



AXIAN TELECOM HOLDING AND MANAGEMENT PLC

(Formerly know as AXIAN Telecom Holding And Management LTD)

CONSOLIDATED FINANCIAL STATEMENTS

***FOR THE YEAR ENDED
31 DECEMBER 2025***

AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(Formerly known as "Axian Telecom Holding and Management Ltd")

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(Formerly known as "Axian Telecom Holding and Management Ltd")

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2025

		Date of appointment	Date of resignation
DIRECTORS	:		
		Mr. Hassanein Shahreza Hiridjee	29-Dec-23
		Mr. Ahmud Ismael Parwiz Jugoo	29-Dec-23
		Mr. Nicolas Sylvestre-Boncheval	29-Dec-23
		Mrs. Anja Blumert	20-Jun-25
		Mr. Hassan Jaber	20-Jun-25
		Mr. Afsar Azize Abdulla Ebrahim	20-Jun-25
		Mrs. Badiene Seynabou Ba	20-Jun-25
			1-Jan-26
ADMINISTRATOR & SECRETARY	:	Mr. Nicolas Sylvestre-Boncheval	29-Dec-23
REGISTERED OFFICE	:	Unit Office-C503 Level 5, Burj Daman, Dubai International Financial Centre, United Arab Emirates	
AUDITOR	:	Deloitte & Touche (M.E.) Al Sila Tower, 11th Floor Abu Dhabi Global Market Square P.O. Box 990 Abu Dhabi, United Arab Emirates	

AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(Formerly known as "Axian Telecom Holding and Management Ltd")

COMMENTARY OF DIRECTORS

The directors are pleased to present their commentary and the audited consolidated financial statements of Axian Telecom Holding and Management PLC (the "Company") and its subsidiaries (together referred to as the "Group" or "Axian Telecom Group") for the year ended 31 December 2025.

CHANGE OF NAME

On 2 June 2025, the Company was converted into a public company under the Companies Law, DIFC Law No.5 of 2018 and changed its name from Axian Telecom Holding and Management Ltd to Axian Telecom Holding and Management PLC.

PRINCIPAL ACTIVITIES

Axian Telecom Holding and Management PLC (the "Company") operates as an investment holding company for entities operating in the telecommunications sector within Africa geographies. It also provides services (procurement, technical support and management services) to the subsidiaries of Axian Telecom Group.

The Group is a pan-African telecommunications services provider, with consolidated operations across Tanzania, Madagascar, Togo, Senegal, Comoros, Uganda and Democratic Republic of Congo, and its joint ventures in Réunion and Mayotte. Following the acquisition of Wananchi Group (Holdings) Ltd and its subsidiaries ("Wananchi Group") on 30 October 2025, the Group has also acquired operations in Kenya, Zambia and Malawi.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

REVIEW OF THE BUSINESS

The results for the year under review are shown in the consolidated statement of profit or loss and the consolidated statement of other comprehensive income on pages 11 and 12.

Companies Law DIFC Law No. 5 of 2018 issued by the Dubai International Financial Centre (DIFC), requires the directors to prepare consolidated financial statements for each financial year which present fairly the consolidated statements of financial position, financial performance and cash flows of the Group. In preparing those consolidated financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") have been followed and complied with, subject to any material departures disclosed and explained in the consolidated financial statements; and
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors confirm that they have complied with the above requirements in preparing these consolidated financial statements.

**AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(Formerly known as "Axian Telecom Holding and Management Ltd")**

COMMENTARY OF DIRECTORS (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the consolidated statement of financial position of the Group and to enable them to ensure that the consolidated statements comply with the Companies Law of 2018, DIFC Law No.5 of 2018 and Companies Regulations 2018. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As a DIFC Public Limited Company (PLC), the Company is required to comply with enhanced requirements relating to minimum share capital, governance structure, and public accountability. These include maintaining a registered presence in the DIFC, appointing at least two directors and a company secretary, preparing audited financial statements in accordance with IFRS Accounting Standards, and meeting ongoing filing and disclosure.

The directors have made an assessment of the Group's ability to continue as going concern and have no reason to believe that the business will not be a going concern in the year ahead.

AUDITOR

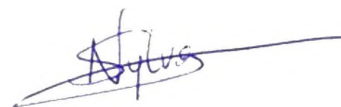
The Directors propose the re-appointment of Deloitte & Touche (M.E.) as the external auditor of the Group for the year ending 31 December 2025.

RELEASE

The Directors release the Management and the external auditor from liability in connection with their duties for the year ended 31 December 2025.



DIRECTOR



DIRECTOR

Date: 13 April 2026

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDER OF AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(formerly known as Axian Telecom Holding and Management Ltd.)**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Axian Telecom Holding and Management PLC (the "Company") and its subsidiaries (together "the Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 31 December 2025, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2025, and its financial performance and its cash flows for year then ended in accordance with the IFRS Accounting Standards as issued by International Accounting Standards Board (IASB).

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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) applicable to audits of consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities in the United Arab Emirates, and we have 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 consolidated financial statements of the current period. The key audit matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

**INDEPENDENT AUDITOR’S REPORT
TO THE SHAREHOLDER OF AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(formerly known as Axian Telecom Holding and Management Ltd.) (continued)**

Key audit matter	How our audit addressed the key audit matter
Revenue recognition	
<p>The Group reported revenue from telecommunication and related services of USD 1,691,427,300 for the year ended 31 December 2025.</p> <p>Telecommunication service revenue recognition involves processing of high volume of transactions through complex IT systems.</p> <p>The end-to-end process of revenue recognition related to telecommunication services from the entering of customers details in the network system through generation of call records and ultimately recognition of revenue in the accounting records is highly automated. Given the volume of transactions and complexity of IT systems, this area is considered most significant to our audit, requiring focused attention and effort.</p> <p>This, together with the quantitative significance of the amount to the consolidated financial statements, the high volume of individually low-value transactions and the level of audit effort required has resulted in revenue recognition being identified as a key audit matter.</p> <p>Refer to note 2 in the consolidated financial statements for the accounting policy related to revenue recognition, and note 29 for more details on revenue recognized during the year.</p>	<p>We performed the following procedures, inter alia, in order to address the key audit matter:</p> <ul style="list-style-type: none"> • We obtained an understanding of the significant revenue recognition processes, and with the assistance of our IT specialists, identified the relevant controls, IT systems, interfaces and reports involved in the revenue cycle; • We assessed the abovementioned controls to determine if they had been appropriately designed and implemented and tested these controls to determine if they were operating effectively throughout the year; • We utilised our internal IT specialists to test IT general controls, system interfaces, data/information reporting and application specific controls surrounding relevant revenue systems; • We determined if the revenue recognition criteria adopted for all major revenue streams are in accordance with IFRS Accounting Standards; • We reviewed, on a sample basis, key reconciliations performed by the Revenue Assurance team; • We performed substantive analytical procedures by calculating the expected revenue on the significant streams of revenue; • We selected, on sample basis, invoices for which revenue had been recognized and verified the revenue amounts based on the underlying supporting documents; and • We assessed the disclosures in the consolidated financial statements relating to this matter against the requirements IFRS Accounting Standards.



**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDER OF AXIAN TELECOM HOLDING AND MANAGEMENT PLC
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Other Information

Management is responsible for the other information. The other information comprises the commentary of Directors. The other information does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 auditors' 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and their preparation in compliance with the applicable provisions of the Company's Articles of Association and the Companies Law pursuant to DIFC law No. 5 of 2018 issued by Dubai International Financial Centre (DIFC), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.



**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDER OF AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(formerly known as Axian Telecom Holding and Management Ltd.) (continued)**

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidenced obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated financial statements or, if such disclosure 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.



**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDER OF AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(formerly known as Axian Telecom Holding and Management Ltd.) (continued)**

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

We also provide those charged with governance 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, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Further, we report that the consolidated financial statements comply, in all material aspects, with the applicable provisions of the Companies Law DIFC Law No. 5 of 2018 issued by the Dubai International Financial Centre (DIFC).

Deloitte & Touche (M.E.)

A handwritten signature in blue ink that reads "Deloitte & Touche".

13 April 2026
Dubai
United Arab Emirates

AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(Formerly known as "Axian Telecom Holding and Management Ltd")

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	USD	USD
Revenue (Note 29)	1,691,427,300	1,406,915,647
Other income (Note 30)	17,909,322	16,834,214
Cost of devices and equipment (Note 5)	(57,399,337)	(42,618,032)
Cost of interconnection and roaming (Note 5)	(43,922,482)	(42,360,427)
Government and regulatory costs (Note 5)	(120,154,571)	(85,300,328)
Advertising and distribution costs (Note 5)	(32,483,447)	(27,068,879)
Commissions to sales agents (Note 5)	(220,791,853)	(190,573,232)
Impairment losses on financial assets (Note 5)	(33,158,059)	(18,777,619)
Technology operation costs (Note 5)	(144,135,668)	(113,549,012)
Staff costs (Note 5)	(188,403,325)	(160,097,971)
Other operating expenses (Note 5)	(114,884,304)	(100,480,106)
Derecognition of financial assets (Note 5)	(529,249)	(1,253,982)
Professional fees (Note 5)	(38,374,423)	(31,043,075)
Depreciation and amortisation (Note 5)	(327,843,770)	(294,024,538)
Impairment of non-financial assets (Note 5)	(2,286,255)	(2,853,863)
Net fair value gains on financial assets at fair value through profit or loss (Note 5)	116,789,539	1,639,752
OPERATING PROFIT	<u>501,759,418</u>	<u>315,388,549</u>
Finance income (Note 6)	63,591,202	44,484,289
Finance costs (Note 6)	(262,132,814)	(205,165,904)
Finance costs – Net (Note 6)	<u>(198,541,612)</u>	<u>(160,681,615)</u>
Non-operating income (Note 38)	1,779,559	21,689,216
Non-operating expenses (Note 38)	-	(178,798)
Share of profit in associates and joint ventures, net of tax (Note 11)	<u>10,378,727</u>	<u>21,284,475</u>
PROFIT BEFORE INCOME TAX	315,376,092	197,501,827
Tax expense (Note 7(a))	<u>(89,083,299)</u>	<u>(83,420,975)</u>
PROFIT FOR THE YEAR	<u><u>226,292,793</u></u>	<u><u>114,080,852</u></u>
PROFIT FOR THE YEAR ATTRIBUTABLE TO:		
- Owners of the Company	204,735,795	92,354,456
- Non - controlling interest	<u>21,556,998</u>	<u>21,726,396</u>
	<u><u>226,292,793</u></u>	<u><u>114,080,852</u></u>

The notes on pages 18 to 164 form an integral part of these consolidated financial statements.
Independent auditor's report on pages 6 to 10.

AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(Formerly known as "Axian Telecom Holding and Management Ltd")

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	USD	USD
PROFIT FOR THE YEAR	226,292,793	114,080,852
OTHER COMPREHENSIVE INCOME		
<i>Items that may be re-classified to profit or loss</i>		
Exchange differences on translation of foreign subsidiaries	22,919,349	(13,676,293)
Exchange differences on translation of foreign joint ventures and associates (Note	5,095,862	(3,404,237)
	28,015,211	(17,080,530)
<i>Items that will not be re-classified to profit or loss</i>		
Net gain/(loss) on equity instruments designated at fair value through OCI (Note 42)	1,045,949	(604,518)
Remeasurements of retirement benefit obligations (Note 35(ii))	468,225	263,275
Deferred tax on remeasurement of retirement benefit obligations	(1,345)	(4,597)
	1,512,829	(345,840)
TOTAL OTHER COMPREHENSIVE INCOME	29,528,040	(17,426,370)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	255,820,833	96,654,482
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:		
- Owners of the Company	234,075,354	82,460,243
- Non - controlling interest	21,745,479	14,194,239
	255,820,833	96,654,482

The notes on pages 18 to 164 form an integral part of these consolidated financial statements.
Independent auditor's report on pages 6 to 10.

AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(Formerly known as "Axian Telecom Holding and Management Ltd")



CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	2025 USD	2024 USD
ASSETS		
Non-current assets		
Property, plant and equipment (Note 8)	1,331,791,083	1,135,016,452
Right-of-use assets (Note 25 (i))	585,630,631	615,815,368
Intangible assets (Note 9)	390,004,416	296,989,105
Goodwill (Note 33)	281,813,144	251,016,347
Deferred tax assets (Note 7 (b(i)))	42,530,170	44,129,937
Investment in joint ventures and associates (Note 11)	29,637,926	40,061,127
Financial assets at fair value through other comprehensive income ("FVTOCI") (Note 42)	18,530,884	17,582,430
Financial assets at fair value through profit or loss (Note 31)	168,568,990	13,690,293
Loans receivables (Note 14)	19,789,666	12,654,434
Trade and other receivables (Note 12)	9,430,008	11,291,529
Deposits receivables (Note 36)	5,080,261	4,246,173
Treasury bonds (Note 32)	816,405	1,016,623
Derivative financial instruments (Note 40)	5,300,000	3,200,000
	<u>2,888,923,584</u>	<u>2,446,709,818</u>
Current assets		
Inventories (Note 13)	51,274,573	22,738,802
Loans receivables (Note 14)	44,497,613	35,920,063
Deposits receivables (Note 36)	771,995	163,757
Trade and other receivables (Note 12)	399,871,517	303,155,850
Current tax assets (Note 7(d))	10,609,231	9,702,119
Cash at bank (Note 15)	256,883,765	166,234,317
Restricted cash (Note 16)	533,941,329	405,658,457
	<u>1,297,850,023</u>	<u>943,573,365</u>
Total assets	<u><u>4,186,773,607</u></u>	<u><u>3,390,283,183</u></u>

To the best of our knowledge, the financial information included in these consolidated financial statements fairly presents in all material respects the financial condition, results of operations and cash flows of the Group as of, and for, the periods presented therein.

Authorised for issue by the Board of Directors on 13 April 2026

Signed on its behalf by:


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_____))

DIRECTORS

AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(Formerly known as "Axian Telecom Holding and Management Ltd")


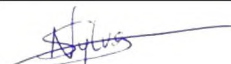
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025 (CONTINUED)

	2025 USD	2024 USD
EQUITY AND LIABILITIES		
Equity and reserves		
Stated capital (Note 17)	1,422,564	1,422,564
Reorganisation reserves (Note 18)	76,230,230	76,230,230
Other reserves (Note 18)	22,655,562	12,102,716
Legal reserves (Note 18)	12,690,648	8,946,918
Translation reserves (Note 18)	9,778,275	(10,272,321)
Retained earnings	<u>180,127,335</u>	<u>130,041,862</u>
Equity attributable to owners of the Company	302,904,614	218,471,969
Non-controlling interests (Note 19)	<u>82,946,511</u>	<u>83,154,340</u>
Total equity	<u>385,851,125</u>	<u>301,626,309</u>
LIABILITIES		
Non-current liabilities		
Borrowings (Note 20)	1,097,632,818	832,703,907
Trade and other payables (Note 21)	78,276,181	64,283,184
Government grants (Note 22)	37,805,047	24,468,067
Provisions (Note 23)	49,625,400	47,910,815
Lease liabilities (Note 25 (i))	724,364,898	769,808,236
Deposits payable (Note 34)	9,526,087	7,588,423
Deferred tax liabilities (Note 7(b)(ii))	19,629,291	16,753,516
Retirement benefit obligations (Note 35)	<u>7,979,380</u>	<u>6,643,253</u>
	<u>2,024,839,102</u>	<u>1,770,159,401</u>
Current liabilities		
Trade and other payables (Note 21)	814,961,827	687,692,372
Mobile money float (Note 21)	510,895,650	401,899,766
Deposits from customers (Note 39)	4,960,440	4,535,935
Borrowings (Note 20)	120,895,056	83,966,419
Provisions (Note 23)	19,566,747	13,336,931
Deposit payable (Note 34)	8,252	7,278
Lease liabilities (Note 25 (i))	96,626,584	44,371,810
Bank overdraft (Note 15)	103,114,717	55,753,296
Current tax liabilities (Note 7(d))	20,508,186	19,307,870
Dividend payable (Note 37)	80,412,703	6,359,239
Government grants (Note 22)	<u>4,133,218</u>	<u>1,266,557</u>
	<u>1,776,083,380</u>	<u>1,318,497,473</u>
Total liabilities	<u>3,800,922,482</u>	<u>3,088,656,874</u>
Total equity and liabilities	<u>4,186,773,607</u>	<u>3,390,283,183</u>

To the best of our knowledge, the financial information included in these consolidated financial statements fairly presents in all material respects the financial condition, results of operations and cash flows of the Group as of, and for, the periods presented therein.

Authorised for issue by the Board of Directors on 13 April 2026

Signed on its behalf by:


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_____))

DIRECTORS

The notes on pages 18 to 164 form an integral part of these consolidated financial statements.
Independent auditor's report on pages 6 to 10.

AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(Formerly known as "Axian Telecom Holding and Management Ltd")

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Equity attributable to equity holders of the Company							Total equity attributable to owners of the Company USD	Non-controlling interest USD	Total equity USD
	Stated capital USD	Capital reserves USD	Re- organisation reserves USD	Other reserves USD	Legal reserves USD	Translation reserves USD	Retained earnings USD			
At 01 January 2024	50,000	1,372,564	76,538,841	(18,861,385)	6,503,426	(4,340,978)	153,593,943	214,856,411	90,525,447	305,381,858
Comprehensive income:										
Profit for the year	-	-	-	-	-	-	92,354,456	92,354,456	21,726,396	114,080,852
Other comprehensive income for the year, net of tax	-	-	-	(345,840)	-	(9,548,373)	-	(9,894,213)	(7,532,157)	(17,426,370)
Total comprehensive income for the year	-	-	-	(345,840)	-	(9,548,373)	92,354,456	82,460,243	14,194,239	96,654,482
Shares issued to non-controlling interest	-	-	-	-	-	-	-	-	373,912	373,912
Dividend (Note 37)	-	-	-	-	-	-	(78,209,715)	(78,209,715)	-	(78,209,715)
Dividend paid to non-controlling interest (Note 37)	-	-	-	-	-	-	-	-	(21,939,258)	(21,939,258)
Transfer between reserves (Note 18(a) and 18(c))	-	-	-	31,309,941	2,443,755	-	(33,753,696)	-	-	-
Issue of shares	1,372,564	(1,372,564)	-	-	-	-	-	-	-	-
Disposal of subsidiary (Note 46)	-	-	(308,611)	-	(263)	3,617,030	(3,943,126)	(634,970)	-	(634,970)
At 31 December 2024	<u>1,422,564</u>	<u>-</u>	<u>76,230,230</u>	<u>12,102,716</u>	<u>8,946,918</u>	<u>(10,272,321)</u>	<u>130,041,862</u>	<u>218,471,969</u>	<u>83,154,340</u>	<u>301,626,309</u>

The notes on pages 18 to 164 form an integral part of these consolidated financial statements. Independent auditor's report on pages 6 to 10.

AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(Formerly known as "Axian Telecom Holding and Management Ltd")

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Equity attributable to equity holders of the Company						Total equity attributable to owners of the Company USD	Non-controlling interest USD	Total equity USD
	Stated capital USD	Re- organisation reserves USD	Other reserves USD	Legal reserves USD	Translation reserves USD	Retained earnings USD			
At 01 January 2025	1,422,564	76,230,230	12,102,716	8,946,918	(10,272,321)	130,041,862	218,471,969	83,154,340	301,626,309
Comprehensive income:									
Profit for the year	-	-	-	-	-	204,735,795	204,735,795	21,556,998	226,292,793
Other comprehensive income for the year, net of tax	-	-	1,360,221	-	27,979,338	-	29,339,559	188,481	29,528,040
Total comprehensive income for the year	-	-	1,360,221	-	27,979,338	204,735,795	234,075,354	21,745,479	255,820,833
Dividend (Note 37)	-	-	-	-	-	(150,000,000)	(150,000,000)	-	(150,000,000)
Dividend paid to non-controlling interest (Note 37)	-	-	-	-	-	-	-	(24,403,087)	(24,403,087)
Acquisition through business combination (Note 26)	-	-	-	-	-	-	-	(1,678,514)	(1,678,514)
Shares issued to non-controlling interest (Note 18(e))	-	-	-	-	-	-	-	4,485,584	4,485,584
Transfer between reserves (Note 18(a) and 18(c))	-	-	9,543,741	3,743,730	-	(13,287,471)	-	-	-
Changes in non-controlling interest (Note 18(f))	-	-	(351,116)	-	(7,928,742)	8,637,149	357,291	(357,291)	-
At 31 December 2025	1,422,564	76,230,230	22,655,562	12,690,648	9,778,275	180,127,335	302,904,614	82,946,511	385,851,125

The notes on pages 18 to 164 form an integral part of these consolidated financial statements.
Independent auditor's report on pages 6 to 10.

AXIAN TELECOM HOLDING AND MANAGEMENT PLC
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	USD	USD
Cash flows from operating activities		
Cash generated from operations (Note 28)	635,790,185	590,124,608
Interest paid on lease liabilities (Note 25(i))	(96,260,403)	(92,069,683)
Interest paid	(62,478,295)	(56,436,592)
Interest received	16,853,482	13,147,421
Taxation paid (Note 7(d))	(76,125,779)	(55,528,065)
Net cash generated from operating activities	417,779,190	399,237,689
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	350,244	1,064,450
Proceeds from sale of intangible assets	2,909	77,607
Purchase of property, plant and equipment (Note 8)	(329,916,699)	(320,999,706)
Purchase of intangible assets (Note 9)	(60,167,214)	(46,469,155)
Net cash outflows on acquisition of subsidiaries (Note 26)	(72,058,643)	(2,554,051)
Net cash outflows on distribution/disposal of subsidiaries (Note 46)	-	(892,971)
Dividend received (Note 41)	129,290	107,396
Treasury bonds matured (Note 32)	314,669	312,057
Purchase of financial assets at fair value through profit or loss	(37,817,861)	(1,262,360)
Proceeds from disposal of financial assets at fair value through profit or loss	-	227,808
Dividend received from joint ventures and associates	25,897,790	16,502,683
Loan granted to related parties (Notes 47 (a) and 24(a))	(6,000,000)	(227,989)
Loan repayments made by related parties (Notes 24(a) and (b))	29,155	70,502
Additional deposits (Note 36)	(472,406)	(334,391)
Deposits refunded (Note 36)	1,468,290	9,861
Net movement in deposits payable (Note 34)	1,155,116	116,824
Grants received (Note 22)	11,845,752	10,753,321
Net cash used in investing activities	(465,239,608)	(343,498,114)
Cash flows from financing activities		
Premium on settlement of swap derivative liability	-	(956,029)
Proceeds from borrowings (Note 28 (a))	194,039,257	176,404,098
Repayment of borrowings (Note 28 (a))	(110,346,277)	(128,643,443)
Payment of transaction costs on borrowings (Note 28 (a))	(17,522,106)	(6,070,872)
Repayment of principal component of lease liabilities, net of lease incentives received (Note 28 (a))	(52,175,354)	(36,965,560)
Dividend paid (Note 37)	(100,419,565)	(73,490,352)
Proceeds from issuance of bonds (Note 28 (a))	596,910,000	-
Repayment of bonds (Note 28 (a))	(420,000,000)	-
Repayment of redemption premium (Note 28 (a))	(7,743,750)	-
Shares issued to non-controlling interest	1,227,546	373,912
Net cash generated from/(used) in financing activities	83,969,751	(69,348,246)
Net increase/(decrease) in cash and cash equivalents	36,509,333	(13,608,671)
Effect of exchange rate on cash and cash equivalents	6,778,694	(3,735,233)
Cash and cash equivalents at beginning of year	110,481,021	127,824,925
Cash and cash equivalents at end of year (Note 15)	153,769,048	110,481,021

The notes on pages 18 to 164 form an integral part of these consolidated financial statements.
Independent auditor's report on pages 6 to 10.

AXIAN TELECOM HOLDING AND MANAGEMENT PLC
(Formerly known as "Axian Telecom Holding and Management Ltd")

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

1 GENERAL INFORMATION

Axian Telecom Holding and Management PLC (the "Company") was incorporated as a private company under the Companies law, DIFC Law No.5 of 2018 and Companies Regulations 2018 on 29 December 2023 with registered number 7891. It's place of business is Unit Office-C503, Level 5, Burj Daman, Dubai International Financial Centre, United Arab Emirates.

On 02 June 2025, the Company was converted into a public company under the Companies Law, DIFC Law No.5 of 2018 and changed its name from Axian Telecom Holding and Management Ltd to Axian Telecom Holding and Management PLC.

Axian Telecom Holding and Management PLC together with its subsidiaries (referred to as the "Group" or the "Axian Telecom Group") is a pan-African telecommunications services provider, with consolidated operations across Tanzania, Madagascar, Togo, Senegal, Comoros, Uganda and Democratic Republic of Congo, and its joint ventures in Réunion and Mayotte. Following the acquisition of Wananchi Group (Holdings) Ltd and its subsidiaries (together referred as "Wananchi Group") on 30 October 2025, the Group has also acquired operations in Kenya, Zambia and Malawi.

The Group's activities span over a diverse range of telecommunication assets and services, including retail mobile, residential and business fixed-line telephone, broadband and fiber internet, digital services offerings, including mobile financial services ("MFS") and wholesale infrastructure (tower, data centers and fibres). The Group also conducts its international bandwidth capacity operations through its subsidiary, Silver Links Ltd.

2 MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies apply to the Group and have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements are prepared under the historical cost convention, except for financial instruments measured at fair value. The consolidated financial statements are presented in United States Dollars (USD) and have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and comply with the requirements of the Companies Law DIFC Law No. 5 of 2018 issued by the Dubai International Financial Centre (DIFC).

The Company was incorporated on 29 December 2023 and issued 50,000 Class A shares with a par value of USD 1 each. On 9 August 2024, the Company was transferred shares of Axian Telecom (a Global Business Company incorporated on 20 June 2003 under the laws of Mauritius having its registered address at 10th Floor, Standard Chartered Tower, 19 Cybercity Ebene, Mauritius) by its sole shareholder, as an equity investment, thereby increasing its issued share capital.

On 09 August 2024, the Company obtained control of Axian Telecom and thereafter consolidated the financial position and results of Axian Telecom. This is a reorganisation, as in substance this is a continuation of the existing business of Axian Telecom, and the structure of ownership is discretionary, with any reorganisation thereof being without economic substance from the perspective of the ultimate controlling party.

For the year ended 31 December 2024, the Company incorporated the assets, liabilities and reserves of Axian Telecom at their pre-combination carrying amounts reflecting in the books of Axian Telecom without any fair value uplift. No new goodwill was recorded. Any difference between the cost of the transaction and the carrying value was recorded in equity.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Basis of preparation (continued)

Going concern

In accordance with the requirements of IAS 1 - Presentation of Financial Statements, the consolidated financial statements have been prepared on the going concern basis which assumes that the Group will continue in operational existence for the foreseeable future.

At 31 December 2025, the Group was in a net current liability position of USD 478.2 million (2024: USD 374.9 million). The directors have assessed the Group's ability to continue as a going concern, and they consider that there is sufficient liquidity to enable it to continue as a going concern for at least the next 12 months, considering the following factors:

- Based on management assessment, the forecast cash generated from operations in the 12 months after the signing of these consolidated financial statements will be sufficient to meet the liquidity requirements for that period.
- The Group's operations are cash generative and the nature of mobile services revenue (which makes up the majority of the Group's revenue) in the markets where the Group operates, is such that customers will generally prepay for their services through prepaid airtime and data bundles. The Group thus inherently has more favourable credit terms with its suppliers than it does with its customers and is able to manage cash resources effectively in order to ensure sufficient liquidity. We also generate a significant portion of our revenue from commissions received on mobile money activities. These commissions are received at the time that the mobile money transactions are affected.
- Based on the group cash flow forecast, management expects increased revenue from growth in the demand for products and services from the existing customer base, expansion of the customer base (underlined by strong market fundamentals with growing telecom penetration in all of the Group's core markets), and expansion of highly synergistic business such as Mobile Financial Services ('MFS') and fixed fibre services, following the acquisition of the Wananchi Group. Strong operating cash flow generation is supported by efficient working capital with a majority of our revenues being prepaid and, a majority of our suppliers extending the Group customary payment terms of between 30 and 90 days.
- The current balance of deferred revenue of USD 74.2 million (Note 21), and the current balance of government grants of USD 4.1 million (Note 22) do not represent cash liabilities in their entirety. The Group is required to deliver services in respect of billing made in advance and grants received in advance, but the cash cost of delivering those services is significantly lower than the balance of the deferred amounts as at 31 December 2025 and is considered in the Group's cash flow forecast.
- Included in current liabilities is a balance of USD 80.4 million related to dividends declared but not yet paid. While these are due to be paid in the short term, in the unlikely event that the Group encounters liquidity issues, the shareholder (whose balance makes up to USD 80.0 million of the total value) will allow for the deferral of the dividend payment due.
- The Group has a revolving credit facility providing up to USD 50.0 million of available credit, should the need arise. This revolving credit facility expires on 7 December 2029. To date, the Group has not drawn any amount on this facility.
- On 8 July 2025 the Company entered into a Term Credit Facility ('TCF') agreement with SB, SBM, SCB, and MCB, in an aggregate value of \$150.0 million. The TCF is available to be drawn down against until 7 July 2027 and had not been utilized at 31 December 2025.
- On 12 December 2025, the Company entered into a Term Facility Accordion Agreement with BII and Deutsche Investitions - und Entwicklungsgesellschaft mbH ('DEG') for an amount of USD 30.0 million. The Company has drawn down USD 16.2 million against this facility as at 31 December 2025, with an additional USD 13.8 million remaining available as at the balance sheet date.
- On 21 December 2025, Honora Tanzania Mobile Solutions Limited entered into a new term loan facility with CRDB Bank Plc for an amount of TZS 270.0 billion (approximately USD 110.8 million) to be utilised for general corporate purposes. As at 31 December 2025, Honora Tanzania Mobile Solutions Limited has not drawn any amounts against this facility.

AXIAN TELECOM HOLDING AND MANAGEMENT PLC
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Going concern (continued)

- Taking account of our net current liability position of USD 478.2 million as at 31 December 2025, and adjusting for the aggregate balance of deferred revenues, government grants and dividend payable to the shareholder (USD 158.3 million), and the aggregate value of available facilities (USD 324.6 million), the Group has an available current asset position of USD 4.7 million.
- The above assessment assumes no inflows from cash generated from operations before working capital changes during 2026, which in the opinion of management, is a very conservative assumption, considering that for the year ended 31 December 2025, the group generated USD 737.2 million from operations before working capital changes.
- Thus, having assessed existing cash reserves, the availability of undrawn facilities, forecast cash generation and the ongoing operational requirements and planned capital expenditure payments, management believes that the going concern assumption remains appropriate in the context of current commitments and available liquidity.

Accordingly, the consolidated financial statements have been prepared on the going concern basis which assumes that the Group will continue in operational existence for the foreseeable future.

Basis of consolidation

The consolidated financial statements comprise the financial statements of Axian Telecom Holding and Management Plc and its subsidiaries as at 31 December. The Group controls and thus consolidates an entity when it has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to use its power to affect those returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it considers it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that the decisions need to be made, including voting patterns at previous shareholder's meetings.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Group. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated on consolidation.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Investments in joint ventures and associates

A joint venture is a type of arrangement whereby the parties to the arrangement exercise joint control over the operations of, and have joint rights to the net assets of, the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group accounts for its investments in joint ventures and associates in its consolidated financial statements by using the equity method. Under the equity method, the investment in a joint venture or associate is initially recognised at cost, which includes transaction costs. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture or associate after the acquisition date.

Where an indicator of impairment exists, the carrying amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down to its recoverable amount. The difference between the carrying amount and the recoverable amount is recognised as an impairment expense in profit or loss, in the period in which the impairment is identified.

On disposal of an investment in an associate or joint venture, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

Business combinations

Acquisition method

The acquisition of subsidiaries is accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values, (at the date of exchange), of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. Contingent consideration that is classified as an asset or liability is remeasured at subsequently reporting dates in accordance with IFRS 9 Financial Instruments, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss in accordance with IFRS 9. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRS Accounting Standards. Changes in the fair value of contingent consideration classified as equity are not recognised.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Business combinations (continued)

Acquisition method (continued)

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with IFRS 2 Share-based Payment; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date. The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

Business combination under common control

A business combination involving entities or businesses in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination is considered as business combination under common control.

In case of any acquisitions which meet the criteria of business combinations under common control the assets and liabilities are recorded at their previous carrying values and the difference between the purchase consideration and share of net assets transferred are accounted for in equity as part of the reorganisation reserve. Any gains or losses arising upon disposal of subsidiaries to common control are recognised in retained earnings.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Changes in accounting policies and disclosures

In the current year, the Group has applied all of the new and revised Standards and Interpretations issued by the IFRS Accounting Standards as issued by IASB and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 01 January 2025.

(i) New and revised IFRS Accounting Standards that are effective for the current year

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2025, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior periods but may affect the accounting for future transactions or arrangements.

Amendment to IAS 21— Lack of Exchangeability

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The adoption of the amendments had no impact on the financial performance and financial position of the Group.

(ii) New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorization of these consolidated financial statements, the following relevant IFRS Accounting Standards were in issue but effective on annual periods beginning on or after the respective dates as indicated:

- IFRS 7 Financial Instruments: Disclosures - Amendments regarding the classification and measurement of financial instruments (effective 01 January 2026)
- IFRS 9 Financial Instruments: - Amendments regarding the classification and measurement of financial instruments (effective 01 January 2026)
- IFRS 7 Financial Instruments: Disclosures and IFRS 9 Financial Instruments: Amendments regarding Contracts Referencing Nature-dependent Electricity (effective 01 January 2026)
- Annual Improvements to IFRS Accounting Standards (effective 01 January 2026)
- IAS 21 The Effects of Changes in Foreign Exchange Rates – Amendments relating to Translation to a Hyperinflationary Presentation Currency (effective 1 January 2027)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures - Original issue (effective 01 January 2027)
- IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information (not yet adopted)
- IFRS S2 - Climate-related Disclosures (not yet adopted)
- IFRS 18 Presentation and Disclosures in Financial Statements - Original issue (effective 01 January 2027)

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some paragraphs from IAS 1 have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(ii) New and revised IFRS Accounting Standards in issue but not yet effective (continued)

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 01 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The directors of the entity anticipate that the application of these amendments may have an impact on the group's consolidated financial statements in future periods.

The above stated new standards and amendments are not expected to have any significant impact, other than IFRS 18, which will have a material impact on the consolidated financial statements. The Group is currently working to identify the impacts IFRS 18 will have on the consolidated financial statements and its notes. There are no other applicable new standards and amendments to published standards or IFRIC interpretations that have been issued that would be expected to have a material impact on the consolidated financial statements of the Group.

Foreign currency translation

(a) *Functional and presentation currency*

The individual financial information of the Group's subsidiaries, associates, and joint ventures are presented in the currency of the primary economic environment in which those entities operate (their functional currency). For the purpose of the consolidated financial information, the results and financial position of each entity are expressed in United State Dollars (USD) which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

(b) *Foreign denominated transactions and balances*

- In the individual accounts of the Group's entities

Transactions denominated in foreign currencies are translated into the measurement currency at the rates of exchange ruling at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Such balances are translated at year-end exchange rates.

- In the Group's consolidated financial statements

The results and financial position of all the group entities that have a functional currency different from the functional and presentation currency of the Company, are translated into the presentation currency of the Company as follows:

- (a) assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period;
- (b) income and expenses for each statement of profit or loss and statement of comprehensive income are translated at an average exchange rate for the period (unless this average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions);
- (c) share capital and equity movements are stated at their historical value in the statement of financial position; and
- (d) all resulting exchange differences are recognised in other comprehensive income.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

The Group applies IFRS 15 "Revenue from Contracts with Customers" in accounting for revenue.

The Group offers products and services on a standalone basis or as part of bundles. Revenue is recorded net of VAT and other taxes collected on behalf of local tax authorities.

Revenue from contracts with customers is recognised when control of the goods is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods.

The Group carries out services for clients, with revenue recognised typically on an over time basis. This is because for such services rendered, the customer simultaneously receives and consumes the economic benefit provided by the Group's performance and the contracts would require payment to be received for the time and effort spent by the Group on progressing the contracts in the event of the customer cancelling the contract prior to completion for any reason other than the Group's failure to perform its obligations under the contract.

When revenue recognised in respect of a customer contract exceeds amounts received or receivable from a customer at that time, a contract asset is recognised. Contract assets will typically be recognised for handsets or other equipment provided to customers where payment is recovered by the Group via future periodic billing. If amounts received or receivable from a customer exceed revenue recognised for a contract, for example if the Group receives an advance payment from a customer, a contract liability is recognised as deferred revenue. For contracts containing significant financing components, the Group reduces revenue and recognises interest income over the period between satisfying the related performance obligation and payment.

A receivable is recognised when the services are rendered, as this represents the point in time at which the right to consideration becomes unconditional, because only passage of time is required before payment is due.

The Group applies the practical expedient in IFRS 15 paragraph 63 and does not account for the impact of financing components where the period between the receipt of payment and the delivery of a good or service is of one year or less.

