LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
("the Group", "Liquid" or "Liquid Intelligent Technologies")
FINANCIAL RESULTS FOR THE SECOND QUARTER AND FIRST HALF ENDED 31 AUGUST 2025

Strong operational metrics sustain robust underlying performance, debt reduction plan gathering momentum

23 October 2025

Leading pan-African technology solutions group, Liquid Intelligent Technologies, a business of Cassava Technologies, announces financial results for the second quarter and first half ended 31 August 2025.

Strategic highlights:

- Partial disposal of an asset in the Cassava Group signed, to release USD 100 million of capital for debt reduction.
- New equity investment from a Global Technology player of USD 25 million to flow into the bond perimeter.
- Advanced discussions with two commercial lenders on additional facilities.
- Liquid Network launched Business Internet Access to support the growth of South African businesses and through its Fibre TechCelerate Programme is empowering SMEs with essential digital and business skills.
- Liquid C2 achieved Sophos Platinum Partner status, elevating its cybersecurity managed services across Africa.
- Liquid Network partnered DropByDrop to drive smart water management across Kenya.

Financial highlights:

- Reported revenue increased 0.1% year-on-year in the second quarter and declined 3.0% in the first half with the prior year benefiting from the non-recurring and low margin ECG related revenue.
    - o Excluding this impact, revenue increased 4.2% in the second quarter and 4.3% in the first half, reflecting good growth across the Group and record low churn levels.
- Adjusted EBITDA[1] of USD 146.6 million, a 5.3% decrease in the first half with the prior year benefiting from a material reduction in bad debt provisions.
- For the second quarter, cash generated from operations improved year-on-year to USD 60.3 million (Q2 FY 2024-25: USD 55.3 million). For the half year, cash generated from operations of USD 91.6 million was 15.5% below the same period last year.
- Net debt to Adjusted EBITDA[1,2,3] at the end of August 2025 was 3.45 times compared to the covenant of 3.50 times.

Group Financials	For the six-month period ended:			For the three-month period ended:		
	31 August 2025	31 August 2024	YoY	31 August 2025	31 August 2024	YoY
	(USDm)	(USDm)	(%)	(USDm)	(USDm)	(%)
Revenue	352.4	363.3	(3.0)	179.9	179.7	0.1
Adjusted EBITDA	146.6	154.8	(5.3)	65.8	72.2	(8.9)
Cash generated from operations	91.6	108.4	(15.5)	60.3	55.3	9.0
Net debt	884.8	926.7	(4.5)	884.8	926.7	(4.5)
Net debt / Adjusted EBITDA (x)	3.45	3.19	n/a	3.45	3.19	n/a

[1] Adjusted EBITDA is defined as earnings before interest, taxation, depreciation, impairment and amortisation, and is also presented before recognising the following items: dividends, restructuring costs, net foreign exchange (loss)/gain and hyperinflation monetary gain.
[2] Net debt is defined as gross debt less unrestricted cash and cash equivalents.
[3] Adjusted EBITDA for the last twelve months.

Group Chief Executive Officer, Hardy Pemhiwa, commented:
"It was encouraging to see monthly recurring revenue of 91.3% in the six months to the end of August, and 92.0% in the second quarter. This demonstrates our determination to generate consistent, predictable and higher quality revenue. We continue to proactively respond to the evolving needs of our customers, with the record low levels of churn achieved during the quarter a testament to this. It was particularly pleasing to achieve 0.30% churn in the second quarter, a testament to our operational effectiveness and the commitment of colleagues across the business.

One of the key objectives of our debt refinancing plan is to materially reduce our gross debt. Our goal in the next twelve months is to refinance the Bond at a lower level in the coming months and to be comfortably below a Net Debt to EBITDA level of 2.5 times. Furthermore, given the increased local and international geo-political risks we foresee, our intentions are to keep paying down our debt even after the initial refinancing. We are pleased that the proceeds of the asset sale and the additional fresh equity received are significant drivers of that deleverage."

Group Chairman, Strive Masiyiwa, added:
"I echo the comments on our operational performance. These metrics demonstrate forward looking validation of our strategic direction and our ability to achieve sustainable and profitable long-term growth. However, whilst operational and financial success is the bedrock on which our business is built, it is also an enabler to provide our digital infrastructure and digital solutions offerings to individuals, businesses and communities across Africa to empower, and generate social and economic advancement.

I am particularly pleased that Liquid Intelligent Technologies is starting to benefit from the wider Cassava ecosystem particularly AI infusion that we expect to be a key driver of productivity, product development and innovation."

There will be an investor call today at 14:00 GMT, you can register for the event here. Further details and information about Liquid Intelligent Technologies can be found on our website at www.liquid.tech.

For further information please contact:
Mark Reynolds, Head of Investor Relations
M: +44 7468 846195
E: mark.reynolds@liquid.tech

Next scheduled announcement: The Group is scheduled to publish its Q3 FY 2025-26 results in January 2026.

About Liquid Intelligent Technologies
Liquid Intelligent Technologies is a business of Cassava Technologies, a pan-African technology group with operations in over 25 countries in Africa. Liquid has firmly established itself as the leading provider of pan-African digital infrastructure with a 110,000+ km-long fibre broadband network and satellite connectivity that provides high-speed access to the Internet anywhere in Africa. Liquid is also leveraging its digital network to provide Cloud and Cyber Security solutions through strategic partnerships with leading global players. Liquid is a comprehensive technology solutions group that provides customised digital solutions to public and private sector enterprises and SMEs across the continent.

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OPERATIONAL AND FINANCIAL REVIEW

Liquid Intelligent Technologies is a technology, digital solutions and broadband data connectivity provider to enterprise and retail customers across more than 25 countries primarily in Central, Eastern and Southern Africa.

Key Performance Indicators (KPIs)

The following table sets out the Group's Key Performance Indicators:

Key Performance Indicators	Q1 2024-25	Q2 2024-25	Q3 2024-25	Q4 2024-25	FY 2024-25	Q1 2025-26	Q2 2025-26
Total fibre network (Kms) [1]	107,900	108,086	108,441	108,868	108,868	109,057	114,150
Average churn rate (%) [2]	0.44%	0.60%	0.67%	0.40%	0.53%	0.52%	0.30%
Monthly recurring revenue (%) [3]	81.9%	85.2%	92.1%	91.0%	87.3%	90.5%	92.0%
Cloud seats YoY growth (%) [4]	15.0%	9.6%	6.0%	15.4%	15.4%	19.3%	17.0%
Total capacity on subsea assets (Gbps) [5]	3,841	3,841	4,341	4,341	4,341	4,341	4,341

[1] Total fibre network in kilometres (incl. backbone, metro and FTTX) through which fibre is installed. Multiple kilometres of fibre cables or ducts within the same trench/overhead line are counted individually. Includes both owned and leased capacity through partnerships.
[2] Average churn rate represents the monthly recurring revenue that was lost during the period following a price reduction or termination of service due to disconnections, downgrades, price reduction and non–renewals, divided by the total revenue for the period.
[3] Monthly recurring revenue is the total of all recurring revenue usage in the period, normalised into a monthly amount and expressed as a percentage of total revenue in the same period.
[4] Year-on-year growth for the equivalent period in the number of paid for Cloud license seats.
[5] Capacity, in gigabits per second, purchased by, activated by, or reserved for, Liquid Intelligent Technologies on subsea cables (incl. IRUs).

The increase in our fibre network in the quarter of 5,093 kilometres was due to the inclusion of the now largely complete and operational, Eastern Cape Government (ECG) infrastructure. To date, this network extends to nearly 4,500 kilometres and is enabling the connection of 2,700 Government buildings in the region. The residual network increase in the quarter of a little over 500 kilometres, occurred in South Africa, Zimbabwe, Zambia and Kenya as we focus on monetising our existing footprint with more targeted network densification.

We achieved an incredibly low rate of churn in the quarter of 0.30%, a significant improvement on the prior year (Q2 FY 2024-25: 0.60%) and prior quarter (Q1 FY 2025-26: 0.52%) as we remain laser focused on providing value to our customers via competitive and comprehensive high-quality solutions. We recognise that delivering on our customer satisfaction promise remains integral to our long-term success.

We maintained a high level of monthly recurring revenue (MRR) during the second quarter at 92.0%, a strong improvement on the prior year (Q2 FY 2024-25: 85.2%, 88.7% excluding the ECG infrastructure sales impact). We remain determined to retain a high level of MRR to deliver more consistent and predictable revenue streams.

Our year-on-year growth in Cloud seats was 17.0% driven by good growth across all territories. This is a key part of our strategy of delivering digital solutions to existing and new customers over our comprehensive digital infrastructure.

Subsea capacity remained stable at 3,841 Gbps in the second quarter.

Segments

Network - These revenue streams are at the core of the company, and this segment includes revenue from all our owned and leased fibre infrastructure, including the long-haul Cape to Cairo, East to West and South Africa NLD (National Long Distance) routes as well as Metro and FTTH (Fibre to the Home) networks.

C2 - This encompasses our cloud and cyber security offerings including managed services, as this segment grows it will include other complementary digital products.

Dataport - This segment includes revenue from agreements with subsea cable providers, satellite services, hosting of landing stations and providing the gateway to large, global network provision agreements.

Voice - This segment is primarily revenue from international voice interconnects between mobile network operators and international telecom carriers into and out of Africa.

Revenue

Revenue by Segment	For the six-month period ended:			For the three-month period ended:		
	31 August 2025	31 August 2024	YoY	31 August 2025	31 August 2024	YoY
	(USDm)	(USDm)	(%)	(USDm)	(USDm)	(%)
Network	243.0	260.9	(6.9)	124.4	128.8	(3.4)
C2	67.0	57.1	17.3	34.6	29.1	18.9
Dataport	16.5	18.5	(10.8)	8.2	9.1	(9.9)
Voice	25.9	26.8	(3.4)	12.7	12.7	-
Total Revenue	**352.4**	**363.3**	**(3.0)**	**179.9**	**179.7**	**0.1**

Total revenue in the second quarter was USD 179.9 million (Q2 FY 2024-25: USD 179.7 million), an increase of 0.1% year-on-year, however, the prior year included USD 7.1 million for the sale of infrastructure related to the ECG contract, with no comparable revenue in the current year. Excluding this, revenue would have increased by 4.2% driven by good growth in Network and continued strong growth in C2. Note, the infrastructure revenue was reported in South Africa Network revenue and has negligible margin associated with it.

On a geographic basis, there was strong growth in Egypt, Tanzania, Zambia, Botswana and the Democratic Republic of Congo as well as the sustained underlying growth in South Africa. This was driven by increased sites and capacity upgrades on the Eastern and Western Cape Government contracts and continued sales of IRUs on the NLD routes to MNOs and public sector organisations.

The overall impact of exchange rate movements in the second quarter was a tailwind of USD 3.4 million versus the prior year, an increase on the first quarter tailwind of USD 0.6 million, largely driven by the accelerated strengthening of the South Africa Rand (USD 2.7 million).

On a year-to-date basis, total revenue was USD 352.4 million, 3.0% lower year-on-year (Q2 YTD FY 2024-25: USD 363.3 million), however, the prior year included USD 25.4 million for the sale of infrastructure related to the ECG contract compared to none in the current year. Excluding this, revenue would have increased by 4.3% driven by good growth in Network and continued strong growth in C2.

On a geographic basis, there was strong growth in Egypt, the Democratic Republic of Congo, Tanzania, South Africa and Zambia, driven by the points mentioned above.

The overall impact of exchange rate movements in the first half was a tailwind of USD 4.0 million largely driven by the strengthening of the South Africa Rand (USD 3.7 million).

Network

Network revenue in the second quarter, which includes all intra- and inter-country fibre activity, decreased by 3.4% year-on-year to USD 124.4 million (Q2 FY 2024-25: USD 128.8 million), however, the prior year included the aforementioned USD 7.1 million sale of infrastructure relating to the Eastern Cape Government project. Excluding this, Network revenue increased 2.1% year-on-year, primarily from strong underlying growth in South Africa.

Reported South African Network revenue included the infrastructure sale referred to above, however excluding this, revenue continued to grow strongly, up 12.1% year-on-year, driven by increased sites and capacity upgrades on the Eastern and Western Cape Government contracts and the exchange rate benefit of USD 2.7 million.

In Rest of Africa, Network revenue was broadly flat on a reported basis as good growth in Egypt, Tanzania and Zambia were largely offset by declines elsewhere in East Africa, with a broadly neutral impact overall from exchange rates.

On a year-to-date basis, Network revenue was USD 243.0 million compared to USD 260.9 million in the same period last year, a decrease of 6.9%. However, excluding the USD 25.4 million of infrastructure sales related to ECG in the prior year, network revenue would have increased 3.2% in the first half. This was primarily driven by strong growth in South Africa from increased sites on the Eastern and Western Cape Government contracts and the exchange rate benefit of USD 3.7 million.

C2

C2 Revenue in the second quarter, which largely comprises our cloud and cyber security offerings as well as other digital services, continued to grow strongly, up 18.9% year-on-year to USD 34.6 million (Q2 FY 2024-25: USD 29.1 million).

Growth benefited from the sustained growth in Cloud seats as well as high levels of renewals in South Africa, Rest of Africa, and Rest of World via indirect channels for our application and Azure platforms. We continue to experience good underlying market growth and the benefit from the pass through of USD linked rate increases. There continues to be a strong appetite for our cloud offerings as more businesses continue to move towards integrated cloud solutions across all applications and platforms.

