Airtel (Seychelles) Limited
Airtel House, Perseverance, Mahe, Seychelles

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Index

Airtel (Seychelles) Limited is a fully owned subsidiary of Airtel Africa plc
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Company registration number: 843019-01 | Telephone +248 4600 640 | Email: info@sc.airtel.com

Airtel (Seychelles) Limited

Airtel House, Perseverance, Mahe, Seychelles

DIRECTORS' REPORT

The directors present herewith their report and audited financial statements of the company for the year ended 31 December 2025.

Activities

Airtel (Seychelles) Limited (the 'Company') carries on the business of providing telecommunication service in Seychelles.

Results

Revenue increased by 2.0% in current year to SCR 331 Mn (2024: SCR 324 Mn), mainly due to the higher in-roaming revenue driven by tourist arrivals. Tourist arrivals during the year were 399k, up by 13 % (2024: 353k). Further, data revenue was up by 1.4% offset by decline in enterprise revenue by 4.7% . Refer Note 4 for breakup.

Direct cost was broadly flat at SCR 11.6 Mn (2024: SCR 11.5 Mn). Refer Note 5 for breakup.

Total expenses increased by SCR 36 Mn, largely driven by higher network expenses by SCR 12 Mn (SCR 6 Mn related to increase in international bandwidth, SCR 1 Mn fuel cost increase, SCR 2 Mn increase related to other O&M expense and previous period had provision reversal of Capital work in progress (CWIP) of SCR 1.5 Mn. Further, Management fees increased by SCR 10 Mn, bad debts higher by SCR 4.6 Mn (mainly in-roaming), HR expense higher by SCR 2 Mn and balance SCR 6 Mn increased in regulatory, marketing and S&D expenses.

Operating profit for the current year was SCR 36 Mn (2024: SCR 66 Mn), lower by SCR 30 Mn due to increase in expenses.

The Profit before tax was SCR 16 Mn (2024: SCR 47 Mn) mainly due to increase in expenses.

Tax during the period was SCR 16.7 Mn, reported tax rate was 107% as against corporate tax rate of 33% due to disallowed management fee expenses of SCR 31 Mn (limit of 3% of revenue on foreign services/technical support).

Loss after tax was SCR 1 Mn during the period, Profit after tax (2024: SCR 25 Mn).

During the year dividend of SCR 45 Mn was paid pertaining to 2022. The Board declared a dividend of SCR 25 Mn for 2024 in the board meeting held on 28 April 2025. Remaining dividend as on 31st December 2025 was SCR 65 Mn (SCR 40 Mn pertaining to 2023 and SCR 25 Mn pertaining to 2024).

The Directors did not recommend any dividend for financial year 2025.

Share of results in Associate

The Company is a shareholder (holding 26%) in Seychelles Cable Systems Company Limited. The results of Seychelles Cable Systems Company Limited have been incorporated in the Statement of profit or loss and Other Comprehensive Income. Share of operating profit in associate was SCR 1.2 Mn during the year.

Going concern

As at 31 December 2025, the Company was in a net current liability position of SCR 241.7 Mn (2024: SCR 212.4 Mn) which majorly includes current portion of external borrowings guaranteed by intermediate holding company, dividend due to parent company and related party liabilities.

In opinion of the Directors, the Company generates sufficient cash inflows from operations as projected in the management's annual operating plan and will be able to obtain external and shareholders funding required to meet its obligations as and when they fall due. It is therefore appropriate to prepare the financial statements on a going concern basis.

Capital Expenditure

Capital expenditure during the period was SCR 39 Mn (2024: SCR 52 Mn) mainly for IT licenses/software, Capex for IT Augmentation project, enterprise and other network upgrades.

Employees

As of 31 December 2025, the company employed 100 staff (including 50 off-roll employees) as against 101 employees in previous period (including 45 off-roll employees).

Statutory disclosures under section 153 of the Companies Ordinance 1972

Principal Activities

Principal activity of the company continues to be to provide telecommunication services in the Republic of Seychelles.

Directors and their interest in the company

The directors of the company during the year and their interest in accordance with register maintained under section 111 of the Companies Act 1972 were as follows: -

			Shares held	
		Citizenship	1 January	31 December
Alok Bafna	(resigned on 31 July 2025)	Indian	-	-
Ramakrishna Lella	(resigned on 19 December 2025)	Indian	-	-
Monica Njeri Kachola	(resigned on 31 March 2026)	Kenyan	-	-
Eddy Kapuku	(appointed on 15 May 2023)	DRC	-	-
Anwar Soussa	(appointed on 23 August 2023)	Greece	-	-
Pankaj Kumar	(appointed on 1 August 2025)	Indian	-	-
Amit Khurana	(appointed on 19 December 2025)	Indian	-	-
Bavo Emanuel Mzee	(appointed on 01 April 2026)	Tanzania	-	-

The directors are of the opinion that all transactions with related parties, further described in note 23 of the financial statements were conducted at arm's length.

All non-executive directors will resign and offer themselves for re-election in the next AGM.

Auditors

M/S Pool and Patel, Chartered Accountants, retire and being eligible offers themselves for appointment.

Statement on corporate governance

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

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

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

The Company has put in place a Code of Conduct and Anti- Bribery & Anti-Corruption Policy that sets out the standards on how staff should behave with all stakeholders. An effective monitoring mechanism to support management's objective of enforcing the Code of Conduct and Anti- Bribery & Anti-Corruption has been developed and is being used across the Company.

None of the Directors had a material interest in any significant contracts concluded during the year. Further, no Director held any shares in the Company during the year.

Acknowledgements

The Directors wish to place on record their sincere appreciation of the valuable contribution, unstinted efforts and spirit of dedication shown by all the employees of the company. The Directors would also like to place on record assistance provided by our bankers, the regulators and the Government of Seychelles.

Bavo Emanuel Mzee   Eddy Kapuku   Anwar Soussa   Pankaj Kumar   Amit Khurana

Date: 16 June 2026

STATEMENT OF DIRECTORS' RESPONSIBILITY ON THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The directors are required to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and the profit or loss for the period. In preparing those accounts, the directors are required to: -

- Prepare financial statements on the going concern basis unless inappropriate to assume continuance of business;
- Select appropriate accounting policies and apply them consistently.
- Make judgments and estimates that are reasonable and prudent; and
- Disclose and explain any material departures from applicable accounting standards.

The Companies Act 1972 also requires the directors to keep proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company. They also have the general responsibility for taking reasonable steps to safeguard the assets of the company and detect fraud and other irregularities.

The directors consider they met their responsibilities as set out in the Companies Act 1972.

The financial statements are signed by current directors of the company.

Approval of the financial statements

The financial statements of the Company as indicated above, were approved by the Directors on 16 June 2026 and signed on behalf of the Board by:

Bavo Emanuel Mzee   Eddy Kapuku   Anwar Soussa   Pankaj Kumar   Amit Khurana

Date: 16 June 2026

INDEPENDENT AUDITOR'S REPORT

AIRTEL (SEYCHELLES) LIMITED

Opinion
We have audited the financial statements of Airtel (Seychelles) Limited set out on pages 7 to 37, which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, a five year financial summary and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 31 December 2025, and its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRS) and requirements of the Seychelles Companies Act, 1972.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in "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' Code of Ethics*" for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter
Provision for bad debts and related deferred tax
We draw attention to Note 17 of the financial statements, which describes the deferred tax asset recognised on provision for bad debts. Considering that the provision for bad debts has been recognised on trade receivables outstanding for more than five years, for which, as per Business Tax Act (2009), a tax deduction on write off shall be allowable only when the Company is able to demonstrate that the debt arose in the normal course of business and reasonable steps have been taken to recover the amounts due. Accordingly, in view of the time over which the bad debts have been accumulated, the deferred tax asset carried in the Statement of Financial Position on above mentioned item is subject to the company's ability to meet the legal requirements of the Business Tax Act (2009). Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the financial statements
Management is responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and requirements of the Seychelles Companies Act, 1972, and for such internal control as management determines 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, management is 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 management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

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

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.

