A register of land and buildings giving details required under the Companies Act 2013, Schedule 3, and Section 16 is maintained at the registered office of the Company and is open for inspection by members or their duly authorized agents.

*During the year, there was reversal of gross carrying value and accumulated depreciation on retirement/ disposal of PPE, Intangibles amounting to K2 916 million (gross carrying value: K4 154 million, and accumulated amortisation: K1 238 million) were reclassified from property, plant and equipment to intangible assets.

The carrying value of CWIP as at 31 December 2025 and 2024 is K17 180 million and K9 987 million respectively, mainly pertains to network equipment.

	Network equipment	Computer equipment	Furniture and office equipment
	K'000	K'000	K'000
For the Year ended 31 December 2024			
Cost			
At the beginning of the year	135 996 438	22 784 152	5 794 441
Additions	-	-	-
Transfer from CWIP	27 771 157	3 033 090	1 650 459
At the end of the year	163 767 595	25 817 242	7 444 900
Accumulated depreciation			
At the beginning of the year	77 182 737	20 121 616	4 366 427
Charge for the year	12 151 616	1 902 230	1 278 562
At the end of the year	89 334 353	22 023 846	5 644 989
NBV 31 December 2024	**74 433 242**	**3 793 396**	**1 799 911**
NBV 31 December 2023	**58 813 701**	**2 662 536**	**1 428 014**

A register of land and buildings giving details required under the Companies Act 2013, Schedule 3, and Section 16 is maintained at the registered office of the Company and is open for inspection by members or their duly authorized agents.

The carrying value of CWIP as at 31 December 2024 and 2023 is K9 987 million and K7 773 million respectively, mainly pertains to network equipment.

Buildings	Freehold land	Vehicles	Leasehold improvements	Total	Capital work in progress
K'000	K'000	K'000	K'000	K'000	K'000
4 323 916	88 526	342 098	522 979	169 852 550	7 773 302
-	-	-	-	-	34 668 244
-	-	-	-	32 454 706	(32 454 706)
4 323 916	88 526	342 098	522 979	202 307 256	9 986 840
2 569 597	-	342 079	460 584	105 043 040	-
206 978	-	18	13 351	15 552 755	-
2 776 575	-	342 097	473 935	120 595 795	-
1 547 341	**88 526**	**1**	**49 044**	**81 711 461**	**9 986 840**
1 754 319	**88 526**	**19**	**62 395**	**64 809 510**	**7 773 302**

6. Intangible assets

	Cellular license	Computer Software	Deferred Spectrum	Intangible assets under development	Total
	K'000	K'000	K'000	K'000	K'000
For the year ended 31 December 2025					
Cost					
At 1 January 2025	6 800 000	-	2 015 383	-	8 815 383
Additions	-	-	-	2 373 388	2 373 388
Transfer from intangible assets under development	-	2 115 257	-	(2 115 257)	-
Transfer from PPE*	-	4 154 240	-	-	4 154 240
At 31 December 2025	**6 800 000**	**6 269 497**	**2 015 383**	**258 131**	**15 343 011**
Amortisation					
At 1 January 2025	611 256	-	181 164	-	792 420
Charge for the year	680 000	1 156 766	201 538	-	2 038 304
Transfer from PPE*	-	1 237 711	-	-	1 237 711
At 31 December 2025	**1 291 256**	**2 394 477**	**382 702**	**-**	**4 068 435**
For the year ended 31 December 2024					
Cost					
At 1 January 2024	1 800 000	-	509 257	-	2 309 257
Additions	6 800 000	-	2 015 383	-	8 815 383
Disposal / retirement	(1 800 000)	-	(509 257)	-	(2 309 257)
At 31 December 2024	**6 800 000**	**-**	**2 015 383**	**-**	**8 815 383**
Amortisation					
At 1 January 2024	1 784 713	-	495 858	-	2 280 571
Charge for the year	626 543	-	194 563	-	821 106
Disposal / retirement	(1 800 000)	-	(509 257)	-	(2 309 257)
At 31 December 2024	**611 256**	**-**	**181 164**	**-**	**792 420**
Carrying amount:					
At 31 December 2025	**5 508 744**	**3 875 020**	**1 632 681**	**258 131**	**11 274 576**
At 31 December 2024	**6 188 744**	**-**	**1 834 219**	**-**	**8 022 963**

During the year, intangibles amounting to K2 916 million (gross carrying value: K4 154 million, and accumulated amortisation: K1 238 million) were reclassified from property, plant and equipment to intangible assets.

Note - The remaining amortisation period of the Cellular licence & Deferred Spectrum as of 31 December 2025 and 2024 is 8 years 1 month and 9 years 1 month respectively.

7. Right-of-use assets

	Leasehold buildings	Leasehold land	Telecom equipment	Indefeasible right of use	Total
	K'000	K'000	K'000	K'000	K'000
For the year ended 31 December 2025					
At the beginning of the year	291 000	192 074	72 421 176	350 170	73 254 420
Additions (net)	64 502	-	18 120 074	8 469 105	26 653 681
Depreciation charge for the year	(140 682)	(3 757)	(8 882 127)	(684 753)	(9 711 319)
At the end of the year	**214 820**	**188 317**	**81 659 123**	**8 134 522**	**90 196 782**
For the year ended 31 December 2024					
At the beginning of the year	293 893	195 831	57 871 389	481 529	58 842 642
Additions (net)	99 206	-	22 833 417	-	22 932 623
Depreciation charge for the year	(102 099)	(3 757)	(8 266 761)	(131 359)	(8 503 976)
Disposal / retirement	-	-	(16 869)	-	(16 869)
At the end of the year	**291 000**	**192 074**	**72 421 176**	**350 170**	**73 254 420**

Telecom equipment - The Company leases passive infrastructure for providing telecommunications services under composite contracts which include lease of passive infrastructure and land on which the passive infrastructure is built as well as maintenance, security, provision of energy and other services. These leases typically run for a period of greater than 1 to 12 years. Lease contracts include an option to renew the lease after the end of the initial contract term based on renegotiation of lease rentals. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Other leases - The Company's other leases comprise lease of offices, shops and indefeasible right of use (IRU).

8. Deferred tax asset

Deferred tax is calculated using the tax rate of 40% (2024: 40%). The movement on the deferred tax account is as follows:

	2025	2024
	K'000	K'000
At 1 January	35 149 803	27 632 096
(Charge)/credit to profit and loss (note 34)	(2 170 798)	7 517 707
At 31 December	**32 979 005**	**35 149 803**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Effective 01 January 2024, the Government changed the applicable tax rates to 40% from 30% as applicable up to 31 December 2023. However, the said 40% tax rate was applicable for taxable profits in excess of K10 billion and for profits less than K10 billion, the appliable tax rate was 30%. During the current year, the Government has further rationalised the tax rates and now the applicable tax rate of 40% is applicable on taxable profits in excess of K5 billion and for profits less than K5 billion, the appliable tax rate remains at 30%. The Company foresees to realise the temporary differences at the highest rate of 40% since its profit before tax is forecasted to stay above the lower bracket of K5 billion. Deferred tax has therefore been calculated at 40%.

Deferred tax assets/(liabilities), deferred tax (charge)/credit in profit or loss, and deferred tax (charge)/ credit in equity are attributable to the following items:

	At 1 January	Credited/ (Charged) to income statement	At 31 December
	K'000	K'000	K'000
At 31 December 2025			
Deferred tax asset			
Property, plant and equipment	(15 865 559)	(4 357 585)	(20 223 144)
Unrealised exchange losses and deferred revenue	33 914 451	11 754 705	45 669 156
Others	17 100 911	(9 567 918)	7 532 993
Net deferred tax	**35 149 803**	**(2 170 798)**	**32 979 005**
At 31 December 2024			
Deferred tax asset			
Property, plant and equipment	(9 158 801)	(6 706 758)	(15 865 559)
Unrealised exchange losses and deferred revenue	30 875 784	3 038 667	33 914 451
Others	5 915 113	11 185 798	17 100 911
Net deferred tax	**27 632 096**	**7 517 707**	**35 149 803**

9. Other non-current assets

	2025	2024
	K'000	K'000
Security Deposit*	57 413	51 818
Prepayment (Bandwidth)**	13 315 276	14 943 681
Other payment under protest on legal case***	52 619	454 135
Other – (deferred customer acquisition costs)	3 000 290	1 858 020
Total	**16 425 598**	**17 307 654**

*In February 2014, as part of the licensing agreement, the Company provided a guarantee to the Authority (MACRA) at the amount of K45 million to secure the performance of the obligations contained in the Licence. In the event that the Authority imposes a penalty upon the Company for any breach of the Licence conditions the Authority shall have the right to draw upon the performance guarantee and balance amount K12.4 million (2024: K6.8 million) is pertaining to Airtel shop & expat employee house rental security deposit.

**Prepayment (bandwidth) relate to amounts that the Company paid in advance for Bandwidth frequency for more than 12 months hence being classified as other non-current assets.