On a year-to-date basis, C2 revenue was USD 67.0 million compared to USD 57.1 million in the same period last year, a 17.3% increase year-on-year, driven by strong growth across the Group.

Dataport

Dataport revenue in the second quarter, covering all our sea-to-land connections, subsea capacity and satellite services, decreased 9.9% year-on-year to USD 8.2 million (Q2 FY 2024-25: USD 9.1 million). The decline was largely due to lower satellite services revenues in Rest of World as well as the ongoing instability in the east of the Democratic Republic of Congo, which has impacted IP transit traffic through the country.

On a year-to-date basis, Dataport revenue was USD 16.5 million compared to USD 18.5 million in the same period last year, a decrease of 10.8% year-on-year for the reasons detailed above. Dataport continues to build up a strong pipeline, however, these deals are typically large and non-recurring resulting in fluctuating trends.

Voice

Whilst Voice revenue continues to be impacted by global traffic trends away from traditional voice activity, we reported a resilient second quarter of USD 12.7 million, flat on the same period last year (Q2 FY 2024-25: USD 12.7 million).

On a year-to-date basis, Voice revenue was USD 25.9 million compared to USD 26.8 million for the same period last year.

Gross Profit

Gross Profit	For the six-month period ended:			For the three-month period ended:		
	31 August 2025	31 August 2024	YoY	31 August 2025	31 August 2024	YoY
	(USDm)	(USDm)	(%)	(USDm)	(USDm)	(%)
Revenue	352.4	363.3	(3.0)	179.9	179.7	0.1
Costs per quarterly financial statements	(103.4)	(118.1)	12.4	(56.1)	(54.9)	(2.2)
Gross Profit	**249.0**	**245.2**	**1.5**	**123.8**	**124.8**	**(0.8)**
Gross Profit Margin (%)	70.7%	67.5%	3.2pp	68.8%	69.4%	-0.6pp

Absolute gross profit for the second quarter was USD 123.8 million, 0.8% lower year-on-year (Q2 FY 2024-25: USD 124.8 million) and gross profit margin was marginally lower at 68.8% compared to 69.4% in the prior year, with the reduction largely resulting from the increased mix from the growing C2 segment.

On a year-to-date basis, gross profit was USD 249.0 million, 1.5% higher year-on-year (Q2 YTD FY 2024-25: USD 245.2 million) and the gross profit margin was also higher at 70.7% (Q2 YTD FY 2024-25: 67.5%) due to the impact of the low margin infrastructure sales related to ECG contract in the prior year.

Total Overheads and Other Income

Total Overheads and Other Income	For the six-month period ended:			For the three-month period ended:		
	31 August 2025	31 August 2024	YoY	31 August 2025	31 August 2024	YoY
	(USDm)	(USDm)	(%)	(USDm)	(USDm)	(%)
Other income	3.4	1.6	112.5	2.5	0.8	212.5
Selling, distribution and marketing costs	(5.5)	(4.4)	(25.0)	(2.8)	(2.0)	(40.0)
Expected credit loss provision	(2.2)	7.4	129.7	(3.2)	(0.4)	(700.0)
Administrative costs	(44.0)	(40.8)	(7.8)	(23.4)	(21.6)	(8.3)
Staff costs	(54.2)	(54.2)	-	(31.2)	(29.4)	(6.1)
Total Overheads and Other Income	**(102.5)**	**(90.4)**	**(13.3)**	**(58.1)**	**(52.6)**	**(10.5)**
% to Total Revenue	29.1%	24.9%	-4.2pp	32.3%	29.3%	-3.0pp

Total Overheads and Other Income for the second quarter were USD 58.1 million (Q2 FY 2024-25: USD 52.6 million), 10.5% higher year-on-year due to the prior year benefiting from a significant improvement in the expected credit loss provision, following concerted efforts to collect large, aged debts, particularly in South Africa and Zimbabwe.

On a year-to-date basis, Total Overheads and Other Income amounted to USD 102.5 million compared to USD 90.4 million for the same period last year, largely due to the reason referred to above.

Adjusted EBITDA and Profit

Adjusted EBITDA	For the six-month period ended:			For the three-month period ended:		
	31 August 2025	31 August 2024	YoY	31 August 2025	31 August 2024	YoY
	(USDm)	(USDm)	(%)	(USDm)	(USDm)	(%)
Adjusted EBITDA	**146.6**	**154.8**	**(5.3)**	**65.8**	**72.2**	**(8.9)**
Depreciation, impairment and amortisation	(59.7)	(66.2)	9.8	(31.0)	(33.4)	7.2
Dividend received	(0.1)	-	n/a	(0.1)	-	n/a
Operating Profit	**86.8**	**88.6**	**(2.0)**	**34.7**	**38.8**	**(10.6)**
Dividend received	0.1	-	n/a	0.1	-	n/a
Restructuring costs	(0.4)	(2.8)	(100.0)	-	(2.5)	(100.0)
Interest income	13.0	10.9	19.3	6.5	5.6	16.1
Finance costs	(49.2)	(47.0)	(4.7)	(25.5)	(23.9)	(6.7)
Foreign exchange gain / (loss)	4.2	(133.3)	103.2	11.1	66.9	83.4
Monetary adjustment - IAS 29	10.5	217.0	(95.2)	5.6	(159.7)	(103.5)
Profit / (loss) before tax	**65.0**	**133.4**	**(51.3)**	**32.5**	**(74.8)**	**(143.4)**
Tax (expense) / credit	(18.2)	(35.4)	48.6	(7.4)	5.7	229.8
Profit / (loss) for the period	**46.8**	**98.0**	**(52.2)**	**25.1**	**(69.1)**	**(136.3)**

Adjusted EBITDA in the second quarter was USD 65.8 million, 8.9% lower compared to the same period in the prior year (Q2 FY 2024-25: USD 72.2 million) largely resulting from a more normalised level of overheads in the current year, as detailed above.

On a year-to-date basis, Adjusted EBITDA was USD 146.6 million compared to USD 154.8 million for the same period last year, a decrease of 5.3% resulting from the increased overheads referred to above.

Depreciation, impairment and amortisation costs in the second quarter were slightly lower year-on-year at USD 31.0 million (Q2 FY 2024-25: USD 33.4 million). The year-on-year reduction in both the second quarter and on a year-to-date basis largely reflects the sustained reduction in capex in recent years as well as exchange rate benefits.

Finance costs of USD 25.5 million, which includes interest on the Bond and Revolving Credit Facility ("RCF"), the amortising ZAR term loan, local debt in Zambia, and leases, were 6.7% higher year-on-year (Q2 FY 2024-25: USD 23.9 million) largely due to higher lease costs.

The foreign exchange gain in the first half of USD 4.2 million (Q2 YTD FY 2024-25: loss of USD 133.3 million) although mainly due to the Zimbabwean exchange rate movement, was significantly improved on the prior year due to continuing stability in the ZWG. The ZWG:USD closing exchange rate was 26.8:1 (28 February 2025: ZWG:USD 26.6:1). CPI in Zimbabwe for the first half was 191.65 (31 August 2024: 98.91) which resulted in a monetary adjustment of USD 10.5 million in the first half (Q2 YTD FY 2024-25: USD 217.0 million), resulting in a net profit after tax in the first half of USD 46.8 million (Q2 YTD FY 2024-25: USD 98.0 million).

Cash generated from operations

Cash Flows	For the six-month period ended:			For the three-month period ended:		
	31 August 2025	31 August 2024	YoY	31 August 2025	31 August 2024	YoY
	(USDm)	(USDm)	(%)	(USDm)	(USDm)	(%)
Cash generated from operations	**91.6**	**108.4**	(15.5)	**60.3**	**55.3**	9.0
Tax paid	(18.3)	(11.6)	(57.8)	(6.0)	(4.7)	(27.7)
Net cash generated from operating activities	**73.3**	**96.8**	**(24.3)**	**54.3**	**50.6**	**7.3**
Net cash used in investing activities	(23.7)	(25.5)	7.1	(14.3)	(9.0)	(58.9)
Net cash used in financing activities	(69.9)	(55.1)	(26.9)	(29.8)	(22.8)	(30.7)
Net (decrease) / increase in cash and cash equivalents	**(20.3)**	**16.2**	**225.3**	**10.2**	**18.9**	**46.0**

Cash generated from operations improved year-on-year to USD 60.3 million in the second quarter (Q2 FY 2024-25: USD 55.3 million), with the year-on-year improvement a result of the unwind of the high inventories related to the ECG contract which had built up in recent quarters.

Net cash used in investing activities in the quarter increased by 58.9% year-on-year to USD 14.3 million (Q2 FY 2024-25: USD 9.0 million) due to a year-to-date adjustment in the second quarter of the prior year related to the introduction of the new currency in Zimbabwe. The cash spent on investing activities in the quarter reflected investment on network infrastructure, maintenance and customer connections in South Africa, Zimbabwe, Zambia and Kenya as we focus on monetising our existing footprint with more targeted network densification.

Cash used in financing activities is largely related to interest, lease and debt payments. In the second quarter, financing activities totalled USD 29.8 million (Q2 FY 2024-25: USD 22.8 million). The year-on-year increase was due to higher lease payments in the current year, coupled with the offset of a USD 7 million draw down on the RCF in the prior year.

On a year-to-date basis, cash generated from operations was USD 91.6 million (Q2 YTD FY 2024-25: USD 108.4 million), a decrease of 15.5% with the prior year benefiting from a material improvement in working capital and the current year first quarter being impacted by the increased inventory related to the ECG contract referred to above, albeit this has now begun to unwind.

Net cash used in investing activities in the first half was 7.1% lower than the prior year due to reduced spend on network expansion as we increasingly focus spend on more targeted densification. This was partly offset by the increase in the second quarter as described above.

Interest, lease and debt payments in the first six months totalled USD 69.9 million (Q2 YTD FY 2024-25: USD 55.1 million), the year-on-year increase was due to the reasons noted above.

Capital investment and network developments

Capital expenditure in the first half was broadly flat year-on-year and amounted to USD 24.2 million (Q2 YTD FY 2024-25: USD 24.0 million). As the build of our network is largely complete, a greater share of the investment compared to the prior year was focused on network densification including on the NLD routes in South Africa, as well as in Zimbabwe, Zambia and Kenya.

Gross and Net Debt

Gross and Net Debt	As at 31 August 2025 (USDm)
Total Gross Debt	**947.4**
Long term borrowings (excl derivative)	617.1
Short term portion of long-term borrowings	157.6
Unamortised arrangement fees	3.3
Leases - LT	131.3
Leases - ST	38.1
Less: Unrestricted cash	**(62.6)**
Net Debt	**884.8**
Last twelve months EBITDA	256.2
Last twelve months interest	99.3
Covenants:	
Gross Debt / LTM EBITDA (x)	3.70
Net Debt / LTM EBITDA (x)	3.45
Interest / LTM EBITDA (x)	2.58
Debt Service Cover Ratio (DSCR)	2.43

Unrestricted cash at the end of the second quarter was USD 62.6 million (FY 2024-25: USD 85.4 million), of this, USD 18.6 million was held in Zimbabwe (FY 2024-25: USD 16.6 million). We continue to ensure that we have sufficient liquidity with a strong focus on working capital management.

Gross debt was USD 947.4 million at the end of the second quarter, lower than the FY 2024-25 year-end (USD 957.8 million) due to capital repayments on the ZAR Term Loan and lower IFRS16 Lease Liabilities.

Considering the above cash position, net debt at the end of the quarter was USD 884.8 million, giving a net debt to adjusted EBITDA ratio of 3.45x, compared to the 3.50x covenant threshold and 3.29x position at the end of FY 2024-25.