(i) Mobile services, fixed services, and direct-to-home (DTH) television services

The Group offers fixed and mobile telephone services, fixed and mobile internet access services, DTH, and content offers to its customers. Some contracts are for a fixed term (generally 12 or 24 months), while others may be terminated at short notice. Service revenue is recognised when the service is provided, based on usage (minutes of traffic, number of SMS or bytes of data processed) or the period for which the customer has paid and over which the Group has provided a service (e.g. monthly service costs). If the performance obligations of a contract are non-distinct, the revenue relating to the aggregate services offered is recognised on a linear basis over the term of the contract.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

- (ii) Revenue from interconnection, roaming and Mobile Virtual Network Operator (MVNO)

Comprises of operator billing on interconnections, call termination, international or national roaming and any other form of wholesale traffic resale (MVNO) to other telecommunications service providers. For contracts with operator customers, the price, volume and terms are defined in the contracts. The operator has a commitment to pay the amount as per the contract irrespective of actual traffic consumed over the contract period. Revenue is recognised over time as the services are provided over the term of the contract.

- (iii) Customer Equipment and infrastructure

Comprises of sale of equipment such as terminals, routers, solar kits, infrastructure, and the sale of other telecom & IT equipment to other telecommunications professionals. The Group offers equipment (primarily mobile phones) either separately or bundled with service offers. When sold separately, the amount invoiced is recognised in revenue once delivery of the products has occurred (at a point in time). When equipment is bundled with service offers, the Group recognises the portion of the contract consideration allocated to the equipment as revenue on delivery. The proportion of the contract consideration allocated to service revenue is recognised over the contract period, as services are delivered to the customer.

Revenue is allocated to each component in proportion to their standalone selling prices. This is the case for bundled offers which include a subsidised mobile phone, where the standalone selling prices are calculated at the cost price plus a margin derived from market practices.

- (iv) Equipment hosting, rental of sites, and energy services and datacentre business

The Group offers telecom equipment hosting and energy services. The Group purchases and constructs infrastructure (primarily towers), that will then host telecom equipment and transmission equipment, all of which the Group designates under the umbrella term. The Group leases such sites in strategic locations to telecom and audio-visual network operators with complementary energy supply, all while ensuring the proper management, maintenance and upkeep of the sites.

The revenue from equipment hosting and energy services is therefore recognised over time.

- (v) Revenue from operator infrastructure services

Revenue from operator infrastructure services include income from backbone connectivity rental in any contractual form with Synchronous Transport Module (STM). The services also comprise of rental of technical sites and accommodation of data processing equipment in technical rooms.

It also comprises of sales of bandwidth on certain telecommunications cable system.

The Group has contracts with customers and revenue is recognised in the accounting period in which the service is provided, which is over time, usually over the duration of the contract with the customer.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

- (vi) Commission received on electronic money activities

The Group provides mobile money activities whereby customers can open a virtual wallet and deposit funds, withdraw or transfer funds, or transact with registered vendors using their wallet balance. Revenue from our mobile money activities mainly comprises of the commissions received on cash transactions, which are calculated based on the official rates decided by management. The revenues are net of value added taxes.

Revenue is recognised as and when the service is provided, which is at a point in time. Interest income on loan to clients calculated using the effective interest rate method is recognised in profit or loss as part of Commission received on electronic money activities.

- (vii) Revenue received from customers for use of trademark and licences

Trademark fees are derived from the use of the trademark and intellectual property rights which are registered in Mauritius. A trademark fee is received based on the agreements between the parties. Revenue is recognised in the accounting period in which the customer is granted the right to use the trademark or intellectual property, which is over time, over the duration of the contract with customer.

- (viii) Revenue received from digital solutions services (Other services)

Digital solutions services are derived from providing IT support services and other assistance to companies. Revenue derived from digital solutions services is categorised as service revenue. This type of revenue is recognised in the accounting period in which the service is provided, which is over time, usually over the duration of the contract with the customer.

- (ix) Management fees and Technical assistance fees

The Group provides assistance to customers in the management of their business and their corporate strategy. The Group is actively involved in the operational management of those companies where it provides training and administrative assistance to its personnel. The Group has contracts with customers and revenue is recognised in the accounting period in which the service is provided, which is over time, usually over the duration of the contract with the customer.

Operating costs

Costs directly associated with generating revenues are included under operating costs. Operating costs include direct material, input, and labour costs, and other costs. The operating costs of the Group relate principally to costs of devices and equipment, cost of interconnection and roaming, telecom operator fees, satellite and optical fiber bandwidth charges, technical assistance fees, commission to sales agents, depreciation of property, plant and equipment, water and electricity charges and repairs and maintenance costs on technical sites. Operating costs are accrued in the period in which the services are provided, by reference to the stage of completion of the specific transaction as a proportion of the total services to be provided.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment

Property, plant and equipment ("PPE") is stated at historical cost less accumulated depreciation and accumulated impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items of property, plant and equipment.

Properties in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Depreciation of these assets, determined on the same basis as other property assets, commences when the assets are ready for their intended use.

Initial and subsequent costs associated with items of property, plant and equipment are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The Group classifies its PPE by reference to separately identifiable components which may be replaced separately or may have differing useful lives. The carrying amount of any component accounted for as a separate asset is derecognised when replaced, scrapped or disposed of. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to write off the cost or property, plant and equipment, net of their residual values, over their estimated useful lives as follows:

Land is not depreciated.

The annual rates are as follows.

Buildings & Infrastructure	10 to 20 years
Technical equipment	3 to 20 years
Materials	10 to 20 years
Others	2 to 10 years

Others include furniture & fittings and vehicles.

The residual values and useful lives or property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount, with the resulting impairment recognised in profit or loss. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Intangible assets

(a) Licences

Licences acquired are recorded at cost, net of amortisation and impairment losses. Amortisation is calculated on a straight-line basis in order to spread the cost of licenses over their estimated useful life of 4 to 20 years. The amortisation period is reviewed annually and is modified if expectations differ from previous estimates.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Software

The Group purchases software as well as develops software internally. Purchased software is recognised initially at its purchase price plus any costs necessary for bringing it into a condition where it is available for use, for example installation and setup costs.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use,
- management intends to complete the software and use or sell it,
- there is an ability to use or sell the software,
- it can be demonstrated how the software will generate probable future economic benefits,
- adequate technical, financial and other resources to complete the development and to use or sell the software is available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software development costs include employee costs and an appropriate portion of relevant overheads.

Capitalised software purchase and development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use. These costs are amortised over the estimated useful life of the software between 2 and 10 years.

Costs associated with maintaining software programmes are recognised as an expense as incurred.

(c) Indefeasible right of use (IRU)

IRUs acquired are recorded at cost, net of amortisation and impairment losses. Amortisation is calculated on a straight-line basis in order to spread the cost of the IRUs over their estimated useful lives (ranging from 5 to 20 years). The amortisation period is reviewed annually and is modified if expectations differ from previous estimates.

Where an IRU is acquired for a specified bandwidth in a fibre cable, such IRUs are recognised as intangible assets. The carrying value of intangible assets as at the end of the reporting period also consist of the Group's share of international bandwidth capacity on the Metiss ("MEltingpoT Indianoceanic Submarine System"), Eassy ("Eastern African Submarine cable SYstem"), 2Africa submarine cable systems, East African Marine System (TEAMS) Limited, Seacom Cable, Orange Telkom and Bharti Airtel following its participation in the relevant consortiums.

(d) Brands and customer related intangible assets

Brands and customer related intangible assets, acquired in a business combination, are recognised at fair value at the acquisition date. The right to use the Tigo and Zantel brands was acquired as part of the business combination of Honora Tanzania PLC, the right to use the Free brand was acquired as part of the business combination of Saga Africa Holdings Limited SA. Those brands provide customer recognition and pricing power. Following the rebranding of our mobile and mobile money operations in November 2024, the Zantel brand, the Tigo brand and the Free brand were fully impaired as at 31 December 2024. Customer related intangible assets represent customer contracts and relationships. Amortisation is calculated using the straight-line method to allocate the customer related intangible assets over their estimated useful lives of 3-22 years.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Intangible assets (continued)

Impairment of property, plant and equipment and intangible assets (excluding goodwill)

At the end of each reporting year, the Group reviews the carrying amounts of their tangible 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. Where it is not possible to estimate the recoverable amount of an individual asset, or where the carrying value of the asset is expected to be recovered primarily through continuing use, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset or cash-generating unit ("CGU") is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. The recoverable amount is the higher of the CGU's fair value less cost to sell and its value in use.

An impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset or 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 or cash-generating unit in prior years. A reversal of an impairment loss is recognised in profit or loss.

Financial instruments

Financial assets and financial liabilities are recognised in an entity's statement of financial position when the entity become a party to the contractual provisions of the instrument.

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 or loss.

Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Classification of financial assets (continued)

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, an entity may make the following irrevocable election / designation at initial recognition of a financial asset:

- The entity may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (ii) below); and
- The entity may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (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) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

(ii) Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'Other Income' line item in profit or loss.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Classification of financial assets (continued)

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (ii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designate an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (ii) above).
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

The Group have designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition of IFRS 9. Held for trading financial assets or financial assets that do not meet the SPPI test are measured at FVTPL.

All other financial assets are measured at amortised cost.

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;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the fair value reserve.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

The Group recognise a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group apply the IFRS 9 simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade and other receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all investments in debt instruments and loans, the Group recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measure the loss allowance for that financial instrument at an amount equal to 12-month ECL.

For all other financial instruments, the Group recognise lifetime ECL until they are derecognised due to short-term nature of the receivables and have been assessed to have credit risk other than low.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, an entity compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the entity considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations
- an actual or expected significant deterioration in the operating results of the debtor
- significant increases in credit risk on other financial instruments of the same debtor
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

Irrespective of the outcome of the above assessment, the Group presume that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group have reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the entity assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- the financial instrument has a low risk of default
- the debtor has a strong capacity to meet its contractual cash flow obligations in the near term
- adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group consider a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

The Group regularly monitor the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Group consider a financial asset in default when contractual payments are past due for a period depending on the business environment in which each entity operates. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the entity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the entity.

(iii) Write off policy

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. It is the policy of the Group to write off trade and other receivables on case-to-case basis if the Group deems that these receivables will not be collectible on the assessment of underlying facts and circumstances. These underlying facts include historical experience of the receivables, instances where the customer has been declared insolvent or bankrupt, and instances when debt settlement negotiations have been unsuccessful in achieving debt collections for long-outstanding unpaid amounts from customers.

(iv) Recognition of expected credit losses

The Group recognise 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, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets

The Group derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfer nor retain substantially all the risks and rewards of ownership and continue to control the transferred asset, the Group recognise their retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retain substantially all the risks and rewards of ownership of a transferred financial asset, the Group continue to recognise the financial asset and also recognise a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group have elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the fair value reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity

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 arrangements and the definitions of a financial liability and an equity instrument.

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 issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

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

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

The Group do not have any financial liabilities that are measured at FVTPL.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, 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.

The Group measure all their financial liabilities at amortised cost.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial liabilities and equity (continued)

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. These foreign exchange gains and losses are recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship. For those which are designated as a hedging instrument for a hedge of foreign currency risk foreign exchange gains and losses are recognised in other comprehensive income and accumulated in a separate component of equity. 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. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group derecognise financial liabilities when, and only when, the Group'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.

Derivative financial instrument

The Group enter into a variety of derivative financial instruments to manage their exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, options and interest rate swaps.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group have both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host - with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

Derivatives embedded in hybrid contracts with a financial asset host within the scope of IFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured at either amortised cost or fair value as appropriate.

Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts, and the host contracts are not measured at FVTPL.

If the hybrid contract is a quoted financial liability, instead of separating the embedded derivative, the Group generally designate the whole hybrid contract at FVTPL.

An embedded derivative is presented as a non-current asset or non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 months.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or equity. In this case, the tax is also recognised in other comprehensive income or equity respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Where management identifies uncertain tax positions, it establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities.

Deferred income tax is recognised, using the balance sheet approach, on all temporary differences arising at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the statements of financial position. However, deferred income tax is not accounted for 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 nor taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the reporting date and which are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets on tax losses are reassessed at the end of each reporting period and are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax assets and deferred tax liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to the same taxable entity and taxes levied by the same taxation authority.

Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventory is determined using the weighted average method and it includes all costs incurred in bringing the inventories to their present location and condition. Cost of inventory comprises of direct purchase costs, non-recoverable import duties and taxes, and transportation costs. The net realisable value is the estimated selling price in the ordinary course of business, less applicable selling prices. The net realisable value of spare parts is determined on the basis of obsolescence; assessing whether the spare parts on hand can be utilised within our existing network or otherwise sold, or whether they should be provided for and scrapped.

Restricted cash

Restricted cash represents funds for which the use by the Group is subject to restrictions. Restricted cash primarily represents funds deposited by the Group in order to create mobile money in circulation, and which the Group cannot utilise as such money may only be used to refund mobile money customer wallet balances, net of commission and revenues earned. The value of restricted cash therefore generally approximates the value of mobile money customer deposits.

Restricted cash does not form part of cash and cash equivalent.

Stated capital

Ordinary shares are classified as equity.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Reorganisation reserves

For business combination involving entities under common control, the difference between the purchase consideration and fair value/carrying value of assets acquired and liabilities assumed is taken to reorganisation reserve in equity. Common control occurs when a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Provisions

Provisions are recognised when an entity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Provision for dismantling costs

The costs of dismantling and rehabilitating the sites, incurred as a result of the contractual obligation incumbent on the Group due to an immediate deterioration of the environment, are subject to a provision. This provision is evaluated on a statistical basis on the basis of the number of sites concerned, an average unit cost of rehabilitating sites, and assuming the average duration of the leases, a discount rate, and inflation. When a site is dismantled, the corresponding provision is utilised against the cost of dismantling, and any shortfall or excess is immediately released to profit or loss.

Provisions for dismantling are initially measured at the present value of the estimated future cost of dismantling, with a corresponding increase in the cost of the associated item of property, plant and equipment or right of use asset. Interest is accrued against the provision for dismantling using the effective interest rate method and such provisions are revised annually for changes in estimated future dismantling costs and discount rates.

Any difference between the carrying value of the dismantling obligation and its re-estimated present value is recognised as an increase or decrease in the cost of the associated item of property, plant and equipment or the right of use asset, unless such a decrease exceeds the carrying value of the item of property, plant and equipment or right of use asset; in which case such excess is immediately expensed to profit or loss.

Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with the attached conditions.

Government grants, whose main condition is that the Group must purchase, construct or otherwise acquire non-current assets, are included in non-current liabilities and they are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Government grants (continued)

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate. Where government grants do not have a minimum period for which the Group must provide services, management considers that the costs that the grants are intended to compensate are the actual costs incurred, as they are incurred. Income from such government grants is therefore recognised in profit or loss in the same period as the actual associated costs that are incurred.

Leases

The Group applies IFRS 16 in accounting for leases and applies the requirement of IFRS 16 in identifying whether a contract contains a lease element. The Group considers whether it obtains control of an asset as part of the contract. Control exists if the Group has both of the following:

- The right to derive economic benefits from the use of the asset; and
- The right to direct the use of the asset.

Where the Group identifies a contract as a lease, it recognises a lease liability and right-of-use asset at the commencement of the lease.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has applied this practical expedient per IFRS 16 and account for all of the components of a contract as if they were a lease. Some non-lease components cannot be accounted for as a lease because they are completely variable. These are generally referred to as "performance-based payments". These components are therefore generally expensed as they are incurred.

The Group applies the practical expedient in IFRS 16 and does not recognise lease liabilities and right-of-use assets in respect of short-term and low value leases. Short-term leases are leases with a term of less than 12 months and low values leases are those where the total payments under the lease do not exceed USD 5,000.

Payments associated with all short-term and low-value leases are recognised on a straight-line basis as an expense in profit or loss. Low-value assets comprise mainly small space and road stalls.

Lease liabilities

Lease liabilities are initially recognised at the net present value of the outstanding lease payments, over the term of the lease which are fixed and determinable at the start of the lease.

The discount rate is the interest rate implicit in the lease contract. If this cannot readily be determined, the lessee's incremental borrowing rate is used instead, which in the case of the Group ranges between 4.5% and 20.0%.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option, or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a 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 right-of-use asset has been reduced to zero.

Lease payments that are due within 12 months from the end of the reporting period, less associated interest expense to be accrued within the same 12-month period, are classified as current liabilities. Lease payments that are due for settlement after more than 12 months from the end of the reporting period are classified as non-current liabilities.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Right-of-use of assets

Right-of-use assets are measured at cost comprising the following:

- 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.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis and are assessed annually for indicators of impairment. Depreciation and impairment expenses in respect of right-of-use assets are recognised in profit or loss.

Dividends

The Group recognise a liability to pay dividend when the distribution is approved by the board of directors. A corresponding amount is recognised directly in equity.

Dividend income is recognised when the shareholder's right to receive payment is established.

Impairment of goodwill

Goodwill is not subject to amortisation and is tested annually for impairment. For the purposes of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the synergies of the combination.

The cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently if there is an indication that the unit may have suffered an impairment loss. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is first recorded as a reduction of the carrying amount of any goodwill allocated to the unit and is subsequently charged to other assets of the unit in proportion to the book value of each of the assets included in the unit and then to other assets of unit prorated on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period, even if the recoverable amount of the unit exceeds the carrying value in a future period.

Retirement benefit obligations

The Group operates an unfunded defined benefit plan in Togo and Senegal and a defined contribution scheme in Mauritius.

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of retirement benefit obligations is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by an actuary using the projected unit credit method.

In Mauritius, the net present value of gratuity on retirement benefit payable under the Worker's Rights Act 2019 has been calculated by a qualified actuary and provided for. The obligations arising under this item are not funded.

Expense recognition

Expenses are accounted for in profit or loss on an accrual basis.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Fair values

IFRS 13 requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Treasury bonds

The Treasury bonds are marketable, fixed-interest government debt securities with a long-term maturity which pays periodic interest payments until maturity. These bonds are considered to be risk-free since they are backed by the government and offer stable returns.

Deposits receivable

Deposits receivable refer to funds that the Group expects to receive in the form of cash and/or other financial asset from an entity, typically arising from transactions such as security deposits amongst others. These deposits are refundable on either a short-term or long-term basis and they have an original maturity of more than 3 months.

Deposits payable

Deposits payable refer to funds that the Group contractually expects to refund at a later date or upon the occurrence of specified conditions, typically arising from transactions such as security deposits for post-paid services and surety bonds for roaming services. The deposits are refundable after more than one year.

Deposits from customers

Deposits from customers represent a client savings account whereby the Group acting under the relevant legislation enables the public to save electronic money and to deal in transactions involving this digital form of money. A fixed rate of interest is incurred on the deposits payable to such customers.

Dividend Income

Dividend receivable from subsidiaries are recognised when the shareholder's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be reliably measured.

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose them to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

Risk management is carried out under policies approved by the Board of Directors of the Group and of relevant subsidiaries. The Board of Directors identifies, evaluates and manages financial risks in cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as for specific areas such as foreign exchange risk, interest rate risk and credit risk. The Group treasury is responsible for managing the Group's exposure to financial risk within the policies set by the Board of Directors.

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3 FINANCIAL RISK MANAGEMENT (CONTINUED)

Categories of financial instruments

	2025	2024
	Financial assets at amortised cost USD	Financial assets at amortised cost USD
Deposits receivable	5,852,256	4,409,930
Treasury bonds	816,405	1,016,623
Loans receivable	64,287,279	48,574,497
Trade and other receivables*	264,345,856	204,789,156
Cash at bank	256,883,765	166,234,317
Restricted cash	533,941,329	405,658,457
	-----	-----
Total	1,126,126,890	830,682,980
	=====	=====
	2025	2024
	Financial assets at fair value through profit or loss USD	Financial assets at fair value through profit or loss USD
Mutual funds and securities	808,101	1,167,754
Equity securities	160,511,967	4,861,352
Venture capital funds	7,248,922	7,661,187
Embedded derivative assets	5,300,000	3,200,000
	-----	-----
Total	173,868,990	16,890,293
	=====	=====
	2025	2024
	Financial asset at fair value through Other Comprehensive Income USD	Financial asset at fair value through Other Comprehensive Income USD
Equity Investments	18,530,884	17,582,430
	=====	=====
Total financial assets	1,318,526,764	865,155,703
	=====	=====

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3 FINANCIAL RISK MANAGEMENT (CONTINUED)

Categories of financial instruments (Continued)

	2025	2024
	Financial liabilities at amortised cost USD	Financial liabilities at amortised cost USD
Borrowings	1,218,527,874	916,670,326
Lease liabilities	820,991,482	814,180,046
Trade and other payables**	691,486,869	576,760,370
Mobile money float	510,895,650	401,899,766
Bank overdraft	103,114,717	55,753,296
Deposits payable***	7,515,590	5,604,917
Dividend payable	80,412,703	6,359,239
Deposits from customers	4,960,440	4,535,935
	-----	-----
Total	3,437,905,324	2,781,763,896
	=====	=====

*Trade and other receivables exclude the following:

- Prepayments of **USD 72,648,084** (2024: USD 53,658,660)
- VAT receivable and amount receivable from authorities of **USD 72,160,741** (2024: USD 53,360,602)
- Contract assets of **USD 146,844** (2024: USD 2,638,961)

Trade and other payables exclude deferred revenue of **USD 93,455,881 (2024: USD 70,272,425) and VAT payable and amount payable to authorities of **USD 108,295,258** (2024: USD 104,942,761).

***Deposits payable exclude non-refundable deposits of **USD 2,018,749** (2024: USD 1,990,784).

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3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk

(i) *Foreign exchange risk*

Group

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The Group manages its exposure to foreign exchange risk by retaining funds in local currencies to the extent required (or forecast to be required) for liquidity, working capital, and local investment purposes.

The assets and liabilities denominated in foreign currency are tabled below.

	2025		2024	
	Financial assets USD	Financial liabilities USD	Financial assets USD	Financial liabilities USD
CFA Franc	300,104,271	817,702,222	237,028,659	705,164,988
United States Dollar	318,747,764	1,618,418,481	80,501,025	967,160,802
Malagasy Ariary	261,129,569	207,528,063	201,338,744	215,059,629
Euro	17,718,587	140,096,722	18,958,244	144,958,335
Tanzanian Shilling	395,554,795	613,253,602	312,105,589	711,467,661
Ugandan Shilling	4,225,736	-	3,749,748	22,694,118
Comorian Franc	20,612,492	40,901,458	11,215,821	14,963,968
Others	433,550	4,776	257,873	294,389
	-----	-----	-----	-----
Total	1,318,526,764	3,437,905,324	865,155,703	2,781,763,896
	=====	=====	=====	=====

At 31 December 2025, if the United States Dollar ("USD") had weakened by 5% against the Malagasy Ariary, with all other variables held constant, profit before income tax for the Group would have been higher by **USD 2,680,075** (2024: higher by USD 686,044).

At 31 December 2025, if the United States Dollar ("USD") had strengthened by 5% against the Euro, with all other variables held constant, profit before income tax for the Group would have been higher by **USD 6,118,907** (2024: higher by USD 6,300,005).

At 31 December 2025, if the United States Dollar ("USD") had strengthened by 5% against the CFA Franc, with all other variables held constant, profit before income tax for the Group would have been higher by **USD 25,879,898** (2024: higher by USD 23,406,816).

At 31 December 2025, if the United States Dollar ("USD") had strengthened by 5% against the Tanzanian Shilling, with all other variables held constant, profit before income tax for the Group would have been higher by **USD 10,884,940** (2024: higher by USD 19,968,104).

At 31 December 2025, if the United States Dollar ("USD") had weakened by 5% against the Ugandan Shilling, with all other variables held constant, profit before income tax for the Group would have been higher by **USD 211,287** (2024: higher by USD 947,219).

At 31 December 2025, if the United States Dollar ("USD") had strengthened by 5% against the Comorian Franc, with all other variables held constant, profit before income tax for the Group would have been higher by **USD 1,014,448**.

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3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(ii) *Interest rate risk*

Group

The Group is exposed to interest rate risks as it borrows funds at floating rates as at 31 December 2025. The interest rate was as follows:

		Floating interest rate 2025	Floating interest rate 2024
BNI Madagascar			
(i)	Principal MGA 62,500,000,000	Malagasy Central Bank rate minus margin of 3.25% to 3.65%	Malagasy Central Bank rate minus margin of 3.25% to 3.65%
(ii)	Principal MGA 25,000,000,000	Malagasy Central Bank rate minus margin of 3.00%	N/A – New loan in 2025
BRED Madagasikara			
(i)	Principal MGA 58,000,000,000	Malagasy Central Bank rate minus margin of 4.25%	Malagasy Central Bank rate minus margin of 4.25%
Banque Malgache de L'Océan Indien ('BMOI')			
(i)	Principal MGA 35,000,000,000	Malagasy Central Bank rate minus margin of 3.40%	Malagasy Central Bank rate minus margin of 3.40%
(ii)	Principal MGA 40,000,000,000	Malagasy Central Bank rate minus margin of 3.50%	N/A – New loan in 2025
Stanbic Bank Uganda Limited			
(i)	Facility 1 : Principal USD 13,000,000	3 months SOFR plus 5.00% margin	3 months SOFR plus 5.00% margin
	Principal UGX 79,100,000,000	3 months average 182 days treasury bill rates plus 4.25% margin	3 months average 182 days treasury bill rates plus 4.25% margin
(ii)	Facility 2 : Principal USD 30,000,000	USD Tranche: 3 months SOFR plus 4.75% margin UGX Tranche: 3 months average 182 days treasury bill rates plus 4.00% margin	N/A – New facility in 2025
JP Morgan Chase Bank N. A.			
(i)	Principal USD 101,955,751 and USD 56,268,900	SOFR plus margin 0.90%	SOFR plus margin 0.90%
British International Investment PLC			
(i)	Principal USD 60,000,000	SOFR plus a margin of 3.75% - 4.00%	SOFR plus a margin of 3.75% - 4.00%

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3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) *Interest rate risk (continued)*

		Floating interest rate 2025	Floating interest rate 2024
International Finance Corporation, Togo			
(i) Principal	EUR	EURIBOR 6 months plus Spread of 5.50% per annum	EURIBOR 6 months plus Spread of 5.50% per annum
	18,000,000		
International Finance Corporation, Comoros			
(i) Principal	EUR	EURIBOR 6 months plus Spread of 3.50% per annum	N/A – New facility in 2025
	25,000,000		

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for financial assets and financial liabilities at year-end. For floating rate liabilities, the analysis is prepared assuming the amount of liabilities outstanding at year-end was outstanding for the whole year. A 1% increase or decrease is used and represents management's assessment of the reasonably possible change in interest rates.

	2025 USD	2024 USD
Profit or loss	1,506,201	626,456
	-----	-----

(iii) *Price risk*

The Group is exposed to equity securities price risk. The equity price risk arises on the Group's investments at FVTPL and FVTOCI. Equity price risk is the risk of unfavourable changes in fair values of equities as the result of changes in the value of individual shares.

The risk arising from changes in the value of equity securities is managed by regular monitoring of the performance of the investment through information available to management.

Sensitivity analysis

Pre-tax profit for the year, including the Group's equity, would increase/decrease as a result of gains/losses on equity securities classified as at fair value through profit or loss.

The table below summarises the impact of increases/decreases of the quoted price of the mutual funds and equity securities on the Group's pre-tax profit for the year and its equity. The analysis is based on the assumption that the equity prices had increased/decreased by 1% with all other variables held constant:

	2025 Effect on pre- tax profit and equity USD	2024 Effect on pre-tax profit and equity USD
Increase in share price	1,533,589	11,677
Decrease in share price	(1,533,589)	(11,677)

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3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk

The Group's credit risk, or the risk of financial loss to the Group as a result of customers and other financial asset counterparties defaulting on their obligations, is primarily attributable to its trade receivables, loan to clients ("nano-loans"), other receivables, and related party receivables and cash at bank. The carrying values of financial and contract assets presented in the statement of financial position represents the Group's maximum exposure to credit loss. These carrying values are presented net of allowances for credit losses, which are estimated by the Group's management based on prior experience, and current and forecast economic conditions.

For the purpose of assessing credit risk, financial assets are aggregated into two major categories, based on their nature, with each category assessed and provisioned for using a different approach:

- Trade receivables, other receivables, and loans to clients (to which the Group applies the simplified approach to credit loss provisioning); and
- Related party receivables (to which the group applies the general approach to credit loss provisioning).

Credit risk for restricted cash and cash at bank is managed by placing these with high credit quality rated financial institutions; and the Group does not consider there to be a significant credit risk associated with these balances.

(b.1) Trade receivables, other receivables, and loans to clients

The Group applies the IFRS 9 simplified approach to measuring expected credit losses in respect of trade receivables, loans to clients, and other receivables. The simplified approach requires the estimation and recognition of a lifetime expected loss ("ECL") allowance.

The Group estimates ECL using a provision matrix, applying a default ratio to the aged balance of financial assets. The ratio applied is calculated on the basis of the following factors:

- the nature of the financial asset, specifically whether the financial asset represents a nano-loan, or whether a trade receivable balance is a retail or business customer, or government entity;
- past default experience by nature of customer, which is used in order to establish the minimum expected default rate by nature of customer. The Group usually uses 12-18 months of historical data to form a view on historical default rates;
- the current economic conditions of the market in which financial asset is recognized and an assessment of forecasted economic conditions at the reporting date and how these compare to the conditions existing at the time that the past default experience was determined;
- where applicable, an analysis of an individual material trade receivable's current financial position, adjusted for factors that are specific to that trade receivable.

The expected loss rates are based on historical credit losses corresponding to each class of financial asset, and levels of actual losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the trade receivables balance. The Group has identified the GDP and inflation rates of the country in which it sells its goods (and initially recognizes the trade receivable), to be the most relevant factors in determining its estimate of future loss provision and accordingly adjusts the historical loss rates based on expected changes in these factors.

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3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

(b.1.i) Trade receivables and other receivables

The Group's trade and other receivables exposure to credit risk is set out in the ECL provision matrix below:

31 December 2025

	Total USD	Current USD	>30 days USD	>90 days USD	> 180 days USD
<i>Expected credit loss rate</i>		8%	9%	11%	27%
Carrying amount					
Trade and other receivables	326,511,325	51,012,364	38,413,992	34,038,016	203,046,953
Expected credit loss	65,870,573	4,020,648	3,303,831	3,673,681	54,872,413

31 December 2024

	Total USD	Current USD	>30 days USD	>90 days USD	> 180 days USD
<i>Expected credit loss rate</i>		4%	8%	10%	27%
Carrying amount					
Trade and other receivables	254,486,726	24,557,905	46,513,125	26,057,165	157,358,531
Expected credit loss	49,415,871	862,985	3,528,964	2,597,661	42,426,261

The carrying amount for trade and other receivables comprise of trade receivables of **USD 283,916,106** (2024: USD 210,959,464), other receivables of **USD 42,448,375** (2024: USD 40,890,243) and contract assets of **USD 146,844** (2024: USD 2,638,962).

The Group is exposed to credit risk given that it sells on credit to various customers in various markets. Credit sales primarily comprise postpaid mobile services (generally extended to business customers and government entities), mobile device sales on credit terms of between 6-12 months, and fixed-line telecommunication and data services (fiber), offered to retail and business customers on a post-paid basis. Credit is extended to customers only after an evaluation of the credit risk of the respective customer. The movement on the Group's expected credit losses of trade and other receivables is disclosed in note 12.

(b.1.ii) Loans to clients

Loans to clients comprises of short-term nano-loans provided to our mobile financial services customers, and generally have a maturity period not more than 30 days.

Our Group policy for assessing credit risk related to nano-loan customers generally entails an assessment of the transaction history of our customers within our digital platform (including previous lending and repayment history), prior to lending. The determination of the customer's credit risk informs the size of the nano-loan that will be offered to the customer.

As a result of the very short-term nature of nano-loan products, the Group aggregates customer balances strictly based on their ageing when applying the simplified approach for assessing and providing impairments on outstanding balances. Nano-loan balances which are more than 30 days past their due date have historically exhibited elevated default rates when compared to those that are not yet past due. As the balances age, the rate of recovery has proven to drop significantly, as reflected in the table below.

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3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

The Group's exposure to credit risk from loans to clients is set out below:

31 December 2025

	Total USD	Current USD	>30 days USD	>90 days USD	> 180 days USD
<i>Expected credit loss rate</i>		5%	25%	41%	96%
Carrying amount Loans receivable	68,453,102	29,883,003	10,981,106	11,691,293	15,897,700
Expected credit loss	24,284,540	1,392,356	2,785,447	4,792,416	15,314,321

31 December 2024

	Total USD	Current USD	>30 days USD	>90 days USD	> 180 days USD
<i>Expected credit loss rate</i>		4%	39%	72%	93%
Carrying amount Loans receivable	47,489,274	31,139,006	6,771,034	5,059,490	4,519,744
Expected credit loss	11,896,744	1,382,041	2,638,448	3,661,199	4,215,056

The movement on the Group's expected credit losses on loans to clients is disclosed in note 14.

(b.2) Related party receivables (including loans and trade receivables)

Related party receivables are carried at amortised cost and are also subject to the expected credit loss model. The Group applies the general approach for assessing impairments on amounts receivable from related parties.

The general model requires the recognition of impairment losses in line with the level of credit risk of the financial asset, and if there is no significant increase in credit risk, the loss allowance is based on 12-months ECL; alternatively the loss allowance is based on lifetime ECL. ECLs are probability weighted averages of credit losses with an assessed risk of defaults occurring as the weights.

The ECL is calculated using the following parameters:

- Probability of default (PD) - is the percentage likelihood of that the borrower will not be able to repay its debt within some period.
- Loss given default (LGD) - is the percentage that could be lost in the event of a default by the borrower not paying its debt (principal and interest).
- Exposure at default (EAD) - is the outstanding balance of the loan - how much the Group is owed at statement of financial position date.

Trade amounts receivable from related parties are generally repayable on demand or with credit terms of up to 30 days. Loans receivable from related parties represent loans to minority interest partners in our subsidiaries (where those partners are considered to be related parties as per IFRS Accounting Standards as issued by the IASB).

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3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

At 31 December 2024	On demand USD	Less than 1 year USD	Between 1 and 2 years USD	Between 2 and 5 years USD	More than 5 years USD	Total USD
Trade and other payables	707,707	523,572,540	29,392,905	21,106,434	-	574,779,586
Mobile money float	94,558,127	307,331,639	-	-	-	401,889,766
Listed bonds	-	30,975,000	466,462,500	-	-	497,437,500
Borrowings	441,179	101,166,378	127,795,913	375,716,266	53,390,224	658,509,960
Lease liability	-	151,587,657	275,082,992	272,830,501	717,887,199	1,417,388,349
Bank overdraft	-	55,753,297	-	-	-	55,753,297
Deposits payable	5,535,221	2,053,202	7,278	-	-	7,595,701
Deposits from customers	4,535,935	-	-	-	-	4,535,935
Dividend payable	-	6,359,239	-	-	-	6,359,239
	105,778,169	1,178,798,952	898,741,588	669,653,201	771,277,423	3,624,249,333

(d) Fair values

Except where stated elsewhere, the fair value of the financial assets and financial liabilities approximate their carrying amount due to the short-term maturities of these instruments. The fair values of mutual funds and equity securities classified under financial assets at FVTPL, which are traded in active markets, have been arrived at using the quoted bid prices at the reporting date. The fair values of unquoted equity securities and venture capital funds classified under financial assets at FVTPL have been determined based on recent transactions in the market. The fair values of equity securities classified under financial assets at FVTOCI have been determined using the EBITDA multiples approach and net asset value. With respect to long-term borrowings which are at floating rates, the carrying value approximate the fair value.

The following table presents the Group's assets as at 31 December 2025 and 31 December 2024:

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
At 31 December 2025				
Financial assets at FVTPL:				
- Mutual funds	808,101	-	-	808,101
- Equity securities	152,550,836	-	7,961,131	160,511,967
- Venture capital funds	-	-	7,248,922	7,248,922
	153,358,937	-	15,210,053	168,568,990
Financial assets at FVTOCI:				
- Equity securities	-	-	18,530,884	18,530,884
	-	-	18,530,884	18,530,884
Embedded derivatives assets:				
- Call Options in Notes	-	-	5,300,000	5,300,000
	-	-	5,300,000	5,300,000
Total assets	153,358,937	-	40,004,325	193,363,262

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3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Fair values (Continued)

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
At 31 December 2024				
Financial assets at FVTPL:				
- Mutual funds	1,167,755	-	-	1,167,755
- Equity securities	-	-	4,861,351	4,861,351
- Venture capital funds	-	-	7,661,187	7,661,187
	----- 1,167,755	----- -	----- 12,522,538	----- 13,690,293
Financial assets at FVTOCI:				
- Equity securities	-	-	17,582,430	17,582,430
	----- -	----- -	----- 17,582,430	----- 17,582,430
Embedded derivatives assets:				
- Call Options in Notes	-	-	3,200,000	3,200,000
	----- -	----- -	----- 3,200,000	----- 3,200,000
Total assets	----- 1,167,755 =====	----- - =====	----- 33,304,968 =====	----- 34,472,723 =====

There were no transfers between Level 1, 2 and 3 during the year ended 31 December 2025.