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INDEPENDENT AUDITOR'S REPORT (cont...)

Auditor's responsibilities for the audit of the financial statements (cont...)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 management.

- Conclude on the appropriateness of management's 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.

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.

Report on other legal regulatory requirements

Companies Act, 1972

The Seychelles Companies Act 1972 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that, we have obtained all the information and explanations necessary for the performance of our audit and in our opinion,

(i) proper books of accounting have been kept by the company based on our examination of those records; and
(ii) the company's statement of financial position and statement of comprehensive income are in agreement with the books of account and returns.

ICAEW membership number of the engagement partner responsible for signing this independent auditors' report is 6813446.

Pool. Patel

POOL & PATEL
CHARTERED ACCOUNTANTS
16 June 2026

Airtel (Seychelles) Limited

Airtel House, Perseverance, Mahe, Seychelles

Statement of profit or loss and other comprehensive income

Financial statements are prepared in Seychelles Rupees

For the year ended 31 December 2025

	Note	31st December 2025	31st December 2024
Income			
Revenue	4	329,772,601	324,286,907
Other Income	4	975,973	107,339
		330,748,574	324,394,246
Expenses			
Direct costs	5	(11,609,460)	(11,466,547)
Network operating expenses	6	(76,008,462)	(63,480,845)
License fee		(14,474,547)	(13,666,860)
Employee benefits expense	8	(59,821,717)	(56,426,031)
Sales and marketing expenses		(13,094,494)	(7,944,766)
Other expenses	7	(53,289,092)	(40,736,549)
Depreciation and amortisation	11	(66,082,259)	(64,670,674)
		(294,380,031)	(258,392,272)
Operating profit		**36,368,543**	**66,001,974**
Finance costs	10	(21,967,031)	(25,724,815)
Share of operating profit in associate	13	1,176,891	6,775,315
Profit before income tax		**15,578,403**	**47,052,474**
Income tax expense	14	(16,779,580)	(21,752,560)
Profit/(Loss) for the year		**(1,201,177)**	**25,299,914**
Other comprehensive income/ (loss)			
Re-measurement gain/(loss) on defined benefit plans	19	(2,259,075)	109,997
Deferred tax on re-measurement gain/(Loss) on defined benefit plans		745,495	(36,299)
Share of associates' other comprehensive (loss)/income		9,891,343	(2,262,998)
Total comprehensive income for the year		**7,176,585**	**23,110,614**

The notes on pages 12 to 37 are an integral part of these financial statements.

Statement of changes in equity

Financial statements are prepared in Seychelles Rupees.

	Share capital (Note 18)	Other reserves Total	Retained earnings Total	Total
At 1 January 2024	**35,969,000**	**(9,458,243)**	**40,223,316**	**66,734,073**
Profit / (loss) for the year	-	-	25,299,914	25,299,914
Dividend declared for profit 2023	-	-	(40,000,000)	(40,000,000)
Other comprehensive loss(1)		(2,189,300)		(2,189,300)
At 31 December 2024	35,969,000	(11,647,543)	25,523,230	49,844,687
Profit / (loss) for the year	-	-	(1,201,177)	(1,201,177)
Dividend declared for profit 2024	-	-	(25,000,000)	(25,000,000)
Other comprehensive Income(1)	-	8,377,762	-	8,377,762
At 31 December 2025	**35,969,000**	**(3,269,781)**	**(677,948)**	**32,021,272**

(1) Other reserves comprise mainly of currency translation gains and losses in associate.

The notes on pages 12 to 37 are an integral part of these financial statements.

Airtel (Seychelles) Limited

Airtel House, Perseverance, Mahe, Seychelles

Statement of financial position

Financial statements are prepared in Seychelles Rupees

As at 31st December 2025

	Note	2025	2024
Assets			
Non-current assets			
Property, plant and equipment	11.1	217,879,044	252,377,151
Capital working in progress	11.1	11,868,709	13,966,421
Right of use assets	11.2	14,741,301	8,588,205
Intangible assets	11.1	13,017,685	-
Investment in associate	13	82,708,665	71,640,432
Other non-current assets	15	69,924,774	79,955,109
		410,140,178	426,527,318
Current assets			
Inventories	16	1,233,772	4,510,486
Financial assets			
-Trade and other receivables	17	23,964,170	33,307,024
-Cash and cash equivalents	22	16,501,898	11,041,616
Other current assets	15	18,745,511	17,960,180
		60,445,351	66,819,306
Total assets		470,585,529	493,346,625
Liabilities			
Non-current liabilities			
Financial liabilities			
-Borrowings	20	115,574,930	144,816,046
-Lease liabilities	12.2	13,234,594	7,344,909
Employee benefit obligations	19.1	6,137,337	4,631,855
Deferred tax liability (net)	14	1,464,492	7,449,869
		136,411,353	164,242,679
Current liabilities			
Financial liabilities			
-Borrowings	20	107,241,942	70,759,469
-Lease liabilities	12.2	3,000,744	2,519,538
-Trade and other payables	21.1	168,380,925	178,530,732
Employee benefit obligations	19.1	1,486,090	2,388,985
Provisions	19	2,114,810	1,909,376
Deferred revenue	21.3	9,768,646	7,079,382
Current tax liabilities (net)	14	4,178,658	11,378,658
Other current liabilities	21.2	5,981,088	4,693,120
		302,152,904	279,259,259
Total liabilities		438,564,257	443,501,938
Equity			
Share capital	18	35,969,000	35,969,000
Retained earnings		(677,948)	25,523,230
Other reserves		(3,269,781)	(11,647,543)
		32,021,272	49,844,687
Total liabilities and equity		470,585,529	493,346,625

The notes on pages 12 to 37 are an integral part of these financial statements.

Directors

Bavo Emanuel Mzee   Eddy Kapuku   Anwar Soussa   Pankaj Kumar   Amit Khurana

Date: 16 June 2026

Airtel (Seychelles) Limited

Airtel House, Perseverance, Mahe, Seychelles

Cash flow statement

Financial statements are prepared in Seychelles Rupees
For the year ended 31st December 2025

	Note	2025	2024
Cash flows from operating activities			
Profit before tax		15,578,403	47,052,474
Adjustments for:-			
Depreciation and amortisation	11	66,082,259	64,670,674
Share of operating profit in associate	13	(1,176,891)	(6,775,315)
Provision for bad and doubtful debts	17	7,627,929	3,368,866
Foreign exchange (gain)/losses		3,028,833	4,984,675
Finance costs	10	18,938,198	20,740,140
Operating cash flow before changes in working capital		**110,078,731**	**134,041,513**
Decrease/(Increase) in inventories	16	3,276,714	(2,307,919)
(Increase)/Decrease in trade and other receivables	17	(3,811,734)	7,396,517
Decrease in other current and non current assets	15	9,245,005	6,109,570
Increase in deferred revenue		2,689,265	1,941,995
Increase in trade and other payables	19/19.1/21	8,381,762	3,955,786
Net cash generated from operations before tax		**129,859,743**	**151,137,463**
Tax Paid			
Income tax paid during the year		(27,571,874)	(26,591,637)
Tourism marketing tax paid during the year		(1,647,623)	(1,621,130)
Net cash generated from operating activities		**100,640,246**	**122,924,695**
Cash flows from investing activities			
Purchase of property, plant & equipment	11	(39,255,725)	(54,893,236)
Proceeds from Disposal of property, plant & equipment		206,250	-
Net cash used in investing activities		**(39,049,475)**	**(54,893,236)**
Cash flow from financing activities			
Proceeds from Borrowings	20	80,000,000	71,000,000
Repayment of borrowings	20.1/20.2	(72,983,219)	(93,271,621)
Interest on Borrowings	20.1/20.2	(16,760,979)	(19,169,154)
Other finance costs	19.1	(359,588)	(522,652)
Repayment of lease liabilities	12	(4,394,465)	(3,980,074)
Dividends paid		(41,465,620)	(26,834,232)
Net cash used in financing activities		**(55,963,871)**	**(72,777,733)**
Increase/(Decrease) in cash and cash equivalents		**5,626,901**	**(4,746,273)**
Cash & cash equivalents at 1 January		11,041,616	15,835,113
Exchange adjustments on cash & cash equivalents	10	(166,619)	(47,224)
Cash & cash equivalents 31 December	**22**	**16,501,898**	**11,041,616**

The notes on pages 12 to 37 are an integral part of these financial statements.

