

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
(trading as)



(Licence Number: GB21100696)
ANNUAL FINANCIAL STATEMENTS
28 February 2026

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LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
REPORT OF THE DIRECTORS
28 February 2026

General review

The operating results of Liquid Telecommunications Holdings Limited (the “company”) and its subsidiaries (the “group”) for the year ended 28 February 2026 are fully disclosed in the accompanying audited annual financial statements.

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.

The group, trading as Liquid Intelligent Technologies, is a technology and digital solutions provider with operations in more than 25 countries primarily in Eastern, Southern and Central Africa that serves carrier, enterprise and retail customers with high-speed, reliable connectivity and digital services. The group has built Africa’s largest independent fibre network, which reached 115,334 kilometres in the year ended 28 February 2026.

Total revenue for the year was USD 781.9 million (28 February 2025: USD 693.5 million), an increase of 12.7% year-on-year on a reported basis and total profit for the year was USD 57.7 million (28 February 2025: USD 18.4 million) representing an increase of 213.6% year-on-year on a reported basis. Growth in revenue was driven by the Network and C2 segments, with robust customer uptake in South Africa, Rest of Africa and Zimbabwe continuing to underpin overall performance where customer demand has continued to rise. In addition, the Zimbabwe economy remained relatively stable and the impacts of exchange rate movements were positive, however, this was partly offset by the general decline in voice revenues, aligned to the global trend away from traditional voice traffic.

The group has evolved as a technology solutions provider delivering a broad range of value add products and services to its customers. As such the group manages and reports 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.

During the year, the group has observed an increase in the number of government initiatives designed to promote local ownership of companies. These initiatives aim to have a proportion of the shareholding of local companies owned by employees or local citizens. The group will address the requirements for those countries in which it operates (primarily the DRC in the year ended 28 February 2026) as the regulations come into force.

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 annual financial statements, taking into account the operating requirements of the business, debt service obligations and certain conditions subsequent to the recently concluded re-financing. The detail of these requirements and re-financing activities undertaken is set out in note 42 - *Going Concern*. Having carried out such an assessment, the directors consider that the operations provide sufficient financial sustainability to enable the business to continue in existence for at least the twelve months from the date of signing of the consolidated annual financial statements.

Events after the reporting date

Non adjusting events:

- Corporate credit rating

On 5 March 2026, Moody’s upgraded both the corporate family rating of Liquid Telecommunications Holdings Limited and the instrument rating on the USD 620 million Senior Secured Notes (bond) issued by Liquid Telecommunications Financing Plc to Caa1 from Caa2 negative outlook, whilst also placing the ratings under review for further upgrade. This upgrade to Caa1 was due to the increased confidence in the business’s ability to refinance its USD 620 million Senior Secured Notes ahead of its maturity following the repayment of the outstanding balance of the USD 220 million equivalent South African Rand term loan (ZAR term loan) and the USD 60 million revolving credit facility (RCF).

On 27 April 2026, Moody’s upgraded the corporate family rating to B3 from Caa1, with the outlook revised to Stable following the completion of the re-financing.

On 12 May 2026, Fitch upgraded the corporate family rating to B- from CCC+, with Outlook Stable. This followed its placing of the business under Rating Watch Positive following the March announcement of the intended re-financing of the bond.

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
REPORT OF THE DIRECTORS (continued)
28 February 2026

Events after the reporting date (continued)

Non adjusting events (continued):

- Refinancing

On 14 April 2026, the group completed its re-financing of the USD 220 million ZAR term loan and USD 620 million bond (due September 2026). The refinancing comprised the repayment of the outstanding balance of the USD 220 million ZAR term loan, the USD 60 million RCF and settlement of the USD 620 million bond. These were replaced by a new USD 210 million equivalent ZAR term loan, a new USD 150 million USD term loan and a new USD 300 million bond (maturity 2031). The new facilities carry new covenants including, among others, Net Leverage Ratio, Interest Cover and Debt Service Cover Ratio. The refinancing has been treated as a non-adjusting post balance sheet event.

- Impact of global events

On 28 February 2026, a conflict started between the United States, Israel and Iran. The group is monitoring the impact of the conflict on its business and supply chain. To date, the impact has not been material and as such, the group regards the economic impact of this conflict to be a non-adjusting post balance sheet event, with no current direct impact on the group's operations.

Adjusting events:

- Judicial Commission of Inquiry into State Capture

Between 2014 and 2016, and prior to the acquisition of Neotel in 2017 by Liquid Telecommunications Holdings Limited (the group), Neotel entered into various transactions and contractual arrangements with Transnet SOC Ltd. (Transnet), which later became the subject of investigation and review by the Commission of Inquiry into Allegations of State Capture (the Commission) in South Africa. The group self-reported the unlawful activities that had taken place prior to the acquisition, the extent of which was unknown at the time of the acquisition, and rendered substantial assistance to the Commission, and South African law enforcement authorities in the advancement of the related investigations.

The report of the Commission has not prompted any further investigation or inquiry into the affairs of Liquid Telecommunications South Africa (Pty) Limited (LTSA). The group has invested extensively in local and international corporate compliance anti-corruption programmes to prevent and detect future corrupt practice as part of its long standing zero tolerance to corruption.

As part of ongoing efforts to resolve this matter, LTSA engaged in negotiations with Transnet and corporate alternative dispute resolution with the National Prosecuting Authority (NPA) et al of South Africa. These resulted in an agreement whereby the group, has undertaken without admission of liability to pay financial restitution to Transnet, in the amount of USD 7.3 million (ZAR 127 million), in 10 monthly installments commencing in April 2026. Furthermore, the group has agreed to pay USD 3.3 million (ZAR 57 million) into the Criminal Assets Recovery Account of the Republic of South Africa. Funds in this account are made available to combat organised crime and corruption. These payments are on the basis of the acceptance that the group is not alleged to have been involved in, or to have had any knowledge of the underlying conduct or transactions at the time they occurred, and they constitute full and final settlement of these historic transactions and all conditions precedent relating to such settlement have been fulfilled.

Although these processes were only concluded after the year end, the group has subsequently recognised the associated settlement amounts in the financial year ended 28 February 2026 as an adjusting post balance sheet event due to the fact that the reviews were underway at the balance sheet date.

Statement of directors' responsibility in respect of the annual financial statements

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the group and the company. In preparing those consolidated and separate financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards ("IFRS") Accounting Standards, as issued by the International Accounting Standards Board ("IASB"), have been followed, subject to any material departures disclosed and explained in the consolidated and separate financial statements;

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
REPORT OF THE DIRECTORS (continued)
28 February 2026

Statement of directors' responsibility in respect of the annual financial statements (continued)

- prepare the consolidated and separate financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business, and
- maintain adequate accounting records and an effective system of internal controls and risk management.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the group and the company and to enable them to ensure that the consolidated and separate financial statements comply with IFRS, laws and regulations. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Chairman and CEO's statement

It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate. We continuously review and enforce our systems to counter bribery and corruption.

Incorporation

Liquid Telecommunications Holdings Limited was incorporated on the 26 January 2007 in Mauritius and was granted a Category 2 – Global Business Licence. The company's Global Business Licence (category 2) was converted to a Global Business Company licence on 30 June 2021.

Dividends

Year ended 28 February 2026:

- 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.
- Worldstream (Pty) Ltd, a subsidiary of the group, declared and paid a dividend of USD 0.6 million. USD 0.2 million is attributable to the non-controlling interests of the subsidiary.

Year ended 28 February 2025:

- Liquid Telecommunications Rwanda Limited, a subsidiary of the group, declared and paid a dividend of USD 1.7 million. USD 0.5 million is attributable to the non-controlling interests of the subsidiary.
- Zalink, 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.
- Worldstream (Pty) Limited, a subsidiary of the group, declared a dividend of USD 0.3 million. USD 0.1 million is attributable to the non-controlling interests of the subsidiary.

Share capital

The share capital of USD 3.7 million represents 124,857,914 ordinary shares (28 February 2025: USD 3.7 million represented by 124,857,914 ordinary shares). Refer to note 22 for details.

Investments

Full details of the group's and company's investments in subsidiaries, investments in associates, investments at Fair Value Through Other Comprehensive Income (FVTOCI), at amortised cost, and other investments are disclosed in notes 13, 14, 15 and 16 of the financial statements.

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
REPORT OF THE DIRECTORS (continued)
28 February 2026

Directors and secretary

The directors of the company for the financial year ended 28 February 2026 and up to the date of this report were as follows:

Name:	Appointed on:	Resigned on:	
Eric Venpin ¹	26-Jan-07	-	¹ <i>Mauritian</i>
Hardwork Pemhiwa Njodzi ²	04-Nov-16	-	² <i>Zimbabwean</i>
Omobola Olubusola Johnson ⁴	16-Aug-18	-	³ <i>British</i>
Christopher Rajendran Hyman ³	29-Jun-22	-	⁴ <i>Nigerian</i>
Mike Mootien ¹	27-Jun-23	-	⁵ <i>Dutch</i>
Lorraine Harper ³	26-Jun-24	-	
Jake Sise Donovan ³	26-Jun-24	21-Oct-25	
Reinier Alexander Douqué ⁵	21-Oct-25	30-Oct-25	

Secretary

DTOS Ltd
10th Floor, Standard Chartered Tower
19-21 Bank Street, Cybercity
Ebène, 72201
Republic of Mauritius

Registered office

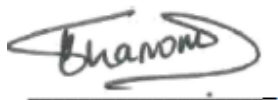
10th Floor, Standard Chartered Tower
19-21 Bank Street, Cybercity
Ebène, 72201
Republic of Mauritius

Auditor

Deloitte
7th-8th Floor, Standard Chartered Tower
19-21 Bank Street,
Cybercity,
Ebène, 72201,
Republic of Mauritius

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
CERTIFICATE FROM THE SECRETARY
UNDER SECTION 166 (d) OF THE MAURITIUS COMPANIES ACT 2001

We certify to the best of our knowledge and belief, we have filed with the Registrar of Companies all such returns as are required of Liquid Telecommunications Holdings Limited under Section 166 (d) of the Mauritius Companies Act 2001 for the year ended 28 February 2026.



For DTOS
Secretary

10th Floor, Standard Chartered Tower
19-21 Bank Street, Cybercity
Ebène, 72201
Republic of Mauritius

Date: 28 June 2026

**Independent auditor's report to the Shareholder of
Liquid Telecommunications Holdings Limited**

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of **Liquid Telecommunications Holdings Limited** (the "Company") and its subsidiaries (the "Group") set out on pages 9 to 69, which comprise the consolidated and separate statements of financial position as at 28 February 2026, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and Company as at 28 February 2026, and of their consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and in compliance with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Global Business Licence companies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – restatement of comparative information

We draw attention to Note 43 of the financial statements which describes the retrospective adjustments to the comparative information presented in the accompanying separate financial statements. Consequently, the comparative information in the accompanying separate financial statements has been restated as at 28 February 2025 and 1 March 2024. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises of Report of the Directors and the Certificate from the secretary but does not include the consolidated and separate financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Independent auditor's report to the Shareholder of
Liquid Telecommunications Holdings Limited (continued)**

Responsibilities of directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the IASB and in compliance with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Global Business Licence companies and they are also responsible for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The directors are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

**Independent auditor's report to the Shareholder of
Liquid Telecommunications Holdings Limited (continued)**

Auditor's responsibilities for the audit of the consolidated and separate financial statements (continued)

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

Report on other legal and regulatory requirements

Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interest in, the Group and Company other than in our capacity as auditor;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Use of this report

This report is made solely to the Company's shareholder, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state to the shareholder in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte.
Deloitte

Chartered Accountants


Vishal Agrawal, FCA

Licensed by FRC

28 June 2026

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 28 February 2026

	Notes	Group		Company	
		28/02/26	28/02/25	28/02/26	28/02/25
		USD'000	USD'000	USD'000	USD'000
					(Restated)
Revenue	4.1	781,933	693,534	-	-
Interconnect related costs		(35,459)	(38,829)	-	-
Data and network related costs		(256,342)	(203,436)	-	-
Net other income	5.2	3,409	1,671	15,689	20,861
Selling, distribution and marketing costs		(11,775)	(11,286)	535	(842)
Expected credit loss (provision) / reversal		(5,169)	(823)	1,307	(517)
Administrative expenses		(64,148)	(58,870)	(21,449)	(24,459)
Staff costs	5.3	(117,146)	(116,993)	(6,857)	(5,591)
Depreciation and amortisation	5.4	(124,086)	(120,079)	(4,751)	(3,869)
Impairment	5.5	(410)	(4,587)	(78,875)	(26,596)
Operating profit / (loss)		170,807	140,302	(94,401)	(41,013)
Dividends received from investments at FVTOCI		270	59	-	-
Dividend received from related parties	32	-	-	1,009	1,426
Restructuring costs		(847)	(3,619)	(160)	(419)
Legal settlement	35.2	(10,550)	-	-	-
Acquisition and other investment costs	5.6	(1,354)	-	(258)	-
Interest income	6	25,608	24,291	22,551	23,340
Finance costs	7	(103,422)	(101,847)	(33,029)	(34,727)
Net foreign exchange gain / (loss)	5.7	17,154	(321,579)	(1,225)	34
Hyperinflation monetary gain	1.1	5,041	306,722	-	-
Share of profits of associate	14	7	14	-	-
Profit / (loss) before taxation		102,714	44,343	(105,513)	(51,359)
Tax expense	8	(44,990)	(25,894)	(2,029)	(2,321)
Profit / (loss) for the year		57,724	18,449	(107,542)	(53,680)
Other comprehensive income / (expense)					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Translation gain on accounting for foreign entities		38,753	30,341	-	-
Impact of foreign exchange on opening balance adjustment under hyperinflation accounting	1.1	(3,045)	(62,819)	-	-
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Fair value gain / (loss) on investments in equity instruments designated as FVTOCI	15	2,827	(636)	-	-
Total other comprehensive income / (expense), net of tax		38,535	(33,114)	-	-
Total comprehensive income / (expense)		96,259	(14,665)	(107,542)	(53,680)
Profit attributable to:					
Owners of the company		56,985	18,443	(107,542)	(53,680)
Non-controlling interest		739	6	-	-
		57,724	18,449	(107,542)	(53,680)
Total comprehensive expense attributable to:					
Owners of the company		95,514	(14,577)	(107,542)	(53,680)
Non-controlling interest		745	(88)	-	-
		96,259	(14,665)	(107,542)	(53,680)
Earnings per share					
Basic (Cents per share)	39	45.64	14.77		

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION
as at 28 February 2026

Notes	Group			Company	
	28/02/26	28/02/25	28/02/26	28/02/25	01/03/24
	USD'000	USD'000	USD'000	USD'000	USD'000
Non-current assets				(Restated)	(Restated)
Goodwill	9	85,966	76,089	-	-
Intangible assets	10	56,782	58,812	4,007	4,280
Property, plant and equipment	11	515,225	475,990	61	85
Right-of-Use assets	12	263,690	233,008	-	-
Investment in subsidiaries	13	-	-	652,206	662,791
Investment in associate	14	674	573	-	-
Investments at Fair Value Through Other Comprehensive Income (FVTOCI)	15	19,688	16,672	15,310	15,310
Deferred tax assets	17	43,669	49,912	-	-
Investments at amortised cost	16	41	41	-	-
Long-term receivables	18	78,030	136,330	120,625	186,543
Pre-commencement lease payments		5,754	10,754	-	-
Total non-current assets		1,069,519	1,058,181	792,209	856,022
Current assets					
Inventories	19	20,146	22,005	-	-
Trade and other receivables	20	412,919	331,750	190,271	177,259
Taxation	8	3,861	2,953	-	-
Cash and cash equivalents	21	75,064	85,368	5,139	14,582
Restricted cash and cash equivalents	21	413	425	-	12
Assets classified as held for sale	31	10,846	-	-	-
Total current assets		523,249	442,501	195,410	191,126
Total assets		1,592,768	1,500,682	987,619	1,047,148
Equity and liabilities					
Capital and reserves					
Share capital	22	3,716	3,716	3,716	3,716
Share premium	22	276,714	276,714	276,714	276,714
Convertible preference shares	22	180,000	180,000	180,000	180,000
Share application monies	22	-	35,000	-	35,000
Equity loan	22	35,000	-	35,000	-
Investment revaluation reserve	22a	2,207	(620)	-	-
Retained earnings / (accumulated losses)		17,812	(39,173)	(182,447)	(74,905)
Foreign currency translation reserve	22a	(275,924)	(311,626)	-	-
Total equity attributable to owners of the parent		239,525	144,011	312,983	420,525
Non-controlling interests	13.2	(594)	(918)	-	-
Total equity		238,931	143,093	312,983	420,525
Non-current liabilities					
Long term borrowings	23a	-	617,583	-	-
Long term lease liabilities	29	176,997	140,740	-	-
Long term intercompany borrowings	24	-	-	528,136	533,095
Long term provisions	26	4,211	5,479	-	-
Deferred revenue	28	47,152	47,179	-	-
Deferred tax liabilities	17	6,681	3,346	-	-
Total non-current liabilities		235,041	814,327	528,136	533,095
Current liabilities					
Short term portion of long term borrowings	23b	639,720	177,174	-	25,290
Short term portion of long term lease liabilities	29	68,531	36,628	-	-
Trade and other payables	25	310,914	238,979	669,997	67,158
Short term provisions	27	30,226	24,120	2,700	2,793
Deferred revenue	28	53,723	47,595	-	-
Taxation	8	11,797	18,766	-	-
Liabilities classified as held for sale	31	3,885	-	-	-
Financial Guarantee Contracts Short Term	43	-	-	1,939	3,246
Total current liabilities		1,118,796	543,262	674,636	98,487
Total equity and liabilities		1,592,768	1,500,682	987,619	1,047,148