Strive Masiyiwa
Group Chairman

Hardy Pemhiwa
Group Chief Executive Officer

Lorraine Harper
Group Chief Finance Officer

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED

(trading as)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE 6 MONTHS ENDED

31 August 2025

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the 6 months ended 31 August 2025

	Notes	6 months ended 31/08/2025 USD'000 (Unaudited)	6 months ended 31/08/2024 USD'000 (Unaudited)	3 months ended 31/08/2025 USD'000 (Unaudited)	3 months ended 31/08/2024 USD'000 (Unaudited)
Revenue	3	352,408	363,272	179,872	179,710
Interconnect related costs		(20,084)	(18,843)	(9,707)	(8,728)
Data and network related costs		(100,581)	(115,543)	(54,683)	(54,741)
Net other income	4	3,305	1,579	2,508	790
Selling, distribution and marketing costs		(5,533)	(4,442)	(2,827)	(1,992)
Expected credit loss (provision) / reversal		(2,213)	7,430	(3,160)	(402)
Administrative expenses		(26,749)	(24,574)	(15,064)	(13,006)
Staff costs		(54,191)	(54,229)	(31,227)	(29,443)
Depreciation, impairment and amortisation		(59,693)	(66,155)	(30,981)	(33,416)
Operating profit		**86,669**	**88,495**	**34,731**	**38,772**
Dividend received		139	3	68	-
Restructuring costs		(410)	(2,751)	(2)	(2,500)
Interest income	5	12,958	10,905	6,538	5,608
Finance costs	6	(49,153)	(47,004)	(25,539)	(23,873)
Foreign exchange gain / (loss)		4,228	(133,312)	11,098	66,944
Hyperinflation monetary gain		10,535	217,048	5,554	(159,734)
Share of profits of associate		6	10	2	6
Profit / (loss) before taxation		**64,972**	**133,394**	**32,450**	**(74,777)**
Tax (expense) / credit	7	(18,150)	(35,437)	(7,447)	5,694
Profit / (loss) for the period		**46,822**	**97,957**	**25,003**	**(69,083)**
Other comprehensive income / (expense)					
Items that may be reclassified subsequently to profit or loss:					
Translation gain on accounting for foreign entities		12,382	36,186	3,114	14,477
Impact of foreign exchange on opening balance adjustment under hyperinflation accounting		(2,937)	(3,535)	(1,870)	64,937
Items that will not be reclassified subsequently to profit or loss:					
Fair value gain on investments in equity instruments designated as FVTOCI		457	74	541	710
Total other comprehensive income, net of tax		9,902	32,725	1,785	80,124
Total comprehensive income		**56,724**	**130,682**	**26,788**	**11,041**
Income / (expense) attributable to:					
Owners of the company		45,933	98,343	24,483	(69,029)
Non-controlling interest		889	(386)	520	(54)
		46,822	**97,957**	**25,003**	**(69,083)**
Total comprehensive income attributable to:					
Owners of the company		55,816	131,078	26,259	11,091
Non-controlling interest		908	(396)	529	(50)
		56,724	**130,682**	**26,788**	**11,041**
Earnings / (loss) per share					
Basic (Cents per share)	24	36.79	78.76	19.61	(55.29)

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 August 2025

	Notes	31/08/2025 USD'000 (Unaudited)	28/02/2025 USD'000 (Audited)
Non-current assets			
Goodwill	8	79,195	76,089
Intangible assets	9	57,611	58,812
Property, plant and equipment	10	482,359	475,990
Right-of-Use assets	11	221,209	233,008
Investment in associate		609	573
Investments at Fair Value Through Other Comprehensive Income (FVTOCI)	22	17,217	16,672
Deferred tax assets		52,512	49,912
Investments at amortised cost		43	41
Long-term receivables	20	152,707	136,330
Pre-commencement lease payments		10,754	10,754
Total non-current assets		**1,074,216**	**1,058,181**
Current assets			
Inventories		27,890	22,005
Trade and other receivables	13	377,166	331,750
Taxation		3,319	2,953
Cash and cash equivalents	12	62,618	85,368
Restricted cash and cash equivalents	12	443	425
Assets classified as held for sale	28	11,365	-
Total current assets		**482,801**	**442,501**
Total assets		**1,557,017**	**1,500,682**
Equity and liabilities			
Capital and reserves			
Share capital		3,716	3,716
Share premium		276,714	276,714
Convertible preference shares		180,000	180,000
Share application monies		35,000	35,000
Investment revaluation reserve		(163)	(620)
Retained earnings / (accumulated losses)		6,760	(39,173)
Foreign currency translation reserve		(302,200)	(311,626)
Total equity attributable to owners of the parent		**199,827**	**144,011**
Non-controlling interests		(195)	(918)
Total equity		**199,632**	**143,093**
Non-current liabilities			
Long term borrowings	14	618,958	617,583
Long term lease liabilities	15	131,334	140,740
Long term provisions		4,765	5,479
Deferred revenue	17	50,175	47,179
Deferred tax liabilities		2,554	3,346
Total non-current liabilities		**807,786**	**814,327**
Current liabilities			
Short term portion of long term borrowings	14	175,110	177,174
Short term portion of long term lease liabilities	15	38,055	36,628
Trade and other payables	16	251,018	238,979
Short term provisions		16,106	24,120
Deferred revenue	17	47,214	47,595
Taxation		18,583	18,766
Liabilities classified as held for sale	28	3,513	-
Total current liabilities		**549,599**	**543,262**
Total equity and liabilities		**1,557,017**	**1,500,682**

Approved by the Board of Directors and authorised for issue on 21 October 2025.

Nathalie Wong
Alternate Director to Eric Venpin

Mike Mootien
Director

	Notes	6 months ended 31/08/2025 USD'000 (Unaudited)	6 months ended 31/08/2024 USD'000 (Unaudited)	3 months ended 31/08/2025 USD'000 (Unaudited)	3 months ended 31/08/2024 USD'000 (Unaudited)
Cash flows from operating activities:					
Profit / (loss) before tax		64,972	133,394	32,450	(74,777)
Adjustments for:					
Depreciation, impairment and amortisation		59,693	66,155	30,981	33,416
Dividend received		(139)	(3)	(68)	(1)
Expected credit loss provision / (reversal)		2,213	(7,430)	3,160	402
(Decrease) / increase in provisions		(9,360)	(1,590)	(7,603)	3,001
Foreign exchange (gain) / loss		(1,696)	110,616	(6,912)	(89,732)
Hyperinflation monetary (gain) / loss		(10,535)	(217,048)	(5,554)	159,735
(Profit) / loss on disposal of Property, plant and equipment		(52)	172	(58)	70
Net gain /(loss) on lease terminations and modifications		358	(13)	358	(13)
Interest income	5	(12,958)	(10,905)	(6,538)	(5,607)
Finance costs	6	49,153	47,004	25,539	23,873
Share of profit from associate		(6)	(10)	(1)	(5)
		141,643	120,342	65,754	50,362
Working capital changes:					
(Increase) / decrease in inventories		(5,462)	4,117	(2,834)	11,231
Increase in trade and other receivables		(57,600)	(76,270)	(17,074)	(21,190)
Increase in trade and other payables		13,353	59,842	12,337	25,278
(Decrease) / increase in deferred revenue		(369)	398	2,074	(10,340)
Cash generated from operations		91,565	108,429	60,257	55,341
Income tax paid		(18,290)	(11,597)	(5,970)	(4,663)
Net cash generated from operating activities		73,275	96,832	54,287	50,678
Cash flows from investing activities:					
Interest income		872	546	423	288
Dividend received		139	3	68	1
Purchase of investment at FVTOCI	22 (i)	(97)	-	(97)	-
Purchase of property, plant and equipment		(20,879)	(19,659)	(12,429)	(4,692)
Proceeds on disposal of property, plant and equipment		303	616	203	223
Purchase of intangible assets		(3,361)	(3,762)	(1,765)	(1,990)
Proceeds on disposal of intangible assets		53	-	-	-
Pre-commencement lease payments		-	(435)	-	(100)
Increase of long-term receivables from related parties		(72)	(101)	(38)	(7)
Increase in long term receivables		(661)	(2,709)	(670)	(2,709)
Net cash used in investing activities		(23,703)	(25,501)	(14,305)	(8,986)
Cash flows from financing activities:					
Dividend paid		(185)	(490)	(185)	-
Finance costs paid		(27,051)	(28,478)	(5,628)	(6,189)
Repayment of lease liabilities		(32,723)	(22,927)	(14,581)	(14,027)
Repayment of borrowings		(9,948)	(3,240)	(9,359)	(2,581)
Net cash used in financing activities		(69,907)	(55,135)	(29,753)	(22,797)
Net (decrease) / increase in cash and cash equivalents		(20,335)	16,196	10,229	18,895
Cash and cash equivalents at beginning of the period		85,793	57,076	55,062	49,597
Cash transferred to assets held for sale		(1,353)	-	(1,353)	-
Translation of cash with respect to foreign subsidiaries		(1,044)	(4,542)	(877)	238
Cash and cash equivalents at end of the period	12	**63,061**	**68,730**	**63,061**	**68,730**
Represented by:					
Cash and cash equivalents	12	62,618	68,241	62,618	68,241
Restricted cash and cash equivalents	12	443	489	443	489
		63,061	**68,730**	**63,061**	**68,730**

	Notes	Share capital	Share premium	Preference shares	Share application monies	Investment revaluation reserve	Foreign currency translation reserve	(Accumulated losses) / retained earnings	Non-controlling interest	Total equity
		USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
At 01 March 2024 (Audited)		**3,716**	**276,714**	**180,000**	**-**	**16**	**(279,242)**	**(57,616)**	**86**	**123,674**
Dividend	21	-	-	-	-	-	-	-	(460)	(460)
Income / (expense) and total comprehensive income / (expense) for the period		-	-	-	-	74	32,661	98,343	(396)	130,682
Profit / (loss) for the period		-	-	-	-	-	-	98,343	(386)	97,957
Fair value gain on investments in equity instruments designated as FVTOCI		-	-	-	-	74	-	-	-	74
Impact of foreign exchange on opening balance adjustment under hyperinflation accounting		-	-	-	-	-	(3,535)	-	-	(3,535)
Translation gain / (loss) on accounting for foreign entities		-	-	-	-	-	36,196	-	(10)	36,186
At 31 August 2024 (Unaudited)		**3,716**	**276,714**	**180,000**	**-**	**90**	**(246,581)**	**40,727**	**(770)**	**253,896**
At 01 March 2025 (Audited)		**3,716**	**276,714**	**180,000**	**35,000**	**(620)**	**(311,626)**	**(39,173)**	**(918)**	**143,093**
Dividend	21	-	-	-	-	-	-	-	(185)	(185)
Income / (expense) and total comprehensive income / (expense) for the period		-	-	-		457	9,426	45,933	908	56,724
Profit for the period		-	-	-	-	-	-	45,933	889	46,822
Fair value gain on investments in equity instruments designated as FVTOCI	22	-	-	-	-	457	-	-	-	457
Impact of foreign exchange on opening balance adjustment under hyperinflation accounting		-	-	-	-	-	(2,937)	-	-	(2,937)
Translation gain on accounting for foreign entities		-	-	-	-	-	12,363	-	19	12,382
At 31 August 2025 (Unaudited)		**3,716**	**276,714**	**180,000**	**35,000**	**(163)**	**(302,200)**	**6,760**	**(195)**	**199,632**

1. General information

Liquid Telecommunications Holdings Limited (trading as Liquid Intelligent Technologies), is a private company incorporated in Mauritius on the 26 January 2007 and is the holder of a Category 2 – Global Business Licence Company as from 29 January 2007, which was converted to a Global Business Company licence on 30 June 2021. Its registered office is situated at 10th floor, Standard Chartered Tower, 19-21 Bank Street, Cybercity, Ebene, Mauritius. The company's main activity is to carry on the business of a holding company in respect of subsidiary companies across Africa and certain other countries across the rest of the world, whilst the group's business is to develop a global telecommunications and technology business with a focus on Africa. This has remained unchanged since the prior year.

These consolidated interim financial statements are presented in United States Dollars (USD) as this is the currency in which the majority of the group's transactions are denominated. The functional currencies of the subsidiaries are: United States Dollars, Mauritian Rupee, South African Rand, Pound Sterling, Zambian Kwacha, Kenyan Shilling, Ugandan Shilling, Rwandan Franc, Botswana Pula, Nigerian Naira, Tanzanian Shilling, United Arab Emirates Dirham, Egyptian Pound and Zimbabwean dollar (ZWL$, equivalent to the Real Time Gross Settlement - "RTGS") which was replaced by a new structured currency, known as the Zimbabwe Gold (ZWG), as from 5 April 2024. See more details in note 2.2.

2. Accounting policies

Basis of preparation

The condensed consolidated interim financial statements for the 6 months ended 31 August 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting.*

The preparation of condensed consolidated interim financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

2.1 Going concern

The directors have reviewed the consolidated cash flow projections of the group for the twelve months from the date of signing of the consolidated interim financial statements, taking into account the available cash position, the cash flow projections (which include discretionary capital expenditure), the repayment of existing obligations, undrawn committed loan funding, the provision of financial support to subsidiaries where necessary and the status of equity investment and funding projects set out below. The directors consider that the operations provide sufficient financial sustainability to enable the business to continue in existence for the twelve months from the date of signing of the consolidated interim financial statements subject to the material uncertainty as set out below.

In making their assessment, the directors have considered a number of geographic, economic and operational risks. These include the potential impact of the instability of financial markets, tariffs and the associated volatility of currency markets, particularly the South African Rand and Zimbabwean ZWG, the economic situation in Zimbabwe, customer credit risks and the potential for supply chain shortages on the operations, the achievability of the business plan and the available cashflow for the twelve months from the date of signing of the consolidated interim financial statements. The directors have also considered the second equity round, an asset sale by the parent entity to inject further capital into the group, the draw down on the new USD 220.0 million equivalent South African Rand term loan and the other aspects of the re-refinancing plan of the bond (collectively referred to as the ‘’Refinancing Project’’). Based on the base case consolidated cashflow projections of the group, together with their assessment of the above factors the directors have assessed that the group and company have sufficient liquidity and headroom on their covenants and have prepared the consolidated interim financial statements on the going concern basis. The directors however recognise there are key assumptions around trading and growth which are dependent on the success of certain strategic initiatives, as well as the completion of the Refinancing Project.

The going concern assumption is supported by the following key considerations:

<u>Funding facilities</u>

The group is currently funded by a combination of equity, USD 620.0 million Senior Secured Notes (maturity September 2026), a USD 60.0 million Revolving Credit Facility ("RCF") (maturity March 2026), of which USD 25.2 million was outstanding at 31 August 2025, a USD 220.0 million equivalent South African Rand term loan of which USD 130.8 million was outstanding at 31 August 2025 (maturity March 2026, but was refinanced in December 2024 subject to the satisfaction of conditions precedent relating to an equity injection, the majority of which has been received, as well as conditions subsequent relating to a further equity injection of USD 150 million in the bond perimeter), and a revolving credit facility (RCF) in Zambia, of which USD 1.9 million was outstanding at 31 August 2025. Refer to note 14 - *Short term portion of long term borrowings and long term borrowings* for more details.