Airtel (Seychelles) Limited

Airtel House, Perseverance, Mahe, Seychelles

FIVE YEAR FINANCIAL SUMMARY - 31 DECEMBER 2025

Financial statements are prepared in Seychelles Rupees

	2025	2024	2023	2022	2021
Statement of financial position					
Share capital					
Authorised	35,969	35,969	35,969	35,969	35,969
Issued and fully paid	35,969	35,969	35,969	35,969	35,969
Retained earnings	(678)	25,523	40,223	66,196	73,783
Long term borrowings	222,817	215,576	237,653	273,982	363,145
Net assets employed	258,108	302,591	313,845	376,147	546,680
Statement of income					
Revenue	330,749	324,394	331,057	345,926	321,687
Profit before tax	15,578	47,052	64,241	85,445	189,584
Tax expense	(16,780)	(21,753)	(24,214)	(28,032)	(60,343)
Profit for the year	(1,201)	25,300	40,027	57,413	129,241
Dividend Declared	(25,000)	(40,000)	(66,000)	(65,000)	-
	(26,201)	(14,700)	(25,973)	(7,587)	129,241
Retained earnings - 1 January	25,523	40,223	66,196	73,783	(55,458)
Retained earnings - 31 December	(678)	25,523	40,223	66,196	73,783

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

Financial statements are prepared in Seychelles Rupees

1. Corporate Information

Airtel (Seychelles) Limited is a limited liability company incorporated and domiciled in the Seychelles. The address of the company's registered office is Airtel House, Josehine Cafrine Road, Mahe, Seychelles.

The Company is subsidiary of Indian Ocean Telecom Limited. The Intermediate Parent is Airtel Africa plc (listed in London stock exchange and Nigeria stock exchange).

The company provides telecommunication services in Seychelles.

The financial statements for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on 16 June 2026.

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, and the Company believes that the IAS 21 amendment's requirements are not met for the said jurisdictions.

2.2 New and revised Standards in issue but not yet effective

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

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

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

The Company is 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. Summary of material accounting policies

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

3.1 Basis of presentation

The financial statements of Airtel (Seychelles) Limited are prepared in accordance with the requirements of the Seychelles Companies Act, 1972 and the International Financial Reporting Standard (IFRS). They have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates. It also requires management to exercise its judgment in the process of applying accounting policies. Areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements are disclosed in the notes below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

3.2 Functional and reporting currency

The financial statements are presented in the Seychelles Rupee, which is the reporting currency under the Companies Act, 1972.

3.3 Foreign currency translation

The functional currency is the Seychelles Rupee, being the currency of the primary economic environment in which the company operates (the functional currency). Transactions in foreign currencies are converted into Seychelles Rupee using the exchange rates prevailing at the dates of the transactions.

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of profit or loss within "finance income or finance cost".

The Bank's closing-rate for the period were:

Currency	Exchange rates at 31 December			Changes in percent (SCR)	
	2025	2024	2023	2025-2024	2024-2023
SCR/US $	15.11	14.98	14.58	-1%	-3%
SCR/Euro	17.74	15.59	16.13	-14%	3%
SCR/UK Pound	20.34	18.80	18.57	-8%	-1%

3.4 Comparatives

Where necessary comparative figures have been adjusted to conform to changes in presentation in the current year.

3.5 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner indicated by the management. The cost of property, plant and equipment constructed by the company includes the cost of materials and direct labour.

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

Subsequent costs 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 company and the cost of the item can be measured reliably. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Impairment losses or reversals of impairment losses on property, plant and equipment are recognized in profit or loss during the period.

When funds borrowed are specifically for the purpose of obtaining a qualifying asset, the entity determines the amount of the borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of the borrowings.

When significant parts of property and equipment are required to be replaced in intervals, the company recognizes such parts as separate components of assets with specific useful lives and provides depreciation over their useful lives. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in profit or loss as incurred.

Assets are depreciated to the residual values on a straight-line basis over the estimated useful lives. The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for impairment, and adjusted prospectively.

The company adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when cost is incurred if the replacement part is expected to provide future benefits to the company. The carrying amount of the replaced part is derecognised. All repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

Depreciation on assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives. The estimated useful lives range as follows:

Building	20 years
Leasehold improvements	10 or period of lease applicable, whichever is less
Network equipment	3-25 years
Computer	3-5 years
Office equipment	2-5 years
Motor vehicles	5 years

The assets residual values and depreciation methods are reviewed, and adjusted prospectively, if there is an indication or a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of profit or loss within"other income or expenses".

3.6 Intangibles

Intangible assets are recognised when the company controls the asset, and it is probable that future economic benefits attributed to the asset will flow to the company and the cost of the asset can be reliably measured.

Amortisation is recognised in statement of profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use or placed in service. The amortisation period and the amortisation method for an intangible asset is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Software is capitalised at the amounts paid to acquire the respective license for use and is amortised over the period of license.

3.7 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is based on the first-in, first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location.

At each reporting date, inventories are assessed for impairment. If the inventory is impaired, the carrying amount is reduced to its selling price less cost to complete and sell; and the impairment loss is recognised immediately in the statement of comprehensive income.

3.8 Tax

Income tax expense represents the sum of the tax currently payable, deferred tax and tourism marketing tax.

Current tax and deferred tax is recognised as an expense or income in profit or loss, except to the extent that it relates to items credited or debited directly to equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it also excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by reporting date. The payment made in excess/ (shortfall)/of the 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, related to accrued liabilities for potential tax assessments are not included in income tax charge or (credit), but are rather 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. The provisions are measured at the best estimate of the amount expected to become payable or based on 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 company 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.

ii. Deferred Tax

Deferred tax is recognised, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. However, the deferred tax is not accounted for if it arises from the 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 nor loss. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred tax liability is settled.

Deferred tax assets, recognised and unrecognised, are reviewed at each reporting date and assessed for recoverability based on best estimates of future taxable profits.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity.

3.9 Financial Instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. 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 FVTPL) 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 FVTPL are recognised immediately in profit or loss.

3.10 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. 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 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.

By default, all other financial assets are measured subsequently at FVTPL.

Investment in equity is always measured at fair value.

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

- the company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the company 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.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses (ECL) on trade receivable measured at amortised cost.

The company considers that default has occurred when a financial asset is more than 90 days past due.

The company always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated based on past experiences where ECL is deemed to be all debts which remain unpaid over 90 days and over 270 days for interconnect debts.

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.

Write-off policy

The company writes off receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the trade receivables has crossed the of limitation period past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Derecognition of financial assets

The company derecognises 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 company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises 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 addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

3.11 Financial liabilities

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Other transaction costs are expensed as incurred in the Statement of Comprehensive Income.

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.

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 the 'other gains and losses' line item in profit or loss.