Approved by the Board of Directors and authorised for issue on 28 June 2026

Eric Venpin
Director

Mike Mootien
Director

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY
for the year ended 28 February 2026

Group

		Share Capital	Share Premium	Convertible preference shares	Share application monies	Equity loan	Investment revaluation reserve	Foreign currency translation reserve	(Accumulated losses) / retained earnings	Non- controlling interest	Total Equity
Notes		USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
At 01 March 2024		3,716	276,714	180,000	-	-	16	(279,242)	(57,616)	86	123,674
Receipt of share application monies	22	-	-	-	35,000	-	-	-	-	-	35,000
Dividend	37	-	-	-	-	-	-	-	-	(916)	(916)
Income / (expense) and total comprehensive income / (expense) for the year		-	-	-	-	-	(636)	(32,384)	18,443	(88)	(14,665)
Profit for the year		-	-	-	-	-	-	-	18,443	6	18,449
Fair value loss on investments in equity instruments designated as FVTOCI	15	-	-	-	-	-	(636)	-	-	-	(636)
Impact of foreign exchange on opening balance adjustment under hyperinflation accounting		-	-	-	-	-	-	(62,819)	-	-	(62,819)
Translation loss on accounting for foreign entities		-	-	-	-	-	-	30,435	-	(94)	30,341
At 28 February 2025		3,716	276,714	180,000	35,000	-	(620)	(311,626)	(39,173)	(918)	143,093
Dividend	37	-	-	-	-	-	-	-	-	(421)	(421)
Reclassification		-	-	-	(35,000)	35,000	-	-	-	-	-
Income / (expense) and total comprehensive income / (expense) for the year		-	-	-	-	-	2,827	35,702	56,985	745	96,259
Profit for the year		-	-	-	-	-	-	-	56,985	739	57,724
Fair value gain on investments in equity instruments designated as FVTOCI	15	-	-	-	-	-	2,827	-	-	-	2,827
Impact of foreign exchange on opening balance adjustment under hyperinflation accounting		-	-	-	-	-	-	(3,045)	-	-	(3,045)
Translation gain on accounting for foreign entities		-	-	-	-	-	-	38,747	-	6	38,753
At 28 February 2026		3,716	276,714	180,000	-	35,000	2,207	(275,924)	17,812	(594)	238,931

Company

		Share capital	Share premium	Convertible preference shares	Share application monies	Equity loan	Accumulated losses	Total Equity
		USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
At 01 March 2024		3,716	276,714	180,000	-	-	(18,808)	441,622
- As previously reported		3,716	276,714	180,000	-	-	(18,808)	441,622
- Adjustment	43	-	-	-	-	-	(2,417)	(2,417)
- As restated	43	3,716	276,714	180,000	-	-	(21,225)	439,205
Loss for the year		-	-	-	-	-	(53,680)	(53,680)
Receipt of share application monies	22	-	-	-	35,000	-	-	35,000
At 28 February 2025 - As restated		3,716	276,714	180,000	35,000	-	(74,905)	420,525
At 01 March 2025		3,716	276,714	180,000	35,000	-	(71,659)	423,771
- As previously reported		3,716	276,714	180,000	35,000	-	(71,659)	423,771
- Adjustment		-	-	-	-	-	(3,246)	(3,246)
- As restated		3,716	276,714	180,000	35,000	-	(74,905)	420,525
Reclassification		-	-	-	(35,000)	35,000	-	-
Loss for the year		-	-	-	-	-	(107,542)	(107,542)
At 28 February 2026		3,716	276,714	180,000	-	35,000	(182,447)	312,983

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS
for the year ended 28 February 2026

	Notes	Group		Company	
		28/02/26	28/02/25	28/02/26	28/02/25
		USD'000	USD'000	USD'000	USD'000
					(Restated)
Cash flows from operating activities:					
Cash generated from / (used in) operations	30	272,065	224,066	20,379	(14,779)
Income tax paid	8	(37,360)	(25,026)	(2,029)	(2,321)
<i>Net cash generated from / (used in) operating activities</i>		<u>234,705</u>	<u>199,040</u>	<u>18,350</u>	<u>(17,100)</u>
Cash flows from investing activities:					
Interest income		1,710	1,542	88	88
Purchase of investment at FVTOCI	15	(451)	(1,983)	-	-
Disposal of investment at FVTOCI	15	304	-	-	-
Dividends received from investments at FVTOCI		270	59	-	-
Dividend received from related parties	32	-	-	777	1,708
Purchase of property, plant and equipment		(54,747)	(41,386)	-	-
Proceeds on disposal of property, plant and equipment		8,300	2,088	-	-
Pre-commencement lease payments		-	(1,189)	-	-
Purchase of intangible assets		(4,483)	(8,256)	-	-
Proceeds on disposal of intangible assets		51	-	-	-
Cash paid to long-term receivables from related parties		(274)	(337)	(3,947)	(2,235)
Cash received from long-term receivables from related parties		89,896	10,772	6,772	6,839
Decrease in long term receivables		(572)	(304)	-	-
<i>Net cash generated from / (used in) investing activities</i>		<u>40,004</u>	<u>(38,994)</u>	<u>3,690</u>	<u>6,400</u>
Cash flows from financing activities:					
Dividend paid		(421)	(1,090)	-	-
Finance costs paid		(53,824)	(60,251)	(2,941)	(4,940)
Receipt of share application monies		-	35,000	-	35,000
Decrease in borrowings		(167,898)	(37,567)	(25,290)	(17,665)
Proceeds from sale and leaseback transaction		25,748	-	-	-
Decrease in lease liabilities		(89,310)	(59,247)	-	-
Decrease in intercompany equity loans	24	-	-	-	(3,105)
Decrease in long term intercompany borrowing	24	-	-	-	(1,854)
<i>Net cash (used in) / generated from financing activities</i>		<u>(285,705)</u>	<u>(123,155)</u>	<u>(28,231)</u>	<u>7,436</u>
Net (decrease) / increase in cash and cash equivalents		(10,996)	36,891	(6,191)	(3,264)
Cash and cash equivalents at beginning of the year		85,793	57,076	11,330	14,594
Cash transferred to assets held for sale (note 31)	31	(694)	-	-	-
Translation of cash with respect to foreign operations		1,374	(8,174)	-	-
Cash and cash equivalents at end of the year		<u>75,477</u>	<u>85,793</u>	<u>5,139</u>	<u>11,330</u>
Represented by:					
Cash and cash equivalents	21	75,064	85,368	5,139	11,319
Restricted cash and cash equivalents	21	413	425	-	11
		<u>75,477</u>	<u>85,793</u>	<u>5,139</u>	<u>11,330</u>

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
for the year ended 28 February 2026

1. General information

Liquid Telecommunications Holdings Limited (trading as Liquid Intelligent Technologies) is a private company incorporated in Mauritius on 26 January 2007 and was granted a Category 2 – Global Business Licence Company as from 29 January 2007. The company's Global Business Licence (category 2) 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 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), on 5 April 2024.

1.1 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 year ended 28 February 2026, with effect from 1 October 2018 for its Zimbabwean subsidiaries.

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 year ended 28 February 2026, the group has used a rate of ZWG:USD 25.8:1 (28 February 2025: ZWL\$:USD 26.6:1) to translate both the statement of profit or loss and the statement of financial position at 28 February 2026. Of the USD 17.2 million net foreign exchange gain in the consolidated statement of profit and loss (28 February 2025: USD 321.6 million net foreign exchange loss), Zimbabwe contributed USD 0.5 million (28 February 2025: USD 321.3 million). The net foreign exchange gain/loss arises mainly on the retranslation of USD denominated intra-group debt at the statement of financial position date.

Hyperinflation accounting

Local economic conditions in Zimbabwe continued to react to the deterioration in the ZWG:USD (ZWL\$:USD prior to 5 April 2024) 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 6 November 2025.

Based on these reports, the group 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 3.0 million (1 March 2024: USD 62.8 million) which has been recognised directly in other comprehensive income, in accordance to IAS 21 - *The Effects of Changes in Foreign Exchange Rates*.

The application of hyperinflationary accounting results in certain assets, liabilities, revenues and costs being reported in inflation adjusted terms as at 28 February 2026.

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
for the year ended 28 February 2026

1.1 Zimbabwean currency and hyperinflation accounting (continued)

Hyperinflation accounting (continued)

The retranslation 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 ("GPI"). The gain on the net monetary position of USD 5.0 million (28 February 2025: USD 306.7 million) has been recognised in the consolidated statement of profit or loss through 'Hyperinflation monetary gain' based on a CPI of 191.59 (28 February 2025: 184.60).

In addition, IAS 29 requires the translation of the results at closing rate rather than average rate. The closing rate of ZWG:USD 25.8:1 (28 February 2025: ZWL\$:USD 26.6:1) has been used.

The directors continue to monitor the economic conditions in Zimbabwe.

1.2 Application of New and Revised IFRS Accounting Standards

In the current year, the company and group have applied all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 March 2025.

New and revised IFRSs and IFRICs applied with no material effect on the financial statements

The following relevant revised Standards have been applied in these financial statements. Their application has not had any significant impact on the amounts reported for current and prior periods but may affect the accounting for future transactions or arrangements.

IAS 21 *The Effects of Changes in Foreign Exchange Rates* - Lack of exchangeability.

Impact of the above revised Standards:

IAS 21 *The Effects of Changes in Foreign Exchange Rates*

The group has adopted the amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates - Lack of exchangeability for the first time in the current year. The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not. This amendment does not impact the group.

New and revised IFRSs and IFRICs in issue but not yet effective

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

IAS 21	The Effects of Changes in Foreign Exchange Rates: Amendments regarding translations to a hyperinflationary presentation currency (effective 1 January 2027).
IFRS 7	Financial Instruments: Disclosure - Amendments regarding the classification and measurement of financial instruments (effective 1 January 2026).
IFRS 9	Financial Instruments - Amendments regarding the classification and measurement of financial instruments (effective 1 January 2026).
IFRS 18	Presentation and Disclosures in Financial Statements – Original issue (effective 1 January 2027).
IFRS 19	Subsidiaries without Public Accountability: Disclosures – Original issue (effective 1 January 2027).

The directors anticipate that these IFRSs will be applied on their effective dates in the financial statements in future periods. The directors have estimated that the application of these amendments will not have material impacts in the financial statements in future periods.

2. Material accounting policy information

Basis of preparation

The consolidated and separate financial statements have been prepared under the historical cost convention, except for certain financial instruments carried at fair value and hyperinflation accounting in Zimbabwe (refer to note 1.1 - *Zimbabwean currency and hyperinflation accounting*). The financial statements have been prepared in accordance with IFRS Accounting Standards. The material accounting policy information adopted in the preparation of these financial statements is set out below:

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

2. Material accounting policy information (continued)

Basis of preparation (continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether the price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the group and the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such basis except for share-based transactions which fall in the scope of IFRS 2, leasing transactions that are in the scope of IFRS 16 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the operations provide sufficient financial sustainability to enable the business to continue in existence for at least the twelve months from the date of signing of the consolidated annual financial statements, as detailed in note 42 - *Going concern*.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the company (its subsidiaries) up to the reporting date each year. Control is achieved when an investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the company gains control or until the date when the company ceases to control the subsidiary.

Profits or losses and each component of the other comprehensive income are attributed to the owners of the company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Business combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the equity interests issued by the group, liabilities incurred by the group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value, except that:

- deferred tax or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 "Income Taxes" and IAS 19 "Employee Benefits" respectively;
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that Standard.

2. Material accounting policy information (continued)

Business combination (continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Non-controlling interests are considered to be insignificant when the closing balance, individually and collectively, is 5% or lower of the combined total equity at year end. See note 13.2 for *Details of non-wholly owned subsidiaries that have material non-controlling interests*.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the group's interest in the fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition.

For the purpose of impairment testing, goodwill is allocated to each of the group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at their cost less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Land is not depreciated.

Depreciation is charged so as to write off the cost to their residual values, over their estimated useful lives, using the straight-line method, on the following basis:

Buildings	20 - 50 years
Furniture and fittings	5 - 10 years
Computer equipment	2 - 10 years
Network equipment	5 years
Motor vehicles	4 - 5 years
Fibre infrastructure	5 - 25 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

The gains and losses arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying value of the asset and is recognised in profit or loss.

Work in progress relates to an asset under construction that has not yet been put into use. The asset is not subject to depreciation while in the construction phase. Once the asset is fully developed and available for use, depreciation will start.

Investment in associate

An associate is an entity over which the group has significant influence through holding, directly or indirectly, of 20 percent or more of the voting power of the associate, but that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

2. Material accounting policy information (continued)

Investment in associate (continued)

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the group's share of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately as a 'bargain purchase gain' in profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 "Impairment of Assets" are applied to determine whether it is necessary to recognise any impairment loss with respect to the group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 "Impairment of Assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of the impairment loss is recognised in accordance with IAS 36 "Impairment of Assets" to the extent that the recoverable amount of the investment subsequently increases.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or part of the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations". Under the equity method, an investment in associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter by an increase or decrease in the carrying amount of the investee by the group's share of profit or loss of the investee.

When the group's share of losses of an associate exceeds the group's interest in that associate (which includes any long-term interest that, in substance, form part of the group's net investment in the associate), the group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the associate.

Investment in subsidiaries

In the company's financial statements, investments in subsidiaries are measured and valued at cost less impairment.

Impairment of tangible and intangible assets excluding goodwill

At each reporting date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit to which the assets belong.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimate of future cash flows has not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes all expenses in bringing the items to their present location and condition. The cost of inventory is calculated using the Average Cost method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2. Material accounting policy information (continued)

Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value (excluding trade receivables which are recognised at transaction price in terms of IFRS 15). Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit or loss.

Financial assets

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

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

Classification of financial assets

Financial assets are classified into the following specified categories:

- Amortised cost;
- Fair Value Through Other Comprehensive Income (FVTOCI); and
- Fair Value Through Profit or Loss (FVTPL).

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

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

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

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

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

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

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

2. Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

(i) Amortised cost and effective interest method

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

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

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

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in the consolidated statement of profit or loss after Operating profit.

All financial assets on the consolidated statement of financial position, with the exception of investments are classified at amortised cost.

(ii) Equity instruments designated as at FVTOCI

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

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

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

2. Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

(ii) Equity instruments designated as at FVTOCI (continued)

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, that is dividends are recognised when the entity's right to receive payment is established, it is probable the economic benefits will flow to the entity and the amount can be measured reliably. Dividends are recognised in statement of profit or loss unless they clearly represent recovery of a part of the cost of the investment, in which case they are deducted from the cost of investment.

The group has designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of IFRS 9.

However, IFRS 9 observes that in limited circumstances, cost may provide an appropriate estimate of fair value. This would be the case if sufficient more recent information is not available to measure fair value or if there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. The directors considered the requirements of IFRS 9 and are of the opinion that cost is the best estimate for fair value for these investments in equity.

(iii) Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically;

- for financial assets measured at amortised cost, exchange differences are recognised in the statement of profit or loss in the 'Net foreign exchange (loss) / gain' line item;
- for equity instruments measured at FVTOCI, exchange differences are recognised in the statement of other comprehensive income in the investments revaluation reserve.

Impairment of financial assets

The group recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost or at FVTOCI. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

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

(i) Significant increase in credit risk

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

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

2. Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

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

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

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

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

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

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

(ii) Definition of default

The group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the group, in full (without taking into account any collateral held by the group).