During the year ended 31 December 2024, investment in equity securities and venture capital funds previously classified as level 2 within the fair value hierarchy have been transferred to level 3. While the valuation methodology remains unchanged, the transfer reflects the use of unobservable inputs, which are not publicly available. There were no transfers between level 1 and level 2 for the year ended 31 December 2024.

The following table shows the valuation technique used in measuring the fair value of financial assets at fair value through profit or loss or OCI, the significant unobservable inputs used and the sensitivity analysis:

	Valuation technique	Unobservable inputs	Inter-relationship between unobservable inputs and fair value measurement
Financial Assets at fair value through profit or loss	Last equity round	<ul style="list-style-type: none"> • KPIs include revenue growth, profitability, cash burn and covenant compliance • Illiquidity discount (5% to 20%) 	<ul style="list-style-type: none"> • The estimated fair value would increase/decrease if there is an improvement or worsening in the KPIs or following a liquidity event. • The estimated fair value would increase/decrease if the illiquidity discount is estimated to lower/(higher).
Financial assets at fair value through OCI	EBITDA multiple/Net asset Value	<ul style="list-style-type: none"> • Multiple • Discount rate 	<ul style="list-style-type: none"> • The estimated fair value would increase/decrease if there is an increase/decrease in the multiple used net asset value of the underlying investee company. • The estimated fair value would increase/decrease if the discount rate is lower/(higher).

Details pertaining to the Call Options in Notes can be found in Note 40.

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3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

To maintain or adjust the capital structure, the Group may adjust dividend payments to its shareholder, return capital to its shareholder or issue new shares.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings and lease liabilities (including current and non-current borrowings and lease liabilities) as shown on the statement of financial position less cash and cash equivalents. Total capital includes capital, reserves, retained earnings, and non-controlling interests as disclosed in notes 17 and 18.

Loans payable to shareholder of **USD 162,802,000** (2024: USD 146,676,569) have been excluded from total borrowings given that the Group's obligations towards its shareholder have been subordinated to its obligations in respect of the 2030 Notes, the Revolving Credit facility and the loan facility from British International Investment Plc and JP Morgan Chase Bank N.A pursuant to the terms of subordination deeds entered into between, amongst others, the shareholder and the Group. Total capital is calculated as equity as shown on the statement of financial position, plus net debt.

As at 31 December 2025 and 2024, the gearing ratios were as follows:

	2025	2024
	USD	USD
Total borrowings	1,876,717,356	1,584,173,803
Less: cash and cash equivalents (Note 15)	(153,769,048)	(110,481,021)
	-----	-----
Net debt	1,722,948,308	1,473,692,782
Total equity	385,851,125	301,626,309
	-----	-----
Total capital	2,108,799,433	1,775,319,091
	=====	=====
Gearing ratio	89%	89%

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4 ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of consolidated financial statements in conformity with IFRS as issued by the IASB requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are set out below. Judgements and estimates are continuously evaluated and are based on historical experience and other factors, including expectations and assumptions concerning future events that are believed to be reasonably likely to occur under the circumstances.

Critical accounting estimates and judgement

The Group makes estimates and judgements 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 discussed below.

- Deferred tax assets

Deferred tax assets are recognised for unused tax losses and deductible temporary differences only to the extent that it is probable that taxable profits will be available against which the losses can be utilised. Recoverability of deferred tax assets has been assessed for each subsidiary based on the forecast taxable profit expected to be generated over the next 5 years.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The directors have made an assessment and believe that the deferred tax assets are recoverable.

At 31 December 2025 and 2024, the status of unused tax losses of the Group was as follows:

	2025		
	<u>Recognised</u>	<u>Unrecognised</u>	<u>Total</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>
Tax losses	62,935,577	362,216,913	425,152,490
	2024		
	<u>Recognised</u>	<u>Unrecognised</u>	<u>Total</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>
Tax losses	76,001,227	276,524,813	352,526,040

Deferred tax assets of **USD 13,863,214** (2024: USD 19,573,990), **USD 4,720,813** (2024: Nil) and **USD 197,764** (2024: Nil) have been recognised on the tax losses carried forward of Honora Tanzania PLC, Towerco of Africa Uganda Limited and Pulse respectively at 31 December 2025. In 2024, no deferred tax assets have been recognised for Togocom (2024: USD 2,903,741).

The assumption that is considered to be the main driver in the cash flow projection is the gross profit margin. Management has considered and assessed the impact of a 10% change in the forecast gross profit margin and has concluded that even a decrease of 10% in the gross profit margin would not have an impact on the deferred tax assets recognised in respect of tax losses.

No deferred tax assets have been recognised on the remaining tax losses carried forward of **USD 362,216,913** (2024: USD 276,524,813) arising from other subsidiaries. The Group has concluded that that there will be no sufficient future taxable profits against which the taxable losses can be utilised.

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4 ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY
(CONTINUED)

Critical accounting estimates and judgement (continued)

- Determining the lease term

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination, including: whether there are significant penalties to terminate (or not extend); whether any leasehold improvements are expected to have a significant remaining value; historical lease durations; the importance of the underlying asset to the Group's operations; and the costs and business disruption required to replace the leased asset. The leased sites and technical equipments are strategic for the Group's operations and their impact on the Group's business is considered a significant factor for the lease term assessment. The lease term is reassessed if a significant event or a significant change in circumstances occurs which affects the assessment of reasonable certainty.

- Impairment of trade and other receivables

For trade and other receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors, other receivables and the economic environment.

The assessment of the correlation between historical observed default rates and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade and other receivables is disclosed in note 3(b).

The Group had an expected credit loss as at 31 December 2025 of **USD 65,870,573** (2024: USD 49,415,871).

Management has assessed the impact of an increase of 0.5% in loss rate on the Group expected credit loss and concluded that this will not materially increase the expected credit loss as illustrated below:

	2025	2024
	USD	USD
Increase in expected credit loss following an increase in loss rate of 0.5%	<u>1,632,557</u>	<u>1,272,418</u>

- Impairment of goodwill

The Group tests whether goodwill has suffered any impairment on an annual basis by calculating the recoverable amount of each cash-generating unit (CGU) to which goodwill has been assigned. The recoverable amounts of the CGUs as at 31 December 2025, were determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates. These growth rates are consistent with forecasts included in the industry reports specific to the market in which the CGU operates.

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4 ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY
(CONTINUED)

Critical accounting estimates and judgement (continued)

- Impairment of goodwill (continued)

Such estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions to which the value-in-use calculations are most sensitive are:

(i) Discount rates

Management utilises an iterative pre-tax weighted average cost of capital calculated based on the estimated cost of debt for each individual CGU and its cost of equity derived from that of market peers. The discount rates represent the specific risk rating associated with each CGU based on the credit risk and equity risk associated with the operation and the market in which it operates.

(ii) Gross margins

Gross margins are based on past performance and management's expectations for the future.

(iii) Terminal growth rates

Terminal growth rates are determined on the basis of past performance and management's expectation of industry growth.

Refer to note 33 for the key assumptions used in the value-in-use calculation for material goodwill balances and sensitivity analysis.

- Government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate. Where government grants do not have a minimum period for which the Group must provide services, management considers that the costs that the grants are intended to compensate are the actual costs incurred, as they are incurred. Income from such government grants is therefore recognised in profit or loss in the same period as the actual associated costs that are incurred.

- Retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost for retirement benefit obligations include the discount rate. Any changes in these assumptions will impact the carrying amount of the retirement benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of the estimated future cash outflows expected to be required to settle the retirement benefit obligations. In determining the appropriate discount rate, the Group considers the interest rates of long-term government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement benefit obligations.

Other key assumptions as disclosed in note 35 are based on the current conditions prevailing in each market within the Group.

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4 ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY
(CONTINUED)

Critical accounting estimates and judgement (continued)

- Indicators of impairment of investments in subsidiaries and joint ventures

The Group performs an annual review of the value of its investments in joint ventures for indicators of impairment. The review is performed by comparing the equity value of the Group's percentage holding in the joint ventures to the carrying amount thereof at the end of the financial year. The equity value of the joint ventures are calculated using discounted cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates. These growth rates are consistent with forecasts included in the industry reports specific to the industry in which the joint ventures operate. The value of net debt is then deducted from the result of the discounted cash flow projections.

The key assumptions to which the value-in-use calculations are most sensitive are:

- discount rates,
- gross margins, and
- terminal growth rates

Based on the cash flow projections of the joint ventures, the directors are of the opinion that the investments have not suffered any impairment. Based on management's assessment, there are no indicators of impairment.

- Assessment of indicators of impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The assessment of whether such events have occurred or such circumstances exist, require management to assess the expected future performance of a cash generating unit (CGU). This assessment is performed on the basis of management's assumptions and estimates, taking into account, among other factors, forecast market conditions and growth prospects of the CGU. Changes in management's key assumptions, including market conditions, and growth rate assumptions in the cash flow projections, could materially affect the outcome of management's assessment.

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5 OPERATING COSTS

	2025	2024
	USD	USD
Cost of equipment: devices and other related	48,681,951	32,309,991
Prepaid cards and accessories	8,717,386	10,308,041
Cost of devices and equipments	57,399,337	42,618,032
Interconnection fees	40,734,098	35,946,878
Roaming (paid to service providers or clearing houses)	3,188,384	6,413,549
Cost of interconnection and roaming	43,922,482	42,360,427
Telecom operator fee, regulatory	50,109,379	47,637,943
Frequency fees	28,256,829	22,622,557
Excise duty	41,788,363	15,039,828
Government and regulatory costs	120,154,571	85,300,328
Advertising and distribution costs	32,483,447	27,068,879
Commissions to sales agents	220,791,853	190,573,232
Impairment of loans to clients (Note 14)	21,966,144	11,761,779
Loss allowance on trade receivables (Note 12)	11,170,295	5,862,253
Impairment of other receivables (Note 12)	21,620	1,153,587
Impairment losses on financial assets	33,158,059	18,777,619
Transmission fees	13,798,603	14,486,946
Content and VAS charges	8,666,540	6,739,303
Backbone charges	295,151	551
Satellite and optical fibre bandwidth charges	7,710,874	2,346,579
Site energy	39,616,110	39,390,086
Repairs and maintenance (Technical site)	27,166,912	24,131,980
Professional fees: Technical	9,403,933	7,931,604
Rental expenses for short term and low value leases - Technical sites	4,326,008	303,914
Maintenance of materials, software and network	33,151,537	18,218,049
Technology operation costs	144,135,668	113,549,012

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5 OPERATING COSTS (CONTINUED)

	2025	2024
	USD	USD
Payroll and social charges	172,714,908	146,065,490
Travel expenses	13,940,501	11,171,096
Training costs	837,567	2,157,716
Provision for retirement benefit obligations (Note 35)	910,349	703,669
	<u>188,403,325</u>	<u>160,097,971</u>
Staff costs		
Office supply	1,848,278	1,260,624
General IT expenses	19,539,507	17,451,223
Bank charges	9,576,352	8,244,090
Communication & postal charges	4,987,079	3,342,355
Vehicles costs	8,658,680	6,560,180
Rental expenses for short term and low value leases - Non-technical	2,430,456	2,026,715
Subcontracting charges	4,916,249	6,264,757
Water and electricity	3,241,112	2,789,195
Insurance charges	4,520,283	3,447,361
Repairs and maintenance: Non-technical	2,547,336	1,802,892
General costs: Security and cleaning	11,100,351	9,928,881
Taxes (other than income tax)	18,858,685	15,240,151
Loss on disposal of property, plant and equipment	657,611	212,579
Net reversal of provision for litigation (Note 23(ii))	(1,940,754)	(755,048)
Reversal of provision for short-term risk on operating activities and other provisions (Note 23(iii) & Note 23(iv))	-	(3,415,275)
Donations	3,588,033	3,145,194
Licence fees	497,216	267,729
Penalties	4,281,943	6,929,536
Rechargeable expenses	4,159,386	5,963,317
Other charges	11,416,501	9,773,650
	<u>114,884,304</u>	<u>100,480,106</u>
Other operating expenses		
Bad debts written off	529,249	1,253,982
	<u>529,249</u>	<u>1,253,982</u>
Derecognition of financial assets		
	<u>529,249</u>	<u>1,253,982</u>

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5 OPERATING COSTS (CONTINUED)

	2025	2024
	USD	USD
Professional fees: non-technical	31,630,886	25,528,655
Audit fees	2,583,696	2,142,269
Directors fees	954,007	405,721
Administrative charges	70,309	86,797
Technical assistance	72,975	-
Global treasury fees	-	330,964
General & management fees	3,062,550	2,548,669
Professional fees	38,374,423	31,043,075
Depreciation of property, plant and equipment (Note 8)	205,148,048	171,947,031
Amortisation of intangible assets (Note 9)	50,826,187	54,218,176
Depreciation of right-of-use assets (Note 25(i))	71,869,535	67,859,331
Depreciation and amortisation	327,843,770	294,024,538
Impairment of property, plant and equipment (Note 8)	1,007,827	1,139,329
Impairment of intangible assets (Note 9)	118,685	6,633,684
Charge/ (reversal) of impairment of inventories (Note 13)	1,159,743	(4,919,150)
Impairment of non-financial assets	2,286,255	2,853,863
Net fair value gains on financial assets at fair value through profit or loss (Note 31(ii))	(116,789,539)	(1,639,752)
Total operating costs	1,207,577,204	1,108,361,312

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6 FINANCE COSTS – NET

	2025 USD	2024 USD
Finance income		
Foreign exchange gain	45,194,041	27,264,390
Interest income	3,587,254	2,784,233
Interest income on restricted cash	14,485,599	11,355,030
Gain on fair value of derivatives (Note 40(a))	-	2,200,000
Other finance income	324,308	880,636
	<u>63,591,202</u>	<u>44,484,289</u>
Finance costs		
Foreign exchange loss	(47,656,051)	(25,676,673)
Interest expense on bank loans	(32,866,139)	(24,857,090)
Interest on loans payable to shareholders and minority interest (Note 24(c))	(13,431,455)	(11,720,100)
Interest on loan payable to entity with joint control (Note 24(c))	(18,460)	-
Interest on listed bonds	(49,632,048)	(32,649,082)
Interest on late payment of trade payables	(139,119)	(67,660)
Interest on bank overdrafts	(5,045,044)	(3,068,469)
Interest expense on provision for dismantling costs (Note 23(i))	(2,504,932)	(4,274,963)
Finance costs on IRU	(2,703,931)	(1,757,062)
Finance costs on lease liabilities (Note 25 (ii))	(97,208,781)	(94,874,020)
Loss on fair value of derivatives (Note 40(a))	(3,200,000)	-
Loss on fair value of swap derivative liability (Note 40(b))	-	(604,643)
Other finance costs	(7,726,854)	(5,616,142)
	<u>(262,132,814)</u>	<u>(205,165,904)</u>
Finance costs – Net	<u>(198,541,612)</u>	<u>(160,681,615)</u>

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7 INCOME TAX

(a) Income tax expense

On 09 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ("the UAE CT Law") to enact a Federal Corporate Tax (CT) regime in the UAE. The CT regime is effective for accounting periods beginning on or after 1 June 2023. The first tax period for the Group started on 1 January 2024 and ended on 31 December 2024.

Decision No. 116 of 2022 (published in December 2022 and considered to be effective from 16 January 2023) specifies that taxable income not exceeding AED 375,000 would be subject to a 0% UAE CT rate, and taxable income exceeding AED 375,000 would be subject to the 9% UAE CT rate. With the publication of this Decision, the UAE CT Law is considered to have been substantively enacted for the purposes of accounting for income taxes.

Subsequently, the UAE CT Law has been supplemented by a number of Decisions of the Cabinet of Ministers of the UAE (Decisions). Such Decisions and other interpretive guidance of the UAE Federal Tax Authority provide important details relating to the interpretation of the UAE CT Law and are required to fully evaluate the impact of the UAE CT Law on the Group.

The Group is subject to the provisions of the UAE CT Law with effect from 01 January 2024, and current taxes have been accounted for as appropriate in the consolidated financial statements for the current year. The Corporate tax rate of the material subsidiaries in other jurisdictions is as follows:

	Corporate tax rate	Minimum tax
UAE	9%	None
Madagascar	20%	5% of the revenue of the current year
Togo	27%	The higher of 1% of the revenue of the preceding year or FCFA 20,000.
Senegal	30%	0.5% of the revenue of the preceding year but not exceeding FCFA 5 million.
Uganda and Tanzania	30%	0.5% of turnover and applies to companies that have unrelieved tax losses for the current and preceding two income years.
Kenya	30%	None
Comoros	35%	1.5% of the revenue of the preceding year.

Telecom Comores SA is subject to a corporate tax rate of 5% for 15 years from the date of signature of the agreement ("Convention d'Établissement") with the Government. Afterwards, the tax rate will be revised to 10% until the end of the agreement. The agreement has been signed on 17 December 2018 and is valid up to 16 December 2040. After the expiration of the agreement, the Company will be taxed at the normal corporate tax rate of 35%.

On 6 February 2025, the UAE released the legislation introducing a Domestic Minimum Top-up Tax ("DMTT") for multinational enterprises ("MNEs"), through the publication of Cases, Provisions, Conditions, Rules, Controls, and Procedures on the Imposition of Top-up Tax on Multinational Enterprises which is applicable from 1 January 2025. Accordingly, the Group has tested its P2 applicability and has established that the Group is in Scope of P2.

Further, the Group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

Based on the management's assessment, as a result of meeting the Transitional CbCR Safe Harbours ("TCSH") in all jurisdictions in which the Group operates, no Pillar Two top-up tax expense has been recorded in the consolidated financial statements of the Group for the year ended 31 December 2025.

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7 INCOME TAX (CONTINUED)

(a) Income tax expense (continued)

	2025 USD	2024 USD
Income tax expense		
Provision for the year (Note 7(d))	75,677,107	70,377,384
Withholding tax	18,647,166	11,614,342
Deferred tax movement (Note 7 (b))	<u>(5,240,974)</u>	<u>1,429,249</u>
	<u>89,083,299</u>	<u>83,420,975</u>

(b) Deferred tax

	2025 USD	2024 USD
At 01 January	27,376,421	29,964,716
Acquisition through business combinations (Note 26)	(10,861,681)	(1,188,355)
Credit/(Charge) to profit or loss	5,240,974	(1,429,249)
Charge to other comprehensive income	(1,345)	(4,597)
Translation difference	<u>1,146,510</u>	<u>33,906</u>
At 31 December	<u>22,900,879</u>	<u>27,376,421</u>

The movement in deferred tax is as follows:

	2025 USD	2024 USD
Deferred tax assets (i)	42,530,170	44,129,937
Deferred tax liabilities (ii)	<u>(19,629,291)</u>	<u>(16,753,516)</u>
	<u>22,900,879</u>	<u>27,376,421</u>

Deferred tax assets

The movement in deferred tax assets is set out below:

	2025 USD	2024 USD
At 01 January	44,129,937	51,934,575
Acquisition through business combinations (Note 26)	981,656	-
Credit/(Charge) to profit or loss	6,589,978	(7,669,305)
Credit/(Charge) to other comprehensive income	52	(4,597)
Reclassification from deferred tax liabilities	(10,717,271)	-
Translation difference	<u>1,545,819</u>	<u>(130,736)</u>
At 31 December	<u>42,530,170</u>	<u>44,129,937</u>

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7 INCOME TAX (CONTINUED)

(b) Deferred tax (continued)

Deferred tax liabilities

The movement in deferred tax liabilities is set out below:

	2025	2024
	USD	USD
At 01 January	16,753,516	21,969,859
Acquisition through business combinations (Note 26)	11,843,337	1,188,355
Charge/(Credit) to profit or loss	1,349,004	(6,240,056)
Charge to other comprehensive income	1,397	-
Reclassification to deferred tax assets	(10,717,271)	-
Translation difference	399,308	(164,642)
	19,629,291	16,753,516

At 31 December

The deferred tax liabilities for the Group are due to the following temporary differences:

	For the year ended		Acquisition through business combinations		Movement for year 2025		Movement for
	2025	2024	2025	2024	Charge to profit or loss	Charge to OCI	year 2024
	USD	USD	USD	USD	USD	USD	Credit to profit or loss
							USD
Accelerated tax depreciation	11,949,696	2,588,612	11,843,337	1,023,878	(1,143,263)	-	(4,289,071)
Lease liabilities	259,617	13,288,702	-	52,275	(3,998,191)	-	(1,560,328)
Undistributed dividends	5,828,788	-	-	-	5,828,788	-	-
Others	1,591,190	876,202	-	112,202	661,670	1,397	(390,657)
	19,629,291	16,753,516	11,843,337	1,188,355	1,349,004	1,397	(6,240,056)

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7 INCOME TAX (CONTINUED)

(b) Deferred tax (continued)

The deferred tax assets for the Group are due to the following temporary differences:

	<u>For the year ended</u>		Acquisition through business combinations	Movement for year 2025		Movement for year 2024	
	2025	2024		(Charge)/Credit to profit or loss	Credit to OCI	Charge to profit or loss	Charge to OCI
	USD	USD	2025 USD	USD	USD	USD	USD
Loss allowance on trade receivables	14,835,599	12,144,178	-	1,980,039	-	6,458,512	-
Litigations	720,468	941,877	-	(239,193)	-	(1,025,905)	-
Retirement benefit obligations	1,309,297	1,065,880	-	118,927	52	82,347	(4,597)
Accelerated tax depreciation	(27,445,386)	(21,911,415)	-	(5,006,651)	-	(16,672,453)	-
Staff costs	3,301,349	2,512,265	-	642,036	-	397,016	-
Lease liabilities	32,388,175	24,953,982	-	7,345,114	-	14,204,494	-
Tax losses carried forward	18,781,791	22,477,730	-	(3,555,129)	-	5,625,861	-
Slow moving inventories	1,902,607	1,517,689	-	276,218	-	(1,805,330)	-
Others	(3,263,730)	427,751	981,656	5,028,617	-	(14,933,847)	-
	42,530,170	44,129,937	981,656	6,589,978	52	(7,669,305)	(4,597)

At the end of the reporting period, the Group has unused tax losses of USD 425,152,490 (2024: USD 352,526,040). As of 31 December 2025, a deferred tax asset has been recognised on the Group's tax losses carried forward of USD 62,935,577 (2023: USD 76,001,227). The Group has concluded that the tax losses carried forward will be recoverable using the estimated future taxable profits based on the approved business plans and cash flow projections for Towerco of Africa Uganda Limited and Honora Tanzania PLC. The subsidiaries are expected to generate taxable profits from 2026 onwards. Additionally, under the local laws applicable in Tanzania, tax losses may be carried forward indefinitely.

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7 INCOME TAX (CONTINUED)

(c) Tax reconciliation

The table below explains the differences between the expected tax expense on continuing operations and the Group's total tax expense for each year. The impact of different corporate tax rates applied to the various jurisdictions in which the Group operates has been incorporated in the "Effect of using different tax rates in other countries" line.

A reconciliation between the actual income tax and the applicable statutory tax is as follows:

	2025	2024
	USD	USD
Profit before income tax	<u>315,376,092</u>	<u>197,501,827</u>
Tax calculate at standard rate of 9% (2024: 9%)	28,383,848	17,775,164
<i>Tax effects of :</i>		
Non-allowable expenses	42,314,995	27,068,650
Exempt income	(28,899,277)	(16,114,461)
Non-taxable income	(45,965,652)	(8,139,798)
Expenses attributable to exempt income	14,179,086	10,099,759
Tax credit	(9,146,015)	(7,658,617)
Deferred income tax assets unrecognised	10,434,886	13,139,630
Utilisation of previously unrecognised tax losses	(125,624)	(1,098,721)
Withholding and underlying tax	20,295,908	12,096,944
Share of profit of associates and joint ventures	(1,556,809)	(3,192,671)
Effect of using different tax rates in other countries	23,381,822	18,223,935
Reversal of deferred tax recognised on tax losses in previous years	3,161,045	6,376,336
Under-provision in previous year	1,146,841	2,681,270
Corporate Climate Responsibility ('CCR')	934,118	481,486
Effect of consolidation adjustments	26,311,639	11,589,921
Minimum tax	<u>4,232,488</u>	<u>92,148</u>
Income tax expense	<u>89,083,299</u>	<u>83,420,975</u>

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7 INCOME TAX (CONTINUED)

(d) Current tax liabilities/(assets)

	2025	2024
	USD	USD
At 01 January	9,605,751	(4,637,272)
Acquisition through business combination (Note 26)	(216,362)	91,686
Distribution/Disposal of subsidiary (Note 46)	-	(4,507)
Charge during the year (Note 7(a))	75,677,107	70,377,384
Payment of interest on tax balances	-	(55,747)
Tax paid	(76,125,779)	(55,528,065)
Translation difference	958,238	(637,728)
	<u>9,898,955</u>	<u>9,605,751</u>
At 31 December		
<i>Analysed as follows :</i>		
Current tax assets	(10,609,231)	(9,702,119)
Current tax liabilities	20,508,186	19,307,870
	<u>9,898,955</u>	<u>9,605,751</u>

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8 PROPERTY, PLANT AND EQUIPMENT

	Materials ¹ USD	Land and building USD	Technical equipment USD	Others ¹ USD	Assets in progress USD	Total USD
Cost:						
At 01 January 2024	68,850,237	364,815,053	1,664,801,930	22,996,601	149,122,134	2,270,585,955
Acquisition through business combinations (Note 26)	727,981	12,858,764	7,470,660	111,278	2,586,856	23,755,539
Additions	4,043,295	298,454	2,730,927	709,577	312,306,861	320,089,114
Transfers from assets in progress	14,784,302	88,631,297	210,096,064	1,655,727	(315,167,390)	-
Transfers to intangible assets ³ (Note 9)	-	-	(5,008,821)	-	(469,788)	(5,478,609)
Disposals and scrap	(1,136,564)	(1,325,103)	(13,294,975)	(989,219)	(2,473,999)	(19,219,860)
Provision for dismantling cost	-	3,842,685	(527,863)	-	-	3,314,822
Reclassifications adjustments ²	-	-	-	(27,758)	13,734,340	13,706,582
Distribution of subsidiary (Note 46)	(16,993)	-	(52,200)	-	-	(69,193)
Translation difference	(1,678,668)	(1,606,105)	(75,174,182)	840,808	(7,252,972)	(84,871,119)
At 31 December 2024	<u>85,573,590</u>	<u>467,515,045</u>	<u>1,791,041,540</u>	<u>25,297,014</u>	<u>152,386,042</u>	<u>2,521,813,231</u>
At 01 January 2025	85,573,590	467,515,045	1,791,041,540	25,297,014	152,386,042	2,521,813,231
Acquisition through business combinations (Note 26)	2,757,119	832,204	81,659,675	657,123	6,840,604	92,746,725
Additions	3,351,277	3,349,522	7,027,526	499,076	262,179,194	276,406,595
Transfers from assets in progress	9,283,828	30,469,484	144,699,157	2,573,392	(187,025,861)	-
Transfers to intangible assets ³ (Note 9)	5,529	-	-	-	(512,744)	(507,215)
Disposals and scrap	(4,739,253)	(10,488,207)	(21,378,946)	(11,238,395)	(4,395,085)	(52,239,886)
Provision for dismantling cost	-	2,480,483	(3,970,802)	-	-	(1,490,319)
Reclassifications adjustments ⁴	404,215	4,369,189	(4,330,913)	-	(191,174)	251,317
Translation difference	51,742,058	25,848,473	84,104,517	2,005,644	8,399,783	172,100,475
At 31 December 2025	<u>148,378,363</u>	<u>524,376,193</u>	<u>2,078,851,754</u>	<u>19,793,854</u>	<u>237,680,759</u>	<u>3,009,080,923</u>

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8 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Materials ¹ USD	Land and building USD	Technical equipment USD	Others ¹ USD	Assets in progress USD	Total USD
Accumulated depreciation and impairment:						
At 01 January 2024	(50,805,754)	(154,942,980)	(1,082,242,060)	(14,652,095)	-	(1,302,642,889)
Charge for the year (Note 5)	(8,104,305)	(29,494,648)	(131,271,975)	(3,076,103)	-	(171,947,031)
Disposal and scrap	1,316,226	1,025,884	11,486,911	1,639,811	2,473,999	17,942,831
Impairment (Note 5) ⁵	(15,248)	(809)	(324,315)	-	(798,957)	(1,139,329)
Reclassification to intangible assets ³ (Note 9)	-	-	127,386	-	-	127,386
Distribution of subsidiary (Note 46)	2,969	-	17,916	-	-	20,885
Translation difference	1,900,844	3,794,213	65,205,914	(34,620)	(24,983)	70,841,368
At 31 December 2024	(55,705,268)	(179,618,340)	(1,137,000,223)	(16,123,007)	1,650,059	(1,386,796,779)
At 01 January 2025	(55,705,268)	(179,618,340)	(1,137,000,223)	(16,123,007)	1,650,059	(1,386,796,779)
Charge for the year (Note 5)	(11,441,202)	(79,026,595)	(111,113,332)	(3,566,919)	-	(205,148,048)
Disposal and scrap	4,350,707	10,030,723	24,524,640	11,237,950	767,756	50,911,776
Impairment (Note 5) ⁵	(56,744)	(951,083)	-	-	-	(1,007,827)
Reclassification adjustment ⁴	(1,021,877)	57,686	1,040,950	-	(7,821)	68,938
Translation difference	(6,780,024)	(12,805,933)	(114,539,058)	(1,079,146)	(113,739)	(135,317,900)
At 31 December 2025	(70,654,408)	(262,313,542)	(1,337,087,023)	(9,531,122)	2,296,255	(1,677,289,840)
Net Book Value:						
At 31 December 2025	77,723,955	262,062,651	741,764,731	10,262,732	239,977,014	1,331,791,083
At 31 December 2024	29,868,322	287,896,705	654,041,317	9,174,007	154,036,101	1,135,016,452

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8 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

¹ As at 31 December 2025 and 2024, the category 'Materials' comprises office equipment and motor vehicles.

As at 31 December 2025 and 2024, the category 'Others' comprises other miscellaneous equipment and furniture and fixtures.

² Telecom Malagasy SA have made a re-presentation between cost, accumulated depreciation in respect of its property, plant and equipment for the year ended 31 December 2024. Thus, reclassification adjustments have been made.

³ During the year ended 31 December 2025, the following companies have made changes in the presentation of their property, plant and equipment to and from intangible assets on reviewing the nature of each asset:

- TowerCo of Africa Ltd and its subsidiaries
- Stellar IX SAU (previously known as Sen Connect SASU)

During the year ended 31 December 2024, the following companies have made changes in the presentation of their property, plant and equipment to and from intangible assets on reviewing the nature of each asset:

- Togocom and its subsidiaries ("Togocom Group")
- Saga Africa Holdings Limited SA

⁴ During the year ended 31 December 2025, following a complete fixed asset count exercise, Telecom Comores SA has re-presented the cost and associated accumulated depreciation of some its property, plant, and equipment, in order to more appropriately reflect the nature of those fixed assets. The movements between asset classes are presented here as reclassifications.

⁵ As part of its network improvement programmes, the Group undertook (or expects to undertake) the replacement of several pieces of equipment deemed outdated. As a result, the Group has included an impairment loss of **USD 1,007,827** (2024: USD 1,139,329) for the year ended 31 December 2025.

Pledge assets

The Group has pledged part of the value of its technical assets as collateral for bank borrowings in its Madagascar, Uganda and Togo jurisdictions. Please refer to note 20 for a description of the pledges.

The cash flow on acquisitions of property, plant and equipment during the year is as follows:

	2025	2024
	USD	USD
Acquisitions during the year	276,406,595	320,089,114
Movement in advances to suppliers for purchase of property, plant and equipment	2,708,125	5,218,861
Movement in unpaid amount on acquisition of property, plant and equipment	50,801,979	(4,308,269)
	<u>329,916,699</u>	<u>320,999,706</u>

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9 INTANGIBLE ASSETS

Cost:	Software USD	Licence USD	Assets in progress USD	IRU USD	International bandwidth Capacity USD	Networking USD	Customer related assets USD	Brand USD	Others¹ USD	Total USD
At 01 January 2024	52,344,018	272,905,757	27,134,382	25,489,293	13,668,517	23,056,592	62,107,832	15,777,134	5,367	492,488,892
Reclassification from amortisation ²	-	-	-	(748,695)	-	1,671,133	-	-	-	922,438
Acquisition through business combinations (Note 26)	9,030,139	-	-	-	-	-	4,222,565	1,070,938	-	14,323,642
Additions	1,181,985	25,735,351	31,933,822	548,437	-	365,758	-	-	40,342	59,805,695
Transfers from assets in progress	9,843,333	1,786,953	(28,388,205)	-	-	16,757,919	-	-	-	-
Reclassification from property, plant & equipment (Note 8) ³	4,094	-	6,345	5,008,821	-	-	-	-	459,349	5,478,609
Distribution of subsidiary (Note 46)	(4,096)	-	-	-	-	-	-	-	-	(4,096)
Disposals and scrap	(53,827)	(25,784)	(13,068)	(181)	-	-	-	-	-	(92,860)
Translation difference	(3,349,758)	(13,079,021)	(221,736)	747,808	-	(1,954,377)	(1,668,382)	2,896,948	191,178	(16,437,340)
At 31 December 2024	68,995,888	287,323,256	30,451,540	31,045,483	13,668,517	39,897,025	64,662,015	19,745,020	696,236	556,484,980
At 01 January 2025	68,995,888	287,323,256	30,451,540	31,045,483	13,668,517	39,897,025	64,662,015	19,745,020	696,236	556,484,980
Acquisition through business combinations (Note 26)	35,546	2,545,148	-	11,937,112	-	-	-	-	(34,856)	14,482,950
Additions	7,034,494	2,939,362	82,177,392	1,209,834	472,460	10,587,072	-	-	2,942	104,423,556
Transfers from assets in progress	6,009,095	793,615	(58,203,905)	51,401,195	-	-	-	-	-	-
Reclassification from property, plant & equipment (Note 8) ³	185,249	(4,057)	15,104	6,185	-	-	-	-	304,734	507,215
Disposals and scrap	(1,334,356)	(295,472)	(118,685)	-	-	-	-	-	-	(1,748,513)
Translation difference	7,179,247	29,377,197	3,519,951	783,253	-	5,296,315	1,582,444	329,112	59,140	48,126,659
At 31 December 2025	88,105,163	322,679,049	57,841,397	96,383,062	14,140,977	55,780,412	66,244,459	20,074,132	1,028,196	722,276,847

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9 INTANGIBLE ASSETS (CONTINUED)

	Software	Licence	Assets in progress ⁵	IRU	International bandwidth Capacity	Networking	Customer related assets	Brand	Others ¹	Total
Accumulated amortisation and impairment:	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
At 01 January 2024	(39,660,283)	(129,760,524)	-	(5,929,537)	(2,660,038)	(979,372)	(21,596,622)	(4,607,430)	(5,367)	(205,199,173)
Reclassification to cost ²	(1,683,268)	1,683,523	-	(882,481)	-	(40,212)	-	-	-	(922,438)
Charge for the year (Note 5)	(6,145,807)	(18,490,133)	-	(4,162,327)	(900,525)	(5,727,865)	(12,042,707)	(6,728,541)	(20,271)	(54,218,176)
Impairment (Note 5) ⁴	-	-	(13,068)	-	-	-	-	(6,620,616)	-	(6,633,684)
Reclassification to property, plant and equipment ³ (Note 8)	-	-	-	(127,386)	-	-	-	-	-	(127,386)
Distribution of subsidiary (Note 46)	196	-	-	-	-	-	-	-	-	196
Disposals and scrap	3,008	-	13,068	181	-	-	-	-	-	16,257
Translation difference	2,297,910	8,138,309	-	(549,813)	-	425,426	(781,470)	(1,788,433)	(153,400)	7,588,529
At 31 December 2024	(45,188,244)	(138,428,825)	-	(11,651,363)	(3,560,563)	(6,322,023)	(34,420,799)	(19,745,020)	(179,038)	(259,495,875)
At 01 January 2025	(45,188,244)	(138,428,825)	-	(11,651,363)	(3,560,563)	(6,322,023)	(34,420,799)	(19,745,020)	(179,038)	(259,495,875)
Charge for the year (Note 5)	(8,547,764)	(21,269,035)	-	(7,238,761)	(900,525)	(7,379,060)	(5,328,558)	-	(162,484)	(50,826,187)
Impairment (Note 5) ⁴	-	-	(118,685)	-	-	-	-	-	-	(118,685)
Disposals and scrap	1,334,406	292,513	118,685	-	-	-	-	-	-	1,745,604
Translation differences	(4,612,889)	(17,608,058)	-	(122,147)	-	(1,133,929)	251,048	(329,112)	(22,201)	(23,577,288)
At 31 December 2025	(57,014,491)	(177,013,405)	-	(19,012,271)	(4,461,088)	(14,835,012)	(39,498,309)	(20,074,132)	(363,723)	(332,272,431)
Net Book Value :										
At 31 December 2025	31,090,672	145,665,644	57,841,397	77,370,791	9,679,889	40,945,400	26,746,150	-	664,473	390,004,416
At 31 December 2024	23,807,644	148,894,431	30,451,540	19,394,120	10,107,954	33,575,002	30,241,216	-	517,198	296,989,105

¹Others include other licences and IT support.