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

Derecognition of financial liabilities

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

3.12 Share capital and share premium

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

3.13 Employee benefits

Retirement benefit obligations

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

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

Other entitlements

The employees of the company are entitled to compensated absences as well as other long-term benefits. Compensated absences benefit comprises of encashment and the availing of leave balances that were earned by the employees over the period of past employment. The liability for employees' annual leave entitlement and compensation as determined by actuaries at the reporting date are recognised as an expense accrual.

3.14 Impairment of non-financial assets

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

Reversal of impairment losses

Impairment losses are reversed and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset in previous years.

3.15 Dividends

Dividends payable to the company's shareholders are charged to equity in the period in which they are declared.

3.16 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.17 Contingencies

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

3.18 Critical accounting estimates and judgements

3.18.1 Critical accounting estimates and assumptions

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 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 impaired receivables. The expected credit loss of trade receivables are estimated based on past experiences where ECL is deemed to be all debts which remain unpaid over 90 days.

Taxes

- Current income tax

  Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Business Tax Act. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date.

- Deferred tax

  Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

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.

3.18.2 Critical judgments in applying the entity's accounting policies

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

- the classification of financial assets and lease liabilities.
- revenue recognition allocation to different components.
- determining whether assets are impaired, or not.

Multiple-element contracts with vendors

The company has entered into multiple element contracts for supply of goods and rendering of services. In certain cases, the consideration paid is determined independent of the value of supplies received and services availed. Accordingly, the supplies and services are accounted for based on their relative fair values to the overall consideration. The supplies with finite life under the contracts have been accounted under Property, Plant and Equipment and / or as Intangible assets, since the company has economic ownership in these assets and represents the substance of the arrangement.

Arrangement containing lease

The company assesses the contracts entered with telecom operators / passive infrastructure services providers to share tower infrastructure services so as to determine whether these contracts that do not take the legal form of a lease convey a right to use an asset or not. The Company has determined, based on an evaluation of the terms and conditions of the arrangements that such contracts are in the nature of leases.

3.19 Employee stock option plan (ESOP)

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

3.20 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

3.21 Trade receivables

Trade receivables are initially recognised at the transaction price. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to original terms of the receivables.

3.22 Trade payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is done within one year or less. If not, they are presented as non-current liabilities.

3.23 Leases

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

The lease liability is measured at amortised cost using the effective interest method.

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

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

3.24 Revenue recognition

Company's revenue arises from billing customers for monthly subscription, airtime usage, connections and sale of simcards, handsets and accessories, roaming and interconnection revenue.

Revenue is measured at the fair value of the consideration received or receivable for the sale/provision of goods and services in the ordinary course of the company's activities. Revenue is shown net of value-added tax (VAT), excise duties, discount and rebates.

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

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

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

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

Subscription charges are recognised over the subscription pack validity period.

Revenues recognised in excess of amounts invoiced are classified as unbilled revenue. If amounts invoiced / collected from a customer are in excess of revenue recognised, a deferred revenue / advance income is recognised.

Service revenues also includes revenue from interconnection / roaming charges for usage of the company's network by other operators for voice, data, messaging and signalling services.

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

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

The company writes off to revenue credits after six months for prepaid sales which are unutilised by deactivated customers through forfeiture.

3.25 Going Concern

During the year ended 31 December 2025, the Company incurred a net loss of SCR 1.2 Mn (2024: Profit of SCR 25.3 Mn). As at that date, the Company was in a net current liability position of SCR 241.7 Mn (2024: SCR 212.4 Mn) which majorly includes current portion of external borrowings of SCR 107.2 Mn (2024: SCR 70.8 Mn) which has been guaranteed by intermediate holding company, dividend due to parent company of SCR 65.0 Mn (2024: SCR 81.4 Mn) and related party liabilities of SCR 64.4 Mn (2024: SCR 66.4 Mn).

The Directors are of the opinion that the Company is a going concern on the basis that the Company:

a) will continue to generate cash inflows from operations of at least the amount projected in the management's annual operating plan. The generation of sufficient cash flows from operations is driven by and is dependent on management achieving operational targets on subscriber numbers, churn rate and average revenue per user and

b) has access to financing facilities and will obtain sufficient funding from external sources and available shareholder loan facility to meet its obligations as and when they fall due.

The Directors are confident that the funds described above will be available to the Company to support its obligations as required and therefore considers it is appropriate to prepare the financial statements on a going concern basis.

4. Service revenue

	2025	2024
Analysis of revenue by category		
Mobile Services Revenue (Excluding Data Revenue)	40,253,119	43,599,735
Data Revenue	228,960,422	229,901,768
Interconnect and roaming revenue	58,511,374	48,820,867
Sale of handsets	2,047,686	1,964,538
Total	**329,772,601**	**324,286,907**

Note- Mobile Services revenue in above table consists of voice outgoing revenue, activation revenue, VAS and messaging revenue.

Performance obligations that are unsatisfied (or partially unsatisfied) amounting to SCR 9,768,646 at 31 December 2025 and SCR 7,079,382 as at 31 December 2024 will be satisfied within a period of next one year respectively.

Transfers from unbilled revenue recognized at the beginning of the period to receivables is SCR 7,075,747 for 2025 (2024: SCR 7,145,683).

4.1 Other Income

	2025	2024
Other services including sales of other equipment	975,973	107,339
Total	**975,973**	**107,339**

5. Direct costs

	2025	2024
Cost of goods sold	2,576,760	1,986,215
Interconnect & roaming expenses	9,032,700	9,480,332
Total	**11,609,460**	**11,466,547**

6. Network operating expenses

	2025	2024
Bandwidth charges	35,151,033	29,667,191
Maintenance Charges	20,176,963	16,623,280
Electricity	17,912,219	18,254,737
Other network expenses	2,768,247	(1,064,363)
Total	**76,008,462**	**63,480,845**

7. Other expenses

	2025	2024
Repairs and maintenance	3,321,923	3,615,646
Travelling and transport	945,182	1,635,867
Rental of offices and showrooms	642,192	560,698
Legal and professional fees*	528,087	1,393,053
Postage, courier, and stationery	2,008,723	1,449,126
Provision for bad and doubtful debts (note 17)	7,627,929	3,368,866
Management Fees**	35,441,623	25,430,824
Other operational costs	2,773,433	3,282,470
Total	**53,289,092**	**40,736,549**

*The audit fees to the statutory auditors are included under Legal and Professional Fees as disclosed in Note 9.

**Amounts pertain to reimbursement of cross charge management fees to Airtel Africa Services UK Limited.

8. Employee benefits expense

	2025	2024
Salaries	44,674,546	44,404,701
Employers' contribution to defined contribution scheme	934,984	953,940
Employee benefit obligation (note 19)	2,054,330	1,029,174
Performance linked bonuses	5,955,000	5,546,046
Staff welfare expenses	6,202,857	4,492,170
Total	**59,821,717**	**56,426,031**

9. Profit for the year

	2025	2024
Profit for the year has been arrived at after charging:		
Auditors remuneration	369,000	369,000
Depreciation and amortisation	66,082,259	64,670,674
Management fees	35,441,623	25,430,824

10. Finance costs / (Income)

	2025	2024
Interest on loan (note 20.1 ,20.2)	16,985,555	19,363,412
Interest on lease liabilities (note 12)	1,426,436	806,853
Interest on employee benefit obligations (note 19)	359,588	522,652
Exchange loss on cash and cash equivalents	166,619	47,224
Exchange loss on others	3,028,833	4,984,675
Total	**21,967,031**	**25,724,815**