Irrespective of the above analysis, the group considers that default has occurred when a financial asset is more than 90 days past due unless the group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the borrower;
- (b) a breach of contract, such as a default or past due event (see (ii) above);
- (c) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (d) the disappearance of an active market for that financial asset because of financial difficulties.

2. Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(iv) Write-off policy

The group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed in liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, after the group has exhausted all efforts to recover such trade receivables, which ever occurs sooner. Financial assets written off may still be subject to enforcement activities under the group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the consolidated statement of profit or loss.

(v) Measurement and recognition of expected credit losses (ECL)

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date, the group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information (including for example macroeconomic developments).

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the group expects to receive, discounted at the original effective interest rate.

The group makes provision on the following basis, which falls under stage 3 of the ECL model:

- 100% of all non-intercompany trade debts aged 90 days or older (see exception below),
- 100% of the balance due from a client who has a publicised case of either Curatorship, Judicial Management, Liquidation, Scheme of Arrangement and Insolvency and its operations might have ceased or are being wound up, and
- 100% of any disputed balances

The group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

The following are areas where management considers that the risk of default is minimal to nil and no provision is provided unless management assess that the credit risk has increased:

- Payment plans - A signed acknowledgment of debt with a payment plan and/or a set-off agreement exists and the client is abiding by the terms of these agreements. If the client does not comply with the payment plans, the services are stopped. If they still do not pay, the group will engage legal counsel to pursue recovery from the client. Historically and in most cases, customers do pay when legal letters are issued. When the client is unable to pay due to cash flow issues (hence, increased credit risk), a provision is made.
- Payment history – The customer's payment trend is in intervals, say quarterly, bi-annually or annually and its history is evidenced on their customer statement. This is usually applicable to government bodies and strategic clients.

Derecognition of financial assets

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

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

2. Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognised when the proceeds are received, net of direct issue costs.

A repurchase of the company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments.

Share capital and share premium are classified as equity.

Financial liabilities

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Financial liabilities comprise of long and short term borrowings, other long term payables, trade and other payables and lease liabilities.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'Net foreign exchange (loss) / gain' line item in the statement of profit or loss.

Derecognition of financial liabilities

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

Derivatives

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit or loss. Embedded derivatives are disclosed separately in the consolidated statement of financial position. Embedded derivatives relating to financial assets and financial liabilities are not bifurcated.

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
for the year ended 28 February 2026

2. Material accounting policy information (continued)

Cash or cash equivalents

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

Restricted cash comprises cash held in restricted accounts for bank guarantees and customer deposits.

Financing activities include dividends paid. Interest paid is included in financing activities.

Tax

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities arising from the taxable temporary differences associated with investments in subsidiaries, branches and associates are not recognised if the company has both the ability to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the year

Current and deferred tax are recognised as an expense or income in the consolidated statement of profit or loss, except when they relate to items recognised in other comprehensive income, in which case the tax is also recognised in other comprehensive income, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or in determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

Provisions

Provisions are recognised when the group has a present obligation as a result of a past event and it is probable that the group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

2. Material accounting policy information (continued)

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from it.

Revenue recognition

The group recognises revenue from the following major sources:

- Network - primarily revenue from long haul and metro networks;
- 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.

Revenue is measured based on the consideration to which the group expects to be entitled from a contract with a customer and excludes amounts collected on behalf of third parties. The group recognises revenue when it transfers control of a product or service to a customer. Depending on whether certain criteria are met, revenue is recognised:

- Over time, in a manner that best reflects the delivery of the group's performance obligations; or
- At a point in time, when control of the goods or services is transferred to the customer.

The group accounts for a contract with a customer only when there is evidence of an arrangement, the group can identify each party's rights regarding the goods and services to be transferred, the contract has commercial substance and collectability is reasonably assured.

- Network: The performance obligation relating to these service contracts consists of two parts; firstly the installation of the equipment and/or connection of the service, the Non-Recurring Revenue (NRR), and secondly the provisioning of monthly services, the Monthly Recurring Revenue (MRR).

The majority of these contracts only have one performance obligation even though the different parts of the service contracts are interrelated. Therefore, both the NRR and MRR components of the contract will be recognised over the period of the contract. Transaction prices are determined based on signed contracts, which take into account equipment and data rates determined at market related prices with the client for the NRR and MRR components. Deferred revenue (contract liability) is raised for the NRR payment received upfront. Customers are invoiced once for NRR and on a monthly basis for MRR. A receivable (contract asset) is raised as the service is delivered.

- C2: The majority of these contracts have one performance obligation that is recognised when the service is made available to customers on-demand via remote connection to a cloud computing server. The connection of the service performance obligation is satisfied on completion of connection as ownership is transferred. The provisioning of a service is recognised monthly as this is when the service is delivered. The transaction price is determined by the signed contract, which takes into account the rates determined at market related prices. Customers are invoiced once for NRR and on a monthly basis for MRR. A receivable (contract asset) is raised as the service is delivered.

- Dataport: The performance obligation relating to these service contracts consists of two parts; firstly the installation of the equipment and/or connection of the service, the Non-Recurring Revenue (NRR), and secondly the provisioning of monthly services, the Monthly Recurring Revenue (MRR).

The majority of these contracts only have one performance obligation which is the provisioning of a monthly service that is satisfied over time. Therefore, both the NRR and MRR components of the contract will be recognised over the period of the contract. Transaction prices are determined based on signed contracts, which take into account equipment and data rates determined at market related prices with the client for the NRR and MRR components. Deferred revenue is raised for the NRR payment received upfront. Customers are invoiced once for NRR and on a monthly basis for MRR. A receivable (contract asset) is raised as the service is delivered.

- Voice Traffic: The performance obligation relating to wholesale voice traffic is to provide voice minutes for the duration of the call until termination. The transaction price is determined based on agreed upon per minute rates and the duration of the call. Revenue relating to wholesale voice is recognised at the point the call is terminated, as this is the point the service is delivered to the customer. Customers are invoiced monthly based for their voice usage and a receivable (contract asset) is raised as the service has been delivered.

2. Material accounting policy information (continued)

Revenue recognition (continued)

Revenue recognition is applied to individual contracts with customers. However, the International Accounting Standards Board (IASB) recognised that there may be situations in which it may be more practical for an entity to combine contracts for revenue recognition purposes rather than attempt to account for each contract separately.

In addition to revenue recognition for revenue streams mentioned above, based on the nature of the group's business operations, from time to time management enters into contracts with customers that include unique contractual terms and other elements that fall outside of the group's general contract terms and conditions. Such contracts are considered dynamic in nature and encapsulate other performance obligations which are not in line with the group's main business operations. These contracts are entered into on an ad-hoc basis for larger contracts and as a result are accounted for separately.

Management fees

Management fees are recognised when the right to receive payment has been established.

Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in US Dollars, which is the functional currency of the company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in statements of profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in statements of profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations (excluding foreign operations which have the currency of a hyperinflationary economy) are expressed in US Dollars using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the year.

Exchange differences arising on translation of foreign operations, if any, are recognised in other comprehensive income and accumulated under the group's translation reserve. Such translation differences are recognised in profit or loss in the year in which the foreign operation is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate on the closing date.

Leases

The group assesses whether a contract is or contains a lease, at inception of the contract. The group recognises a Right-of-Use asset and a corresponding lease liability with respect to all lease arrangements, including the lease duration (including any extension or termination options), in which it is the lessee, except for short term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, which are short term and low value, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

The group does not have leases with variable payments and has an insignificant amount of leases of low value assets.

2. Material accounting policy information (continued)

Leases (continued)

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The group remeasures the lease liability (and makes a corresponding adjustment to the related Right-of-Use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Right-of-Use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37 "Provisions, contingent liabilities and contingent assets". To the extent that the costs relate to a Right-of-Use asset, the costs are included in the related Right-of-Use asset, unless those costs are incurred to produce inventories.

Right-of-Use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the Right-of-Use asset reflects that the group expects to exercise a purchase option, the related Right-of-Use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Right-of-Use assets are presented as a separate line in the consolidated statement of financial position.

The group applies IAS 36 "Impairment of Assets" to determine whether a Right-of-Use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment of tangible and intangible assets excluding goodwill' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the Right-of-Use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in 'Administrative expenses' in the consolidated statement of profit or loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The group has elected that any existing lease comprising of both components to be treated as a lease. The group has elected not to separate non-lease components from lease components, and instead account for each lease component and associated non-lease component as a single lease component. The practical expedient has been applied to fibre infrastructure, motor vehicles, site leases, land and buildings. The practical expedient will not apply where the costs associated with the above leases are treated and invoiced separately by the lessors and therefore accounted in accordance with other applicable accounting standards.

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
for the year ended 28 February 2026

2. Material accounting policy information (continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets.

All other borrowing costs are expensed in the year in which they are incurred.

Intangible assets

Intangible assets acquired are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful lives, on the following basis:

Operating Licence	10 - 25 years
Computer Software	2 - 8 years
Fibre optical – IRU	5 - 25 years
Customer relationships	3 - 5 years
Other Intangible Assets*	3 - 10 years

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

Upon acquisition of Liquid Telecommunications South Africa (Pty) Limited, Zanlink Limited and Raha Limited a valuation was assigned to the existing customer base of each entity and is classified as Customer relationships in Intangible assets (note 10).

The estimated useful lives and amortisation method are reviewed at the end of each annual reporting year, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the consolidated statements of profit or loss and other comprehensive income when the asset is derecognised.

Cash flows

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, restricted cash, treasury bills and deposits held, less bank overdrafts all of which are available for use by the company unless otherwise stated.

Comparatives

Comparatives have been regrouped or reclassified to conform with current year's presentation.

Equity Loans

Equity loans to subsidiaries arising on acquisition are recognised in investments in subsidiaries on the date of acquisition.

3. Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the group's accounting policies (note 2), management has made the following critical accounting judgements, apart from those involving estimates, which have the most significant effect on the amounts recognised in the consolidated and separate financial statements:

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

Critical accounting judgements

(i) Revenue recognition

As mentioned in note 2 - *Material accounting policy information*, 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.

For more details on the accounting policy, see 'Revenue recognition' in note 2 - *Material accounting policy information*.

(ii) 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 40 - *Contingent liabilities* for further disclosure.

For more details on the accounting policy, see 'Provisions' in note 2 - *Material accounting policy information*.

(iii) Going concern

See note 42 regarding the assumptions related to going concern.

Key sources of estimation uncertainty

(i) 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 present value of the recoverable amount.

For more details on the accounting policy, see note 2 - *Material accounting policy information* and for movement in balances including sensitivity analysis, see note 9 - *Goodwill*.

(ii) Impairment of investment

The assessment of whether there is an impairment in the carrying value of an investment requires an estimation of the value in use of the cash generating unit to which the investment relates. 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.

For more details on the accounting policy, see 'Investment in subsidiaries' in note 2 - *Material accounting policy information* and for movement in balances including sensitivity analysis, see note 13 - *Investments in subsidiaries*.

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
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4. Revenue and segment information

4.1 Segment revenue and results

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.

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

Segment performance is assessed based on Adjusted EBITDA, which is defined as earnings before interest, taxation, depreciation, amortisation and impairment, and is also presented before recognising the following items:

- Acquisition and other investment costs
- Restructuring costs
- Legal settlement
- Net foreign exchange gain / (loss) (see note 5.7)
- Hyperinflation monetary gain (see note 1.1)
- Share of profits of associate

Inter-segment transactions are priced in accordance with the group's transfer pricing policies, which seek to reflect arm's length terms.

Management fees are charged on a cost-plus basis, representing the recovery of underlying costs incurred together with an appropriate margin.

Revenue from external customers is attributed based on the geographic location of the operations delivering the service.

There have been no changes in segment measurement compared to the prior year.

The following is an analysis of the group's revenue and results by reportable segment for the:

Year ended 28 February 2026

	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	247,807	163,861	134,181	51,059	-	(39,848)	557,060
C2	65,826	24,769	33,993	42,236	-	(22,226)	144,598
Dataport	6,337	868	9,071	24,130	-	(7,328)	33,078
Voice traffic	9,056	127	19	41,081	-	(3,086)	47,197
Inter-segmental revenue	(8,521)	(3,410)	(5,358)	(55,199)	-	72,488	-
Group External Revenue	320,505	186,215	171,906	103,307	-	-	781,933
Adjusted EBITDA	104,428	117,312	51,395	37,148	(18,880)	4,170	295,573
Depreciation and amortisation							(124,086)
Impairment							(410)
Restructuring costs							(847)
Legal settlement							(10,550)
Acquisition and other investment costs							(1,354)
Interest income							25,608
Finance costs							(103,422)
Net foreign exchange gain							17,154
Hyperinflation monetary gain							5,041
Share of profits of associate							7
Profit before taxation							102,714
Tax expense							(44,990)
Profit for the year							57,724

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4. Revenue and segment information (continued)

4.1 Segment revenue and results (continued)

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

Year ended 28 February 2025

	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	207,787	153,979	119,707	55,490	-	(47,958)	489,005
C2	57,170	20,058	25,082	34,702	-	(21,748)	115,264
Dataport	7,688	1,597	10,792	24,913	-	(9,158)	35,832
Voice traffic	10,142	105	4	47,176	-	(3,994)	53,433
Inter-segmental revenue	(8,230)	(3,321)	(5,130)	(66,177)	-	82,858	-
Group External Revenue	274,557	172,418	150,455	96,104	-	-	693,534
Adjusted EBITDA	91,017	100,662	43,918	49,063	(22,396)	2,763	265,027
Depreciation and amortisation							(120,079)
Impairment							(4,587)
Restructuring costs							(3,619)
Interest income							24,291
Finance costs							(101,847)
Net foreign exchange loss							(321,579)
Hyperinflation monetary loss							306,722
Share of profits of associate							14
Profit before taxation							44,343
Tax expense							(25,894)
Profit for the year							18,449

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

The accounting policies of the reportable segments are the same as the group's accounting policies described in note 2.

For the year ended 28 February 2026, there is only 1 major customer** comprising more than 10% of the total group revenue (2025: only 1 major customer). The revenue from this customer is spread across the 4 segments.

** the customer name and revenue have not been disclosed due to confidentiality of information.

The following tables show the timing of revenue recognition:

	South Africa	Zimbabwe	Rest of Africa	Rest of the World	Total
	USD'000	USD'000	USD'000	USD'000	USD'000
<u>Year ended 28 February 2026</u>					
Recognised over the life of the contract as per IFRS 15	306,515	169,550	149,099	62,830	687,994
Recognised immediately on delivery of the service	13,990	16,665	22,807	40,477	93,939
	<u>320,505</u>	<u>186,215</u>	<u>171,906</u>	<u>103,307</u>	<u>781,933</u>
<u>Year ended 28 February 2025</u>					
Recognised over the life of the contract as per IFRS 15	255,949	156,253	130,229	72,433	614,864
Recognised immediately on delivery of the service	18,608	16,165	20,226	23,671	78,670
	<u>274,557</u>	<u>172,418</u>	<u>150,455</u>	<u>96,104</u>	<u>693,534</u>

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
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4. Revenue and segment information (continued)

4.2 Segment assets and liabilities (continued)

	<u>28/02/26</u>	<u>28/02/25</u>
	USD'000	USD'000
Segment assets		
South Africa	680,368	639,934
Zimbabwe	296,092	271,047
Rest of Africa	378,648	357,409
Rest of the World	237,660	232,292
Consolidated total assets	<u>1,592,768</u>	<u>1,500,682</u>
Segment liabilities		
South Africa	366,704	241,382
Zimbabwe	72,674	79,879
Rest of Africa	188,452	179,972
Rest of the World	88,551	63,661
Total segment liabilities	716,381	564,894
Group Borrowings (USD 620 million 5.5% Senior Secured Notes, embedded derivatives, USD 220 million equivalent South African Rand term loan and USD 60 million revolving credit facility - note 23.	637,456	792,695
Consolidated total liabilities	<u>1,353,837</u>	<u>1,357,589</u>

For the purpose of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments.
- all liabilities are allocated to reportable segments other than group borrowings.