*** Other payment under protest on legal case - relates to payment made under protest for on going legal case in 2025.

Deferred customer acquisition costs	2025 K'000	2024 K'000
At the beginning of the year	7 393 101	5 356 685
Additions	16 923 387	9 314 194
Amortisation	(11 964 133)	(7 277 778)
Total	**12 352 355**	**7 393 101**

Deferred customer acquisition costs analysis

Current (note 13.2)	9 352 065	5 535 081
Non current	3 000 290	1 858 020
Total	**12 352 355**	**7 393 101**

The Company defers the customer acquisition costs on recognition and amortises over the average anticipated customer life. The Company estimates that the historic average customer life is longer than 12 months (up to 25 months) and believes that its churn rate provides the best indicator of anticipated average customer life.

10. Investments

	2025	2024
	K'000	K'000
Non-current investment – National Switch Ltd*	-	81 000
Current investment**	8 755 001	-
Total Investments	**8 755 001**	**81 000**

* Refer note 12.

** Current investments relate to 182-day Treasury Bills held with Reserve Bank of Malawi invested in 2025 and maturing in January 2026. These Treasury bills are invested at an interest rate of 20 % per annum.

11. Inventories

	2025	2024
	K'000	K'000
Merchandise held for sale	4 354 463	1 479 319
Provision	(254 351)	(154 208)
At the end of the year	**4 100 112**	**1 325 111**

The cost of inventories recognized as an expense and included in 'cost of sales' amounted to K3 939 million (2024: K1 542 million). The movement in provision has been expensed through sales and marketing expense.

12. Related party disclosures

12.1 Amount due from other related parties

Name of the related party	Country of incorporation	Relationship	2025 K'000	2024 K'000
Bharti Airtel (UK) Limited	United Kingdom	Fellow subsidiary	2 891 535	2 187 021
Bharti Airtel Limited	India	Intermediate parent	34 111	47 424
Airtel Mobile Commerce Limited	Malawi	Fellow subsidiary	-	977 193
Celtel Niger S.A.	Niger	Fellow subsidiary	9 912	10 092
Airtel Tchad S.A.	Chad	Fellow subsidiary	1 214	1 336
Bharti Hexacom Limited	India	Fellow subsidiary	-	305
Jersey Airtel Limited	Jersey	Fellow subsidiary	1	79
Singapore Telecommunication ltd	Singapore	*Other related party	592	37
Emtel Limited	Mauritius	*Other related party	-	77
Totals as disclosed in note 13.1			**2 937 365**	**3 223 564**

No provisions for impairment losses have been recorded in 2025 and 2024 for any related party receivables. Amounts due from/to related parties carry no interest are receivable/payable on demand and are at arms length.

12.2 Amount due to other related parties

			2025	2024
Name of the related party	Country of incorporation	Relationship	K'000	K'000
Bharti Airtel Malawi Holdings B.V.	Netherlands	Holding Company	508 254	508 919
Bharti Airtel International (Netherlands) B.V.	Netherlands	Intermediate parent	6 061 726	4 598 135
Bharti Airtel International (Netherlands) Kenya Branch	Netherlands	Intermediate parent	-	696 497
Airtel Africa Services (UK) Limited	United Kingdom	Fellow subsidiary	22 736 236	11 942 238
Airtel Mobile Commerce Limited	Malawi	Fellow subsidiary	1 413 108	-
Airtel Networks Zambia plc	Zambia	Fellow subsidiary	4 914 062	6 430 844
Bharti Airtel (France) SAS	France	Fellow subsidiary	1 227 005	511 922
Airtel Africa Telesonic Limited	United Kingdom	Fellow subsidiary	19 281 844	19 527 079
Network i2i Limited	Mauritius	Intermediate parent	1 672 440	296 310
Airtel Tanzania plc	Tanzania	Fellow subsidiary	2 070 510	3 760 400
Airtel Networks Kenya Limited	Kenya	Fellow subsidiary	332 950	933 346
Airtel (Seychelles) Limited	Seychelles	Fellow subsidiary	50 379	49 876
Airtel Uganda Limited	Uganda	Fellow subsidiary	302 600	302 464
Airtel Rwanda Limited	Rwanda	Fellow subsidiary	289 217	283 857
Airtel Congo S.A	Congo B	Fellow subsidiary	226 586	226 639
Bharti Airtel Services Limited	India	Fellow subsidiary	106 690	104 440
Airtel Madagascar S.A.	Madagascar	Fellow subsidiary	64 109	63 998
Airtel Networks Limited	Nigeria	Fellow subsidiary	8 193	7 838
Airtel Gabon S.A.	Gabon	Fellow subsidiary	38 780	38 820
Bharti Hexacom Limited	India	Fellow subsidiary	47	-
Airtel Congo (RDC) S.A.	Congo (DRC)	Fellow subsidiary	9 850	34 551
Nxtra Data Limited	India	Fellow subsidiary	1 224	1 224
Bharti Airtel Sri Lanka (Private) Limited	Sri Lanka	Fellow subsidiary	-	70
Airtel Africa plc	United Kingdom	Intermediate parent	454 726	-
Emtel Limited	Mauritius	*Other related party	20	-
Totals as disclosed in note 19			61 770 556	50 319 467

12. Related party disclosures (Continued)

12.3 Related party transactions

12.3.1 Sales of goods and services

Name of the related party	Country of incorporation	Relationship	2025 K'000	2024 K'000
Airtel (Seychelles) Limited	Seychelles	Fellow subsidiary	213	106
Airtel Congo (RDC) S.A.	Congo (DRC)	Fellow subsidiary	22 219	42 613
Airtel Congo S.A	Congo B	Fellow subsidiary	20	69
Airtel Gabon S.A.	Gabon	Fellow subsidiary	72	238
Airtel Madagascar S.A.	Madagascar	Fellow subsidiary	2	3
Airtel Mobile Commerce Limited	Malawi	Fellow subsidiary	6 444 487	3 829 166
Airtel Networks Kenya Limited	Kenya	Fellow subsidiary	21 273	23 657
Airtel Networks Limited	Nigeria	Fellow subsidiary	2 061	2 444
Airtel Networks Zambia plc	Zambia	Fellow subsidiary	177 857	143 292
Airtel Rwanda Limited	Rwanda	Fellow subsidiary	102	167
Airtel Tanzania plc	Tanzania	Fellow subsidiary	69 494	16 339
Airtel Tchad S.A.	Chad	Fellow subsidiary	44	82
Airtel Uganda Limited	Uganda	Fellow subsidiary	9 014	10 278
Bharti Airtel (UK) Limited	United Kingdom	Fellow subsidiary	2 794 150	3 815 922
Bharti Airtel Limited	India	Intermediate parent	32 338	30 729
Bharti Hexacom Limited	India	Fellow subsidiary	894	471
Celtel Niger S.A.	Niger	Fellow subsidiary	26	154
Emtel Limited	Mauritius	*Other related party	-	3
Jersey Airtel Limited	Jersey	Fellow subsidiary	2	81
Airtel Africa Telesonic Limited	United Kingdom	Fellow subsidiary	324 748	177 726
			9 899 016	**8 093 540**

12.3.2 Purchase of goods and services

Name of the related party	Country of incorporation	Relationship	2025 K'000	2024 K'000
Airtel Congo (RDC) S.A.	Congo (DRC)	Fellow subsidiary	188 834	260 623
Airtel Congo S.A	Congo B	Fellow subsidiary	57	112
Airtel Gabon S.A.	Gabon	Fellow subsidiary	21	323
Airtel Madagascar S.A.	Madagascar	Fellow subsidiary	191	305
Airtel Mobile Commerce Limited	Malawi	Fellow subsidiary	45 037 102	28 335 097
Airtel Networks Kenya Limited	Kenya	Fellow subsidiary	21 514	26 218
Airtel Networks Limited	Nigeria	Fellow subsidiary	4 466	5 284
Airtel Networks Zambia plc	Zambia	Fellow subsidiary	1 045 354	1 105 172
Airtel Rwanda Limited	Rwanda	Fellow subsidiary	7 505	8 224
Airtel Tanzania plc	Tanzania	Fellow subsidiary	135 868	50 444
Airtel Tchad S.A.	Chad	Fellow subsidiary	92	495
Airtel Uganda Limited	Uganda	Fellow subsidiary	17 671	16 635
Bharti Airtel (France) SAS	France	Fellow subsidiary	376 995	469 291
Bharti Airtel (UK) Limited	United Kingdom	Fellow subsidiary	957 289	1 170 395
Bharti Airtel International (Netherlands) B.V.	Netherlands	Intermediate parent	1 267 954	107 786
Bharti Airtel Limited	India	Intermediate parent	126 218	21 949
Bharti Hexacom Limited	India	Fellow subsidiary	737	294
Celtel Niger S.A.	Niger	Fellow subsidiary	66	384
Centum Learning Limited	India	*Other related party	56 659	107 901
Emtel Limited	Mauritius	*Other related party	188	258
Jersey Airtel Limited	Jersey	Fellow subsidiary	11	1
Network i2i Limited	Mauritius	Intermediate parent	1 707 710	709 836
Nxtra Data Limited	India	Fellow subsidiary	-	456 430
Airtel (Seychelles) Limited	Seychelles	Fellow subsidiary	1 118	1 090
Airtel Africa Services (UK) Limited	United Kingdom	Fellow subsidiary	12 902 360	10 681 786
Airtel Africa Telesonic Limited	United Kingdom	Fellow subsidiary	728 364	619 626
Airtel Africa plc	United Kingdom	Intermediate parent	454 726	-
			65 039 070	**45 155 959**

* Other related parties' though not 'Related Parties' as per the definition under IAS 24, 'Related party disclosures', have been included by way of a voluntary disclosure, following the best corporate governance practices, these are investments done by the group companies.

