AIRTEL (M) TELESONIC LIMITED

Annual Report and Financial Statements for the year ended
31 December 2025

AIRTEL (M) TELESONIC LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2025

AIRTEL (M) TELESONIC LIMITED
DIRECTORS' REPORT
For the year ended 31 December 2025

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

1. REVIEW OF ACTIVITIES

Main Business and Operations
Airtel (M) Telesonic Limited was incorporated under the Companies Act 2013 in August 2022.

The principal activity of the Company is to provide Data Connectivity in form of fibre, duct and bandwidth related services to business users. However, as at 31 December 2025 company is in the process of winding up. The decision to wind up the Company arose from a combination of strategic, operational, and commercial considerations.

Operations

The Company has not yet commenced any operations since incorporation.

2. AUTHORISED AND ISSUED SHARE CAPITAL

Authorized, issued and not paid:

	2025	2024
10 000 000 Ordinary shares of K1 each	10 000 000	10 000 000

The shareholding of the Company as at 31 December 2025 is as stated below:-

Name of Shareholder	No. of Shares	% of Shareholding
Airtel (M) Telesonic Holdings (UK) Limited	10 000 000	100%

3. GOVERNANCE

The Board of Directors consists of one executive director and one non-executive director. The Board takes overall responsibility for the Company, including responsibility for identifying key risk areas, considering and monitoring investment decisions, considering significant financial matters, and reviewing the performance of management business plans and budgets.

The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles.

The Company is committed to the principles of effective corporate governance. The directors also recognize the importance of integrity, transparency and accountability. The Board has never met since inception.

4. DIRECTORS

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

Name	Residence	Nationality	Effective date
Sanjeet Pokala Kumar**	Dubai	Indian	18-August-2022
Abdul Shaik*	Malawi	Indian	1-Nov-2024 up to 31-Jan-2025
Aashish Dutt*	Malawi	Indian	1-Feb-2025

*Executive Director
**Non-Executive Director

5. COMPANY SECRETARY

The secretary of the Company is Mr. Abdulhakim Mkwanda.

6. FINANCIAL PERFORMANCE

The results and state of affairs of the Company are set out in the accompanying statement of financial position, statement of changes in equity and notes to financial statements, which include a summary of significant accounting policies.

	2025 K'000	2024 K'000
Loss before tax	(10 411)	(14 229)
Loss for the year	**(10 411)**	**(14 229)**

6. RESERVES

Details of the reserves of the company are shown in the statement of changes in equity on page 9.

7. DIVIDENDS

The Company did not declare any dividends.

9. AUDITORS

The auditors, Deloitte, have signified their willingness to continue in office and a resolution is to be proposed at the forthcoming Annual General Meeting in relation to their appointment as auditors in respect of the year ending 31 December 2026.

....
Aashish Dutt (Managing Director)

....
Sanjeet Kumar (Director)

AIRTEL (M) TELESONIC LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
For the year ended 31 December 2025

The Companies Act requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Airtel (M) Telesonic Limited as at the end of the financial year and of the operating results for that year.

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

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

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

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

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

During the year ended 31 December 2025 the Shareholders of the Company passed resolution dated 7th November 2025 to discontinue the operations.

As per the above, the directors do not believe that it is appropriate to prepare these accounts on a going concern basis. The company discontinued local operations and plans are well underway to close the business in 2026 as explained in note 12 to financial statements.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the for the period ended 31 December 2025.

....) **Aashish Dutt (DIRECTOR)**

....) **Sanjeet Kumar (DIRECTOR)**

28th April 2026
.... **DATE**

Deloitte.

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Blantyre
Malawi

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Airtel (M) Telesonic Limited

Opinion

We have audited the financial statements of Airtel (M) Telesonic Limited (the Company), set out on pages 7 to 18, which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM) and the requirements of the Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) (including International Independence Standards) together with the ethical requirements that are relevant to performing audits of financial statements in Malawi. We have fulfilled our 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.

Emphasis of Matter – Basis of Preparation

Without qualifying our opinion, we draw attention to the disclosure in note 12 to the financial statements describing the basis of preparation of the financial statements. The financial statements are prepared in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IASB), except for the going concern basis. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report and Statement of Directors' Responsibilities as required by the Companies Act which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of the directors for the Financial Statements
The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, IAS 29 Directive as issued by the Institute of Chartered Accountants in Malawi (ICAM) and the requirements of the Companies Act 2013 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte.