4.3 Other segment information

	Depreciation, impairment and amortisation		Additions to property, plant and equipment, Right-of-Use assets and intangible assets	
	<u>28/02/26</u>	<u>28/02/25</u>	<u>28/02/26</u>	<u>28/02/25</u>
	USD'000	USD'000	USD'000	USD'000
South Africa	62,425	57,734	55,387	75,925
Zimbabwe	13,773	13,698	31,038	7,964
Rest of Africa	29,103	30,201	33,081	31,124
Rest of the World	19,195	23,033	11,264	7,743
	<u>124,496</u>	<u>124,666</u>	<u>130,770</u>	<u>122,756</u>

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5. Profit / (loss) before taxation

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
5.1 Profit / (loss) before taxation is arrived at after taking the following into account:				
Fees payable to auditors for audit services	2,780	3,054	207	576
Fees payable to auditors for non-audit services	84	68	-	-
Consultancy fees	10,856	7,540	2,105	1,287
Management fee expense (note 32)	600	600	17,699	18,258

5.2 Net other income

(Loss) / gain on disposal of property, plant and equipment	(719)	984	-	-
Loss on disposal of property, plant and equipment under sale and leaseback	(772)	-	-	-
Net loss on lease terminations and modifications	(358)	(133)	-	-
Management fees income (note 32)	3,424	1,685	15,647	20,860
Sundry income / (expense)*	1,834	(865)	42	1
	3,409	1,671	15,689	20,861

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

5.3 Staff costs

Wages and salaries	93,062	90,353	6,857	5,591
Social security costs	11,560	12,295	-	-
Defined contribution plans expense	6,479	8,140	-	-
Other staff costs	6,045	6,205	-	-
	117,146	116,993	6,857	5,591

The group operates defined contribution retirement benefit plans for all qualifying employees in accordance with the regulations of each jurisdiction. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit plan to fund the benefits. The only obligation of the group with respect to the retirement benefit plan is to make the specified contributions.

The total expense recognised in the statement of profit or loss of USD 6.5 million (28 February 2025: USD 8.1 million) represents contributions paid to these plans by the group at rates specified in the rules of the plans.

5.4 Depreciation and amortisation

Depreciation (note 11)	54,952	56,560	55	57
Amortisation of intangible assets (note 10)	11,883	11,392	4,696	3,812
Right-of-Use assets depreciation (note 12)	57,251	52,127	-	-
	124,086	120,079	4,751	3,869

5.5 Impairment

Inventory written off (note 19)	55	8	-	-
Reversal of provision / (provision) for obsolete inventory for the year (note 19)	(308)	590	-	-
Impairment of other receivables	652	3,702	652	-
Impairment of investment in subsidiary (note 13.1)	-	-	78,223	12,195
Write off of property, plant and equipment (note 11)	11	-	-	-
Impairment of property, plant and equipment (note 11)	-	287	-	-
Write off of long term intercompany receivable (note 18)	-	-	-	14,401
	410	4,587	78,875	26,596

5.6 Acquisition and other investment costs

Professional fees	1,354	-	258	-
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5.7 Net foreign exchange gain / (loss)

Exchange losses - unrealised	(17,122)	(320,150)	(1,225)	(115)
Exchange losses - realised	(3,162)	(35,804)	-	(5)
Exchange gains - unrealised	31,124	31,897	-	154
Exchange gains - realised	6,314	2,478	-	-
	17,154	(321,579)	(1,225)	34

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	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
6. Interest income				
Interest received from external parties	1,710	1,542	88	88
Interest received from related parties (note 32)	23,898	22,749	22,463	23,252
	25,608	24,291	22,551	23,340
7. Finance costs				
Interest on loans	20,724	27,419	2,939	5,228
Finance cost on Senior Secured Notes	34,100	34,100	-	-
Finance arrangement fees amortised	3,665	3,630	-	-
Interest on lease liabilities	44,600	36,348	-	-
Interest paid to related parties (note 32)	333	350	30,090	29,499
	103,422	101,847	33,029	34,727
8. Tax expense				
Current taxation	22,156	24,982	-	-
Deferred taxation charge/ (credit) (note 17)	15,828	(9,195)	-	-
Withholding taxation	7,006	10,107	2,029	2,321
Total tax expense	44,990	25,894	2,029	2,321

The charge / (credit) for the year can be reconciled to profit before taxation per the consolidated statements of profit or loss and other comprehensive income as follows:

Profit / (loss) before taxation	102,714	44,343	(105,513)	(51,359)
Taxation at domestic rate for foreign subsidiaries in tax paying jurisdictions	19,788	5,232	(15,828)	(7,579)
Tax effect of non-deductible expenses	31,055	15,084	12,629	3,373
Tax effect of non-taxable income	(8,043)	(9,487)	(928)	-
Tax effect of foreign tax credit	(1,244)	(998)	-	-
Tax effect of tax losses not (recognised) / utilised as deferred tax assets	(2,847)	3,518	4,127	4,206
Tax effect of utilised unrecognised tax losses	(527)	(949)	-	-
Tax effect on IAS 29 adjustments	(198)	3,387	-	-
Withholding taxation	7,006	10,107	2,029	2,321
	44,990	25,894	2,029	2,321

Taxation is calculated at the rates prevailing in the respective jurisdictions:

Mauritius - Income tax (tax allowance of 80%, depending on type of income)	15%	15%
Mauritius - Corporate Climate Responsibility (CCR) Levy (if gross income for the year exceeds MUR 50 million)	2%	2%
South Africa	27%	27%
Kenya	30%	30%
United Kingdom	25%	25%
Tanzania	30%	30%
Zambia	35%	35%
Zimbabwe	25.75%	25.75%

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Taxation asset:				
Opening balance	2,953	5,277	-	-
Provision for the year	10	10	-	-
Payments during the year	586	362	-	-
Net reclassification of deferred tax assets / liabilities	1,986	1	-	-
Net reclassification of tax assets / liabilities	(1,703)	(1,506)	-	-
Foreign exchange differences	29	(1,191)	-	-
Closing balance	3,861	2,953	-	-
Taxation liability:				
Opening balance	(18,766)	(10,572)	-	-
Provision for the year	(29,172)	(35,099)	(2,029)	(2,321)
Payments during the year	36,774	24,664	2,029	2,321
Net reclassification of deferred tax assets / liabilities	(1,986)	(215)	-	-
Transfer to assets held for sale (note 31)	462	-	-	-
Net reclassification of tax assets / liabilities	1,703	1,506	-	-
Foreign exchange differences	(812)	950	-	-
Closing balance	(11,797)	(18,766)	-	-

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9. Goodwill

	Group	
	28/02/26	28/02/25
	USD'000	USD'000
Cost		
Opening balance	76,089	73,990
Foreign exchange differences	9,877	2,099
Closing balance	85,966	76,089

Goodwill acquired in a business combination is allocated at acquisition to the cash generating units (CGUs) that are expected to benefit from that business combination.

	Group	
	28/02/26	28/02/25
	USD'000	USD'000
Liquid Telecommunications Limited	2,850	2,850
Data Control and Systems (1996) (Private) Limited t/a Liquid Telecom Zimbabwe	5,581	5,581
Liquid Telecommunications Holdings South Africa (Pty) Limited	69,750	59,873
Liquid Telecommunications Zambia Limited	2,201	2,201
Raha Tanzania Holdings Limited	5,584	5,584
	85,966	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:

- 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 3.0% (28 February 2025: 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 8.7% to 15.1% (post-tax) (28 February 2025: 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. The movement in the year of the range of the WACC rate (and is primarily the rates for Zambia and Zimbabwe that changed significantly) is largely as a result of a change in the debt and equity weighting/ratio in the computation.

Specifically in relation to Liquid Telecommunications Holdings South Africa (Pty) Limited ("LTHSA") (being the group's most significant CGU and reportable segment), there was no impairment (28 February 2025: no impairment) and the following assumptions were applied:

- A terminal growth rate of 3.0% (28 February 2025: 4.3%) was applied in line with inflation forecasts for South Africa over a comparable period.
- LTHSA's WACC of 13.4% (28 February 2025: 15.2%) was used as the discount rate. On a pre-tax basis, this rate is 14.7% (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 0.3 percentage points (pp) in the above terminal growth rate would result in no impairment (28 February 2025: no impairment with an increase of 10% or 0.4pp) and a decrease of 10% or 0.3pp would still result in no impairment (28 February 2025: no impairment with a decrease of 10% or 0.4pp).
- An increase of 10% or 1.3pp in the above WACC would result in no impairment, with lower headroom (28 February 2025: impairment of USD 30.4 million with an increase of 10% or 1.5pp) and a decrease of 10% or 1.3pp would result in no impairment, with higher headroom (28 February 2025: no impairment with a decrease of 10% or 1.5pp, with headroom).
- An increase of 10% in the EBITDA forecasts in each period would result in no impairment, with higher headroom (28 February 2025: no impairment, with adequate headroom) and a reduction of 10% in the EBITDA forecasts would result in no impairment, with lower headroom (28 February 2025: a reduction of 10% in EBITDA would result in 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.

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10. Intangible assets

Group

Cost:

At 01 March 2024

Additions during the year

Disposals during the year

Transfers

Transfer to pre-commencement lease payments

Write off

Foreign exchange differences

Adjustments - IAS 29

At 28 February 2025

Additions during the year

Disposals during the year

Transfers

Transfer from Property, plant and equipment (note 11)

Transfer to assets held for sale (note 31)

Foreign exchange differences

Adjustments - IAS 29

At 28 February 2026

Accumulated amortisation:

At 01 March 2024

Amortisation

Disposals during the year

Transfer to Right-of-Use assets (note 12)

Write off

Foreign exchange differences

Adjustments - IAS 29

At 28 February 2025

Amortisation

Disposals during the year

Transfer to assets held for sale (note 31)

Foreign exchange differences

Adjustments - IAS 29

At 28 February 2026

Carrying amount:

At 28 February 2025

At 28 February 2026

	Operating Licence	Computer Software	Customer Relationships	Work in Progress	Other Intangible Assets*	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
At 01 March 2024	31,390	40,872	24,713	3,046	45,087	145,108
Additions during the year	2,352	5,115	-	789	-	8,256
Disposals during the year	-	(6,236)	-	-	-	(6,236)
Transfers	2,719	852	-	(852)	(2,719)	-
Transfer to pre-commencement lease payments	149	888	-	(60)	-	977
Write off	-	(729)	-	-	-	(729)
Foreign exchange differences	(2,239)	(522)	1,266	-	1,525	30
Adjustments - IAS 29	2,655	1,454	-	-	-	4,109
At 28 February 2025	37,026	41,694	25,979	2,923	43,893	151,515
Additions during the year	-	4,064	-	419	-	4,483
Disposals during the year	(51)	(6,617)	-	-	-	(6,668)
Transfers	385	13	-	(398)	-	-
Transfer from Property, plant and equipment (note 11)	-	452	-	-	-	452
Transfer to assets held for sale (note 31)	(670)	(34)	-	-	-	(704)
Foreign exchange differences	3,333	3,530	6,068	-	3,212	16,143
Adjustments - IAS 29	136	79	-	-	-	215
At 28 February 2026	40,159	43,181	32,047	2,944	47,105	165,436
At 01 March 2024	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 to Right-of-Use assets (note 12)	28	888	-	-	-	916
Write off	-	(729)	-	-	-	(729)
Foreign exchange differences	(1,447)	(17)	492	-	1,292	320
Adjustments - IAS 29	1,612	451	-	-	-	2,063
At 28 February 2025	15,606	30,989	23,360	-	22,748	92,703
Amortisation	2,217	7,221	2,080	-	365	11,883
Disposals during the year	-	(6,617)	-	-	-	(6,617)
Transfer to assets held for sale (note 31)	(374)	(34)	-	-	-	(408)
Foreign exchange differences	1,766	2,837	3,147	-	3,212	10,962
Adjustments - IAS 29	92	39	-	-	-	131
At 28 February 2026	19,307	34,435	28,587	-	26,325	108,654
At 28 February 2025	21,420	10,705	2,619	2,923	21,145	58,812
At 28 February 2026	20,852	8,746	3,460	2,944	20,780	56,782

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

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
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10. Intangible assets (continued)

Group (continued)

During the year ended 28 February 2026, no impairment was required following the review of the carrying value of the group and company by the directors. (28 February 2025: no impairment).

Company

Cost:

At 01 March 2024

Additions during the year

Transfers

Transfer from / (to) Property, plant and equipment

At 28 February 2025

Additions during the year

At 28 February 2026

Accumulated amortisation:

At 01 March 2024

Amortisation

At 28 February 2025

Amortisation

At 28 February 2026

Carrying amount:

At 28 February 2025

At 28 February 2026

	Software	Work in	Total
	USD'000	Progress	USD'000
	USD'000	USD'000	USD'000
At 01 March 2024	9,071	117	9,188
Additions during the year	3,621	767	4,388
Transfers	829	(829)	-
Transfer from / (to) Property, plant and equipment	21	(55)	(34)
At 28 February 2025	13,542	-	13,542
Additions during the year	3,881	-	3,881
At 28 February 2026	17,423	-	17,423
At 01 March 2024	4,908	-	4,908
Amortisation	3,812	-	3,812
At 28 February 2025	8,720	-	8,720
Amortisation	4,696	-	4,696
At 28 February 2026	13,416	-	13,416
At 28 February 2025	4,822	-	4,822
At 28 February 2026	4,007	-	4,007

See note 41.1 - *Transactions excluded from statements of cash flows for non cash portion purchase of intangible assets.*

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
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11. Property, plant and equipment

Group	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	14,671	8,767	26,704	83,807	9,913	27,120	863,096	1,034,078
Disposal of subsidiaries (note 31)	-	-	-	-	-	-	-	-
Additions during the year	-	659	883	2,119	89	30,284	10,743	44,777
Disposals during the year	-	(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 10)	-	-	37	(701)	11	-	(324)	(977)
Transfer to prepayments (note 20)	-	-	-	-	-	(107)	-	(107)
Transfer to inventory (note 19)	-	-	-	-	-	(61)	-	(61)
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	14,988	9,514	22,616	90,834	9,775	27,628	895,024	1,070,379
Additions during the year	-	258	519	1,995	744	50,711	4,409	58,636
Disposals during the year	(322)	(562)	(1,130)	(802)	(1,120)	(794)	(26,115)	(30,845)
Reclassification	-	-	-	-	-	-	-	-
Transfer to assets held for sale (note 31)	-	(20)	(92)	(1,360)	(208)	-	(9,025)	(10,705)
Write offs	-	-	(26)	-	-	(11)	-	(37)
Transfers	-	690	232	1,413	-	(31,861)	29,525	(1)
Transfer to intangible assets (note 10)	-	-	-	-	-	(452)	-	(452)
Transfer to inventory (note 19)	-	-	-	-	-	(44)	-	(44)
Foreign exchange differences	2,140	683	2,142	5,616	280	3,102	99,249	113,212
Adjustments - IAS 29	75	37	(80)	(292)	(1,025)	(3,201)	211	(4,275)
At 28 February 2026	16,881	10,600	24,181	97,404	8,446	45,078	993,278	1,195,868
Accumulated depreciation								
At 01 March 2024	4,933	5,258	22,929	60,768	6,766	-	449,720	550,374
Depreciation charge for the year	280	967	1,544	8,000	544	-	45,225	56,560
Disposals during the year	-	(68)	(4,661)	(980)	(133)	-	(12,575)	(18,417)
Write offs	-	-	(709)	(91)	-	-	-	(800)
Impairment	-	-	(1)	(15)	-	-	-	(16)
Transfers	-	-	-	(517)	-	-	517	-
Transfer from intangible assets (note 10)	-	(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	5,387	5,944	19,323	67,860	6,781	-	489,094	594,389
Depreciation charge for the year	291	969	1,408	7,964	584	-	43,736	54,952
Disposals during the year	(322)	(558)	(1,085)	(787)	(789)	-	(17,513)	(21,054)
Write offs	-	-	(26)	-	-	-	-	(26)
Transfer to assets held for sale (note 31)	-	(10)	(83)	(766)	(206)	-	(2,015)	(3,080)
Reclassification	-	-	-	(306)	-	-	306	-
Foreign exchange differences	888	418	1,837	3,498	217	-	55,012	61,870
Adjustments - IAS 29	-	23	90	(2)	(110)	-	(6,409)	(6,408)
At 28 February 2026	6,244	6,786	21,464	77,461	6,477	-	562,211	680,643

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
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11. Property, plant and equipment (continued)

Group (continued)

	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
Carrying amount:								
At 28 February 2025	9,601	3,570	3,293	22,974	2,994	27,628	405,930	475,990
At 28 February 2026	10,637	3,814	2,717	19,943	1,969	45,078	431,067	515,225

Refer to note 23 for details of security over *property, plant and equipment*.

In the year ended 28 February 2026, no impairment was recognised in respect of Property, plant and equipment following the directors' review of the carrying values for the Group and the Company. In the prior year ended 28 February 2025, assets amounting to USD 0.3 million were impaired as they were deemed to be unusable and related to the Rest of Africa segment.