<u>Cash position</u>

As at 31 August 2025, the group had an unrestricted cash position of USD 62.6 million (28 February 2025: USD 85.4 million). Of this amount, USD 18.6 million (28 February 2025: USD 17.1 million) is held in Zimbabwe. The group has translated the ZWG denominated cash in Zimbabwe at the statement of financial position date at a ZWG:USD exchange rate of 26.8:1 (28 February 2025: ZWL$:USD 26.6:1). See note 2.2.1 on *Zimbabwean currency* change in the year. Cash held in Zimbabwe is mainly used to locally fund operating expenses and capital expenditure.

<u>Operational performance</u>

For the period ended 31 August 2025, the group reported an operating profit of USD 86.7 million (31 August 2024: USD 88.5 million) and a net cash inflow from operating activities of USD 73.3 million (31 August 2024: USD 96.8 million). This demonstrates the group's ability to generate sufficient cash flow to support its underlying business operations and invest in new projects, even after taking into account the impact of the currency changes in jurisdictions in which the group operates.

<u>Re-financing of USD 220.0 million equivalent South African Rand term loan</u>

In December 2024, the group signed new facilities to refinance its South African Rand term loan on a multi-tenor basis. The new facilities, equivalent to USD 220.0 million in South African Rand, are being provided by Standard Bank of South Africa, Rand Merchant Bank, Nedbank of South Africa, and International Finance Corporation (IFC). The utilisation of these facilities is now subject to the satisfaction of certain conditions precedent (CPs) and conditions subsequent (CSs) as previously mentioned. Any delay in the satisfaction of these conditions will result in uncertainty around the timing of the group's ability to draw down on the new USD 220.0 million equivalent South African Rand term loan.

<u>Re-financing of the USD 620.0 million Senior Secured Notes</u>

The group is currently preparing for the refinancing of the Senior Secured Notes (bond) within the going concern period under review, referred to above as the Refinancing Project. Whilst management is still undertaking the Refinancing Project, the outcome of which is not entirely within management's control, and until the Refinancing Project is completed, there continues to be uncertainty as to the group and company's ability to repay the bond in full at maturity in September 2026.

2.1 Going concern (continued)

Equity Capital Funding

The group's parent company, Cassava Technologies Limited, continues to raise new equity investment, which will result in cash inflows of up to USD 225.0 million in the Cassava Technologies Limited group. Of this amount, the directors are targeting receipt of up to USD 135.0 million in the twelve months from the date of signing of the consolidated interim financial statements. This is in addition to the USD 90.0 million that was raised as the first tranche of this equity investment in December 2024, from which Liquid Telecommunications Holdings (LTH) group has received USD 45.0 million to date. Proceeds from this investment will be deployed in the wider Liquid Telecommunications Jersey (LTJ) Limited group to fund business growth and provide operational liquidity. As part of the equity raise process, the group's direct parent company (LTJ) is engaged in a process for the sale of an asset that is owned outside the LTH Group. The group's base case scenario assumes that it will receive sufficient equity injection as part of the Refinancing Project to meet its obligations and refinance the bond. Any delay in the timing of completion of the Refinancing Project will result in uncertainty as to the timing of the group's ability to refinance the bond and fund further growth initiatives.

Material uncertainty related to going concern

The group has prepared business and cashflow forecasts in accordance with its usual process and governance procedures. These base case forecasts include both revenue growth and cost saving initiatives. Also factored into the base case forecast is the completion of the Refinancing Project. In addition, the forecasts include a working capital and capital expenditure profile that is designed to support the business in its commercial objectives for the coming twelve months. Based on current progress observed, the directors expect that the Refinancing Project will complete in the going concern period under review and as a result, these projections indicate a strong level of liquidity and meaningful covenant headroom.

However, despite the progress made on the Refinancing Project, it is not yet complete as at the date of signing of the consolidated interim financial statements. Whilst the directors expect this to happen in the going concern period there nonetheless remains a material uncertainty, over the quantum and timing of the completion of the Re-financing Project associated with the Senior Secured Notes of USD 620.0 million. These Notes will become payable on maturity in September 2026 and without the conclusion of the Refinancing Project, the group will not have the ability to repay, given its current cash and liquidity constraints.

In addition, the directors have considered a downside scenario which factors in the possibility that the key milestones associated with the Refinancing Project are not completed in that timeframe. Under this downside scenario, headroom on the net leverage covenant would be tighter in Q3 2026 (November 2025) prior to completing the Refinancing Project and mitigating actions would need to be taken to address any shortfalls. These mitigating actions may include for example, the reduction of operating and capital expenditure and a continuing focus on working capital management, particularly in the collection cycle for receivables balances. These mitigating actions are not fully contemplated in the directors' forecasts nor are they fully in the control of the directors. Therefore in the event that this downside scenario was to occur, and trading was to also deteriorate after mitigating actions, the directors would then need to obtain consent for a waiver from certain lenders which is outside of their control as at the date of signing these financial statements.

The uncertainty around the quantum and timing of the Refinancing Project and the fact that the group would not be able to repay the bond on maturity in September 2026 without it, together with tighter headroom on the financial covenants and lower liquidity levels within the group over the going concern period, creates a material uncertainty which may cast significant doubt on the group's ability to continue as a going concern and therefore may be unable to realise its assets and discharge its liabilities in the normal course of business.

2.2 Zimbabwean currency and hyperinflation accounting

Following changes to the currency in Zimbabwe in February 2019, the economic conditions are those of a hyperinflationary environment. As a result, local accounting bodies have determined that the principles of IAS 29 - *Financial Reporting in Hyperinflationary Economies* should be applied. The group has continued the application of hyperinflation accounting during the period ended 31 August 2025, with effect from 1 October 2018 for its Zimbabwean subsidiaries.

More details on the currency changes and the adoption of hyperinflation accounting are set out in notes 2.2.1 and 2.2.2 below.

2.2.1 Zimbabwean currency

On 1 October 2018, the Reserve Bank of Zimbabwe (RBZ) directed all banks to ring-fence nostro foreign currency accounts (FCAs) by separating them into two categories; namely Nostro FCAs and RTGS FCAs. Authorities maintained that the US dollar represented in the RTGS system was at a 1:1 exchange ratio. On 20 February 2019, the RBZ announced that with effect from 22 February 2019, the RTGS would be recognised as an official currency and that an interbank foreign exchange market would be established to formalise trading in RTGS balances with other currencies. The official rate of RTGS:USD on launch was 2.5. The Zimbabwean currency was then renamed the Zimbabwean Dollar (ZWL$). On 5 April 2024, the Reserve Bank of Zimbabwe issued a new structured currency, known as the Zimbabwe Gold (ZWG). This structured currency is pegged to a specific exchange rate or currency basket and backed by a bundle of foreign exchange assets. The ZWG replaced the previous currency.

During the period ended 31 August 2025, the group has used a rate of ZWG:USD 26.8:1 (31 August 2024: ZWG:USD 13.9:1) to translate both the statement of profit or loss and the statement of financial position at 31 August 2025. Of the USD 4.2 million (31 August 2024: USD 133.3 million) net foreign exchange loss in the consolidated statement of profit and loss, Zimbabwe contributed USD 3.1 million (31 August 2024: USD 143.4 million). The net foreign exchange loss arises mainly on the retranslation of USD denominated intra-group debt at the statement of financial position date.

2.2.2 Hyperinflation accounting

Local economic conditions in Zimbabwe have continued to react to the deterioration in the ZWL$:USD exchange rate. Over the course of the financial year ended 29 February 2020, the group observed that the conditions in Zimbabwe were indicative of a hyperinflationary economy. This was confirmed in a statement released on 11 October 2019 by the Public Accountants and Auditors Board ("PAAB"), which is mandated to regulate Auditing and Accounting standards in Zimbabwe. The PAAB advised that following broad market consensus within the Accounting and Auditing professions, the factors and characteristics to apply the financial reporting in IAS 29 - *Financial Reporting in Hyperinflationary Economies* in Zimbabwe had been met. Furthermore, the International Practices Task Force ("IPTF") of the Centre of Audit Quality ("CAQ") monitors inflation in certain countries and reported Zimbabwe's three-year cumulative inflation rate as exceeding 100% in its previous reports and the latest report being 22 May 2025.

The application of hyperinflationary accounting results in certain assets, liabilities, revenues and costs being reported in inflation adjusted terms as at 31 August 2025.

2.2.2 Hyperinflation accounting (continued)

Based on these reports, the group has concluded that hyperinflation accounting is applicable to accounting periods ended on or after 1 July 2019. The group has applied hyperinflation accounting to all periods presented in these consolidated financial statements, effective from 1 October 2018. The adjustment for the impact of foreign exchange on opening balances of non-monetary assets and liabilities under hyperinflation accounting of the Zimbabwe entities at 1 March 2025 resulted in a foreign exchange loss of USD 2.9 million (1 March 2024: USD 3.5 million) which has been recognised directly in other comprehensive income, in accordance to IAS 21 - *The Effects of Changes in Foreign Exchange Rates.*

The restatement of balances of non-monetary assets and liabilities in accordance with IAS 29 requires the use of a general price index that reflects changes in general purchasing power. The group has used the official published Zimbabwe Consumer Price Index (“CPI”) as the general price index. The gains on the net monetary position of USD 10.5 million (31 August 2024: USD 217.0 million) have been recognised in the consolidated statement of profit or loss through 'Hyperinflation monetary gain' based on a CPI of 191.65 (31 August 2024: 98.91).

In addition, IAS 29 requires the translation of the results at closing rate rather than average rate. The closing rate of ZWG:USD 26.8:1 (28 February 2025: ZWG:USD 26.6:1) has been used.

The directors continue to monitor the economic conditions in Zimbabwe.

2.3 Accounting policies

The accounting policies applied by the group in the preparation of the condensed interim consolidated financial statements presented are in accordance with IFRS and are consistent with those applied by the group in the preparation of the consolidated financial statements for the year ended 28 February 2025.

2.4 Critical accounting judgements and key sources of estimation uncertainty

The significant accounting judgements and critical estimates applied by the group in the preparation of these condensed consolidated interim financial statements presented are in accordance with IFRS and are consistent with those applied by the group in the preparation of the consolidated financial statements for the year ended 28 February 2025. In addition, the following significant accounting judgements and critical estimates have also been made:

Key judgements

Revenue Recognition

Management enters into contracts with customers from time to time that include unique contractual terms and other elements that fall outside of the group's general contract terms and conditions. The principal judgements are:
• Whether these bespoke contracts have an embedded lease, and should be accounted for under IFRS 16 – *Leases* rather than IFRS 15 – *Revenue from Contracts with Customers,* given that some of these contracts provide for the right of use over specifically identified fibre line channels, rather than capacity.
• The timing of recognition of revenue - whether at a point in time or over time.

The directors considered the detailed criteria for the recognition of revenue, and are satisfied that the accounting treatment is appropriate in the current year.

Contingent liabilities

Management applies its judgement to the fact patterns and advice it receives from its attorneys, advocates and other advisors in assessing if an obligation is probable, more likely than not, or remote. This judgement application is used to determine if the obligation is recognised as a liability or provision or disclosed as a contingent liability. Where this judgement relates to uncertain tax positions, the group draws on its experience in settling previous open tax issues, having taken into account the basis for the challenge, the evidence available and the technical arguments. Refer to note 25 for *Contingent liabilities* disclosure.

Going concern

Equity capital funding

The group's parent company, Cassava Technologies Limited, continues to raise new equity investment, which will result in cash inflows of up to USD 225.0 million in the Cassava Technologies Limited group. Of this amount, the directors are targeting receipt of up to USD 135.0 million in the twelve months from the date of signing of the consolidated interim financial statements. This is in addition to the USD 90.0 million that was raised as the first tranche of this equity investment in December 2024, from which Liquid Telecommunications Holdings (LTH) group has received USD 45.0 million to date. Proceeds from this investment will be deployed in the wider Liquid Telecommunications Jersey (LTJ) Limited group to fund business growth and provide operational liquidity. As part of the equity raise process, the group’s direct parent company (LTJ) is engaged in a process for the sale of an asset that is owned outside the LTH Group. The group’s base case scenario assumes that it will receive sufficient equity injection as part of the Refinancing Project to meet its obligations and refinance the bond. Any delay in the timing of completion of the Refinancing Project will result in uncertainty as to the timing of the group’s ability to refinance the bond and fund further growth initiatives.

Material uncertainty related to going concern

The group has prepared business and cashflow forecasts in accordance with its usual process and governance procedures. These base case forecasts include both revenue growth and cost saving initiatives. Also factored into the base case forecast is the completion of the Refinancing Project. In addition, the forecasts include a working capital and capital expenditure profile that is designed to support the business in its commercial objectives for the coming twelve months. Based on current progress observed, the directors expect that the Refinancing Project will complete in the going concern period under review and as a result, these projections indicate a strong level of liquidity and meaningful covenant headroom.

However, despite the progress made on the Refinancing Project, it is not yet complete as at the date of signing of the consolidated interim financial statements. Whilst the directors expect this to happen in the going concern period there nonetheless remains a material uncertainty, over the quantum and timing of the completion of the Re-financing Project associated with the Senior Secured Notes of USD 620.0 million. These Notes will become payable on maturity in September 2026 and without the conclusion of the Refinancing Project, the group will not have the ability to repay, given its current cash and liquidity constraints.

