

EMTEL LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

EMTEL LIMITED AND ITS SUBSIDIARIES

**ANNUAL REPORT
31 DECEMBER 2025**

CONTENTS	PAGES
CORPORATE INFORMATION	2
DIRECTORS' REPORT	3 - 5
CORPORATE GOVERNANCE REPORT	6 - 47
STATEMENT OF COMPLIANCE	48
SECRETARY'S CERTIFICATE	49
INDEPENDENT AUDITOR'S REPORT	50 - 57
CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS	58
CONSOLIDATED AND SEPARATE STATEMENTS OF COMPREHENSIVE INCOME	59
CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION	60
CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY	61 - 62
CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS	63
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	64 - 138
FINANCIAL SUMMARY OF THE GROUP	139 - 141

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 2

CORPORATE INFORMATION

CHAIRMAN & NON EXECUTIVE DIRECTOR

Mr. Bashirali A Currimjee

EXECUTIVE DIRECTORS

Mr. M Sahoud Edoou

NON-EXECUTIVE DIRECTORS

Mr. Anil C Currimjee

Mr. Azim F Currimjee

Mr. M Iqbal Oozeer

Mr. Krishnaduth (Kresh) Goomany, *reclassified as Non-Executive Director effective March 2026*

Mr. Mukesh H Bhavnani

Mr. Jaideep K Paul, *appointed on 16th April 2025*

Mr. Sarvjit Singh Dhillon, *resigned on 20th March 2025*

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Peter J Lewis

Ms. Priscilla Balgobin-Bhoyrul

Mrs. Charlotte M V Govin-Guiral

Mrs. Shirin R Gunny

SECRETARY

Currimjee Secretaries Limited

38, Royal Street

Port Louis

Republic of Mauritius

REGISTERED OFFICE

38, Royal Street

Port Louis

Republic of Mauritius

PRINCIPAL PLACE OF BUSINESS

Emtel World

10 Cybercity, Ebène 72201

Republic of Mauritius

EXTERNAL AUDITORS

PricewaterhouseCoopers

PWC Centre

Avenue de Telfair, Telfair,

80829, Moka

Republic of Mauritius

MAIN BANKERS

Mauritius Commercial Bank Limited

Absa Bank (Mauritius) Limited

SBM Bank (Mauritius) Limited

AfrAsia Bank Limited

DIRECTORS' REPORT

The Board of Directors is pleased to present the Annual Report of Emtel Limited (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2025.

Principal Activity

The principal activity of the Company is the operation and provision of mobile telephony, fixed telephone, broadband and enterprise solutions to residential and corporate customers in the Republic of Mauritius, including Rodrigues & Agalega. The Company's subsidiaries are engaged in activities Fintech mobile payment applications, and operating data center hosting services.

Review of the Business

The Group delivered a strong financial and operational performance for the financial year ended 31 December 2025 ("FY 25"), underpinned by sustained commercial momentum throughout the year. FY 25 was characterised by disciplined execution, continued customer growth and increasing adoption across our integrated portfolio of mobile, home, enterprise and Fintech solutions.

The FY25 performance reflects the benefits of our accelerated investments in advanced infrastructure and digital platforms over the last few years. Strong and continued revenue growth together with strong cost discipline led to an increase in EBITDA of 15.3% and the Underlying Profit Before Tax rose by 27.4% in FY 25.

The reduction in Capex over the year, closure of the sale in MCVision and the settlement agreement reached with the Parties in the long standing case, led to a substantial reduction of debt to Rs 2,58 billion equivalent to a multiple of 1.3 of EBITDA and an increase of the equity to Rs 1,30 billion at the end of 2025 from (Rs 302 million) at the end of 2024.

The continued strong commercial momentum, the return of the Capex to more normal percentages, the stronger equity position together with a very comfortable debt to EBITDA multiple leaves us in a position to move even more forward with even more strength and flexibility.

Business Highlights

FY 25 was a transformative year across several dimensions:

1. People and Culture

Investment in talent development and organisational capability remained central to our strategy. We continued to invest in the professional development of our people as well as training in new technologies such as Cloud and Artificial Intelligence to strengthen a high-performance culture.

2. Network Leadership and Infrastructure Expansion

a) We reached 90% island-wide 5G population coverage, marking the completion of our 5G rollout programme which started in 2022.

b) Our fibre infrastructure footprint expanded to approximately 743km across the island, extending reach to additional business clusters and multi-dwelling units. The Fibre-to-the-Home rollout was extended to cover, smart cities, Residential Estate Schemes (RES), Property Development Schemes (PDS), multi dwelling units, Business Parks, Malls and Commercial Buildings.

c) Fibre-optic infrastructure has also been successfully deployed to reach the New Social Living Developments (NSLD) units ready to onboard the new owners on ultra-high speed fibre internet.

d) International submarine capacity was also augmented to support rising data consumption and strengthen global connectivity resilience and redundancy.

e) In Rodrigues, we introduced Eutelsat OneWeb satellite connectivity to provide enterprises with a robust backup solution, reducing reliance on submarine cable infrastructure and enhancing business continuity.

3. Sovereign Cloud Solutions

A sovereign, in-country cloud platform delivering secure, low-latency hosting services to enterprise customers in compliance with local regulations was successfully deployed. The platform provides geographical redundancy and enables clients to transition from capital-intensive infrastructure to more affordable operating expenditure models while ensuring their data remains in country.

4. Security Operations Centre ("SOC")

Our Cyber Security offerings were substantially enhanced through the launch of an enhanced Security Operations Centre and a partnership with an International Cyber Security operator enabling us to provide enhanced services to our

5. Artificial Intelligence ("AI") and Graphics Processing Unit ("GPU") as a service

a. We deployed our Large Language Model on our Cloud platform. AI and Robotic Process Automation were embedded across internal operations and customer-facing solutions, enhancing decision-making, automating workflows and improving service efficiency while containing costs.

b. Through the NVidia chipsets on our Sovereign Cloud Platform we became the first company in Mauritius to provide GPU-as-a-Service, enabling organisations to deploy AI solutions at lower costs locally on a secure infrastructure.

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 4

DIRECTORS' REPORT (CONTINUED)**Review of the Business (Continued)****6. Fintech**

Our Fintech platform, Blink, continued to gain traction with increased momentum, supported by the rollout of new merchant devices integrating point-of-sale functionality with digital payment processing. These enhancements strengthen our competitive positioning and expand our digital payments ecosystem.

The Group's turnover has increased by 8.7% to **Rs 4,092 million** (2024 - Rs 3,763 million) and the Company's turnover has increased by 8.7% to **Rs 4,008 million** (2024 - Rs 3,688 million) for the financial year ended 2025. The Group has registered a net profit after tax of **Rs 2,699 million** (2024 - Rs 276 million) and the Company **Rs 1,462 million** (2024 - Rs 371 million) for the financial year ended 2025. The Company has received dividend income of **Rs 175 million** (2024 - Nil) from its subsidiaries. The Directors have declared dividends amounting to **Rs 1,102 million** (2024 - Rs 699 million in 2024) for the year ended 31 December 2025.

The Group has invested **Rs 914 million** (2024 - Rs 1,002 million) and the Company **Rs 912 million** (2024 - Rs 998 million) in capital expenditure. The investment were mainly in (i) new billing system (ii) deployment of 5G technology equipment (iii) cloud infrastructure (iv) extension of the inland fibre and (iv) 5G routers.

The financial position of the Group and Company are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Profit before tax (from continuing operations)	1,440,298	622,443	1,451,925	605,950
Current assets	1,982,044	1,414,151	1,937,381	2,083,270
Current liabilities	2,393,371	3,093,415	2,333,747	2,484,011
Net assets	1,304,072	(302,022)	1,302,532	935,044

Outlook and prospects

The Group has ended 2025 and entered 2026 with continued positive momentum. We remain focused on customer excellence, digital platform expansion and operational optimisation to consolidate our position as a leading digital enabler across consumer, home, enterprise and FinTech markets. With our major infrastructure investments largely completed, we are well positioned to leverage enhanced network capabilities, accelerate monetisation of our digital services and sustain profitable growth while maintaining financial discipline. Notwithstanding our positive outlook, the global economic environment remains uncertain in light of the geopolitical tensions in the Middle East.

Financial Statements and auditor's report

The financial statements of the Group and Company for the year ended 31 December 2025 are set out on pages 58 to 138. The auditor's report on these financial statements is on pages 50 to 57.

Statement of Directors' Responsibilities in respect of the 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 Company. In preparing those financial statements, the Directors are required to:

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

EMTEL LIMITED AND ITS SUBSIDIARIES

DIRECTORS' REPORT (CONTINUED)

The Directors confirm that they have complied with the above requirements in preparing the financial statements:

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Group and Company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The fees payable to the External auditors, for audit and other services were as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Statutory audit services	5,503	5,425	4,203	3,400
Other services	2,669	2,457	1,152	1,033
TOTAL	8,172	7,882	5,355	4,433

The other services for the Group and Company for the year ended 31 December 2025 encompass tax consulting services, a cybersecurity audit and the verification of agreed-upon procedures related to International Long Distances (ILD) and Universal Service Fund (USF) for the ICTA together with agreed-upon procedures performed to assess compliance with the National Payment System Act (Blink) with the Bank of Mauritius.

The auditors, PricewaterhouseCoopers have indicated their willingness to continue in office and a resolution proposing their re-appointment will be submitted to the Annual General Meeting.

ACKNOWLEDGEMENT


On behalf of the Board, we wish to express our sincere appreciation and gratitude to Management and staff for their hard work, dedication, commitment and loyalty to the Company.

We also wish to thank our fellow members of the Board for their support and contribution.

Authorised for issue by the Board of Directors on 18th March 2026

Signed by:

6402F0E96A7E443.....
DIRECTOR

Signed by:

DDE9FF653F8F4FB.....
DIRECTOR

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025****Introduction**

Emtel Limited (“Emtel” or the “Company”) was incorporated on 03 July 1987 and listed on the Official Market of the Stock Exchange of Mauritius (“SEM”) on 05 July 2024. Emtel qualifies as a reporting issuer under the Securities Act 2005 and as a public interest entity under the provisions of the Financial Reporting Act 2004.

This Corporate Governance Report has been prepared in accordance with the National Code of Corporate Governance (2016) (the “Code”), the Mauritian Companies Act 2001, the Financial Reporting Act 2004, the SEM Listing Rules and applicable regulations. Emtel’s governance framework supports ethical leadership, accountability and transparency, and integrates strategy, risk management and performance to enable sustainable value creation over the short, medium and long term.

The Board of Directors is ultimately responsible for the governance of the Company and for overseeing its longterm value creation, supported by formally constituted Board Committees with clear mandates. The governance framework is designed to promote resilience, effective decision-making and responsiveness to the evolving industry and stakeholder expectations.

The governance framework is designed to enable the Company to respond to dynamic industry trends and stakeholder expectations, while ensuring transparency, resilience and sustainable outcomes across the short, medium and long term.

Leadership Transition

Mr. Kresh Goomany, the Chief Executive Officer of Emtel, retired from his executive functions within the Emtel Group of companies (the “Group”) effective from March 2026. Mr. Kresh Goomany has played a central role in the Company’s development over his tenure, including driving growth, transformation agenda and strengthening Emtel’s strategic positioning. The Board places on record its highest appreciation of Mr. Kresh Goomany’s leadership and invaluable contribution to Emtel’s growth and success over the years; a tenure marked by innovation, resilience, and a relentless drive to position Emtel as a leading technology company in Mauritius. The Board is glad to share that Mr. Kresh Goomany will remain on the Board of Emtel as Non-Executive Director.

