



# Transforming lives

## Airtel Africa plc Factsheet

### About Airtel Africa

Airtel Africa is a leading operator of affordable and innovative mobile services in 14 African countries: Nigeria; Kenya, Malawi, Rwanda, Tanzania, Uganda, and Zambia (together "East Africa"); and Chad, Democratic Republic of the Congo (DRC), Gabon, Madagascar, Niger, Republic of the Congo (Congo B) and the Seychelles (together "Francophone Africa"). We are the number 1 or 2 mobile provider in 12 of these markets and the second largest telecom operator in Africa.

We are committed to making the lives of millions of customers easier by creating a digitally connected world. We support the growth in connectivity within and between our markets with a clear focus on investing in network and reliability.

#### Notes:

Airtel Africa's ordinary shares have a premium listing on the London Stock Exchange's main market for listed securities (listed under the symbol AAF) and a secondary listing on the Nigerian Stock Exchange. All numbers provided are reported currency numbers and growth rates are in constant currency, unless otherwise stated. All data relates to latest published figures for 30 September 2020, unless otherwise stated (\* indicates 31 March 2020). This factsheet provides an overview of Airtel Africa plc's business, opportunities and recent performance. To learn more about the company, its opportunities, risks and governance visit our corporate website at <https://airtel.africa/investors>.

### At a glance

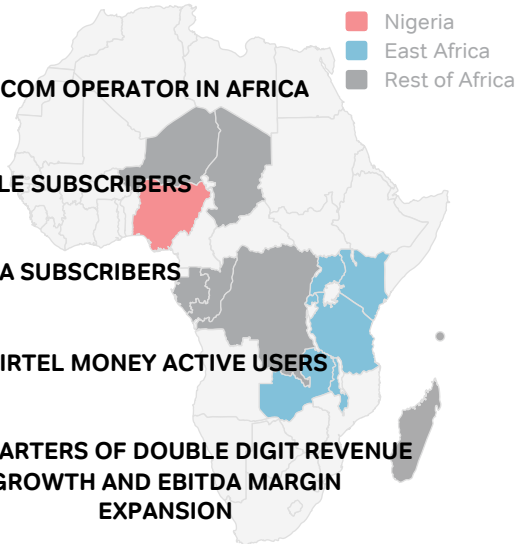
#2 LARGEST TELECOM OPERATOR IN AFRICA

116.4m MOBILE SUBSCRIBERS

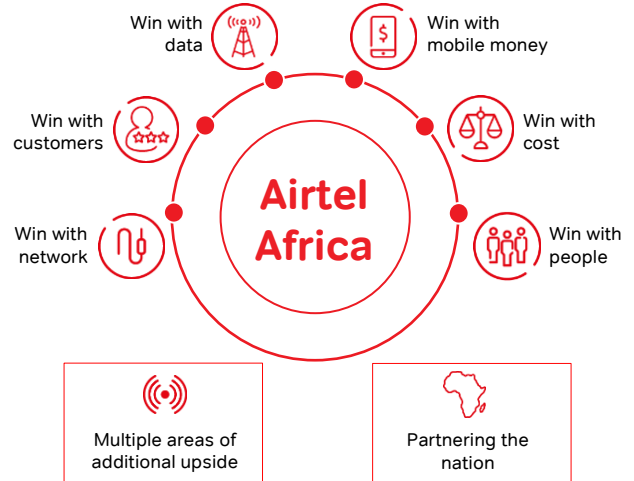
39.6m DATA SUBSCRIBERS

20.1m AIRTEL MONEY ACTIVE USERS

11 QUARTERS OF DOUBLE DIGIT REVENUE GROWTH AND EBITDA MARGIN EXPANSION



### Strategy



### Dynamic business model delivering value to stakeholders, while transforming lives in our communities:

#### An efficient network and business structure...

- A modernised network: 2G, 3G and 4G in all markets on efficient single RAN technology - 24,000 sites (70% on 4G), 44,000 km of fibre, significant spectrum, outsourced management and operation of network
- A unique network of 2,700\* partners, including IT and telecom infrastructure providers
- Strong management structure for 3,300\* dedicated employees, leveraging local operational capability with group expertise
- Strong balance sheet and conservative capital structure to deliver full execution of our strategy

#### delivering outstanding services and products...

Mobile voice, mobile data, mobile money and other services (fixed line, broadband and data centre services)