11. Property, plant and equipment, Intangible assets, Capital work in progress

	Leasehold improvements	Office & network equipment	Vehicles	Total	Software (Intangible)	Capital Work In Progress
Cost						
At 1 January 2025	32,466,219	857,388,405	8,438,225	898,292,850	-	13,966,421
Additions	-	-	-	-	-	39,255,725
Disposals	-	(41,362,960)	(358,043)	(41,721,003)	-	-
Reclassfication	-	(21,294,201)	-	(21,294,201)	21,294,201	-
Transfers from capital work in progress	-	41,353,437	-	41,353,437	-	(41,353,437)
At 31 December 2025	32,466,219	836,084,681	8,080,182	876,631,082	21,294,201	11,868,709
Accumulated depreciation and impairment						
At 1 January 2025	2,289,469	636,117,232	7,508,999	645,915,699	-	-
Depreciation charge	45,519	61,201,793	306,881	61,554,192	1,279,424	-
Disposals	-	(41,362,719)	(358,043)	(41,720,762)		-
Reclassfication	-	(6,997,092)	-	(6,997,092)	6,997,092	-
At 31 December 2025	2,334,987	648,959,214	7,457,837	658,752,038	8,276,516	-
Cost						
At 1 January 2024	32,466,219	805,329,942	8,007,791	845,803,951	-	13,955,940
Additions	-	39,198,445	430,434	39,628,879	-	12,870,500
Disposals	-	-	-	-	-	-
Transfers from capital work in progress	-	12,860,019	-	12,860,019	-	(12,860,019)
At 31 December 2024	32,466,219	857,388,405	8,438,225	898,292,850	-	13,966,421
Accumulated depreciation and impairment						
At 1 January 2024	2,243,950	574,800,700	7,235,988	584,280,638	-	-
Depreciation charge	45,519	61,316,531	273,011	61,635,061	-	-
Disposals	-	-	-	-		-
At 31 December 2024	2,289,469	636,117,232	7,508,999	645,915,699	-	-
Carrying amount						
At 1 January 2024	30,222,269	230,529,241	771,803	261,523,313	-	13,955,940
At 31 December 2024	30,176,751	221,271,174	929,226	252,377,151	-	13,966,421
Carrying amount						
At 1 January 2025	30,176,751	221,271,174	929,226	252,377,151	-	13,966,421
At 31 December 2025	30,131,232	187,125,467	622,345	217,879,044	13,017,685	11,868,709

During the year, Intangibles amounting to SCR 14 million (gross carrying value: SCR 21 million, and accumulated amortisation: SCR 7 million) were reclassified from property, plant and equipment to intangible assets.

11.1 Right of use assets

	Upon application of IFRS 16		
	Land and Building	Leased Sites	Total
Cost			
At 1 January 2025	6,503,831	23,865,445	30,369,276
Additions	5,466,249	3,935,488	9,401,737
At 31 December 2025	11,970,079	27,800,934	39,771,013
Accumulated depreciation			
At 1 January 2025	5,905,411	15,875,660	21,781,071
Depreciation charge	595,837	2,652,805	3,248,642
At 31 December 2025	6,501,247	18,528,465	25,029,713
Cost			
At 1 January 2024	6,503,831	22,278,964	28,782,795
Additions	-	1,586,481	1,586,481
Transfers from capital work in progress - (note 11)	2,365,911	14,156,324	16,522,235
At 31 December 2024	6,503,831	23,865,445	30,369,276
Accumulated depreciation			
At 1 January 2024	5,509,640	13,235,818	18,745,458
Depreciation charge	395,771	2,639,842	3,035,613
At 31 December 2024	5,905,411	15,875,660	21,781,071
At 31 December 2024	598,420	7,989,785	8,588,205
At 31 December 2025	5,468,832	9,272,468	14,741,301

12. Lease liabilities

	2025	2024
Opening lease liability		
At 1 January	9,864,446	11,451,185
Additions in the year	9,338,920	1,586,481
Interest on lease liabilities	1,426,436	806,853
Repayments	(4,394,465)	(3,980,074)
At 31 December	**16,235,337**	**9,864,446**

Amounts recognised in the the Statement of financial position

	2025	2024
Current	3,000,744	2,519,538
Non-current	13,234,594	7,344,909
Total	**16,235,338**	**9,864,446**

	2025	2024
Maturity analysis:		
Less than one year	4,353,715	3,226,174
One to five years	10,621,829	6,734,429
More than five years	7,377,720	2,120,663
Total undiscounted lease liabilities	**22,353,264**	**12,081,266**

Amounts recognised in the Statement of profit or loss

	2025	2024
Interest on lease liabilities (note 10)	1,426,436	806,853

13. Investment in associate

Investment is stated at historical cost adjusted for profit/loss retained in Seychelles Cable System Company Limited, an unquoted company incorporated in the Seychelles.

	Holding	2025	2024
Investment in associate at cost	26%	49,861,046	49,861,046
Foreign exchange adjustment (recognized in other comprehensive income)		(1,726,319)	(7,565,969)
Share of profit in associate		34,573,938	29,345,355
Total		**82,708,665**	**71,640,432**
Share of operating profit/(loss) in associate (recognized in other comprehensive income)		9,891,343	(2,262,998)
Share of operating profit in associate (recognized in statement of profit or loss)		1,176,891	6,775,315

Seychelles Cable System Company Limited was incorporated to set up a submarine fibre-optic link between Seychelles and Tanzania for improved telecommunication services. The other shareholders of this company are the Government of Seychelles (40.6%) and Cable & Wireless (Seychelles) Limited (33.4%).

14. Tax

(a) The major components of the income tax expense/(credit) are:

	2025	2024
Income tax		
- For the year	20,800,000	28,000,000
- Adjustments for prior periods	(428,126)	(408,363)
	20,371,874	27,591,637
Deferred tax (benefit)/expenses	(5,239,917)	(7,460,207)
Tourism marketing Tax expense		
- For the year	1,647,623	1,621,130
Total Tax expenses	16,779,580	21,752,560

(b) The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	2025	2024
Profit before tax less share of profit in associate	14,401,512	40,277,159
Enacted tax rate in the country	33%	33%
Tax expense with enacted rate	4,752,499	13,291,462
Effect of:		
Adjustments in respect to previous years	(428,126)	(408,363)
Net tax charge on account of permanent differences	10,807,584	7,248,330
Tourism marketing Tax expense	1,647,623	1,621,130
Total tax expense	16,779,580	21,752,560

(c) The analysis of deferred tax (assets)/liabilities are as follows:

	2025	2024
Deferred tax liabilities (net)		
i) Deferred tax liability due to		
Depreciation / amortisation on PPE / Intangible assets	36,195,170	37,322,328
ii) Deferred Tax asset arising out of		
Provision for impairment of trade receivables / advances	(29,429,426)	(26,939,029)
Fair valuation of financial instruments and exchange differences	(2,053,436)	(226,015)
Provision for compensation and obsolete stock	(3,247,816)	(2,707,415)
Total	1,464,492	7,449,869

(d) The analysis of deferred tax (benefit)/ expenses is as follows:

	2025	2024
Deferred tax (benefit)/expenses		
Depreciation / amortisation on PPE / intangible assets	(1,127,158)	(4,838,691)
Provision for impairment of trade receivables / advances	(2,490,397)	(1,111,726)
Fair valuation of financial instruments and exchange differences	(1,827,422)	(1,052,909)
Provision for compensation,bonus and obsolete stock	205,095	(456,881)
Total	(5,239,882)	(7,460,207)

(e) The movement in deferred tax liabilities (net) during the year is as follows

	2025	2024
Opening balance	7,449,869	14,910,076
Tax (income)/expense recognised in statement of profit & loss	(5,239,882)	(7,460,207)
Tax (income)/expense recognised in statement of OCI	(745,495)	-
Closing balance	1,464,492	7,449,869

(f) The movement in current tax liabilities (net) during the year is as follows

	2025	2024
Opening balance	11,378,658	10,378,658
Adjustments for prior periods	(428,126)	(408,363)
Income tax expense recognised for the year	20,800,000	28,000,000
Tourism marketing tax expense	1,647,623	1,621,130
Income tax paid during the year	(27,571,874)	(26,591,637)
Tourism marketing tax paid during the year	(1,647,623)	(1,621,130)
Closing balance	4,178,658	11,378,658

15. Other assets

	2025	2024
Prepayments for STM1s*	79,815,758	86,054,082
Deferred customer Acquisition costs	307,228	978,396
Other prepayments	8,547,299	10,882,810
Total	**88,670,284**	**97,915,289**
Classified as:		
Current	18,745,511	17,960,180
Non-current	69,924,774	79,955,109

Deferred customer acquisition costs

	2025	2024
At 1 January	978,396	859,496
Addition	445,731	385,575
Amortisation	(1,116,900)	(266,674)
At 31 December	**307,228**	**978,396**

*Amortisation of prepaid right of use fiber optic network is on a straight-line basis, and is expensed to network costs.