Chartered Accountants
Christopher Kapenda
Partner

29 April 2026

AIRTEL (M) TELESONIC LIMITED
STATEMENT OF FINANCIAL POSITION
As at 31 December 2025

	Notes	As at 31 December 2025 K'000	As at 31 December 2024 K'000
ASSETS			
Current assets			
Other receivables	6	10 000	10 000
Cash and cash equivalents	7	4 777	-
Other current assets	8	1 448	1 448
Total current assets		**16 225**	**11 448**
Total assets		**16 225**	**11 448**
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		10 000	10 000
Accumulated losses		(24 640)	(14 229)
Total Shareholders' equity		**(14 640)**	**(4 229)**
Current liabilities			
Other payables	9	30 865	15 677
Total current liabilities		**30 865**	**15 677**
Total liabilities		**30 865**	**15 677**
Total equity and liabilities		**16 225**	**11 448**

The financial statements on pages 7 to 18 were approved and authorised for issue by the Board of Directors on 20 March 2026 and signed on its behalf by:

....
Aashish Dutt (Director)

....
Sanjeet Kumar (Director)

AIRTEL (M) TELESONIC LIMITED
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2025

	For the year ended 31 December 2025 K'000	For the year ended 31 December 2024 K'000
Expenses		
Auditors' remuneration	(10 411)	(14 229)
	(10 411)	**(14 229)**
Operating loss	**(10 411)**	**(14 229)**
Loss before tax	**(10 411)**	**(14 229)**
Loss after tax	**(10 411)**	**(14 229)**

AIRTEL (M) TELESONIC LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2025

	Share capital K'000	Accumulated losses K'000	Total K'000
Year ended 31 December 2025			
At the beginning of the year	10 000	(14 229)	(4 229)
Total comprehensive loss for the period ended	-	(10 411)	(10 411)
Balance at 31 December 2025	**10 000**	**(24 640)**	**(14 640)**
Year ended 31 December 2024			
At the beginning of the year	10 000	-	10 000
Total comprehensive loss for the period ended	-	(14 229)	(14 229)
Balance at 31 December 2024	**10 000**	**(14 229)**	**(4 229)**

AIRTEL (M) TELESONIC LIMITED

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	For the year ended 31 December 25 K'000	For the year ended 31 December 24 K'000
Cash flows from operating activities		
Loss before taxation	(10 411)	(14 229)
Operating cash flow before working capital changes	**(10 411)**	**(14 229)**
Changes in working capital:		
Increase in other assets	-	(1 448)
Increase in trade and other payables	15 188	15 677
Net cash generated from operations before tax	**4 777**	-
Net increase in cash & cash equivalents	4 777	-
Cash & Cash equivalents at the beginning of the year	-	-
Cash & Cash equivalents as at end of the period	**4 777**	-

1. Corporate information

Airtel (M) Telesonic Limited (the 'Company') was incorporated under the Companies Act 2013.

The activity of the Company is to to provide Data Connectivity in form of fibre, duct and bandwidth related services to business users. The Company's immediate parent company is Airtel Africa Telesonic Holding Limited which is incorporated in the UK and the ultimate parent company is Airtel Africa plc which is part of Airtel Africa group.

The Company was incorporated on 25 August 2022. As at the time of approval of these financial statements, the Company had not yet commenced trading and is in the process of winding up.

Registered office and place of business
Airtel Complex, City Centre
Off Convention Drive
P.O Box 57
Lilongwe
Malawi

2. Application of new and revised IFRS Accounting Standards

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

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

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

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

  The Company has evaluated the applicability of the amendment in the standard in the jurisdictions it which it operates. Judgement is needed in determining whether currencies in the jurisdiction in which the Company operates are not exchangeable. The Company believes that considering the relevant economic and regulatory environment and the presence of functioning foreign exchange mechanism in the country, the IAS 21 amendment's requirements are not clearly met. The Company will continue to evaluate the situation on an ongoing basis.

