

INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30th JUNE 2025



The Directors of Umeme Limited present the unaudited interim financial results for the six months ended 30th June 2025. The main operating activities during the period centered on the operational retransfer of the electricity distribution system to the Government of Uganda at the end of the natural term of the concession in March 2025 subject to payment of the full Buy Amount due to Umeme and on the recovery of all amounts outstanding due to Umeme under the concession, including payment of the full Buy Out Amount claims due and owing to Umeme by the Government at the end of the concession.

OPERATING PERFORMANCE REVIEW

The period's performance is mainly related to the last quarter of the concession, compared to full six operating months in 2024.

Electricity demand increased by 11% compared to the same period (quarter) in 2024. This is on account of new connections, improved network stability and continued reduction in energy losses. Umeme closed the Concession with losses for the quarter at 16.5% (losses for the last full year of operations ie 2024 closed at 16.1%) compared to 38% we began with in 2005.

Revenues reduced to Ushs 504 billion in the six months due to the short operating period (2024: Ushs 1,152 billion). Gross profits reduced to Ushs 95 billion (2024: Ushs 410 billion), on account of reduced margins, reduced operational months and lag in regulatory income recovery.

The operating costs for the period were Ushs 99 billion, compared to Ushs 146 for the same period in 2024.

As required by the International Financial Reporting Standards (IFRS), the valuation of assets and liabilities is based on prudent accounting principles. As such, provisions have been made based on previous asset bases which have been revalued to their current fair value. The changes are due to the end of the electricity distribution concession and pending resolution of the dispute with the Government.

An amortisation charge of Ushs 134 billion was therefore incurred in the period, adjusting the intangible assets to the current valuation, pending the resolution of the dispute with the Government of the Buy Out Amount claim. As a result, the Company recorded a loss of Ushs 167 billion compared to a profit of Ushs 13 billion in the same period in 2024.

The Company's total assets exceeded total liabilities by Ushs 69 billion (31 December 2024: Ushs 241 billion).

Net cashflows generated from operating activities during the period amounted to Ushs 87 billion (2024: Ushs 112 billion).

Cash generated from investing activities during the period amounted to Ushs 408 billion driven by receipt of Ushs 434 billion (USD 118 million), being the partial payment by the Government of the Company's Buy Out Amount claim. As a result, closing cash balance at 30th June 2025 amounted to Ushs 467 billion.

OUTLOOK

As per the Company's notice dated 24 June 2025 the Board of Directors of Umeme Limited declared an interim dividend of Ushs 222 per ordinary share, subject to deduction of withholding tax where applicable; that was subsequently paid to the shareholders by 31st July 2025.

As communicated by the Board of Directors to shareholders at the Annual General Meeting held on 18th July 2025, management and the board remain focused on resolving the on-going dispute with the Government on the Company's outstanding Buy Out Amount claims as provided for in the privatisation agreements.

At the same time, we continue to manage the business prudently in line with this transitional environment, while also working to develop and capture opportunities for new business.

We will keep the shareholders and stakeholders informed of any new developments in this respect, and any material new business opportunity will be brought to shareholders before the Company enters into binding commitments.

EXTRACT OF UNAUDITED INTERIM CONDENSED STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

STATEMENT OF PROFIT OR LOSS

	Unaudited 6 months ended 30 June 2025 (Ushs million)	Unaudited 6 months ended 30 June 2024 (Ushs million)
Revenue from contracts with customers	503,521	1,151,821
Cost of sales	(408,089)	(742,131)
GROSS PROFIT	95,432	409,690
Repair and maintenance expenses	(12,460)	(34,609)
Administration expenses	(86,281)	(111,313)
Foreign exchange (losses)/gains	(8,486)	5,785
Decrease/(increase) in expected credit losses	14,074	(1,084)
OPERATING PROFIT BEFORE AMORTISATION, IMPAIRMENT, INTEREST AND TAX	2,279	268,469
Amortisation and write-off of intangible assets	(134,298)	(238,314)
OPERATING (LOSS)/PROFIT	(132,019)	30,155
Finance income	4,196	9,774
Finance costs	(27,016)	(16,352)
(LOSS)/PROFIT BEFORE TAX	(154,839)	23,577
Income tax charge	(11,875)	(10,590)
(LOSS)/PROFIT FOR THE PERIOD	(166,714)	12,987
BASIC AND DILUTED EARNINGS PER SHARE	Ushs (102.7)	Ushs 8.0

STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 6 months ended 30 June 2025 (Ushs million)	Unaudited 6 months ended 30 June 2024 (Ushs million)
(Loss)/Profit for the period	(166,714)	12,987
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods (net of tax):		
Exchange differences on translation from functional currency	(5,979)	(20,733)
Total comprehensive loss for the period, net of tax	(172,693)	(7,746)

STATEMENT OF CHANGES IN EQUITY

	ISSUED CAPITAL (Ushsmillion)	SHARE PREMIUM (Ushsmillion)	ACCUMULATED PROFIT/(LOSSES) (Ushsmillion)	TRANSLATION RESERVE (Ushs million)	TOTAL EQUITY (Ushs million)
At 1 January 2024	27,748	70,292	609,430	229,911	937,381
Profit for the period	-	-	12,987	-	12,987
Other comprehensive income, net of tax	-	-	-	(20,733)	(20,733)
Total comprehensive income, net of tax	-	-	12,987	(20,733)	(7,746)
Dividend declared	-	-	(126,987)	-	(126,987)
At 30 June 2024–unaudited	27,748	70,292	495,430	209,178	802,648
At 1 January 2025	27,748	70,292	(70,346)	213,788	241,482
Loss for the period	-	-	(166,714)	-	(166,714)
Other comprehensive loss, net of tax	-	-	-	(5,979)	(5,979)
Total comprehensive loss, net of tax	-	-	(166,714)	(5,979)	(172,693)
At 30 June 2025 – unaudited	27,748	70,292	(237,060)	207,809	68,789

STATEMENT OF FINANCIAL POSITION

	Unaudited 30 June 2025 (Ushs million)	Audited 31 December 2024 (Ushs million)
ASSETS		
Non-current assets		
Deferred tax asset	-	3,033
Current assets		
Intangible assets	-	145,300
Other financial asset	30,410	434,847
Concession financial asset	-	337,757
Inventories	8,275	69,535
Contract assets	-	60,616
Trade and other receivables	85,138	296,304
Prepayments	158	8,354
Bank balances	466,337	32,973
	590,318	1,385,686
TOTAL ASSETS	590,318	1,388,719
EQUITY AND LIABILITIES		
Equity		
Issued capital	27,748	27,748
Share premium	70,292	70,292
Accumulated losses	(237,060)	(70,346)
Translation reserve	207,809	213,788
	68,789	241,482
Liabilities		
Current liabilities		
Long term incentive plan	-	44,011
Concession obligation	-	337,757
Contract liabilities	341	46,401
Accrued expenses	-	33,515
Provisions	1,186	1,213
Trade and other payables	520,002	625,505
Current income tax payable	-	593
Bank overdrafts	-	58,242
	521,529	1,147,237
TOTAL EQUITY AND LIABILITIES	590,318	1,388,719

STATEMENT OF CASH FLOWS

	Unaudited 6 months ended 30 June 2025 (Ushs million)	Unaudited 6 months ended 30 June 2024 (Ushs million)
Net cash flows from operating activities	87,420	112,074
Investing activities		
Purchase of intangible assets	(25,929)	(66,240)
Proceeds from other financial asset	433,794	-
Proceeds from sale of assets	-	161
Net cash flows from/(used in) investing activities	407,865	(66,079)
Financing activities		
Dividend paid	-	(38,973)
Net cash flows used in financing activities	-	(38,973)
Net increase in cash and cash equivalents	495,285	7,022
Cash and cash equivalents at 1 January	(25,269)	(48,385)
Translation differences	(3,679)	4,593
Cash and cash equivalents at end of period	466,337	(36,770)

Message from the Directors

The above unaudited interim financial statements are extracts from the Company's unaudited interim financial statements which were reviewed by Ernst & Young Certified Public Accountants. A copy of the interim condensed financial statements as at 30th June 2025 can be obtained at the Umeme Limited Head Office at Rwenzori House, Plot 1 Lumumba Avenue, Kampala, Uganda, and from our website: www.umeme.ug.

The interim financial statements for the six months ended 30th June 2025, were approved by the Board of Directors on 12th September 2025, and were signed on its behalf by:

Chairman



Managing Director