16. Inventories

	2025	2024
Handsets and accessories	1,210,940	4,133,636
Starter packs	126,461	376,851
Less: Provision for obsolescence	(103,628)	(0)
Total	**1,233,772**	**4,510,486**

17. Trade and other receivables

	2025	2024
Trade receivables	95,995,805	89,810,578
Less: Provision for bad debts	(89,180,080)	(81,633,421)
Trade receivable net of provision	6,815,726	8,177,157
Receivable from related parties (note 23.3)	8,965,367	16,526,250
Contract asset	6,449,101	7,120,488
Others	1,076,747	1,483,130
Total	**23,964,170**	**33,307,024**

The movement in provision for doubtful debts during the year is as follows:

	2025	2024
1 January	81,633,422	78,264,556
Provisions made in the year	7,546,658	3,368,866
Total	**89,180,080**	**81,633,422**
Provisions made in the year	7,546,658	3,368,866
Write off's during the year	81,271	-
Total	**7,627,929**	**3,368,866**

The carrying amounts of the above receivables approximate their fair values.

As at 31 March 2026, the Company has recognised a provision for bad debts amounting to SCR 89.2 Mn, of which trade receivables aggregating SCR 62.7 Mn are outstanding for more than five years. The Company has recognised a deferred tax asset of SCR 29.4 Mn in respect of the provision for bad debts.

Under the provisions of the Business Tax Act, 2009, a deduction for bad debts is allowable only when the Company is able to demonstrate that the debt arose in the normal course of business, that reasonable steps have been taken to recover the amounts due, and that the debts have in fact become irrecoverable.
Management has assessed the recoverability of the outstanding receivables based on the status of legal proceedings, recovery actions undertaken, and other relevant internal and external information. Based on this assessment, management believes that in case the bad debts are written off in future periods the related tax deduction will be admissible in accordance with the Business Tax Act.

18. Authorised & issued capital

	2025	2024
Authorised, issued and allotted 35,969 shares of SCR 1,000 each	35,969,000	35,969,000
Total	**35,969,000**	**35,969,000**

19. Provisions

	2025	2024
Provision for annual performance bonus	2,114,810	1,183,446
Provision for legal and professional expenses	(0)	723,906
Total	2,114,810	**1,907,352**

19.1 Employee benefit obligations

	2025	2024
1 January	7,020,839	6,094,697
Current service cost	2,054,330	1,029,174
Interest cost	359,588	522,652
Remeasurements (amount recognised in other comprehensive income)	2,259,075	(109,997)
Benefits paid	(4,070,405)	(515,687)
Total	**7,623,427**	**7,020,839**
Classified as:		
Current	1,486,090	2,388,985
Non-current	6,137,337	4,631,855

Employee benefits obligations are stated at present values of liabilities due for termination indemnities under Employment Amendment Act (1999); Long Service Awards, Retirement Benefits and Compensated Absences. The actuarial assumptions in determining the obligation are:

	2025	2024
Discount rate	4.75%	10.0%
Salary increase rate	5.0%	5.5%
Mortality Table (implicit withdrawal rate assumption)		
Withdrawals (rate of employee turnover)	8.0%	11.0%
Retirement age	55 Years	55 Years
Leave availment rate (p.a. of accrued leave of employees)	7.0%	3.0%

20. Borrowings

	2025	2024
Due to:		
ABSA Bank - (Seychelles) (note 20.1)	194,120,798	157,646,100
Mauritius Commercial Bank (Seychelles) (note 20.2)	28,696,073	57,929,414
Total	**222,816,872**	**215,575,514**
Classified as:		
Current	107,241,942	70,759,469
Non-current	115,574,930	144,816,046

20.1 Loan from financial institution (ABSA)

	2025	2024
At 1 January	157,646,100	97,500,000
Received in the year	80,000,000	71,000,000
Interest accrued during the year	13,937,765	12,130,219
Interest paid during the year	(13,713,066)	(11,942,452)
Loan Repaid duting the year	(43,750,000)	(11,041,667)
At 31 December	**194,120,798**	**157,646,100**

The loan matures on 31 March 2027 and attracts interest at a rate of 8% and is secured by corporate guarantee from Bharti Airtel international (Netherlands) B.V.

20.2 Loan from financial institution (MCB)

	2025	2024
At 1 January	57,929,415	140,152,878
Interest accrued during the year	3,047,790	7,233,192
Interest paid during the year	(3,047,912)	(7,226,702)
Loan repaid during the year	(29,233,219)	(82,229,954)
At 31 December	**28,696,074**	**57,929,415**

The loan matures on 30 November 2026 and attracts interest at a rate of 8.5% less a margin of 1% and is secured by corporate guarantee from Bharti Airtel international (Netherlands) B.V.

21. Trade and other payables

	2025	2024
Equipment supply payables	699,772	2,555,709
Interconnect and roaming partners	21,984	1,824,407
Payable to related parties (note 23.4)	72,399,620	66,396,389
Accruals for network maintenance & other services	24,468,747	21,568,505
Security deposits	5,813,103	4,742,403
Dividend payable (note 23.4)	64,977,699	81,443,319
Total	**168,380,925**	**178,530,732**

21.2 Other Payable	2025	2024
Other taxes payable	5,358,579	3,848,407
Other payable	622,511	844,713
Total	**5,981,090**	**4,693,120**

21.3 Deferred Revenue	2025	2024
Deferred Revenue	9,768,646	7,079,382

The carrying amounts of the above payables approximate their fair values.

22. Cash and cash equivalents

	2025	2024
Cash at Bank	10,672,004	7,956,294
Cash in Hand and in transit	5,829,894	3,085,322
Total	**16,501,898**	**11,041,616**

Airtel (Seychelles) Limited

Airtel House, Perseverance, Mahe, Seychelles

23. Related parties and transactions

23.1 Services provided to related parties:

Name of related party	Country of incorporation	Relationship to Company	2025	2024
Sale of goods and services				
Airtel Networks Zambia Plc	Zambia	Fellow subsidiary	13,969	5,312
Airtel Networks Kenya Limited	Kenya	Fellow subsidiary	189,663	583,988
Airtel Malawi plc	Malawi	Fellow subsidiary	9,422	8,912
Airtel Tanzania Plc.	Tanzania	Fellow subsidiary	20,148	18,670
Airtel Madagascar S.A	Madagascar	Fellow subsidiary	185,013	31,496
Airtel Gabon S.A	Gabon	Fellow subsidiary	111	73
Airtel Tchad S.A	Tchad	Fellow subsidiary	594	983
Airtel Networks Limited (Nigeria)	Nigeria	Fellow subsidiary	15,968	4,553
Celtel Niger S.A.	Niger	Fellow subsidiary	28	377
Airtel Uganda Limited	Uganda	Fellow subsidiary	158,447	157,821
Airtel Congo (RDC) S.A.	Congo (DRC)	Fellow subsidiary	7,479	2,446
Airtel Congo S.A.	Congo B	Fellow subsidiary	5	73
Airtel Rwanda Limited	Rwanda	Fellow subsidiary	17	1,019
Bharti International (Singapore) Pte Ltd	Singapore	Fellow subsidiary	351,061	339,336
Bharti Airtel Lanka (Pvt Ltd), Sri Lanka	Sri Lanka	Fellow subsidiary	-	10
Jersey Airtel Limited	Jersey	Other related party	301	68
Bharti Airtel Limited	India	Intermediate Parent	444,466	358,964
Bharti Airtel (UK) Limited	United Kindom	Fellow subsidiary	12,878,556	11,626,782
Airtel Mobile Commerce Seychelles Ltd	Seychelles	Fellow subsidiary	176,621	231,961
Bharti Hexacom Limited	India	Fellow subsidiary	16,299	4,867
Emtel Limited	Mauritius	*Other related party	1,486	3,566
Singapore Telecommunications Limited	Singapore	*Other related party	1,074,105	845,786
Total			**15,543,756**	**14,227,062**