Compensation of key senior management personnel is presented in note 35.

12. Related party disclosures (Continued)

12.3 Related party transactions (Continued)

12.3.3 Sale of investment

	2025	2024
	K'000	K'000
Airtel Mobile Commerce Limited	81 000	-
	81 000	**-**

12.3.4 Management fees (net off reimbursement)

	2025	2024
	K'000	K'000
Airtel Africa Services (UK) Limited (note 12.3.2)	12 902 360	10 681 786
Airtel Mobile Commerce Limited*	(3 445 763)	(2 303 343)
	9 456 597	**8 378 443**

*Amounts pertain to reimbursement of cross charge management fees to Airtel Mobile Commerce Limited.

13. Trade and other receivables and other current assets

13.1 Trade and other receivables

	2025	2024
	K'000	K'000
Trade receivables	9 120 214	10 308 855
Less: provision for impairment losses	(5 624 644)	(5 879 274)
	3 495 570	4 429 581
Amount due from related parties (note 12.1)	2 937 365	3 223 564
Contract assets	921 260	806 590
Other receivables*	537 240	224 901
	7 891 435	**8 684 636**

*Other receivables relate to sundry receivables from other shop agents & Airtel Africa Foundation for CSR activity.

The directors consider that the carrying amount of receivables approximates their fair value due to their short term nature.

13.2 Other current assets

	2025	2024
	K'000	K'000
Prepayments	7 314 389	11 650 308
Deferred customer acquisition costs (note 9)	9 352 065	5 535 081
Interest accrued on investment	868 210	31 193
Advances to suppliers	12 658 129	13 708 538
Tax recoverable	4 150 765	3 665 017
Others current assets	1 609 710	139 958
	35 953 268	**34 730 095**

Prepayments relate to amounts that the Company paid in advance for various services such as cost to obtain or fulfil contracts with customers, prepaid payment in respect of indefeasible right to use (IRU), network costs and advance rent related to offices and shops while other current assets relate to staff advances and other advances. Taxes recoverable include value added tax. .

Advances to suppliers (net) are disclosed net of provision of K165 million and K164 million as of 31 December 2025 and 2024 respectively.

With increased and more reliable data the Company now estimates that the historic average customer life is longer than 12 months and believes that its churn rate provides the best indicator of anticipated average customer life and has updated its policy (note 3.4) on cost deferral recognition in these financial statements.

The prepaid- related to customer acquisition costs amounted to K12 352 million (2024: K7 393 million). Refer to note 9 to the financial statements.

No interest is charged on trade and other receivables. No provisions for impairment losses have been required in 2025 and 2024 for any related party receivables.

The directors consider that the carrying amount of trade and other receivables approximates to their fair value due to their short-term nature.

Expected credit losses of receivables is further analysed as follows: -

	2025	2024
	K'000	K'000
At the beginning of the year	5 879 274	5 312 905
Net (recovery)/loss allowance made	(254 630)	566 369
Total	**5 624 644**	**5 879 274**

13. Trade and other receivables and other current assets (Continued)

Analysis of impairment of expected credit losses charged to statement of comprehensive income

	2025	2024
	K'000	K'000
Current year expected credit losses	(254 630)	566 369
Other reversals*	(15 265)	(22 018)
Charged to statement of comprehensive income	**(269 895)**	**544 351**

The average credit period on sales of goods is 30 days, while for interconnect is above 90 days. No interest is charged on outstanding trade receivables. The expected credit loss (ECL) is mainly based on the ageing of the receivable balances and historical experience, the willingness or otherwise of customers to acknowledge their indebtedness, together with other objective evidence of impairment as a result of one or more events that have occurred after initial debt recognition which suggest that future cash flows may be impaired. Provisioning on this basis can be subjective by nature as it requires the assessment of financial, as well as non-financial information in arriving at an impairment value, which can only be borne out by future events.

The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

The Company uses a provision matrix to measure the expected credit loss of trade receivables. Based on the industry practices and the business environment in which the Company operates, management considers that the trade receivables are credit impaired if the payments are more than 90 days past due (Interconnect more than 9 months).

*Other reversal relates to provision reversal for advance to supplier and provision liability appearing in other current asset (note 13.2).

The Company performs on-going credit evaluations of its customers' financial condition and monitors the creditworthiness of its customers to which it grants credit in its ordinary course of business. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount due. Where the financial asset has been written-off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit and loss.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables has crossed the law of limitation period past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Company's different customer base.

For the purposes of grouping, Airtel's receivables are grouped based on the shared credit risk characteristics. Airtel identified ten (10) groups of debtors as follows:

1. Airtel shops; 2. Channel partner; 3. Enterprise; 4. Interconnect; 5. Lease line; 6. Postpaid;
7. Roaming; 8. Site sharing; 9. ACS Subscriber and 10. All other remaining receivables.

At 31 December 2025 the lifetime expected loss provision for trade receivables is as follows:

Expected credit loss rate	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	181 to 360 days	>360 days
Airtel shops	0%	0%	0%	100%	100%	100%
Channel partner	0%	0%	0%	100%	0%	100%
Enterprise	0%	0%	0%	0%	0%	100%
Interconnect	0%	0%	0%	0%	1%	11%
Lease line	0%	0%	0%	100%	100%	100%
Postpaid	0%	0%	0%	100%	100%	100%
Roaming	0%	0%	0%	100%	100%	100%
Site sharing	0%	0%	0%	15%	100%	100%
ACS Subscriber	0%	0%	0%	0%	17%	100%
Other receivables**	0%	0%	0%	0%	100%	100%

13. Trade and other receivables and other current assets (Continued)

At 31 December 2025, the lifetime expected loss provision for trade receivables is as follows (continued):

Gross carrying amount	1 to 30 days K'000	31 to 60 days K'000	61 to 90 days K'000	91 to 180 days K'000	181 to 360 days K'000	>360 days K'000	Totals K'000
Airtel Shops	-	-	-	166	11 409	77 557	89 132
Channel Partner	94 234	-	-	206	-	375 857	200 097
Enterprise	120 678	14 122	1 813	-	-	547 719	684 332
Interconnect	571 934	156 408	103 972	261 576	245 768	1 053 754	2 393 412
Lease Line	3 570	31 891	11 129	54 143	54 471	834 095	989 299
Postpaid	125 167	118 129	961 560	110 751	28 249	1 737 431	3 081 287
Roaming	93 782	16 101	4 871	37 321	36 766	707 941	896 782
Site Sharing	-	-	25 896	25 896	5 924	10 231	67 947
ACS Subscriber	655 260	209 319	158 282	425 237	735 101	436 657	2 619 856
Other receivables**	(1 569 087)	6 201	52 218	(47 561)	3 226	304 133	(980 670)
Totals	**95 538**	**552 171**	**1 319 741**	**867 735**	**1 120 914**	**6 085 375**	**10 041 474**

Expected credit losses	1 to 30 days K'000	31 to 60 days K'000	61 to 90 days K'000	91 to 180 days K'000	181 to 360 days K'000	>360 days K'000	Totals K'000
Airtel Shops	-	-	-	166	11 409	77 557	89 132
Channel Partner	-	-	-	206	-	375 857	376 063
Enterprise	-	-	-	-	-	547 719	547 719
Interconnect	-	-	-	-	3 082	117 513	120 595
Lease Line	-	-	-	54 143	54 471	834 095	942 709
Postpaid	-	-	-	110 751	28 249	1 737 431	1 876 431
Roaming	-	-	-	37 321	36 766	707 941	782 028
Site Sharing	-	-	-	3 865	5 924	10 231	20 020
ACS Subscriber	-	-	-	-	125 931	436 657	562 588
Other receivables**	-	-	-	-	3 226	304 133	307 359
Total	**-**	**-**	**-**	**206 452**	**269 058**	**5 149 134**	**5 624 644**

At 31 December 2024 the lifetime expected loss provision for trade receivables is as follows:

Expected credit loss rate	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	181 to 360 days	>360 days
Airtel shops	0%	0%	0%	100%	100%	100%
Channel partner	0%	0%	0%	0%	100%	100%
Enterprise	0%	0%	0%	0%	100%	100%
Interconnect	0%	0%	0%	0%	62%	37%
Lease line	0%	0%	0%	100%	100%	100%
Postpaid	0%	0%	0%	100%	100%	100%
Roaming	0%	0%	0%	100%	100%	100%
Site sharing	0%	0%	0%	0%	100%	100%
ACS Subscriber	0%	0%	0%	77%	0%	0%
Other receivables**	0%	0%	0%	0%	0%	100%