On 08 October 2025, the Board approved and announced the appointment of Mr. Marcelo Aleman as Chief Executive Officer - Designate of Emtel, effective January 2026. The appointment followed a structured and rigorous process, aligned with the Company’s governance framework and leadership requirements.

Effective March 2026, Mr. Marcelo Aleman assumed the office of Chief Executive Officer upon the retirement of Mr. Kresh Goomany. In the lead-up to this transition, Mr. Aleman worked closely with Mr. Kresh Goomany to ensure a smooth and orderly handover in January and February 2026, maintaining continuity in Emtel’s strategic direction, operational performance and stakeholder engagement.

Mr. Marcelo Aleman is a global executive with a rich leadership experience in the telecoms, technology, digital, and fintech ecosystems. He has successfully launched and managed businesses across Latin America, the Caribbean, and Africa, and is recognised for his strategic agility and influence, as well as his operational excellence. Mr. Marcelo Aleman also brings with him expertise about building people-centered, high-performing organisations that deliver sustainable results.

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

Introduction (Continued)

Leadership Transition (Continued)

The Board is confident that Mr. Marcelo Aleman’s extensive experience, strategic mindset and leadership will further strengthen Emtel’s long-standing commitment to an innovation-led and customer-centric philosophy, shaping forward-thinking products and transformative projects that create lasting value for all of its stakeholders.








The corporate governance report sets out how the Code’s principles have been applied and endorsed throughout Emtel. All material information on the Company’s governance framework, as recommended by the Code, is detailed on the Company’s website: <https://www.emtel.com/>

1: Governance Structure

Statement of Accountabilities

The Board of Emtel is collectively accountable and responsible for the longterm success of the Company, its reputation and governance. The Board also assumes responsibility for leading and controlling the Company and meeting all legal and regulatory requirements.

In fulfilling its obligations under the Code, the Board has undertaken a series of decisive governance actions to strengthen oversight, reinforce accountability, and ensure alignment with best-practice corporate governance standards.

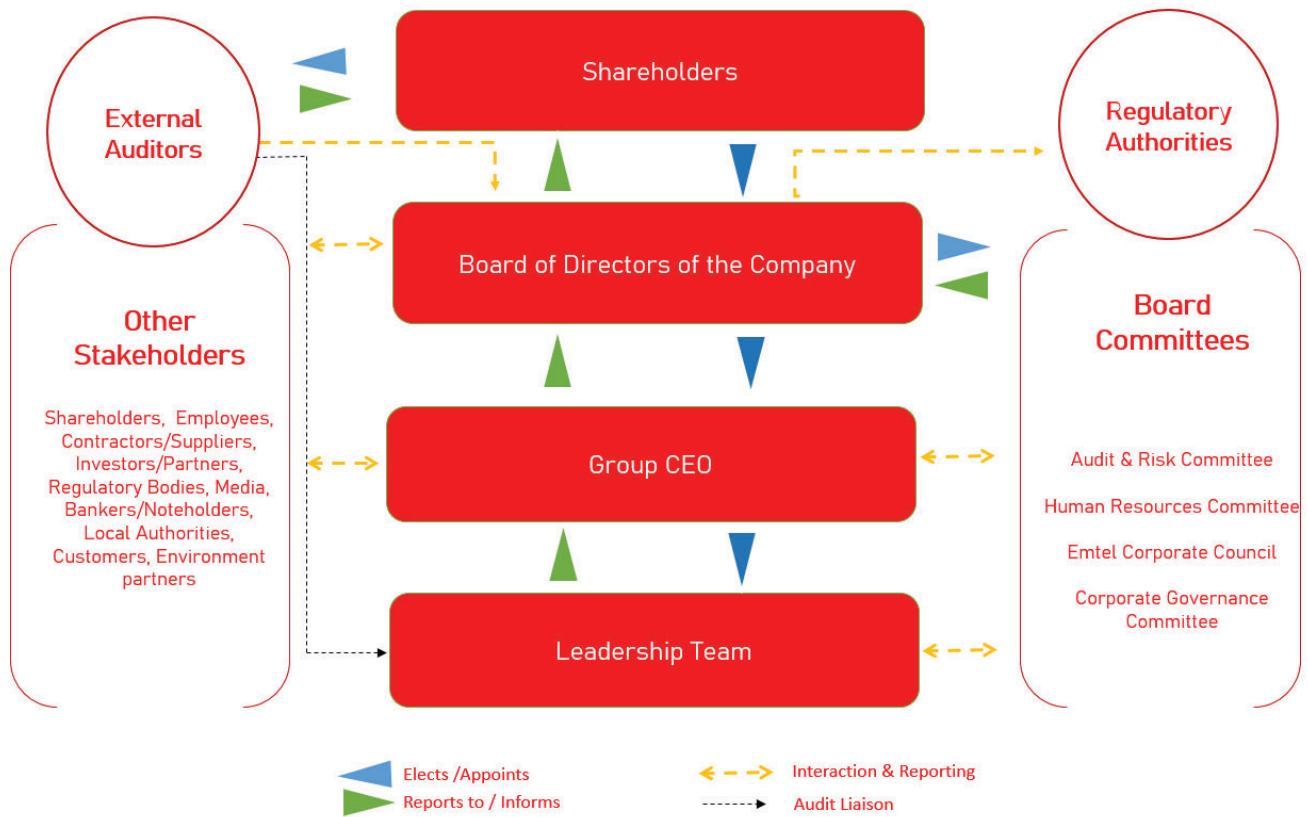
 <p>Constitution Adopted a Constitution which complies with the provisions of the Mauritian Companies Act 2001 and the SEM Listing Rules.</p>	 <p>Board Charter Adopted a Board Charter setting out the Board's objectives, roles, responsibilities, and composition.</p>	 <p>Position Statements Adopted Position Statements for key senior governance positions: Chairman, Company Secretary, and Group Chief Executive Officer.</p>	 <p>Code of Ethics & Whistleblowing A Code of Conduct and a Whistleblowing Policy adopted.</p>
 <p>Equal Opportunity & Diversity Equal Opportunity and a Diversity and Inclusion policy adopted.</p>	 <p>Share Dealing Policy Adopted a Share Dealing Policy for the Directors, Applicable Employees, and Shareholders of Emtel.</p>	 <p>Delegation of Authority A framework outlining the decision-making matrix established.</p>	 <p>Governance Framework Approved a Governance Framework aligned with the Code (illustrated below).</p>

Stakeholders may consult Emtel’s Constitutive documents, Board Charter including the terms of references of its Board Committees, Position Statements of Governance Officers on the Company’s website: <https://www.emtel.com/>

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

1: Governance Structure (Continued)



Organisational Chart of Leadership Team

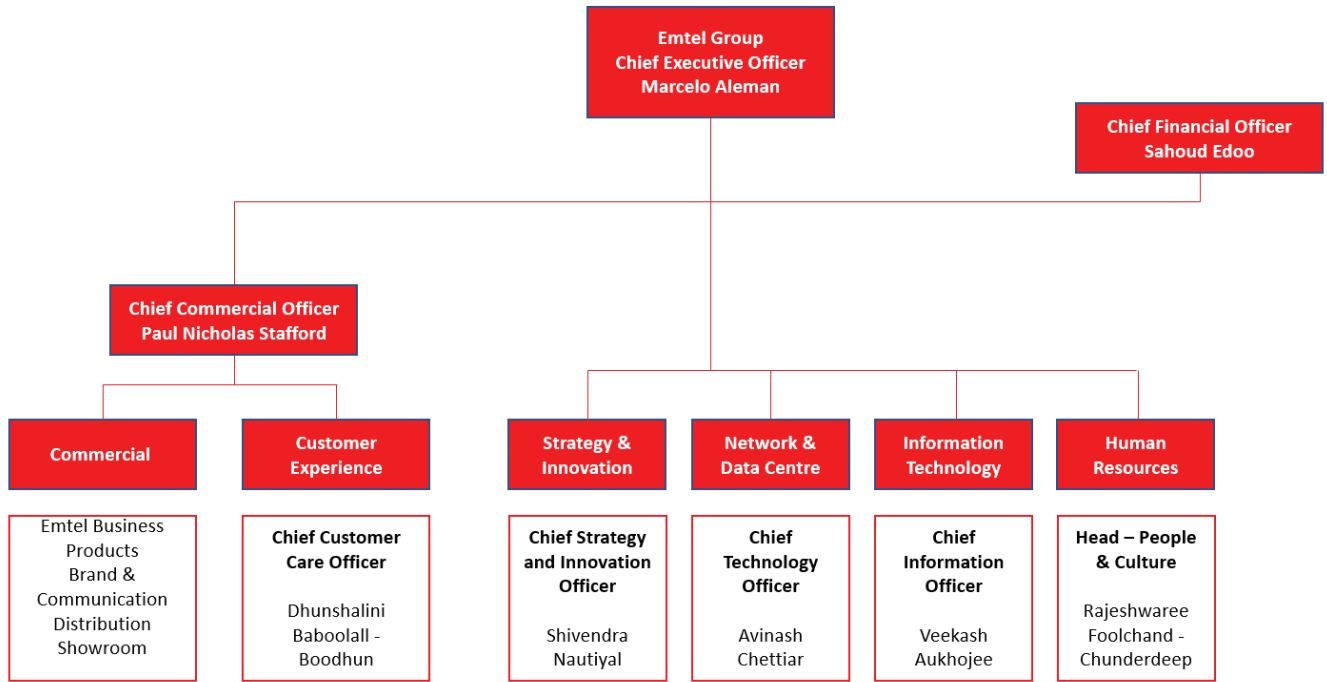
The organisational chart of the Company setting out the reporting lines and Leadership Team as at the date of this Report, is set out below, with the Leadership Team profiles summarised on pages 39 to 41.

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

1: Governance Structure (Continued)

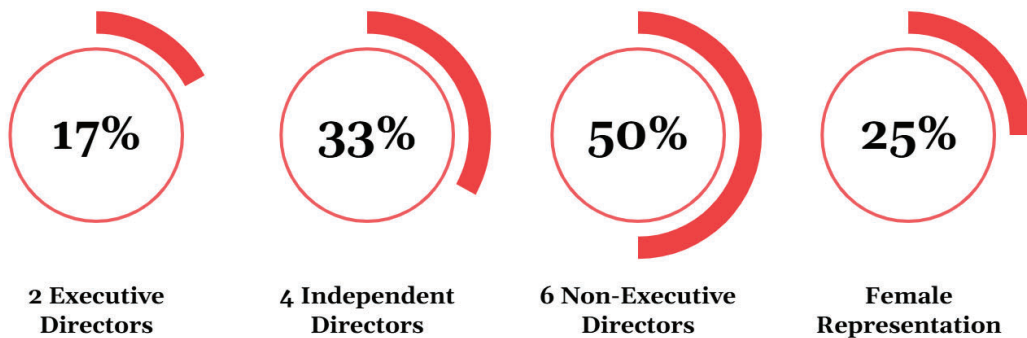
Organisational Chart of Leadership Team (Continued)



2: The Structure of the Board and its Committees

Emtel’s Board operates as a dedicated unitary body. The Board regularly monitors and evaluates compliance with the Company’s Code of Ethics to ensure that the highest standards of integrity, transparency and ethical conduct are upheld across the Company.

For the year under review, the Board of Directors comprised twelve Directors with diverse expertise and perspectives to guide the Company’s strategic direction. Emtel’s Directors’ profiles are provided on pages 42 to 47.



Effective March 2026, Mr. Kresh Goomany retired from his executive functions as Chief Executive Officer and Executive Director of the Company. He continues to serve on the Board of Emtel as a Non-Executive Director, thereby supporting a smooth transition while maintaining strategic continuity at Board level.