2.4 Critical accounting judgements and key sources of estimation uncertainty

Going concern (continued)

Material uncertainty related to going concern (continued)

In addition, the directors have considered a downside scenario which factors in the possibility that the key milestones associated with the Refinancing Project are not completed in that timeframe. Under this downside scenario, headroom on the net leverage covenant would be tighter in Q3 2026 (November 2025) prior to completing the Refinancing Project and mitigating actions would need to be taken to address any shortfalls. These mitigating actions may include for example, the reduction of operating and capital expenditure and a continuing focus on working capital management, particularly in the collection cycle for receivables balances. These mitigating actions are not fully contemplated in the directors' forecasts nor are they fully in the control of the directors. Therefore in the event that this downside scenario was to occur, and trading was to also deteriorate after mitigating actions, the directors would then need to obtain consent for a waiver from certain lenders which is outside of their control as at the date of signing these financial statements.

The uncertainty around the quantum and timing of the Refinancing Project and the fact that the group would not be able to repay the bond on maturity in September 2026 without it, together with tighter headroom on the financial covenants and lower liquidity levels within the group over the going concern period, creates a material uncertainty which may cast significant doubt on the group's ability to continue as a going concern and therefore may be unable to realise its assets and discharge its liabilities in the normal course of business.

Key estimates

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which the goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value of the recoverable amount.

3. Revenue and segment information

The group's operating and reportable segments are based on geographical areas. The group's core business is situated within Africa and management has aggregated African countries where the individual country revenue, profit/loss before tax and assets fall below 10% of group total (Rest of Africa). The group also has other operations based outside of Africa which have been aggregated into a separate segment (Rest of the World).

The group categorises its revenue streams as shown below:

- Network - primarily revenue from long haul metro networks and roaming services;
- C2 - primarily revenue from cloud services, managed services and cybersecurity services;
- Dataport - primarily revenue from undersea assets, international wholesale, international enterprise and VSAT; and
- Voice traffic - primarily revenue from international voice interconnects between mobile network operators and international telecom carriers.

The measure of reporting profit for each operating segment, which also represents the basis on which the Chief Operating Decision Maker reviews segment results, is Adjusted EBITDA.

Adjusted EBITDA is defined as earnings before interest, taxation, depreciation, amortisation, and impairment, and is also presented before recognising the following items:

- Restructuring costs
- Net foreign exchange loss
- Hyperinflation monetary gain (see note 2.2.2)
- Share of profits of associate

A reconciliation of Operating profit, as shown in the consolidated statement of profit or loss, to Adjusted EBITDA (see above) is shown in note 26.1 - *Reconciliation.*

3. Revenue and segment information (continued)

The following is an analysis of the group's revenue and results by reportable segment for the 6 months ended 31 August 2025 (Unaudited).

	South Africa USD'000	Zimbabwe USD'000	Rest of Africa USD'000	Rest of the World USD'000	Central Administration Costs* USD'000	Eliminations USD'000	Total USD'000
Network	96,322	77,159	62,353	26,913	-	(19,721)	243,026
C2	31,285	11,247	16,203	19,002	-	(10,721)	67,016
Dataport	3,340	489	4,855	11,724	-	(3,945)	16,463
Voice traffic	4,513	39	6	23,027	-	(1,682)	25,903
Inter-segmental revenue	(4,639)	(2,024)	(2,572)	(26,834)	-	36,069	-
Group External Revenue	**130,821**	**86,910**	**80,845**	**53,832**	**-**	**-**	**352,408**
Adjusted EBITDA	53,034	51,708	23,617	24,525	(8,003)	1,620	146,501
Depreciation, impairment and amortisation							(59,693)
Restructuring costs							(410)
Interest income							12,958
Finance costs							(49,153)
Foreign exchange loss							4,228
Hyperinflation monetary gain							10,535
Share of profits of associate							6
Profit before taxation							**64,972**
Tax expense							(18,150)
Profit for the period							**46,822**

The following is an analysis of the group's revenue and results by reportable segment for the 6 months ended 31 August 2024 (Unaudited).

	South Africa USD'000	Zimbabwe USD'000	Rest of Africa USD'000	Rest of the World USD'000	Central Administration Costs* USD'000	Eliminations USD'000	Total USD'000
Network	112,890	76,900	59,937	38,091	-	(26,910)	260,908
C2	29,269	8,616	11,887	17,577	-	(10,242)	57,107
Dataport	4,038	879	5,616	13,086	-	(5,116)	18,503
Voice traffic	5,066	46	10	23,623	-	(1,991)	26,754
Inter-segmental revenue	(4,030)	(908)	(2,799)	(36,522)	-	44,259	-
Group External Revenue	**147,233**	**85,533**	**74,651**	**55,855**	**-**	**-**	**363,272**
Adjusted EBITDA	52,474	49,998	21,771	46,364	(10,669)	(5,285)	154,653
Depreciation, impairment and amortisation							(66,155)
Restructuring costs							(2,751)
Interest income							10,905
Finance costs							(47,004)
Foreign exchange loss							(133,312)
Hyperinflation monetary gain							217,048
Share of profits of associate							10
Profit before taxation							**133,394**
Tax expense							(35,437)
Profit for the period							**97,957**

*Central administration costs include certain staff and other stewardship costs not allocated to other business lines.

3. Revenue and segment information (continued)

The following is an analysis of the group's revenue and results by reportable segment for the 3 months ended 31 August 2025 (Unaudited).

	South Africa	Zimbabwe	Rest of Africa	Rest of the World	Central Administration Costs*	Eliminations	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Network	50,680	38,764	31,991	12,091	-	(9,209)	124,317
C2	16,448	6,309	8,722	9,076	-	(5,922)	34,633
Dataport	1,663	222	2,468	5,846	-	(1,965)	8,234
Voice traffic	2,261	26	2	11,209	-	(810)	12,688
Inter-segmental revenue	(2,511)	(905)	(1,291)	(13,199)	-	17,906	-
Group External Revenue	**68,541**	**44,416**	**41,892**	**25,023**	**-**	**-**	**179,872**
Adjusted EBITDA	25,392	25,110	12,159	6,009	(6,048)	3,158	65,780
Depreciation, impairment and amortisation							(30,981)
Restructuring costs							(2)
Interest income							6,538
Finance costs							(25,539)
Foreign exchange loss							11,098
Hyperinflation monetary loss							5,554
Share of profits of associate							2
Profit before taxation							**32,450**
Tax expense							(7,447)
Profit for the period							**25,003**

The following is an analysis of the group's revenue and results by reportable segment for the 3 months ended 31 August 2024 (Unaudited).

	South Africa	Zimbabwe	Rest of Africa	Rest of the World	Central Administration Costs*	Eliminations	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Network	52,311	39,528	32,165	18,806	-	(13,955)	128,855
C2	15,107	4,033	5,838	9,710	-	(5,586)	29,102
Dataport	1,842	463	2,747	6,541	-	(2,505)	9,088
Voice traffic	3,389	33	6	10,339	-	(1,102)	12,665
Inter-segmental revenue	(2,036)	(616)	(1,600)	(18,896)	-	23,148	-
Group External Revenue	**70,613**	**43,441**	**39,156**	**26,500**	**-**	**-**	**179,710**
Adjusted EBITDA	27,396	26,592	11,828	16,628	(5,490)	(4,766)	72,188
Depreciation, impairment and amortisation							(33,416)
Restructuring costs							(2,500)
Interest income							5,608
Finance costs							(23,873)
Foreign exchange loss							66,944
Hyperinflation monetary gain							(159,734)
Share of profits of associate							6
Loss before taxation							**(74,777)**
Tax credit							5,694
Loss for the period							**(69,083)**

*Central administration costs include certain staff and other stewardship costs not allocated to other business lines.

4. Net other income

	6 months ended		3 months ended	
	31/08/2025	31/08/2024	31/08/2025	31/08/2024
	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)
Management fees income (note 18)	1,547	1,435	849	717
Net (loss) / gain on lease terminations and modifications	(358)	13	(358)	13
Sundry income*	2,063	303	1,959	130
Gain / (loss) on disposal of property, plant and equipment	52	(172)	58	(70)
	3,304	**1,579**	**2,508**	**790**

*non-operating income that does not meet the recognition criteria of revenue under IFRS 15

5. Interest income

	6 months ended		3 months ended	
	31/08/2025	31/08/2024	31/08/2025	31/08/2024
	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)
Interest received from external parties	872	547	423	288
Interest received from related parties (note 18)	12,086	10,358	6,115	5,320
	12,958	**10,905**	**6,538**	**5,608**

6. Finance costs

	6 months ended		3 months ended	
	31/08/2025	31/08/2024	31/08/2025	31/08/2024
	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)
Interest on bank overdraft and loans	11,237	12,900	5,714	6,366
Finance cost on Senior Secured Notes	17,050	17,050	8,525	8,525
Finance arrangement fees amortised	1,448	1,811	724	908
Interest on lease liabilities	19,247	15,060	10,491	7,982
Interest paid to related parties (note 18)	171	183	85	92
	49,153	**47,004**	**25,539**	**23,873**

7. Taxation

	6 months ended		3 months ended	
	31/08/2025	31/08/2024	31/08/2025	31/08/2024
	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)
Current taxation	15,001	7,874	7,766	2,888
Deferred taxation charge / (credit)	35	21,813	(1,242)	(11,829)
Withholding taxation	3,114	5,750	923	3,247
	18,150	**35,437**	**7,447**	**(5,694)**

The tax expense of USD 18.2 million represents an effective tax rate of 27.9%. The group’s effective tax rate is largely driven by the impact of :
(a) An IAS 29 adjustment relating to Zimbabwe
(b) Non-deductible expenses
(c) Tax losses not recognised as deferred tax assets.

8. Goodwill

	31/08/2025	28/02/2025
	USD'000 (Unaudited)	USD'000 (Audited)
Cost		
Opening balance	76,089	73,990
Foreign exchange gain	3,106	2,099
Closing balance	**79,195**	**76,089**

Goodwill acquired in a business combination is allocated at acquisition to the Cash Generating Units (CGU’s) that are expected to benefit from that business combination.

8. Goodwill (continued)

	31/08/2025 USD'000 (Unaudited)	28/02/2025 USD'000 (Audited)
Liquid Telecommunications Limited	2,850	2,850
Data Control and Systems (1996) (Private) Limited t/a Liquid Telecom Zimbabwe (see below)	5,581	5,581
Liquid Telecommunications Holdings South Africa (Pty) Limited	62,979	59,873
Liquid Telecommunications Zambia Limited	2,201	2,201
Raha Tanzania Holdings Limited	5,584	5,584
	79,195	**76,089**

Goodwill is tested at least annually for impairment as required by IAS 36 - *Impairment of assets.* The recoverable amounts of the cash generating units (CGU) were determined based on the value in use calculations. The calculations mainly used cash flow projections based on financial budgets covering a five-year period. Each CGU is considered to be the operating company, as this is the lowest level of identifiable assets that generate cash inflows, independent from other assets or groups of assets.

The following approach and key assumptions were used for the value in use calculations for the year ended 28 February 2025 and the same approach is being adopted for the period ended 31 August 2025.

• The cash flows used are based on Board approved budgets and only take into account cash flows arising from the current asset base and not from any future developments in technology, acquisitions or change in business model and this includes certain cash flows which are anticipated but not yet fully contracted.
• Assessments are performed on a value in use basis, using a 5-year discounted cash flow method extrapolated beyond the budget period using a terminal growth rate, as set out below.
• Growth rates: the group used steady growth rates to extrapolate revenues beyond the budget period cash flows. The average growth rates used ranged from 1.0% to 4.3% (FY25: 1.0% to 4.3%).
• Discount rates: The country specific Weighted Average Cost of Capital (“WACC”) is used as the discount rate which ranges from 16.8% to 21.2% (post-tax) (FY25: 16.8% to 21.2%). The discount rates used reflect both time value of money and other specific risks relating to the relevant CGU and operating country.

Specifically in relation to Liquid Telecommunications Holdings South Africa (Pty) Limited ("LTHSA"), there was no impairment (28 February 2025: no impairment) and the following assumptions were applied:

• A terminal growth rate of 4.3% (28 February 2025: 4.3%) was applied in line with inflation forecasts for South Africa over a comparable period.
• LTHSA's WACC of 15.2% (28 February 2025: 15.2%) was used as the discount rate. On a pre-tax basis, this rate is 16.2% (28 February 2025: 16.2%).

Sensitivity analysis

The group also performed a sensitivity analysis on three key inputs to the impairment assessment for LTHSA's goodwill and the results are shown below:

• An increase of 10% or 0.4 percentage points (pp) in the above terminal growth rate would result in no impairment (FY25: no impairment with an increase of 10% or 0.4pp) and a decrease of 10% or 0.4pp would still result in no impairment (FY25: no impairment with a decrease of 10% or 0.4pp).
• An increase of 10 % or 1.5pp in the above WACC would result in an impairment of USD 30.4 million (FY25: impairment of USD 30.4 million with an increase of 10% or 1.5pp) and a decrease of 10% or 1.5pp would result in no impairment, with headroom (FY25: no impairment with a decrease of 10% or 1.5pp).
• An increase of 1.3% in the EBITDA forecasts in each period would result in no impairment (FY25: no impairment), with adequate headroom. On the other hand, a reduction of 1.3% in the EBITDA forecasts in each period would result a complete erosion of the headroom of USD 14.8 million.

The sensitivity analysis is considered reasonably possible based on recent experience and the current underlying economic environment.