At 31 December 2024, the lifetime expected loss provision for trade receivables is as follows

	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	181 to 360 days	>360 days	Totals
Gross carrying amount	K'000	K'000	K'000	K'000	K'000	K'000	K'000
Airtel Shops	6 164	3 839	3 287	9 237	3 854	76 071	102 452
Channel Partner	332 639	14 378	183 049	-	429	375 428	905 923
Enterprise	261 909	111 016	167 919	(5 337)	120 630	427 089	1 083 226
Interconnect	58 737	186 778	28 553	10 967	41 383	622 012	948 430
Lease Line	121 325	619 688	149 779	136 910	50 071	863 889	1 941 662
Postpaid	130 253	111 509	655 239	95 772	811 585	1 031 192	2 835 550
Roaming	403 123	10 161	13 136	11 135	19 628	755 486	1 212 669
Site Sharing	-	-	25 896	-	72 909	37 112	135 917
ACS Subscriber	377 034	572 111	260 813	541 839	873 032	-	2 624 829
Other receivables**	12 428	(87 737)	(68 165)	(157 838)	(681 262)	307 361	(675 213)
Total	**1 703 612**	**1 541 743**	**1 419 506**	**642 685**	**1 312 259**	**4 495 640**	**11 115 445**

13. Trade and other receivables and other current assets (Continued)

At 31 December 2024, the lifetime expected loss provision for trade receivables is as follows (continued)

Expected credit losses	1 to 30 days K'000	31 to 60 days K'000	61 to 90 days K'000	91 to 180 days K'000	181 to 360 days K'000	>360 days K'000	Totals K'000
Airtel Shops	-	-	-	9 237	3 854	76 069	89 160
Channel Partner	-	-	-	-	429	375 428	375 857
Enterprise	-	-	-	-	120 630	427 089	547 719
Interconnect	-	-	-	-	25 692	232 924	258 616
Lease Line	-	-	-	136 910	50 071	863 889	1 050 870
Postpaid	-	-	-	95 772	811 585	1 031 192	1 938 549
Roaming	-	-	-	11 135	19 628	755 486	786 249
Site Sharing	-	-	-	-	72 909	37 112	110 021
ACS Subscriber	-	-	-	414 872	-	-	414 872
Other receivables**	-	-	-	-	-	307 361	307 361
Total	**-**	**-**	**-**	**667 926**	**1 104 798**	**4 106 550**	**5 879 274**

** Other receivables mainly include unapplied receipts hence since the amounts have been received and mostly in credit as such, they have zero default rates. The Company expects no change to this in the foreseeable future hence no expected credit losses for the same is determined.

14. Income tax

	2025 K'000	2024 K'000
Balance at the beginning of the year	(794 685)	4 276 435
Withholding tax paid during the year	(3 067 802)	(1 536 152)
Provisional tax paid during the year	(24 825 621)	(19 877 552)
Provisional tax paid for prior year	(4 001 680)	(3 854 352)
Charge for the year (note 34)	32 382 423	20 196 936
Income tax receivable	**(307 365)**	**(794 685)**

15.1 Cash and cash equivalents

	2025	2024
	K'000	K'000
Current bank accounts*	51 742 259	41 897 326
FCDA account**	82 478	668 471
Cash in hand	5 416 853	646 936
Short term deposit accounts	25 198 668	12 270 884
Totals	**82 440 258**	**55 483 617**

For the purpose of the statement of cash flows cash and cash equivalents are as follows:

*The balances on current accounts are with multiple banks and were earning interest between 0%-7% in 2025 (2024: 0% - 7%) per annum.

**Included in bank balances and cash are foreign currency denominated balances valued at K82 million (2024: K668 million) at 31 December 2025. The balances were earning nil interest in 2025 (2024: nil) per annum.

The rest of the bank balances are denominated in Malawi Kwacha. Short term deposit have a tenure of 1 month only and were earning interest between 4-23% (2024: 4-23%) per annum.

The carrying amount of K82 440 million (2024: K55 484 million) is a reasonable approximation of fair value.

15.2 Other bank balances

	2025	2024
	K'000	K'000
Earmarked balances with banks	7 123 707	408 237
Totals	**7 123 707**	**408 237**

This mainly represents restricted cash against line of credit of K6 304 million for payment to a supplier (Nokia) to purchase telecom equipment's. These funds are pledged and are not available for use in the Company's day-to-day operations. The restriction will remain in place until the underlying obligation to the supplier is settled. The restricted cash is presented separately in the statement of financial position and is not part of cash and cash equivalents in the statement of cash flow as it is maturing after six months. In addition, there is forward contract of K804 million (2024: K408 million). The balances were earning nil interest in 2025 (2024: nil) per annum.

16. Borrowings

	2025	2024
	K'000	K'000
Current		
Current portion of the loan	54 128 150	57 441 344
Total borrowings	**54 128 150**	**57 441 344**

Analysis as below:

Bank of America, Hong kong branch	2025	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 in the year	(7 417 478)	(4 712 832)
Exchange loss	289 463	1 711 289
At the end of the year	**54 128 150**	**57 441 344**

In 2018, the Company had taken an external loan of USD 40 million from Bank of America NA, Hong Kong Branch. The original tenor of the loan was for 2 years. Interest rate was at 3 months LIBOR plus 105 bps. The facility was uncommitted and unsecured revolving credit facility in USD and principal repayment was at the end of two years on 14 March 2020. On 12 March 2020, the loan facility was extended to expire on 13 September 2021 with change in term as 3 months LIBOR +120 bps. The loan facility was extended again on 2 August 2021 to expire on 13 September 2023 with change in term as 3 months LIBOR +170 bps. On 04 January 2023, the facility was extended to expire on 12 September 2025. On 10 September 2025, the facility was further extended to expire on 13 September 2027. The renewed loan attracts the same interest rate of 3 months SOFR plus 170 bps. The facility is still uncommitted and unsecured revolving credit facility and is payable on demand.

Pursuant to LIBOR & rate reference reforms in 2021, the benchmark rate has been replaced by SOFR (Secured overnight financing rate).

17. Lease liabilities

As at 31 December 2025 the Company had the following lease liabilities: -

	2025	2024
	K'000	K'000
Current portion of leases liabilities	5 326 138	3 514 723
Non-current portion of leases liabilities	137 830 191	125 293 893
Total lease liabilities	**143 156 329**	**128 808 616**

Lease details are as below:-

Opening lease liability	128 808 616	102 209 517
Additional lease during the year	26 653 681	22 932 623
Retirement of leased assets	-	(43 835)
Interest on lease liability	20 544 567	17 735 891
Repayment of lease liabilities	(32 831 171)	(19 671 608)
Unrealised exchange movement	(19 364)	5 646 028
At the end of the year	**143 156 329**	**128 808 616**

Undiscounted Maturity Schedule

Maturity analysis of lease liabilities is provided below :

	2025	2024
Lease liability Aging	K'000	K'000
Less than one year	26 838 821	22 789 110
One to two years	26 863 861	21 874 706
Two to three years	28 117 694	22 983 565
More than three years	188 285 690	190 195 079
	270 106 066	**257 842 460**
Less: future finance charges	**(126 949 737)**	**(129 033 844)**
	143 156 329	**128 808 616**

17. Lease liabilities (Continued)

Incremental borrowing rate used for IFRS 16 application (IBR)

IFRS 16 requires a lessee to measure a right of use asset and a lease liability, with the liability being established at the present value of the lease payments that are to be paid over the life of the lease, at the commencement date. A key input into the same calculation is the discount rate. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

Definition of Incremental Borrowing Rate

The rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Determination of Incremental Borrowing Rate (IBR)

The incremental borrowing rate (IBR) has been determined considering the following three key components applying practical expedients from the standard and various IBR determination approach guidelines.

a) Currency

The Company has transactions that operate in multi currencies. The IBR should be the rate that reflects how the contract is priced. Hence, the IBR is determined so that it matches to the currency in which the major lease cash flows are denominated in the contract and adjusted for the differential rate in which it is paid by the entity.

b) Economic environment

The Company operates under complex and dynamic economic environment altogether in comparison to Indian entities of Airtel. The volatility in economies with factors like interest rates, inflation rates and currency fluctuations impact the earnings and operations of the entity. The Company has borrowings outside its base hence the IBR should consider that effect.

c) Term

A lessee may apply a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with similar remaining lease term for a similar class of underlying asset in a similar economic environment). Maturity analysis of all leases have been done to understand the remaining maturity of the existing leases as on the date of transition.