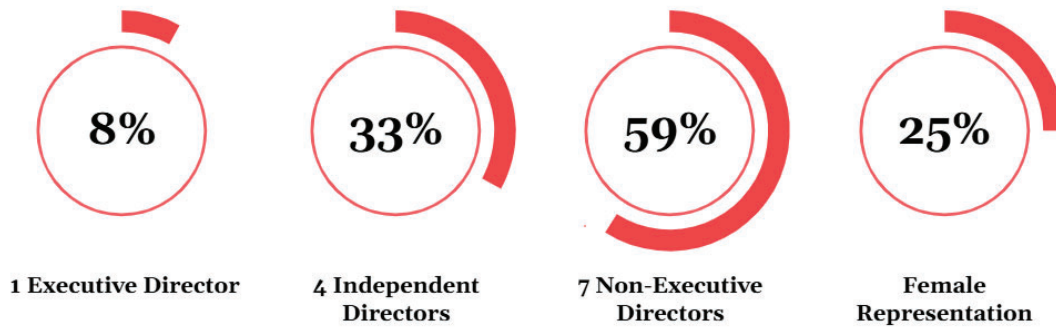
The Board has initiated a structured succession plan to ensure an orderly and effective transition of the vacant executive director position.

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

2: The Structure of the Board and its Committees (Continued)

The composition of the Board of Directors of Emtel as at March 2026 is represented as follows.



In today's rapidly evolving telecommunications and technology environment, the Emtel Board recognises that an appropriate balance of competencies is essential to provide effective leadership, strategic oversight and robust governance to guide the Company through complex challenges and opportunities in the digital age. The following chart presents an overview of the core competencies represented across the Emtel Board of Directors.



EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

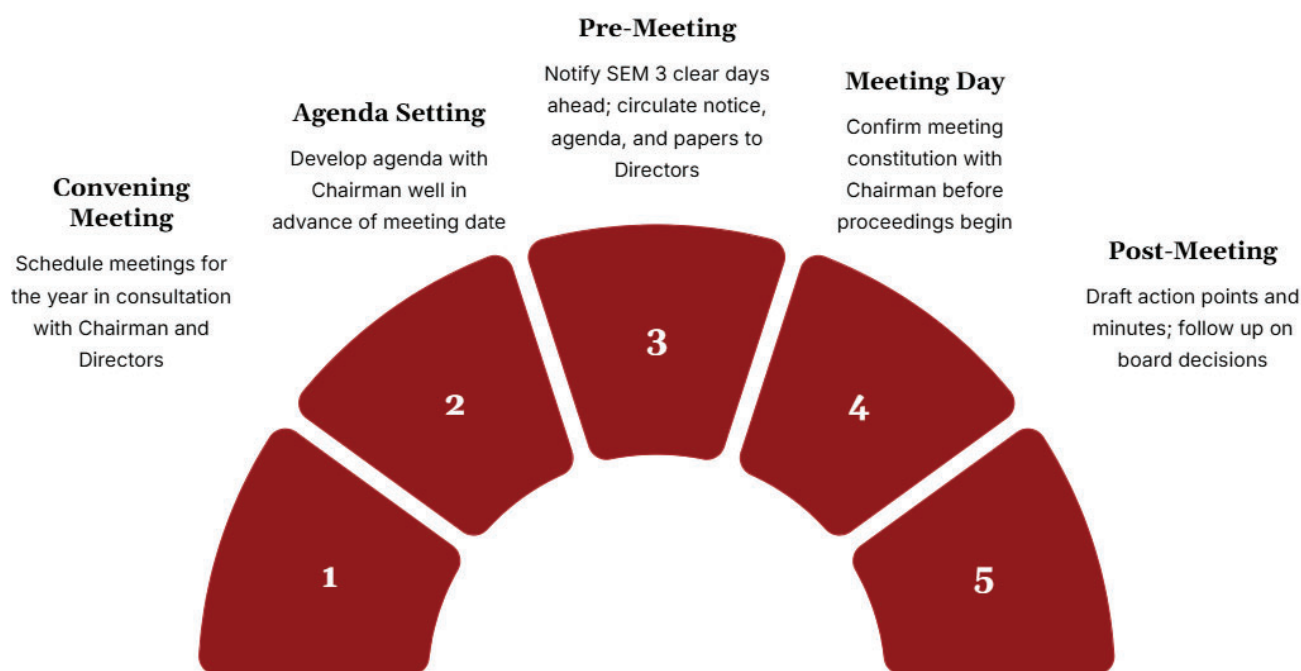
2: The Structure of the Board and its Committees (Continued)

Company Secretary

Currimjee Secretaries Limited is the Company Secretary of Emtel and is represented by Mr. Ramanuj Nathoo, having the requisite qualifications to assume the position. Mr. Nathoo is a fellow Member of the Chartered Governance Institute, UK (“CGI”) and also holds an MBA from the University of Leicester. He is a Fellow Member of the Mauritius Institute of Directors and the CGI Mauritius Branch. He also attended a professional course on Governance of Family Businesses at ‘Institut Européen d’Administration des Affaires’ (“INSEAD”).

All Directors, particularly the Chairman, have access to the advice and services of the Company Secretary for the purposes of the Board and governance affairs. The Company Secretary is responsible for ensuring that Board procedures are followed, and applicable rules and regulations for the conduct of the affairs of the Board are complied with.

Board Meetings Process



The schedules of Board and Board Committees for the forthcoming financial year is agreed in advance in consultation with the Chairman, Executive Directors and Directors, and communicated to Directors ahead of time.

The calendar of key events for the 2025 financial year is set out on page 37 of this report.

The Board operates within an annual cycle supported by structured reporting, with regular meetings covering statutory obligations and strategic priorities. Additional meetings are convened to consider urgent corporate or strategic matters requiring prompt Board consideration.

The Board Committees normally precede Board Meetings and additional Committee meetings may be convened, if required. A similar process as set out above is followed. Members of the Leadership Team are invited to the Board/ Board Committee meetings to present agenda items tabled for discussion at the meetings.

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

2: The Structure of the Board and its Committees (Continued)

Board focus areas for FY 2025

In the course of a financial year, four to five Board meetings are held.

During the year under review, the Board met eight times and key areas were discussed at those meetings are set out below:

<p>Strategy & Finance</p> <ul style="list-style-type: none"> • Strategic initiatives and growth levers, including AI, and updates on key commercial business segments. • Review and approval of the Annual Operating Plan 2026. • Evaluation and approval of strategic transactions and communications/circular relating to the MC Vision transactions. • Approval of Announcements and Circular relating to the disposal of Emtel's equity in EMVision Ltd to Currimjee Jeewanjee and Company Ltd ("CJ"). • Review and approval of Communiqué in relation to the settlement of the Court case "Emtel vs MT and Others". 	<p>Financial & Operational Matters</p> <ul style="list-style-type: none"> • Review of operations and financial performance. • Review and approval of the Annual Report for the year ended 31 December 2024. • Approval of the Quarterly Abridged Unaudited Financial Statements, including related investor / market materials. • Approval of Dividends declaration, including approval of Special Dividend. • Review of Treasury mandates and Bank Covenants. • Review and approval of Investments and Dis-investments. • Review of the performances of the subsidiary companies of Emtel. • Update on the performance of Emtel's Shares.
<p>Financial & Operational Matters</p> <ul style="list-style-type: none"> • Review of operations and financial performance. • Review and approval of the Annual Report for the year ended 31 December 2024. • Approval of the Quarterly Abridged Unaudited Financial Statements, including related investor / market materials. • Approval of Dividends declaration, including approval of Special Dividend. • Review of Treasury mandates and Bank Covenants. • Review and approval of Investments and Dis-investments. • Review of the performances of the subsidiary companies of Emtel. • Update on the performance of Emtel's Shares. 	<p>Human Capital</p> <ul style="list-style-type: none"> • Leadership succession, including CEO appointment. • Workforce planning and HR performance review. • Talent development and capability building. • Employee Engagement. • HR digitalisation and AI initiatives. • Sustainability. • Pursue employee wellbeing programmes, and continue to drive employee engagement and welfare initiatives. • Review of Sustainability initiatives.
<p>Risk Management</p> <ul style="list-style-type: none"> • Cybersecurity and information security resilience. • Enterprise Risk Management (ERM) oversight and risk appetite alignment. • Regulatory and compliance risk monitoring. • Financial and operational risk management. • Business continuity. • Oversight of internal audit and remediation of key risk findings. 	<p>Standing Agenda Items</p> <ul style="list-style-type: none"> • Declaration of interests by Directors. • Approval of the minutes of proceedings from previous meetings. • Reports from Board Committee Chairpersons. • Quarterly review of operations of the business lines of the Emtel Group. • Update on Legal and Regulatory matters.

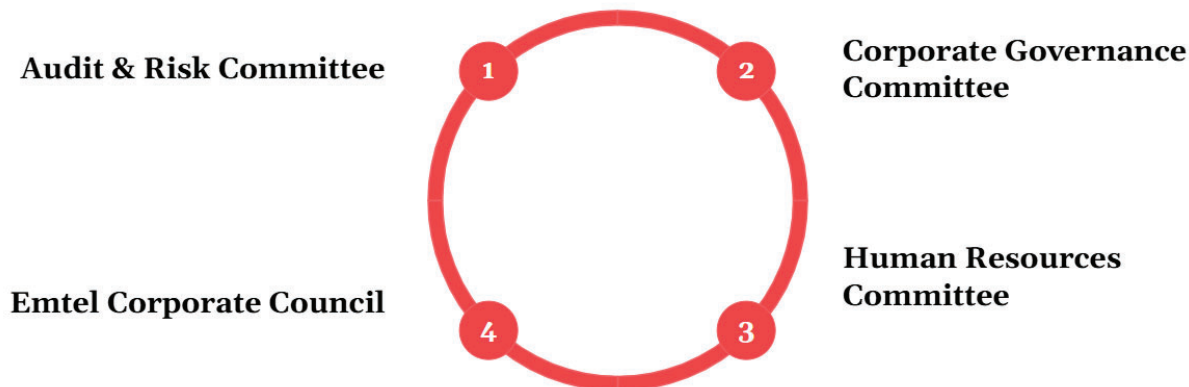
EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

2: The Structure of the Board and its Committees (Continued)

Board Committees

The Emtel Board has delegated some of its powers and responsibilities to four committees (the “Board Committees”) as established in their respective terms of reference, namely:



Nomination and remunerations of Directors on the Board of Emtel are officially assigned by the Board of Emtel to the Board of CJ, its intermediate holding Company, under the guidance of the latter’s Governance, Nominations, Remunerations Committee (“GNR” or “GNRC”).

Together, these committees form the governance backbone ensuring robust oversight, strategic agility, and sustainable success to drive Emtel’s dynamic business environment.

The Chairperson of each Board Committee of Emtel regularly reports their respective proceedings to the Board. The Board of Directors has access to all Board Committees meetings and records. The roles and responsibilities of the Board Committees are defined in their Terms of Reference (“TOR”). The TOR of each Board Committee is generally reviewed annually, or more frequently if required.

The Board is satisfied that the Board Committees are appropriately structured, skilled, and competent to deal with both the Company’s existing and emerging issues, and that they have effectively discharged their responsibilities during the year under review according to their TOR.