Company

	Computer equipment
	USD'000
Cost	
At 01 March 2024	176
Additions	52
Transfer from Intangible assets	34
At 28 February 2025	262
Additions	2
At 28 February 2026	264
Accumulated depreciation:	
At 01 March 2024	91
Depreciation charge for the year	57
At 28 February 2025	148
Depreciation charge for the year	55
At 28 February 2026	203
Carrying amount:	
At 28 February 2025	114
At 28 February 2026	61

See note 41.1 - *Transactions excluded from statements of cash flows* for non cash portion purchase of Property, plant and equipment.

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
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12. Right-of-Use assets

Group

Cost:

At 01 March 2024

Additions during the year

Disposals during the year*

Transfers

Foreign exchange differences

Adjustments - IAS 29

At 28 February 2025

Additions during the year

Disposals during the year*

Write offs

Transfer from pre-commencement lease payments**

Transfer to assets held for sale (note 31)

Foreign exchange differences

Adjustments - IAS 29

At 28 February 2026

Accumulated depreciation:

At 01 March 2024

Depreciation

Disposals during the year*

Transfers

Foreign exchange differences

Adjustments - IAS 29

At 28 February 2025

Write offs

Depreciation

Disposals during the year*

Transfer to assets held for sale (note 31)

Foreign exchange differences

Adjustments - IAS 29

At 28 February 2026

Carrying amount:

At 28 February 2025

At 28 February 2026

	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
At 01 March 2024	70,291	-	41,328	1,947	126,633	151,503	391,702
Additions during the year	7,805	231	2,340	1,698	55,738	1,911	69,723
Disposals during the year*	(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	70,683	221	38,622	3,487	187,407	153,261	453,681
Additions during the year	16,981	-	16,409	99	34,162	-	67,651
Disposals during the year*	(1,592)	-	(18,391)	(25)	(1,144)	(421)	(21,573)
Write offs	-	-	(10,017)	-	-	-	(10,017)
Transfer from pre-commencement lease payments**	-	-	-	-	-	5,000	5,000
Transfer to assets held for sale (note 31)	(1,230)	-	-	-	(817)	-	(2,047)
Foreign exchange differences	5,275	12	5,110	623	26,110	3,735	40,865
Adjustments - IAS 29	(676)	-	-	-	-	-	(676)
At 28 February 2026	89,441	233	31,733	4,184	245,718	161,575	532,884
At 01 March 2024	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 year*	(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	38,100	136	27,437	1,995	71,698	81,307	220,673
Write offs	-	-	(10,017)	-	-	-	(10,017)
Depreciation	10,258	70	7,390	440	31,355	7,738	57,251
Disposals during the year*	(1,450)	-	(16,645)	(12)	(989)	(421)	(19,517)
Transfer to assets held for sale (note 31)	(951)	-	-	-	(700)	-	(1,651)
Foreign exchange differences	3,243	9	2,415	392	13,118	3,116	22,293
Adjustments - IAS 29	162	-	-	-	-	-	162
At 28 February 2026	49,362	215	10,580	2,815	114,482	91,740	269,194
At 28 February 2025	32,583	85	11,185	1,492	115,709	71,954	233,008
At 28 February 2026	40,079	18	21,153	1,369	131,236	69,835	263,690

No impairment was required following the review of the carrying value of Right-of-Use assets by the directors for the year ended 28 February 2026 (28 February 2025: Nil).

* relates to lease modifications or cancellations.

** During the year ended 28 February 2026, USD 5.0 m was transferred from pre-commencement lease payments to Right-of-Use assets as the assets were brought into use.

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
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12. Right-of-Use assets (continued)

Group (continued)

The group leases several assets including land and buildings, computer equipment, furniture and fittings, network equipment, motor vehicles and fibre infrastructure. The average lease term is 5 years (28 February 2025: 5 years). For some of the lease contracts, the group has the option to purchase the assets at the end of the lease terms.

The maturity analysis of lease liabilities is presented in note 29.

	28/02/26	28/02/25
	USD'000	USD'000
Amounts recognised in consolidated statement of profit or loss		
Right-of-Use assets depreciation (note 5.4)	57,251	52,127
Interest on lease liabilities (note 7)	44,600	36,348

The group does not have leases with variable payments and has an insignificant amount of leases of low value assets. The total cash outflow for leases amount to USD 89.3 million (28 February 2025: 59.2 million).

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
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13. Investments in subsidiaries

13.1 Subsidiaries

Name of Company	Principal business activity	Country of Incorporation/ Principal place of business	Status	Percentage Holding	Company	
					28/02/26 USD'000	28/02/25 USD'000
▪ Liquid Telecommunications Operations Limited	H Telecommunications	Mauritius	Active	100	-	-
▪ Transaction Payment Solutions Indian Ocean Limited	S Transaction Payment Solutions & Technology	Mauritius	Active	100	-	-
▪ Liquid Telecommunications Limited	H Telecommunications & Technology	United Kingdom	Active	100	8,000	8,000
▪ Transaction Payment Solutions International Limited	H Transaction Payment Solutions & Technology	Mauritius	Active	100	-	-
▪ Transaction Payment Solutions Botswana (Pty) Limited	S Transaction Payment Solutions & Technology	Botswana	Active	100	-	-
▪ Transaction Payment Solutions Kenya Limited	S Transaction Payment Solutions & Technology	Kenya	Active	99	-	-
▪ Transaction Payment Solutions Zambia Limited	S Transaction Payment Solutions & Technology	Zambia	Active	99.995	-	-
▪ Transaction Payment Solutions Nigeria Limited	S Transaction Payment Solutions & Technology	Nigeria	Active	100	-	-
▪ Transaction Payment Solutions South Africa (Pty) Limited t/a Paybay	S Transaction Payment Solutions & Technology	South Africa	Active	100	-	-
▪ Data Control and Systems (1996) (Private) Limited t/a Liquid Telecom Zimbabwe	H Telecommunications	Zimbabwe	Active	100	256,749	256,749
▪ Zimbabwe Online (Private) Limited	S Telecommunications	Zimbabwe	Active	100	-	-
▪ Liquid Telecommunications Zambia Limited	H Telecommunications	Zambia	Active	100	52,197	52,197
▪ HAI Telecommunications Limited	S Telecommunications	Zambia	Dormant	100	-	-
▪ Liquid Telecommunications Kenya Limited*	H Telecommunications	Kenya	Active	79.99	41,135	43,052
▪ Liquid Telecommunications Uganda Limited	H Telecommunications	Uganda	Active	99.99	1,463	1,463
▪ Liquid Telecommunications Rwanda Limited	H Telecommunications	Rwanda	Active	70	5,090	5,090
▪ Liquid Telecom DRC S.A.	H Telecommunications	Democratic Republic of Congo	Active	99	8,940	8,940

*The company continues to have 100% economic interest in Liquid Telecommunications Kenya Limited as at 28 February 2026.

During the year the company capitalised USD 76.3 million of intercompany loan from Liquid Telecommunications Kenya Limited to investment in subsidiary. Subsequently, an impairment expense of USD 78.2 million was recognised reflecting a reassessment of its recoverable amount.

See note 41.1 for additional non-cash investment in subsidiaries made during the year ended 28 February 2026.

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
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13. Investments in subsidiaries (continued)

13.1 Subsidiaries (continued)

Name of Company	Principal business activity	Country of Incorporation/ Principal place of business	Status	Percentage Holding	Company	
					28/02/26 USD'000	28/02/25 USD'000
▪ Liquid Telecommunications Operations Mozambique Limitada	H Telecommunications	Mozambique	Dormant	100	-	-
▪ Liquid Vision Media (Pty) Limited	S Telecommunications	South Africa	Dormant	100	-	-
▪ Liquid Telecommunications Tanzania Limited	H Telecommunications	United Republic of Tanzania	Dormant	100	-	-
▪ Africa Digital Networks SASU	H Telecommunications	Democratic Republic of Congo	Active	100	100	100
▪ Liquid Telecommunications International FZE	H Telecommunications	United Arab Emirates	Active	100	545	545
▪ Liquid Telecommunications Botswana (Pty) Limited	H Telecommunications	Botswana	Active	100	5,150	5,150
▪ Liquid Telecommunications Financing PLC	H Financing for group	United Kingdom	Active	100	130	130
▪ Liquid Telecommunications Investments Limited	S Financing for group	United Kingdom	Active	100	-	-
▪ Raha Tanzania Holdings Limited	H Telecommunications	Mauritius	Active	70	12,650	12,650
▪ Raha Limited	S Telecommunications	United Republic of Tanzania	Active	100	-	-
▪ Zalink Limited	S Telecommunications	United Republic of Tanzania	Active	70	-	-
▪ Liquid Telecommunications Holdings South Africa (Pty) Limited	H Telecommunications	South Africa	Active	100	257,692	254,167
▪ Liquid Telecommunications Operations South Africa (Pty) Limited	S Telecommunications	South Africa	Dormant	100	-	-
▪ Liquid Telecommunications South Africa (Pty) Limited	S Telecommunications	South Africa	Active	100	-	-
▪ Liquid Telecommunications Sahara Holdings Limited	H Telecommunications	Mauritius	Active	100	1	1
▪ Liquid Telecommunications Co. Limited	S Telecommunications	Sudan	Dormant	100	-	-
▪ Liquid Telecom West Africa Data Centre Ghana Limited	H Telecommunications	Ghana	Dormant	100	-	-
▪ Worldstream (Pty) Limited	H Telecommunications	South Africa	Active	71	2,364	2,364
▪ Liquid Telecommunications Cote D'Ivoire	H Telecommunications	Ivory Coast	Dormant	100	-	-
▪ Liquid Intelligent Technologies Egypt	H Telecommunications	Egypt	Active	100	-	-
					<u>652,206</u>	<u>650,598</u>

H = This is a direct holding by Liquid Telecommunications Holdings Limited.

S = This is an indirect holding.

The company has assessed its investments in subsidiaries in accordance with IAS 36 - *Impairment of Assets* and has determined there is no indication of impairment (28 February 2025: no impairment) in respect of its investment in Liquid Telecommunications Holdings South Africa (Pty) Limited (being the group's most significant CGU and reportable segment -South Africa). This assessment was based on a five-year cash flow financial forecast with a terminal growth rate of 3.0% (28 February 2025: 4.3%) and discounted using the weighted average cost of capital rate of 13.4% (pre-tax 14.7%) (28 February 2025: 15.2%, pre-tax 16.2%). These local currency forecasts were converted at a closing rate of ZAR:USD 15.91:1 (28 February 2025: ZAR:USD 18.54:1) and compared to an investment value translated at the historical rate of ZAR:USD 13.39:1.

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
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13. Investments in subsidiaries (continued)

13.1 Subsidiaries (continued)

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

If the WACC increases by 10% or 1.3pp there would be no impairment, with lower headroom (28 February 2025: no impairment with an increase of 10% or 1.5pp). If the WACC decreases by 10% or 1.3pp, it would still result in no impairment, with higher headroom (FY25: no impairment with a decrease of 10% or 1.5pp).

If the ZAR:USD exchange rate weakens by 10% there would be no impairment, with lower headroom (28 February 2025: no impairment). If the ZAR:USD exchange rate strengthens by 10%, it would still result in no impairment, with additional headroom (28 February 2025: no impairment).

The directors have reviewed the carrying value of the investments listed above and have found that the carrying value for the investments listed below exceeded their respective value-in-use. As such, provision for impairment has been recorded as shown below and disclosed in note 5.5

Name of Company	Company	
	28/02/26	28/02/25
	USD'000	USD'000
Liquid Telecommunications Operations Mozambique Limitada	-	(2)
Liquid Telecommunications Botswana (Pty) Limited	-	(5,581)
Liquid Telecommunications Kenya Limited	(78,223)	-
Worldstream (Pty) Limited	-	(6,612)
	<u>(78,223)</u>	<u>(12,195)</u>

The table below shows the movement in the provision for impairment on investment in subsidiaries.

	Company	
	28/02/26	28/02/25
	USD'000	USD'000
Opening	(139,265)	(127,070)
Provision raised for the year	(78,223)	(12,195)
Closing	<u>(217,488)</u>	<u>(139,265)</u>

The directors have reviewed the carrying value of each of the above investments in subsidiaries and have not found any indication of impairment, other than those mentioned above.

13.2 Details of non-wholly owned subsidiaries that have non-controlling interests

	Profit / (loss) allocated to non-controlling interests		Accumulated non-controlling interests	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Individually immaterial subsidiaries with non-controlling interests	739	6	(594)	(918)
	<u>739</u>	<u>6</u>	<u>(594)</u>	<u>(918)</u>

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14. Investment in associate

Proportion of ownership interests and voting rights held by non-controlling interests

28/02/26 28/02/25
% %

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16. Investments at amortised cost

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Treasury bonds	41	41	-	-

The investment in treasury bonds was made by Zanlink Limited, a subsidiary of the group, with a face value of TZS 100 million in October 2022 and matures in 2047 at an interest rate of 12.56% per annum. The investment is measured at amortised cost.

17. Deferred taxation

Deferred tax assets and liabilities are offset where the group has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Group	
	28/02/26	28/02/25
	USD'000	USD'000
Net deferred tax assets	43,669	49,912
Net deferred tax liabilities	(6,681)	(3,346)
Net deferred tax assets	36,988	46,566

	Group	
	28/02/26	28/02/25
	USD'000	USD'000
Group - Gross deferred tax assets:		
Deferred revenue	195	176
Property, plant and equipment	4,211	3,468
Assessed losses	27,372	18,501
Other*	63,257	72,360
	95,035	94,505
(Credit)/Charge to profit for the year	(10,147)	9,669
Group - Gross deferred tax liabilities:		
Property, plant and equipment	(44,849)	(40,642)
Other*	(13,198)	(7,297)
	(58,047)	(47,939)
Credit to profit for the year	(5,681)	(474)
Net movement		
Deferred tax assets / (liabilities)	36,988	46,566
Deferred taxation charge / (credit) to profit for the year (note 8)	15,828	(9,195)

*Comprising IFRS 16 adjustments, unrealised foreign exchange differences and provisions.

Management have carried out an assessment of the group's ability to utilise its tax losses in the relevant territories, based on five-year business plans. The deferred tax asset recognised on tax losses in the group is USD 27.4 million (2025: USD 18.5 million), of which the most material balance is in respect of Liquid Telecommunication South Africa (Pty) Limited ("LTSA"), at USD 14.5 million (2025: USD 12.4 million). The tax losses for LTSA, which can be carried forward indefinitely, are USD 207.6 million (2025: USD 172.1 million) and a deferred tax asset has been recognised in respect of USD 53.7 million (2025: USD 45.9 million) of these. The unrecognised deferred tax asset for LTSA amounted to USD 41.6 million (2025: USD 37.6 million). Liquid Telecommunications Zambia Limited recognised a deferred tax asset in the year of USD 10.9 million (2025: 4.8 million), in respect of USD 31.1 million of tax losses incurred primarily in 2024 and 2025, the value of which is expected to be recovered within the five-year business plan period. The tax losses for Liquid Telecommunications Kenya Limited, which can also be carried forward indefinitely, are USD 0.3 million (2025: USD 2.4 million) for which no deferred tax asset has been recognised (2025: Nil). In addition, no deferred tax assets have been recognised in respect of losses held by Liquid Telecommunication Uganda Limited (USD 78.0 million), Liquid Telecom DRC S.A. (USD 22.5 million), or Liquid Telecommunications Holdings Limited (USD 12.2 million).

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18. Long term receivables

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Long term receivables from affiliated entities and other related parties (note 32)	77,108	136,022	203,350	205,998
Transfer to investment in subsidiary (note 13.1)	-	-	(76,306)	-
Expected credit loss provision	-	-	(6,419)	(6,419)
Write off (note 5.5)	-	-	-	(14,401)
Other long term receivables	922	308	-	-
	78,030	136,330	120,625	185,178

The directors have assessed the recoverability of the long term receivables from affiliated entities and other related parties at group and company level and have concluded that the Expected Credit Loss ("ECL") is not material, hence no ECL has been accounted for (28 February 2025: ECL of USD 6.4 million). During the year, the company capitalised USD 76.3 million of long term receivables from affiliated entities and other related parties to investment in subsidiary, refer to note 13.1.

19. Inventories

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Goods for resale	19,849	22,542	-	-
Reversal of provision / (provision) for obsolete inventory for the year (note 5.5)	308	(590)	-	-
Inventory written off (note 5.5)	(55)	(8)	-	-
Transfer from Property, plant and equipment (note 11)	44	61	-	-
	20,146	22,005	-	-
Cost of inventories expensed	17,160	10,936	-	-

The directors are of the opinion that the inventory amounts are recorded at values not in excess of their net realisable value.