Below is IBR which has been applied to all the leases as at -

Name of the Entity	Period	Local Currency Leases	USD Leases
Airtel Malawi plc	31 December 2025	18.02%	14.72%
Airtel Malawi plc	31 December 2024	18.40%	14.00%

18. Deferred Spectrum liabilities

As at 31 December 2025, the Company had the following deferred spectrum liabilities: -

	2025	2024
	K'000	K'000
Non-current portion of deferred spectrum liabilities	1 657 688	1 785 793
Current portion of deferred spectrum liabilities	183 374	169 245
Total deferred spectrum liabilities	**1 841 062**	**1 955 038**

The movement for the year is as follows:

	2025	2024
	K'000	K'000
At the beginning of the year	1 955 038	-
Purchased during the year	-	2 015 383
Interest during the year	250 610	243 831
Repayments during the year	(364 982)	(374 216)
Exchange loss	396	70 040
At the end of the year	**1 841 062**	**1 955 038**

19. Trade and other payables

	2025	2024
	K'000	K'000
Trade payable	16 352 774	9 593 490
Amount due to related parties (note 12.2)	61 770 556	50 319 467
Other payables	45 302 949	25 030 302
Other taxes payable	11 608 927	9 242 261
	135 035 206	**94 185 520**

Trade payables are represented by amounts payable both to local and foreign suppliers, foreign currency payable amount is K12 367 million (2024: K8 002 million)

The other payables comprise accrued expense, accrued security expenses, accrued audit fees, equipment supply payables (note 20) and payables clearing account balances.

No interest is charged on outstanding balances.

The directors consider that the carrying amount of payables approximates their fair value due to their short term nature.

20. Equipment supply payables

	2025	2024
	K'000	K'000
At the beginning of the year	13 578 176	15 709 780
Purchase made during the year (note 5 & note 6)	52 739 266	41 468 244
Payment made during the year	(34 040 105)	(43 599 848)
At the end of the year	**32 277 337**	**13 578 176**

Equipment supply payables are included in trade and other payables (note 19).

21. Contract liabilities

	2025	2024
	K'000	K'000
Deferred income	**8 624 939**	**7 634 017**

Amounts received in advance from prepaid customers for delivery of internet and voice services.

Revenue relating to internet and voice services is recognised over time when a customer makes use of the talk-time that was carried forward. There is no significant change in contract liability balances during the reporting period.

22. Other current liabilities

	2025	2024
	K'000	K'000
Dividend payable (note 23)	8 165 504	23 273
Employee benefits (note 24)	1 107 132	690 246
	9 272 636	**713 519**

23. Dividend payable

	2025	2024
	K'000	K'000
At beginning of the year	23 273	17 341 465
Dividend declared*	**22 000 000**	**-**
Dividend paid	(13 857 769)	(17 318 192)
At the end of the year	**8 165 504**	**23 273**

*Dividend declared from 2024 profit of K22 billion @K2 per share.

24. Employee benefits

	At the beginning of the year	Additions in the year	Reversed/ transferred in the year	Utilised in the year	At the end of the year
	K'000	K'000	K'000	K'000	K'000
For the year ended 31 December 2025					
Bonus provision	655 032	1 093 376	-	(889 497)	858 911
Provision for leave	35 214	258 466	-	(45 459)	248 221
Current amount payable within 12 months	**690 246**	**1 351 842**	**-**	**(934 956)**	**1 107 132**
For the year ended 31 December 2024					
Bonus provision	369 077	1 187 754	-	(901 799)	655 032
Provision for leave	177 197	(21 841)	(91 854)	(28 288)	35 214
Current amount payable within 12 months	**546 274**	**1 165 913**	**(91 854)**	**(930 087)**	**690 246**

25. Provisions

	Nature	At the beginning of the year	Additions in the year	*Unwind of discount in the year	Reversed/ transferred in the year	Utilised in the year	At the end of the year
		K'000	K'000	K'000	K'000	K'000	K'000
For the year ended 31 December 2025							
Provision for legal claims	Current	4 035 519	9 485	949 379	(295 820)	(613 721)	4 084 842
Asset retirement obligation	Non-current	6 574	1 442	-	-	-	8 016
Tevet provision	Current	44 692	86 551	-	-	(80 323)	50 920
		4 086 785	**97 478**	**949 379**	**(295 820)**	**(694 044)**	**4 143 778**
For the year ended 31 December 2024							
Provision for legal claims	Current	3 136 962	148 067	750 490	-	-	4 035 519
Asset retirement obligation	Non-current	6 289	285	-	-	-	6 574
Tevet provision	Current	63 489	42 764	-	-	(61 561)	44 692
		3 206 740	**191 116**	**750 490**	**-**	**(61 561)**	**4 086 785**

*This is disclosed under finance cost (refer note 33).

This year we utilized the provision of K614 million against closed legal cases. The provisions for asset retirement obligation relate to costs for the retirement of network assets. Tevet provision relates to the payment to be made to Tevet Authority based on Tevet Act.

26. Operating revenue

	2025	2024
	K'000	K'000
Airtime revenue	190 421 288	139 271 933
Data revenue	136 367 396	100 826 232
Interconnect revenue	7 665 660	7 588 492
Other services	320 869	341 527
Short Messaging Services (SMS)	16 578 908	14 480 922
Value added services content (VAS)	5 609 554	3 966 348
Roaming revenue	2 785 484	1 942 519
Connection revenue	1 857 785	1 790 234
Handsets and accessories	1 494 085	758 296
Total	**363 101 029**	**270 966 503**

Performance obligations that are unsatisfied (or partially unsatisfied) amounting to K8 625 million at 31 December 2025 and K7 634 million as at 31 December 2024 will be satisfied respectively, within a period of next year.

In 2024, trade discount has been netted off against its related revenue (Airtime, Data, SMS & VAS).

Revenue recognised that was included in the deferred revenue balance at the beginning of the year:

	2025	2024
	K'000	K'000
Revenue recognised that was included in the deferred revenue balance at the beginning of the year	7 634 017	9 704 588

Revenue recognised that was included in the contract liability balance at the beginning of the year is K7 634 million (2024: K9 705 million). Transfers from unbilled revenue (contract assets) recognized at the beginning of the period to receivables is K921 million for 2025 (2024: K807 million).

26. Operating revenue (Continued)

Significant changes in the deferred revenue and unbilled revenue balances during the year are as follows:

	2025	2024
	K'000	K'000
Revenue recognised that was included in the deferred revenue balance at the beginning of the year	7 634 017	9 704 588
Increases due to cash received, excluding amounts recognised as revenue during the year	8 624 939	7 634 017

	2025	2024
	K'000	K'000
Transfers from Unbilled Revenue recognised at the beginning of the year to receivables	806 590	614 610

Reconciliation of costs to obtain or fulfil a contract with a customer is presented in note 9.

27. Other income

	2025	2024
	K'000	K'000
Profit on disposal of scrap	14 436	95 338
Miscellaneous Income	61 714	-
Liability written back	311 085	48 983
	387 235	**144 321**

28. Finance income

	2025	2024
	K'000	K'000
Interest income	10 606 311	4 600 052
	10 606 311	**4 600 052**

29. Other expenses

	2025	2024
	K'000	K'000
IT expenses	1 451 421	2 143 312
Management fees (note 12.3.4)	9 456 597	8 378 443
Content charges	18 853 983	12 630 568
Travel expenses	3 051 722	2 135 335
Administrative expenses	3 115 711	2 894 816
Provisions for legal cases	9 485	148 067
Customer services expenses	126 510	471 369
Rates & Taxes	61 000	-
Billing and collection expenses	151 403	912 239
Corporate social responsibility	413 565	17 339
Directors' remuneration - for managerial services (note 35)	2 695 419	2 678 287
Directors' remuneration - for services as director	14 000	21 800
Cost of goods sold	3 938 811	1 542 659
Auditors' remuneration	119 917	76 540
	43 459 544	**34 050 774**

30. Licence fee/spectrum usage charges

	2025	2024
	K'000	K'000
Gross Operating Revenue (January to December)*	360 469 707	267 508 332
	360 469 707	267 508 332
MACRA levy at 3.5% GOR (Network Services License)	12 616 440	9 362 792
Spectrum & Frequency fees	10 440 304	9 766 284
	23 056 744	**19 129 076**

As part of the licensing agreement, the Company pays the Malawi Government, through the Malawi Communication Regulatory Authority (MACRA), a levy at 3.5% of gross revenue per annum as royalty.

*GOR derived as per MACRA guidelines.