Board Committees focus areas for the year under review

Audit & Risk Committee (“ARC”)

<p>Chairperson Mr Peter Lewis</p> <p>Members</p> <ul style="list-style-type: none"> Mr M Iqbal Oozeer Mrs Priscilla Balgobin-Bhojrul Ms Charlotte M. V. Govin-Guiral Mr Jaideep Paul, <i>appt in April 2025</i> Mr Sarvjit Singh Dhillon, <i>resigned in March 2025</i> 	<p>The ARC met four times in 2025 and its key focus was as follows:</p> <ul style="list-style-type: none"> Review of the Audited Financial Statements for the year ended 31 December 2024; Review of the quarterly abridged unaudited financial statements and announcements pursuant to the SEM Listing Rules; Review of the External Audit Plan for the year 2025; Review of the Engagement Letter from the external auditor for 2025; Update on Cybersecurity; Update on Related Party Transactions; Update on Internal Audit. Approval of ARC Committee Evaluation Questionnaire (2025); and Annual review of the ARC’s TOR.
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EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

2: The Structure of the Board and its Committees (Continued)

Board Committees focus areas for the year under review (Continued)

Corporate Governance Committee (“CGC”)

<p>Chairperson Mrs Priscilla Balgobin-Bhojrul</p> <p>Members</p> <ul style="list-style-type: none"> • Mr. Azim F. Currimjee • Mr. Kresh Goomany, <i>resigned effective 01st March 2026</i> • Mr. Mukesh H. Bhavnani 	<p>The CGC met two times in 2025 and the key focus were as follows:</p> <ul style="list-style-type: none"> • Review and recommendation of the Group CEO Position Statement; • Review and approval / recommendation of the Share Dealing Policy; • Review of the Conflict of Interest and Related Party Transaction Policy; • Review and recommendation of the 2024 Corporate Governance Report; • Approval of 2025 Board and Committee Evaluation Questionnaires; • Annual review of Board Committees’ TOR; and • Monitoring of governance matters arising and other governance updates.
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Human Resources Committee (“HRC”)

<p>Chairperson Mr Azim F. Currimjee</p> <p>Members</p> <ul style="list-style-type: none"> • Mr. Bashirali A. Currimjee • Mr. M. Iqbal Oozeer • Mr. Kresh Goomany, <i>resigned effective 01st March 2026</i> • Mrs. Charlotte M. V. Govin-Guiral • Mrs. Shirin R. Gunny 	<p>The HRC met five times in 2025 and the key focus were as follows:</p> <ul style="list-style-type: none"> • Appointment of the new Chief Executive Officer; • Headcount and Key HR Metrics monitoring; • Employee Value Proposition enhancement; • Building capabilities through young talents; • Training and Development updates, including Learning Management System; • Digitalisation journey within HR; • AI initiatives updates; • Employee Engagement Survey and engagement updates; • Sustainability updates; • Approval of HR Committee Evaluation Questionnaire (2025); and • Annual review of the HRC’s TOR.
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Emtel Corporate Council (“ECC”)

<p>Chairperson Mr Bashirali A Currimjee</p> <p>Members</p> <ul style="list-style-type: none"> • Mr. Anil C Currimjee • Mr. M. Iqbal Oozeer • Mr. Kresh Goomany, <i>resigned effective 01st March 2026</i> • Mr. Sahoud Edoe • Mr. Jaideep Paul 	<p>The ECC met eight times in 2025.</p> <p>The ECC is responsible for driving the Company’s key strategic management as well as reviewing the monthly business KPIs as set by the Board.</p>
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EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****2: The Structure of the Board and its Committees (Continued)****Attendance records at the Company's Board and Committee meetings**

The table below gives the attendance records at the Company's Board and Committee meetings for the year ended 31 December 2025:

Directors & Committee Members	Category of Directors	Board Meeting	ARC	CGC	HRC	ECC
Number of Meetings held during the year under review		8	4	2	5	8
Mr. Bashirali A Currimjee	NED	8	n/a	n/a	5	8
Mr. Anil C Currimjee	NED	8	n/a	n/a	n/a	8
Mr. Azim F Currimjee	NED	7	n/a	2	4	n/a
Mr. M Iqbal Oozeer	NED	7	4	n/a	4	5
Mr. Sarvjit Singh Dhillon *	NED	0	n/a	n/a	n/a	1
Mr. Mukesh Bhavnani	NED	7	n/a	1	n/a	n/a
Mrs. Priscilla Balgobin-Bhoyrul	ID	8	4	2	n/a	n/a
Mr. Peter J Lewis	ID	8	4	n/a	n/a	n/a
Mrs. Charlotte M V Govin-Guiral	ID	5	2	n/a	5	n/a
Mrs. Shirin R Gunny	ID	7	n/a	n/a	5	n/a
Mr. Kresh Goomany	ED	8	n/a	2	5	8
Mr. Sahoud M Edoo	ED	8	n/a	n/a	n/a	8
Mr. Jaideep Paul*	NED	5	2	n/a	n/a	3

*Mr. Sarvjit Singh Dhillon resigned as Non-Executive Director of the Company on 20 March 2025.

* Mr. Jaideep Paul was appointed as Non-Executive Director of the Company on 16 April 2025.

3: Director Appointment Procedures**Director's Appointment, Succession Planning, Re-election, Induction and Orientation**

The nomination and succession planning of Directors on the Board of Emtel is currently deputised to the GNRC of CJ, which makes recommendation to the Board of Emtel.

To support an effective Board succession planning, the Company maintains a pool of prospective candidates for Board appointments and collaborates with reputable organisations such as the Mauritius Institute of Directors and Korn Ferry in the recruitment process.

Pursuant to Emtel's Constitution, all Directors are eligible for re-election at the Annual Meeting of Shareholders. The re-election of Directors aged over 70 is conducted in accordance with section 138(6) of the Companies Act 2001. In line with established governance practices, Directors are appointed to the Board of Emtel for a term of three years, subject to renewal.

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

3: Director Appointment Procedures (Continued)

The Board of Emtel identifies vacancies and decides on the appointments to be effected within a defined governance framework as established by the Company, under the guidance of the GNRC of CJ.

Newly appointed Directors benefit from an induction programme to help the Director better understand the Company and the governance system in place for the effective discharge of his/ her duties. As part of the induction programme, Directors receive an appointment letter and a comprehensive induction pack which contains the following information:

- Corporate Details and high-level Company organogram;
- Governance Documents;
- Code of Ethical Conduct;
- Company Constitution;
- Key provisions of the laws and legislations that Emtel has to adhere to when dealing on SEM;
- Conflict of Interest and Related Party Transaction Policy;
- Model Code for Securities Transactions by Directors of Listed Companies; and
- Information on the Company's strategy, major projects and financials.

Professional Development and Training of Directors

The Company provides regular updates on the telco business environment, including international insights to the Directors to best develop their knowledge. Directors are regularly kept abreast of trends in the business, competitive and regulatory environments at Board meetings.

The Board values ongoing professional development and recognises the importance of all Directors receiving regular training to be able to serve effectively on, and contribute to, the Board and Board Committees.

Directors are further encouraged to undergo continual professional development to ensure that they can fulfil their obligations to the best of their ability and to continually improve the performance of the Board. They are given the opportunity to attend training workshops organised by external facilitators.

During the year under review, the Directors have followed the following trainings organised by external facilitators:

- Cybersecurity Awareness Training by NEC XON; and
- Securities Transactions by Directors of Companies Listed on the Official Market of the Stock Exchange of Mauritius by SC Legal.

4: Director Duties, Remuneration and Performance

The Directors are fully appraised of their fiduciary duties as laid out in the Mauritian Companies Act. All Directors are expected to act in the utmost good faith and in the best interests of the Company, which includes the need to exercise care, skill and diligence so as to promote company success through independent judgment.

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****3: Director Appointment Procedures (Continued)****Directors' Interests, Dealings in Securities, and Related Party Transactions**

The Board, in relation to dealing in the Company's listed securities, complies with the provisions of the Model Code for Securities Transactions ("Model code") by directors of listed companies as detailed in Appendix 6 of the Listing Rules of the SEM, the Mauritian Companies Act 2001 and the provisions of its Constitution.

- The Company Secretary keeps the Directors apprised of closed periods and of their responsibilities in respect to the Model code.
- Directors who are interested in a transaction or proposed transaction with the Company, disclose their interests to the Board and records this in the Interests Register.
- In accordance with the Constitution of the Company, the Directors of Emtel shall not vote on any board resolution approving any contract or arrangement or any other proposal in which they or their associates have a material interest nor shall they be counted in the quorum present at the board meeting.
- As a measure of good practice, the disclosure of any conflict of interest is a standing item on the Board's agenda such that at the beginning of each meeting, the Chairman invites the Directors to declare their interests, if any.
- The Company Secretary keeps the Interests Register and ensures that the latter is updated regularly. The register is available for consultation by shareholders upon written request to the Company Secretary.
- All new Directors are required to provide written notice to the Company Secretary of their direct and indirect interests in Emtel, including those of their associates.
- Transactions with related parties are disclosed in the financial statements.
- The Board also abide by the Conflict of Interest and Related Party Transaction Policy and the Share Dealing Policy, available on the Company's website for consultation.
- The ARC is assigned the responsibility to monitor and report related party transactions outside the normal course of business to the Board. The Board ensures that all related party transactions are carried out at arm's length.

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****4: Director Duties, Remuneration and Performance (Continued)****Directors' Interests, Dealings in Securities, and Related Party Transactions (Continued)**

The Directors' indirect interests in the stated capital of the Company at 31 December 2025 were as follows:

Name of Directors	Interests in the Company's Shares	
	Percentage (%) Shareholding	
	Direct	Indirect*
Mr. Bashirali A Currimjee	0.0132	0.068
Mr. Anil C Currimjee	0.0342	3.262
Mr. Azim F Currimjee	-	5.224
Mr. M Iqbal Oozeer	0.0074	-
Mr. Kresh Goomany	0.0046	0.0044
Mr. Sahoud M Edoe	0.0057	-
Ms. Charlotte M. V. Govin - Guiral	0.0048	-

* Indirect Interest includes shares held in the Company through the Company's ultimate holding company, intermediate holding(s) and/or the Directors' Associates.

- During the year under review, none of the Directors has dealt in the shares of the Company during a close period.
- Note 28 of the financial statements for the year ended 31 December 2025, set out on pages 126 and 127 of the Annual Report 2025, details all the related party transactions between the Company or any of its subsidiaries or associates and a director, chief executive, controlling shareholder, or companies owned or controlled by a director, chief executive or controlling shareholder.
- Shareholders are apprised of related party transactions through the issue of circulars and press releases by the Company in compliance with the Listing Rules of the SEM.

Information, Information Technology ('IT') and Information Security Governance

The Chairman, with the assistance of the Leadership Team, ensures that Directors are provided with relevant Board papers in a timely manner so that they can participate effectively in Board deliberations and decisions. Ongoing relevant information is also shared with Directors between two Board meetings to keep them abreast of developments. The Directors also have access to the Company's Leadership Team as and when required with the approval of the Chairman.

The Company has implemented the framework on Cyber and Technology Risk Management, a guideline from Bank of Mauritius and adopted operational policies pertaining to IT. It also follows the ISO 27001:2013 standard for its Data Centre. A security governance committee has been set up and this committee meets every quarter to go through the information and cybersecurity aspects and take any decision required.

The Company's key policies and their purposes are as follows:

- Information Security ("IS") and Information Security Management System ("ISMS") policy - The purpose of this policy is to establish a culture of security and trust for all employees. It also gives a brief introduction of the organisation, lists down the objectives of ISMS and describes the methodology adopted to establish ISMS. The policy encompasses the following activities: clear desk/ screen policy, acceptable use policy, password policy, logical access control, removable media and storage devices, BYOD (Bring Your Own Device) and data protection.