20. Trade and other receivables

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Trade receivables	154,553	126,426	-	-
Receivables balances from affiliated entities and other related parties (note 32)	79,685	69,145	138,465	124,653
Expected credit loss provision	(20,493)	(30,114)	(1,248)	(1,248)
Total trade and affiliated entities receivables, net of expected credit loss provision	213,745	165,457	137,217	123,405
Short term affiliated and other related party receivables (note 32)	77,719	78,327	47,141	51,929
Expected credit loss provision on short term affiliated and other related party receivables	(138)	(138)	-	-
Sundry debtors	63,321	45,100	884	418
Deposits paid	4,603	3,881	-	-
Prepayments	53,669	39,123	4,797	4,044
Dividend receivable (note 32)	-	-	232	-
	412,919	331,750	190,271	179,796

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

Before accepting any new customer, where possible 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 completed by any new customer. The creditworthiness of customers is reviewed continuously throughout the year.

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.

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

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20. Trade and other receivables (continued)

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

	Current USD'000	Past due				Total USD'000
		31 - 60 USD'000	61 - 90 USD'000	91 - 120 USD'000	> 120 USD'000	
Group - 2026						
Trade and affiliated entities receivables - Gross	92,019	25,677	16,379	7,742	92,421	234,238
Lifetime ECL	(1,263)	(841)	(1,602)	(1,433)	(15,354)	(20,493)
Trade and related parties receivables - Net	90,756	24,836	14,777	6,309	77,067	213,745
Default rate	1.4%	3.3%	9.8%	18.5%	16.6%	
Group - 2025						
Trade and affiliated entities receivables - Gross	71,191	23,679	11,469	16,580	72,652	195,571
Lifetime ECL	(3,649)	(3,110)	(2,638)	(4,372)	(16,345)	(30,114)
Trade and related parties receivables - Net	67,542	20,569	8,831	12,208	56,307	165,457
Default rate	5.1%	13.1%	23.0%	26.4%	22.5%	
Company - 2026						
Trade and affiliated entities receivables - Gross	12,954	368	2,902	3,061	119,180	138,465
Lifetime ECL	-	-	-	-	(1,248)	(1,248)
Trade and related parties receivables - Net	12,954	368	2,902	3,061	117,932	137,217
Default rate	0.0%	0.0%	0.0%	0.0%	1.0%	
Company - 2025						
Trade and affiliated entities receivables - Gross	2,477	7,028	230	6,715	108,203	124,653
Lifetime ECL	(13)	(6)	-	-	(1,229)	(1,248)
Trade and related parties receivables - Net	2,464	7,022	230	6,715	106,974	123,405
Default rate	0.5%	0.1%	0.0%	0.0%	1.1%	

The following table shows the movement in lifetime expected credit loss ("ECL") that has been recognised for trade and other receivables in accordance with the simplified approach set out in IFRS 9.

	Group		Company	
	28/02/26 USD'000	28/02/25 USD'000	28/02/26 USD'000	28/02/25 USD'000
Movement in the expected credit loss provision:				
Opening balance	(30,114)	(39,051)	(1,248)	(2,805)
Doubtful debt provision reversed	4,947	1,719	-	1,557
Bad debts recovered	-	102	-	-
Transfer to assets held for sale	762	-	-	-
Write off	4,606	3,968	-	-
Foreign exchange differences	(1,491)	992	-	-
Adjustments - IAS 29	797	2,156	-	-
Closing balance	(20,493)	(30,114)	(1,248)	(1,248)

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21. Cash and cash equivalents, and restricted cash and cash equivalents

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Cash and bank balances	54,494	80,913	5,139	11,319
Money market deposits	20,570	4,455	-	-
Cash and cash equivalents	75,064	85,368	5,139	11,319
Restricted cash and cash equivalents	413	425	-	11
Total cash and cash equivalents	75,477	85,793	5,139	11,330

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

Cash and cash equivalents include USD 48.1 million (28 February 2025: USD 17.6 million) in Zimbabwe held in cash, short term deposits and similar instruments. These amounts have been translated at the rate of ZWG:USD of 25.8:1 (28 February 2025: 26.6:1). See note 1.1 - *Zimbabwean currency and Hyperinflation accounting* for more detailed disclosure.

The group and company have restricted cash for the following purposes:

Guarantees	1	1	-	11
Customer deposits held	412	424	-	-
	413	425	-	11

22. Share capital and share premium

	Group and Company	
	28/02/26	28/02/25
	USD'000	USD'000
Issued and paid share capital		
Ordinary shares	3,716	3,716
Share premium	276,714	276,714
Movement in capital:	Number of	Share
	ordinary shares	capital
		Premium
		USD'000
Balance at 28 February 2026 and 28 February 2025	124,857,914	3,716

Convertible preference shares

The group has issued USD 180 million of convertible preference shares with the same par value, voting and dividend rights as the ordinary shares.

The preference shares are exchangeable at the option of the shareholder based on certain conditions applicable only at conversion date.

Share application monies and equity loan

In the year ended 28 February 2025, USD 35 million was received from the immediate holding company and was pending the issue of shares at year end. Subsequently, during the year ended 28 February 2026, the amount was transferred to equity loan.

22a. Other equity items

	Group	
	28/02/26	28/02/25
	USD'000	USD'000
Investment revaluation reserve	2,207	(620)

The investment revaluation reserve is the cumulative unrealised gain or loss on disposal of investments in equity instruments designated as at FVTOCI and the fair value gain on investments in equity instruments designated as FVTOCI.

Foreign currency translation reserve (FCTR):	(275,924)	(311,626)
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The FCTR value arises on the translation of the Financial Statements of foreign subsidiaries into the presentation currency of the Consolidated Financial Statements.

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23. Short term portion of long term borrowings and long term borrowings

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
23a. Long term borrowings:				
USD 620 million 5.5% Senior Secured Notes (i)	-	615,632	-	-
Net settled: Embedded derivatives	-	1,878	-	-
Other long-term borrowings	-	73	-	-
	-	617,583	-	-
23b. Short term portion of long term borrowings:				
USD 620 million 5.5% Senior Secured Notes (i)	635,578	17,050	-	-
Net settled: Embedded derivatives	1,878	-	-	-
USD 220 million equivalent South African Rand term loan (ii)	-	132,845	-	-
Stanbic Bank of Zambia Limited revolving credit facility (iii)	2,186	1,741	-	-
USD 60 million revolving credit facility (iv)	-	25,290	-	25,290
Other Short-term portion of long term borrowings	78	248	-	-
	639,720	177,174	-	25,290

(i) The USD 620 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. These Notes were repaid in April 2026, refer to note 35 - *Events after the reporting date* for more details.

(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 split between an amortising tranche and two separate bullet repayment tranches, representing one third and two thirds respectively of the term loan. The outstanding balance was fully settled in February 2026.

(iii) Stanbic Bank of Zambia Limited revolving credit facility

As of 28 February 2026, the outstanding amount on the Revolving Credit Facility contracted by Liquid Telecommunications Zambia Limited was USD 2.2 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 4.25%, 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 was fully settled in February 2026.

24. Long term intercompany borrowings

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Long term intercompany payable (note 32)	-	-	-	528,136

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24. Long term intercompany borrowings (continued)

The company's long term intercompany payable to Liquid Telecommunications Financing Plc is unsecured, denominated in USD, bears interest at the rate of 5.5 % (28 February 2025: 5.5%) and is repayable in September 2026. The amount payable was reclassified to short-term payables to affiliated entities in note 25.

25. Trade and other payables

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Trade accounts payable	171,220	132,340	2,254	2,336
Payable balance to affiliated entities (note 32)	54,585	27,415	78,072	56,070
Short-term payables to affiliated entities (note 32)	-	-	584,763	5,014
Accruals	68,359	58,135	303	3,717
Staff payables	4,116	4,021	-	-
Transaction taxes due in various jurisdictions	11,106	12,489	-	21
Other short term payables	1,528	4,579	4,605	-
	310,914	238,979	669,997	67,158

The average credit period on purchases of goods is 30 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 affiliated entities and related company are unsecured, interest free and with no fixed date of repayment. The short-term payables to affiliated entities for the year ended 28 February 2026 includes the amount reclassified from long term intercompany borrowings. See note 24.

Refer to note 24 for terms of the short-term inter-company payables reclassified from long term in the current financial year.

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.

26. Long term provisions

	Group	
	28/02/26	28/02/25
	USD'000	USD'000
Onerous contracts	4,116	5,208
Other provision	95	271
	4,211	5,479

Onerous contracts

At 01 March 2025

Interest recognised in Data and network related costs

Transfer to short term (note 27)

Foreign exchange differences

As at 28 February 2026

**Long term
portion**

5,208

420

(1,586)

74

4,116

See note 27 (iii) for more details.

27. Short term provisions

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Bonus provision (i)	13,606	13,476	2,700	2,793
Licence fee provision (ii)	4,250	4,082	-	-
Short term portion of onerous contracts (iii)	1,182	1,041	-	-
Leave pay provision (iv)	3,703	3,194	-	-
Other provision (iv)	7,485	2,327	-	-
	30,226	24,120	2,700	2,793

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27. Short term provisions (continued)

The provisions recognised as at 28 February 2026 relate to bonuses, licence fees, onerous contracts, leave pay and other provisions. The uncertainties associated with the timing and amount of outflows are not considered material to the financial statements.

- (i) Bonuses are payable to all eligible staff according to the terms of the group's remuneration policy. The individual payout is a percentage of the total cost to the group, taking into account the employee's level, individual performance rating and group performance. The payment is time-apportioned based on the length of time the employee has been employed by the group in the current year. The actual payments are made post financial year end.

	Group	Company
	USD'000	USD'000
At 01 March 2025	13,476	2,793
Provision raised during the year	14,812	2,700
Utilisation / payment	(16,024)	(2,793)
Transfer to assets held for sale (note 31)	(3)	-
Foreign exchange differences	1,345	-
As at 28 February 2026	13,606	2,700

- (ii) The licence fee provision includes provision for Liquid Telecommunications South Africa (Pty) Limited's (LTSA) corporate social responsibility obligation of the licence held with ICASA, to provide ICT services to 750 public schools over an extended five-year period. The ICT service includes the provision of the local area network, the wide area network, the end user device in schools and training. LTSA has capitalised the obligation through raising a provision at the estimated present value of the total obligation. This is assessed annually. The capitalisation amount is amortised over the remaining licence period.

LTSA initially anticipated the provision would be completely utilised on 28 February 2025. However, ICASA issued an incorrect school list that included schools that have already been completed.

As at 28 February 2025, 11 schools out of the initial obligation of 750 schools in terms of the Universal Service Obligation were still outstanding pending finalisation of the list of affected schools by ICASA. In the current financial year, 8 schools were confirmed by ICASA and LTSA has subsequently deployed connectivity to these specific schools with a provision held for the 3 remaining schools. LTSA is in the process of agreeing with ICASA the remaining sites to be deployed and therefore the remaining provision has been carried over to the year ended 28 February 2027.

	Group
	USD'000
At 01 March 2025	4,082
Provision raised during the year	385
Utilisation / payment	(848)
Foreign exchange differences	631
As at 28 February 2026	4,250

- (iii) Onerous contracts:

The group purchased Liquid Telecommunications Data International Limited and as part of the IFRS 3 fair value assessment an onerous contract with SEACOM was identified. The contract relates to the indefeasible right of use (IRU) for 28 STM1s. As the IRU's O&M charges' present value exceeds the present value of the O&M charges of a similar IRU purchased at the acquisition date (being during the year ended 28 February 2013), a liability was raised for the excess O&M charges. The unfavourable contract is amortised over the remaining period of the contract.

The group purchased Liquid Telecommunications South Africa (Pty) Limited and as part of the IFRS 3 fair value assessment an onerous contract with SEACOM was identified. The contract relates to the O&M for an IRU for 19 STM1s. The IRU's O&M charges present value exceeds the present value of the O&M charges of a similar IRU purchased at the acquisition date. Liabilities were raised for the difference between the committed contract price and for the excess O&M charges as at acquisition.

	Group
	USD'000
At 01 March 2025	1,041
Charged to Data and network related costs (unwinding of interest)	94
Expense to Data and network related costs	(1,579)
Transfer from long term (note 26)	1,586
Foreign exchange differences	40
As at 28 February 2026	1,182

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27. Short term provisions (continued)

(iv) Below is the movement in leave pay provisions and other provisions during the year ended 28 February 2026:

	Group USD'000	Company USD'000
	Leave pay provision	*Other provisions
	USD'000	USD'000
At 01 March 2025	3,194	2,327
Provision raised during the year	667	5,541
Transfer to assets held for sale (note 31)	(10)	(112)
Payment/utilisation	(464)	(794)
Foreign exchange differences	316	523
As at 28 February 2026	3,703	7,485

*includes various provisions that do not fall in the other categories already described above. Mainly provision for legal fees.

28. Deferred revenue

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Long term portion of deferred revenue	47,152	47,179	-	-
Short term portion of deferred revenue	53,723	47,595	-	-
	100,875	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 4.1, 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.

Below is the movement in the above balances:

	Group	
	28/02/26	28/02/25
	USD'000	USD'000
Short term portion of deferred revenue:		
Opening balance	47,595	40,443
Net amount recognised as liability	6,843	13,141
Net amount recognised in statement of profit or loss	(10,309)	(18,510)
Reclassification from long term deferred revenue	5,070	12,612
Transfer to assets held for sale (note 31)	(57)	-
Adjustments - IAS 29	6	582
Foreign exchange differences	4,575	(673)
Closing balance	53,723	47,595
Long term portion of deferred revenue:		
Opening balance	47,179	56,967
Net amount recognised as liability	787	1,079
Reclassification to short term deferred revenue	(5,070)	(12,612)
Foreign exchange differences	4,256	1,745
Closing balance	47,152	47,179

29. Long term lease liabilities and short term portion of long term lease liabilities

Long term lease liabilities (discounted)	176,997	140,740
Short term portion of long term lease liabilities (discounted)	68,531	36,628
	245,528	177,368

The table below details the remaining contractual maturity for leases and has been drawn up based on the undiscounted cash flows:

Less than 1 year	103,032	66,266
1 to 2 years	88,576	68,221
2 to 3 years	70,347	49,557
3 to 4 years	38,657	43,064
4 to 5 years	9,476	24,691
More than 5 years	14,902	56,130
	324,990	307,929

The group does not face a significant liquidity risk with regard to its lease liabilities.

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30. Cash generated from / (used in) operations

	Notes	Group		Company	
		28/02/26 USD'000	28/02/25 USD'000	28/02/26 USD'000	28/02/25 USD'000 (Restated)
Profit / (loss) before tax		102,714	44,343	(105,513)	(51,359)
Adjustments for:					
Depreciation and amortisation	5.4	124,086	120,079	4,751	3,869
Impairment	5.5	410	4,587	78,875	26,596
Dividends received from investments at FVTOCI		(270)	(59)	-	-
Dividend received from related parties	32	-	-	(1,009)	(1,426)
Bad debts provision / (reversal) (see note 43 for restatement of comparative for Company)		5,169	(5,694)	(1,307)	517
Increase / (decrease) in provisions	27	2,035	9,940	(93)	2,793
Net foreign exchange (gain) / loss		(14,002)	288,551	72	67
Hyperinflation monetary gain / (loss)		(5,041)	(306,722)	-	-
Loss / (profit) on disposal of property, plant and equipment	5.2	1,491	(984)	-	-
Profit on disposal of Right-of-Use assets	5.2	358	133	-	-
Interest income	6	(25,608)	(24,291)	(22,551)	(23,340)
Finance costs	7	103,422	101,847	33,029	34,727
Share of profits of associate	14	(7)	(14)	-	-
		<u>294,757</u>	<u>231,716</u>	<u>(13,746)</u>	<u>(7,556)</u>
Working capital changes:					
Decrease in inventories		3,381	19,524	-	-
Increase in trade and other receivables		(87,261)	(64,916)	(6,533)	(1,334)
Increase / (decrease) in trade and other payables		63,867	42,032	40,658	(5,889)
Decrease in deferred revenue		(2,679)	(4,290)	-	-
Cash generated from / (used in) operations		<u>272,065</u>	<u>224,066</u>	<u>20,379</u>	<u>(14,779)</u>

31. Assets classified as held for sale

During the year ended 28 February 2026, 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:

	Group 28/02/26 USD'000
<u>Assets classified as held for sale</u>	
Cash and cash equivalents	694
Intangible assets	297
Property, plant and equipment	7,625
Right-of-Use assets	396
Inventories	110
Trade and other receivables	1,098
Deferred tax assets	626
	<u>10,846</u>
<u>Liabilities directly associated with assets classified as held for sale</u>	
Trade and other payables	1,498
Lease liabilities	418
Deferred tax liabilities	1,324
Deferred revenue	57
Taxation	462
Provisions	126
	<u>3,885</u>
Net assets of disposal group	<u>6,961</u>

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32. Related party transactions

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 (Zimbabwe) and Econet Wireless Zimbabwe Limited are referred to as "Econet Global related group companies";
- Cassava Technologies Limited (Jersey) as the intermediate holding company;
- 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), Oasis Communication Technologies Limited (Israel) and Magalcom 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 Proprietary Limited (South Africa), Distributed Power Africa (Private) Limited (Zimbabwe), Distributed Power Africa Limited (Mauritius) 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) other related group of companies";
- Liquid Telecommunications Holdings Limited and subsidiaries are referred to as "Liquid (Holdings) other related group of companies". Refer to note 13 - *Investments in subsidiaries* for more details on the subsidiaries;
- 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 Expected Credit Loss ("ECL") as disclosed in notes 18 and 20. During the year, the group and company entered into the following trading transactions with related parties:

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Sales of goods and services:				
Econet Global Related Group Companies	80,970	65,729	-	-
Africa Data Centres related group companies	562	451	-	-
Liquid (Jersey) other related group of companies	17,275	41,219	-	-
	98,807	107,399	-	-
Purchase of goods and services:				
Econet Global Related Group Companies	14,124	17,464	-	-
Africa Data Centres related group companies	3,644	1,417	-	-
Sasai Related Group Companies	298	-	-	-
Liquid (Jersey) other related group of companies	4,375	31,760	-	-
	22,441	50,641	-	-
Management fees expense (note 5.1):				
Econet Global Related Group Companies	600	600	-	-
Liquid (Holdings) other related group of companies	-	-	17,699	18,258
	600	600	17,699	18,258

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
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32. Related party transactions (continued)

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Management fees income (note 5.2):				
Africa Data Centres related group companies	-	7	-	-
Liquid (Jersey) other related group of companies	3,424	1,678	3,424	1,678
Liquid (Holdings) other related group of companies	-	-	12,223	19,182
	3,424	1,685	15,647	20,860

Dividend income:

Liquid (Holdings) other related group of companies	-	-	1,009	1,426
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The dividend income from Worldstream (Pty) Limited of USD 0.2 million, included in the above balance, was receivable as at 28 February 2026.