	2025	2024
	K'000	K'000
Interconnect Call Termination Rate Cost (0.08 cents)	695 563	966 411

Note that interconnect call termination rate costs is part of network operating and maintenance costs

31. Depreciation and amortisation

	2025	2024
	K'000	K'000
Depreciation on property, plant and equipment (note 5)	19 028 960	15 552 755
Depreciation on right-of use assets (note 7)	9 711 319	8 503 976
Amortisation of intangible assets (note 6)	2 038 304	821 106
	30 778 583	**24 877 837**

32. Net foreign exchange losses

	2025	2024
	K'000	K'000
Realised exchange gain	(395 656)	(436 195)
Realised exchange loss	25 755 958	13 596 602
Unrealised exchange gain	(4 204 492)	(1 295 361)
Unrealised exchange loss	1 228 496	7 596 668
Net foreign exchange losses	**22 384 306**	**19 461 714**

33. Finance cost

	2025	2024
	K'000	K'000
Interest expenses	3 814 821	4 684 291
Other interest charges	949 379	750 490
Bank charges	170 477	403 972
Interest on deferred spectrum and other	250 610	243 831
Interest on lease liability	20 544 567	17 735 891
Total finance cost	**25 729 854**	**23 818 475**

34. Income tax expenses/(credit)

Income tax expense	2025 K'000	2024 K'000
Current income (note 14)	32 382 423	20 196 936
Deferred tax (note 8)	2 170 798	(7 517 707)
	34 553 221	**12 679 229**

A reconciliation between tax expense/(credit) and accounting profit is as follows

	2025 K'000	2024 K'000
Profit before tax	85 801 237	55 401 337
Income tax* (2025: @40% - above K5 bn 30% upto K5 bn; 2024: @40% - above K10 bn 30% upto K10 bn)	33 820 495	21 160 535
Rate change impact in tax rate from 30% to 40%*	-	(8 975 681)
Expenses not deductible for tax purposes	732 726	494 375
	34 553 221	**12 679 229**

*Effective 01 January 2024, the Government changed the applicable tax rates to 40% from 30% as applicable up to 31 December 2023. However, the said 40% tax rate was applicable for taxable profits in excess of K10 billion and for profits less than K10 billion, the appliable tax rate was 30%. During the current year, the Government has further rationalised the tax rates and now the applicable tax rate of 40% is applicable on taxable profits in excess of K5 billion and for profits less than K5 billion, the appliable tax rate remains at 30%. The Company foresees to realise the temporary differences at the highest rate of 40% since its profit before tax is forecasted to stay above the lower bracket of K5 billion. Deferred tax has therefore been calculated at 40%.

35. Compensation of key senior management personnel

	2025 K'000	2024 K'000
Short-term employee benefits	2 008 537	2 029 276
Performance linked incentive	587 521	540 459
Share-based benefit	39 916	-
Other long-term benefits	59 445	108 552
	2 695 419	**2 678 287**

The remuneration of the key management personnel of the Company set out above is in aggregate for each of the category.

35. Compensation of key senior management personnel (Continued)

Key management personnel are:

S/No.	EMPLOYEE NAME	DESIGNATION	PERIOD
1	Mr. Aashish Dutt	Managing Director	Feb'25 to date
2	Mr. Abdul Shaik	Acting Managing Director	Jan'25
3	Mr. Abdul Shaik	Finance Director	Full Year
4	Mr. Christopher Chibwana	Legal & Regulatory Director	Nov'25 to date
5	Mr. Abdulhakim Mkwanda	Acting Legal & Regulatory Director	Jan'25- Oct'25
6	Ms. Mpho Bwanali	Human Resorce and Administration Director	Jan'25 to Jul'25
7	Ms. Shreyosi Choudhuri	Acting Human Resorce and Administration Director	Aug'25 to Nov'25
8	Mr. Lighton Mbewe	Human Resorce and Administration Director	Dec'25 to date
9	Mr. Allan Banda	IT Director	Full year
10	Mr. Joshua Sichinga	Marketing Director	Full Year
11	Mr. Obester Thindwa	Acting Supply Chain Management Director	Jan'25 to Oct'25
12	Mr. Amos Kaonga	Acting Supply Chain Management Director	Nov'25 to date
13	Mr. Michael Mang'anda	Customer Experience Director	Full year
14	Mr. Mphatso Manda	Network Director	Full year
15	Mr. Misheck Kavuta	Sales & Distribution Director	Full year
16	Mr.Patrick Maleya	Head of Home Broad Band	Full year
17	Mr. Limbani Ngoma	Enterprise Director	Full year

36. Directors' remuneration

	2025	2024
	K'000	K'000
Directors' remuneration - for services as director	14 000	21 800

Remuneration for executive directors amounting to K882.9 million (2024: K944.9 million) is included in compensation of key senior management personnel above.

37 Employee benefits expenses

	2025	2024
	K'000	K'000
Salaries and bonuses	11 301 504	7 742 477
Defined contribution plan cost	977 553	542 166
Defined benefit plan cost	80 667	(4 350)
Staff welfare expenses	1 846 767	1 315 589
Others	209 539	44 561
	14 416 030	**9 640 443**

38. Capital Commitments

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

39. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year. There were no potentially dilutive shares outstanding at 31 December 2025 and 31 December 2024. Diluted earnings per share is therefore the same as basic earnings per share.

	2025	2024
	K'000	K'000
Profit attributable to ordinary shareholders for the year	51 248 014	42 722 112
Weighted average number of shares ('000)	11 000 000	11 000 000

	2025	2024
Basic earnings per share (K)	4.66	3.88
Diluted earnings per share (K)	4.66	3.88

40. Contingent liabilities

As at 31 December 2025, the Company had contingent liabilities of K2 890 million (2024: K3 843 million) in respect of on-going legal cases. The cases are still in court awaiting deliberations hence no provisions have been made in the financial statements as it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

41. Financial risk management

41.1 Categorisation of financial instruments

The analysis below sets out the Company's classification of financial assets and liabilities and their fair value including accrued interest.

		2025	2024
	Notes	K'000	K'000
Financial assets held at amortised cost			
Trade and other receivables*	13.1	4 954 070	5 461 072
Amount due from related parties	12.1	2 937 365	3 223 564
Cash and cash equivalents	15.1	82 440 258	55 483 617
Other bank balances	15.2	7 123 707	408 237
Security Deposit	9	57 413	51 818
Interest accrued on investment	13.2	868 210	31 193
Current investment	10	8 755 001	-
		107 136 024	**64 659 501**
Financial assets at FVTPL			
Investment	10	-	81 000
Total financial assets		107 136 024	64 740 501
Financial liabilities held at amortised cost			
Loan due to Bank of America	16	54 128 150	57 441 344
Amount due to related parties	12.2	61 770 556	50 319 467
Trade & other payables**	19	61 655 723	34 623 792
Deferred spectrum liabilities	18	1 841 062	1 955 038
Dividend payable	23	8 165 504	23 273
		187 560 995	**144 362 914**

* Trade & other receivables exclude amount due from related parties
** Trade & other payables exclude other taxes payable and amount due to related parties

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to raise finances for the Company's operations. The Company has trade and other receivables and cash and short-term deposits that are derived directly from its operations.

The Company is exposed to the following risks.

- Foreign currency risk
- Interest rate risk
- Credit risk
- Liquidity risk

41.2 Financial risk management objectives and policies

The Company's senior management oversees the management of these risks. The Company's senior management is supported by the board of directors who advise on financial risks and the appropriate financial risk governance framework for the Company.

The board provides assurance to the Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company policies and Company's risk appetite. All risk management procedures are carried out by specialist teams that have the appropriate skills, experience and supervision.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for identification, measurement, monitoring and controlling risk, and the Company's management of capital.

(a) Market risk management

It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of foreign currency risk and interest rate risk. Financial instruments affected by market risk includes loans, trade & other receivables, payables, borrowings deposits and derivative financial instruments.

i) Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company primarily transacts business in U.S. dollars with parties of other countries. The Company has obtained foreign currency loans and imports equipment and services; and is therefore exposed to foreign exchange risk arising from various currency exposures primarily with respect to United States dollar.

The Company's policy to manage the foreign currency risk is to settle all its foreign liabilities as they fall due for payment in order to mitigate the risk associated with the Malawi Kwacha depreciating significantly in value against the respective currencies of the suppliers.

As at 31 December 2025, if the Kwacha had weakened/strengthened by 5% against the US dollar with all other variables held constant, profit before tax for the year would have been K12 529 million (2024: K10 473 million) lower/higher, mainly as a result of US dollar denominated borrowings.

41. Financial risk management (Continued)

41.2 Financial risk management objectives and policies (Continued)

(a) Market risk management (Continued)

ii) Interest rate risk management

The risk is managed by the group's global treasury function. Any adverse changes in the SOFR rate are adjusted in the structure of the loan in terms of the interest repayments since it is intercompany. In addition, the Company has USD denominated borrowing at variable interest rate of 3 month SOFR plus 170 bps. The SOFR is a stable rate derived from stable environment; thus any changes are unlikely to have a significant impact on the Company's operations.

As at 31 December 2025 if effective interest rates on borrowings had been 1% higher/lower with all other variables held constant profit before tax would have been K539 million (2024: K573 million) lower/higher.

(b) Credit risk management

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade and other receivables) and from its financing activities including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Company does not hold collateral as security on all the receivables balances.

The requirement for impairment is analysed at each reporting date. Additionally, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. Refer note 13 for details on the impairment of trade receivables.

Credit risk from balances with banks and financial institutions is managed by Company's treasury in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties who meet the minimum threshold requirements under the counterparty risk assessment process. The Company monitors ratings credit spreads and financial strength on at least a quarterly basis. Based on its on-going assessment of counterparty risk the Company adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2025 and 31 December 2024 is the carrying amounts as reflected in note 13, note 10 and note 15.1 to the financial statements.

(c) Liquidity risk

The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of short-term borrowings. In addition, the Company is converting some foreign denominated debt into local currency as a means of addressing excessive cash outflows following devaluation of the local currency.