2. Application of new and revised IFRS Accounting Standards (Continued)

2.2 New and amended standards in issue but not yet effective

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

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

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

The Company is assessing the impact of IFRS 18, IFRS 7 and IFRS 9 to the Company's financial statements and will be presented in accordance with these standards from 1 January 2026 or subsequently as applicable.

The amendments relating to IFRS 19 and Annual improvements are not expected to have a material impact on the Company's financial reporting on adoption. Also, the amendments to IAS 21 are not applicable to the Company.

3. Material accounting policy information

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

3.1 Statement of compliance

Compliance with IFRS - Except for the matters described in note 12 to the financial statement (Going Concern), These financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) including the IAS 29 Hyperinflation Directive issued by the Institute of Chartered Accountants Malawi (ICAM) and in the manner required by the Companies Act.

3.2 Basis of accounting

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

3. Material accounting policy information (Continued)

3.3 Basis of preparation

The financial statements are prepared on the historical cost basis. The principal accounting policies are set out below in the following paragraphs.

3.4 Taxation

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

a. Current tax

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

b. Deferred tax

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

3. Material accounting policy information (Continued)

3.5 *Provisions*

a. General

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

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

b. Provision for legal, tax and regulatory matters

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

3.6 ***Statement of cash flows***

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

3.7 ***Cash and cash equivalents***

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

3.8 Contingencies

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

4. Critical accounting judgements and key sources of estimation uncertainty

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

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

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

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

4.1 Critical accounting estimates and assumptions

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

Receivables

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

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

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

Deferred Tax Assets

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

Determination of residual values and useful lives

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

Contingent liabilities and provisions

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

4. Critical accounting judgements and key sources of estimation uncertainty (Continued)

4.2 Critical judgments in applying the Company's accounting policies

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

a. Income taxes

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

5. Related party disclosures

5.1 Amounts due from related parties

Name of the related party	Country of incorporation	Relationship	2025 K'000	2024 K'000
Airtel Africa Telesonic Holdings Limited	Netherlands	Holding Company	10 000	10 000
Totals as disclosed in note 6			**10 000**	**10 000**

In 2022, there were 10 000 000 ordinary shares issued to Airtel Africa Telesonic Holdings Limited at K1 per share for consideration of K10 million. These are unpaid.

5.2 Amounts due to other related parties

Name of the related party	Country of incorporation	Relationship	2025 K'000	2024 K'000
Airtel Malawi Plc	Malawi	Fellow Subsidiary	15 000	-
Totals as disclosed in note 7			**15 000**	-

6. Other receivables

	2025 K'000	2024 K'000
Amount due from related parties (note 5.1)	10 000	10 000
	10 000	**10 000**

7. Cash and cash equivalents

	2025 K'000	2024 K'000
Current bank accounts	4 777	-
	4 777	**-**

8. Other current assets

	2025 K'000	2024 K'000
Tax recoverable (VAT Input)	1 448	1 448
	1 448	**1 448**

Above VAT input claim pertaining to audit fees.

9. Other payables

	2025 K'000	2024 K'000
Amount due to related parties (note 5.2)	15 000	-
Other payables	15 865	15 677
	30 865	**15 677**

Other payables relate to audit fees for financial year ended 2024 and 2025.

10. Employees and directors' remuneration

There were no employees during the reporting period.

None of the directors received remuneration in respect of services provided to the Company.

11. Economic factors

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

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

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

Kwacha/US Dollar	1 751
Inflation (March 2026)	23.8%

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

12. Going Concern

During the year ended 31 December 2025, the company reported a net loss of K10.411 million (2024: K14.229 million). As at 31 December 2025, the Company had accumulated losses of K24.640 million (2024: K14.229 million). In alignment with the Group's business requirements and having regard to both its current operations and anticipated strategic objectives, the management has undertaken a comprehensive review of the Company's position and, accordingly, it has been decided on 7th May 2025 to discontinue the business operations of the Company.

Considering the above, these financial statements have not been prepared under the going concern basis. The financial statements have been prepared on a liquidation basis. Where appropriate, the company's assets have been written down to net realizable values. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such expenditure was committed as at the reporting date.

13. Subsequent events

There were no material subsequent events for the year ended 31 December 2025. The Directors are not aware of any other matter or circumstances since the financial year end and the date of this report, not dealt with in the financial statements, which significantly affects the financial position of the Company and the results of its operations.