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****4: Director Duties, Remuneration and Performance (Continued)****Information, Information Technology ('IT') and Information Security Governance (Continued)**

- IT General policy - This policy covers all the different activities and guidelines related to Information Technology, such as backup retention, email, maintenance and configuration, internet, wireless connectivity, computer network logins, operating systems computer network use and change management.
- Incident Management policy - The purpose of this policy is to provide an effective way to ensure a quick, effective and orderly response to incidents so as to minimise damages.
- Physical Access Control policy - The purpose of this policy is to regulate the provisioning, granting, controlling, monitoring and removing of physical access and ID card system also referred to as Proximity Card throughout the Company, including the offices at Ebène & Boundary Road, Rose Hill, Arsenal Data Centre, showrooms and cell sites.
- Business Continuity Management ("BCM") policy – The BCM policy describes the various steps to be taken by the Company to protect critical business processes and assets from the effects of major disasters and identify continuity plans for business resumption.
- Data Centre policy – The Data Centre provides a secure and controlled environment necessary to support the operations of customers and telecommunications equipment that stores, processes and transmits information.

The Company is committed to securing the confidentiality, integrity and availability of information for the day-to-day business activities and technical operations. The security of information and other assets is therefore regarded as fundamental for the successful business operation of Emtel's Data Centre. The Data Centre has adopted an ISMS comprising of IS policies, procedures and processes to effectively protect data / information of Emtel's Data Centre and its customers from information security threats, whether internal or external, deliberate or accidental. The Data Centre is ISO 27001 certified with the Mauritius Standards Bureau ("MSB") for providing secured Data Centre operations and services.

All significant investments in information technology and expenditures, based on the business needs for the financial year, are provided for in the Company's annual budget and approved by the Board.

Data Protection

'At Emtel, privacy matters. We respect the privacy of our data subjects and other interested parties with whom we have business interactions. We are committed to comply with all applicable data protection legislations.'

As a telecommunications and digital services provider, the Company processes significant volumes of personal data; the protection of personal data for our data subjects is therefore a core governance priority and remains an essential element of trust, regulatory compliance and business resilience. The Company has published and communicated its Privacy Notice to all stakeholders and is available on the corporate website <https://www.emtel.com/privacy-policy/>

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****4: Director Duties, Remuneration and Performance (Continued)****Data Protection (Continued)**

- **Governance:** The oversight of data protection and data privacy is provided through a structured governance framework, including the appointed Data Protection Officer (“DPO”) and a dedicated Data Privacy Committee, ensuring accountability and alignment with strategic and regulatory requirements. Data protection responsibilities are embedded across business operations, operating systems and customer services. The Company’s DPO can be contacted at dataprotection@emtel.com.
- **Compliance:** The Company complies with the Mauritius Data Protection Act 2017 and applicable international data privacy regulations. The Company is registered with the Data Protection Office as a Data Controller and a Data Processor, and maintains a comprehensive suite of data protection, data privacy and information security policies. These policies govern the lawful, fair and transparent processing of personal data and are supported by robust technical and organizational safeguards, aligned with internationally recognised standards such as ISO 27001:2022.
- **Assurance:** Privacy risks are integrated into the Company’s Enterprise Risk Management (“ERM”) and Business Continuity Management (“BCM”) frameworks, ensuring that data protection considerations are addressed in day-to-day operations. Regular Data Protection Impact Assessments (“DPIAs”) are also conducted for high-risk processing activities. Independent privacy audits provide assurance on compliance with telecom-specific privacy requirements and the effectiveness of technical and organisational controls.
- **Third-Party Controls:** Recognising that third-party relationships can introduce data protection risks, the Company applies strict privacy and security requirements to vendors and partners through contractual controls, data processing agreements and risk-based assessments.
- **Privacy Culture:** A strong culture of data protection is promoted through policies, awareness programmes and mandatory employee training. The Company respects the rights of data subjects and provides clear mechanisms for them to exercise their rights and raise privacy-related concerns. The data protection initiatives are detailed in the Company’s Sustainability Report (Business Integrity Section).

Board, Board Committee & Individual Director evaluation

The Board has approved the following principles for the evaluations of its Board, Board Committees and Individual Directors:

- Board Evaluation exercise shall be carried out on an annual basis, effective FY 2025;
- Board Committees Evaluation exercise shall be carried out every two years; and
- Individual Director Evaluation exercise shall be carried out every two years.

Following the Listing of Emtel on the Official Market of the SEM, the Board has approved and initiated the first evaluation of its Board, Board Committees, and Individual Directors for the year 2025. The exercise was launched on 06 November 2025. The reports from the Board and Individual Director Evaluation would be shared with the Chairman of the Board & the Chairman of the CGC and each Director will also receive his / her individual report containing his / her self-evaluation rating.

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****4: Director Duties, Remuneration and Performance (Continued)****Board, Board Committee & Individual Director evaluation (Continued)**

Board Committees' evaluations feedback will be shared with the respective Committees for the formulation of improvement actions as may be required.

Remuneration Policy

The Board of Emtel has approved an annual fee for the Directors. They are paid an additional fee for serving as the Chairperson of Board Committees or as members of Board Committees. The Chairman of the Board is also remunerated a fee appropriate to his office, as approved by the Board of Emtel.

Directors on the Board of Emtel having an executive position within the Currimjee Group of Companies, and some Directors as approved by the Board of Emtel, do not receive directors fee for sitting on the Board of Emtel.

For the financial year ended 31 December 2025, the total remuneration and benefits received by the Directors of the Company amounted to MUR 74 million (2024 - MUR 32.6 million). The individual remuneration and benefits received by the Directors of the Company have not been disclosed owing to its commercially sensitive nature.

None of the Directors are entitled to remuneration in the form of share options.

Executive Directors' Service Contracts

The Executive Directors have service contract with the Company and their remunerations are reviewed on a yearly basis.

Directors' & Officers' Liability Insurance

A liability insurance cover for Directors and Officers has been subscribed by the Company. The policy provides cover for the risks arising out of acts or omissions of the Directors and Officers of the Company in the performance of their duties, to the extent permitted by law.

5: Risk Governance and Internal Control**Risk Governance**

Managing risks and uncertainties is essential to achieving our long-term success and strategic objectives. Risks are inherently dynamic; as the environment evolves, certain risks reduce or grow, while new ones emerge. At Emtel, the board is responsible for the governance of risk along with the responsibility for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives.

An effective ERM framework has been established at Emtel Group in line with the leading practices. It not only focuses on operational and business (including strategic and financial) risks, but also its regulatory, societal, human capital, health and safety risks.

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****5: Risk Governance and Internal Control (Continued)****Risk Governance (Continued)**

Emtel's ERM is a well-defined, three-step procedure comprising risk identification, risk mitigation, and monitoring and reporting:

- In the first step, a set of well-defined criteria helps to identify enterprise-level strategic risks that pose business and operational continuity, brand and market perception, the ability to generate resources for future expansion, etc. A dedicated risk owner is responsible for the main risks and sub-risks.
- In the next step, risk mitigation strategies are identified and deployed to eliminate exposure to potential risks and reduce their chance and negative impact. This includes the action plan and the assignment of the responsibilities to risk owners
- In the third stage, quarterly monitoring of key risks, as well as the effectiveness of the mitigation plan is carried out by the ARC.

Risk Management Model

Emtel's Risk Management model is equipped to identify, evaluate, respond to, and manage risks. The process comprises the adoption of a rigorous and collaborative approach across the entire organisation, in which key individuals contribute by recognising risks in their particular areas of responsibility and expertise and providing suitable responses to these risks.

One of the key outputs of this process is the creation of a comprehensive Risk Register, which establishes the risk context and risk treatment plan for each key risk.

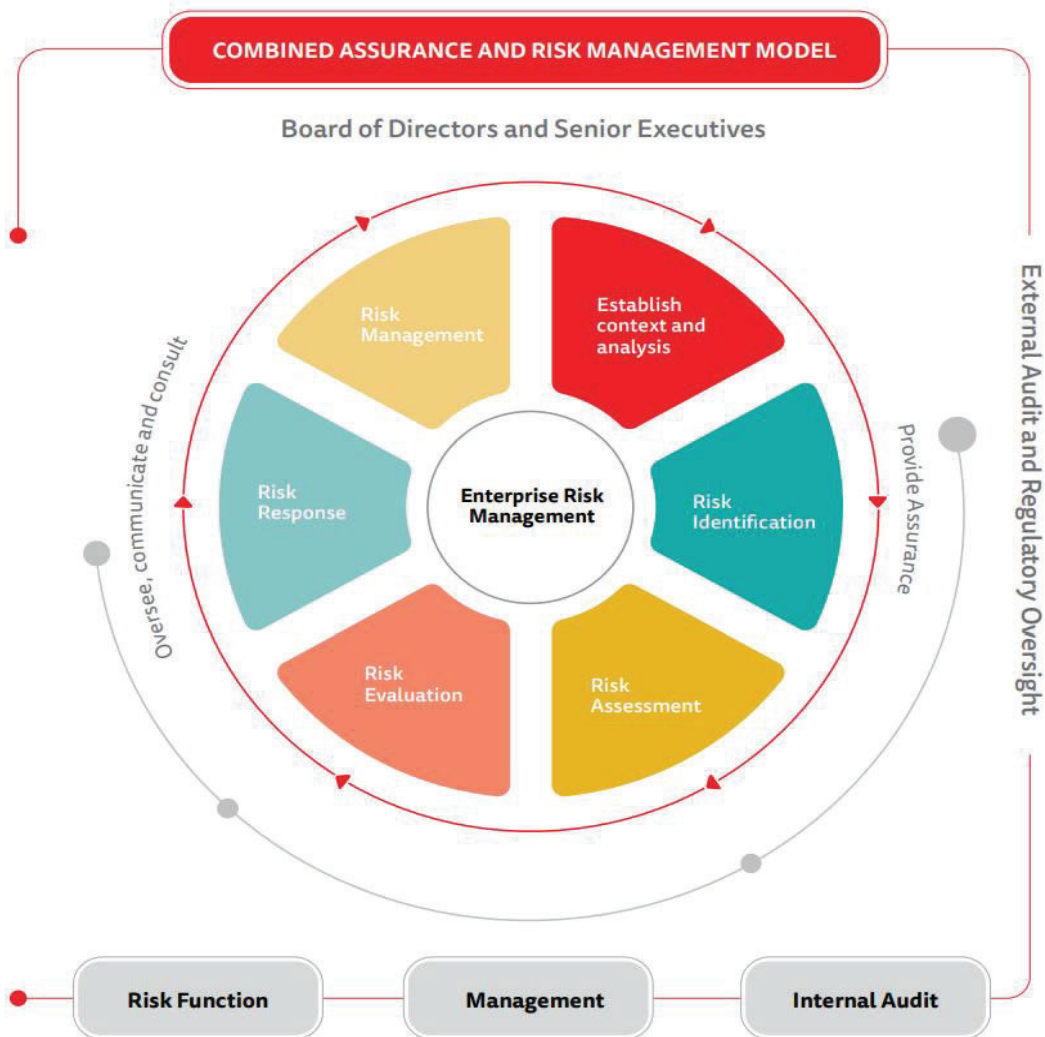
As a result, risk management remains a priority and operational managers are adequately prepared to respond quickly to changing conditions. The CJ Risk Management Model adopted for Emtel is illustrated on the next page.

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

5: Risk Governance and Internal Control (Continued)

Risk Management Model (Continued)



Top 10 Risks identified by the Company

The Company has a robust process in place for conducting periodic risk assessments.