Other CGUs

• Sensitivity analysis

The group has conducted an analysis of the sensitivity of the impairment test to changes in the country specific Weighted Average Cost of Capital (“WACC”) (being the key assumption) used to determine the recoverable amount for each CGU to which goodwill is allocated. Except for Liquid Telecommunications Holdings South Africa (Pty) Limited (as described above), an increase of 10% or 1.5pp in the WACC would result in no impairment (28 February 2025: no impairment with an increase of 10% or 1.5pp), with headroom. A decrease of 10% or 1.5pp would still result in no impairment (28 February 2025: no impairment with a decrease of 10% or 1.5pp), with significant headroom.

9. Intangible assets

	Operating Licence USD'000	Computer Software USD'000	Customer Relationships USD'000	Work in Progress USD'000	Other Intangible Assets* USD'000	Total USD'000
Cost:						
At 01 March 2024 (Audited)	31,390	40,872	24,713	3,046	45,087	145,108
Purchases during the period	2,352	5,115	-	789	-	8,256
Disposals during the year	-	(6,236)	-	-	-	(6,236)
Transfers	2,719	852	-	(852)	(2,719)	-
Write off	-	(729)	-	-	-	(729)
Foreign exchange differences	(2,239)	(522)	1,266	-	1,525	30
Adjustments - IAS 29	2,655	1,454	-	-	-	4,109
Transfer from Property, plant and equipment (note 10)	149	888	-	(60)	-	977
At 28 February 2025 (Audited)	37,026	41,694	25,979	2,923	43,893	151,515
Purchases during the period	-	2,350	-	1,011	-	3,361
Disposals during the year	-	(45)	-	(53)	-	(98)
Transfers	54	14	-	(68)	-	-
Transfer to Assets classified as held for sale (note 28)	(670)	(33)	-	-	-	(703)
Foreign exchange differences	990	1,385	1,964	-	1,026	5,365
Adjustments - IAS 29	132	77	-	-	-	209
Transfer from Property, plant and equipment (note 10)	-	246	-	-	-	246
At 31 August 2025 (Unaudited)	37,532	45,688	27,943	3,813	44,919	159,895
Accumulated amortisation:						
At 01 March 2024 (Audited)	12,970	30,222	20,691	-	21,094	84,977
Amortisation	2,443	6,410	2,177	-	362	11,392
Disposals during the year	-	(6,236)	-	-	-	(6,236)
Transfer from Property, plant and equipment (note 10)	28	888	-	-	-	916
Write offs	-	(729)	-	-	-	(729)
Foreign exchange differences	(1,447)	(17)	492	-	1,292	320
Adjustments - IAS 29	1,612	451	-	-	-	2,063
At 28 February 2025 (Audited)	15,606	30,989	23,360	-	22,748	92,703
Amortisation	1,064	3,672	1,003	-	182	5,921
Disposals during the year	-	(45)	-	-	-	(45)
Transfer to Assets classified as held for sale (note 28)	(354)	(20)	-	-	-	(374)
Foreign exchange differences	492	1,139	1,009	-	1,024	3,664
Adjustments - IAS 29	90	325	-	-	-	415
At 31 August 2025 (Unaudited)	16,898	36,060	25,372	-	23,954	102,284
Carrying amount:						
At 28 February 2025 (Audited)	21,420	10,705	2,619	2,923	21,145	58,812
At 31 August 2025 (Unaudited)	20,634	9,628	2,571	3,813	20,965	57,611

* This mainly comprises the brand and spectrum assets arising on the acquisition of Liquid Telecommunications South Africa (Pty) Limited.

10. Property, plant and equipment

	Land and buildings	Furniture and fittings	Computer equipment	Network equipment	Motor vehicles	Work in progress	Fibre infrastructure	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Cost:								
At 01 March 2024 (Audited)	14,671	8,767	26,704	83,807	9,913	27,120	863,096	1,034,078
Additions during the period	-	659	883	2,119	89	30,284	10,743	44,777
Disposals during the period	-	(113)	(4,775)	(1,006)	(291)	(542)	(12,794)	(19,521)
Impairment	-	(32)	(16)	(74)	-	(73)	(108)	(303)
Write offs	-	-	(709)	(91)	-	-	-	(800)
Transfers	-	244	53	3,491	60	(30,217)	26,369	-
Transfer to intangible assets (note 9)	-	-	37	(701)	11	-	(324)	(977)
Transfer to inventory	-	-	-	-	-	(61)	-	(61)
Transfer to prepayments (note 20)	-	-	-	-	-	(107)	-	(107)
Foreign exchange differences	(1,143)	(1,427)	(402)	2,023	(3,284)	(4,106)	(142,943)	(151,282)
Adjustments - IAS 29	1,460	1,416	841	1,266	3,277	5,330	150,985	164,575
At 28 February 2025 (Audited)	14,988	9,514	22,616	90,834	9,775	27,628	895,024	1,070,379
Additions during the period	-	131	222	790	489	20,002	1,349	22,983
Disposals during the period	-	-	(190)	(15)	(69)	(214)	(1,720)	(2,208)
Reclassification	-	-	-	-	-	(321)	-	(321)
Transfers	-	139	201	606	-	(12,376)	11,430	-
Transfer to Assets classified as held for sale (note 28)	-	(20)	(84)	(1,341)	(206)	-	(8,871)	(10,522)
Transfer to intangible assets (note 9)	-	-	-	-	-	(246)	-	(246)
Transfer to inventory	-	-	-	-	-	(41)	-	(41)
Foreign exchange differences	649	338	819	2,640	46	873	29,398	34,763
Adjustments - IAS 29	73	95	16	85	(259)	375	7,813	8,198
At 31 August 2025 (Unaudited)	15,710	10,197	23,600	93,599	9,776	35,680	934,423	1,122,985
Accumulated depreciation								
At 01 March 2024 (Audited)	4,933	5,258	22,929	60,768	6,766	-	449,720	550,374
Depreciation	280	967	1,544	8,000	544	-	45,225	56,560
Disposals during the period	-	(68)	(4,661)	(980)	(133)	-	(12,575)	(18,417)
Write offs	-	-	(709)	(91)	-	-	-	(800)
Impairment	-	-	(1)	(15)	-	-	-	(16)
Transfers	-	-	-	(517)	-	-	517	-
Transfer (to) / from Intangible assets (note 9)	-	(22)	(6)	(562)	4	-	(330)	(916)
Foreign exchange differences	174	(831)	36	454	(1,732)	-	(58,951)	(60,850)
Adjustments - IAS 29	-	640	191	803	1,332	-	65,488	68,454
At 28 February 2025 (Audited)	5,387	5,944	19,323	67,860	6,781	-	489,094	594,389
Depreciation	141	465	709	3,893	350	-	22,107	27,665
Disposals during the period	-	-	(190)	(4)	(69)	-	(1,694)	(1,957)
Transfer to Assets classified as held for sale (note 28)	-	(9)	(81)	(675)	(200)	-	(1,796)	(2,761)
Reclassification	-	-	-	(295)	-	-	295	-
Foreign exchange differences	284	204	716	1,694	61	-	16,036	18,995
Adjustments - IAS 29	-	130	121	21	377	-	3,646	4,295
At 31 August 2025 (Unaudited)	5,812	6,734	20,598	72,494	7,300	-	527,688	640,626
Carrying amount:								
At 28 February 2025 (Audited)	9,601	3,570	3,293	22,974	2,994	27,628	405,930	475,990
At 31 August 2025 (Unaudited)	9,898	3,463	3,002	21,105	2,476	35,680	406,735	482,359

11. Right-of-Use assets

	Land and buildings	Furniture and fittings	Network equipment	Motor vehicles	Fibre infrastructure	Fibre Optical - IRU	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Cost:							
At 01 March 2024 (Audited)	70,291	-	41,328	1,947	126,633	151,503	391,702
Additions during the period	7,805	231	2,340	1,698	55,738	1,911	69,723
Disposals during the period*	(4,120)	-	(2,554)	(153)	(700)	(909)	(8,436)
Transfers	(4,068)	-	-	-	4,068	-	-
Foreign exchange differences	(11,938)	(10)	(2,492)	(5)	1,668	756	(12,021)
Adjustments - IAS 29	12,713	-	-	-	-	-	12,713
At 28 February 2025 (Audited)	70,683	221	38,622	3,487	187,407	153,261	453,681
Additions during the period	426	-	7,084	-	1,922	-	9,432
Disposals during the period*	(401)	-	(4,934)	-	(898)	(421)	(6,654)
Write offs	-	-	(10,017)	-	-	-	(10,017)
Transfer to Assets classified as held for sale (note 28)	(962)	-	-	-	(647)	-	(1,609)
Foreign exchange differences	1,680	10	2,364	204	7,333	1,353	12,944
Adjustments - IAS 29	1,193	-	-	-	-	-	1,193
At 31 August 2025 (Unaudited)	72,619	231	33,119	3,691	195,117	154,193	458,970
Accumulated depreciation:							
At 01 March 2024 (Audited)	31,927	-	21,699	1,768	45,580	73,772	174,746
Depreciation	10,607	142	10,050	319	23,222	7,787	52,127
Disposals during the period*	(3,121)	-	(2,541)	(131)	(697)	(656)	(7,146)
Transfers	(2,686)	-	-	-	2,686	-	-
Foreign exchange differences	919	(6)	(1,771)	39	907	404	492
Adjustments - IAS 29	454	-	-	-	-	-	454
At 28 February 2025 (Audited)	**38,100**	**136**	**27,437**	**1,995**	**71,698**	**81,307**	**220,673**
Depreciation	4,351	35	3,746	209	13,302	3,742	25,385
Disposals during the period*	(308)	-	(3,267)	-	(898)	(421)	(4,894)
Write offs	-	-	(10,017)	-	-	-	(10,017)
Transfer to Assets classified as held for sale (note 28)	(846)	-	-	-	(627)	-	(1,473)
Foreign exchange differences	1,127	7	2,037	121	3,552	1,080	7,924
Adjustments - IAS 29	163	-	-	-	-	-	163
At 31 August 2025 (Unaudited)	42,587	178	19,936	2,325	87,027	85,708	237,761
At 28 February 2025 (Audited)	32,583	85	11,185	1,492	115,709	71,954	233,008
At 31 August 2025 (Unaudited)	30,032	53	13,183	1,366	108,090	68,485	221,209

*relates to lease modifications or cancellations.

12. Cash and cash equivalents, and restricted cash and cash equivalents

	31/08/2025 USD'000 (Unaudited)	28/02/2025 USD'000 (Audited)
Cash and bank balances	55,675	80,913
Money market deposits	6,943	4,455
Cash and cash equivalents	**62,618**	**85,368**
Restricted cash and cash equivalents	**443**	**425**
Total cash and cash equivalents	**63,061**	**85,793**

The cash and cash equivalents are mainly denominated in USD, GBP, KES, ZAR and ZWG and are located in Mauritius, United Kingdom, Kenya, South Africa and Zimbabwe.

Cash and cash equivalents include USD 18.6 million (28 February 2025: USD 17.1 million) in Zimbabwe held in cash, short term deposits and similar instruments. These amounts have been translated at the rate of ZWG:USD of 26.8:1 (28 February 2025: ZWG:USD 26.6:1). See note 2.2 - *Zimbabwean currency and Hyperinflation accounting* for more detailed disclosure.

The group has restricted cash for the following purposes:

	31/08/2025 USD'000 (Unaudited)	28/02/2025 USD'000 (Audited)
Guarantees	1	1
Customer deposits held	442	424
	443	**425**

13. Trade and other receivables

	31/08/2025 USD'000 (Unaudited)	28/02/2025 USD'000 (Audited)
Trade receivables from external parties	135,468	126,426
Trade receivables from related parties (note 18)	75,838	69,145
Expected credit loss provision	(30,412)	(30,114)
Total trade and related parties receivables, net of expected credit loss provision	**180,894**	**165,457**
Short term inter-company and other related party receivables (note 18)	86,673	78,327
Expected credit loss provision on short term inter-company and other related party receivables	(138)	(138)
Sundry debtors	47,890	45,100
Deposits paid	4,552	3,881
Prepayments	57,295	39,123
	377,166	**331,750**

Sundry debtors mainly include accrued income, VAT receivable and non-operating receivables.

The standard credit period for the group is 30 days. In determining the recoverability of a trade receivable, the group makes use of forward-looking information based on the assumptions about risk and probability of default and expected loss rates. The group assesses the recoverability on both a collective and individual basis.

Before accepting any new customer, the group ascertains the creditworthiness and identity of the customer by means of an external credit scoring system and customer acceptance forms which are required to be filled in by any new customer. The creditworthiness of customers is reviewed throughout the period.

The receivable balances from affiliated entities and other related parties are unsecured, interest free and are payable in accordance with the terms of the relevant agreements, under which payment terms range from 30 days to 6 months.

The following table details the risk profile of trade receivables and affiliated entities receivables. Lifetime ECL on receivables are assessed individually and collectively.

		Past due				
	Current USD'000	31 - 60 days USD'000	61 - 90 days USD'000	91 - 120 days USD'000	> 120 days USD'000	Total USD'000
As at 31 August 2025						
Trade and related parties receivables - Gross	68,892	24,991	16,999	10,411	90,013	211,306
Lifetime ECL	(1,751)	(2,428)	(2,056)	(2,128)	(22,049)	(30,412)
Trade and related parties receivables - Net	**67,141**	**22,563**	**14,943**	**8,283**	**67,964**	**180,894**
Default rate	2.5%	9.7%	12.1%	20.4%	24.5%	
As at 28 February 2025						
Trade and related parties receivables - Gross	71,191	23,679	11,469	16,580	72,652	195,571
Lifetime ECL	(3,649)	(3,110)	(2,638)	(4,372)	(16,346)	(30,114)
Trade and related parties receivables - Net	**67,541**	**20,569**	**8,831**	**12,208**	**56,305**	**165,456**
Default rate	5.1%	13.1%	23.0%	26.4%	22.5%	

The trade receivables and related parties balances disclosed above include amounts that are past due at the end of the reporting period, but for which the group has not recognised an expected credit loss provision, because there has been no significant change in the assumptions about risk and probability of default and the amounts are still considered recoverable.