#### through a unique distribution network, and processes that keep us close to our customers...

- > 1.6\* million retail touchpoints (29,000\* exclusive minishops, kiosks and Airtel Money branches)
- 226,500\* SIM distribution outlets, including freelance sales agents
- Strategic partnerships for financial and money transfer services
- Efficient Know Your Customer (KYC) processes
- Easy onboarding and self-service through our app, and My Airtel Money app

#### offering simple customer journeys and competitive pricing...

- Simple, convenient and intuitive customer journeys
- Straightforward pricing plans based on the principle of "more for more"
- A tailored pricing strategy that varies with market position

#### to reach our 116 million customers, including 40 million data customers, and 20 million Airtel money users...

#### ...creating value for all our stakeholders:

- Customers: receive convenient, competitive services to connect, live and work
- Communities: with health, education, environmental and disaster relief programmes
- Regulators and governments: receive the support of our services in delivering on societal ambitions in our countries of operation. Benefits include enhanced mobile penetration and financial inclusion, licences fees, operating agreements and tax contributions; and with > 1.6\* million people earning from working directly or indirectly with Airtel
- Partners and suppliers: with our "win-win" partnership approach towards working with nearly 2,700\* suppliers
- People: with 3,300\* directly employed, with competitive pay and skill enhancement
- Investors and shareholders: through consistent growth and improved profitability and progressive bi-annual dividend distributions

### Investor proposition

1 African markets afford substantial **market potential** (across voice, data and mobile money)

2 Our **leadership across Africa**, provides diversity and scale, and sustainable differentiation

3 **11 quarter track record of strong growth**, with lean and simplified operating model for continued margin and cash flow expansion with top line growth

4 Customer centric vision and mission drives our unique **six pillar growth strategy**: "Win With..." network, customers, data, mobile money, cost and people

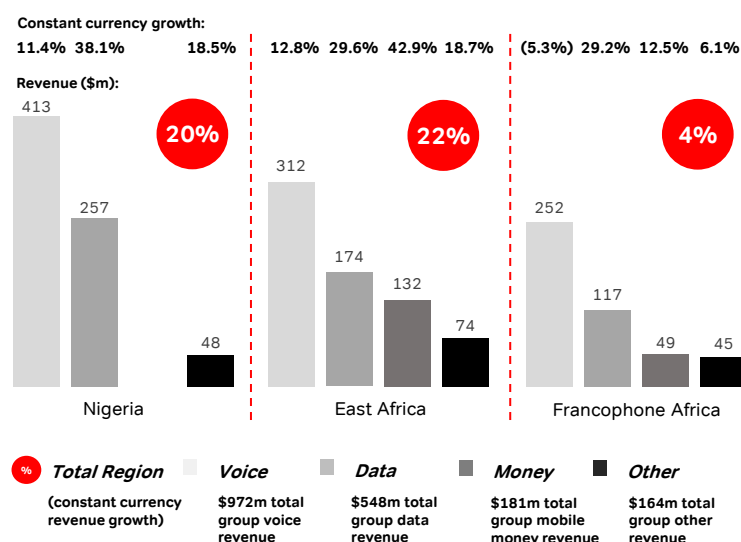
5 **Strong balance sheet** and conservative capital structure to deliver the full execution of our strategy

6 **Delivering value for all our stakeholders**: customers, communities, regulators and governments, partners and suppliers, people, investors and shareholders

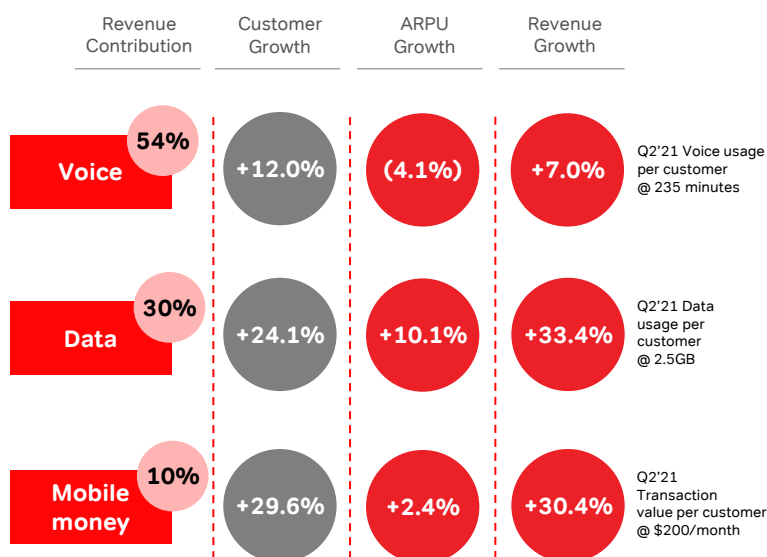
# Latest results for Half Year to September 30, 2020