Dividend paid:

Other shareholders (net of taxes)	421	916	-	-
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Finance costs:

Liquid (Holdings) other related group of companies	-	-	29,757	29,149
Liquid (Jersey) other related group of companies	333	350	333	350
	333	350	30,090	29,499

Administration fees paid:

DTOS Limited	403	421	107	121
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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 intermediate holding company but the group is a significant beneficiary of the work carried out. The amount paid during the year is USD 0.4 million (2025: USD 0.5 million).

During the year, the group entered into a consultancy agreement with a former Director for the provision of services on certain group projects, including negotiations on the legal settlement in South Africa as set out in note 35 - *Events after the reporting date*. The cost of this support is borne by the intermediate holding company but the group is a significant beneficiary of the work carried out. The amount paid during the year is USD 0.8 million (2025: nil).

Interest income:

Econet Global Related Group Companies	636	734	575	673
Liquid (Holdings) other related group of companies	-	-	17,585	18,321
Africa Data Centres related group companies	20,284	19,195	1,325	1,438
Liquid (Jersey) other related group of companies	2,978	2,820	2,978	2,820
	23,898	22,749	22,463	23,252

Receivables balances from affiliated entities and other related parties (note 20):

Econet Global Limited (Mauritius)	4,999	4,999	4,999	4,999
Econet Global Related Group Companies	14,929	10,713	-	-
Africa Data Centres related group companies	7,542	8,506	7,421	8,446
Cassava Technologies Limited	1,280	6,258	1,280	6,258
Liquid (Holdings) other related group of companies	-	-	106,543	94,225
Econet Infraco related group companies	11	10	-	-
Vaya Related Group Companies	933	657	-	-
Liquid (Jersey) other related group of companies	49,917	37,524	18,148	10,247
Strive Masiyiwa*	74	478	74	478
Receivables balances from affiliated entities and other related parties - Gross	79,685	69,145	138,465	124,653
Expected credit loss (note 20)	-	-	(1,248)	(1,248)
Receivables balances from affiliated entities and other related parties - Net	79,685	69,145	137,217	123,405

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32. Related party transactions (continued)

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 typical payment terms. In certain circumstances, payment terms extend beyond this where the group provides financial support to its subsidiaries.

*This receivable balance is unsecured, has no fixed repayment terms and is repayable within one year.

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Short term affiliated and other related party receivables (note 20):				
Econet Global Related Group Companies	2,770	2,501	2,770	2,501
Liquid (Jersey) other related group of companies	34,871	40,179	26,416	31,985
Liquid (Holdings) other related group of companies	-	-	-	619
Africa Data Centres related group companies	36,502	32,745	17,955	16,824
Sasai Related Group Companies	2,712	2,098	-	-
Econet Infraco related group companies	864	804	-	-
Short term affiliated and other related party receivables - Gross	77,719	78,327	47,141	51,929
Expected credit loss (note 20)	(138)	(138)	-	-
Short term affiliated and other related party receivables - Net	77,581	78,189	47,141	51,929
Long term receivables from affiliated entities and other related parties (note 18):				
Liquid (Holdings) other related group of companies	-	-	120,558	199,562
Liquid (Jersey) other related group of companies	4,465	3,958	4,465	3,958
Africa Data Centres related group companies	72,643	132,064	2,021	2,478
Long term receivables from affiliated entities and other related parties - Gross	77,108	136,022	127,044	205,998
Expected credit loss (note 18)	-	-	(6,419)	(6,419)
Write off (note 18)	-	-	-	(14,401)
Long term receivables from affiliated entities and other related parties - Net	77,108	136,022	120,625	185,178

The long term intercompany receivables from Liquid (Holdings) other related group of companies, are unsecured, denominated in USD, bears interest at SOFR plus a margin ranging from 3.75% to 6.50% and are repayable in February 2029.

The long term intercompany receivable from Liquid Telecommunications Uganda Limited is unsecured, denominated in USD and bears interest at the rate of SOFR plus 3.75%. Repayment of the loan is pegged to Liquid Telecommunications Uganda Limited generating free cash flows for a period of at least three months during which time the company must also report positive working capital.

The long term intercompany receivable from Liquid (Jersey) other related group of companies are unsecured, denominated in USD, bears interest at the rate of SOFR plus 3.75% and is repayable in February 2029.

The long term intercompany receivables from Africa Data Centres related group companies are unsecured, denominated in USD, bear interest at the rate of SOFR plus 3.75% and are repayable in February 2029.

Short-term payables to affiliated entities (note 25):

Liquid (Holdings) other related group of companies	-	-	579,416	-
Liquid (Jersey) other related group of companies	-	-	5,347	5,014
	-	-	584,763	5,014

The Liquid (Holdings) other related group of companies balance relates to the amount payable to Liquid Telecommunications Financing Plc and is unsecured, denominated in USD, bears interest at the rate of 5.5% and is repayable in September 2026.

The Liquid (Jersey) other related group of companies balance relates to Liquid Technologies Infrastructure Finance SARL and represents the current remaining payable balance of the USD 13 million investment.

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
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32. Related party transactions (continued)

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Payable balance to affiliated entities (note 25):				
Econet Global Related Group Companies	1,476	944	-	-
Africa Data Centres related group companies	32,526	9,199	-	-
Telrad Networks Ltd	52	15	-	-
Liquid (Jersey) other related group of companies	19,227	17,045	135	135
Liquid (Holdings) other related group of companies	-	-	77,937	55,935
Sasai Related Group Companies	1,304	212	-	-
	54,585	27,415	78,072	56,070

Amounts payable to affiliated entities and related company are unsecured, interest free and have no fixed date of repayment.

Long term intercompany payables:

Liquid (Holdings) other related group of companies	-	-	-	528,136
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The Liquid (Holdings) other related group of companies balance relates to the amount payable to Liquid Telecommunications Financing Plc and is unsecured, denominated in USD, bears interest at the rate of 5.5% and is repayable in September 2026.

33. Compensation of key management personnel

The remuneration of the directors and other key management personnel during the year is as follows:

Short-term employee benefits	4,037	3,439	41	350
Other benefits	-	127	-	-
	4,037	3,566	41	350

The key management personnel are the directors who have authority and responsibility for planning, directing and controlling the activities of the group, whether directly or indirectly. Key management personnel compensation is disclosed above, other related party transactions with key management personnel are disclosed in Note 32 - *Related party transactions*.

34. Commitments

34.1 Capital commitments

At 28 February 2026, the group committed to the following capital commitments:

Authorised and contracted

Intangible assets	444	5,673	-	-
Property, plant and equipment	28,397	18,145	-	-
	28,841	23,818	-	-

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

34.2 Other

The group continues to provide support to its subsidiaries, where appropriate, to ensure they are able to continue their operations and meet their liabilities as and when they fall due.

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
for the year ended 28 February 2026

35. Events after the reporting date

35.1 Non adjusting events:

- Corporate credit rating

On 5 March 2026, Moody's upgraded both the corporate family rating of Liquid Telecommunications Holdings Limited and the instrument rating on the USD 620 million Senior Secured Notes (bond) issued by Liquid Telecommunications Financing Plc to Caa1 from Caa2 negative outlook, whilst also placing the ratings under review for further upgrade. This upgrade to Caa1 was due to the increased confidence in the business's ability to refinance its USD 620 million Senior Secured Notes ahead of its maturity following the repayment of the outstanding balance of the USD 220 million equivalent South African Rand term loan (ZAR term loan) and the USD 60 million revolving credit facility (RCF).

On 27 April 2026, Moody's upgraded the corporate family rating to B3 from Caa1, with the outlook revised to Stable following the completion of the re-financing.

On 12 May 2026, Fitch upgraded the corporate family rating to B- from CCC+, with Outlook Stable. This followed its placing of the business under Rating Watch Positive following the March announcement of the intended re-financing of the bond.

- Refinancing

On 14 April 2026, the group completed its re-financing of the USD 220 million ZAR term loan and USD 620 million bond (due September 2026). The refinancing comprised the repayment of the outstanding balance of the USD 220 million ZAR term loan, the USD 60 million RCF and settlement of the USD 620 million bond. These were replaced by a new USD 210 million equivalent ZAR term loan, a new USD 150 million USD term loan and a new USD 300 million bond (maturity 2031). The new facilities carry new covenants including, among others, Net Leverage Ratio, Interest Cover and Debt Service Cover Ratio. The refinancing has been treated as a non-adjusting post balance sheet event.

- Impact of global events

On 28 February 2026, a conflict started between the United States, Israel and Iran. The group is monitoring the impact of the conflict on its business and supply chain. To date, the impact has not been material and as such, the group regards the economic impact of this conflict to be a non-adjusting post balance sheet event, with no current direct impact on the group's operations.

35.2 Adjusting events:

- Judicial Commission of Inquiry into State Capture

Between 2014 and 2016, and prior to the acquisition of Neotel in 2017 by Liquid Telecommunications Holdings Limited (the group), Neotel entered into various transactions and contractual arrangements with Transnet SOC Ltd. (Transnet), which later became the subject of investigation and review by the Commission of Inquiry into Allegations of State Capture (the Commission) in South Africa. The group self-reported the unlawful activities that had taken place prior to the acquisition, the extent of which was unknown at the time of the acquisition, and rendered substantial assistance to the Commission, and South African law enforcement authorities in the advancement of the related investigations.

The report of the Commission has not prompted any further investigation or inquiry into the affairs of Liquid Telecommunications South Africa (Pty) Limited (LTSA). The group has invested extensively in local and international corporate compliance anti-corruption programmes to prevent and detect future corrupt practice as part of its long standing zero tolerance to corruption.

As part of ongoing efforts to resolve this matter, LTSA engaged in negotiations with Transnet and corporate alternative dispute resolution with the National Prosecuting Authority (NPA) et al of South Africa. These resulted in an agreement whereby the group, has undertaken without admission of liability to pay financial restitution to Transnet, in the amount of USD 7.3 million (ZAR 127 million), in 10 monthly installments commencing in April 2026. Furthermore, the group has agreed to pay USD 3.3 million (ZAR 57 million) into the Criminal Assets Recovery Account of the Republic of South Africa. Funds in this account are made available to combat organised crime and corruption. These payments are on the basis of the acceptance that the group is not alleged to have been involved in, or to have had any knowledge of the underlying conduct or transactions at the time they occurred, and they constitute full and final settlement of these historic transactions and all conditions precedent relating to such settlement have been fulfilled.

Although these processes were only concluded after the year end, the group has subsequently recognised the associated settlement amounts in the financial year ended 28 February 2026 as an adjusting post balance sheet event due to the fact that the reviews were underway at the balance sheet date.

LIQUID TELECOMMUNICATIONS HOLDINGS LIMITED
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36. Financial instruments

36.1 Capital risk management

The group manages its capital to ensure that entities in the group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The group's policy is to borrow centrally, principally using Senior Secured Notes and a combination of other borrowing facilities to meet anticipated funding requirements. These borrowings, together with cash generated from operations, are loaned internally or contributed as equity to certain subsidiaries. The group monitors its interest cover, net leverage ratio, gross debt to EBITDA ratio and Debt Service Cover Ratio ("DSCR") to comply with its Senior Secured Notes and other borrowing facilities covenants. The group complied with its maintenance covenants throughout the financial year and the overall strategy remains unchanged from prior years.

The capital structure of the group and company consist of net debt (which includes borrowings offset by cash and cash equivalents) and equity attributable to owners of the group and company, comprising issued share capital, convertible preference shares, reserves and retained earnings. The group and company are not subject to any externally imposed capital requirement. Management reviews the capital structure of the group and company on a periodic basis, including the cost of capital and the risks associated with each class of capital.

36.2 Material accounting policy information

Details of the material accounting policy information and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements.

36.3 Gearing ratio

The group's directors review the capital structure on a periodic basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital.

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Debt (i)	885,248	972,125	539,134	553,426
Cash and cash equivalents (net of restricted cash)	(75,064)	(85,368)	(5,139)	(11,319)
Net debt	810,184	886,757	533,995	542,107
Equity (ii)	238,931	143,093	312,983	420,525
Net debt to equity ratio	3.4:1	6.2:1	1.7:1	1.3:1

(i) Debt is defined as long and short-term borrowings and lease liabilities, as detailed in notes 23, 24 and 29, together with interest-bearing payables to related parties presented within trade and other payables (notes 25 and 32)

(ii) Equity includes all capital and reserves of the group and the company, as detailed in the statement of changes in equity.

36.4 Categories of financial assets and liabilities

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Financial assets				
Amortised cost	505,406	510,753	311,006	372,260
<i>Investments at amortised cost</i>	41	41	-	-
<i>Long-term receivables</i>	78,030	136,330	120,625	185,178
<i>Trade and other receivables (excluding Prepayments and VAT receivable)</i>	351,858	288,589	185,242	175,752
<i>Cash and cash equivalents</i>	75,064	85,368	5,139	11,319
<i>Restricted cash and cash equivalents</i>	413	425	-	11
Fair Value Through Other Comprehensive Income (FVTOCI)				
<i>Investments at Fair Value Through Other Comprehensive Income (FVTOCI)</i>	19,688	16,672	15,310	15,310
Total financial assets	525,094	527,425	326,316	387,570

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36. Financial instruments (continued)

36.4 Categories of financial assets and liabilities (continued)

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Financial liabilities				
Amortised cost	1,180,940	1,194,594	669,997	620,563
Long term borrowings	-	617,583	-	-
Short term portion of long term borrowings	639,720	177,174	-	25,290
Long term lease liabilities	176,997	140,740	-	-
Short term portion of long term lease liabilities	68,531	36,628	-	-
Long term intercompany borrowings	-	-	-	528,136
Trade and other payables (excluding Staff payables and Transaction taxes due in various jurisdictions)	295,692	222,469	669,997	67,137
Total financial liabilities	1,180,940	1,194,594	669,997	620,563

36.5 Financial risk management objectives

Management co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the group through internal management reports, which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

36.6 Market risk

The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see notes 36.7 and 36.8) and interest rates (see notes 36.9 and 36.10). The group does enter into derivative financial instruments to manage its exposure to interest rate and foreign currency risk where appropriate.

36.7 Foreign currency risk management

The group undertakes certain transactions denominated in foreign currencies and is therefore exposed to exchange rate fluctuations. Exchange rate exposures are managed within approved policy parameters. The group constantly reviews its foreign exchange rate exposures and enters into foreign currency hedging contracts when appropriate.