14. Long term borrowings and short term portion of long term borrowings

	31/08/2025 USD'000 (Unaudited)	28/02/2025 USD'000 (Audited)
Long term borrowings:		
USD 620 million 5.5% Senior Secured Notes (i)	617,080	615,632
Net settled: Embedded derivatives (note 22)	1,878	1,878
Other long-term borrowings	-	73
	618,958	**617,583**
Short term portion of long term borrowings (including interest accrued):		
USD 620 million 5.5% Senior Secured Notes (i)	17,050	17,050
USD 220 million equivalent South African Rand term loan (ii)	130,762	132,845
Stanbic Bank of Zambia Limited revolving loan (iii)	1,911	1,741
USD 60 million revolving credit facility (iv)	25,172	25,290
Other Short-term portion of long term borrowings	215	248
	175,110	**177,174**

(i) The USD 620.0 million 5.5% Senior Secured Notes bear interest, payable half yearly, at the rate of 5.5% and are payable at maturity in September 2026. The Notes were issued by Liquid Telecommunications Financing Plc on 24 February 2021 and are guaranteed on a Senior Secured basis by: Liquid Telecommunications Holdings Limited, Liquid Telecommunications Operations Limited, Liquid Telecommunications Limited, Liquid Telecommunications Kenya Limited, Liquid Telecommunications Holdings South Africa (Pty) Limited, Liquid Telecommunications South Africa (Pty) Limited, Liquid Telecom DRC S.A. and Liquid Telecommunications Zambia Limited with various types of collateral. Such collateral includes (among other things): (i) share pledges and charges over assets, including bank accounts, (ii) assignment over present and future intercompany loans receivables and agreements (iii) assignment over receivables including trade debtors, intellectual property rights and insurances, and (iv) deed of hypothecation over trademarks.

(ii) On 25 February 2021, Liquid Telecommunications South Africa (Pty) Limited entered into a 5 year ZAR 3.3 billion term loan with the Standard Bank of South Africa Limited (acting through its corporate and investment banking division) and Standard Chartered Bank – Johannesburg branch. The term loan was initially split equally between an amortising tranche and a bullet repayment tranche, for which the interest rates are JIBAR plus 4.5% and 5.0% respectively. The syndicators of this loan are: Standard Bank of South Africa Limited, Sanlam Investment Management Pty Ltd, Sanlam Life Insurance Ltd, State Bank of India (SBI), Stanlib Asset Management and Liberty Group. In June 2021, Liquid Telecommunications South Africa (Pty) Limited refinanced a portion of the term loan, amounting to ZAR 1.0 billion, with the International Finance Corporation with interest payable quarterly at JIBAR plus 5%. Following the refinancing, the term loan is now split between an amortising tranche and two separate bullet repayment tranches, representing one third and two thirds respectively of the term loan.

The covenants relevant to this loan are Net Leverage Ratio, Interest cover and Debt Service Cover Ratio.

In December 2024, the group successfully signed new facilities to refinance its South African Rand term loan on a multi-tenor basis. The new facilities, equivalent to USD 220.0 million in South African Rand, are being provided by Standard Bank of South Africa, Rand Merchant Bank, Nedbank of South Africa, and International Finance Corporation (IFC). The utilization of these facilities is now subject to the satisfaction of certain conditions precedent which are still outstanding as of the date of signing of the consolidated interim financial statements for the period ended 31 August 2025.

(iii) As of 31 August 2025, the outstanding amount on the Revolving Credit Facility contracted by Liquid Telecommunications Zambia Limited was USD 1.9 million. The effective interest rate is in the aggregate of the margin at 8% plus Bank of Zambia policy rate. The loan facility is unsecured.

(iv) In addition to the USD 620.0 million 5.5% Senior Secured Notes and the USD 220.0 million equivalent South African Rand term loan, the group has a USD 60.0 million Revolving Credit Facility agreement between the company, JP Morgan Chase Bank N.A., London branch, Standard Finance (Isle of Man), Standard Chartered Bank (Mauritius) Limited and the Mauritius Commercial Bank Limited. The Revolving Credit Facility is secured and is guaranteed on a senior secured basis by, Liquid Telecommunications Operations Limited, Liquid Telecommunications Limited, Liquid Telecommunications Financing Plc, Liquid Telecommunications Kenya Limited, Liquid Telecommunications Holdings South Africa (Pty) Limited, Liquid Telecommunications South Africa (Pty) Limited, Liquid Telecom DRC S.A. and Liquid Telecommunications Zambia Limited. The obligations under the Revolving Credit Facility are secured equally and ratably with the Senior Secured Notes by first priority liens over the security. The Revolving Credit facility is denominated in USD, bears interest at the rate of SOFR plus 4.15%, subject to certain adjustments for the net leverage ratio and is to be utilised for general corporate purposes. The facility holds the same covenant obligations as the South African Rand term loan referenced above. The outstanding balance as at 31 August 2025 was USD 25.2 million.

15. Lease liabilities

	31/08/2025 USD'000 (Unaudited)	28/02/2025 USD'000 (Audited)
Long term portion of lease liabilities	131,334	140,740
Short term portion of lease liabilities	38,055	36,628
	169,389	**177,368**

16. Trade and other payables

	31/08/2025 USD'000 (Unaudited)	28/02/2025 USD'000 (Audited)
Trade accounts payable to external parties	126,296	132,340
Trade payable balance to related parties (note 18)	23,193	27,415
Accruals	74,810	58,135
Staff payables	4,426	4,021
Transaction taxes due in various jurisdictions	12,624	12,489
Other short-term payables	9,669	4,579
	251,018	**238,979**

The average credit period on purchases of goods and services is 30 to 60 days. No interest is charged on the trade payables for the first 60 days from the date of invoice. Thereafter, interest is generally charged at 2% per annum on the outstanding balance. The group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed terms.

The directors consider the carrying amount of trade and other payables to approximate their fair value.

Amounts payable to related parties and related company are unsecured, interest free and with no fixed date of repayment.

Accruals mainly relate to wholesale voice carrier amounts accrued for in the ordinary course of business and major capital expenditure for on-going fibre related projects.

17. Deferred revenue

	31/08/2025 USD'000 (Unaudited)	28/02/2025 USD'000 (Audited)
Long-term portion of deferred revenue	50,175	47,179
Short-term portion of deferred revenue	47,214	47,595
	97,389	**94,774**

Deferred revenue mainly relates to revenue billed in advance which includes deferred revenue on any Indefeasible-Rights-of-Use (IRU), disclosed through Network and Dataport revenue streams disclosed in note 3, that will be amortised over a period of 10 to 15 years and other advance billings that will be amortised over a period of 1 to 3 years.

18. Related party transactions and balances

In addition to the subsidiary companies the following are related parties to the Liquid Telecommunications Holdings Limited group:

• Econet Wireless Private Limited (Zimbabwe), Econet Telecom Lesotho (Pty) Limited (Lesotho), Transaction Payment Solutions (Private) Limited (Zimbabwe), Econet South Africa (Pty) Limited, Steward Bank Limited and Econet Wireless Zimbabwe Limited are referred to as "Econet Global related group companies";

• Africa Data Centres Holdings Limited (UK), African Data Centres (Pty) Limited (South Africa), Africa Data Centres SA Development (Pty) Limited (South Africa), ADC (Jersey) Limited, Africa Data Centres Lagos FZE (Nigeria) and East Africa Data Centre Limited (Kenya) are referred to as ''Africa Data Centres related group companies'';

• Telrad Networks Limited (Israel) and Oasis Communication Technologies Limited (Israel) are referred to as ''Telrad related group companies'';

• Sasai Fintech Limited (Mauritius) and Sasai Fintech (PTY) Ltd (South Africa) are referred to as ''Sasai related group companies'';

• VAYA Africa Mauritius Ltd (Mauritius) is referred to as ''Vaya related group companies'';

• Distributed Power Africa (Private) Limited (Zimbabwe) and Distributed Power Africa Services Proprietary Limited (South Africa) are referred to as ''Econet Infraco related group companies'';

• Liquid Telecommunications (Jersey) Ltd, Liquid Technologies Infrastructure Finance SARL (Belgium), Liquid Intelligent Technologies Limited (Nigeria), Liquid Delta (Jersey) Limited and Liquid ECG Infraco (Pty) Ltd (South Africa) are referred to as "Liquid (Jersey) and other related group of companies"

• Non-Executive Directors of the Company and the wider group; and

• DTOS Limited (Mauritius)

The above companies have been disclosed as related parties due to their common control.

Transactions between the group and its subsidiaries, which are related parties of the group, have been eliminated on consolidation and are not disclosed in the group note. The amounts outstanding are unsecured. No guarantees have been given or received. The directors have assessed the recoverability of the receivables and have recorded certain ECL as disclosed in note 13. During the year, the group entered into the following trading transactions with related parties:

	6 months ended		3 months ended	
	31/08/2025 USD'000 (Unaudited)	31/08/2024 USD'000 (Unaudited)	31/08/2025 USD'000 (Unaudited)	31/08/2024 USD'000 (Unaudited)
Sales of goods and services				
Econet Global related group companies	34,402	30,034	15,977	10,700
Africa Data Centres related group companies	274	239	174	107
Liquid (Jersey) and other related group of companies	8,754	29,975	4,486	9,771
	43,430	**60,248**	**20,637**	**20,578**

18. Related party transactions and balances (continued)

	6 months ended		3 months ended	
	31/08/2025	31/08/2024	31/08/2025	31/08/2024
	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)
Purchase of goods and services				
Econet Global related group companies	6,911	9,254	3,406	4,516
Africa Data Centres related group companies	947	933	480	471
Liquid (Jersey) and other related group of companies	2,054	25,148	135	7,098
	9,912	**35,335**	**4,021**	**12,085**
Management fees expense				
Econet Global related group companies	**300**	**300**	**150**	**150**
Management fees income				
Africa Data Centres related group companies	-	256	-	128
Liquid (Jersey) and other related group of companies	1,547	1,179	849	589
	1,547	**1,435**	**849**	**717**
Dividend paid				
Other shareholders (net of taxes)	**185**	**460**	**185**	**-**
Interest income				
Econet Global related group companies	327	346	162	176
Liquid (Jersey) and other related group of companies	1,614	1,265	850	716
Africa Data Centres related group companies	10,145	8,747	5,103	4,428
	12,086	**10,358**	**6,115**	**5,320**
Finance costs				
Liquid (Jersey) and other related group of companies	**171**	**183**	**85**	**92**
Administration fees paid				
DTOS Limited	**221**	**201**	**96**	**106**

Consultancy fees

During the year, the group engaged with one of its Non-Executive Directors for support and guidance on a group-wide Transformation Project. The cost of this support is borne by the immediate holding company but the group is a significant beneficiary of the work carried out. The amount paid in the period is USD 0.1 million.

The group has the following balances at the period end:

	31/08/2025	28/02/2025
	USD'000 (Unaudited)	USD'000 (Audited)
Short-term receivables from related parties		
Africa Data Centres related group companies	34,145	32,745
Liquid (Jersey) and other related group of companies	46,922	40,179
Econet Global related group companies	2,446	2,501
Econet Infraco related group companies	834	804
Sasai Related Group Companies	2,326	2,098
	86,673	**78,327**
Trade receivables balances from affiliated entities and other related parties		
Econet Global Limited (Mauritius)	4,999	4,999
Econet Global Related Group Companies	19,457	16,971
Econet Infraco related group companies	10	10
Vaya Related Group Companies	795	657
Liquid (Jersey) and other related group of companies	41,799	37,524
Africa Data Centres related group companies	8,540	8,506
Strive Masiyiwa	238	478
	75,838	**69,145**
Trade payable balance to related parties		
Econet Global related group companies	749	944
Telrad Networks Ltd	15	15
Africa Data Centres related group companies	1,159	9,199
Sasai Related Group Companies	992	212
Liquid (Jersey) and other related group of companies	20,278	17,045
	23,193	**27,415**
Long-term receivables		
Africa Data Centres related group companies	147,520	132,064
Liquid (Jersey) and other related group of companies	4,207	3,958
	151,727	**136,022**

19. Capital commitments

	31/08/2025 USD'000 (Unaudited)	28/02/2025 USD'000 (Audited)
At 31 August 2025, the group committed to the following capital commitments:		
Authorised and contracted		
Intangible assets	436	5,673
Property, plant and equipment	25,762	18,145
	26,198	**23,818**

The capital expenditure is to be financed from internal cash generation and existing funding facilities.

20. Long-term receivables

Long term intercompany receivables (note 18)	151,727	136,022
Other receivables	980	308
	152,707	**136,330**

The directors have assessed the Expected Credit Loss ("ECL") on the long term intercompany receivables at group level and have concluded that the ECL is not material, hence no ECL has been accounted for.

21. Dividend

Period ended 31 August 2025:

Liquid Telecommunications Rwanda Limited, a subsidiary of the group, declared and paid a dividend of USD 0.3 million. USD 0.1 million is attributable to the non-controlling interests of the subsidiary.