²Telecom Malagasy SA and Honora Tanzania PLC have made a re-presentation between cost and accumulated amortisation in respect of their intangible assets for the years ended 31 December 2024. Thus, reclassification adjustments have been made.

³Togocom, Maya Africa Holding Ltd and their subsidiaries have made changes in the presentation of their intangible assets to and from property, plant and equipment on reviewing the nature of each intangible assets for the year ended 31 December 2024. The changes in 2025 mainly relates to Stellar IX SAU (previously known as Sen Connect SASU) and Towerco of Africa and its subsidiaries.

⁴Following the rebranding of our mobile and mobile money operations in November 2024, the Zantel brand, the Tigo brand, the Telma Comoros brand, and the Free brand were fully impaired as at 31 December 2024. In 2025, an impairment of USD 118,685 was recognised following the termination of a software license.

⁵Assets in progress relate to assets (mainly licences and software) purchased but not yet brought into use.

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9 INTANGIBLE ASSETS (CONTINUED)

The cash flow on acquisitions of intangible assets during the year is as follows:

	2025 USD	2024 USD
Acquisitions during the year	104,423,556	59,805,695
Movement in advances to suppliers for purchase of intangible assets	123,000	-
Movement in unpaid amount on acquisition of intangible assets	<u>(44,379,342)</u>	<u>(13,336,540)</u>
	<u>60,167,214</u>	<u>46,469,155</u>

The Group has not pledged any intangible assets.

10 INVESTMENTS IN SUBSIDIARIES

Details pertaining to the investments in subsidiaries at 31 December 2025 and 31 December 2024 are as follows:

Name of subsidiary	Country of incorporation	Proportion of ordinary shares held directly by the parent		Proportion of ordinary shares held indirectly by the parent		Principal activities
		2025 %	2024 %	2025 %	2024 %	
Axian Telecom	Mauritius	100	100	-	-	Telecommunications
Telecom Malagasy SA	Madagascar	-	-	80.8	80.8	Telecommunications
AfricaFiber Madagascar SA	Madagascar	-	-	80.8	80.8	Telecommunications
Towerco of Africa Limited	Mauritius	100	-	-	100	Holding company & technical support services
Towerco of Africa Uganda Limited	Uganda	-	-	90	90	Construction and operation of telecommunication infrastructures
Towerco of Africa Madagascar SA	Madagascar	-	-	99.7	99.7	Construction and operation of telecommunication infrastructures
Towerco of Africa Tanzania Limited	Tanzania	-	-	80	80	Construction and operation of telecommunication infrastructures
Global Crossing	Mauritius	-	-	100	100	Holding company & telecommunications
Agou Holding SASU	Togo	-	-	100	100	Holding company
Societe Holding Togolaise des Communications Electroniques SA (Togocom)	Togo	-	-	51	51	Telecommunications
Togo Cellulaire SA Societe des Telecommunications du Togo SA (Togo Telecom)	Togo	-	-	51	51	Telecommunications
Togo Cellulaire SA	Togo	-	-	51	51	Telecommunications
Silver Links Limited	United Arab Emirates	-	-	100	100	Trading in internet capacity

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10 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details pertaining to the investments in subsidiaries at 31 December 2025 and 31 December 2024 are as follows (continued):

Name of subsidiary	Country of incorporation	Proportion of ordinary shares held directly by the parent		Proportion of ordinary shares held indirectly by the parent		Principal activities
		2025	2024	2025	2024	
		%	%	%	%	
Stellar-IX Data Centers Ltd	Mauritius	100	-	-	100	Holding company
TODRC Holding Limited	Mauritius	-	-	70	70	Holding company
Towerco of Africa DRC	Democratic Republic of Congo	-	-	70	70	Construction and operation of telecommunication infrastructures
Towerco of Africa Senegal SA	Senegal	-	-	80	80	Construction and operation of telecommunication infrastructures
Honora Holdings Ltd	Mauritius	-	-	80	80	Holding company
Stellar-IX SA	Madagascar	-	-	100	100	Data center services
Stellar-IX Tanzania Limited	Tanzania	-	-	80	80	Data center services
Stellar-IX SAU (formerly known as Sen Connect SA)	Senegal	-	-	100	100	Data center services
Axian Support Services Limited	Mauritius	100	-	-	100	Holding company & management services
Pulse SA	Madagascar	-	-	100	100	Marketing and communication services
Connecteo SUARL	Senegal	-	-	100	100	Marketing and communication services
Connecteo SARLU	Togo	-	-	100	100	Marketing and communication services
Connecteo SARL	Madagascar	-	-	100	100	Marketing and communication services
Axian Telecom Kenya Limited	Kenya	-	-	100	100	Management services
Axian Financial Services Ltd	Mauritius	100	-	-	100	Holding company
Axian University SA	Madagascar	-	-	100	100	Business support
MVola SA	Madagascar	-	-	80.2	80.2	Mobile banking services
Finteko Burkina Faso	Burkina Faso	-	-	100	100	Business support

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10 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details pertaining to the investments in subsidiaries at 31 December 2025 and 31 December 2024 are as follows (continued):

Name of subsidiary	Country of incorporation	Proportion of ordinary shares held directly by the parent		Proportion of ordinary shares held indirectly by the parent		Principal activities
		2025	2024	2025	2024	
		%	%	%	%	
Finteko Niger	Niger	-	-	100	100	Business support
Finteko Guinee SAU	Guinea Conakry	-	-	100	100	Business support
Finteko Guine Bissau SA	Guine Bissau	-	-	100	100	Business support
Finteko Mali SA	Mali	-	-	100	100	Business support
Finteko Cote D'Ivoire SA	Côte d'Ivoire	-	-	100	100	Business support
Finteko France SAS	France	-	-	100	100	Business support
Finteko Benin	Benin	-	-	100	100	Business support
Discovery Place Ltd	Mauritius	100	-	-	100	Holding company
Meta Market Ltd	Mauritius	100	-	-	100	Holding company
Comete.AI SAS	France	-	-	72.5	72.5	Business support
Axian Telecom Middle East Management and Technical Services Limited	United Arab Emirates	100	-	-	100	Holding company, management services and procurement
Honora Tanzania PLC	Tanzania	-	-	78.4	78.4	Telecommunications
Zanzibar Telecom PLC	Tanzania	-	-	78.4	78.4	Telecommunications
Zantel Mobile Financial Services Solutions Limited	Tanzania	-	-	78.4	78.4	Mobile banking services
Honora Tanzania Mobile Solutions Limited	Tanzania	-	-	78.4	78.4	Mobile banking services
The registered trustees of Millicom Tanzania Mobile Solutions	Tanzania	-	-	78.4	78.4	Trust

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10 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details pertaining to the investments in subsidiaries at 31 December 2025 and 31 December 2024 are as follows (continued):

Name of subsidiary	Country of incorporation	Proportion of ordinary shares held directly by the parent		Proportion of ordinary shares held indirectly by the parent		Principal activities
		2025	2024	2025	2024	
		%	%	%	%	
Telesis Tanzania Limited	Tanzania	-	-	78.4	78.4	Telecommunications
Maya Africa Holding Ltd	Mauritius	-	-	80	80	Holding company
Saga Africa Holdings Ltd	Mauritius	-	-	80	80	Holding company
Maya Senegal N.V.	Curacao	-	-	80	80	Holding company
Saga Africa Holdings Limited SA	Senegal	-	-	80	80	Telecommunications
Mobile Cash SA	Senegal	-	-	80	80	Mobile Banking services
Telecom Comores Holding Ltd	Mauritius	-	-	100	93.28	Holding company
Holdco SA	Comoros	-	-	100	93.28	Holding company
Telecom Comores SA (Telco)	Comoros	-	-	100	93.28	Telecommunications
Telco Money SA	Comoros	-	-	100	93.28	Mobile Banking services
TMoney SA	Togo	-	-	100	51	Mobile Banking services
Axian Telecom Support Services SA	Madagascar	-	-	100	100	Business support
Axian Telecom Fibre Limited	Mauritius	100	-	-	100	Holding company
Fiberco Senegal SA	Senegal	-	-	80	80	Fiber Connectivity services
Axian Treasury Ltd	Mauritius	-	-	100	-	Business Support
YAS Angola Holding Limited	Emirates	-	-	100	-	Holding company
	United Arab					
Axian Telecom IT Holding Ltd	Emirates	-	-	100	-	Holding company
Digital Retail Limited	Tanzania	-	-	80	-	B2B Digital trading
Comete TN AI SUARL	Tunisia	-	-	72.5	-	Business support
Nexta Plus	Madagascar	-	-	100	-	Business support
Aptus Solutions Limited	Tanzania	-	-	100	-	Fiber Connectivity services
Wananchi Group (Holdings) Limited	Mauritius	-	-	99.63	-	Holding company
Wananchi Group Kenya Limited	Kenya	-	-	99.63	-	Telecommunications
Simbanet Com	Kenya	-	-	99.63	-	Telecommunications
						Telecommunications & Infrastructure
Wananchi Telecom Limited	Kenya	-	-	99.63	-	Infrastructure
Wananchi Cable Uganda Ltd	Uganda	-	-	99.63	-	Telecommunications
Wananchi Group Uganda Limited	Uganda	-	-	99.63	-	Telecommunications
Simbanet Uganda Limited	Uganda	-	-	99.63	-	Telecommunications
Wananchi Cable Tanzania Limited	Tanzania	-	-	48.82	-	Telecommunications
Wananchi Group Tanzania Limited	Tanzania	-	-	64.11	-	Telecommunications
Simbanet Tanzania Limited	Tanzania	-	-	64.76	-	Telecommunications
Wananchi Media Limited	Malawi	-	-	99.63	-	Media and Telecommunications
Simbanet Malawi Limited	Malawi	-	-	99.63	-	Telecommunications
Wananchi Satellite Limited	Mauritius	-	-	99.63	-	Holding company
Wananchi Programming Limited	Mauritius	-	-	99.63	-	Holding company
Wananchi Telecom Limited Mauritius	Mauritius	-	-	99.63	-	Holding company

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10 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

2025

On 03 November 2025, the Group through its subsidiary, Axian Telecom, distributed its investment in the following subsidiaries to Axian Telecom Holding and Management PLC, by way of dividend:

- Axian Telecom Fibre Ltd and its subsidiaries;
- Axian Financial Services Ltd and its subsidiaries;
- Axian Support Services Ltd and its subsidiaries;
- Axian Telecom Middle East Management and Technical Services Ltd and its subsidiaries;
- Discovery Place Ltd
- Meta Market
- Stellar IX Data Centers Ltd and its subsidiaries; and
- Towerco of Africa Ltd and its subsidiaries;

On 30 October 2025 ("Acquisition date"), the Group, through its subsidiary, Axian Telecom Fibre Limited has acquired 2,318,671,960 ordinary shares representing 99.63% ownership of Wananchi Group (Holdings) Limited and its subsidiaries.

On incorporation of Axian Treasury Ltd on 14 November 2025, the Group through its subsidiary Axian Telecom was allotted 100 ordinary shares of USD 1 each representing 100% of the share capital of the subsidiary, equivalent to a total cost of USD 100.

On incorporation of Axian Telecom IT Holding Ltd on 02 September 2025, the Group through its subsidiary Axian Telecom was allotted 10,000 ordinary shares of USD 1 each representing 100% of the share capital of the subsidiary, equivalent to a total cost of USD 10,000.

On incorporation of Digital Retail Limited on 04 August 2025, the Group through its subsidiary Axian Financial Services Ltd was allotted 400,000 ordinary shares of TZS 2,600 each representing 80% of the share capital of the subsidiary, equivalent to a total cost of TZS 1.04 million.

On 03 December 2024, the Group through its subsidiary Axian Telecom Fibre Ltd entered into a Share Purchase Agreement for the acquisition of 100% of the shares in Aptus Solutions Limited. The transaction was completed on 31 March 2025 for an initial consideration of USD 4.8 million.

On incorporation of Yas Angola Holding Limited on 24 July 2025, the Group through its subsidiary Axian Telecom was allotted 10,000 ordinary shares of USD 1 each representing 100% of the share capital of the subsidiary, equivalent to a total cost of USD 10,000.

On incorporation of Nexta Plus on 11 July 2025, the Group through its subsidiary Axian Support Services Ltd was allotted 500 ordinary shares of MGA 20,000 each representing 100% of the share capital of the subsidiary, equivalent to a total cost of MGA 10,000,000.

On 11 September 2025, the Group through its subsidiary, Axian Financial Service Limited has acquired 30,000 ordinary shares from Telco SA representing 100% of the share capital of Telco Money SA

2024

On incorporation of Axian Telecom Fibre Ltd on 12 January 2024, the Group was allotted 100 Ordinary Shares of USD 1 each representing 100% of the share capital of the subsidiary, equivalent to a total cost of USD 100.

On 24 June 2024, the Group, through its subsidiary Axian Telecom Fibre Ltd has set up a subsidiary in Senegal under the name of Fiberco Senegal SA and has subscribed for 800 shares of FCFA 10,000 each, representing 80% of its shareholding, equivalent to a total cost of USD 13,295.

In 2024, the Group, through its subsidiary Axian Support Services Ltd has set up a subsidiary in Madagascar under the name of Axian Telecom Support Services SA and has subscribed for 50 shares for an amount of MGA 10,000,000, representing 100% of its shareholding, equivalent to a total cost of USD 2,273.

In 2024, the Group, through its subsidiary Towerco of Africa Ltd has set up a subsidiary in Senegal under the name of Towerco of Africa Senegal SA and has subscribed for 72,800 shares for an amount of FCFA 728,000,000, representing 80% of its shareholding, equivalent to a total cost of USD 1,168,897.

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10 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

2024 (continued)

In 2024, the Group, through its subsidiaries Axian Financial Services Ltd and Togocom has set up a subsidiary in Togocom under the name of Tmoney SA and has subscribed for 99,999 shares for an amount of FCFA 10,000 representing 51% of its shareholding, equivalent to a total cost of USD 165.

On 27 March 2024, the Group, through its subsidiary Telecom Malagasy SA has set up a subsidiary in Madagascar under the name of AfricaFiber Madagascar SA and has subscribed for 500 shares of MGA 20,000 each representing 100% of its shareholding, equivalent to a total cost of USD 2,296.

On 31 May 2024, the Group, through its subsidiary Axian Telecom completed the acquisition of an additional 50% of the issued share capital of Telecom Comores Holding Limited, being the parent company of our joint operations in Comoros (together with the parent company referred to as "Telma Comoros"). The Group thereafter indirectly controlled 93.28% of the voting rights in Telma Comores, allowing it to control and financially consolidate the operations of Telma Comoros.

On incorporation of Axian Finance Ltd on 29 January 2024, the Group, through its subsidiary Axian Telecom was allotted 100 Ordinary Shares of USD 1 each representing 100% of the share capital of the subsidiary, equivalent to a total cost of USD 100.

As a conclusion, the Group has control over its acquired subsidiaries by way of power to govern the financial and operating policies of these entities so as to obtain benefits from its activities.

11 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

The Group held shares in the following joint ventures and associates as at 31 December 2025 and 31 December 2024:

	2025	2024
	USD	USD
At 01 January	40,061,127	73,213,174
Share of profit in joint ventures and associates	10,378,727	21,284,475
Dividend received from/declared by joint ventures and associates	(25,897,790)	(17,161,620)
Transfer to investment in subsidiaries (Note 26)	-	(8,886,340)
Disposal of investment in associates (Note 46)	-	(25,849,306)
Gain on deconsolidation of joint venture (Note 38)	-	864,981
Share of translation reserves	5,095,862	(3,404,237)
At 31 December	29,637,926	40,061,127

Based on the cash flow projections of the joint ventures, the directors are of the opinion that the investments in joint ventures have not suffered any impairment. Refer to note 4 for more details on the assessment of the indicators of impairment of investments in joint ventures.

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11 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (CONTINUED)

Details pertaining to the investment in joint ventures and associates at 31 December 2025 and 2024 are as follows:

Name of company	Country of Incorporation/ place of activity	Class of shares held	% holding		Direct/ Indirect	Relationship	Activities
			31 Dec 2025	31 Dec 2024			
Telecom Reunion Mayotte	France	Ordinary	50.00%	50.00%	Indirect	Joint venture	Holding company
Telco OI	France	Ordinary	50.00%	50.00%	Indirect	Joint venture	Telecommunications
Société D'Exploration et de Promotion Iliad Axian	Reunion	Ordinary	50.00%	50.00%	Indirect	Joint venture	Real estate

In March 2024, the Group, through its subsidiary Axian Telecom signed an agreement to acquire a further 50% equity interest in its joint venture Telecom Comores Holding Ltd and its subsidiaries. The transaction was completed on 31 May 2024 resulting in the Group owning an effective interest of 100% in Telecom Comores Holding Ltd and its subsidiaries (2024: effective interest of 93.28%), allowing it to control and financially consolidate the companies from that date. Hence, the investment in Telecom Comores Holding Ltd was derecognised as an investment in joint venture during the year ended 31 December 2024 (Refer to Note 26).

During the year ended 31 December 2024, the Group distributed its shareholding in BNI Madagascar and Indian Ocean Financial Holdings Limited held by its subsidiary Axian Finance Ltd to its shareholder (Refer to Note 46).

Telecom Reunion Mayotte is a telecommunication operator and service provider. It is a strategic investment for the Group which complements the telecommunication services being provided by the Group.

Société d'Exploration et de Promotion Iliad Axian operates in the real estate development and is not significant to the Group.

Summarised statement of financial position of the joint ventures and associates

The tables below provide summarised financial information for those joint ventures and associates. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures and associates and not the Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

The financial statements of the joint ventures and associates are prepared under IFRS Accounting Standards as issued by IASB, except for Société D'Exploration et de Promotion Iliad Axian which is prepared under French GAAP. The impact of conversion to IFRS Accounting Standards as issued by IASB for Société d'Exploration et de Promotion Iliad Axian is not material to the Group.

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11 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (CONTINUED)

Summarised statement of financial position of the joint ventures and associates (continued)

(a) Telecom Comores Holdings Ltd

Summarised statement of comprehensive income

	2024
	USD
Revenue	32,936,644
Profit for the year	252,513
Total comprehensive income for the year	252,513
<i>The above profit for the year includes the following:</i>	
Depreciation and amortisation of non-current assets	8,220,586
Finance income	132,100
Finance costs	2,959,249
Income tax expense	293,827
Group's share of profit	397,558
Group's share of other comprehensive income	164,137

Telecom Comores Holdings Ltd ceased to operate as a joint venture with effect from 31 May 2024. As from this date, the entity is now operating as a subsidiary within the Group.

(b) BNI Madagascar

Summarised statement of comprehensive income

	2024
	USD
Revenue	123,206,306
Profit for the year	30,389,962
Total comprehensive income for the year	30,389,962
<i>The above profit for the year includes the following:</i>	
Finance costs	1,729
Income tax expense	5,852,534
Group's share of profit	10,655,811
Group's share of other comprehensive loss	(431,488)

On 29 October 2024, Axian Financial Services Ltd has disposed its 10% stake in BNI Madagascar to Axian Finance Ltd, a company outside the Group.

(c) Indian Ocean Financial Holdings Limited

Summarised statement of comprehensive income

	2024
	USD
Revenue	1,776
Loss for the year	(1,456,810)
Total comprehensive loss for the year	(1,456,810)
<i>The above profit for the year includes the following:</i>	
Finance income	222,053
Income tax expense	1,247,536
Group's share of loss	(331,422)
Group's share of other comprehensive income	2,880

On 29 October 2024, Axian Financial Services Ltd has disposed its 41.57% stake in Indian Ocean Financial Holdings Limited to Axian Finance Ltd, a company outside the Group.

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11 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (CONTINUED)

Summarised statement of financial position of the joint ventures and associates (continued)

(d) Telecom Reunion Mayotte

Summarised statement of financial position

	2025	2024
	USD	USD
Current assets	76,021,091	42,575,380
Current liabilities	(83,680,018)	(51,124,449)
Current liabilities – net	(7,658,927)	(8,549,069)
Non-current assets	191,784,224	157,194,779
Non-current liabilities	(125,171,482)	(68,735,150)
Non-current assets – net	66,612,742	88,459,629
Assets – net	58,953,815	79,910,560

The above amounts of assets and liabilities include the following:

	2025	2024
	USD	USD
Cash and cash equivalents	17,895,823	14,714,656
Financial liabilities (excluding trade payables and provisions):		
Current	14,997,405	12,571,760
Non-current	120,968,179	65,144,987

Summarised statement of comprehensive income

Revenue	93,081,143	91,559,226
Profit for the year	20,680,040	21,065,469
Total comprehensive income for the year	20,680,040	21,065,469

The above profit for the year includes the following:

Depreciation and amortisation of non-current assets	13,325,467	11,484,017
Finance costs	4,335,665	3,269,501
Income tax expense	8,028,039	7,934,978

Group's share of profit	10,340,020	10,532,735
Group's share of other comprehensive income/(loss)	5,079,397	(2,804,854)

Reconciliation of the summarised financial information presented to the carrying amount of its interest in the joint venture:

At 01 January	79,910,560	83,793,751
Dividend paid	(51,795,579)	(19,338,950)
Profit for the year	20,680,040	21,065,469
Translation difference	10,158,794	(5,609,710)
At 31 December	58,953,815	79,910,560
Direct percentage holding held by the Group in the joint venture	50.00%	50.00%
Carrying amount	29,476,908	39,955,280

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11 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (CONTINUED)

Summarised statement of financial position of the joint ventures and associates (continued)

(e) Société D'Exploration et de Promotion Iliad Axian

Summarised statement of financial position

	2025	2024
	USD	USD
Current assets	24,820	68,468
Current liabilities	(6,441,567)	(6,156,336)
Current liabilities – net	(6,416,747)	(6,087,868)
Non-current assets	6,738,787	6,299,562
Non-current liabilities	-	-
Non-current assets – net	6,738,787	6,299,562
Assets - net	322,040	211,694

The above amounts of assets and liabilities include the following:

Cash and cash equivalents	10,650	48,559
Current financial liabilities excluding trade payables and provisions:		
Current	5,610,439	5,313,777

Summarised statement of comprehensive income

Revenue	604,058	562,884
Profit for the year	77,413	59,588
Total comprehensive income for the year	77,413	59,588

The above profit for the year includes the following:

Finance costs	104,302	106,062
Income tax expense	23,733	18,972
Group's share of profit	38,707	29,793
Group's share of other comprehensive income/(loss)	16,465	(6,638)

Reconciliation of the summarised financial information presented to the carrying amount of its interest in the joint venture:

	2025	2024
	USD	USD
At 01 January	211,694	165,382
Profit for the year	77,413	59,588
Translation difference	32,933	(13,276)
At 31 December	322,040	211,694
	2025	2024
Direct percentage holding held by the Group in the joint venture	50.00%	50.00%
Carrying amount	161,020	105,847

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12 TRADE AND OTHER RECEIVABLES

	2025	2024
	USD	USD
Non-current		
Trade receivables	3,426,203	3,658,789
Other receivables	6,003,805	7,632,740
	9,430,008	11,291,529
Current		
Trade receivables - gross	280,489,903	207,300,675
Expected credit losses - trade receivables	(58,846,918)	(43,158,089)
Trade receivables - net	221,642,985	164,142,586
Other receivables*	36,444,570	33,257,503
Amount receivable from related parties (Note 24 (b))	3,851,948	2,358,372
Receivable from authorities	72,160,741	53,360,602
Prepayments and advances	72,648,084	53,655,607
Contract assets and costs	146,844	2,638,962
Expected credit losses - other receivables	(7,023,655)	(6,257,782)
	399,871,517	303,155,850
Total trade and other receivables	409,301,525	314,447,379

*The 'Other receivables' pertain mostly to grants receivable from government institutions in several jurisdictions, interest receivable on financial assets and receivables from staff.

Trade and other receivables are not secured and not interest-bearing. Allowances for expected credit losses for trade and other receivables have been assessed on an individual basis (in cases where the entity has few customers), or on a collective basis under the 'expected credit loss' model (in cases where the entity has a large number of homogenous customers).

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12 TRADE AND OTHER RECEIVABLES (CONTINUED)

Movements on the Group's expected credit losses of trade and other receivables are as follows:

	2025	2024
	USD	USD
At 01 January	49,415,871	42,033,983
Acquisition through business combination	2,145,167	359,336
Charge for the year	11,191,915	7,015,840
Amount written off	(1,297,076)	(987,168)
Distribution/disposal of subsidiary	-	(33,296)
Translation difference	4,414,696	1,027,176
	<u>65,870,573</u>	<u>49,415,871</u>
At 31 December	65,870,573	49,415,871

Expected credit losses on trade and other receivables are based on lifetime expected credit losses ("ECL"). For more information on the expected credit loss on trade receivables, please refer to credit risk (Note 3).

13 INVENTORIES

	2025	2024
	USD	USD
Raw materials	35,361,510	8,491,877
Trading inventories	27,207,138	9,298,860
Spare parts	962,231	15,085,912
	63,530,879	32,876,649
Less: provision for inventories	(12,256,306)	(10,137,847)
	51,274,573	22,738,802

Inventories mainly comprise of technical spare parts and fast-moving items like handsets, scratchcards and SIM cards, accessories held for sale, and consumable items. Physical Inventory counts are conducted on a periodic basis and the technical team evaluates the condition of the stock and advises accordingly in case of obsolescence.

A provision for slow moving of inventory of **USD 1,159,743** (2024: Reversal of USD 4,919,150) has been charged to profit or loss for the current year. Translation difference is included in the provision for slow moving inventories recognised in the statement of financial position.

The Group has not pledged any inventories.

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14 LOANS RECEIVABLES

	2025	2024
	USD	USD
<u>Loans to clients</u>		
Gross balance	68,453,102	47,489,274
Expected credit losses	(24,284,540)	(11,896,744)
Net balance	44,168,562	35,592,530
Loans receivable from other related parties (Note 24(a))	100,021	116,003
Loans receivable from other minority interest (Note 47(a))	20,018,696	12,865,964
Total	64,287,279	48,574,497
Non-current	19,789,666	12,654,434
Current	44,497,613	35,920,063
	64,287,279	48,574,497

The movement in the gross balance of the loans to clients are as follows:

	2025	2024
	USD	USD
At 01 January	47,489,274	31,683,980
Loans issued (including fees charged)	440,134,864	322,601,823
Repayments received	(410,583,259)	(294,024,101)
Loan written off	(9,812,581)	(11,074,474)
Translation difference	1,224,804	(1,697,954)
At 31 December	68,453,102	47,489,274

The movement on the Group's expected credit losses on loans to client is as follows:

	2025	2024
	USD	USD
At 01 January	11,896,744	11,347,876
Additional provision (Note 5)	21,966,144	11,761,779
Loan written off	(9,812,581)	(11,074,474)
Translation difference	234,233	(138,437)
At 31 December	24,284,540	11,896,744

For Group's loans receivable from other related parties, the impact of ECL is minimal since there is no history of default and no event of default is expected to occur in the forthcoming future.

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15 CASH AND CASH EQUIVALENTS

	2025	2024
	USD	USD
Cash at bank	256,883,765	166,234,317
Bank overdraft	(103,114,717)	(55,753,296)
	153,769,048	110,481,021

While cash and cash equivalents is subject to the impairment requirements of IFRS 9, the identified expected credit loss was immaterial as the Group places their cash at bank with highly reputable financial institutions.

16 RESTRICTED CASH

Restricted cash comprises mainly cash held in certain bank accounts for the Group's mobile money business.

	2025	2024
	USD	USD
Debt service reserve account	8,628,169	818,895
Deposits for mobile-money activities	514,730,230	394,163,270
Deposits in respect of litigations	175,859	182,366
Fixed deposit	10,407,071	10,493,926
	533,941,329	405,658,457

While restricted cash is subject to the impairment requirements of IFRS 9, the identified expected credit loss was immaterial as the Group places their cash at bank with highly reputable financial institutions.

Restricted cash comprises of the following:

- Debt reserve accounts held by the bank as collateral for loans taken by the Group or as a reserve for upcoming interest payment.
- Deposits for mobile-money activities which corresponds to the total electronic monies allowed for circulation in respect of the mobile money activities of the Group.
- Togocom Group is allowed to invest part of the float of mobile money as fixed deposit. The fixed deposit is for a period of 3 months, automatically renewable. The interest rate is 5.25% per annum (2024: 5.25% per annum).

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17 STATED CAPITAL

	2025	2024
	USD	USD
At 01 January	1,422,564	50,000
Issue of shares	-	1,372,564
	<u>1,422,564</u>	<u>1,422,564</u>
At 31 December	<u>1,422,564</u>	<u>1,422,564</u>
<i>Authorised, issued and paid :</i>		
1,422,564/50,000 Class A shares of USD 1 (Par value) each	<u>1,422,564</u>	<u>1,422,564</u>

Rights and restrictions attached to ordinary shares:

Voting rights

Each class A share shall entitle its holder to receive notice of, to attend and vote at any meeting of the Group.

Rights relating to dividends

Each class A share shall entitle its holder the right of an equal share in dividends as authorised by the board.

Rights relating to repayment of capital

Upon winding-up, each class A share shall entitle its holder the right to an equal share in the distribution of the surplus assets of the Group.

18 RESERVES

(a) Legal reserves

Under the " Code général des impôts " in Madagascar, the subsidiaries are required to transfer 5% of their profit for the year to a legal reserve. This reserve should not exceed 10% of their stated capital and is subject to approval in the annual meeting of shareholders. For Togo, the entities are required to transfer 10% of their profit for the year to legal reserve, which in turn should not exceed 20% of their stated capital. For the UAE entities, in accordance with the provisions of the UAE Federal Decree Law No. (32) of 2021 as amended, 5% of profit for the year is required to be transferred to the statutory reserve, until such reserve reaches 50% of the issued and fully paid-up capital of the UAE entities.

(b) Translation reserves

The translation reserve comprises all foreign exchange differences arising on the translation of the financial statements of foreign operations stated in a currency different from the Group's presentation currency.

The Group's presentation currency is United States Dollar (US\$).

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18 RESERVES (CONTINUED)

(c) Other reserves

Other reserves relate to a reserve set aside for entities in Madagascar and Togo to support long-term development and investment plans. In Madagascar, the transfer is in line with the "Code général des impôts". In Togo, there is no local law which prescribes this transfer. This reserve is subject to approval at the annual meeting of shareholders.

On 20 July 2023, the Group acquired the non-controlling interest's 20% shareholding in Agou Holding SASU. This transaction resulted in the extinguishment of USD 9.8 million of the loans owing to the non-controlling interest, the extinguishment of USD 32.4 million of the NCI put option liability and extinguishment of USD 2.7 million of the NCI call option assets. The difference between the aggregate consideration of USD 32.2 million, and the net liability position settled of USD 39.4 million was recognised as a credit movement in equity, in other reserves. This credit movement amounts to USD 7.2 million. This transaction has also resulted in the reclassification of USD 10.1 million of non-controlling interest within equity, with this amount being reclassified to other reserves.

Other reserves also include actuarial gains and losses arising from changes in actuarial assumptions and experience adjustments.

Other reserves include net gain on equity instruments designated at fair value through other comprehensive income of USD 4.3 million (2024: USD 2.8 million).

(d) Reorganisation reserves

The Group acquired Silver Links Ltd and TowerCo of Africa Ltd and its subsidiaries on 15 January 2020 and 01 October 2018 respectively. These acquisitions were classified as a business combination between entities under common control as all entities involved were owned by the same ultimate shareholder before and after the acquisition. Accordingly, any difference between the purchase price of the investments and the net assets acquired has been recognised within the reorganisation reserves.

The Group acquired Axian Financial Services Ltd and its subsidiaries and Axian Support Services Ltd and its subsidiaries on 26 August 2021 and 01 March 2021 respectively. These acquisitions were classified as a business combination between entities under common control as all entities involved were owned by the same ultimate shareholder before and after the acquisition. Accordingly, any difference between the purchase price of the investments and the net assets acquired has been recognised within the reorganisation reserves.

The Group disposed Prime Africa Real Estate Ltd to the shareholder on 12 January 2023. Since there is no change in ultimate control after the disposal, the difference between the disposal proceeds and net assets disposed has been recognised within the reorganisation reserves.

The Group has distributed its investment Sanko on 31 December 2024, to its shareholder. Thus, the amount previously recognised under reorganisation reserve for Sanko was transferred to retained earnings.

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18 RESERVES (CONTINUED)

(e) Shares issued to non-controlling interest

Relate to:

(i) Digital Retail Limited

Upon incorporation of Digital Retail Limited, 20% of the issued share capital was allocated to the non-controlling interest.

(ii) Stellar-IX Tanzania Limited and Towerco of Africa Tanzania Limited

During the year, both companies increased their share capital through the issuance of shares to existing shareholders in proportion to their respective shareholdings.

(f) Changes in non-controlling interest

In prior years, there were changes in the ownership percentage of non-controlling interests which were not recognised at Group level at that time. The impact of these changes has been reflected in the current year.

(i) Honora Holdings Ltd

The non-controlling interest acquired an additional 10% shareholding in the Company.

(ii) Honora Tanzania PLC

The non-controlling interest acquired 1.5% of the shareholding of the Company.

Further, a translation reserve was allocated to the non-controlling interest of Togocom in 2024. Since Agou Holding SASU and Togocom have the same presentation currency, no translation reserve should arise. Accordingly, this has been reversed in the current year.

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19 NON-CONTROLLING INTERESTS

The list of the Group's subsidiary companies as at 31 December 2025 and 2024 were as follows:

Name of Company	Country of incorporation	Principal activity	Non-controlling interest	
			2025 %	2024 %
Direct subsidiaries				
Telecom Comores Holding Ltd	Mauritius	Holding company	-	6.72
Telecom Malagasy SA	Madagascar	Telecommunications	-	19.2
Honora Holdings Ltd	Mauritius	Holding company	-	20.0
Maya Africa Holding Ltd	Mauritius	Holding company	-	20.0
Indirect Subsidiaries				
Societe Holding Togolaise des Communications Electroniques SA (Togocom)	Togo	Telecommunications	49.0	49.0
Togo Cellulaire SA Societe des Telecommunications du Togo SA (Togo Telecom)	Togo	Telecommunications	49.0	49.0
Togo Cellulaire SA	Togo	Telecommunications	49.0	49.0
Towerco of Africa Uganda Limited	Uganda	Construction and operation of telecommunication infrastructures	10.0	10.0
Towerco of Africa Madagascar SA	Madagascar	Construction and operation of telecommunication infrastructures	0.3	0.3
Towerco of Africa Tanzania Limited	Tanzania	Construction and operation of telecommunication infrastructures	20.0	20.0
TODRC Holding Limited	Mauritius	Holding company	30.0	30.0
Towerco of Africa DRC	Congo	Construction and operation of telecommunication infrastructures	30.0	30.0
Towerco of Africa Senegal SA	Senegal	Construction and operation of telecommunication infrastructures	20.0	20.0
MVola SA	Madagascar	Mobile banking services	19.8	19.8
Honora Tanzania PLC	Tanzania	Telecommunications	21.6	21.6
Comete.AI SAS	France	Business support	27.5	27.5
Zanzibar Telecom PLC	Tanzania	Telecommunications	21.6	21.6
Zantel Mobile Financial Services Solutions Limited	Tanzania	Mobile banking services	21.6	21.6
Honora Tanzania Mobile Solutions Limited	Tanzania	Mobile banking services	21.6	21.6
The registered trustees of Millicom Tanzania Mobile Solutions	Tanzania	Trust	21.6	21.6
Telesis Tanzania Limited	Tanzania	Telecommunications	21.6	21.6
Stellar-IX Tanzania Limited	Tanzania	Data center services	20.0	20.0
Saga Africa Holdings Ltd	Mauritius	Holding company	20.0	20.0
Maya Senegal N.V.	Curacao	Holding company	20.0	20.0
Mobile Cash SA	Senegal	Mobile banking services	20.0	20.0
Saga Africa Holdings Limited SA	Senegal	Telecommunications	20.0	20.0
AfricaFiber Madagascar SA	Madagascar	Telecommunications	19.2	19.2
Holdco SA	Comoros	Holding company	-	6.7
Telecom Comores SA (Telco)	Comoros	Telecommunications	-	6.7
Telco Money SA	Comoros	Mobile banking services	-	6.7
TMoney SA	Togo	Mobile banking services	49.0	49.0
Fiberco Senegal SA	Senegal	Telecommunications	20.0	20.0
Digital Retail Limited	Tanzania	B2B Digital trading	20.0	-
Wananchi Group (Holdings) Limited	Mauritius	Holding company	0.4	-
Wananchi Group Kenya Limited	Kenya	Telecommunications	0.4	-
Simbanet Com	Kenya	Telecommunications	0.4	-
Wananchi Telecom Limited	Kenya	Telecommunications & Infrastructure	0.4	-
Wananchi Cable Uganda Ltd	Uganda	Telecommunications	0.4	-
Wananchi Group Uganda Limited	Uganda	Telecommunications	0.4	-
Simbanet Uganda Limited	Uganda	Telecommunications	0.4	-
Wananchi Cable Tanzania Limited	Tanzania	Telecommunications	51.2	-
Wananchi Group Tanzania Limited	Tanzania	Telecommunications	35.9	-
Simbanet Tanzania Limited	Tanzania	Telecommunications	35.2	-
Wananchi Media Limited	Malawi	Media and Telecommunications	0.4	-
Simbanet Malawi Limited	Malawi	Telecommunications	0.4	-
Wananchi Satellite Limited	Mauritius	Holding company	0.4	-
Wananchi Programming Limited	Mauritius	Holding company	0.4	-
Wananchi Telecom Limited Mauritius	Mauritius	Holding company	0.4	-
Telecom Malagasy SA	Madagascar	Telecommunications	19.2	-
Honora Holdings Ltd	Mauritius	Holding company	20.0	-
Maya Africa Holding Ltd	Mauritius	Holding company	20.0	-

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19 NON-CONTROLLING INTERESTS (CONTINUED)

The Group recognises non-controlling interests (NCI) in an acquired entity at the NCI's proportionate share of the acquired net identifiable assets.