The carrying amounts of the group's foreign currency denominated monetary assets and monetary liabilities as at the reporting date are as follows:

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Assets				
Currency of the United Kingdom (GBP)	3,783	6,075	-	-
Currency of United States (USD)	151,704	229,020	326,316	387,570
Currency of Zimbabwe (ZWL\$)	90,972	38,713	-	-
Currency of South Africa (ZAR)	199,153	176,717	-	-
Currency of Botswana (BWP)	2,512	3,823	-	-
Currency of Kenya (KES)	44,318	51,645	-	-
Currency of Zambia (ZMK)	17,508	10,182	-	-
Currency of Rwanda (RWF)	5,207	3,345	-	-
Currency of Nigeria (NGN)	40	37	-	-
Currency of Uganda (UGX)	2,286	2,045	-	-
Currency of Egypt (EGP)	3,555	2,550	-	-
Currency of Tanzania (TZS)	4,056	3,273	-	-
	525,094	527,425	326,316	387,570

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36. Financial instruments (continued)

36.7 Foreign currency risk management (continued)

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
Liabilities				
Currency of the United Kingdom (GBP)	13,212	10,496	8,918	1,244
Currency of United States (USD)	707,908	835,178	656,662	616,310
Currency of Zimbabwe (ZWL\$)	58,654	29,755	-	-
Currency of South Africa (ZAR)	321,126	257,243	4,417	3,009
Currency of Botswana (BWP)	2,118	2,964	-	-
Currency of Kenya (KES)	39,344	37,745	-	-
Currency of Zambia (ZMK)	23,430	9,067	-	-
Currency of Rwanda (RWF)	3,527	4,063	-	-
Currency of Nigeria (NGN)	1	1	-	-
Currency of Uganda (UGX)	5,582	4,735	-	-
Currency of Egypt (EGP)	2,069	133	-	-
Currency of Tanzania (TZS)	3,969	3,214	-	-
	1,180,940	1,194,594	669,997	620,563

36.8 Foreign currency sensitivity analysis

The group is mainly exposed to the currencies of United Kingdom (GBP), Zimbabwean dollar (ZWL\$), South Africa (ZAR), Kenyan Shilling (KES), Rwandan Franc (RWF) and Zambian Kwacha (ZMK).

The following table details the group's sensitivity to a 10% increase and decrease in the USD (Reporting Currency of the group) against the relevant foreign currencies. 10% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the group where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A positive number below indicates an increase in profit and other equity where the USD strengthens 10% against the relevant currency. For a 10% weakening of the USD against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be reversed.

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
GBP Currency impact	(943)	(442)	1	-
ZWL\$ Currency impact	3,232	896	-	-
ZAR Currency impact	(12,197)	(8,053)	-	-
KES Currency impact	497	1,390	-	-
RWF Currency impact	168	(72)	-	-
ZMK Currency impact	(592)	111	-	-
	(9,835)	(6,170)	1	-

36.9 Interest rate risk management

The group is exposed to interest rate risk as entities in the group borrow funds at both fixed and floating interest rates. The risk is managed by the group by securing an appropriate mix between fixed and floating rate borrowings on initial signing of borrowing contracts. The group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management table (see note 36.12 below). Interest rates have been disclosed in the respective notes where applicable.

36.10 Interest rate sensitivity analysis

The sensitivity analysis has been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 100 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

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36. Financial instruments (continued)

36.10 Interest rate sensitivity analysis (continued)

If interest rates had been 100 basis points higher/lower and all other variables were held constant;

- Profit for the year ended 28 February 2026 for the group and the company respectively would decrease by USD 4.2 million (2025: increase by USD 1.2 million) and decrease by USD 4.1 million (2025: decrease of USD 3.0 million). This is mainly attributable to the group's limited exposure to interest rates on its variable rate borrowings as most of the group's borrowings are at fixed rates; and
- There would be no increase or decrease in other equity reserves for the year ended 28 February 2026 (2025: no increase or decrease).

36.11 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The group only transacts with financial institutions which are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the group uses other publicly available financial information. The group's exposure and the credit ratings of its counterparties are monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Note 18 and 20 detail the group's and the company's maximum exposure to credit risk and the measurement bases used to determine expected credit losses.

Other than those disclosed in the notes to the financial statements, the group and company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The group and company defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements, which is net of expected credit loss, represents the group's maximum exposure to credit risk.

36.12 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the group's short, medium and long-term funding and liquidity management requirements. The group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below details the remaining contractual maturity for financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities bases on the earliest date on which they can be required to pay. The table includes both interest and principal cash flows.

	Weighted Average Effective Interest Rate	Less than 1 year USD'000	2 to 5 years USD'000	More than 5 years USD'000	Total USD'000
Group - 2026					
Financial liabilities	5.50%	<u>1,283,972</u>	<u>195,499</u>	<u>14,902</u>	<u>1,494,373</u>
Group - 2025					
Financial liabilities	6.81%	<u>643,278</u>	<u>791,698</u>	<u>56,130</u>	<u>1,491,106</u>
Company - 2026					
Financial liabilities	5.50%	<u>665,776</u>	<u>-</u>	<u>-</u>	<u>665,776</u>
Company - 2025					
Financial liabilities	5.25%	<u>92,427</u>	<u>528,136</u>	<u>-</u>	<u>620,563</u>

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36. Financial instruments (continued)

36.13 Fair values

The directors consider the financial assets and financial liabilities stated at amortised cost in the financial statements approximate their fair values. They are classified under level 3 of the fair value hierarchy.

36.14 Net settled: Embedded derivatives

The following table details the group's liquidity analysis for its derivative financial instruments based on contractual maturities. The table has been drawn up based on the undiscounted net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

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 28 February 2026, the fair value of the embedded derivatives was nil (28 February 2025: was not significant).

37. Dividend

Year ended 28 February 2026:

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.

Worldstream (Pty) Ltd, a subsidiary of the group, declared and paid a dividend of USD 0.6 million. USD 0.2 million is attributable to the non-controlling interests of the subsidiary.

Year ended 28 February 2025:

Liquid Telecommunications Rwanda Limited, a subsidiary of the group, declared and paid a dividend of USD 1.7 million. USD 0.5 million is attributable to the non-controlling interests of the subsidiary.

Zanlink, 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.

Worldstream (Pty) Limited, a subsidiary of the group, declared a dividend of USD 0.3 million. USD 0.1 million is attributable to the non-controlling interests of the subsidiary.

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38. 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
28 February 2026				
Investments at FVTOCI (note 15)	4,374	-	15,314	19,688
Total	4,374	-	15,314	19,688
28 February 2025				
Investments at FVTOCI (note 15)	1,358	-	15,314	16,672
Total	1,358	-	15,314	16,672

	Group 28/02/26			Group 28/02/25		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Fair value measurements	Level 1	Level 3	Total	Level 1	Level 3	Total
Opening balance	1,358	15,314	16,672	48	15,314	15,362
Additions	451	-	451	1,983	-	1,983
Fair value gain / (loss) on investment	2,827	-	2,827	(636)	-	(636)
Disposal	(304)	-	(304)	-	-	-
Foreign exchange gain / (loss)	42	-	42	(37)	-	(37)
Closing balance	4,374	15,314	19,688	1,358	15,314	16,672

Fair value measurements of the company are at level 3.

39. Earnings per share

	Group	
	28/02/26	28/02/25
Basic earnings per share (Cents per share)	45.64	14.77

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

	Group	
	28/02/26	28/02/25
	USD'000	USD'000
Earnings attributable to owners of the company	56,985	18,443
	Group	
	28/02/26	28/02/25
Weighted average number of ordinary shares for the purpose of basic profit per share	124,857,914	124,857,914

See note 22 for number of shares.

40. 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, Kenya 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 7.0 million and USD 10.0 million, the exact timing and value of which is unknown and cannot be measured with any reliability.

Claim by Vodacom

Vodacom v ICASA, Chairperson of ICASA, MTN, Cell C, LIT, Telkom SA, Rain

Vodacom applied to the High Court to 1) interdict respondents (ICASA, MTN, Cell C, Liquid) from using or transmitting various radio frequency spectrum ("RFS" of "spectrum"), and 2) to declare the decision taken by ICASA on or about 14 June 2022 to approve the RFS sharing application by MTN and Liquid and MTN and Cell C in the form of RFS pooling unlawful, reviewed and set aside. Liquid is opposing and has filed its notice of intention to defend. Answering and Replying Affidavits were filed and the parties met with the Deputy Judge President on 20 August 2024. Due to comments made by Vodacom at this meeting, MTN indicated that it would be making representations that the matter is no longer of an urgent nature and that as such, part A (1 above) has lapsed and that Part B (2 above) should be heard in the ordinary course. Part A was heard in February 2025 and the Court dismissed Vodacom's request for an interim interdict on the basis that Vodacom did not prove urgency. Parties were to file Answering Affidavits in respect of Part B on 12 May 2025. The group filed its Heads of Argument on 18 December 2025. Dates for the hearing have been set as 13th to 16th October 2026. Based on the value of potential exposures where uncertainty exists, the exact timing and value of which is unknown and cannot be measured with any reliability, the above has been disclosed as a contingent liability.

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.

41. Non-cash transactions

41.1 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:

	Group		Company	
	28/02/26	28/02/25	28/02/26	28/02/25
	USD'000	USD'000	USD'000	USD'000
• Purchase of property, plant and equipment included a non cash portion :	3,889	3,390	2	52
• Purchase of intangible assets included a non cash portion :	-	-	3,881	4,388

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41. Non-cash transactions (continued)

41.2 Reconciliation of liabilities arising from financing activities

The table below details changes in the group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be classified in the group's consolidated statement of cash flows as cash from financing activities.

28 February 2026: Group	01/03/2025	Non-cash	Cash	28/02/2026
	USD'000	USD'000	USD'000	USD'000
Short term portion of long term borrowings (note 23b)	177,174	630,444	(167,898)	639,720
Long term borrowings (note 23a)	617,583	(617,583)	-	-
Lease liabilities (note 29)	177,368	157,470	(89,310)	245,528
28 February 2025: Group	01/03/2025	Non-cash	Cash	28/02/2025
	USD'000	USD'000	USD'000	USD'000
Short term portion of long term borrowings (note 23b)	80,987	133,754	(37,567)	177,174
Long term borrowings (note 23a)	742,252	(124,669)	-	617,583
Lease liabilities (note 29)	137,245	99,370	(59,247)	177,368
28 February 2026: Company	01/03/2025	Non-cash	Cash	28/02/2026
	USD'000	USD'000	USD'000	USD'000
Short-term portion of long-term borrowings (note 23b)	25,290	-	(25,290)	-
Long term intercompany borrowing (note 24)	528,136	(528,136)	-	-
28 February 2025: Company	01/03/2024	Non-cash	Cash	28/02/2025
	USD'000	USD'000	USD'000	USD'000
Short-term portion of long-term borrowings (note 23b)	42,665	290	(17,665)	25,290
Long term intercompany borrowing (note 24)	533,095	-	(4,959)	528,136

The non-cash portion consists of the following:

	28 February 2026	28 February 2025
Short term portion of long term borrowings and long term borrowings:	Finance arrangement fees, interest accrued, foreign exchange on translation of foreign leases and reclassification from long term to short term.	Finance arrangement fees, interest accrued, foreign exchange on translation of foreign leases and reclassification from long term to short term.
Long term lease liabilities and short term portion of long term lease liabilities:	Interest on leases under IFRS 16 and foreign exchange on translation of foreign leases.	Interest on leases under IFRS 16 and foreign exchange on translation of foreign leases.
Increase in long term intercompany loan:	Foreign exchange on translation of foreign long term intercompany loan.	Foreign exchange on translation of foreign long term intercompany loan.
Investment in subsidiaries	Capitalised intercompany loan.	Capitalised intercompany loan.

42. 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 annual financial statements, taking into account the available cash position, the cash flow projections (which include discretionary capital expenditure), undrawn committed loan funding, the provision of financial support to subsidiaries where necessary, covenants projections and the status of conditions subsequent to the re-financing projects set out below. The directors consider that the operations provide sufficient financial sustainability to enable the business to continue in existence for at least the twelve months from the date of signing of the consolidated annual financial statements.

42. Going concern (continued)

In making their assessment, the directors have considered a number of geographic, economic and operational risks. These include the potential impact of ongoing conflicts in certain regions and the impact they may have on financial markets, tariffs, global currencies, particularly the South African Rand and Zimbabwean ZWG, and the supply chains of the operations. The directors have also considered, against this backdrop, the achievability of the business plan and the available cashflow for the twelve months from the date of signing of the consolidated annual financial statements. 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 both sufficient liquidity in the business and sufficient headroom on the new covenants to allow the preparation of the consolidated annual 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 satisfaction of the conditions subsequent associated with the re-financing.

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

Funding facilities

As at 28 February 2026, the group was funded by a combination of equity, USD 620.0 million Senior Secured Notes (maturity September 2026) and a revolving credit facility (RCF) in Zambia, of which USD 2.2 million was outstanding at 28 February 2026. Refer to note 23 - *Short term portion of long term borrowings and long term borrowings* for more details.

Post the reporting date, on 14 April 2026, the group completed its re-financing of the USD 220 million ZAR term loan and USD 620 million Senior Secured Notes (due September 2026). The re-financing comprised of the draw down on the new USD 210 million equivalent ZAR term loan (in Liquid Telecommunications South Africa (Pty) Limited) and a new USD 150 million USD term loan (in the company), both with 3, 5 and 7 year tranches, together with a full re-financing of the USD 620 million Senior Secured Notes which were repaid and replaced with a combination of new equity, the new term loans and new USD 300 million Senior Secured Notes (maturity 2031). The new facilities carry a suite of covenants (see 'refinancing' in note 35), for which the group forecasts a full compliance with reasonable headroom for the 12 months from the date of signing of the financial statements.

Cash position

As at 28 February 2026, the group had an unrestricted cash position of USD 75.1 million (28 February 2025: USD 85.4 million). Of this amount, USD 48.1 million (28 February 2025: USD 17.6 million) is held in Zimbabwe. Following the ongoing hyperinflation accounting requirements 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 25.8:1 (28 February 2025: 26.6:1). Cash held in Zimbabwe is mainly used to locally fund operating expenses and capital expenditure.

Operational performance

For the year ended 28 February 2026, the group reported an operating profit of USD 170.8 million (28 February 2025: USD 140.3 million) and a net cash inflow from operating activities of USD 234.7 million (28 February 2025: USD 199.0 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 currency changes in jurisdictions in which the group operates.

Equity Capital Funding

As part of the re-financing, USD 137.5 million of cash has been injected into the group via equity transactions and settlement of related party receivables. A condition subsequent to the re-financing is the need to inject a further USD 50.0 million of equity into the group by 13 April 2027. If the condition subsequent is not met, the group will be required to allocate excess cash over a specified threshold to the repayment of debt until the condition subsequent is satisfied. Based on the group's cashflow forecasts there is sufficient liquidity headroom to cover operational needs as well as accommodate this requirement. Consequently, whilst there is uncertainty over the timing of the completion of this condition subsequent, the directors do not consider that there is a material uncertainty over the going concern assumptions, resulting from this condition subsequent.

Based on the assessment made and for the reasons set out above, the directors are of the opinion that the adoption of the going concern assumption in the preparation of the financial statements for the year ended 28 February 2026 is appropriate.

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43. Financial guarantee contract

During the current year ended 28 February 2026, the measurement of the financial guarantee contract (FGC) was reviewed. Following this review, management concluded that the fair value of the FGC should have been measured and accounted for at inception (which is the date of transition as per IFRS 9:2.1(d) and in subsequent periods in accordance with IFRS 9). The Company has therefore restated the prior year comparative figures for retained earnings, financial guarantee contracts, provision for expected credit loss and loss before tax. These have been categorised as prior year error and corrected in accordance with IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors*.

The impact of the review in the prior year is as follows:

	Company	
	28/02/25	01/03/24
	USD'000	USD'000
<u>Statement of financial position</u>		
Accumulated losses as previously reported	(71,659)	(18,808)
Expected credit loss on financial guarantee contract	(3,246)	(2,417)
Accumulated losses	<u>(74,905)</u>	<u>(21,225)</u>
Financial guarantee contract as previously reported	-	-
Expected credit loss on financial guarantee contract	3,246	2,417
Restated financial guarantee contract	<u>3,246</u>	<u>2,417</u>
	Company	
	28/02/2025	
	As	
	previously	
	reported	Adjustment
	USD'000	USD'000
<u>Statement of profit or loss and other comprehensive income</u>		Restated
Expected credit loss (reversal) / provision	(312)	517
Loss before tax	(50,530)	(51,359)

44. Immediate 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.