During the year, the Company has undertaken an initiative to perform an assessment of its Enterprise Risk Register, which has been updated on quarterly basis. The Top 10 risks and their corresponding mitigation measures are set out below:

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

5: Risk Governance and Internal Control (Continued)

Top 10 Risks identified by the Company (Continued)

Sr	Category	Risk	Impacted Business Lines	Brief Description	Outlook for Last Year	Mitigation Plan
1	Legal & Compliance	Regulatory uncertainties	Emtel, Emtel MFS	Regulatory uncertainty around licensing, taxation, spectrum allocation, and legislation, combined with heightened post-FATF AML/CFT scrutiny, may increase compliance costs, constrain operations, and adversely impact business sustainability	Stable	Emtel actively engages with key stakeholders and continuously assesses regulatory developments across telecommunications and financial services. The Legal and Regulatory function, in coordination with network and financial services teams, monitors compliance with applicable laws and standards, ensuring operational adherence and timely implementation of business continuity measures.
2	Strategic	Limited fiber infrastructure & roll-out	Emtel	Limited fiber infrastructure may adversely affect the company's ability to establish an advantage over competitors, potentially hindering its growth prospects and the sustained retention of market share	Reduced	Fiber rollout and site connectivity form a core strategic initiative to mitigate network capacity, service quality, and competitive risks. Focused expansion into high-density residential developments and key commercial hubs strengthens network resilience, supports future demand, and underpins sustainable growth.
3	Operational	Inconsistent network quality	Emtel	Seamless connectivity is a strategic cornerstone of Emtel's customer experience. Continuous enhancement of network performance and latency reduction is critical to sustaining competitive advantage, safeguarding revenue streams, and strengthening brand reputation	Reduced	The Company has achieved significant progress in site modernisation and network enhancement initiatives, strengthening performance and resilience. Completion of the 5G rollout, covering over 90% of the island's population, mitigates capacity and service risks while supporting customer experience, revenue protection, and long-term competitiveness.
4	Financial	Financial Volatility and Liquidity Risk	Emtel	Foreign exchange depreciation and interest rate volatility increase supplier and financing costs, constraining cash flows and potentially impacting the Company's ability to fund strategic investments and meet financial obligation	Stable	A robust foreign exchange forecasting process is in place to identify requirements and secure currency in advance, supported by the use of forward contracts with eligible forex counterparties. In parallel, the Company collaborates with other CJ Group entities to optimise foreign exchange utilisation across the group.

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

5: Risk Governance and Internal Control (Continued)

Top 10 Risks identified by the Company (Continued)

Sr	Category	Risk	Impacted Business Lines	Brief Description	Outlook for Last Year	Mitigation Plan
5	Operational	Workforce Transformation & Talent Risk	Emtel, Emtel MFS	Opportunities to strengthen ethical culture, succession planning, and talent attraction and retention may affect the development of future-ready skills, with potential implications for leadership continuity, talent availability, and long-term competitiveness	Stable	The Company has identified critical roles required to address future business challenges and has implemented ongoing training and upskilling initiatives aligned with strategic objectives and evolving technologies. In parallel, key roles are supported by succession and business continuity plans to ensure continuity of critical function.
6	Strategic	Failure to improve Capex efficiencies	Emtel	Telecom infrastructure is rapidly modernising through FTTx and 5G, creating both opportunities and pressure on legacy investments. To protect returns, Emtel must prioritise ROCE by leveraging efficient network architectures, innovative pricing models, and effective 5G use cases to fully monetise network investments before obsolescence	Stable	The completion of the 5G rollout, together with comprehensive network and billing modernisation, enhances the Company's future readiness, service reliability, and scalability, mitigating technology obsolescence and operational risks. In parallel, targeted commercial and operational initiatives are being implemented to optimise asset utilisation, strengthen monetisation, and maximise returns on infrastructure investments, thereby supporting capital efficiency and long-term sustainability.
7	Strategic	Data Privacy Risk	Emtel, Emtel MFS	Data protection legislation and compliance requirements are increasing locally and internationally, and it is necessary to set adequate controls. Lack of awareness and non-compliance may result in an unparalleled breach of customer data, as well as fines, reputational damage, etc.	Stable	The Company processes personal data solely for legitimate business purposes relating to employees and third parties. Comprehensive data protection controls, strict access governance, and continuous information security awareness programmes are in place to mitigate data privacy, cyber, and regulatory compliance risks.
8	Strategic	Cyber Security Risk	Emtel, Emtel MFS	Increased device, interface, and network interconnectivity elevates security risks, while complex Internet of Things ("IoT") ecosystems may obscure service provider responsibilities for privacy and security. Cyberattacks targeting Emtel's critical infrastructure or customer data could disrupt services and adversely impact brand reputation	Stable	The Company adopts a proactive, layered cybersecurity approach to address evolving threats, combining continuous monitoring, strong access controls, endpoint protection, regular staff awareness, independent assurance reviews, and periodic security testing to protect critical systems, data, and services.

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

5: Risk Governance and Internal Control (Continued)

Top 10 Risks identified by the Company (Continued)

Sr	Category	Risk	Impacted Business Lines	Brief Description	Outlook for Last Year	Mitigation Plan
9	Strategic	Hyper competitive market leading to loss of market share	Emtel, Emtel MFS	The Mauritian market is highly competitive across both telecommunications and payment services, with a strong focus on acquiring quality customers. Network reliability, service availability, transaction performance, and competitive pricing are critical decision drivers. Ongoing 5G expansion strengthens service resilience, supports digital payment adoption, and mitigates customer churn and competitive pressures	Stable	Network coverage and speed are key drivers of customer choice. The Company has expanded its 5G footprint to cover 90% of the population, supported by aggressive site rollout and unlimited 5G access. In parallel, innovative features and continuous optimisation of blink enhance transaction reliability, security, and customer experience.
10	Strategic	In-ability to diversify into newer revenue streams	Emtel	As Mauritius' mobile market nears saturation, growth in the mobility segment is constrained, increasing reliance on existing revenues. To mitigate this risk, the Company must proactively assess market opportunities and diversify its product and service offerings to drive sustainable growth	Stable	To mitigate growth and concentration risks, Emtel is pursuing a measured diversification strategy encompassing expansion into the newer domains and revenue streams, supported by a low-risk, financially prudent approach and strong financial controls.

Internal Control

The Board is responsible for reviewing the internal control system and satisfy itself that the system is functioning effectively. Management is responsible for the design, implementation and monitoring of the internal control system. Appropriate policies, processes, and procedures incorporating relevant internal controls, have been designed and implemented, to provide reasonable assurance that the control objectives are attained.

Whilst retaining the overall responsibilities, the Board has delegated the authority for monitoring and reviewing the effectiveness of the Company's internal control and compliance systems to the ARC. The Board also relies on the internal audit function to report on any weaknesses in the internal control systems, and make recommendations to Management and to the ARC for appropriate actions.

The Board acknowledges that a system of internal control can only provide reasonable but not absolute assurance against the occurrence of misstatements, human error, losses, fraud and other irregularities.

Code of Conduct (Code of Ethics)

Emtel Group is dedicated to upholding the highest ethical and professional standards in all its activities while ensuring compliance with applicable laws and regulations. To reinforce this commitment, Emtel has adopted the Currimjee Group's Code of Conduct that outlines the ethical and professional principles guiding the Group. The said Code of Conduct is available on the Company's website: <https://www.emtel.com/>

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

5: Risk Governance and Internal Control (Continued)

Whistleblower Policy

Emtel is committed to achieving and maintaining highest standards of openness, honesty and accountability with regard to behaviour at work, service to the public and in all its working practices.

As such, the Company requires its employees and that of its subsidiaries to conduct themselves with integrity, impartiality and honesty in fulfilling their duties and responsibilities and comply with all applicable laws and regulations.

In line with that commitment, the Company has adopted a Whistleblower Policy since 2016 and expects employees and anyone associated with it and who have serious concerns about any aspect of practices encountered within the Emtel Group to come forward and voice those concerns within the defined process without fear of reprisals. The Whistleblower Policy is to support those wanting to raise such issues. The policy also applies to contractors working for Emtel, such as, security officers, cleaners, suppliers and those providing services under a contract with Emtel.

6: Reporting with Integrity

The Board affirms its responsibility for:

- The preparation of financial statements that fairly present the state of affairs of the organisation and the results of its operations and that comply with IFRS Accounting Standards, and the Mauritian Companies Act 2001;
- Selecting appropriate accounting policies based on reasonable and prudent judgements; and
- In preparing the annual financial statements, the Board adopts the going-concern basis of accounting and identifies any material uncertainties about the Group's ability to continue over a period of at least 12 months from the date of approval of the financial statements.

Our Sustainability Commitment

Emtel, We Care

Emtel's sustainability charter outlines its key engagements and summarises the operating principles for how we will conduct our business, which include:

- Manage our operations in a sustainable manner for the wellbeing of future generations;
- Consider sustainability aspects as an integral part of our business strategy and operating methods;
- Recognise the global sustainability challenges and diligently honour our responsibility to contribute to the solutions;
- Engage and support our customers', employees', partners', the communities and other stakeholders' sustainability initiatives; and
- Continually monitor, improve and report our sustainability performance openly and voluntarily.

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

6: Reporting with Integrity (Continued)

Governance Oversight and Accountability

Sustainability at Emtel is governed through a structured framework that ensures accountability, strategic alignment and effective oversight across environmental preservation, social inclusion and human capital dimensions. Sustainability considerations are embedded into decision-making processes and are overseen at Senior Management and Board levels.

The Board of Directors retains ultimate responsibility for oversight of sustainability-related risks, opportunities and performance. Regular updates on sustainability initiatives, material risks and progress against strategic objectives are provided to the Board through the HRC, ensuring informed oversight and alignment with the Company's long-term value creation objectives.

Management Structure and Roles

To operationalise sustainability across the organisation, the Company has appointed a Sustainability Manager, who reports directly to the Chief Executive Officer. The Sustainability Manager is responsible for:

- Driving the implementation of Emtel's sustainability strategy and initiatives;
- Coordinating cross-functional sustainability projects, initiatives and actions;
- Managing the community investment programmes through our CSR projects and activities;
- Monitoring and reporting on sustainability progress and performance; and
- Leading the Eco-Warriors Team, a cross-functional team to promote integration of sustainability across functional units, ensuring operational ownership of sustainability commitments.

Emtel also works closely with the Currimjee Group Environment & Sustainability team and the Currimjee Foundation to ensure consistency with group-wide sustainability priorities, governance standards and regulatory expectations.

Sustainability Risk Management

The Company has integrated sustainability risks into its ERM framework and these are managed with the same level of rigour as financial and operational risks. This integrated approach enables the Company to proactively identify, assess, mitigate and monitor sustainability-related risks that could impact business continuity, regulatory compliance, reputation and stakeholder trust.

The key sustainability risks considered within the governance framework include: climate-related physical and transition risks; energy dependency and emissions exposure; data privacy and cybersecurity risks; employee health, safety and wellbeing; and digital inclusion and community impacts. Significant or emerging sustainability risks are escalated to senior management and incorporated into group-level risk discussions where relevant.

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

6: Reporting with Integrity (Continued)

Double Materiality Assessment

The Company has started a double materiality assessment to identify and prioritise sustainability topics that:

- Impact our financial performance, resilience and long-term strategy; and
- Reflect our impacts on the environment and the society.

The assessment considers internal inputs, stakeholder expectations, sector trends, regulatory developments, Stock Exchange of Mauritius Sustainability Index (“SEMSI”) criteria and international sustainability frameworks. The outcomes of this assessment inform governance oversight, strategic priorities and sustainability disclosures, ensuring that Board’s attention is focused on the matters most relevant to long term value creation.

Policies, Ethics and Compliance

Emtel's governance framework is supported by a suite of policies that guide ethical conduct, compliance and responsible business practices. These policies underpin our commitments to:

- Compliance with applicable laws and regulations;
- Responsible environmental management;
- Fair and inclusive employment practices; and
- Data protection and customer privacy.
- Anti-corruption and ethical business conduct.