Set out below is the summarised statement of financial position, statement of profit or loss and other comprehensive income and cash flows of the subsidiaries that have non-controlling interests. The amounts disclosed are before inter-company eliminations.

(a) Telecom Malagasy SA

Summarised statement of financial position

	2025	2024
	USD	USD
Current assets	204,430,383	186,122,131
Current liabilities	(335,550,091)	(300,443,301)
Current liabilities – net	(131,119,708)	(114,321,170)
Non-current assets	742,572,831	644,098,849
Non-current liabilities	(548,704,616)	(466,464,673)
Non-current assets – net	193,868,215	177,634,176
Assets – net	62,748,507	63,313,006
Non-controlling interests	11,437,998	11,600,521

Summarised statement of profit or loss and other comprehensive income

Revenue	327,078,587	314,463,551
Total comprehensive income for the year	3,896,099	12,996,592
Total comprehensive income for the year attributable to non-controlling interests	440,668	1,917,145
Profit for the year to non-controlling interest	440,668	2,303,676
Dividends paid to non-controlling interest	856,435	416,140

Summarised cash flows

Net cash flows from operating activities	84,227,516	138,880,964
Net cash flows used in investing activities	(44,005,734)	(98,167,199)
Net cash flows used in financing activities	(45,122,052)	(38,503,366)
Net (decrease)/ increase in cash and cash equivalents	(4,900,270)	2,210,399

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19 NON-CONTROLLING INTERESTS (CONTINUED)

(b) Agou Holding SASU

The summarised financial information of Agou Holding SASU include the financial results and financial position of the Togocom Group.

Summarised statement of financial position

	2025	2024
	USD	USD
Current assets	220,751,158	167,561,554
Current liabilities	(288,355,817)	(238,714,204)
Current liabilities – net	(67,604,659)	(71,152,650)
Non-current assets	376,944,725	338,005,369
Non-current liabilities	(123,336,107)	(115,330,449)
Non-current assets – net	253,608,618	222,674,920
Assets – net	186,003,959	151,522,270
Non-controlling interest	85,156,844	79,617,865

Summarised statement of profit or loss and other comprehensive income

Revenue	304,355,892	275,353,095
Total comprehensive income for the year	55,025,623	21,268,255
Total comprehensive income for the year attributable to non-controlling interests	18,800,903	9,261,892
Profit for the year to non-controlling interest	18,776,855	16,593,962
Dividends paid to non-controlling interest	20,593,995	20,289,494

Summarised cash flows

Net cash flows from operating activities	99,848,861	95,590,266
Net cash flows used in investing activities	(55,616,199)	(43,892,454)
Net cash flows used in financing activities	(39,520,144)	(42,893,706)
Net increase in cash and cash equivalents	4,712,518	8,804,106

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19 NON-CONTROLLING INTERESTS (CONTINUED)

(c) Honora Holdings Ltd

Summarised statement of financial position

	2025	2024
	USD	USD
Current assets	313,317	32,540,078
Current liabilities	(1,497,200)	(1,435,346)
Current (liabilities)/ assets – net	(1,183,883)	31,104,732
Non-current assets	102,019,369	69,810,369
Non-current liabilities	(133,798,557)	(123,544,036)
Non-current liabilities – net	(31,779,188)	(53,733,667)
Liabilities – net	(32,963,071)	(22,628,935)
Non-controlling interest	(6,592,294)	(1,300,538)

Summarised statement of profit or loss and other comprehensive income

Revenue	-	-
Total comprehensive income for the year	(10,334,135)	9,620,349
Total comprehensive income for the year attributable to non-controlling interests	(2,066,827)	1,924,104
(Loss)/Profit for the year to non-controlling interest	(2,066,827)	1,924,104

Summarised cash flows

Net cash flows (used in)/from operating activities	(18,097)	818,009
Net cash flows used in investing activities	-	(621,106)
Net cash flows used in financing activities	-	(183,658)
Net (decrease)/ increase in cash and cash equivalents	(18,097)	13,245

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19 NON-CONTROLLING INTERESTS (CONTINUED)

(d) Axian Financial Services Ltd and its subsidiaries

Summarised statement of financial position

	2025	2024
	USD	USD
Current assets	255,381,282	202,161,159
Current liabilities	(167,187,458)	(130,729,157)
Current assets – net	88,193,824	71,432,002
Non-current assets	16,353,346	6,251,040
Non-current liabilities	(5,620,602)	(1,718,730)
Non-current assets – net	10,732,744	4,532,310
Assets – net	98,926,568	75,964,312
Non-controlling interest	13,100,626	9,574,978

Summarised statement of profit or loss and other comprehensive income

Revenue	129,751,198	95,735,946
Total comprehensive income for the year	24,812,038	28,504,201
Total comprehensive income for the year attributable to non-controlling interests	5,370,775	4,383,717
Profit for the year to non-controlling interest	5,370,775	4,713,850
Dividends paid to non-controlling interest	2,218,055	1,233,624

Summarised cash flows

Net cash flows from/(used in) operating activities	11,658,470	(22,325,475)
Net cash flows (used in)/ from investing activities	(4,496,171)	28,863,929
Net cash flows used in financing activities	(6,238,058)	(14,668,680)
Net increase/ (decrease) in cash and cash equivalents	924,241	(8,130,226)

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19 NON-CONTROLLING INTERESTS (CONTINUED)

(e) Towerco of Africa Ltd and its subsidiaries

Summarised statement of financial position

	2025	2024
	USD	USD
Current assets	101,494,400	76,084,651
Current liabilities	(294,486,089)	(270,818,369)
Current liabilities – net	(192,991,689)	(194,733,718)
Non-current assets	392,176,171	352,289,195
Non-current liabilities	(123,791,784)	(104,485,366)
Non-current assets – net	268,384,387	247,803,829
Assets – net	75,392,698	53,070,111
Non-controlling interest	1,785,795	(1,001,730)

Summarised statement of profit or loss and other comprehensive income

Revenue	168,806,059	145,332,617
Total comprehensive income for the year	19,168,715	15,114,987
Total comprehensive income for the year attributable to non-controlling interests	(366,366)	(501,817)
Loss for the year to non-controlling interest	(403,395)	(513,977)

Summarised cash flows

Net cash flows from operating activities	70,780,832	109,503,974
Net cash flows used in investing activities	(107,195,795)	(153,428,841)
Net cash flows from financing activities	42,165,037	34,289,876
Net increase/(decrease) in cash and cash equivalents	5,750,074	(9,634,991)

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19 NON-CONTROLLING INTERESTS (CONTINUED)

(f) Honora Tanzania PLC and its subsidiaries

Summarised statement of financial position

	2025	2024
	USD	USD
Current assets	492,362,004	384,905,525
Current liabilities	(852,677,300)	(650,038,471)
Current liabilities – net	(360,315,296)	(265,132,946)
Non-current assets	925,881,515	842,306,955
Non-current liabilities	(682,609,945)	(713,105,095)
Non-current assets – net	243,271,570	129,201,860
Liabilities – net	(117,043,726)	(135,931,086)
Non-controlling interest	(5,887,622)	(3,110,425)

Summarised statement of profit or loss and other comprehensive income

Revenue	626,409,525	509,230,463
Total comprehensive income for the year	18,887,361	29,567,065
Total comprehensive income for the year attributable to non-controlling interests	1,884,143	6,167,254
Profit for the year to non-controlling interest	1,884,143	5,499,840

Summarised cash flows

Net cash flows from operating activities	172,988,989	129,527,043
Net cash flows used in investing activities	(125,171,257)	(124,193,803)
Net cash flows used in financing activities	(53,558,346)	(19,115,196)
Net decrease in cash and cash equivalents	(5,740,614)	(13,781,956)

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19 NON-CONTROLLING INTERESTS (CONTINUED)

(g) Maya Africa Holding Ltd and its subsidiaries

Summarised statement of financial position

	2025	2024
	USD	USD
Current assets	121,838,345	90,894,897
Current liabilities	(291,305,667)	(219,220,077)
Current liabilities – net	(169,467,322)	(128,325,180)
Non-current assets	468,411,500	382,789,986
Non-current liabilities	(312,382,746)	(307,987,554)
Non-current assets – net	156,028,754	74,802,432
Liabilities – net	(13,438,568)	(53,522,748)
Non-controlling interest	(14,905,412)	(11,942,291)

Summarised statement of profit or loss and other comprehensive income

Revenue	195,203,103	173,934,368
Total comprehensive income for the year	(11,355,953)	(36,662,188)
Total comprehensive income for the year attributable to non-controlling interests	(2,012,390)	(8,596,480)
Loss for the year to non-controlling interest	(2,091,012)	(8,424,439)
Dividends paid to non-controlling interest	734,602	-

Summarised cash flows

Net cash flows from operating activities	45,790,449	35,582,605
Net cash flows used in investing activities	(50,462,795)	(28,923,404)
Net cash flows used in financing activities	(9,786,055)	(17,138,548)
Net decrease in cash and cash equivalents	(14,458,401)	(10,479,347)

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19 NON-CONTROLLING INTERESTS (CONTINUED)

(h) Stellar-IX Tanzania Limited

Summarised statement of financial position

	2025	2024
	USD	USD
Current assets	7,534,524	37,693
Current liabilities	(13,257,839)	(144,935)
Current liabilities – net	(5,723,315)	(107,242)
Non-current assets	12,215,960	49,019
Non-current liabilities	(50,126)	-
Non-current assets – net	12,165,834	49,019
Assets/ (liabilities) – net	6,442,519	(58,223)
Non-controlling interest	1,291,984	(11,645)

Summarised statement of profit or loss and other comprehensive income

Revenue	2,673,591	-
Total comprehensive income for the year	363,016	(55,973)
Total comprehensive income for the year attributable to non-controlling interests	87,952	(11,195)
Profit/(Loss) for the year to non-controlling interest	87,952	(10,264)

Summarised cash flows

Net cash from operating activities	9,365,562	14,164
Net cash used in investing activities	(10,661,944)	(47,046)
Net cash from financing activities	6,309,299	62,449
Net increase in cash and cash equivalents	5,012,917	29,567

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19 NON-CONTROLLING INTERESTS (CONTINUED)

(i) Comete.AI SAS

Summarised statement of financial position

	2025	2024
	USD	USD
Current assets	1,325,668	778,362
Current liabilities	(3,988,228)	(1,741,694)
Current liabilities – net	(2,662,560)	(963,332)
Non-current assets	23,527	-
Non-current liabilities	-	-
Non-current assets – net	23,527	-
Liabilities – net	(2,639,033)	(963,332)
Non-controlling interest	(691,899)	(275,532)

Summarised statement of profit or loss and other comprehensive income

Revenue	1,132,130	543,771
Total comprehensive income for the year	(1,639,519)	(1,274,918)
Total comprehensive income for the year attributable to non-controlling interests	(393,337)	(350,171)
Loss for the year to non-controlling interest	(393,337)	(360,356)

Summarised cash flows

Net cash used in operating activities	(75,753)	(39,126)
Net cash (used in)/from investing activities	(23,191)	343,956
Net cash from financing activities	300,360	-
Net increase in cash and cash equivalents	201,416	304,830

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19 NON-CONTROLLING INTERESTS (CONTINUED)

(j) Fiberco Senegal SA

Summarised statement of financial position

	2025	2024
	USD	USD
Current assets	17,933	15,817
Current liabilities	(89,664)	(79,084)
Current liabilities – net	(71,731)	(63,267)
Non-current assets	89,664	79,084
Non-current liabilities	-	-
Non-current assets – net	89,664	79,084
Assets– net	17,933	15,817
Non-controlling interest	3,408	3,163

Summarised statement of profit or loss and other comprehensive income

Revenue	-	-
Total comprehensive income for the year	2,116	(597)
Total comprehensive income for the year attributable to non-controlling interests	-	(184)

Summarised cash flows

Net cash from operating activities	-	65,089
Net cash used in investing activities	-	(81,362)
Net cash from financing activities	-	16,273
Net increase in cash and cash equivalents	-	-

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19 NON-CONTROLLING INTERESTS (CONTINUED)

(k) AfricaFiber Madagascar SA

Summarised statement of financial position

	2025	2024
	USD	USD
Current assets	2,183	2,125
Current liabilities	(218)	-
Current assets – net	1,965	2,125
Non-current assets	-	-
Non-current liabilities	-	-
Non-current assets – net	-	-
Assets – net	1,965	2,125
Non-controlling interest	(56)	(26)

Summarised statement of profit or loss and other comprehensive income

Revenue	-	-
Total comprehensive income for the year	(160)	(133)
Total comprehensive income for the year attributable to non-controlling interests	(42)	(26)
Loss for the year to non-controlling interest	(42)	-

Summarised cash flows

Net cash from financing activities	-	2,153
Net increase in cash and cash equivalents	-	2,153

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19 NON-CONTROLLING INTERESTS (CONTINUED)

(k) Wananchi Group (Holdings) Limited

Summarised statement of financial position

	2025 USD
Current assets	14,840,607
Current liabilities	<u>(55,052,908)</u>
Current liabilities – net	<u>(40,212,301)</u>
Non-current assets	121,610,246
Non-current liabilities	<u>(16,652,706)</u>
Non-current assets – net	<u>104,957,540</u>
Assets – net	<u>64,745,239</u>
Non-controlling interest	<u>(1,752,861)</u>

Summarised statement of profit or loss and other comprehensive income

Revenue	70,514,110
Total comprehensive income for the year	<u>13,786,629</u>
Total comprehensive income for the year attributable to non-controlling interests	<u>-</u>
Loss for the year to non-controlling interest	<u>(48,782)</u>

Summarised cash flows

Net cash from operating activities	45,790,449
Net cash used in investing activities	(50,462,795)
Net cash used in financing activities	<u>(9,786,055)</u>
Net decrease in cash and cash equivalents	<u>(14,458,401)</u>

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20 BORROWINGS

	2025	2024
	USD	USD
Non-current:		
Bank loans (a)	312,690,786	240,625,853
Listed bonds (b)	588,696,056	416,030,602
Loans payable to related parties (Note 24(c))	162,943,996	146,818,561
Loans payable to other minority interest (Note 47(b))	33,301,980	29,228,891
	<u>1,097,632,818</u>	<u>832,703,907</u>
Current :		
Bank loans (a)	99,708,268	72,072,769
Listed bonds (b)	20,449,728	11,594,467
Other borrowings	737,060	299,183
	<u>120,895,056</u>	<u>83,966,419</u>
Total borrowings	<u>1,218,527,874</u>	<u>916,670,326</u>
(a) Bank loans		

The below table summarises the terms of bank loans across the Group, including those at the Company level and at subsidiary level. In most cases, subsidiaries have several bank loans, resulting in a range of interest rates and maturity dates.

Country	Company	Interest Rate	Maturity	2025 USD	2024 USD
Madagascar	Telecom Malagasy SA	7.0% to 9.0% per annum	Between 5 to 8 years	52,002,507	32,680,977
Madagascar	Towerco of Africa Madagascar SA	7.0% to 9.0% per annum	Between 4 to 8 years	11,398,343	11,038,185
Madagascar	Stellar-IX SA	9.5% per annum	7 years	5,924,357	6,374,705
Togo	Togocom SA Towerco of Africa	Between 5.5% to 7.0% per annum	8 years	63,131,081	55,223,138
Uganda	Uganda Limited	Refer to Note below **	7 years	35,081,087	32,505,959
Tanzania	Honora Tanzania PLC	Quarterly commissions between 0.25% to 0.35% ***	Between 1.5 to 2 years	3,852,566	8,037,153
Senegal	Maya Africa Holding Ltd Telecom Comores SA	5.0% to 6.9% per annum	Between 3.5 to 6 years	40,856,398	29,037,065
Comoros	(Telco)	8.06% per annum	7 years	29,251,870	1,696,071
Tanzania	Honora Tanzania Mobile Solutions Limited (HTMSL)	7.0% per annum	6 years	27,946,855	-

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20 BORROWINGS (CONTINUED)

(a) Bank loans (continued)

Country	Company	Interest Rate	Maturity	2025 USD	2024 USD
<u>JP Morgan Chase Bank London:</u>					
Mauritius	Axian Telecom	SOFR plus a margin of 0.9% per annum	6 years	-	112,076,403
United Arab Emirates	Axian Telecom Holding and Management PLC	SOFR plus a margin of 0.9% per annum	4 years	97,109,955	-
<u>British International Investment PLC:</u>					
Mauritius	Axian Telecom	SOFR plus a margin of 4%	10 years	255,253	24,028,966
United Arab Emirates	Axian Telecom Holding and Management PLC	SOFR plus a margin between 3.75% to 4%	Between 10 to 12 years	45,588,782	-
Total				412,399,054	312,698,622
Loans payable within one year				(99,708,268)	(72,072,769)
Loans payable after one year				312,690,786	240,625,853

** Loan UGX 79.1bn 3-month average 182 days Treasury Bill rates + margin of 4.25% (Equating to 16.65% as at 31 December 2025).

** USD 13m 3-month SOFR + margin of 4.25% (Equating to 10.32% as at 31 December 2025).

** USD 60m 3-month SOFR + margin of 4% (Equating to 10.32% as at 31 December 2025).

*** The letter of credit facilities contracted by Honora Tanzania PLC do not accrue contractual interests but attract quarterly commissions between 0.25% to 0.35% of the facility amounts.

The bank loans of the Group companies are repayable monthly, quarterly, semi-annually, or annually at fixed or variable interest rates varying between 5.0% and 16.65%.

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20 BORROWINGS (CONTINUED)

(a) Bank loans (continued)

Madagascar

1 Telecom Malagasy SA

The following table summarises the terms of the loans which Telecom Malagasy SA has contracted with the banks:

Bank names	Contract years*	Currency	Initial principal amounts
Bank of Africa ('BOA')	Between 2017 and 2025	MGA	112,000,000,000
Banque Malgache de L'Océan Indien ('BMOI')	Between 2020 and 2025	MGA	121,500,000,000
BRED Madagasikara ('BRED')	Between 2018 to 2025	MGA	105,000,000,000
BRED Madagasikara ('BRED')	2021	USD	12,000,000
BNI Madagascar ('BNI')	Between 2016 to 2019	MGA	65,000,000,000

* Contract year refers to the year when the contract was signed, and the facility became available to draw down.

The loans bear interest at rates between 7.0% to 9.0% per annum, on a fixed or variable basis, with maturity periods varying between 5 to 8 years from contract date. Interest and loan principal are repayable monthly or quarterly. The purpose of these loans is mainly to finance network expansion and for general corporate purposes. The loans are pledged against the technical supplies, equipment and shares of Telecom Malagasy SA up to the value of their outstanding amount. During the year ended 31 December 2025, Telecom Malagasy SA drew down additional loan facilities amounting to MGA 140.0 billion (approximately USD 31.1 million) and made aggregate principal repayments amounting to MGA 55.8 billion (approximately USD 12.3 million), including the full settlement of a facility with BOA amounting to MGA 10.0 billion (approximately USD 2.1 million).

2 Towerco of Africa Madagascar SA

The following table summarises the loans which Towerco of Africa Madagascar SA has contracted with the banks:

Bank names	Contract years*	Currency	Initial principal amounts
Bank of Africa ('BOA')	2020	MGA	25,000,000,000
BRED Madagasikara ('BRED')	Between 2019 to 2021	MGA	33,000,000,000
Banque Malgache de L'Océan Indien ('BMOI')	2022	MGA	25,000,000,000
BNI Madagascar ('BNI')	Between 2020 to 2025	MGA	49,246,315,657

* Contract years refer to the year when the contract was signed, and the facilities became available to draw down.

The loans bear interest at rates between 7.0% to 8.3% per annum on a fixed or variable basis, with maturity period varying between 4 to 8 years from contract date. Interest and loan principal are repayable monthly. The purpose of these loans is mainly to finance the expansion of the tower portfolio. The loans are pledged against the equipment of Towerco of Africa SA up to the value of their outstanding amount. During the year ended 31 December 2025, Towerco of Africa SA drew down additional loans amounting to MGA 25.0 billion (approximately USD 5.3 million) and made aggregate principal repayments amounting to MGA 24.7 billion (approximately USD 5.4 million), including the full settlement of one of the facilities with BNI, amounting to MGA 2.6 billion (approximately USD 0.6 million).

On 04 December 2025, Towerco of Africa SA signed a loan agreement with BMOI for an amount of MGA 50.0 billion (approximately USD 11.0 million) to support the expansion of the tower portfolio. The loan has a tenor of 7 years, bears a fixed interest rate at 7.15% per annum, and repayments for interest and principal are made monthly; with a grace period of 1 year for the principal repayments. As at 31 December 2025, Towerco of Africa SA has not drawn any amounts against this loan. The first drawdown was made on 20 January 2026 amounting to MGA 50.0 billion (approximately USD 11.0 million).

3 Stellar-IX SA

The following table summarises the loan which Stellar-IX SA has contracted with BRED Madagasikara:

Bank names	Contract year*	Currency	Initial principal amounts
BRED Madagasikara ('BRED')	2023	MGA	30,000,000,000

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20 BORROWINGS (CONTINUED)

(a) Bank loans (continued)

Madagascar (continued)

3 Stellar-IX SA (continued)

* Contract year refers to the year when the contract was signed, and the facility became available to draw down.

The loan bears a fixed rate of interest rate of 9.5% per annum, with maturity period of 7 years from contract date. Interest and loan principal are repayable monthly, with principal repayment beginning as from May 2025. The purpose of this loan is mainly to finance capital expenditure. The loan is pledged against the technical equipment of Stellar-IX SA up to a value of MGA 30.0 billion (approximately USD 6.4 million). During the year ended 31 December 2025, Stellar-IX SA has not drawn down any additional amounts and has made aggregate principal repayments amounting to MGA 2.9 million (approximately USD 0.6 million).

Togo:

1 Societe Holding Togolaise des Communications Electroniques SA (Togocom)

The following table summarises the loans which Societe Holding Togolaise des Communications Electroniques

Bank Names	Contract years	Currency	Initial principal amounts
Ecobank Togo SA ('Ecobank')	2024	FCFA	12,000,000,000
Société Générale Bénin SA ('SGB')	2024	FCFA	12,000,000,000
International Finance Corporation ('IFC')	2024	EUR	18,000,000

* Contract years refer to the year when the contract was signed, and the facilities became available to draw down.

The loans bear interest at the following rates:

- (i) a fixed rate of 7.0% per annum for the FCFA denominated loans, and
- (ii) a variable rate of EURIBOR 6 months + a margin of 5.5% per annum (equating to 7.67% as at 31 December 2025) for the EUR denominated loan.

The loans have a maturity period of 8 years from contract date, with interest and principal repayable on semi-annual basis, and a grace period of 2 years for the repayment of principal. After the grace period, principal will be repaid at the rate of 8.33% on a semi-annual basis. The purpose of these loans was primarily to refinance existing debt, and for general corporate purposes. The loans are pledged against bank accounts, receivables, technical assets and shares of Togocom SA, up to the value of their outstanding amount. During the year ended 31 December 2025, Togocom SA did not drawn down any additional amounts and made no capital repayments.

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20 BORROWINGS (CONTINUED)

(a) Bank loans (continued)

Uganda:

1 Towerco of Africa Uganda Limited

The following table summarises the loans which Towerco of Africa Uganda Limited has contracted banks:

Bank Name	Contract years [*]	Currency	Initial principal amounts
Stanbic Bank Uganda Limited	2022 & 2024	UGX & USD	Facility 1: UGX 79,100,000,000 and USD 13,000,000 Facility 2: USD 30,000,000 (equivalent)

* Contract years refer to the year when the contracts were signed and the facilities became available to draw down.

The loans bear interest at the following rates:

Facility 1:

- 1.Term loan Interest for the UGX tranche: 182-day treasury bill rate + a margin of 4.25%
- 2.Term loan Interest for the USD tranche: 3 months SOFR + a margin of 4.25%
- 3.Working Capital interest rate: 91- day treasury bill rate + a margin of 4.65%

Facility 2:

- 1.Term loan Interest for the UGX tranche: 182-day treasury bill rate + a margin of 4.00%
- 2.Term loan Interest for the USD tranche: 3 months SOFR + a margin of 4.75%

On 16 December 2024, Towerco of Africa Uganda Limited entered into a Facility 2 agreement with Stanbic Bank Uganda comprising of an initial commitment and an additional commitment. The initial commitment consists of a UGX tranche equivalent to USD 6.0 million, and a USD tranche of USD 4.0 million. The additional commitment consists of a UGX tranche equivalent to USD 20.0 million. The Facility 2 agreement has a duration of 6 years from date of disbursement, with interest and principal repayments being made on a quarterly basis. Forty percent (40%) of the Accordion Facility is denominated in United States Dollars availed under a USD Tranche while sixty percent (60%) is denominated in Uganda Shillings availed under a UGX Tranche.

Both Facility 1 and 2 arrangements are secured over the assets of Towerco of Africa Uganda Limited, up to the value of its outstanding amount.

During the year ended 31 December 2025, the Towerco of Africa Uganda Limited drew down an amount of UGX 36.7 billion (approximately USD 10.0 million) under Facility 2 of the accordion facility agreement and made aggregate principal repayments amounting to UGX 27.7 billion (approximately USD 7.7 million) against Facility 1.

In addition to the term loan, the Towerco of Africa Uganda Limited secured a working capital facility with Stanbic bank amounting to and equivalent USD 2,000,000. The working capital facility is geared to cater for overdraft, letter of credit and/or bank guarantee facilities. Utilization of the working capital facility is to be denominated in Ugandan Shillings.

The facility is secured by a fixed and floating charge over all assets of the Company, including its fixed assets, customer contracts, and insurance contracts.

Tanzania:

1 Honora Tanzania PLC

The following table summarises the letter of credit facilities which Honora Tanzania PLC has contracted with the banks:

Bank Names	Contract years [*]	Currency	Initial principal amounts
National Bank of Commerce ('NBC') Limited Tanzania	2023	TZS	47,600,000,000
CRDB Bank Plc	2022	EUR	32,000,000
NMB Bank Plc	2023	EUR	EUR 22,500,000 equivalent split as follows: EUR 7,200,000 and TZS 39,300,000,000

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20 BORROWINGS (CONTINUED)

(a) Bank loans (continued)

Tanzania (continued):

1 Honora Tanzania PLC (continued)

The letter of credit ('LC') facilities contracted by Honora Tanzania PLC do not accrue contractual interests but attract quarterly commissions between 0.25% to 0.35% of the facility amounts. The LC facilities have initial availability periods of 9 months, and are repayable on semi-annual basis with deferred payment terms of between 18 and 24 months. The LC facilities may be drawn upon, up to their facility limits and may be re-drawn following any repayments, within the availability period. The purpose of these LC facilities was mainly to finance the purchase of capital expenditures, supply importation, and local services associated with assets installations.

During the year ended 31 December 2025, Honora Tanzania PLC has utilized TZS 2.5 billion against the NBC Bank Ltd's facility (approximately USD 1.0 million) and made repayments of TZS 17.3 billion (approximately USD 7.0 million).

During the year ended 31 December 2025, Honora Tanzania PLC has not drawn down any additional amount against the CRDB Bank Plc's LC facility and made repayments of EUR 0.03 million (approximately USD 0.04 million).

Honora Tanzania PLC entered a letter of credit ('LC') facility on 30 June 2023, with the NMB Bank Plc (NMB). The facility does not incur contractual interests but instead charges a quarterly commission of 0.35% of the facility amount, and attracts arrangement fees of 0.25% for every portion utilized. The LC facility has an initial availability period of 270 days and is repayable on semi-annual basis with deferred payment terms. The purpose of the LC facility was mainly to finance the purchase and import of capital expenditure. The LCs are secured against the assets of Honora Tanzania PLC (including investments, cash, property, plant and equipment, and future revenues), limited to 130% of the credit facility amounts. During the year ended 31 December 2025, Honora Tanzania PLC has utilized EUR 11.0 million against the NMB Bank Plc's facility (approximately USD 11.4 million) and made repayments of EUR 9.1 million (approximately USD 10.2 million).

2 Honora Tanzania Mobile Solutions Limited

The following table summarises the loan which Honora Tanzania PLC has contracted with Exim Bank (Tanzania) Limited:

Bank Names	Contract years*	Currency	Initial principal amounts
Exim Bank (Tanzania) Limited	2025	TZS	68,000,000,000

* Contract year refers to the year when the contract was signed, and the facility became available to draw down.

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20 BORROWINGS (CONTINUED)

(a) Bank loans (continued)

Tanzania (continued):

2 Honora Tanzania Mobile Solutions Limited (continued)

On 22 July 2025, Honora Tanzania Mobile Solutions Limited entered into a new term loan facility with Exim Bank (Tanzania) Limited for an amount of TZS 68.0 billion (approximately USD 26.4 million) to finance working capital requirements. The term loan carries a variable annual interest rate of 5.0% plus Exim TZ's fixed deposit rates (at 31 December 2025 this is equivalent to 7%). The loan matures 6 years from contract date, with interest being payable quarterly while principal repayments are scheduled on a semi-annual basis commencing after the moratorium period of 1 year. The loan is secured by an all-assets debenture provided by Honora Tanzania PLC.

During the year ended 31 December 2025, Honora Tanzania Mobile Solutions Limited had drawn down the entire available facility (approximately USD 26.4 million) and had made no capital repayments.

On 21 December 2025, Honora Tanzania Mobile Solutions Limited entered into a new term loan facility with CRDB Bank Plc for an amount of TZS 270.0 billion (approximately USD 110.8 million) to be utilised for general corporate purposes. The loan bears a fixed annual interest rate of 7.0%, with a maturity period of 6 years from contract date. Principal repayments are subject to a 12-month grace period from the initial drawdown date, after which both interest and principal are payable on a semi-annual basis. The facility is secured over the assets of Honora Tanzania PLC up to the amount disbursed.

As at 31 December 2025, Honora Tanzania Mobile Solutions Limited has not drawn any amounts against this facility. Subsequent to year-end, the first tranche of TZS 70.0 billion (approximately USD 26.4 million) was disbursed on 06 February 2026.

Senegal

1 Saga Africa Holdings Limited SA

The following table summarises the terms of the loans which Saga Africa Holdings Limited SA has contracted with the banks:

Bank names	Contract years*	Currency	Initial principal amounts
Orabank Sénégal	2022 and	FCFA	12,395,471,947
Société Générale Sénégal	2022	FCFA	5,250,000,000
CBAO Groupe Attijariwafa bank	2022	FCFA	6,750,000,000
BICIS	2022	FCFA	5,000,000,000

* Contract years refer to the year when the contract was signed, and the facilities became available to draw down.

The loans bear interest at rates 6.9% per annum, on a fixed basis, with maturity periods of 6 years from contract date. Interest and loan principal are repayable on semi-annual basis. The purpose of these loans is mainly to finance capital expenditure. The loans are pledged against the bank accounts of Saga Africa Holdings Limited SA, up to the value of their outstanding amount. During the year ended 31 December 2025, the entity did not draw down any additional amount against its existing loan facilities and made aggregate repayments of FCFA 4.0 billion (USD 6.7 million) against existing facilities.

On 12 August 2025, Saga Africa Holdings Limited SA entered into a credit facility agreement with Orabank Sénégal to finance working capital needs and network expansion. This facility agreement is structured as follows:

- Facility 1: Overdraft Facility:

Commitment amount: XOF 7.0 billion.

Tenor: 12 months from the date of availability.

Interest rate: 7.0% per annum (excluding taxes).

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20 BORROWINGS (CONTINUED)

(a) Bank loans (continued)

Senegal (continued):

1 Saga Africa Holdings Limited SA (continued)

- Facility 2: Mixed Facility – Bank Guarantee and Letters of Credit:
 Commitment amount: XOF 23.0 billion disbursed to approved suppliers.
 Availability period: 12 months from the date of implementation up to 36 months.
 Guarantee commission: 0.25% per quarter (excluding taxes).

- Alternate to Facility 2: Short-Term Credit Facility:
 Commitment amount: Up to XOF 14.0 billion (limited to the unused component of the mixed facility component of Facility 2) disbursed to approved suppliers in tranches.
 Tenor: 24 months with a grace period 12 months (interest-only), followed by payment of principal and interest as from the 13th month.
 Interest rate: 8.0% per annum (excluding taxes), payable monthly.

Guarantees are provided in the form of a promissory note securing the total committed facilities, alongside formal credit agreements and a fiduciary transfer covering 50% of the overdraft limit. A 10% cash collateral is also required upfront for Facility 2.

As at 31 December 2025, Saga Africa Holdings Limited SA drew down FCFA 8.3 billion (approximately USD 14.7 million) against the Alternative to Facility 2.

The remaining amount of FCFA 5.7 billion (approximately USD 10.1 million) is expected to be disbursed in tranches by April 2026 and FCFA 4.0 billion (approximately USD 7.1 million) was used as a bank draft against Facility 2 in 2026.

2 Mobile Cash SA

The following table summarises the terms of the loans which Mobile Cash SA has contracted with the banks:

Bank names	Contract years*	Currency	Initial principal amounts
Agence pour le Dev. de l'Entreprenariat Rapide	2021	FCFA	160,000,000
Cofina Sénégal, Compagnie Financière Africaine	2025	FCFA	180,000,000

* Contract years refer to the year when the contract was signed, and the facilities became available to draw down.

On 13 February 2025, Mobile Cash entered into a loan facility agreement with Cofina SN amounting to XOF 180.0 million (approximately USD 0.3 million) to support nano-loan financing arrangements. The facility has an initial tenor of 6 months with a renewal option, which was fully exercised at maturity. The loan bears a fixed interest rate at 5.0% per annum with full repayment of principal and accrued interest at the end of tenor (unless extended). As at 31 December 2025, no capital repayment had been made in respect of the facility as a formal extension of the facility remains under discussion with the lender.

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20 BORROWINGS (CONTINUED)

(a) Bank loans (continued)

Comoros

1 Telecom Comores SA (Telco)

The following table summarises the terms of the loan which Telecom Comores SA (Telco) has contracted with International Finance Corporation ("IFC"):

Bank names	Contract years*	Currency	Initial principal amounts
International Finance Corporation (IFC)	2019	EUR	13,000,000
International Finance Corporation (IFC)	2025	EUR	25,000,000

* Contract years refer to the year when the contract was signed, and the facilities became available to draw down.

On 30 May 2025, Telecom Comores SA entered into a new loan agreement with IFC for an amount of EUR 25.0 million (approximately USD 29.1 million) to finance capital expenditure. The term loan carries a variable interest rate of 6-months EURIBOR plus spread of 3.5% per annum, amounting to an aggregate rate of 5.6% at 31 December 2025. The loan matures 7 years from the contract date. Principal repayments are subject to a 24-month grace period from the initial drawdown date, after which both interest and principal are payable on a semi-annual basis.

During the year ended 31 December 2025, Telecom Comores SA had drawn down the entire available facility and had made capital repayments amounting to EUR 1.6 million (approximately USD 1.9 million), representing the full settlement of the EUR 13.0 million IFC facility.

Mauritius

1 Axian Telecom

The following table summarises the terms of the loans which Axian Telecom has contracted with banks:

Bank names	Contract years*	Currency	Facility amount
JP Morgan Chase Bank N.A (Facility A)	2023	USD	101,955,751
JP Morgan Chase Bank N.A (Facility B)	2023	USD	56,268,900
British International Investment Plc ('BII') (Facility 1)	2024	USD	30,000,000
Standard Bank of South Africa Limited (Isle of Man Branch) ('SB'), Standard Bank Mauritius Limited ('SBM'), FirstRand Bank Limited (acting through its Rand Merchant Bank division) ('RMB'), The Mauritius Commercial Bank Limited ('MCB'), and Standard Chartered Bank, Dubai International Financial Centre Branch ('SCB')	2023	USD	150,000,000

* Contract years refer to the year when the contract was signed, and the facilities became available to draw down.

On 08 August 2025, Axian Telecom assigned all of its rights and obligations under the Term Facilities Agreement with JP Morgan, to Axian Telecom Holding and Management PLC. Refer to the section for Axian Telecom Holding and Management PLC's borrowings for the details of these facilities.