The tables below have been drawn up based on the undiscounted contractual maturities and cash flows of financial liabilities based on the earliest date on which the Company can be required to pay: -

	Notes	Carrying amount and fair value K'000	0 to 3 Months K'000	4 to 12 Months K'000	Over 1 year K'000	Total K'000
As at 31 December 2025						
Liabilities						
Loan due to Bank of America	16	54 128 150	54 128 150	-	-	54 128 150
Amount due to related parties	12.2	61 770 556	61 770 556	-	-	61 770 556
Lease liabilities	17	143 156 329	7 480 946	19 357 875	243 267 245	270 106 066
Trade & other payables**	19	61 655 723	61 655 723	-	-	61 655 723
Deferred spectrum liabilities	18	1 841 062	364 982	-	2 554 874	2 919 856
Dividend payable	23	8 165 504	8 165 504	-	-	8 165 504
Total Liabilities		**330 717 324**	**193 565 861**	**19 357 875**	**245 822 119**	**458 745 855**
As at 31 December 2024						
Liabilities						
Loan due to Bank of America	16	57 441 344	57 441 344	-	-	57 441 344
Amount due to related parties	12.2	50 319 467	50 319 467	-	-	50 319 467
Lease liabilities	17	128 808 616	6 929 093	15 860 017	235 053 350	257 842 460
Trade & other payables**	19	34 623 792	34 623 792	-	-	34 623 792
Deferred spectrum liabilities	18	1 955 038	374 216	-	2 993 728	3 367 944
Dividend payable	23	23 273	23 273	-	-	23 273
Total Liabilities		**273 171 530**	**149 711 185**	**15 860 017**	**238 047 078**	**403 618 280**

The Company's approach to managing liquidity is to ensure as far as possible that it will always have liquid assets to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation. The loan due to Bank of America is disclosed in the 3-month bracket as it is payable on demand even though the facility expires on 13 September 2027.

** Trade & other payables exclude other taxes payable and amount due to related parties

41. Financial risk management (Continued)

41.2 Financial risk management objectives and policies (Continued)

(c) Liquidity risk (Continued)

The table below analyses assets and liabilities into relevant maturity groupings based on the remaining period at 31 December 2025 to the contractual maturity date.

	Notes	Carrying amount and fair value	0 to 3 Months	4 to 12 Months	Over 1 year	Total
		K'000	K'000	K'000	K'000	K'000
As at 31 December 2025						
Assets						
Trade and other receivables*	13.1	4 954 070	1 967 450	1 513 139	1 473 481	4 954 070
Amount due from related parties	12.1	2 937 365	2 937 365	-	-	2 937 365
Cash and cash equivalents	15.1	82 440 258	82 440 258	-	-	82 440 258
Other bank balances	15.2	7 123 707	7 123 707	-	-	7 123 707
Security Deposit	9	57 413	-	-	57 413	57 413
Interest accrued on investment	13.2	868 210	868 210	-	-	868 210
Current investment	10	8 755 001	8 755 001	-	-	8 755 001
Total Assets		**107 136 024**	**104 091 991**	**1 513 139**	**1 530 894**	**107 136 024**
Liabilities						
Loan due to Bank of America	16	54 128 150	54 128 150	-	-	54 128 150
Amount due to related parties	12.2	61 770 556	61 770 556	-	-	61 770 556
Lease liabilities	17	143 156 329	7 480 946	19 357 875	243 267 245	270 106 066
Trade & other payables**	19	61 655 723	61 655 723	-	-	61 655 723
Deferred spectrum liabilities	18	1 841 062	364 982	-	2 554 874	2 919 856
Dividend payable	23	8 165 504	8 165 504	-	-	8 165 504
Total Liabilities		**330 717 324**	**193 565 861**	**19 357 875**	**245 822 119**	**458 745 855**
Gap* **		**(223 581 300)**	**(89 473 870)**	**(17 844 736)**	**(244 291 225)**	**(351 609 831)**
Cumulative Gap			**(89 473 870)**	**(107 318 606)**	**(351 609 831)**	**(351 609 831)**

	Notes	Carrying amount and fair value K'000	0 to 3 Months K'000	4 to 12 Months K'000	Over 1 year K'000	Total K'000
As at 31 December 2024						
Assets						
Trade and other receivables*	13.1	5 461 072	4 664 861	182 220	613 991	5 461 072
Amount due from related parties	12.1	3 223 564	3 223 564	-	-	3 223 564
Cash and cash equivalents	15.1	55 483 617	55 483 617	-	-	55 483 617
Other bank balances	15.2	408 237	408 237	-	-	408 237
Security Deposit	9	51 818	-	-	51 818	51 818
Interest accrued on investment	13.2	31 193	31 193	-	-	31 193
Non-current investment	10	81 000	-	-	81 000	81 000
Total Assets		**64 740 501**	**63 811 472**	**182 220**	**746 809**	**64 740 501**
Liabilities						
Loan due to Bank of America	16	57 441 344	57 441 344	-	-	57 441 344
Amount due to related parties	12.2	50 319 467	50 319 467	-	-	50 319 467
Lease liabilities	17	128 808 616	6 929 093	15 860 017	235 053 350	257 842 460
Trade & other payables**	19	34 623 792	34 623 792	-	-	34 623 792
Deferred spectrum liabilities	18	1 955 038	374 216	-	2 993 728	3 367 944
Dividend payable	23	23 273	23 273	-	-	23 273
Total Liabilities		**273 171 530**	**149 711 185**	**15 860 017**	**238 047 078**	**403 618 280**
Gap* **		**(208 431 029)**	**(85 899 713)**	**(15 677 797)**	**(237 300 269)**	**(338 877 779)**
Cumulative Gap			**(85 899 713)**	**(101 577 510)**	**(338 877 779)**	**(338 877 779)**

The Company is in a net current liability position of K70.1 billion (2024: K66.3 billion), the Company's business runs on a majority cash basis model (pre-paid revenue), hence the capability to generate sufficient operating cashflows to meet obligations as they fall due. The net cash flows for the ended 31 December 2025 was K82.4 billion (2024: K55.5 billion) i.e. higher than the current liabilities position indicated above. The operating cashflows combined with sufficient headroom available through financing, provides sufficient liquidity to the Company to meet obligations as they fall due.

* Trade & other receivables exclude amount due from related parties.
** Trade & other payables exclude other taxes payable and amount due to related parties.
*** The gap is primarily due to lease liability which will be payable over the lease term.

41. Financial risk management (Continued)

41.3 Capital management

Capital includes equity attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure the Company may adjust the dividend payment to shareholders return capital to shareholders or issue new shares.

No changes were made in the objective's policies or processes during the period ended 31 December 2025.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may limit the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital is calculated as equity plus net debt.

The gearing ratios at 31 December 2025 and 31 December 2024 were as follows:

	2025	2024
	K'000	K'000
Total borrowings (including borrowings and lease liabilities)	197 284 479	186 249 960
Less: cash and cash equivalents	(82 440 258)	(55 483 617)
Net debts	**114 844 221**	**130 766 343**
Total equity	**61 363 697**	**32 115 683**
Total capital	**176 207 918**	**162 882 026**
Gearing ratio	**65%**	**80%**

42. Fair value measurements

The analysis below sets out the Company's classification of financial assets and liabilities and their fair value including accrued interest.

42.1 The category wise details as to the carrying value, fair value and the level of fair value measurement hierarchy of the Group's financial instruments are as follows:

	Notes	2025 Carrying amount	2025 fair value	2024 Carrying amount	2024 fair value
		K'000	K'000	K'000	K'000
Financial assets classified at amortized cost					
Trade and other receivables*	13.1	4 954 070	4 954 070	5 461 072	5 461 072
Amount due from related parties	12.1	2 937 365	2 937 365	3 223 564	3 223 564
Cash and cash equivalents	15.1	82 440 258	82 440 258	55 483 617	55 483 617
Other bank balances	15.2	7 123 707	7 123 707	408 237	408 237
Security Deposit	9	57 413	57 413	51 818	51 818
Interest accrued on investment	13.2	868 210	868 210	31 193	31 193
Current investment	10	8 755 001	8 755 001	-	-
Total		**107 136 024**	**107 136 024**	**64 659 501**	**64 659 501**
Financial assets at FVTPL					
Investment – long term	10	-	-	81 000	81 000
Financial liabilities at amortised cost					
Loan due to Bank of America	16	54 128 150	54 128 150	57 441 344	57 441 344
Amount due to related parties	12.2	61 770 556	61 770 556	50 319 467	50 319 467
Trade & other payables**	19	61 655 723	61 655 723	34 623 792	34 623 792
Deferred spectrum liabilities	18	1 841 062	1 841 062	1 955 038	1 955 038
Dividend payable	23	8 165 504	8 165 504	23 273	23 273
		187 560 995	**187 560 995**	**144 362 914**	**144 362 914**

* Trade & other receivables exclude amount due from related parties.
* * Trade & other payables exclude other taxes payable and amount due to related parties.