Policy implementation is reinforced through internal controls, training programmes and periodic reviews to ensure effectiveness and continuous improvement.

Stakeholder Engagement and Transparency

Stakeholder engagement forms a key component of the Company’s sustainability governance approach. Feedback from employees, customers, regulators, communities, suppliers and partners informs sustainability priorities, risk identification and decision-making processes.

The Company is committed to transparent and credible sustainability reporting. The Company's sustainability initiatives, encompassing environmental conservation, social responsibility, and corporate governance, are further detailed in the Sustainability Report, which has been prepared with reference to recognised frameworks including GRI, ESRS, UN Global Compact principles and SEMSI requirements, providing stakeholders with a clear view of governance structures, responsibilities and performance.

Continuous Improvement

Sustainability governance has been designed to evolve alongside regulatory developments, stakeholder expectations and business growth. Through Board oversight, management accountability, integrated risk management and transparent reporting, the Company continues to strengthen its governance framework to support resilient, responsible and sustainable long-term performance.

The sustainability initiatives are detailed in the Sustainability Report (Environmental Preservation and Social Inclusion Sections).

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

6: Reporting with Integrity (Continued)

Quality Management System (ISO 9001:2015)

The Company operates a Quality Management System (“QMS”) driven by its philosophy of continual improvement towards an enhanced customer experience. The Company’s QMS provides a structured, systematic and proactive framework to ensure that products, services and customer experience consistently meet the expectations of customers and other interested parties. The QMS supports operational excellence, regulatory compliance and continual improvement across all functional units, including both mobile and fixed technologies. Aligned with international best practices, the QMS is designed to deliver reliable, secure and high-quality Information and Communication Technology products and services, while embedding quality principles into strategic planning, operational execution and organisational decision-making.

→ *Our Quality Policy*

The Company strives to provide the best experience to its customers through the provision of efficient, effective and innovative Information and Communication Technology products and services. It is committed to satisfying the needs and expectations of its interested parties, and will ensure continual improvement of its QMS in compliance with the applicable legal and regulatory requirements and the ISO 9001 requirements. Continuous improvement of the QMS remains our core commitment and the Quality Policy is communicated throughout the organisation, understood by employees at all levels and reviewed annually to ensure it remains relevant to the Company’s strategic direction and business objectives.

→ *Scope of Certification (ISO 9001:2015)*

Emtel is certified ISO 9001:2015 with the MSB for the sales, support, distribution and service of Information and Communication Technology products and services for both prepaid and post-paid customers through mobile and fixed technology.

→ *Governance, Leadership and Compliance*

Effective governance underpins the Company’s QMS and ensures accountability for quality and continual improvement across the organisation. Compliance with the ISO 9001 requirements is embedded within our strategic and operational processes. Clear roles, responsibilities and authorities are defined to support quality oversight, decision-making and escalation. Quality performance, risks and improvement initiatives are regularly reported to management to support informed decision-making and continual enhancement of service delivery.

→ *Process Documentation and Operational Controls*

To ensure consistency, efficiency and reliability of our operations, the Company has established documented processes and controls across all functional areas; standard operating procedures and documented workflows are maintained to reduce variability, support operational efficiency and ensure consistent service delivery; document control mechanisms ensure online access to the latest approved documents. Process owners review documented information on a regular basis, or at least annually, to ensure accuracy, relevance and alignment with operational practices.

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

6: Reporting with Integrity (Continued)

Quality Management System (ISO 9001:2015) (Continued)

→ *Customer Experience and Service Quality*

Customer satisfaction is a central pillar of the Company's QMS. Service quality is actively monitored through the continuous tracking of key network performance indicators, including uptime, service availability, latency and call drop rates. Customer perceptions are measured through regular Customer Satisfaction ("CSAT") surveys and Net Promoter Score ("NPS") assessments. Service level and Abandoned calls to our Customer Care (8970) are tracked and monitored. The Company operates a structured customer complaint management system with defined response, escalation and resolution timelines. Feedback and complaints data are analysed to identify trends, root causes and opportunities to improve customer experience and service reliability.

→ *Risk Management and Service Assurance*

Risk-based thinking is embedded within the Company's QMS in line with ISO 9001 principles. The Company identifies and assesses risks related to functional operations, service delivery and customer experience. Mitigation measures and controls are implemented to safeguard service continuity and minimise potential impacts on customers. Risks and opportunities are reviewed during management reviews and operational planning cycles, and are aligned with the broader enterprise risk management and information security frameworks.

→ *Data Integrity and System Accuracy*

To maintain customer trust and ensure service reliability, the Company has implemented controls to safeguard data integrity and system accuracy. Billing systems, customer relationship management platforms and customer databases are regularly validated and reconciled. Segregation of duties, access controls and internal checks are in place to reduce the risk of errors, misuse or fraud. Periodic system reviews and control testing are conducted, and quality controls are integrated with internal audit and risk management processes.

→ *Awareness and Capability Building*

Employee competence and awareness are recognised as critical to the effectiveness of the QMS. The Company conducts staff awareness sessions across the organisation and provides training on Standard Operating Procedures, compliance requirements and quality management tools. Capacity-building initiatives are implemented to strengthen quality ownership, accountability and a culture of continuous improvement. The effectiveness of training programmes is monitored to ensure that skills and knowledge support our quality objectives.

→ *Internal Quality Audit*

The internal quality audit exercise for the ISO 9001 requirements is conducted by an independent qualified auditor; the internal audit covers the full scope of the ISO 9001 certification and provides structured feedback in the form of positive observations, opportunities for improvement and identified non-conformities. Following each audit, a detailed report is issued by the auditor and process owners develop and implement appropriate corrective actions, which are subsequently reviewed by the auditor to verify implementation and effectiveness.

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

6: Reporting with Integrity (Continued)

Quality Management System (ISO 9001:2015) (Continued)

→ Management Review

Management Reviews are conducted annually to assess the suitability, adequacy and effectiveness of the Company’s QMS. These reviews consider the status of actions from previous reviews, changes in internal and external issues relevant to the QMS and overall system performance. The review also includes evaluation of customer satisfaction trends, process performance, monitoring and measurement results, achievement of quality objectives, performance of external providers and the effectiveness of actions taken to address risks and opportunities.

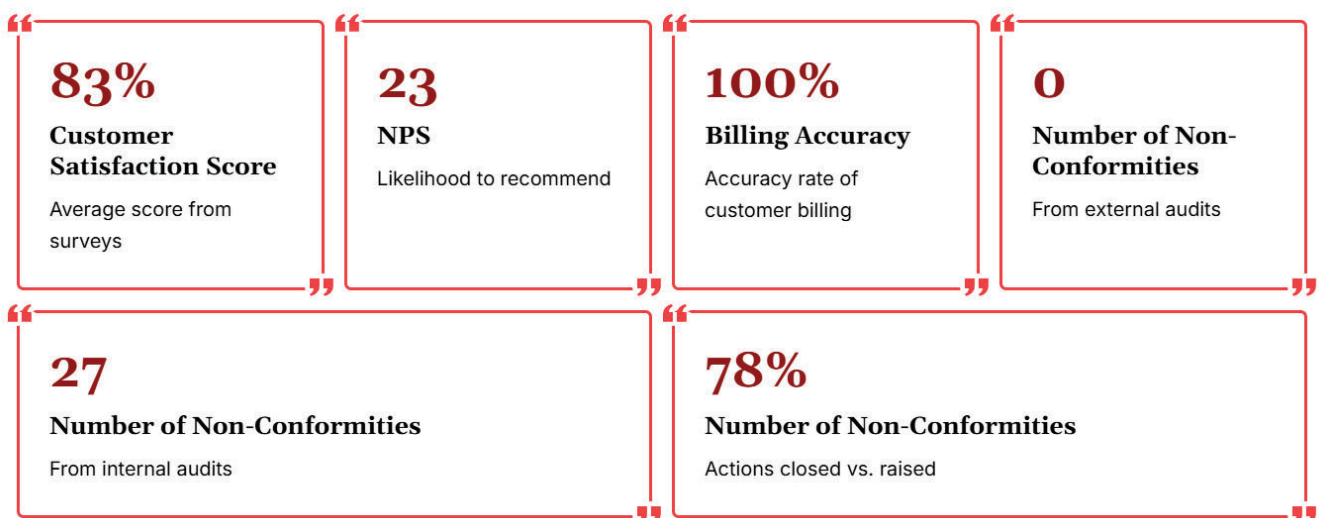
→ External Audit & Certifications

The Company has successfully completed its annual surveillance audit of the QMS in November 2025 by the MSB and the certification (RF 164) is valid until December 2027. The audit was completed successfully with zero non-conformities raised, demonstrating the robustness and maturity of the Company’s QMS.

Placeholders for QMS



Key Performance Indicators



EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****6: Reporting with Integrity (Continued)****Health and Safety**

The Company is firmly committed to ensuring a safe, healthy and secure working environment for all employees, contractors, customers and visitors. Emphasis is laid on encouraging and inculcating a positive and robust health and safety culture with a view to ensure a safe and healthy working environment for all employees, customers, contractors and visitors. The Company complies with the Occupational Safety and Health Act 2005 and its subsidiary regulations.

With the support and assistance of the Company's part-time Safety and Health Officer, several initiatives are undertaken to promote health and safety, from new joiners' induction to safety at work to general awareness sessions and trainings. A Health and Safety Committee, chaired by the Chief Financial Officer, Mr Sahoud Edo, is also held every two months. Action plans are discussed and monitored regularly to ensure that the issues raised are addressed properly and in a timely manner.

The Company has moreover renewed the services of Médecin à domicile to have a doctor on premises once a week (half day) and posted to different locations, as required. In addition, the Company has physical fitness sessions, including Yoga and Zumba classes once per week organised for all staff, and every year, talks by doctors are organised to create health awareness on key health and lifestyle challenges for employees.

Donations

Donations made by the Company and its Subsidiaries were as follows:

	The Company		The Subsidiaries	
	2025(Rs'000)	2024(Rs'000)	2025(Rs'000)	2024(Rs'000)
Political donations	Nil	Nil	Nil	Nil
Charitable donations*	4,194	3,127	Nil	Nil

*The Company supported several charitable institutions from the Company's CSR funds.

7: Audit**Internal Audit**

The Company's Internal Audit Function is outsourced to Ernst & Young ("EY") and approved by the Board based on the ARC's recommendation.

As part of their services, the Internal Auditor conducts a risk assessment, identifying additional risks not included in the existing risk register. A three-year internal audit plan is then developed with top management, focusing on high-risk areas and approved by the ARC.

The internal audit aims to add strategic value by:

- Highlighting key risks to improve focus and work quality;
- Identifying opportunities for performance improvement, operational efficiency, and better resource use;
- Providing insights to enhance business performance; and
- Prioritising recommendations for effective implementation.

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****7: Audit (Continued)****Internal Audit (Continued)**

Audits are conducted under an Internal Audit Charter, aligned with international standards and adapted for the outsourced model. The Internal Auditor assesses control effectiveness in key areas, reports findings to Management, and presents internal audit reports to the ARC. Follow-up audits track progress on recommendations. The Internal Auditor also collaborates with external auditors.

Reporting independently to the Chairmen of the ARC and the Board, the Internal Auditor provides assurance on the Company's internal controls. The audit plan ensures all significant areas are covered within a set timeframe. The Internal Auditor has unrestricted access to records, Leadership Team, and employees for effective performance.

During the financial year 2025, the following internal audit assignments were deployed for the Company:

- Review of financial data input on Sun accounting system which consists of;
- Value of inventory;
- Net book value and depreciation of fixed assets;
- Purchase, account payable and payments; and
- Revenue, payroll and bank reconciliation.