During the year ended 31 December 2024, Axian Telecom entered into a Term Facility Agreement with BII amounting to USD 30.0 million. The facility bears interest at the secured overnight financing rate ("SOFR"), plus a margin of 4% per annum and interests are payable quarterly in arrear. There are twenty-nine equal quarterly repayment, starting three years post signature. The purpose of the facility is to finance the development of infrastructure, primarily in Tanzania.

During the year ended 31 December 2025, Axian Telecom drew down an additional USD 6.0 million under the BII facility and made no principal repayments. On 12 December 2025, Axian Telecom assigned all of its rights and obligations under the Term Facilities Agreement with BII to Axian Telecom Holding and Management PLC for an amount of USD 29.6 million, with only the accrued interest relating to the period to 12 December 2025 remaining payable by Axian Telecom.

On 14 October 2023, Axian Telecom entered into a Term facilities agreement with Standard Bank of South Africa Limited (Isle of Man Branch) ("SB"), Standard Bank Mauritius Limited ("SBM"), FirstRand Bank Limited (acting through its Rand Merchant Bank division) ("RMB"), The Mauritius Commercial Bank Limited ("MCB"), and Standard Chartered Bank, Dubai International Financial Centre Branch ("SCB"), to avail a term loan facility of up to USD150.0 million. On 11 July 2025, using a portion of the proceeds of the issuance of the 2030 Notes, Axian Telecom Holding and Management PLC settled in full the outstanding principal of USD 30.0 million against the syndicated credit facility agreement on behalf of Axian Telecom.

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20 BORROWINGS (CONTINUED)

(a) Bank loans (continued)

United Arab Emirates

1 Axian Telecom Holding and Management PLC ('Axian Telecom Holding')

The following table summarises the terms of the loans which Axian Telecom Holding has contracted with banks:

Bank names	Contract years*	Currency	Facility amount
JP Morgan Chase Bank N.A (Facility A)	2023	USD	101,955,751
JP Morgan Chase Bank N.A (Facility B)	2023	USD	56,268,900
British International Investment Plc ('BII') (Facility 1)	2024	USD	30,000,000
BII and Deutsche Investitions - und Entwicklungsgesellschaft mhB ('DEG') (Facility 2)	2025	USD	30,000,000
JP Morgan/ SB SA/ SCB	2025	USD	50,000,000
SB, SBM, SCB, and MCB	2025	USD	150,000,000

* Contract years refer to the year when the contract was signed, and the facilities became available to draw down.

On 08 August 2025, Axian Telecom assigned all of its rights and obligations under the Term Facilities Agreement with JP Morgan, to Axian Telecom Holding. The Term Facilities Agreement with JP Morgan is comprised of two facilities:

- Facility A amounts to a total commitment of \$102.0 million and is repayable in 12 equal 6-monthly instalments beginning on 02 November 2023.
- Facility B amounts to a total commitment of \$56.3 million and is repayable in 12 equal 6-monthly instalments beginning on 30 April 2025.

As of 31 December 2025, Axian Telecom Holding and Management PLC has not draw down an additional amount and made capital repayment amounting to USD 8.5 million towards Facility A and USD 4.6 million towards Facility B subsequent to the reassignment.

Subsequent to the re-assignment of the Term Facilities Agreement with BII, Axian Telecom Holding and Management PLC did not drawdown any additional amount and did not make any capital repayment towards the BII Facility 1.

Additionally, on 12 December 2025, Axian Telecom Holding and Management PLC entered into a Facility 2 Term Facility Accordion Agreement with BII and Deutsche Investitions - Und Entwicklungsgesellschaft MHB ('DEG') for an amount of USD 30.0 million which will be disbursed in several tranches and has a tenor of 8 years.

The facility bears interest at the secured overnight financing rate ("SOFR"), plus a margin of 3.75% per annum (with a ratchet mechanism for the margin based on the credit rating of Axian Telecom Holding), and interests are payable quarterly in arrears. There are twenty-nine equal quarterly repayment, starting from February 2027. The purpose of the facility is to finance the development of infrastructure, primarily in Tanzania.

During the year ended 31 December 2025, Axian Telecom Holding and Management PLC drew down an amount of USD 16.2 million under the BII Facility 2

On 08 July, 2025 Axian Telecom Holding entered into a Revolving Credit Facility ('RCF') agreement with JP Morgan, SB, and SCB (together the "Original Lenders"), in an aggregate value of \$50.0 million.

The RCF is available to be drawn down against for a period of 53 months from the date of the agreement (or until 07 December 2029), with all amounts drawn down against the agreement due to be paid no later than 54 months from the date of the agreement (or by 07 January 2030). The RCF is subject to customary conditions precedent and financial covenants, including limitations on the Consolidated Net Leverage Ratio and minimum Interest Cover requirements (both as defined in the RCF agreement). No amounts have been drawn down against the RCF.

Undrawn amounts are subject to a 1.0% per annum commitment fee, which is payable every 3 months from the agreement date until the end of the availability period. Each loan drawn down under the RCF accrues interest at the Compounded Reference Rate (primarily comprised of the SOFR) plus a Margin of 3.1% per annum, and interest on each loan drawn down is payable every 6 months in arrear, beginning 6 months from the date of the drawdown of the loan.

As of 31 December 2025, Axian Telecom Holding had not drawn down any amount against the RCF.

On 08 July, 2025 Axian Telecom Holding and Management PLC entered into a Term Credit Facility ('TCF') agreement with SB, SBM, SCB, and MCB (together the "Original Lenders"), in an aggregate value of \$150.0 million.

The TCF is available to be drawn down against for a period of 24 months from the date of the agreement (or until 07 July 2027), with all amounts drawn down against the agreement due to be paid no later than 36 months from the date of the agreement (or by 07 July 2028). The TCF is subject to customary conditions precedent and financial covenants, including limitations on the Consolidated Net Leverage Ratio and minimum Interest Cover requirements (both as defined in the TCF agreement). No amounts have been drawn down against the TCF.

Undrawn amounts are subject to a 1.0% per annum commitment fee, which is payable every 3 months from the agreement date until the end of the availability period. Each loan drawn down under the TCF accrues interest at the Compounded Reference Rate (primarily comprised of the SOFR) plus a Margin of 3.65% per annum, and interest on each loan drawn down is payable every 6 months in arrear, beginning 6 months from the date of the drawdown of the loan.

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20 BORROWINGS (CONTINUED)

(b) *Listed bonds*

Axian Telecom Notes

In February 2022, Axian Telecom, as Issuer, completed the offering of USD 420.0 million in aggregate principal amount of its 7.375% Senior Notes due 2027 (the "2027 Notes"), under an indenture dated 16 February 2022.

On 11 July 2025, Axian Telecom Holding and Management PLC announced the successful issuance of USD 600.0 million in aggregate principal amount of its 7.250% Senior Notes due 2030 (the "2030 Notes"). A portion of the proceeds from the issuance of the 2030 Notes was used to settle the 2027 Notes.

Axian Telecom Holding and Management PLC Notes

Axian Telecom Holding and Management PLC, as Issuer, completed the offering of USD 600.0 million in aggregate principal amount of its 7.250% Senior Notes due 2030 (the "2030 Notes"), under an indenture dated 11 July 2025. Interest on the 2030 Notes will be paid semi-annually in arrear on 11 January and 11 July of each year, commencing on 11 January 2026. Interest on the 2030 Notes will accrue at a rate of 7.250% per annum. The 2030 Notes will mature on 11 July 2030. The 2030 Notes are subject to customary restrictive covenants which limits the ability of the Issuer and the guarantors to take on additional debt.

The value of the listed bonds classified as a non-current liability is net of the capital raising fee. The accrued interest payable on the bonds has been classified as a current liability.

The following subsidiaries of Axian Telecom has stood as guarantor on a joint and several basis:

- 1 Axian Telecom Limited
- 2 Telecom Malagasy SA
- 3 TowerCo of Africa Ltd
- 4 Towerco of Africa Madagascar SA
- 5 Towerco of Africa Tanzania Limited
- 6 Axian Financial Services Ltd
- 7 Axian Support Services Limited
- 8 Silver Links Limited
- 9 Discovery Place Limited
- 10 Stellar-IX Data Centers Limited
- 11 Meta Market Limited
- 12 Honora Holdings Limited
- 13 Honora Tanzania PLC
- 14 Honora Tanzania Mobile Solutions Ltd

21 TRADE AND OTHER PAYABLES

	2025	2024
	USD	USD
Non-current:		
Deferred revenue	19,241,647	13,285,138
Other payables	447,382	1,247,207
Trade payables	58,587,152	49,750,839
	78,276,181	64,283,184
Current:		
Deferred revenue	74,214,234	56,987,287
Trade payables	545,440,850	458,469,252
Other payables	83,143,468	62,996,132
Payable to authorities	108,295,258	104,942,761
Amount payable to entities under common control (Note 24 (e))	3,868,017	4,296,940
	814,961,827	687,692,372
Total trade and other payables	893,238,008	751,975,556

*Mobile money float represents the Group's liability in respect of mobile money in circulation, which can be called upon by the subscribers, dealers, agents and other customers of our electronic mobile money transfer services also known as Mobile Financial Services ("MFS"). The Group hold sufficient reserves within its restricted cash balances, covering at least 100% of the amounts owed under MFS deposits.

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21 TRADE AND OTHER PAYABLES (CONTINUED)

The terms and conditions of the non-current trade and other payables are as follows:

- Other payables includes amount payable to Togo state which is interest free, unsecured and repayable on demand. However, payment is not expected to be made within 12 months.
- Trade payables include purchases with key suppliers, which are non-interest bearing and has a payment term of 2-3 years.

Deferred revenue

	2025	2024
	USD	USD
Non-current		
Deferred revenue	<u>19,241,647</u>	<u>13,285,138</u>
Current		
Deferred revenue	<u>74,214,234</u>	<u>56,987,287</u>
Total	<u><u>93,455,881</u></u>	<u><u>70,272,425</u></u>

The deferred revenue relates to advance payments received on the sale of bandwidth, capacity, prepaid airtime and fixed residential and business services. It is non-interest bearing and the payment terms and contract duration vary from contract to contract. The deferred revenue is split between current and non-current.

(i) Revenue recognised in relation to deferred revenue

The following table shows how much of the revenue recognised in the current reporting year relates to carried forward deferred revenue:

Revenue recognised in relation to deferred revenue during the year:

	2025	2024
	USD	USD
Mobile services only	43,782,158	28,539,887
Fixed services (Residential and business)	2,670,050	1,563,418
Operator infrastructure services	10,222,617	9,770,169
Hosting and Rental Sites	312,462	1,791,440
	<u>56,987,287</u>	<u>41,664,914</u>

(ii) Unsatisfied long-term contracts

The following table shows unsatisfied performance obligations resulting from sale of bandwidth, capacity, prepaid airtime and fixed residential and business services:

	2025	2024
	USD	USD
Aggregate amount of the transaction price allocated to sale of bandwidth, airtime and fixed services that are partially unsatisfied as at 31 December	<u>93,455,881</u>	<u>70,272,425</u>

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21 TRADE AND OTHER PAYABLES (CONTINUED)

(ii) Unsatisfied long-term contracts (continued)

Management expects that 79.41% of the transaction price allocated to unsatisfied performance obligations as of 31 December 2025 amounting to USD 74,214,234 (2024: 81.09% amounting to USD 56,987,287) will be recognised as revenue during the next reporting period. The remaining amount will be recognised as follows:

	2025	2024
	USD	USD
2025	-	2,821,472
2026	4,039,319	3,278,190
2027	4,135,293	1,584,471
2028	4,036,781	1,367,900
2029	2,959,512	1,026,283
2030	1,190,047	740,616
2031	1,062,217	681,997
2032	956,038	600,287
2033	572,618	479,653
2034	184,099	332,684
2035	93,014	162,157
2036	12,495	162,157
2037	214	44,641
2038	-	2,630
	19,241,647	13,285,138

Variable consideration relating to volume rebates has been constrained in estimating contract revenue in order that it is highly probable that there will not be a future reversal in the amount of revenue recognised when the amount of volume rebates has been determined. Therefore, the above amounts do not include the amounts of such variable consideration that has been constrained.

(iii) Reconciliation of opening balance to closing balance

	2025	2024
	USD	USD
At 01 January	70,272,425	57,267,699
Acquisition through business combination	10,358,318	-
Amount included in deferred revenue that was recognised as revenue during the year *	(871,738,322)	(729,678,544)
Cash received in advance of performance and not recognised as revenue during the year	878,592,925	743,904,514
Interest expense on unwinding of discounted deferred revenue	1,426,025	1,200,726
Discounting adjustment to reflect present value	1,947,717	(4,049,881)
Translation difference	2,596,793	1,627,911
At 31 December	93,455,881	70,272,425

* It also includes carried forward deferred revenue that has been recognised as revenue in the current reporting year.

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22 GOVERNMENT GRANTS

Analysed as follows:

	2025	2024
	USD	USD
At 01 January	25,734,624	20,746,084
Grants received	11,845,752	10,753,321
Grants receivable	12,421,647	2,522,922
Amortised to profit or loss (Note 30)	(8,420,314)	(8,191,386)
Translation difference	356,556	(96,317)
	<u>41,938,265</u>	<u>25,734,624</u>
At 31 December		
Non-current	37,805,047	24,468,067
Current	4,133,218	1,266,557
	<u>41,938,265</u>	<u>25,734,624</u>

The grants received and receivable as at 31 December 2025 relate to:

- In 2025, a grant of TZS 4,241,361,252 (equivalent to USD 1.7 million) was received from the Government of Tanzania through its UCSAF Fund for the development of telecommunication services in underserved areas. The grant is amortized to profit or loss over 5 years, which corresponds to the estimated useful lives of the relates assets.
- A grant of MGA 45,638,970,001 (equivalent to USD 10.1 million) was received from the Ministry of Telecommunications in relation to the backbone project from Toliara to Morondova. The grants are amortised to profit or loss, in proportion to the costs incurred on the respective projects.
- During the year, the Company signed an agreement with the Uganda Communications Commissions (UCC) to finance up to 39% of the capital expenditure towards the construction of 26 sites in the rural areas aimed at improving telecommunications access in the Rural areas under the Rural Communications Development Fund grant (RCDF). In return the company is to market the sites to the mobile network operators (MNOs) at a discounted use fee in line with the funding provided by the grant. The grants is recognized as deferred income and to be amortized over 10 yrs from the completion date of the applicable sites. The construction of all the 26 sites was completed during the year under review.
- The World Bank had awarded grants to Towerco of Madagascar SA for the development of telecommunication in rural areas under PICOM Zone 1A and PICOM 3 in Madagascar. These grants have been amortised over the useful life of the assets acquired by these grants, which vary between 10 and 20 years.

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23 PROVISIONS

	2025	2024
	USD	USD
Provision for dismantling costs (i)	39,526,067	37,348,279
Provision for litigations (ii)	14,238,427	15,173,166
Provision for short term risks on operating activities (iii)	7,083,430	261,482
Other provisions (iv)	8,344,223	8,464,819
	69,192,147	61,247,746
Non-current	49,625,400	47,910,815
Current	19,566,747	13,336,931
	69,192,147	61,247,746

(i) *Provision for dismantling costs*

The provision for dismantling costs relates to the cost of dismantling technical equipment and the cost of restoration of the sites on which these equipments are located.

	2025	2024
	USD	USD
At 01 January	37,348,279	34,300,210
Acquisition through business combination (Note 26)	-	892,734
(Reversal)/charge of provision and remeasurement	(1,817,947)	2,787,771
Interest expense (Note 6)	2,504,932	4,274,963
Reclassification to provision for litigation	-	(4,106,205)
Translation difference	1,490,803	(801,194)
At 31 December	39,526,067	37,348,279

The provision for dismantling costs recognised under property, plant and equipment amount to USD 1,490,319 (Refer to Note 8). The excess between the increase in liability following the remeasurement of the liability and the value of the property, plant and equipment amounts to USD 327,628 (2024: USD 521,051) and is accounted in profit or loss under non-operating income (Refer to Note 38).

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23 PROVISIONS (CONTINUED)

(ii) Provision for litigations

The provision for litigations relate to legal fees and costs of settlement that are expected to be incurred in respect of outstanding legal cases against the Group.

	2025	2024
	USD	USD
At 01 January	15,173,166	12,561,102
Acquisition through business combination (Note 26)	-	3,073
Additional provision (Note 5)	1,690,794	1,332,550
Reversal of provision (Note 5)*	(3,631,548)	(2,087,598)
Reclassification from dismantling costs	-	4,106,205
Reclassification from other risks	224,372	-
Payments during the year	(329,284)	(112,102)
Translation difference	1,110,927	(630,064)
At 31 December	14,238,427	15,173,166

As at 31 December 2025, the Group has maintained a provision for litigation amounting to USD 14,238,427 (2024: USD 15,173,166) representing management's best estimate of the expected outflows to settle ongoing legal disputes. The nature of the litigations includes commercial, land, and labour matters. Based on legal advice and current circumstances, management has made appropriate provisions where it believes it is probable that an outflow of economic resources will be required to settle the obligation.

The provision has been measured at the present value of management's best estimate of the expenditure required to settle the obligation at the reporting date, considering the advice of external legal counsel and any expected timing of the settlement. The material litigations are disclosed below:

	2025	2024
	USD	USD
Commercial	8,279,840	9,515,538
Land	311,882	1,858,655
Social	3,524,834	1,144,936
	12,116,556	12,519,129

Details of the provision for litigations:

Commercial

These include legal proceedings (and appeals against judgements) relating to breach of contracts, disputes over contract performance and compensation claims.

Land

These include legal action related to alleged unauthorised land use and principally relates to a claim of USD 1.68 million for the year ended 31 December 2024.

Social

These include legal proceedings for unfair termination of the contracts of employees.

*The reversals of litigation provisions for the year relates to cases which have been settled during the year, and to claims for which a provision is no longer required following completion of the legal process associated with those claims.

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23 PROVISIONS (CONTINUED)

(iii) Provision for short-term risks on operating activities

The provision for short-term risks on operating activities relates to probable loss arising in the normal course of conducting its daily operations and regulatory compliance.

	2025	2024
	USD	USD
At 01 January	261,482	2,521,550
Acquisition through business combinations	6,927,014	-
Additional provision	140,422	330,926
Reversal of provision ¹	-	(2,491,718)
Transfer to provision for litigations	(224,372)	-
Translation difference	(21,116)	(99,276)
At 31 December	<u>7,083,430</u>	<u>261,482</u>

¹The reversal of provision relates to certain claims which were provided for in prior years, and for which management has estimated that a provision is no longer required at 31 December 2024. No reversals were recorded in respect of the year ended 31 December 2025.

(iv) Other provisions

The other provisions relate to ongoing tax cases in the appeal mechanism in Tanzania in relation to dispute on applicability of withholding tax on IRU payments and dispute on chargeability of alternative minimum tax between 2011 and 2014.

	2025	2024
	USD	USD
At 01 January	8,464,819	9,412,382
Additional provision	17,696	-
Reversal of provision ²	-	(1,254,483)
Translation difference	(138,292)	306,920
At 31 December	<u>8,344,223</u>	<u>8,464,819</u>

²The reversals of other provisions for the year relates to the settlement of a portion of the provisions accounted for in the prior year.

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24 RELATED PARTY TRANSACTIONS

During the year under review, the following transactions were carried out with related parties. The nature, volume of transaction and the balances were as follows:

(a) *Loans receivable from other related parties*

1. *Nea Madagascar – other related party*

	2025	2024
	USD	USD
At 01 January	28,020	99,666
Repayment during the year	(29,155)	(70,502)
Translation difference	1,135	(1,144)
At 31 December	-	28,020

The loan receivable from other related party is unsecured, interest-free and repayable on demand. The loan has fully been settled in year 2025.

2. *Prime Africa Real Estate Ltd - Entity under common control*

	2025	2024
	USD	USD
At 01 January	10,990	10,490
Interest income	500	500
At 31 December	11,490	10,990

The loan receivable from entity under common control is unsecured, bears interest at a rate of 5% per annum and is repayable on demand.

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24 RELATED PARTY TRANSACTIONS (CONTINUED)

(a) *Loans receivable from other related parties (continued)*

3. *Emediaplace Ltd - Entity under common control*

	2025	2024
	USD	USD
At 01 January	76,993	76,702
Interest income	3,390	5,655
Unrealised exchange loss	8,148	(5,364)
At 31 December	<u>88,531</u>	<u>76,993</u>

The loan receivable from entity under common control is unsecured, bears interest at a rate of 5% per annum and is repayable on demand.

4. *Telecom Comores SA - Subsidiary and former joint venture*

	2025	2024
	USD	USD
At 01 January	-	-
Loan advanced during the year	-	227,989
Interest income	-	4,639
Unrealised exchange gain	-	914
Acquisition of subsidiary*	-	(233,542)
At 31 December	<u>-</u>	<u>-</u>

The loan receivable from subsidiary/former joint venture is unsecured, bears interest at the rate of 8% per annum and repayable on demand.

- * On 31 May 2024, the Group acquired an additional 50% of the issued share capital of Telecom Comores Holding Ltd (parent company of Telecom Comores SA), which was our joint venture prior to 31 May 2024. Telecom Comores holding Ltd group is consolidated as from 31 May 2024, and hence the loan receivable from the latter was eliminated on consolidation as at year end.

Total (Note 14)	<u>100,021</u>	<u>116,003</u>
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24 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Amount receivable from related parties (Note 12)

Name of related entities	Relationship	Nature of transactions	2025		2024	
			Outstanding balance USD	Transactions during the year USD	Outstanding balance USD	Transactions during the year USD
Axian Support Services	Entity under common control	General Management and administration fees and sale of services	521,297	300,384	452,230	411,922
Nea Madagascar	Other related party	Sales of services and interest income	509,111	658,133	297,975	455,673
First Immo	Entity under common control	Trademark fees and sales of services	152,878	335,010	382,733	109,584
Jovena Madagascar	Other related party	Sales of services	441,227	630,633	200,163	171,597
Société de Gestion et d'Exploitation de Madagascar (SGEM)	Other related party	Sales of services	158,607	246,795	34,076	97,704
Telco OI	Joint venture	Sales of services	288,823	537,364	44,893	232,795
We Light Madagascar	Other related party	Sales of services	64,859	304,835	159,591	199,285
Axian Group Ltd	Entity under common control	Amount advanced	38,888	-	28,635	-
Axian Energy	Other related party	Acquisition of shares/ sale of services	86,025	26,758	51,019	31,582
BNI Madagascar	Former associate	Sales of services	496,767	634,310	168,701	575,991
Fondation Axian	Other related party	Sales of services	32,036	17,302	19,558	10,821
Green Energy Solutions	Other related party	Expenses paid on behalf	33,261	12,842	42,452	10,662
Malagasy Oil Company	Other related party	Sales of services	3,096	19,151	-	5,909

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24 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Amount receivable from related parties (Note 12) (continued)

Name of related entities	Relationship	Nature of transactions	2025		2024	
			Outstanding balance USD	Transactions during the year USD	Outstanding balance USD	Transactions during the year USD
Telecom Comores Holding Ltd	Former joint venture	Expenses paid on behalf	-	-	-	-
Fondation H	Other related party	Sales of services	14,031	25,463	12,369	6,803
Malagasy Oil Company	Other related party	Sales of services	-	-	2,497	5,467
Compagnie General d'Hydroelectricite de Volobe	Other related party	Sales of services	19,459	17,629	8,761	7,926
Prime Africa Real Estate Ltd	Entity under common control	Advances and expenses paid on behalf	26,342	-	26,342	-
Mr. Hassanein Shahreza Hiridjee	Shareholder	Disposal of shares and expenses paid on behalf	60,001	-	60,001	-
emediaplace Ltd	Entity under common control	Expenses paid on behalf	46,361	-	46,361	-
Nea Senegal	Other related party	Rechargeable income	7,578	-	2,743	-
Nea Togo	Other related party	Sales of services	-	-	-	-
Axian Finance Ltd	Entity under common control	Expenses paid on behalf	11,245	-	11,248	-
Eydon Petroleum SA	Entity under common control	Rechargeable income	23,181	15,868	14,871	12,200
Teyliom Telecom	Minority shareholder of Towerco of Africa Senegal	Acquisition of shares	-	-	291,153	-
SANKO	Entity under common control	Sales of services	132,000	9,035	-	-
Axian Treasury Ltd	Entity under common control	Sales of services	6,895	-	-	-
Axian Digital Venture Holding and Management Limited	Entity under common control	Rechargeable income	677,980	-	-	-
			3,851,948	3,791,512	2,358,372	2,345,921

The amounts receivable from related parties in relation to general management and administration fees, trademark fees and sales of services are unsecured, interest free and are repayable within 30 days from invoice date.

The amounts receivable from related parties in relation to advances, acquisition of shares and settlement of expenses on behalf are unsecured, interest free and repayable on demand.

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24 RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Loans payable to related parties

1. Hassanein Hiridjee - Shareholder

	2025	2024
	USD	USD
At 01 January	146,676,565	139,776,102
Interest expense (Note 6)	11,011,859	9,645,084
Translation difference	5,113,576	(2,744,621)
	162,802,000	146,676,565

Prior to 11 July 2025, the loan from shareholder was held by the Group through its subsidiary, Axian Telecom. The shareholder's loan was subordinated to the 2027 Notes (USD 420,000,000, 7.375% Notes issued by Axian Telecom in February 2022). On 11 July 2025, Axian Telecom Holding and Management PLC entered into an agreement with the shareholder and Axian Telecom under which the shareholder's loan was reassigned from Axian Telecom to Axian Telecom Holding and Management PLC. The loan from the shareholder is unsecured, bears interest at the rate of 7.975% per annum, with interest paid or capitalised to the loan principal bi-annually. The loan matures with all principal, accrued and capitalised interest payable in January 2031. The Group's obligations have been subordinated to its obligations in respect of the 2030 Notes (USD 600,000,000, 7.250% Notes issued by Axian Telecom Holding and Management Plc on 11 July 2025, the USD 50,000,000 Revolving Credit facility, the loan facility from British International Investment Plc and JP Morgan Chase Bank N.A pursuant to the terms of subordination deeds entered into between, amongst others, the shareholder and the Group (through its subsidiary Axian Telecom Holding and Management Plc). The shareholder's loan can only be repaid 6 months after settlement of the 2030 Notes.

2. Illiad - Entity with joint control

	2025	2024
	USD	USD
At 01 January and 31 December	141,996	141,996

Relate to interest payable on loan. The amount is unsecured, interest-free and repayable on demand.

3. Telecom Reunion Mayotte - Entity with joint control

	2025	2024
	USD	USD
At 01 January	-	-
Loan advanced	2,256,319	-
Interest expense (Note 6)	18,460	-
Repayment during the year	(2,320,682)	-
Translation difference	45,903	-
At 31 December	-	-

The loan receivables from Telecom Reunion Mayotte are unsecured; one bears interest based on maximum deductible interest rate as per France Legislation, and the other bears interest at the rate of 8% per annum. Both loans are repayable on demand and were repaid during the year ended 31 December 2025.

Total Non-Current (Note 20)	162,943,996	146,818,561
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(d) BNI Madagascar - Former associate

	2025	2024
	USD	USD
Bank loan	10,933,526	8,554,608

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24 RELATED PARTY TRANSACTIONS (CONTINUED)

(e) Amount payable to related parties (Note 21)

Name of related entities	Relationship	Nature of transactions	2025		2024	
			Outstanding balance USD	Transactions during the year USD	Outstanding balance USD	Transactions during the year USD
Axian Support Services SARL	Entity under common control	Purchase of services	259,084	241,355	298,064	3,361,772
Nea Madagascar	Other related party	Purchase of services	729,565	793,058	484,424	450,355
First Immo	Entity under common control	Purchase of services	593,075	4,682,787	533,300	3,559,417
Jovena Madagascar	Other related party	Purchase of services	179,092	1,845,073	375,241	312,293
Société de Gestion et d'Exploitation de Madagascar (SGEM)	Other related party	Purchase of services	203,387	209,168	155,225	83,812
Telco OI	Joint venture	Purchase of goods	1,185	7,232	32,785	12,821
		Treasury fees, amount advanced and payment of expenses on behalf of the Company.	1,901,843	-	1,936,849	-
Axian Group Ltd	Entity under common control	of expenses on behalf of the Company.	-	-	-	67,428
Fondation Axian	Other related party	Sponsoring fees	-	-	-	10,739
We Light Madagascar	Other related party	Purchase of services	-	-	-	-
Prime Africa Real Estates Ltd	Entity under common control	Payment of expenses on behalf	1	-	1	-
Axian Finance Ltd	Entity under common control	Issue of shares	100	-	100	-
Axian Venture Investments Ltd	Other related party	Payment of expenses on behalf	685	-	685	-
Green Energy Solutions	Other related party	Purchase of services	-	-	-	173,113
MadaPlace	Other related party	Purchase of services	-	-	-	12,938
BNI Madagascar	Former associate	Purchase of services	-	-	-	10,796
Sanko	Former subsidiary	Purchase of services	-	-	480,266	-
			3,868,017	7,778,673	4,296,940	8,055,484
Non-current			-	-	-	-
Current			3,868,017	-	4,296,940	-
			3,868,017	-	4,296,940	-

The amount payable to other related parties in relation to treasury fees and rechargeable expenses are unsecured, interest free and are repayable within 30 days from invoice date.

The amount payable to other related parties in relation to issue of shares is unsecured, interest free and repayable on demand.

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24 RELATED PARTY TRANSACTIONS (CONTINUED)

(f) Key management compensation

The remuneration and other advantages for key management personnel is shown below:

	2025	2024
	USD	USD
Short term benefits	6,206,835	5,396,679

(g) Fees to management entity

	2025	2024
	USD	USD
<u>DTOS Ltd</u>		
Fees paid during the year	47,323	59,501
Fees incurred during the year	51,857	54,261
Fees accrued as at year end	-	1,415
Fees prepaid as at year end	44,991	48,935

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25 LEASE LIABILITIES

(i) Amounts recognised in the statement of financial position

	2025	2024
	USD	USD
<i>Right-of-use assets</i>		
At 01 January	615,815,368	642,375,938
Acquisition through business combinations (Note 26)	2,610,706	1,804,234
Distribution of subsidiary (Note 46)	-	(101,754)
Additions during the year, net of lease incentives	72,309,139	41,739,426
Termination/Modification of leases during the year (Note 38)	(3,241,984)	(3,034,155)
Remeasurements (Note 38)	(46,373,785)	(2,040,859)
Depreciation charge for the year (Note 5)	(71,869,535)	(67,859,331)
Translation difference	16,380,722	2,931,869
At 31 December	<u>585,630,631</u>	<u>615,815,368</u>

Right-of-use assets are made up of the following:

	2025	2024
	USD	USD
Land and buildings	74,804,689	60,474,843
Technical equipment	3,676,924	3,487,300
Site leases	492,522,018	543,127,557
Motor vehicles	14,627,000	8,725,668
At 31 December	<u>585,630,631</u>	<u>615,815,368</u>

<i>Lease liabilities</i>		
At 01 January	814,180,046	810,904,281
Acquisition through business combinations (Note 26)	2,909,632	1,803,733
Distribution of subsidiary (Note 46)	-	(109,371)
Additions during the year	72,309,139	44,662,743
Termination/Modification of leases during the year (Note 38)	(3,973,945)	(3,820,354)
Remeasurements (Note 38)	(46,144,756)	(1,075,862)
Interest expense (Note 6)	97,208,781	94,874,020
Principal paid on lease liabilities	(52,175,354)	(39,888,878)
Interest paid on lease liabilities	(96,260,403)	(92,069,683)
Translation difference	32,938,342	(1,100,583)
At 31 December	<u>820,991,482</u>	<u>814,180,046</u>

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25 LEASE LIABILITIES (CONTINUED)

(i) *Amounts recognised in the statement of financial position (continued)*

	2025	2024
	USD	USD
Current	96,626,584	44,371,810
Non-current	724,364,898	769,808,236
	820,991,482	814,180,046

(ii) *Amounts recognised in the statement of profit or loss and other comprehensive income*

	2025	2024
	USD	USD
Depreciation of right-of-use assets (Note 5)	71,869,535	67,859,331
Interest expense (Note 5)	97,208,781	94,874,020
Total	169,078,316	162,733,351

The short term and low value leases amounting to USD 2,330,629 (2023: USD 1,877,489) has been recognised in profit or loss (Note 5).

(iii) *Cashflow information*

	2025	2024
	USD	USD
Interest paid on lease obligations	96,260,403	92,069,683
Principal paid on lease obligations, net of lease incentives received	52,175,354	36,965,560

The Group's lease terms generally range between 2 to 30 years, usually depending on the nature of the underlying assets. Interest rates applicable to our leases range from 4.5% to 20% per annum. For motor vehicles leases with lease terms of three years or more, an implicit interest rate is typically determined, whereas for all other leases, the implicit rate is not easily determinable and the Group, therefore, utilises an incremental borrowing rate.

Payment frequencies are typically monthly, bi-monthly, quarterly, semi-annual, or annual. The Group has an insignificant amount of lease agreements which include purchase options, and where the Group expects to exercise these options, it considers the exercise of the option in the payment profile of the lease.

Land and tower leases generally include renewal options following the initial lease term. The lease payments generally increase annually by reference to the inflation rate of the market in which they originate. or by reference to other inputs (such as fuel prices).

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26 ACQUISITIONS THROUGH BUSINESS COMBINATIONS

2025

The Group acquired the following entities during the year ended 31 December 2025:

Aptus Solutions Limited

On 31 March 2025, the Group, through its subsidiary Axian Telecom Fibre Limited, completed the acquisition of 100% of the share capital of Aptus, a company providing fibre to the home ("FTTH"), fibre to the business ("FTTB"), and wholesale fibre capacity services in Tanzania, and trading as GOfiber.

Wananchi Group (Holdings) Ltd and its subsidiaries

In August 2024, the Group signed an agreement to acquire Wananchi Group (Holdings) Ltd and its subsidiaries (together the "Wananchi Group"), one of East Africa's leading fixed broadband and enterprise connectivity providers. The purchase was subject to customary closing conditions. On 30 October 2025, the Group, through its subsidiary, Axian Telecom Fibre Ltd has completed the acquisition of 99.63% of the issued share capital of Wananchi Group.

The assets and liabilities of Aptus Solutions Limited and of Wananchi Group at the date of acquisition are reflected in the table below at their provisional fair values, determined in accordance IFRS 3 – Business combinations. The Group has not yet finalised the valuation under IFRS 3 – Business combinations except for property, plant and equipment which are stated at their fair values. Accordingly, these figures remain provisional and may be subject to change.

	<u>Provisional fair values</u>	<u>Provisional fair values</u>	
	<u>Aptus Solutions Limited</u>	<u>Wananchi Group (Holdings) Ltd and its subsidiaries</u>	<u>Total</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>
ASSETS			
Property, plant and equipment (Note 8)	176,199	92,570,526	92,746,725
Intangible assets (Note 9)	-	14,482,950	14,482,950
Right-of-use assets (Note 25 (i))	-	2,610,706	2,610,706
Deposits receivable (Note 36)	-	1,897,185	1,897,185
Financial assets at fair value through other comprehensive income (Note 42)	-	195,355	195,355
Trade and other receivables	696,491	8,456,885	9,153,376
Deferred tax assets (Note 7 (b)(i))	-	981,656	981,656
Inventories	154,388	647,020	801,408
Current tax asset (Note 7(d))	-	2,262,707	2,262,707
Cash at bank	546,377	1,692,822	2,239,199
Total assets	1,573,455	125,797,812	127,371,267
LIABILITIES			
Lease liabilities (Note 25(i))	-	2,909,632	2,909,632
Deferred tax liabilities (Note 7 (b)(ii))	-	11,843,337	11,843,337
Trade and other payables	562,129	49,094,810	49,656,939
Provisions (Note 23(iii))	-	6,927,014	6,927,014
Current tax liabilities (Note 7(d))	190,579	1,855,766	2,046,345
Total liabilities	752,708	72,630,559	58,630,298
Cost of investment*	4,848,000	69,449,842	74,297,842
Add: Fair value of non-controlling interest	-	(1,678,514)	(1,678,514)
Less: Net assets at date of acquisition	(820,747)	(53,167,253)	(53,988,000)
Goodwill	4,027,253	14,604,075	18,631,328

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26 ACQUISITIONS THROUGH BUSINESS COMBINATIONS (CONTINUED)

2025 (continued)

*Regarding the acquisition of Wananchi Group (Holdings) Ltd, the share purchase agreement includes provisions regarding the earn-out mechanism and deferred consideration. Management does not expect these conditions to be met, and therefore no accrual has been recognized.

The retranslated goodwill for Aptus Solutions Limited and Wananchi Group (Holdings) Ltd and its subsidiaries amounted to **USD 4,194,003** and **USD 14,527,766** respectively as at 31 December 2025 (Note 33).