23.2 Services received from related parties:

Name of related party	Country of incorporation	Relationship to Company	2025	2024
Purchase of goods and services				
Airtel Networks Zambia Plc	Zambia	Fellow subsidiary	8,791	12,015
Airtel Networks Kenya Limited	Kenya	Fellow subsidiary	186,495	454,945
Airtel Malawi plc	Malawi	Fellow subsidiary	1,735	868
Airtel Tanzania Plc.	Tanzania	Fellow subsidiary	2,496,321	2,144,521
Airtel Madagascar S.A	Madagascar	Fellow subsidiary	53,863	62,594
Airtel Tchad S.A	Tchad	Fellow subsidiary	461	29
Airtel Networks Limited (Nigeria)	Nigeria	Fellow subsidiary	2,743	4,945
Airtel Uganda Limited	Uganda	Fellow subsidiary	18,371	13,222
Celtel Niger S.A.	Niger	Fellow subsidiary	75	41
Airtel Congo S.A.	Congo B	Fellow subsidiary	245	1,140
Airtel Rwanda Limited	Rwanda	Fellow subsidiary	151	388
Network I2I Limted	India	Intermediate Parent	2,816,259	2,660,157
Bharti Airtel Lanka (Pvt Ltd), Sri Lanka	Sri Lanka	Fellow subsidiary	-	6,704
Bharti Airtel Limited	India	Intermediate Parent	398,893	3,490,553
Bharti International Singapore Pte Limited	Singapore	Fellow subsidiary	-	409,351
Bharti Airtel (UK) Limited	United Kindom	Fellow subsidiary	3,185,483	4,321,408
Airtel Congo (RDC) S.A.	Congo (DRC)	Fellow subsidiary	2,967	1,265
Airtel Africa Services (UK) Limited	United Kindom	Fellow subsidiary	35,441,623	21,618,397
Seychelles Cable Systems Company Limited	Seychelles	Associate	9,184,670	8,526,767
Airtel Mobile Commerce Seychelles Ltd	Seychelles	Fellow subsidiary	1,608,882	64,250
Bharti Airtel (France) SAS	France	Fellow subsidiary	4,838,644	5,207,825
Bharti Hexacom Limited	India	Fellow subsidiary	2,229	1,342
Emtel Limited	Mauritius	*Other related party	8,043	8,238
Jersey Airtel Limited	Jersey	*Other related party	1	73
Singapore Telecommunications Limited	Singapore	*Other related party	649,754	3,440
Airtel Africa Telesonic Limited	United Kindom	Fellow subsidiary	2,818,517	1,865,943
Nxtra Data Limited	India	Fellow subsidiary	97,978	-
Total			**63,823,278**	**50,880,451**

23.3 Receivables from related parties:

Name of related party	Country of incorporation	Relationship to Company	2025	2024
Airtel Networks Zambia Plc	Zambia	Fellow subsidiary	3,710	2,381
Airtel Networks Kenya Limited	Kenya	Fellow subsidiary	221,559	77,492
Airtel Malawi plc	Malawi	Fellow subsidiary	441,248	432,160
Airtel Tanzania Plc	Tanzania	Fellow subsidiary	4,243	8,024
Airtel Madagascar S.A	Madagascar	Fellow subsidiary	282,700	216,960
Airtel Uganda Limited	Uganda	Fellow subsidiary	42,394	43,534
Celtel Niger S.A	Niger	Fellow subsidiary	128,712	127,565
Bharti Airtel International (Netherlands) B.V.	Netherlands	Intermediate Parent	-	868,197
Airtel Gabon S.A	Gabon	Fellow subsidiary	114	10
Airtel Rwanda Limited	Rwanda	Fellow subsidiary	137,044	135,860
Airtel Congo (RDC) S.A.	Congo (DRC)	Fellow subsidiary	9,202	2,524
Jersey Airtel Limited	Jersey	*Other related party	0	(66)
Bharti Airtel Lanka (Pvt Ltd), Sri Lanka	Sri Lanka	Fellow subsidiary	25	2,721
Airtel Mobile Commerce Seychelles Ltd	Seychelles	Fellow subsidiary	144,130	5,934,691
Bharti Airtel (UK) Limited	United Kindom	Fellow subsidiary	3,817,595	5,426,209
Bharti Airtel Limited	India	Intermediate Parent	1,417,263	960,259
Bharti International (Singapore) Pte Ltd	Singapore	Fellow subsidiary	2,036,740	1,531,525
Bharti Hexacom Limited	India	Fellow subsidiary	16,441	1,840
Airtel Networks Limited (Nigeria)	Nigeria	Fellow subsidiary	4,175	5,104
Emtel Limited	Mauritius	*Other related party	206	2,658
Singapore Telecommunications Limited	Singapore	*Other related party	257,865	746,602
Total			**8,965,367**	**16,526,250**

23.4 Payables to related parties:

Name of related party	Country of incorporation	Relationship to Company	2025	2024
Airtel Networks Zambia Plc	Zambia	Fellow subsidiary	1,414	11,925
Airtel Networks Kenya Limited	Kenya	Fellow subsidiary	2,362,209	2,445,781
Airtel Tanzania Plc.	Tanzania	Fellow subsidiary	17,517,971	14,821,649
Airtel Madagascar S.A	Madagascar	Fellow subsidiary	18,277	66,889
Airtel Congo (RDC) S.A.	Congo (DRC)	Fellow subsidiary	72,791	71,748
Airtel Tchad S.A	Tchad	Fellow subsidiary	43,635	37,967
Airtel Uganda Limited	Uganda	Fellow subsidiary	23,253	22,635
Airtel Networks Limited (Nigeria)	Nigeria	Fellow subsidiary	450,269	917,863
Bharti Airtel Limited	India	Intermediate Parent	186,485	233,106
Bharti Airtel Lanka (Pvt Ltd), Sri Lanka	Sri Lanka	Fellow subsidiary	-	5,961
Bharti International (Singapore) Pte Ltd	Singapore	Fellow subsidiary	137,056	135,877
Bharti Airtel International (Netherlands) B.V.	Netherlands	Intermediate Parent	-	4,177,817
Airtel Africa Services (UK) Limited	United Kindom	Fellow subsidiary	37,550,666	22,076,578
Seychelles Cable Systems Company Limited	Seychelles	Associate	4,823,155	8,130,162
Singapore Telecommunications Limited	Singapore	*Other related party	1	112,455
Network I2I Limted	India	Intermediate Parent	1,495,270	1,525,705
Bharti Airtel (UK) Limited	United Kindom	Fellow subsidiary	277,898	1,883,825
Bharti Hexacom Limited	India	Fellow subsidiary	426	237
Emtel Limited	Mauritius	*Other related party	1,719	2,294
Airtel Mobile Commerce Seychelles Ltd	Seychelles	Fellow subsidiary	-	23,718
Bharti Airtel (France) SAS	France	Fellow subsidiary	5,901,479	7,953,070
Nxtra Data Limited	India	Fellow subsidiary	35,568	38,612
Airtel Africa Telesonic Limited	United Kindom	Fellow subsidiary	1,499,908	1,699,334
Indian Ocean Telecom Limited	Jersey	Parent	64,977,699	81,443,319
Total			**137,377,320**	**147,839,708**