42. Fair value measurements (Continued)

Fair value hierarchy as at 31 December 2025

	Level 1	Level 3	Total
	K'000	K'000	K'000
Financial assets classified at FVTPL			
Investments	-	-	-
Total	**-**	**-**	**-**

Fair value hierarchy as at 31 December 2024

	Level 1	Level 3	Total
	K'000	K'000	K'000
Financial assets classified at FVTPL			
Investments	-	81 000	81 000
Total	**-**	**81 000**	**81 000**

42.2 Valuation techniques and assumptions applied for the purposes of measuring fair value

The carrying value of bank deposits, trade receivables, trade payables, dividend payable, security deposit, current investment, other current financial assets and liabilities approximate their fair value mainly due to the short-term maturities of these instruments.

The fair value of non-current financial assets, long-term borrowings and other financial liabilities is estimated by discounting future cash flows using current rates applicable to instruments with similar terms, currency, credit risk and remaining maturities

During the year ended 31 December 2025 and year ended 31 December 2024 there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into or out of Level 3 fair value measurements.

43. Economic factors

The year-end rates of the foreign currencies is stated below, together with the increase in the National Consumer Price Index for the year, which represents an official measure of inflation.

	2025	2024
	K'000	K'000
Kwacha/US Dollar	1 751	1 751
Inflation	26%	28.1%

At the time of approving these financial statements the above economic factors had moved as follows:

Kwacha/US Dollar	1 751
Inflation (February 2026)	24.1%

No adjustments arising from the movement of the exchange rates after the reporting period-end have been made in the financial statements.

44. Segment reporting

Management has determined the operating segments based on the reports reviewed by the Executive management committee that are used to make strategic decisions. The committee considers the business as a single operating segment, being the Malawi operations, as the information reported to the executive management committee for the purpose of strategic decision making is not presented per product line.

The reportable operating segment derives its revenue primarily from the sale of voice and data services to subscribers of the network and to foreign telephone operators when their subscribers utilize the Airtel Malawi network. Other revenue consists of connection and subscription charges and sale of mobile handsets to customers.

The executive management committee measures the performance of the operating segment based on a measure of Earnings before Interest, Tax, Depreciation and Amortisation. Breakdown of revenue from all services is shown in note 26 to the financial statements.

45. Comparatives

Where necessary, certain comparative figures have been reclassified to conform to changes in the presentation in the current period.

46. Subsequent events

Dividend

Subsequent to the year end on 27 March 2026 the Company proposed a dividend of K38.5 billion in respect of 2025 financial results.

airtel

Your one stop shop for everything Airtel



Not on the App?
Download, Register
& Get *1GB FREE!

Download & Use on

MyAirtel App

Buy a brand new smartphone, insert your **Airtel sim-card and unlock LOLOLO bonuses!**



T's & C's Apply
www.airtel.mw

PROPOSED RESOLUTIONS FOR THE 27TH ANNUAL GENERAL MEETING OF AIRTEL MALAWI PLC

Agenda Items	Resolutions
1. Approval of the Agenda	"The Shareholders unanimously **RESOLVED TO APPROVE** the Agenda of the Meeting."
2. Approval of the Minutes	"The Shareholders **RESOLVED TO APPROVE** the Minutes of the 26th Annual General Meeting of the Company held on 25th June 2025."
3. Adoption of the Audited Financial Statements.	"The Shareholders **RESOLVED** that the Directors' and Auditors' Reports, and the Audited Financial Statements for the year ended 31st December 2025 **BE ADOPTED."**
4. Declaration of Dividend	"The Shareholders **RESOLVED** to declare a dividend of MK38.5 billion representing MK3.50 per share in respect of 2025 profits.".
5. Appointment of Directors	"The Shareholders **RESOLVED** as follows: 1. That Mr. Kayisi M'bwana Sadala **BE RE-ELECTED** as a Director of the Company and **CONFIRMED** as the Chairperson of the Company until 30th June 2027. 2. That appointment of Associate Professor Winford Henderson Masanjala as an Independent Non-Executive Director **BE CONFIRMED.** 3. That the appointment of Mr. Rohit Marwha as a Non-Executive Director **BE CONFIRMED.** 4. That the appointment of Mr. Mphatso John Kasalika as a Non-Executive Director **BE CONFIRMED.** 5. That Ms. Monicah Kambo, who retired by rotation in terms of Article 74 of Articles of Association but being eligible for re-election, **BE RE-ELECTED** as Director of the Board."
6. Approval of Directors' Remuneration	"The Shareholders **RESOLVED** that the remuneration of the Chairperson and Directors be maintained as follows: **6.1 FEES** **Chairperson – K11,500,000** per annum payable quarterly in arrears (2025: K11,500,000). **Directors – K7,000,000** per annum payable quarterly in arrears (2025: K7,000,000). **6.2 SITTING ALLOWANCES** **Chairperson - K900,000** per sitting (2025: K900,000). **Directors - K600,000** per sitting (2025: K600,000)."
7. Appointment of Auditors and Authorization of Directors to fix Auditors' remuneration	7.1. "The Shareholders **RESOLVED TO RE-APPOINT** Deloitte Chartered Accountants as Auditors of the Company for the year ending 31st December 2026." 7.2. "The Shareholders **RESOLVED** that the Directors **BE AUTHORIZED** to fix the remuneration of the Auditors."

FORM OF PROXY FOR THE 27TH ANNUAL GENERAL MEETING OF AIRTEL MALAWI PLC

I, We _____
(name/s in block letters)

Of _____

Number of votes

Being the shareholder/member of the above-named Company and entitled to

(1 share = 1 vote)

Do hereby appoint.

1_____
Or failing him/her

2_____ of _____
Or failing him/her

3. the Chairman of the meeting

as my/our proxy to attend, speak and vote for me/us or on my/our behalf at the Annual General Meeting of the Company to be held both virtually and physically from Grand Palace Hotel, Mzuzu, Malawi on 15th day of May 2026 at 10:00 hours,

and at any adjournment thereof as follows:

AGENDA ITEM		Mark with x where applicable		
		IN FAVOUR	AGAINST	ABSTAIN
1	Approval of the Agenda			
2	Approval of minutes of the 26th AGM.			
3	Adoption of Audited Financial Statements, Auditors' and Directors' Reports for the year ended 31st December 2025.			
4	Declaration of MK38.5 billion (MK3.50 per share) Dividend in respect of 2025 profits.			
5.1	Confirmation of the re-election of Mr. Kayisi M'bwana Sadala as a Director and Chairperson of the Company until 30th June 2027.			
5.2	Confirmation of the appointment of Associate Professor Winford Henderson Masanjala as an Independent Non-Executive Director of the Company.			
5.3	Confirmation of the appointment of Mr. Rohit Marwha as a Non-Executive Director of the Company.			
5.4	Confirmation of the appointment of Mr. Mphatso John Kasalika as a Non-Executive Director of the Company.			
5.5	Re-election of Ms. Monicah Kambo as a Non-Executive Director of the Company.			
6	Approval of Directors' Remuneration **6.1 FEES** **Chairperson – K11,500,000** per annum payable quarterly in arrears (2025: K11,500,000). **Directors – K7,000,000** per annum payable quarterly in arrears (2025: K7,000,000). **6.2 SITTING ALLOWANCES** **Chairperson- K900,000** per sitting (2025: K900,000). **Directors- K600,000** per sitting (2025: K600,000).			
7.1	Re-appointment of Deloitte-Chartered Accountants as Auditors for the year ending 31st December 2026.			
7.2	Approval to authorise the Directors to fix the remuneration of the Auditors.			

Signed at _____ on this _____day of _____2026.

Signature_____

Assisted by me (where applicable) (see note 3): _____

Full name/s of signatory/ies if signing in a representative capacity (see note 4)_____

_____

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies or representative(s) to attend, speak and vote in his/her stead. A proxy or representative need not be a member of the company.

2. If this proxy form is returned without any indication as to how the proxy or representative should vote, the proxy will be entitled to vote or abstain from voting as he/she thinks fit.

3. A minor must be assisted by his/her guardian.

4. The authority of a person signing a proxy in a representative capacity must be attached to the proxy unless the company has already recorded that authority.

5. In order to be effective, proxy forms must reach the registered office of the company (Airtel Malawi plc) Airtel Complex, City Centre, Off Conventional Drive, Post Office Box 57, Lilongwe, Malawi) or the Transfer Secretaries, Standard Bank plc, Transactional Products and Services, Standard Bank, Regional Office, Blantyre, Malawi or sent by email to investor@mw.airtel.com/ Custodymalawi@standardbank.co.mw or WhatsApp number +265 999 161 161 not less than 48 hours before the time for holding the meeting and in default the instrument of proxy shall not be treated as valid.

6. The delivery of the duly completed proxy form shall not preclude any member of his/her duly authorized representative from attending the meetings, speaking, and voting instead of such duly appointed proxy.

7. If two or more proxies attend the meeting, then that person attending the meeting whose name appears first on the proxy form, or whose name is not deleted, shall be regarded as the appointed proxy.

airtel

ANOTHER FIRST FROM AIRTEL

We care about your peace of mind.

Our free Spam protection is always there to keep you safe!



Switch to the **network that protects you.**

Airtel Complex,
City Centre, Off Convention Drive
LILONGWE.
P.O. Box 57,
Lilongwe

www.airtel.mw/investors