	Aptus Solutions Limited USD	Wananchi Group (Holdings) Ltd and its subsidiaries USD
Revenue - post acquisition	3,092,687	11,172,272
Net profit/(loss) - post acquisition	286,204	(2,884,536)

Wananchi Group (Holdings) Ltd and its subsidiaries

If the acquisition had occurred on 01 January 2025, consolidated revenue and profit for the year ended 31 December 2025 would have been USD 1,750,769,139 and USD 243,471,648 respectively. These amounts have been calculated using the subsidiary's results.

Aptus Solutions Limited

If the acquisition had occurred on 01 January 2025, revenue and profit for the year ended 31 December 2025 would have been USD 1,693,866,645 and USD 226,998,880 respectively. These amounts have been calculated using the subsidiary's results.

	Aptus Solutions Limited USD	Wananchi Group (Holdings) Ltd and its subsidiaries USD	Total USD
The cash flows associated with the business acquisitions are as follows:			
<i>Cash outflow from acquisition of subsidiaries</i>			
Cash consideration	4,848,000	8,328,660	13,176,660
Settlement of loan on behalf of Sellers	-	61,278,012	61,278,012
Compensation from sellers for tax exposures	-	(156,830)	(156,830)
Cash at bank	(546,377)	(1,692,822)	(2,239,199)
Acquisition of subsidiaries, net of cash	4,301,623	67,757,020	72,058,643

The goodwill arising on these acquisitions, is attributable to the acquired customer base and economies of scale expected from combining the operations of the Group.

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26 ACQUISITIONS THROUGH BUSINESS COMBINATIONS (CONTINUED)

2024

Telecom Comores Holding Ltd and its subsidiaries

On 31 May 2024, the Group through its subsidiary, Axian Telecom completed the acquisition of an additional 50% of the issued share capital of Telecom Comores Holding Ltd, being the parent company of our joint operations in Comoros (together with the parent company referred to as "Telma Comoros"). The Group thereafter indirectly controlled 93.28% of the voting rights in Telma Comoros, allowing it to control and consolidate the operations of Telma Comoros. The operations of Telma Comoros are consolidated as from 31 May 2024.

The assets and liabilities of Telma Comoros at the date of acquisition are reflected in the table below at their fair values at the date of acquisition, determined as required by IFRS 3 – Business combinations.

	Fair values
	Telecom Comores Holding Limited and its subsidiaries
	USD
ASSETS	
Property, plant and equipment (Note 8)	23,755,539
Intangible assets (Note 9)	14,323,642
Right-of-use assets (Note 25 (i))	1,804,234
Deposits receivable (Note 36)	95,638
Financial assets at fair value through profit or loss	22
Inventories	275,874
Trade and other receivables	3,118,675
Current tax asset (Note 7(d))	87,996
Cash at bank	8,036,026
	<hr/>
Total assets	51,497,646
	<hr/> <hr/>
LIABILITIES	
Borrowings	6,771,813
Provisions (Note 23)	895,807
Lease liability (Note 25 (ii))	1,803,733
deferred tax liabilities (Note 7(b)(ii))	1,188,355
Trade and other payables	20,248,571
Current tax liability (Note 7(d))	179,682
Bank overdraft	12,819
	<hr/>
Total liabilities	31,100,780
	<hr/> <hr/>
Cost of investment	14,392,646
Add: Fair value of previously held interest	8,886,340
Less: Net assets at date of acquisition	(20,396,866)
	<hr/>
Goodwill	2,882,120
	<hr/> <hr/>

The retranslated goodwill for Telecom Comores Holding Limited and its subsidiaries amounted to USD 2,774,917 respectively as at 31 December 2024 (Note 33).

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26 ACQUISITIONS THROUGH BUSINESS COMBINATIONS (CONTINUED)

2024 (continued)

	Telecom Comores Holding Limited and its subsidiaries USD
Revenue - post acquisition	20,196,341
Net profit – post acquisition	833,501

If the acquisition had occurred on 01 January 2024, consolidated revenue and profit for the year ended 31 December 2024 would have been USD 1,439,792,422 and USD 116,077,442 respectively. These amounts have been calculated using the subsidiary's results.

	Telecom Comores Holding Limited and its subsidiaries USD
The cash flows associated with the business acquisitions are as follows:	
<i>Cash outflow from acquisition of subsidiaries</i>	
Purchase consideration	14,392,646
Cash at bank acquired	(8,036,026)
Bank overdraft acquired	12,819
Deferred consideration*	<u>(3,815,388)</u>
Net cash outflows on acquisition of subsidiaries	<u><u>2,554,051</u></u>

* The total value of purchase consideration represents the present value of the current and future payments due in respect of the acquisition. The total acquisition price of EUR 14.0 million is payable in three instalments: EUR 5.0 million on completion, EUR 5.0 million on 01 January 2025, and EUR 4.0 million on 01 January 2026. The EUR 5.0 million due on 01 January 2025 was paid in December 2024, leaving only the present value of the EUR 4.0 million due on 01 January 2026 as deferred consideration at 31 December 2024; which is included under other payables.

The goodwill arising from this acquisition is attributable to the acquired customer base and economies of scale expected from combining the operations of the Group.

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27 ULTIMATE PARENT

The directors consider Mr Hassanein Shahreza Hiridjee as the shareholder.

28 NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

	2025 USD	2024 USD
Cash flows from operating activities:		
Profit before income tax	315,376,092	197,501,827
<i>Adjustments :</i>		
Depreciation of right-of-use assets (Note 5)	71,869,535	67,859,331
Depreciation of property, plant and equipment (Note 5)	205,148,048	171,947,031
Amortisation of intangible assets (Note 5)	50,826,187	54,218,176
Loss on disposal of property, plant and equipment (Note 5)	657,611	212,579
Gain on disposal of intangible assets (Note 30)	-	(1,003)
Share of profit in associates and joint ventures (Note 11)	(10,378,727)	(21,284,475)
Reversal of provision on litigations (Note 23 (ii))	(1,940,754)	(755,048)
Reversal of provision for short term risks on operating activities and other provisions (Note 5)	-	(3,415,275)
Finance cost on lease liabilities (Note 6)	97,208,781	94,874,020
Gain on remeasurement of provision for dismantling cost (Note 38)	(327,628)	(527,051)
Interest expense on provision for dismantling costs (Note 6)	2,504,932	4,274,963
Interest on loans payable to shareholders and minority interest (Note 6)	13,431,455	11,720,100
Interest on listed bonds (Note 6)	49,632,048	32,649,082
Interest expense on bank loans (Note 6)	32,866,139	24,857,090
Interest on bank overdrafts (Note 6)	5,045,044	3,068,469
Interest on late payment of trade payables (Note 6)	139,119	67,660
Interest on loan payable to entity under common control (Note 6)	18,460	-
Loss/ (Gain) on fair value of embedded derivatives (Note 6)	3,200,000	(2,200,000)
Finance costs on IRU (Note 6)	2,703,931	1,757,062
Other finance costs (Note 6)	7,726,854	5,616,142
Interest income (Note 6)	(3,587,254)	(2,784,233)
Interest income on restricted cash (Note 6)	(14,485,599)	(11,355,030)
Other finance income (Note 6)	(324,308)	(880,636)
Dividend income (Notes 30 & 41)	(128,207)	(107,396)
Impairment of other receivables (Note 5)	21,620	1,153,587
Bad debts written off (Note 5)	529,249	1,253,982
Loss on fair value of swap derivative liability (Note 6)	-	604,643
Post-acquisition M&A settlement (Note 38)	-	(19,378,489)
Gain on deconsolidation of joint venture (Note 38)	-	(864,981)
Trade and amount payable waived (Note 30)	(4,077,185)	(3,939,048)

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28 NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

	2025	2024
	USD	USD
Cash flows from operating activities (continued):		
Impairment of property, plant and equipment (Note 5)	1,007,827	1,139,329
Impairment of intangible assets (Note 5)	118,685	6,633,684
Impairment of loans receivable (Note 5)	21,966,144	11,761,779
Loss allowance on trade receivables (Note 5)	11,170,295	5,862,253
Reversal of impairment of inventory (Note 5)	1,159,743	(4,919,150)
Realised gain on disposal of financial assets at fair value through profit or loss (Note 30)	-	(122,603)
Net gain on financial assets at fair value through profit or loss (Note 5)	(116,789,539)	(1,639,752)
Release of government grants (Note 30)	(8,420,314)	(8,191,386)
Provision for retirement benefit obligations (Note 5)	910,349	703,669
Net amortisation of deferred gain on sale of tower infrastructure (Note 38)	(948,999)	(918,695)
(Gain)/loss on lease modification and termination of contract (Note 38)	(502,932)	178,798
Net unrealised foreign exchange losses/(gains)	3,877,588	(37,830)
	737,204,290	616,593,175
<i>Changes in working capital :</i>		
(Increase)/decrease in inventories	(27,933,146)	9,973,559
Increase in trade and other receivables	(73,887,797)	(38,010,445)
Increase in loan to clients	(29,553,364)	(27,964,543)
Increase in trade and other payables	30,163,332	28,247,546
Decrease in provisions	(329,284)	(112,102)
Increase in deposits from customers	126,154	1,397,418
	635,790,185	590,124,608
Cash generated from operations	635,790,185	590,124,608

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28 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(a) Changes in liabilities arising from financing activities

The tables below detail changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes.

Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's Statement of cash flows as cash flows from financing activities.

	1 January 2024 USD	Financing cash flows (i) USD	Acquisition of subsidiary (Note 26) USD	Distribution of subsidiary (Note 46) USD	Non-cash changes		Other changes (ii) USD	31 December 2024 USD
					New leases (Note 25) USD	Termination / Modification of leases during the year (Note 25) USD		
Bank loans (Note 20)	271,312,892	38,542,354	6,771,813	-	-	-	(3,928,437)	312,698,622
Loans payable to related parties (Note 20)	164,206,251	2,850,000	-	-	-	-	8,991,201	176,047,452
Other borrowings (Note 20)	-	297,429	-	-	-	-	1,754	299,183
Listed bonds (Note 20)	425,950,987	-	-	-	-	-	1,674,082	427,625,069
Lease liabilities (Note 25)	810,904,281	(36,965,560)	1,803,733	(109,371)	41,739,425	(3,820,354)	627,892	814,180,046
Total liabilities from financing activities	1,672,374,411	4,724,223	8,575,546	(109,371)	41,739,425	(3,820,354)	7,366,492	1,730,850,372

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28 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(a) Changes in liabilities arising from financing activities (continued)

	Non-cash changes						31 December 2025 USD
	1 January 2025 USD	Financing cash flows (i) USD	Acquisition of subsidiary (Note 26) USD	New leases (Note 25) USD	Termination / Modification of leases during the year (Note 25) USD	Other changes (ii) USD	
Bank loans (Note 20)	312,698,622	71,065,310	-	-	-	28,635,122	412,399,054
Loans payable to related parties (Note 20)	176,047,452	1,604,294	-	-	-	18,594,230	196,245,976
Other borrowings (Note 20)	299,183	371,562	-	-	-	66,315	737,060
Listed bonds (Note 20)	427,625,069	162,295,958	-	-	-	19,224,757	609,145,784
Lease liabilities (Note 25)	814,180,046	(52,175,354)	2,909,632	72,309,139	(3,973,945)	(12,258,036)	820,991,482
Total liabilities from financing activities	1,730,850,372	183,161,770	2,909,632	72,309,139	(3,973,945)	54,262,388	2,039,519,356

(i) The cash flows from bank loans, loans payable to related parties and other borrowings make the net amount of proceeds from borrowings and repayment of borrowings in the cash flow statement.

(ii) Other changes include remeasurement of lease liabilities, translation difference, interest accruals and payments.

(b) Non-cash transactions:

The principal non-cash transactions during the year ended 31 December 2025 are as follows:

1. Acquisition of lease liabilities amounting to USD 72,309,139 (2024: USD 44,662,743 (Note 25)).

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29 REVENUE

	2025	2024
	USD	USD
Mobile services	960,124,248	825,016,304
Fixed services (Residential and business)	110,429,582	89,643,461
Content and VAS	35,131,327	28,725,201
Interconnection/Roaming/MVNO	66,162,285	59,589,455
Sale of customer equipment and infrastructure	59,978,412	35,783,789
Operator infrastructure services	30,972,210	28,663,228
Commissions received on electronic money activities	354,570,768	280,512,654
Hosting and rental sites	44,193,318	38,771,384
Other services	13,703,630	6,205,499
Trademark and licence fees	-	140,576
Management fees	132,000	107,906
Other revenue	16,029,520	13,756,190
	1,691,427,300	1,406,915,647
Revenue recognised at a point in time	414,549,180	316,296,443
Revenue recognised over time	1,276,878,120	1,090,619,204
	1,691,427,300	1,406,915,647

The revenue is presented by categories. The breakdown of revenue by product line is as follows:

- Mobile services: revenue from mobile services include revenues from incoming and outgoing calls (voice, mobile internet, mixed plans, prepaid and postpaid);
- Fixed services: fixed services aggregate the income from fixed network solution services to businesses and individuals;
- Direct-To-Home (DTH): DTH services refer to satellite television broadcasting delivered directly to subscribers' homes via satellite signals, without the need for local cable infrastructure.
- Content and Value-Added Services (VAS): revenue derived from content and VAS include the sale of content such as graphic products, ringtones, games, news, information and entertainment services like TV content;
- Revenue from interconnection, roaming and MVNO ("Mobile Virtual Network Operator"): revenue comprise of operator billing on interconnections, call termination, international or national roaming and any other form of wholesale traffic resale to other telecommunications service providers;
- Customer equipment and Infrastructure: revenue comprise of sale of equipment such as terminals, routers, solar kits, infrastructure and sale of other telecom & IT equipment to other telecommunications professionals. It also includes sale of handsets to retails customers;
- Operator Infrastructure services: revenue from operator infrastructure services include income from backbone connectivity rental in any contractual form with Synchronous Transport Module ("STM") or without (dark fiber) capacity offered. The services also comprise of rental of technical sites and accommodation of data processing equipment in technical rooms;
- Commissions received on electronic money activities: revenue comprise of commissions received in particular on mobile banking activities whereby the entities receive commissions on transaction as an agent (and not a reseller). The commissions are received on all of its cash transactions. They are calculated based on the official rates decided by management and displayed on the website of these entities. The revenues are net of value added taxes;

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29 REVENUE (CONTINUED)

- Other revenue: It includes revenue from feasibility studies and work plan done for clients, technical assistance fees and sales of sundry items. The Group, through its subsidiary, Silver Links Ltd, also acts as a negotiator on behalf of the subsidiaries, in the facilitation of firewall modules on SMS and other related services. The success fees amounting to USD 6,909,061 (2024: USD 5,801,935) arises from the implementation exercises carried out for the subsidiaries and are recognised upon successful completion of the pre-agreed milestones.
- Hosting and rental of sites: Revenue from hosting and rental of sites relates to operator hosting services on the Radio Access Network ("RAN") access site, including both rental and any other ancillary services;
- Trademark and licences: Trademark fees are derived from the use of the trademark and IP rights which are registered in Mauritius. A trademark fee is received based on the agreements between the parties;
- Management fees: The Group provides assistance to customers in the management of their business and their corporate strategy. The Group is actively involved in the operational management of those companies where it provides training and administrative assistance to its personnel;
- Other services: The Group provides digital solutions services, including IT services, and other assistance and support services to companies.

30 OTHER INCOME

	2025	2024
	USD	USD
Other income – General		
Gain on disposal of intangible assets	-	1,003
Dividend income (Note 41)	128,207	107,396
Release of government grant (Note 22)	8,420,314	8,191,386
Insurance claims received	409,283	294,474
Other income*	4,874,333	4,300,907
	<u>13,832,137</u>	<u>12,895,166</u>
Other income – Financial		
Trade and amount payable waived	4,077,185	3,939,048
	<u>17,909,322</u>	<u>16,834,214</u>

* Realised gain on disposal of financial assets at fair value through profit or loss of USD 122,603 for the year ended 31 December 2024 is included under other income.

31 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025	2024
	USD	USD
Funds	5,692,776	5,264,140
Equity securities	41,145,716	3,754,643
	46,838,492	9,018,783
Fair value adjustments (ii)	121,730,498	4,671,510
	<u>168,568,990</u>	<u>13,690,293</u>

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31 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

	2025 USD	2024 USD
Funds (Note 3(d))	808,101	1,167,754
Equity securities (Note 3(d))	160,511,967	4,861,352
Venture capital funds (Note 3(d))	7,248,922	7,661,187
	<u>168,568,990</u>	<u>13,690,293</u>

(i) Funds

The Group's costs of investment in funds are listed below:

	2025 USD	2024 USD
Mutual funds	362,723	264,140
Venture capital funds	5,330,053	5,000,000
	<u>5,692,776</u>	<u>5,264,140</u>

The Group holds investments in mutual funds. The fair value of the investment in mutual funds is determined by reference to the quoted price on active markets as at 31 December 2025 and 2024.

The Group also holds investments in a venture capital fund, RMAXCOINV. C.V, a limited liability partnership incorporated under the laws of the Netherlands. As at 31 December 2025, the fair value of the Group's investments is based on the Group's share of the fair value of the investee company, MaxAB B.V. The fair value of MaxAB B.V, was determined by the most recent equity transaction.

(ii) Equity securities

The Group's cost of investment in equity securities is provided below:

	2025 USD	2024 USD
Sonatel Group	30,843	30,843
Ecobank Transnational Inc.	10,398	10,398
Djamo Inc.	699,999	299,999
Simplemarket Inc.	100,000	100,000
Workpay Technologies	299,999	299,999
Medicaim SAS	125,552	125,552
Cassbana	200,000	200,000
Zazuu HQ Ltd	61,189	61,189
Waspito Inc.	200,000	200,000
Chari Co	200,003	200,003
Traction Apps Inc	200,000	200,000
Isupply Investments B.V	100,000	100,000
FFC DMRX Inc	50,000	50,000
Bosta Inc	300,000	300,000
RevFin Services Private Limited	543,831	508,300
Bfree Africa Inc	100,000	100,000
Pula Advisors AG	481	481
HUB2	154,045	154,045
Wiassur Holdings Inc	500,000	500,000
Knabu Distributed Systems Ltd	100,000	100,000
Kuunda Holdings Ltd	200,000	200,000
GIM UEMO	15,683	13,834
Paytic Inc	500,000	-
Opareta Inc	100,000	-
Nucleon - Security SAS	119,440	-
WideBot AI B.V	300,000	-
Curacel Inc	200,000	-
Roadrims Ltd	200,000	-
Nilos Financial Services Ltd	150,000	-
Power Financial Wellness, Inc	200,000	-
VIA ASSURANCE MADAGASCAR	130,043	-
Jumia Technologies AG	35,054,210	-
	<u>41,145,716</u>	<u>3,754,643</u>

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31 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(ii) Equity securities (continued)

The Group invests in start-up companies. The fair values of unquoted equity securities have been determined based on recent transaction price in the market.

The fair value movement of funds and equity securities are as follows:

	2025	2024
	USD	USD
At 01 January	4,671,510	2,975,981
Credit to profit or loss (Note 5)	116,789,539	1,639,752
Translation difference	269,449	55,777
At 31 December	121,730,498	4,671,510

32 TREASURY BONDS

	2025	2024
	USD	USD
At 01 January	1,016,623	1,402,023
Matured	(314,669)	(312,057)
Translation difference	114,451	(73,343)
At 31 December	816,405	1,016,623
Non-current	816,405	1,016,623

Treasury bonds represent government bonds that bear interest rate of 6.5% (2024: 6.5%) per annum and the treasury bonds will mature from July 2026 to August 2026.

33 GOODWILL

	2025	2024
	USD	USD
At 01 January	251,016,347	249,468,397
Acquisition through business combinations (Note 26)	18,631,328	2,882,120
Translation difference	12,165,470	(1,334,170)
At 31 December	281,813,144	251,016,347

The goodwill arose as part of the acquisition through business combinations during the year 2019 to 2025. The goodwill has been generated on acquisition of the following companies, which are also considered as individual CGU's:

	2025	2024
	USD	USD
Honora Tanzania PLC and its subsidiaries	140,830,468	143,165,479
Togocom Group	50,934,912	44,924,941
Towerco of Africa Uganda Limited	188,836	186,238
Maya Africa Holding Ltd and its subsidiaries	65,058,809	57,382,314
Stellar-IX SAU	2,927,934	2,582,458
Telecom Comores Holding Ltd and its subsidiaries	3,150,416	2,774,917
Wananchi Group (Holdings) Limited and its subsidiaries	14,527,766	-
Aptus Solutions Limited	4,194,003	-
	281,813,144	251,016,347

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33 GOODWILL (CONTINUED)

The goodwill of Togocom Group, Honora Tanzania PLC (Honora Group), Maya Africa Holding Ltd (Maya Africa Group), Telecom Comores Holding Ltd (Telecom Comores Group), Aptus Solutions Limited, Wananchi Group (Holdings) Ltd (Wananchi Group) and its subsidiaries being material to the Group, have been tested for impairment at 31 December 2025.

Key assumptions used in the impairment tests for goodwill are gross margin, terminal growth rate and pre-tax discount rate. The assumptions used for 2025 and 2024 are as follows:

	Gross margin	Terminal growth rate	Discount rate
Togocom Group			
2025	67.4%-70.6%	7.80%	17.60%
2024	70.8%-74.5%	2.70%	15.60%
Honora Tanzania PLC and its subsidiaries			
2025	61.4%-64.1%	3.80%	18.20%
2024	58.3%-64.3%	4.60%	18.90%
Maya Africa Holding Ltd and its subsidiaries			
2025	65.5%-67.7%	6.40%	16.30%
2024	60.0%-60.2%	5.90%	11.70%
Telecom Comores Holding Ltd and its subsidiaries			
2025	69.2%-70.1%	5.10%	19.40%
2024	65.1%-66.5%	3.90%	14.20%
Wananchi Group Kenya Ltd			
2025	56.9%-71.9%	5.00%	15.60%
Wananchi Group Tanzania Ltd			
2025	58.2%-63.4%	4.00%	15.40%
Wananchi Group Uganda Limited			
2025	55.2%-64.4%	5.00%	14.40%

The Directors and management have performed a sensitivity analysis in order to consider and assess the impact of possible changes in key assumptions on the carrying value of goodwill.

The assumptions that are considered to be the main drivers in the calculation of the recoverable amount of goodwill and where changes are reasonably possible are: gross margin rate, terminal growth rate and discount rate.

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33 GOODWILL (CONTINUED)

The recoverable amount of the goodwill is not sensitive to changes in any other of the key inputs.

Management have considered and assessed reasonably possible changes for key assumptions and concluded that none would give rise to an impairment. The changes that would cause the carrying amount to exceed the recoverable amount resulting in an impairment are set out below:

Togocom Group

Percentage (%) rise in discount rate (pp)	Increase by 35.7pp
Gross margin (excluding depreciation and amortisation)	Decrease on average by -36.1pp over 5 years
Decrease in terminal growth rate	Decrease to less than 0%

Honora Tanzania PLC and its subsidiaries

Percentage (%) rise in discount rate (pp)	Increase by 51.3pp
Gross margin (excluding depreciation and amortisation)	Decrease on average by -35.5pp over 5 years
Decrease in terminal growth rate	Decrease to less than 0%

Maya Africa Holding Ltd and its subsidiaries

Percentage (%) rise in discount rate (pp)	Increase by 3pp
Gross margin (excluding depreciation and amortisation)	Decrease on average by -4.3pp over 5 years
Decrease in terminal growth rate	Decrease by more than 4.7%

Telecom Comores Holding Ltd and its subsidiaries

Percentage (%) rise in discount rate (pp)	Increase by 44.3pp
Gross margin (excluding depreciation and amortisation)	Decrease on average by -44.2pp over 5 years
Decrease in terminal growth rate	Decrease to less than 0%

Wananchi Group Kenya Limited

Percentage (%) rise in discount rate (pp)	Increase by 8.8pp
Gross margin (excluding depreciation and amortisation)	Decrease on average by -25.9pp over 5 years
Decrease in terminal growth rate	Decrease to less than 0%

Wananchi Group Tanzania Ltd

Percentage (%) rise in discount rate (pp)	Increase by 1.8pp
Gross margin (excluding depreciation and amortisation)	Decrease on average by -6.3pp over 5 years
Decrease in terminal growth rate	Decrease by more than 2.9%

Wananchi Group Uganda Ltd

Percentage (%) rise in discount rate (pp)	Increase by 13.2pp
Gross margin (excluding depreciation and amortisation)	Decrease on average by -38.2pp over 5 years
Decrease in terminal growth rate	Decrease to less than 0%

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34 DEPOSITS PAYABLE

The movement in deposit payable is as follows:

	2025	2024
	USD	USD
At 01 January	7,595,701	7,918,759
Transfer from trade and other payables	-	7,631
Refund of deposits	1,155,116	116,824
Translation difference	783,522	(447,513)
At 31 December	9,534,339	7,595,701
Current	8,252	7,278
Non-current	9,526,087	7,588,423
	9,534,339	7,595,701

Deposits payable include mainly security deposits for post-paid services and surety bonds for roaming services.

35 RETIREMENT BENEFIT OBLIGATIONS

The Group operates an unfunded defined benefit pension for the Togocom Group and Maya Group and a defined contribution scheme for entities in Mauritius.

The defined benefit pension in Maya Group is a final salary plan, which provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. The most recent actuarial valuation of the present value of the defined benefit obligations were carried out at 31 December 2025 by Actu Conseil.

The other subsidiaries which have employees, are incorporated in Madagascar, Uganda, Tanzania, Comores, Kenya or Malawi. However, there is no legal obligation in Madagascar, Uganda, Tanzania, Comores, Kenya or Malawi, to contribute to a pension plan and therefore the subsidiaries in these jurisdictions, have not recognised a provision for retirement benefit. The Defined Benefit Scheme in Togo is a final salary plan, which provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. The most recent actuarial valuation of the present value of the retirement benefit were carried out at 31 December 2025 by Actuarial Consultant, Bocke Arnauld F.V.M, for subsidiaries incorporated in Togo.

For the pension schemes in Mauritius, a provision is made for retirement benefit obligation in respect of residual gratuities under the Worker's Rights Act 2019. The most recent actuarial valuation of the present value of the retirement benefit were carried out at 31 December 2025 by Actuarix Consulting Limited.

The DIFC implemented an Employee Workplace Savings Plan (DEWS), a progressive end-of-service benefits plan introduced within the Dubai International Financial Centre. The Company makes monthly contributions to this Fund calculated as a fixed percentage of the employees' salaries. The Company's obligations are limited to these contributions, which are recognised as an expense when employees have rendered service entitling them to the contributions.

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35 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

The present value of the retirement benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

(i) The amount recognized in the statement of financial position is as follows:

	2025	2024
	USD	USD
Present value of unfunded obligations	<u>7,979,380</u>	<u>6,643,253</u>

The retirement benefit obligations have been fully recognized under non-current liability as no payment is expected to be made to the employees within the next 12 months.

(ii) The present value of unfunded obligations is arrived at as follows:

	2025	2024
	USD	USD
At 01 January	6,643,253	6,644,439
Charge to profit or loss (Note 5)	910,349	703,669
Credit to other comprehensive income	(468,225)	(263,275)
Translation difference	894,003	(441,580)
At 31 December	<u>7,979,380</u>	<u>6,643,253</u>

(iii) The movement in the defined benefit obligation is as follows:

	2025	2024
	USD	USD
At 01 January	6,643,253	6,644,439
Current service cost	1,197,375	509,935
Past service cost	(451,083)	34,973
Interest expense	179,576	158,761
Liability experience gain	(458,605)	(258,312)
Liability gain due to change in financial assumptions	(9,620)	(4,963)
Benefits paid	(15,519)	-
Translation difference	894,003	(441,580)
At 31 December	<u>7,979,380</u>	<u>6,643,253</u>

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35 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(iv) The amounts recognized in profit or loss are as follows:

	2025	2024
	USD	USD
Current service cost	1,197,375	509,935
Past service cost	(451,083)	34,973
Net interest on net defined benefit liability	179,576	158,761
	<u>925,868</u>	<u>703,669</u>

(v) The amounts recognized in other comprehensive income are as follows:

	2025	2024
	USD	USD
Liability experience gain	(458,605)	(258,312)
Liability gain due to change in final assumptions	(9,620)	(4,963)
Actuarial gains	(468,225)	(263,275)

(vi) Principal actuarial assumptions at end of period:

	Togo		Senegal		Mauritius	
	2025	2024	2025	2024	2025	2024
Discount rate	6.00%	6.00%	6.95%	6.00%	6.00%	5.30%
Future salary increases	7.10%	N/A	3.00%	3.00%	5.70%	5.20%
Labour turnover	0.00%	0.00%	2.90%	2.90%	N/A	0.00%
Average retirement age	60 years	60 years	60 years	60 years	65 years	65 years

(vii) Sensitivity analysis on defined benefit obligations at end of the reporting date:

	Togo		Senegal		Mauritius	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	415,192	369,397	342,931	298,399	12,805	9,808

(viii) The sensitivity above has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. Any similar variation in the other assumptions would have shown smaller variations in the pension obligation.

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35 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(ix) The unfunded pension plan exposes the Group to normal risks namely salary risk and interest risk.

Salary risk

The present value of the obligation is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by a decrease in inflationary pressures on salary increases.

(x) The funding policy is to pay benefits out of the reporting entity's cash flow as and when due.

(xi) The amount contributed in the residual gratuities is **USD 55,642** (2024: USD 39,420) at year end.

(xii) The Group is not expected to contribute in its retirement benefits plan for the year ending 31 December 2025.

(xiii) The weighted average duration of the retirement benefit obligation for the Group is 21.74 years at the reporting date.

36 DEPOSITS RECEIVABLES

	2025 USD	2024 USD
At 01 January	4,409,930	4,460,726
Acquisition through business combination (Note 26)	1,897,185	95,638
Addition	472,406	334,391
Accrued interest	4,860	8,371
Receipt of interest	(3,804)	-
Transfer to restricted cash	-	(65,641)
Transfer to trade and other receivables	-	(136,623)
Repayment	(1,468,290)	(9,861)
Distribution of subsidiary (Note 46)	-	(3,875)
Translation difference	539,969	(273,196)
At 31 December	<u>5,852,256</u>	<u>4,409,930</u>
Non-current	5,080,261	4,246,173
Current	<u>771,995</u>	<u>163,757</u>
At 31 December	<u>5,852,256</u>	<u>4,409,930</u>

Deposits receivable refer to funds that the Group expects to receive in the form of cash and/or other financial asset from an entity, typically arising from transactions such as security deposits amongst others. These deposits are refundable on either a short-term or long-term basis and they have an original maturity of more than 3 months.

37 DIVIDEND PAYABLE

	2025 USD	2024 USD
At 01 January	6,359,239	5,783,890
Transfer from trade and other payables	-	971,062
Distribution in kind (Note 46)	-	(28,209,436)
Dividend declared during the year	174,403,087	100,148,973
Dividend paid	(100,419,565)	(73,490,352)
Translation difference	69,942	1,155,102
At 31 December	<u>80,412,703</u>	<u>6,359,239</u>

The dividend payable for the Group include the following:

- (i) Dividend payable of USD 80.0 million to the shareholder (2024: USD 6.0 million).
- (ii) Dividend payable of USD 412,703 to the non-controlling interest, Malagasy state (2024: An aggregate of USD 359,239 in dividends payable to non-controlling interests; the Malagasy State and Togo State).

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38 NON-OPERATING INCOME AND EXPENSES

	2025	2024
	USD	USD
Non-operating income		
Net amortisation of deferred gain on sale of tower infrastructure	948,999	918,695
Gain on lease modification and termination of contract (Note 25)*	502,932	-
Post-Acquisition M&A settlement	-	19,378,489
Gain on deconsolidation of joint venture (Note 11)	-	864,981
Gain on remeasurement of provision for dismantling costs (Note 23 (i))	327,628	527,051
	1,779,559	21,689,216
Non-operating expenses		
Loss on lease modification and termination of contract (Note 25)*	-	(178,798)
	-	(178,798)

* The gains and losses on lease modifications and terminations result from terminated leases and the novation of leases between entities within the Group, which resulted in a termination of the lease in one entity and a recognition of the same lease (with revised terms), in another.

Gains will arise when the value of the lease liability exceeds the value of the right of use assets on the date of termination. Loss will arise when the value of the lease liability is less than the value of the right of use assets on the date of termination.

39 DEPOSITS FROM CUSTOMERS

	2025	2024
	USD	USD
At 01 January	4,535,935	3,142,045
Deposits during the year	79,718,680	58,336,051
Refunds during the year	(79,592,526)	(56,938,633)
Interest received during the year	169,422	119,979
Translation reserve	128,929	(123,507)
At 31 December	4,960,440	4,535,935

Deposits during the year include electronic money collected by subsidiary, Mvola SA from the public on which interest is paid at the rate of 4% p.a. (2024: 4% p.a.).

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40 DERIVATIVE FINANCIAL INSTRUMENTS

	2025 USD	2024 USD
Non-current assets :		
Call options in the Notes (a)	<u>5,300,000</u>	3,200,000
Embedded derivative assets	<u>5,300,000</u>	<u>3,200,000</u>

a) Call options in Bond Notes

2025

On 11 July 2025, Axian Telecom Holding and Management PLC, as Issuer, completed the offering of USD 600,000,000 in aggregate principal amount of its 7.250% Senior Notes due 2030 (the "2030 Notes"), under an indenture dated 11 July 2025. The Notes have a tenor of five years bearing interests at a fixed rate of 7.250% per annum and are payable semi-annually in arrears on 11th January and 11th July of each year, commencing on 11th January 2026. The Notes would mature on 11 July 2030.

The proceeds raised from the issuance of the 2030 Notes has been used to finance the acquisition of the Wananchi Group and to settle in full the existing Notes of USD 420,000,000 under Axian Telecom and other outstanding syndicated credit facilities.

2024

On 16 February 2022, the subsidiary Axian Telecom, as Issuer, completed the offering of USD 420,000,000 in aggregate principal amount of its 7.375% Senior Notes due 2027 (the "2027 Notes"), under an indenture dated 16 February 2022. The Notes have a tenor of five years bearing interests at a fixed rate of 7.375% per annum and are payable semi-annually in arrears on 16th February and 16th August of each year, commencing on 16th August 2022. The Notes would mature on 16 February 2027.

The proceeds raised from the issuance of the 2027 Notes was used to finance the acquisition of Honora Tanzania PLC on 05 April 2022. The Notes have early redemption features whereby Axian Telecom has the right to redeem the Notes prior to maturity date at a pre-defined penalty redemption price depending on the call date (the "Call option") and the holders hold the right to request an early settlement of the Notes under certain circumstances.

For the purposes of the fair valuation, the call option in the 2030 Notes and the 2027 Notes is viewed as an American receiver swaption. Under this methodology, the call option corresponds to an option to stop paying the coupon rate on the bonds, in return for refinancing the bond at the Company's current cost of debt (SOFR plus the credit spread at the time the call option is exercised) and paying the call premium (the amount by which the early redemption price exceeds the face value of the notes), thereby granting the holder the right to enter a swap that replaces the bond's fixed coupon payments with a floating rate linked to the risk-free rate plus the Company's credit spread at the date of valuation.

The swaption was valued by modelling the future variation of the SOFR component using the Hull and White model. The valuation of American receiver swaption requires an estimate of the Company's credit spread, for which the following considerations were made;

- The value of the callable bond on the valuation date corresponds to the market price of the Notes;
- The value of the non-callable bond could be determined if the credit spread was known using the discounted cashflow approach;
- The value of the Call option is equal to the value of the non-callable bond minus the value of the callable bond.

The key inputs are:

- Interest rate data from the market
- Market prices for the Notes

The Call option in the Notes is measured at fair value and the resulting gains or losses is recognised in profit or loss.

The underlying contractual notional amount for the Call options in the Notes is as follows, as of 31 December, of each of the following years:

	2025 USD	2024 USD
Assets :		
Call options in the Notes (a)	<u>600,000,000</u>	<u>420,000,000</u>

The change in fair value of the Call options in the Notes has been recorded in profit or loss as follows;

	2025 USD	2024 USD
At 01 January	3,200,000	1,000,000
Additions	5,300,000	-
Net (loss)/gain on fair value of derivatives (Note 6)	<u>(3,200,000)</u>	<u>2,200,000</u>
At 31 December	<u>5,300,000</u>	<u>3,200,000</u>

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40 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

b) Swap Derivative Liability

	2025	2024
	USD	USD
At 01 January	-	364,222
Net loss on fair value of swap liability (Note 6)	-	604,643
	<hr/>	<hr/>
Contracts to be settled on agreed forward rates	-	968,865
Contracts proceeds to be received on settlement (in TZS)	-	(956,800)
Translation difference	-	(12,065)
	<hr/>	<hr/>
At 31 December	<hr/> <hr/>	<hr/> <hr/>

In 2023, the subsidiary Honora Tanzania PLC entered into a currency swap contract in order to manage its exposure to currency risk arising from fluctuations in the exchange rate between the Tanzanian Shilling and the United States Dollar (USD). The swap derivative contract has been fair valued by comparing the future cashflows at the pre-agreed exchange rate and the current market rate. Subsequent valuations involve recalculating the cashflows using the current market rate. The difference between the pre-agreed rate and the market rate represents the fair value adjustment recognised in profit or loss. Since only the market rate is an observable input, the Group has classified the swap derivative liability under level 2 of the fair value hierarchy. This was settled during the year ended 31 December 2024.