Description	Unit of measure	Half Year ended Sep-20	Half Year ended Sep-19	Reported currency change %	Constant currency change %	
Revenue <sup>1</sup>	\$m	1,815	1,640	10.7%	16.4%	(1) Revenue includes intra-segment elimination of \$50m for the half year ended September 2020 and \$42m for the half year ended September 2019.
Underlying EBITDA <sup>2</sup>	\$m	812	719	12.8%	19.3%	(2) Underlying EBITDA includes other income of \$8.4m for the half year ended September 2020 and \$10.6m for the half year ended September 2019.
Underlying EBITDA margin	%	44.7%	43.9%	85 bps	110 bps	
Profit before tax <sup>3</sup>	\$m	281	316	(11.1%)		(3) Profit before tax in the half year ended September 2020 included a \$0.5m share of gain from joint ventures and associates and \$0.4m in previous period.
EPS before exceptional items - restated <sup>4</sup>	\$ cents	3.0	3.7	(19.9%)		
Capex	\$m	216	246	(12.4%)		(4) Excluding one-time derivative gain of \$ 46 Mn, restated EPS grew 19%. In July 2019, after the announcement of Initial Public Offering (IPO), the company issued 676,406,927 new shares. EPS has been restated considering all the shares as of 30 September 2020 had been issued on 1 April 2019 for like for like comparison.
Free cash flow	\$m	319	210	52.0%		
Net debt	\$m	3,459	3,191			
Leverage <sup>5</sup>	times	2.2	2.3			(5) Calculated as gross debt (including lease liabilities) less cash & cash equivalents / last 12 months underlying EBITDA.
Dividend <sup>6</sup>	\$ cents	1.5	3.0			
Average customer ARPU	\$	2.7	2.7	(0.8%)	4.3%	(6) Newly adopted progressive dividend policy aims to grow the dividend annually by a mid to high single digit percentage from a base of \$4 cents per share for FY 2021, until reported leverage (calculated as net debt to underlying EBITDA) falls below 2.0x.
Total customer base	million	116.4	103.9	12.0%		
Data customer base	million	39.6	31.9	24.1%		
Mobile money customer base	million	20.1	15.5	29.6%		

## Strong revenue performance across regions:



## Strong results across service segments:



Note: Revenues in the above table do not include inter-segment eliminations and will therefore not sum to total Group revenue.

## Achieving our aspirations:

		Delivery in H1'2021	
<b>Mobile revenue</b>	Grow ahead of the market to increase revenue market share in both mobile voice and data	Mobile service revenue +15.3% Data +33.4%, Voice +7.0%	✓
<b>Mobile money revenue</b>	Revenue growth through increases in subscribers and activity as Airtel Money becomes "currency of choice"	Mobile money revenue +30.4%	✓
<b>Underlying EBITDA</b>	Improve margin through operational gearing and scale benefits	Underlying EBITDA margin 44.7%, +110bps YoY	✓
<b>Capex</b>	Capex target stable at \$650-700m pa	HY capex \$216m, outlook remains stable	✓
<b>Leverage</b>	Mid term target leverage ratio of <2x underlying EBITDA	Ratio broadly stable at 2.2x	✓
<b>Dividend</b>	Progressive dividend: Grow mid to high single digit % pa from base of \$4 cents FY21, till leverage <2x net debt to underlying EBITDA	Interim dividend \$1.5 cents per share	✓

## Contacts

Pier Falcione, Deputy CFO & Head of Investor Relations

[investor.relations@africa.airtel.com](mailto:investor.relations@africa.airtel.com)

Hudson Sandler: +44(0)20 7796 4133 [airtelafrika@hudsonsandler.com](mailto:airtelafrika@hudsonsandler.com)