Raha Tanzania Holdings Limited, a subsidiary of the group, declared and paid a dividend of USD 0.3 million. USD 0.1 million is attributable to the non-controlling interests of the subsidiary.

Period ended 31 August 2024:

Liquid Telecommunications Rwanda Limited, a subsidiary of the group, declared and paid a dividend of USD 1.0 million. USD 0.3 million is attributable to the non-controlling interests of the subsidiary.

Zanlink Limited, a subsidiary of the group, declared and paid and interim dividend of USD 0.3 million during the period. USD 0.1 million is attributable to the non-controlling interests of the subsidiary.

22. Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

• 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).
• 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).

	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000	Total USD'000
31 August 2025				
Investments at FVTOCI (i)	1,902	-	15,314	17,216
Total (Unaudited)	**1,902**	**-**	**15,314**	**17,216**

	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000	Total USD'000
28 February 2025				
Investments at FVTOCI (i)	1,358	-	15,314	16,672
Total (Audited)	**1,358**	**-**	**15,314**	**16,672**

(i) Investments at Fair Value Through Other Comprehensive Income (FVTOCI)

	31/08/2025 USD'000 (Unaudited)	28/02/2025 USD'000 (Audited)
Opening balance	16,672	15,362
Additions	97	1,983
Fair value gain / (loss)	457	(636)
Foreign exchange loss	(10)	(37)
Closing balance	**17,216**	**16,672**

22. Fair value measurements recognised in the consolidated statement of financial position (continued)

(ii) Net settled: Embedded derivatives

The derivatives represent the fair value of the call options embedded within the terms of the Notes. The call options give the group the right to redeem the Notes at a date prior to the maturity date (4 September 2026), at a premium over the initial notional amount.

The options are fair valued using an option pricing model that is commonly used by market participants to value such options and makes the maximum use of market inputs, relying as little as possible on the group's specific inputs and making reference to the fair value of similar instruments in the market. Thus, it is considered a level 2 financial instrument in the fair value hierarchy of *IFRS 13 - Fair value measurement.*

The key assumptions used to estimate the fair value are:

1. the initial fair value of the Notes (being the issue price of 100% on the issue date);
2. the credit spread (implied from the issue price of the bond); and
3. the discount curve (Secured Overnight Financing Rate Data).

At 31 August 2025, the fair value of the embedded derivatives was not significant (28 February 2025: nil).

23. Non-cash transactions

Transactions excluded from statements of cash flows

During the current financial year, the group and company entered into the following non-cash investing and financing activities which are not reflected in the consolidated statement of cash flows:

During the period ended 31 August 2025:

• Purchase of property, plant and equipment of the group included a non cash portion of USD 2.1 million.

During the period ended 31 August 2024:

• Purchase of property, plant and equipment of the group included a non cash portion of USD 1.8 million.

24. Profit per share

	6 months ended		3 months ended	
	31/08/2025	31/08/2024	31/08/2025	31/08/2024
	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)
Profit / (loss) per share (Cents per share)	36.79	78.76	19.61	(55.29)

The earnings and weighted average number of ordinary shares used in the calculation of basic (loss) / earnings per share are as follows:

Profit / (loss) attributable to owners of the company	45,933	98,343	24,483	(69,029)

	6 months ended	
	31/08/2025	31/08/2024
	USD'000 (Unaudited)	USD'000 (Unaudited)
Weighted average number of ordinary shares for the purpose of basic profit per share for the period ended	124,857,914	124,857,914

At 31 August 2025, the share capital of USD 3.7 million represents 124,857,914 ordinary shares (31 August 2024: 124,857,914 ordinary shares).

25. Contingent liabilities

- **Uncertain Tax Positions**

The Group has a number of tax audits underway across the various jurisdictions in which it operates. These audits are routine and often involve discussion and negotiation with the relevant authorities. When assessing the potential outcome of these audits, the Group uses judgement based on past experience, industry practice and advice from local tax advisers. Where the assessment finds that a tax liability is probable, a tax provision is made through current tax. Where the Group considers it has a robust position to defend against the assessment, no tax provision is made, however, these positions are kept under review as the audit process progresses and, in some cases, the outcome of the audit and discussions with the tax authorities may be different to that anticipated by the Group. Although the Group currently has potential Uncertain Tax Positions across a number of jurisdictions (principally the DRC and Zimbabwe), it does not believe that these Uncertain Tax Positions will materialise in full. The Group has a history of negotiating final settlements at an amount which is significantly lower than that initially indicated by the Tax Authority. In recent periods, these settlement rates have averaged in the region of 15% - 20%.

Based on the value of potential tax exposures where uncertainty exists, and also based on our historical settlements with tax authorities, there is a potential of additional tax exposures liabilities between USD 9.4 million and USD 14.9 million, the exact timing and value of which is unknown and cannot be measured with any reliability.

- **Re-financing of the USD 220.0 million equivalent South African Rand term loan**

In December 2024, the group successfully signed new facilities to refinance its South African Rand term loan on a multi-tenor basis. The new facilities, equivalent to USD 220.0 million in South African Rand, are being provided by Standard Bank of South Africa, Rand Merchant Bank, Nedbank of South Africa, and International Finance Corporation (IFC). The utilization of these facilities is now subject to the satisfaction of certain conditions precedent which are still outstanding as of the date of signing of the consolidated interim financial statements for the period ended 31 August 2025.

25. Contingent liabilities (continued)

- **Judicial Commission of Inquiry into State Capture**

The Judicial Commission of Enquiry into State Capture ("the commission") had considered, amongst other matters, the role of Neotel and certain erstwhile employees in facilitating state capture in the period prior to the acquisition of the company (now LTSA) by the LTH group. Since the inception, the company has worked with the commission and other authorities in providing all the information that may be required for the commission to execute on its mandate. The commission's findings report ("Commission Report") was published on 1 February 2022, and it contains specific reference to Neotel and individuals that were in the employ of Neotel. At the time of acquiring the company, the LTH group was aware of certain of these matters, but not the full extent thereof.

The board is satisfied that since the acquisition by LTH group there is no evidence of any further dishonesty, corruption, collusion or breaches of any laws or regulations by the company or any of its employees. The Commission Report has not identified any new information that was not known by the company following from the detailed internal forensic investigations undertaken by the company and shared with the Commission. To date, the Commission Report has not prompted any further investigation or inquiry into the affairs of the company. The company will continue to support and cooperate with the appropriate authorities in this regard, including with the Special Investigating Unit (SIU). The company has reiterated that it has zero tolerance for corruption, and we expect our employees, customers, partners, and service providers to conduct themselves with integrity.

- **Claim by Vodacom**

Vodacom launched a semi-urgent interdict against MTN, Cell-C and LTSA (including Rain and Telkom as interested parties) to interdict MTN, the parties from transmitting on certain frequencies, until such time as it can get a final order setting aside, amongst others, ICASA's approval of the pooling application and agreement between MTN and LTSA. The matter was structured in two parts:

Part A, which sought interim relief in the form of an urgent interdict, was dismissed by the High Court on 24 February 2025, which meant that LTSA and other respondents were not interdicted from continuing operations under the pooling arrangement.

Part B, which pertains to the substantive relief and includes the filing of answering affidavits, is still ongoing. LTSA filed its answering affidavit on 12 May 2025. A hearing date has not yet been set. Due to the ongoing nature and complexity of the matter. No liability has been recognised, based on currently available information, as there is no present obligation, and it is not yet probable that an outflow of resources embodying economic benefits will be required to settle the claim.

- **Other legal matters**

Other than those already mentioned above, the group is involved in various other legal and regulatory matters, the possible outcome of which may not be favorable to the group and none of which are considered to be individually material. The group has applied its judgement and has recognised liabilities where economic outflows are considered possible and probable. The group has also considered contingent liabilities where economic outflows are possible but not probable.

26. Reconciliation

26.1 Reconciliation of Operating profit to Adjusted EBITDA

Below is a reconciliation of Operating profit, as shown in the consolidated statement of profit or loss, to Adjusted EBITDA reported in note 3 - *Revenue & Segment information.*

	6 months ended		3 months ended	
	31/08/2025	31/08/2024	31/08/2025	31/08/2024
	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)	USD'000 (Unaudited)
Operating profit	86,669	88,495	34,731	38,772
Add back:				
Depreciation, impairment and amortisation	59,693	66,155	30,981	33,416
Dividend received	139	3	68	-
Adjusted EBITDA (note 3)	**146,501**	**154,653**	**65,780**	**72,188**

26.2 Reconciliation of consolidated statement of profit or loss to management profit or loss

The group has standardised its consolidated statement of profit or loss to comply with IAS 1 nature of expense method of presentation. The change resulted in reclassification from Data and network related costs to Administrative expenses.

A reconciliation of the consolidated statement of profit or loss and management profit or loss is included below:

	Consolidated statement of profit or loss	Reclassification of network costs	Revised statement of profit or loss
	USD'000	USD'000	USD'000
6 months ended 31 August 2025 (Unaudited):			
Revenue	352,408	-	352,408
Interconnect related costs	(20,084)	-	(20,084)
Data and network related costs	(100,581)	17,217	(83,364)
Gross Profit	231,743	17,217	248,960
Other income	3,305	-	3,305
Dividend received	139	-	139
Selling, distribution and marketing costs	(5,533)	-	(5,533)
Expected credit loss reversal	(2,213)	-	(2,213)
Administrative expenses	(26,749)	(17,217)	(43,966)
Staff costs	(54,191)	-	(54,191)
Adjusted EBITDA	**146,501**	**-**	**146,501**

Reconciliation of consolidated statement of profit or loss to management profit or loss (continued)

6 months ended 31 August 2024 (Unaudited):	**Consolidated statement of profit or loss USD'000**	**Reclassification of network costs USD'000**	**Revised statement of profit or loss USD'000**
Revenue	363,272	-	363,272
Interconnect related costs	(18,843)	-	(18,843)
Data and network related costs	(115,543)	16,265	(99,278)
Gross Profit	228,886	16,265	245,151
Other income	1,579	-	1,579
Dividend received	3	-	3
Selling, distribution and marketing costs	(4,442)	-	(4,442)
Expected credit loss provision	7,430	-	7,430
Administrative expenses	(24,574)	(16,265)	(40,839)
Staff costs	(54,229)	-	(54,229)
Adjusted EBITDA	**154,653**	**-**	**154,653**
3 months ended 31 August 2025 (Unaudited):			
Revenue	179,872	-	179,872
Interconnect related costs	(9,707)	-	(9,707)
Data and network related costs	(54,683)	8,293	(46,390)
Gross Profit	115,482	8,293	123,775
Other income	2,508	-	2,508
Dividend received	68	-	68
Selling, distribution and marketing costs	(2,827)	-	(2,827)
Expected credit loss provision	(3,160)	-	(3,160)
Administrative expenses	(15,064)	(8,293)	(23,357)
Staff costs	(31,227)	-	(31,227)
Adjusted EBITDA	**65,780**	**-**	**65,780**
3 months ended 31 August 2024 (Unaudited):			
Revenue	179,710	-	179,710
Interconnect related costs	(8,728)	-	(8,728)
Data and network related costs	(54,741)	8,574	(46,167)
Gross Profit	116,241	8,574	124,815
Other income	790	-	790
Dividend received	-		-
Selling, distribution and marketing costs	(1,992)	-	(1,992)
Expected credit loss provision	(402)	-	(402)
Administrative expenses	(13,006)	(8,574)	(21,580)
Staff costs	(29,443)	-	(29,443)
Adjusted EBITDA	**72,188**	**-**	**72,188**

27. Events after the reporting period

Non-adjusting event:

Maturity of the USD 620.0 million Senior Secured Notes

Subsequent to the reporting date, the USD 620.0 million Senior Secured Notes with a carrying amount of USD 620 million, became a current liability (on 5 September 2025) as it is now due within twelve months (4 September 2026). This is a non-adjusting event and has been disclosed as per IAS 10 *Events after the reporting period.*

28. Assets held for sale

During the period under review, the group entered into a sale agreement for the disposal of one of its subsidiaries, Liquid Telecommunications Sahara Holdings Limited, a private company incorporated in Mauritius, for a consideration USD 9.9 million. The disposal is expected to be completed within 12 months, has been classified as a disposal group held for sale as per IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* and presented separately in the statement of financial position. The proceeds of disposal are expected to substantially exceed the carrying amount of the related net assets and accordingly no impairment losses have been recognised on the classification of these operations as held for sale. The major classes of assets and liabilities comprising the operations classified as held for sale are as follows:

	31/08/2025 USD'000 (Unaudited)
Assets classified as held for sale	
Cash and cash equivalents	1,353
Intangible assets	329
Property, plant and equipment	7,761
Right-of-Use assets	136
Inventories	120
Trade and other receivables	1,041
Deferred tax assets	625
	11,365

28. Assets held for sale (continued)

	31/08/2025 USD'000 (Unaudited)
Liabilities directly associated with assets classified as held for sale	
Trade and other payables	1,370
Lease liabilities	158
Deferred tax liabilities	1,324
Deferred revenue	89
Taxation	439
Provisions	133
	3,513
Net assets of disposal group	**7,852**

29. Immediate, intermediate and ultimate holding companies

The directors regard Liquid Telecommunications (Jersey) Limited as the immediate holding company and Cassava Technologies Limited as the intermediate holding company, both incorporated in Jersey. The penultimate holding company is Econet New Arx Limited and the ultimate holding company is Econet Global Limited, both incorporated in Mauritius.