41 DIVIDEND RECEIVABLE

	2025	2024
	USD	USD
At 01 January	-	-
Dividend income* (Note 30)	128,207	107,396
Dividend received	(129,290)	(107,396)
Translation difference	1,083	-
	<hr/>	<hr/>
At 31 December	<hr/> <hr/>	<hr/> <hr/>

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42 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group owns 6.44% of the issued equity shares of WIOCC Holding Company Limited ("WIOCC"), a special purpose vehicle whose purpose is to invest as a member of a consortium in the Eastern African Submarine System (EASSy), a submarine fibre optic cable system on the eastern seaboard of Africa. WIOCC has subsequently expanded its operations to include data centre activities which complement the existing activities.

The Group also owns 6.14% of the issued equity shares of The East African Marine System (TEAMS) Limited, a public-private partnership to build and operate a submarine fibre optic cable linking Kenya to the global network. The investment is recognised at fair value through other comprehensive income (FVOCI) and for the year ended 31 December 2025, it was valued at USD 195,355 representing the Group's proportionate share of the TEAMS's net assets.

The above investments have been classified as fair value through other comprehensive income (FVTOCI) as the equity investments are not held for trading and which has been irrevocably elected at initial recognition to be recognised in this category. These are strategic investments, and the Group considers this classification to be more relevant.

The table below shows the movement in the year:

	2025	2024
	USD	USD
At 01 January	17,582,430	17,490,668
Fair value gain/(loss)	1,045,949	(604,518)
Acquisition through business combination (Note 26)	195,355	-
Translation difference	(292,850)	696,280
At 31 December	18,530,884	17,582,430

The fair value of the equity investment has been determined using the EBITDA multiples approach. The Group has classified its investment in West Indian Ocean Cable Holdings Company Limited under Level 3 of the fair value hierarchy.

43 EVENTS OCCURRING AFTER THE REPORTING PERIOD

Towerco of Africa Madagascar

New facilities

On 04 December 2025, Towerco of Africa Madagascar SA entered into a credit facility agreement with Banque Malgache de L'Océan Indien (B.M.O.I) for a term loan facility amounting to MGA 50.0 billion (equivalent to USD 11.0 million) with monthly fixed interests of 7.15% per annum. The purpose of the facility is for capex financing. The facility has a tenure of 7 years (comprising of an initial 12-month interest only repayments period followed by 84 months of combined principal and interest repayments). The first drawdown of MGA 50.0 billion was made in January 2026.

Saga Africa Holdings Limited SA

Utilisation of existing facilities

On 28 October 2025, Saga Africa Holdings Limited SA entered into a loan agreement with Orabank. The loan bears interest of 6.9% per annum, on a fixed basis, with maturity periods of 2 years from contract date. Interest and loan principal are repayable semi-annually. The purpose of this loan is mainly to finance capital expenditure. The loan is pledged against shares of Saga Africa Holdings Limited SA and its bank accounts, up to the value of their outstanding amount. An additional drawdown of FCFA 463.1 million was made in January 2026.

Honora Tanzania Mobile Solutions Limited

New facilities

On 21 December 2025, Honora Tanzania Mobile Solutions Limited entered into a credit facility agreement with CRDB Bank PLC for a term loan facility amounting to TZS 270.0 billion with monthly interests of 7% per annum. The purpose of the facility shall be used to finance general corporate purpose. The facility has a tenure of 6 years. The first drawdown of TZS 70.0 billion was made in February 2026.

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43 EVENTS OCCURRING AFTER THE REPORTING PERIOD (CONTINUED)

**Axian Telecom Fibre Ltd and Axian Telecom
Incorporation of YAS Fibre Nigeria Limited**

On 03 April 2026, the Group, through its subsidiaries Axian Telecom Fibre Ltd and Axian Telecom, has incorporated a new company under the name of YAS Fibre Nigeria Limited. Axian Telecom Fibre Ltd subscribed for 99,900,000 ordinary shares of NGN 1 each, representing a 99.9% equity stake, while Axian Telecom subscribed for 100,000 ordinary shares of NGN 1 each representing an equity stake of 0.1%.

Incorporation of Axian Telecom Fibre Zambia Limited

On 02 April 2026, the Group through its subsidiaries Axian Telecom Fibre Limited and Axian Telecom, has incorporated a new company under the name of Axian Telecom Fibre Zambia Limited. Axian Telecom Fibre Ltd subscribed for 19,000 ordinary shares of ZMW 1 each, representing a 95% equity interest, while Axian Telecom subscribed for 1,000 ordinary shares of ZMW 1 each, representing a 5% equity interest.

Towerco of Africa Limited

On 16 December 2025, the Board has approved the purchase of 47 additional ordinary shares of UGX 10,000 each in Towerco of Africa Uganda Limited. The transfer of shares were approved on 30th January 2026 by the Local Authority thereby increasing the equity stake by 3.2%.

Conflict in the Middle East

Subsequent to the reporting period, geopolitical tensions in the Middle East have escalated due to recent military actions and subsequent responses. This situation introduces heightened risks concerning regional security, supply chain logistics, energy costs and availability, and insurance matters, which may affect the Group's business activities.

Because most of the Group's cash-generating operations are located in Africa and the Indian Ocean, we have thus far experienced limited impacts on, or disruptions to our operations from these events. Management is closely observing the ongoing developments and continues to evaluate their potential effects on the Group's operations, financial condition, and results.

44 COMMITMENTS

Capital commitments

Capital expenditure contracted for at the end of the reporting year but not recognised as liabilities are as follows:

	2025	2024
	USD	USD
Property, plant and equipment	216,521,811	143,061,745
Intangible assets	1,200,216	1,926,266
	217,722,027	144,988,011

The above commitments include capital expenditure commitments relating to the ongoing implementation of bandwidth capacity via submarine cable systems, network equipment, acquisition and installation of telecom sites.

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45 CONTINGENT LIABILITIES

Litigation and claims

The Group has contingent liabilities in respect of legal claims arising in the ordinary course of business, generally related to labour, land, and commercial cases. The Group's management and that of its subsidiaries review these claims in consultation with internal and external legal counsel, to determine whether a loss from these matters is probable, possible, or remote; this assessment is performed on a case-by-case basis.

The value of the Group's possible contingent liabilities in respect of litigations amounted to **USD 3.2 million** at 31 December 2025 (31 December 2024: USD 4.5 million).

On the basis of legal advice received, the above liabilities are not considered to be probable, and therefore no provision is recognised at 31 December 2025.

Taxation

Tanzania

The normal procedure for agreeing final income tax liabilities involves Honora Tanzania PLC and its subsidiaries filing final income tax returns to Tanzania Revenue Authority ("TRA") followed by TRA performing its own review of the Honora Tanzania PLC and its subsidiaries tax returns and issuing notice of final income tax assessment. The final income tax assessment as may be determined by TRA after its review and possible site visits may differ from the self-assessments done by the Honora Tanzania PLC and its subsidiaries and the process to object and appeal against the TRA assessments is stipulated in the tax laws. It is common that the timeframe from submission of final tax self-assessment returns and for TRA performing its reviews and issuing of notice of final tax assessment may be several months or years.

During the period, TRA concluded its tax audit for the year of income 2022 and 2023 on Corporate Tax, Excise Duty, Levy and withholding tax which resulted to additional liability of USD 8,670,291 (equivalent to TZS 21.2 billion), USD 5,265,202 (equivalent to TZS 12,912 billion), USD 373,164 (equivalent to TZS 915 million) and USD 265,169 (equivalent to TZS 650 million) respectively. The Group disputed these assessments and had since objected to them pending determination by the TRA.

Kenya

During the year, Kenya Revenue Authority (KRA) concluded their audit for the year 2020 on Wananchi Telecom Kenya Limited (WTKL) and issued assessments of **USD 2.5M** for the year 2020 covering Corporate Income Tax (CIT) and Withholding Taxes (WHT). The company has objected to both assessments in full and is awaiting the commencement of the objections review.

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46 DISTRIBUTION/DISPOSAL OF SHARES IN SUBSIDIARIES AND ASSOCIATES

2024

On 31 December 2024, the Group through its subsidiary Axian Telecom had distributed its investment held in Axian Finance Ltd, having a total value of USD 28,209,436, to the Company and on the same day, the investment held in Axian Finance Ltd was distributed by the Company to its shareholder for the value of USD 28,209,436, as dividend in kind.

	Axian Finance Ltd and its subsidiary USD
ASSETS	
Property, plant and equipment (Note 8)	48,308
Intangible assets (Note 9)	3,900
Interests in joint ventures and associates (Note 11)	25,849,306
Deposits receivable (Note 36)	3,875
Right-of-use assets (Note 25 (i))	101,754
Trade and other receivables	1,656,472
Dividend receivable*	658,935
Cash at bank	892,971
	<hr/>
Total assets	29,215,521
	<hr/> <hr/>
LIABILITIES	
Lease liability (Note 25 (ii))	109,371
Trade and other payables	257,237
Current tax liability (Note 7(d))	4,507
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Total liabilities	371,115
	<hr/> <hr/>
Value of dividend in kind	28,209,436
Less: Total identifiable net assets disposed of	(28,844,406)
	<hr/>
Loss on distribution of subsidiary	(634,970)
	<hr/> <hr/>

* Relate to dividend receivables from associate, namely IOFHL.

The loss on distribution of Axian Finance Ltd and its subsidiary of USD 634,970 has been recognised in retained earnings, being a common control transaction.

(i) Net cash outflow on distribution of subsidiary

	Axian Finance Ltd and its subsidiary USD
Cash consideration received	-
Cash and bank balances	(892,971)
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Net cash outflow on distribution of subsidiary	(892,971)
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47 TRANSACTIONS WITH NON-CONTROLLING INTEREST ENTITY

During the year under review, the following transactions were carried out with non-controlling interest entities. The nature, volume of transaction and the balances were as follows:

(a) *Loans receivable from non-controlling interest entity*

1 *Next Telco Ltd – Non-controlling interest of Honora Holdings Ltd*

	2025	2024
	USD	USD
At 01 January	12,865,964	11,684,750
Reversal of impairment loss	-	170,000
Addition during the year	6,000,000	-
Interest income	1,153,781	1,011,214
Translation difference	(1,049)	-
	<u>20,018,696</u>	<u>12,865,964</u>
At 31 December (Note 14)	<u>20,018,696</u>	<u>12,865,964</u>

Upon exercise of the share option by Next Telco Ltd on 31 December 2023 whereby Next Telco Ltd acquired a further 10% stake in Honora Holdings Ltd from Axian Telecom, the loan payable by Honora Holdings Ltd to Axian Telecom has been reassigned to Next Telco Ltd, implying that the loan is now payable by Next Telco Ltd to Axian Telecom.

Interest is accrued on the outstanding principal at the rate of 8% per annum. The loan is repayable on or around 15 February 2027.

(b) *Loan payable to non-controlling interest entities*

1. *Next Telco Ltd – Non controlling interest of Honora Holdings Ltd*

	2025	2024
	USD	USD
At 01 January	25,308,868	23,369,502
Interest expense (Note 6)	2,090,962	1,923,644
Translation difference	3,493	15,722
	<u>27,403,323</u>	<u>25,308,868</u>
At 31 December	<u>27,403,323</u>	<u>25,308,868</u>

The loan amounting to USD 27,403,323 is unsecured and bears interest at a rate of 8% per annum. All interest compounded shall be paid not less than one business day prior to the maturity date and all remaining balance to be repaid fully on the maturity date (15 February 2027).

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47 TRANSACTION WITH NON-CONTROLLING INTEREST ENTITY (CONTINUED)

(b) *Loan payable to non-controlling interest entities (continued)*

2. *Rawsons Investments Limited – Non controlling interest of TODRC Holding Ltd*

	2025	2024
	USD	USD
At 01 January	3,920,023	918,651
Addition during the year	1,650,000	2,850,000
Interest expense (Note 6)	328,634	151,372
	5,898,657	3,920,023
	33,301,980	29,228,891

The loan from minority shareholder of TODRC Holding Ltd is unsecured, bears interest at the rate of 8% per annum and is repayable in 2028.

48 SEGMENT REPORTING

The Group presents segment information using business segments as its primary reporting format and geographical segments as its secondary reporting format. The identification of business and geographical segments is based on the disaggregation of financial reporting information and key performance metrics which are made available to the chief operating decision maker.

The Group's chief operating decision makers have been identified as the Chief Executive Officer, Chief Financial Officer, and Chief Technical Officer, as well as the executive and non-executive directors of the Group. These individuals monitor the operating results of the Group's business segments and geographical segments separately for the purpose of making decisions about resource allocation and performance assessment.

Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. Each segment's assets and liabilities are comprised of all assets and liabilities attributable to the segment, based on the operations of the segment and the underlying entities comprising that segment, including goodwill and intangible assets that are measured in the same way as in the consolidated financial statements of the Group.

Our disaggregation in respect of segment reporting in the current year, has remained consistent with the prior year.

Primary segment – Business

Business segments are components of the Group's business activities which share common underlying activities and are thus comparable with regards to underlying revenue generation activities, their associated costs, and the resulting profit margins. Business activities (or operations) aggregated within each of our business segments also tend to have the same funding and liquidity requirements and are thus comparable with regards to their total assets and liabilities.

The business segments are comprised of mobile and fixed line communications (primarily including our mobile network operators and fixed-line businesses), infrastructure (comprising of our tower companies, datacentre entities, and subsea cable capacity operator), and digital and mobile financial services (comprised of our mobile money businesses). Our "Other" business segment is comprised of our holding companies and other group entities which primarily provide services to other entities within the Group. The following disclosures are made with respect to segment reporting:

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48 SEGMENT REPORTING (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

	Mobile and fixed line communications USD	Infrastructure USD	Digital and mobile financial services USD	Other USD	Total USD
Segment revenue	1,295,175,963	67,034,845	324,721,005	4,495,487	1,691,427,300
Segment other income	16,886,812	535,089	237,396	250,025	17,909,322
Segment operating expenses	(931,043,633)	(117,678,710)	(191,676,357)	32,821,496	(1,207,577,204)
Segment result before finance charges	381,019,142	(50,108,776)	133,282,044	37,567,008	501,759,418
Segment finance income	11,389,694	5,573,008	15,310,277	31,318,223	63,591,202
Segment finance cost	(138,360,072)	(18,048,157)	(2,686,295)	(103,038,290)	262,132,814
Non-operating expense	-	-	-	-	-
Non-operating income	1,124,416	333,407	315,956	5,780	1,779,559
Segment share of profit in associates and joint ventures	-	-	-	10,378,727	10,378,727
Segment income tax expense	(30,307,296)	(15,432,534)	(24,139,743)	(19,203,726)	(89,083,299)
Profit/(loss) for the year	224,865,884	(77,683,052)	122,082,239	(42,972,278)	226,292,793
<i>Within operating expenses:</i>					
Segment impairment	(2,167,570)	-	(118,685)	-	(2,286,255)
Segment depreciation and amortisation	(272,760,971)	(50,478,065)	(3,417,950)	(1,186,784)	(327,843,770)
Segment derecognition of Financial Assets	(529,249)	-	-	-	(529,249)
Segment assets	2,807,374,872	486,187,705	621,664,293	271,546,737	4,186,773,607
- Segments assets includes: Investments in associates and joint ventures	29,637,926	-	-	-	29,637,926
Segment liabilities	(1,989,140,382)	(227,759,329)	(527,831,985)	(1,056,190,786)	(3,800,922,482)

FOR THE YEAR ENDED 31 DECEMBER 2024

	Mobile and fixed line communications USD	Infrastructure USD	Digital and mobile financial services USD	Other USD	Total USD
Segment revenue	1,094,395,955	55,195,685	253,963,002	3,361,005	1,406,915,647
Segment other income	14,104,833	830,521	1,141,878	756,982	16,834,214
Segment operating expenses	(814,512,750)	(88,030,176)	(136,628,965)	(69,189,421)	(1,108,361,312)
Segment result before finance charges	293,988,038	(32,003,970)	118,475,915	(65,071,434)	315,388,549
Segment finance income	6,457,359	3,961,847	12,302,602	21,762,481	44,484,289
Segment finance cost	(110,620,559)	(14,393,109)	(2,049,341)	(78,102,895)	(205,165,904)
Non-operating expense	(153,528)	1,019	(29,468)	3,179	(178,798)
Non-operating income	918,695	527,051	-	20,243,470	21,689,216
Segment share of profit in associates and joint ventures	-	-	8,868,778	12,415,697	21,284,475
Segment income tax expense	(40,720,301)	(10,348,128)	(20,917,256)	(11,435,290)	(83,420,975)
Profit/(loss) for the year	149,869,704	(52,255,290)	116,651,230	(100,184,792)	114,080,852
<i>Within operating expenses:</i>					
Segment impairment	(2,911,577)	-	57,714	-	(2,853,863)
Segment depreciation and amortisation	(256,447,414)	(34,412,004)	(2,275,386)	(889,734)	(294,024,538)
Segment derecognition of Financial Assets	(1,241,193)	(2,995)	(9,794)	-	(1,253,982)
Segment assets	2,406,362,054	397,031,010	493,054,389	93,835,730	3,390,283,183
- Segments assets includes: Investments in associates and joint ventures	40,061,127	-	-	-	40,061,127
Segment liabilities	(1,727,447,160)	(199,440,391)	(399,904,963)	(761,864,360)	(3,088,656,874)

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48 SEGMENT REPORTING (CONTINUED)

Secondary segment – Geographical

The contribution of the business units in Mauritius, Madagascar, Togo, Uganda, Tanzania and Senegal for the years ended are more than 10% in terms of revenue and the following disclosures are made with respect to segment reporting.

	Comoros USD	Mauritius USD	Madagascar USD	Togo USD	Uganda USD	Tanzania USD	Senegal USD	Other USD	Total USD
FOR THE YEAR ENDED 31 DECEMBER 2025									
Segment revenue	42,896,835	2,535,110	464,508,638	304,351,729	27,136,730	632,020,814	194,616,800	23,360,644	1,691,427,300
Segment other income	505,986	240,212	13,581,908	1,436,726	27,467	2,127,680	(744)	(9,913)	17,909,322
Segment operating expenses	(27,299,368)	71,125,495	(307,951,360)	(233,646,517)	(19,113,219)	(469,359,174)	(168,613,851)	(52,719,210)	(1,207,577,204)
Segment result before finance charges	16,103,453	73,900,817	170,139,186	72,141,938	8,050,978	164,789,320	26,002,205	(29,368,479)	501,759,418
Segment finance income	344,082	28,716,216	21,967,530	2,162,423	66,451	3,750,032	2,259,938	4,324,530	63,591,202
Segment finance cost	(1,115,777)	(69,353,711)	(26,315,315)	(6,426,377)	(6,022,339)	(81,632,398)	(36,777,114)	(34,489,783)	(262,132,814)
Non-operating expense	-	-	-	-	-	-	-	-	-
Non-operating income	389	-	639,114	19,262	45,053	1,051,453	4,690	19,598	1,779,559
Segment share of profit in associates and joint ventures	-	10,378,727	-	-	-	(9,229)	-	9,229	10,378,727
Segment income tax (expense)/credit	(496,542)	(11,845,003)	(21,584,841)	(28,175,580)	4,151,083	(17,570,450)	5,407,861	(18,969,827)	(89,083,299)
(Loss)/profit for the year	14,835,605	31,797,046	144,845,674	39,721,666	6,291,226	70,378,728	(3,102,420)	(78,474,732)	226,292,793
<i>Within operating expenses:</i>	-	-	-	-	-	-	-	-	-
Segment impairment	(21,235)	-	(545,680)	(1,636,278)	-	(103,858)	20,796	-	(2,286,255)
Segment depreciation and amortisation	(5,864,486)	(268,135)	(75,346,475)	(63,671,613)	(7,996,405)	(115,044,364)	(53,697,596)	(5,954,696)	(327,843,770)
Segment derecognition of Financial Assets	-	-	(470,524)	(58,725)	-	-	-	-	(529,249)
Segment assets	93,303,874	243,408,004	826,421,528	591,975,043	104,143,979	1,538,369,678	596,001,240	193,150,261	4,186,773,607
- Segments assets includes:									
Investments in associates and joint ventures	-	29,637,926	-	-	-	-	-	-	29,637,926
Segment liabilities	63,453,104	50,724,312	518,762,451	360,221,799	64,602,261	1,101,846,003	570,299,423	1,071,013,129	3,800,922,482

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48 SEGMENT REPORTING (CONTINUED)

Secondary segment – Geographical (continued)

The contribution of the business units in Mauritius, Tanzania, Madagascar, Togo and Uganda for the years ended are more than 10% in terms of revenue and the following disclosures are made with respect to segment reporting.

	Comoros	Mauritius	Madagascar	Togo	Uganda	Tanzania	Senegal	Other	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD
<u>FOR THE YEAR ENDED 31 DECEMBER 2024</u>									
Segment revenue	20,196,341	2,742,277	393,009,701	275,257,673	19,815,419	509,270,405	173,204,865	13,418,966	1,406,915,647
Segment other income	154,187	755,770	10,068,462	4,686,694	-	1,167,890	-	1,211	16,834,214
Segment operating expenses	(16,717,335)	(46,670,291)	(248,106,193)	(196,665,428)	(16,383,362)	(381,985,747)	(172,121,598)	(29,711,358)	(1,108,361,312)
Segment result before finance charges	3,633,193	(43,172,244)	154,971,970	83,278,939	3,432,057	128,452,548	1,083,267	(16,291,181)	315,388,549
Segment finance income	104,934	21,485,247	16,644,081	1,244,720	1,525,974	2,205,929	261,171	1,012,233	44,484,289
Segment finance cost	(2,513,517)	(77,562,409)	(21,595,487)	(6,508,484)	(5,436,501)	(52,871,370)	(36,420,414)	(2,257,722)	(205,165,904)
Non-operating expense	-	3,179	93,740	10,035	-	(706,252)	420,500	-	(178,798)
Non-operating income	-	20,243,471	527,051	-	-	918,694	-	-	21,689,216
Segment share of profit in associates and joint ventures	-	11,810,102	9,474,373	-	-	-	-	-	21,284,475
Segment income tax (expense)/credit	181,531	(6,709,344)	(20,137,524)	(41,519,511)	-	(7,548,286)	798,691	(8,486,532)	(83,420,975)
(Loss)/profit for the year	1,406,141	(73,901,998)	139,978,204	36,505,699	(478,470)	70,451,263	(33,856,785)	(26,023,202)	114,080,852
<i>Within operating expenses:</i>	-	-	-	-	-	-	-	-	-
Segment impairment	(973,777)	-	1,708,398	1,948,178	-	(3,663,265)	(1,873,397)	-	(2,853,863)
Segment depreciation and amortisation	(5,043,752)	(276,147)	(67,858,720)	(57,643,537)	(5,979,891)	(106,775,139)	(48,377,959)	(2,069,393)	(294,024,538)
Segment derecognition of Financial Assets	-	-	(139,334)	(1,114,648)	-	-	-	-	(1,253,982)
Segment assets	49,718,549	88,139,509	713,893,014	499,442,692	73,072,226	1,379,812,737	524,494,189	61,710,267	3,390,283,183
- Segments assets includes:									
Investments in associates and joint ventures	-	40,061,127	-	-	-	-	-	-	40,061,127
Segment liabilities	(23,672,398)	(805,213,375)	(440,067,697)	(291,289,727)	(60,058,359)	(986,114,923)	(504,878,416)	22,638,021	(3,088,656,874)

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48 SEGMENT REPORTING (CONTINUED)

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major product lines and geographical regions:

	Segment revenue USD	Inter-segment revenue USD	Revenue from contracts with external customers USD	Timing of revenue recognition		Total USD
				At a point in time USD	Over time USD	
FOR THE YEAR ENDED 31 DECEMBER 2025						
<i>Mobile services only:</i>						
- Madagascar	229,701,394	(745,639)	228,955,755	-	228,955,755	228,955,755
- Togo	212,574,629	(742,028)	211,832,601	-	211,832,601	211,832,601
- Tanzania	347,334,964	(12,138,641)	335,196,323	-	335,196,323	335,196,323
- Senegal	145,161,081	(10,312)	145,150,769	-	145,150,769	145,150,769
- Comoros	38,031,647	(828,405)	37,203,242	-	37,203,242	37,203,242
- Kenya	784,350	-	784,350	-	784,350	784,350
- Uganda	541,784	-	541,784	-	541,784	541,784
- Malawi	459,424	-	459,424	-	459,424	459,424
<i>Fixed services (Residential and Business)</i>						
- Madagascar	49,372,846	(160,812)	49,212,034	-	49,212,034	49,212,034
- Togo	20,085,029	(184,636)	19,900,393	-	19,900,393	19,900,393
- Tanzania	19,385,348	(125,678)	19,259,670	-	19,259,670	19,259,670
- Senegal	14,841,686	(152,178)	14,689,508	-	14,689,508	14,689,508
- Comoros	975,632	(70,172)	905,460	-	905,460	905,460
- Kenya	4,131,289	(55,000)	4,076,289	-	4,076,289	4,076,289
- Uganda	783,347	8,908	792,255	-	792,255	792,255
- Mauritius	1,601,303	(56,760)	1,544,543	-	1,544,543	1,544,543
- Zambia	43,073	-	43,073	-	43,073	43,073
- Malawi	-	6,357	6,357	-	6,357	6,357
<i>Content and Value-added services (VAS)</i>						
- Tanzania	21,915,966	-	21,915,966	-	21,915,966	21,915,966
- Senegal	10,420,679	-	10,420,679	-	10,420,679	10,420,679
- Togo	2,746,991	-	2,746,991	-	2,746,991	2,746,991
- Mauritius	22,227	-	22,227	-	22,227	22,227
- Comoros	25,464	-	25,464	-	25,464	25,464
<i>Interconnection, roaming and MVNO:</i>						
- Madagascar	12,680,410	(23,601)	12,656,809	-	12,656,809	12,656,809
- Togo	17,704,294	(5,346,660)	12,357,634	-	12,357,634	12,357,634
- Tanzania	19,993,127	(582)	19,992,545	-	19,992,545	19,992,545
- Senegal	19,820,169	(1,477)	19,818,692	-	19,818,692	19,818,692
- Comoros	1,376,478	(39,873)	1,336,605	-	1,336,605	1,336,605

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48 SEGMENT REPORTING (CONTINUED)

Disaggregation of revenue from contracts with customers (continued)

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major product lines and geographical regions:

	Segment revenue USD	Inter-segment revenue USD	Revenue from contracts with external customers USD	Timing of revenue recognition		Total USD
				At a point in time USD	Over time USD	
FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)						
<i>Customer Equipment and Infrastructure:</i>						
- Madagascar	15,646,479	(1,131,844)	14,514,635	14,514,635	-	14,514,635
- Togo	5,961,509	(3,653,379)	2,308,130	2,308,130	-	2,308,130
- Tanzania	39,704,183	-	39,704,183	39,704,183	-	39,704,183
- Senegal	2,274,408	-	2,274,408	2,274,408	-	2,274,408
- Kenya	43,507	-	43,507	43,507	-	43,507
- Uganda	31,840	-	31,840	31,840	-	31,840
- Malawi	40,972	-	40,972	40,972	-	40,972
- Zambia	7,891	-	7,891	7,891	-	7,891
- Comoros	1,052,846	-	1,052,846	1,052,846	-	1,052,846
<i>Operator infrastructure Services:</i>						
- Madagascar	16,147,536	(8,234,256)	7,913,280	-	7,913,280	7,913,280
- Togo	21,818,591	(4,765,986)	17,052,605	-	17,052,605	17,052,605
- Other	36,319,863	(30,313,538)	6,006,325	-	6,006,325	6,006,325
<i>Commissions received on electronic money activities:</i>						
- Madagascar	125,359,782	(2,672,797)	122,686,985	122,686,985	-	122,686,985
- Togo	38,063,409	(210,385)	37,853,024	37,853,024	-	37,853,024
- Tanzania	199,143,273	(5,566,421)	193,576,852	193,576,852	-	193,576,852
- Senegal	831,023	(377,116)	453,907	453,907	-	453,907
<i>Hosting and Rental sites:</i>						
- Madagascar	116,840,550	(101,099,004)	15,741,546	-	15,741,546	15,741,546
- Togo	2,856,429	(2,575,873)	280,556	-	280,556	280,556
- Uganda	25,680,238	-	25,680,238	-	25,680,238	25,680,238
- Tanzania	24,909,065	(23,683,017)	1,226,048	-	1,226,048	1,226,048
- Senegal	5,192,480	(3,927,550)	1,264,930	-	1,264,930	1,264,930

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48 SEGMENT REPORTING (CONTINUED)

Disaggregation of revenue from contracts with customers (continued)

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major product lines and geographical regions:

	Segment revenue USD	Inter-segment revenue USD	Revenue from contracts with external customers USD	Timing of revenue recognition		Total USD
				At a point in time USD	Over time USD	
FOR THE YEAR ENDED 31 DECEMBER 2025 (continued)						
<i>Other Services:</i>						
- Mauritius	642,859	(500,893)	141,966	-	141,966	141,966
- Madagascar	25,964,586	(19,761,497)	6,203,089	-	6,203,089	6,203,089
- Tanzania	4,259,462	(3,904,934)	354,528	-	354,528	354,528
- Comoros	2,265,720	2,426	2,268,146	-	2,268,146	2,268,146
- Tunisia	108,384	-	108,384	-	108,384	108,384
- Other	7,387,461	(2,759,944)	4,627,517	-	4,627,517	4,627,517
<i>Trademark and licence fees:</i>						
- Mauritius	10,646,294	(10,646,294)	-	-	-	-
- Other	14,342,727	(14,342,727)	-	-	-	-
<i>Management fees:</i>						
- Mauritius	30,112,257	(29,980,257)	132,000	-	132,000	132,000
<i>Other revenue:</i>						
- Mauritius	36,196,904	(35,502,527)	694,377	-	694,377	694,377
- Madagascar	10,568,364	(3,919,632)	6,648,732	-	6,648,732	6,648,732
- Togo	58,224	(38,430)	19,794	-	19,794	19,794
- Uganda	90,614	-	90,614	-	90,614	90,614
- Tanzania	820,399	(25,700)	794,699	-	794,699	794,699
- Senegal	3,301,532	(2,757,627)	543,905	-	543,905	543,905
- Comoros	610,998	(505,927)	105,071	-	105,071	105,071
- Malawi	168,103	(72,400)	95,703	-	95,703	95,703
- Kenya	1,312,510	(1,308,825)	3,685	-	3,685	3,685
- Other	9,560,903	(2,527,963)	7,032,940	-	7,032,940	7,032,940
	2,028,858,806	(337,431,506)	1,691,427,300	414,549,180	1,276,878,120	1,691,427,300

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48 SEGMENT REPORTING (CONTINUED)

Disaggregation of revenue from contracts with customers (continued)

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major product lines and geographical regions:

	Segment revenue USD	Inter-segment revenue USD	Revenue from contracts with external customers USD	Timing of revenue recognition		Total USD
				At a point in time USD	Over time USD	
<u>FOR THE YEAR ENDED 31 DECEMBER 2024</u>						
<i>Mobile services only:</i>						
- Madagascar	202,833,383	(504,834)	202,328,549	-	202,328,549	202,328,549
- Togo	198,416,389	-	198,416,389	-	198,416,389	198,416,389
- Tanzania	279,400,115	(26,407)	279,373,708	-	279,373,708	279,373,708
- Senegal	127,267,276	(12,622)	127,254,654	-	127,254,654	127,254,654
- Comoros	28,793,468	(11,150,464)	17,643,004	-	17,643,004	17,643,004
<i>Fixed services (Residential and Business)</i>						
- Madagascar	46,682,765	(128,756)	46,554,009	-	46,554,009	46,554,009
- Togo	16,895,302	-	16,895,302	-	16,895,302	16,895,302
- Tanzania	11,705,179	(3,892)	11,701,287	-	11,701,287	11,701,287
- Senegal	13,975,100	-	13,975,100	-	13,975,100	13,975,100
- Comoros	875,270	(357,507)	517,763	-	517,763	517,763
<i>Content and Value-added services (VAS)</i>						
- Tanzania	16,734,070	-	16,734,070	-	16,734,070	16,734,070
- Senegal	9,925,669	-	9,925,669	-	9,925,669	9,925,669
- Togo	2,065,462	-	2,065,462	-	2,065,462	2,065,462
<i>Interconnection, roaming and MVNO:</i>						
- Madagascar	12,181,393	(53,833)	12,127,560	-	12,127,560	12,127,560
- Togo	11,346,610	(2,913)	11,343,697	-	11,343,697	11,343,697
- Tanzania	17,296,905	(908)	17,295,997	-	17,295,997	17,295,997
- Senegal	18,188,859	(832)	18,188,027	-	18,188,027	18,188,027
- Comoros	1,072,040	(437,866)	634,174	-	634,174	634,174

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FOR THE YEAR ENDED 31 DECEMBER 2025

48 SEGMENT REPORTING (CONTINUED)

Disaggregation of revenue from contracts with customers (continued)

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major product lines and geographical regions:

	Segment revenue USD	Inter-segment revenue USD	Revenue from contracts with external customers USD	Timing of revenue recognition		Total USD
				At a point in time USD	Over time USD	
<u>FOR THE YEAR ENDED 31 DECEMBER 2024 (continued)</u>						
<i>Customer Equipment and Infrastructure:</i>						
- Madagascar	9,199,013	(53,322)	9,145,691	9,145,691	-	9,145,691
- Togo	2,243,799	-	2,243,799	2,243,799	-	2,243,799
- Tanzania	21,343,445	-	21,343,445	21,343,445	-	21,343,445
- Senegal	2,605,863	-	2,605,863	2,605,863	-	2,605,863
- Comoros	173,910	271,081	444,991	444,991	-	444,991
<i>Operator infrastructure Services:</i>						
- Madagascar	39,864,329	(31,797,135)	8,067,194	-	8,067,194	8,067,194
- Togo	14,189,869	-	14,189,869	-	14,189,869	14,189,869
- Other	42,065,422	(35,659,257)	6,406,165	-	6,406,165	6,406,165
<i>Commissions received on electronic money activities:</i>						
- Madagascar	93,341,040	(2,321,830)	91,019,210	91,019,210	-	91,019,210
- Togo	29,810,923	-	29,810,923	29,810,923	-	29,810,923
- Tanzania	159,033,195	-	159,033,195	159,033,195	-	159,033,195
- Senegal	649,326	-	649,326	649,326	-	649,326
<i>Hosting and Rental sites:</i>						
- Madagascar	99,125,581	(83,140,580)	15,985,001	-	15,985,001	15,985,001
- Togo	278,084	-	278,084	-	278,084	278,084
- Uganda	19,196,169	-	19,196,169	-	19,196,169	19,196,169
- Tanzania	15,014,317	(12,184,052)	2,830,265	-	2,830,265	2,830,265
- Senegal	2,964,253	(2,482,388)	481,865	-	481,865	481,865

AXIAN TELECOM HOLDING AND MANAGEMENT PLC
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

48 SEGMENT REPORTING (CONTINUED)

Disaggregation of revenue from contracts with customers (continued)

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major product lines and geographical regions:

	Segment revenue USD	Inter-segment revenue USD	Revenue from contracts with external customers USD	Timing of revenue recognition		Total USD
				At a point in time USD	Over time USD	
<u>FOR THE YEAR ENDED 31 DECEMBER 2024 (continued)</u>						
<i>Other Services:</i>						
- Mauritius	-	1,615,994	1,615,994	-	1,615,994	1,615,994
- Madagascar	13,754,876	(11,214,449)	2,540,427	-	2,540,427	2,540,427
- Comoros	1,408,598	(497,627)	910,971	-	910,971	910,971
- Other	1,399,858	(261,751)	1,138,107	-	1,138,107	1,138,107
<i>Trademark and licence fees:</i>						
- Mauritius	14,250,850	(14,130,500)	120,350	-	120,350	120,350
- Madagascar	13,844	6,382	20,226	-	20,226	20,226
- Other	415	(415)	-	-	-	-
<i>Management fees:</i>						
- Mauritius	35,463,178	(35,355,272)	107,906	-	107,906	107,906
<i>Other revenue:</i>						
- Mauritius	2,246,379	(1,348,353)	898,026	-	898,026	898,026
- Madagascar	23,216,774	(17,994,939)	5,221,835	-	5,221,835	5,221,835
- Togo	106,657	(92,509)	14,148	-	14,148	14,148
- Uganda	619,250	-	619,250	-	619,250	619,250
- Tanzania	958,439	-	958,439	-	958,439	958,439
- Senegal	949,018	(824,658)	124,360	-	124,360	124,360
- Comoros	71,198	(25,761)	45,437	-	45,437	45,437
- Other	9,872,320	(3,997,625)	5,874,695	-	5,874,695	5,874,695
	<u>1,671,085,447</u>	<u>(264,169,800)</u>	<u>1,406,915,647</u>	<u>316,296,443</u>	<u>1,090,619,204</u>	<u>1,406,915,647</u>