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

23.5 Directors emoluments, pensions or compensation

Emoluments, pensions or compensation and any other benefits paid to directors during the year are shown below:

Director	Salary for Management 2025	2024	Fees, Pension 2025
Eddy Kapuku (appointed on 15 May 2024)	5,197,005	5,136,793	1,404,821
Alok Bafna (regined on 31 July 2025)	-	-	-
Ramakrishna Lella(regined on 19 December 2025)	-	-	-
Anwar Soussa (appointed on 23 August 2023)	-	-	-
Monica Njeri Kachola (regined on 31 March 2026)	-	-	-
Pankaj Kumar (appointed on 01 August 2025)	-	-	-
Amit Khurana (appointed on 19 December 2025)	-	-	-
Bavo Emanuel Mzee (appointed on 01 April 2026)	-	-	-
Total	**5,197,005**	**5,136,793**	**1,404,821 #**

23.6 Parent and other controlling interests

The shares of the company are held by Indian Ocean Telecom Limited (99.9%) and Bharti Airtel Africa BV(0.1%).

The Intermediate Parent is Airtel Africa plc a company incorporated in the UK.

24. Capital commitments

Capital commitments in the form of Open Purchase orders as at 31 December 2025 were to the tune of SCR 43M (2024: SCR 13M) dedicated for 5G, MNP, IT servers and network upgrades. These commitments are self-financed by the company.

25. Financial risk management objectives and policies

The company's activities expose it to a variety of financial risks: market risk (including Foreign exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

Financial risk management is carried out by the finance department under policies approved by the Board of Directors.

Market Risk

Market risk It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk-currency rate risk, interest rate risk and other price risks, such as equity risk. Financial instruments affected by market risk includes loans and borrowings, deposits.

i) Foreign currency risk management- Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company primarily transacts business in U.S. dollars with parties of other countries. The Company imports equipment and services; and is therefore, exposed to foreign exchange risk arising from various currency exposures primarily with respect to United States dollar. The company's policy to manage the foreign currency risk is to settle all its foreign liabilities as they fall due for payment in order to mitigate the risk associated with the Seychelles rupees depreciating significantly in value against the respective currencies of the suppliers.

As at 31 December 2025, if the SCR had weakened/strengthened by 5% against the US dollar with all other variables held constant, profit/(loss) before tax for the year would have been SCR 3 million (2024: SCR (5 million) lower/higher respectively.

ii) Interest rate risk - Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's interest-bearing debt obligations with floating interest rates. Currently, all borrowing are on fixed rate.

iii) Price risk -The Company does not hold any financial instruments subject to price risk.

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the company and arises from cash equivalents and deposits with financial institutions and principally from credit exposures to customers relating to outstanding receivables. For banks and financial institutions, only reputable institutions are used.
The company is not significantly exposed to credit risk on the retail side since the majority of its customers are on the prepaid plan and majority of the distributors /dealers are primarily on cash basis, or their credit is covered by a bank guarantee.

The interconnection between the company and other telecommunications operators (both local and foreign) is on credit basis and the number of credit days is governed by the agreement between the parties. The utilisation of credit limits is regularly monitored.

The amount that best represents the company's maximum exposure to credit risk at 31 December 2025 is made up as follows:

	Note	SCR 2025	SCR 2024
Cash and cash equivalents	22	16,501,898	11,041,616
Trade receivables (net)	17	6,815,726	8,177,157
Receivable from related parties	17	8,965,367	16,526,250
Contract assets and other recievables	17	7,525,848	8,603,617

The ageing of the trade receivables is shown below:

	2025 Gross Amount	2025 Impaired	2024 Gross Amount	2024 Impaired
30 days	1,239,610	-	1,124,149	-
60 days	5,244,175	-	1,594,909	-
90 days and above	89,512,020	89,180,080	87,091,520	81,633,421

Liquidity Risk
Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the finance department maintain flexibility in funding by maintaining availability under committed credit lines.

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

	Note	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 December 2025					
- Borrowings**	20	107,564,046	55,583,333	59,991,597	-
- Trade and other payables*	21	169,001,412	-	-	-
- Lease liabilities	11.2	288,135	766,429	488,267	-
At 31 December 2024					
- Borrowings**	20	85,357,305	113,851,736	42,543,288.00	-
- Trade and other payables*	21	179,375,445	-	-	-
- Lease liabilities	11.2	3,226,174	6,734,429	2,120,663	-

*Trade and Other payable is exclusive of Other tax payable.
**Borrowings is inclusive of Interest payable

Capital Management

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

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

No changes were made in the objectives policies or processes during the period ended 31 December 2025.
The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may limit the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

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

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

	2025	2024
Total borrowings (including borrowings and lease liabilities)	239,052,209	225,439,960
Less: cash and cash equivalents	(16,501,898)	(11,041,616)
Net debts	**222,550,311**	**214,398,343**
Total equity	32,056,959	49,844,687
Total capital	254,607,270	264,243,030
Gearing ratio	87%	81%

26. Fair value of financial assets and liabilities (Financial Instruments)

Set out below is a comparison by class of the carrying amount and fair value of the financial instruments that are recognised in the financial statements. The carrying amount of the financial assets and financial liabilities approximate their fair values because of their short-term nature as shown below.

		Carrying/Fair value	
	Note	**FVTPL – mandatorily measured**	**Amortised cost**
31 December 2025			
Financial Assets			
Cash and bank balances	22	-	16,501,898
Trade and other receivables *	17	-	13,922,057
Amounts due from related parties	17	-	8,965,367
Investment in Associates	13	-	82,708,665
Financial Liabilities			
Trade and other payables **	21	-	91,245,237
Amounts due to related parties	21	-	72,399,620
Lease liabilities	12	-	16,235,337
Term loans	20	-	222,816,872

31 December 2024			
Financial Assets			
Cash and bank balances	22	-	11,041,616
Trade and other receivables *	17	-	13,814,515
Amounts due from related parties	17	-	16,526,250
Investment in Associates	13	-	71,640,432
Financial Liabilities			
Trade and other payables **	22	-	116,827,464
Amounts due to related parties	22	-	66,396,389
Lease liabilities	13	-	9,864,446
Term loans	20	-	215,575,514

*Trade and other receivable is exclusive of amount due from related parties.
**Trade and other payable is exclusive of other taxes payable and amount due to related parties.

The carrying value of financial assets and other assets is equal to their fair value. As a result, no difference arises between book value and fair value, and the assets are presented at fair value in the financial statements

Classes and categories of financial instruments and their fair values
The following table combines information about:

- classes of financial instruments based on their nature and characteristics;
- the carrying amounts of financial instruments;
- fair values of financial instruments (except financial instruments when carrying amount approximates their fair value); and
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

27. Segment reporting

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

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

The executive management committee measures the performance of the operating segment based on a measure of Earnings before Interest, Tax, Depreciation and Amortisation. Breakdown of revenue from all services is shown in note 4 to the financial statements.

28. Contingencies

There are no contingent liabilities as of 31 December 2025. (2024: Nil)

29. Events after the balance sheet date:

Subsequent to 31 December 2025, the Company received a letter from the licensing authority requesting payment of SCR 16.8 million in licence fees relating to the years 2023 and 2024.

Management is reviewing the claim, seeking legal advice, and assessing the financial implications. Based on the information currently available, management considers the likelihood of an outflow to be remote. No adjustment has been made to the financial statements for the year ended 31 December 2025.