External Audit

Following a tender exercise carried out in March 2025, PricewaterhouseCoopers Ltd were appointed as External Auditor of the Company for the year ended 31 December 2025 for the provision of external audit and tax services for the Company for a term of 6 years starting for the financial year ending 31 December 2025. The said appointment shall be recommended to the Shareholders for the approval at Annual Meeting of the Company.

The ARC reviewed the financial statements for clarity and accuracy, considering:

- Applied accounting policies and practices;
- Significant accounting judgments, assumptions, and audit risks; and
- Compliance with accounting standards and regulatory requirements.

Any significant issues raised by the external auditors are monitored by the ARC until resolved. The auditors can meet the ARC without the Leadership Team if needed and the ARC Chairperson also has the authority to consult regularly with the External Audit Partner. The Board ensures that the provision of non-audit services by the External Audit Firm are delivered by a team of officers that is completely independent from the external audit team, to ensure that the Auditor's objectivity and independence are safeguarded.

The Board is kept informed of all key discussions at the ARC level.

The fees paid to the External Auditors are disclosed on page 5.

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

8: Relations with Shareholders and Other Key Stakeholders

In accordance with Emtel's strategic focus on technology and digital transformation initiatives, as disclosed in the Prospectus issued in May 2024, the Company has completed the disposal of its indirect shareholding in MC Vision Ltd (now known as Canal+ (Maurice) Ltd) through a carefully structured two-stage transaction.

Stage One: April 2025

EMVision Ltd reduced its equity stake in MC Vision from 52.94% to 25% through partial disposal to CANAL+ International, transitioning from majority to minority shareholder whilst preserving strategic partnership

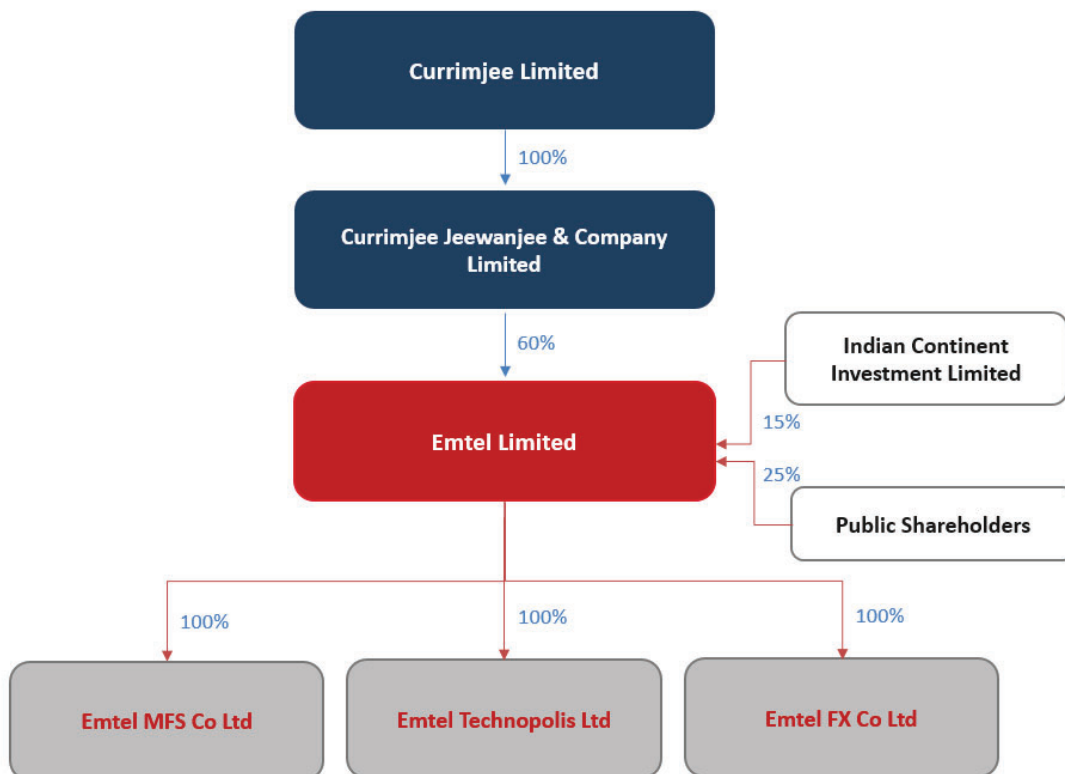


Stage Two: February 2026

Emtel disposed of its entire 90% shareholding in EMVision to Currimjee Jeewanjee and Company Limited, completing the full divestment from the Pay TV business segment

This disposal reflects a fundamental shift in corporate emphasis away from majority ownership of content delivery platforms, enabling Emtel to concentrate capital and resources on core technology infrastructure and digital services. Emtel will maintain a collaborative relationship with Canal+ (Maurice) Ltd, including distributing Pay TV content with its home internet offering and leveraging shared infrastructure, ensuring continuity of service whilst optimising strategic focus on connectivity and digital transformation initiatives.

The holding structure of Emtel Limited as at date of this Report is set out below.



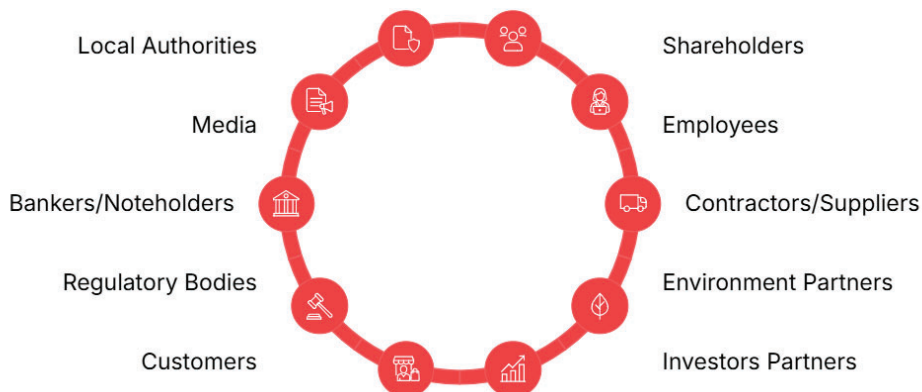
EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

8: Relations with Shareholders and Other Key Stakeholders (Continued)

Key Stakeholders

The Company is committed to responding to the needs and expectations of its key stakeholders and considers their interests. The Board ensures that information is delivered in an open, transparent, meaningful and regular manner to the stakeholders. It engages with its key Stakeholders, as set out in diagram below, through existing communications platforms (Annual Report, Shareholders meetings, Website, Employee Engagement Surveys, Social Media, CJ News & Intranet, Communiqués).



Substantial Shareholding

With the exception of CJ and Indian Continent Investment Limited, no other shareholder directly holds more than 5% of the share capital of the Company.

Major Transactions

During the financial year, Emtel and its Subsidiaries did not enter into any major transaction, as defined under section 130 (2) the Companies Act 2001, except for as disclosed on page 35.

Share Registry and Transfer Office

The Share Registry is managed by MCB Registry and Securities Ltd and reports to the Company Secretary. The Company had 4,222 active Shareholders as at 31 December 2025.

Shareholding Profile

The share ownership and the category of shareholders as at 31 December 2025 are set out below:

Spread	Number of shareholders	Number of shares held	% Holding
1 - 500 shares	257	38,400	0.01%
501 - 1,000 shares	1,879	1,779,899	0.39%
1,001 - 5,000 shares	1,290	3,500,003	0.77%
5,001 - 10,000 shares	273	2,332,959	0.51%
10,001 - 50,000 shares	354	9,181,950	2.02%
50,001 - 100,000 shares	71	5,842,099	1.28%
100,001 - 250,000 shares	43	6,746,142	1.48%
250,001 - 500,000 shares	16	5,664,200	1.24%
>= 500,001 shares	24	420,314,348	92.30%
Total	4,207	455,400,000	100%

Note: The above number of shareholders is indicative, due to consolidation of multi portfolios for reporting purposes. The total number of active shareholders as at 31 Dec 2025 was 4,222.

EMTEL LIMITED

CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)

8: Relations with Shareholders and Other Key Stakeholders (Continued)

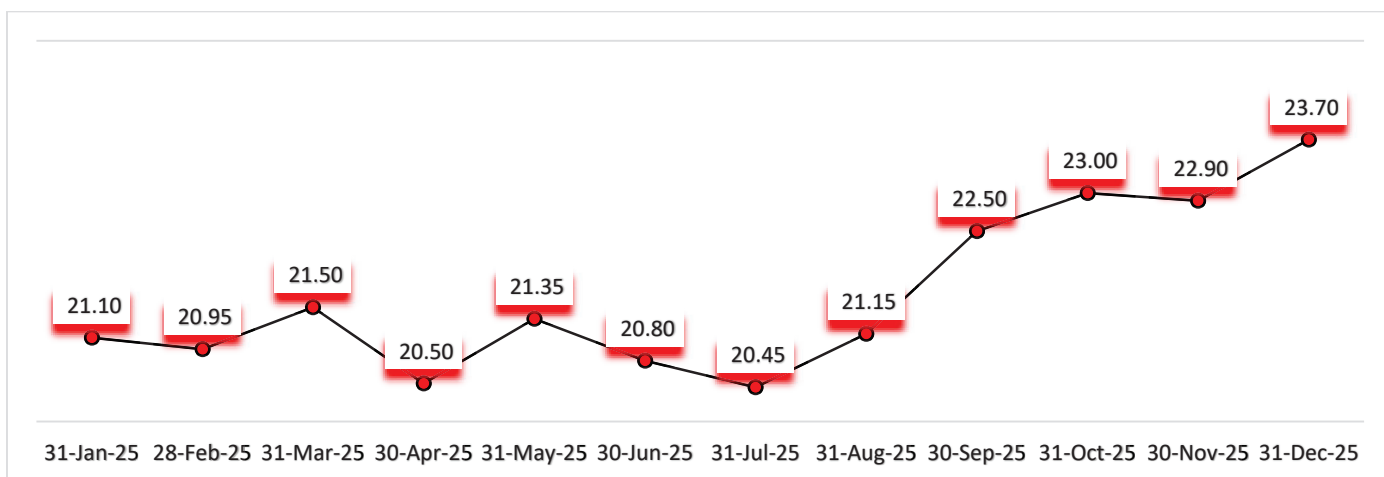
Category of Investors as at 31 December 2025

Category	Number of shareholders	Number of shares held	% Holding
Individual	4,025	22,539,286	4.95%
Insurance and Assurance companies	6	2,942,100	0.64%
Investment and Trust companies	29	119,262,598	26.19%
Pensions and Provident funds	76	29,641,192	6.51%
Other Corporate Bodies	71	281,014,824	61.71%
Total	4,207	455,400,000	100%

Note: The above number of shareholders is indicative, due to consolidation of multi portfolios for reporting purposes. The total number of active shareholders as at 31 Dec 2025 was 4,222.

Share Price Information

Emtel's share price movement as at 31 December 2025 is shown below:



Calendar of key events and publications

The Company's financial year starts on 01 January and ends on 31 December, every year. The calendar for approval of quarterly financial results are as under:



EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****8: Relations with Shareholders and Other Key Stakeholders (Continued)****Trading Windows Closure:**

In accordance with the Rules, a Close Period shall be as follows:

- a) the period of one month preceding the publication of an Emtel's annual results (or, if shorter, the period from its financial year end to the time of publication); or
- b) the period of one month immediately preceding the notification of its interim (quarterly) results to the SEM or, if shorter, the period from the relevant financial period end up to and including the time of the notification; or
- c) any other period when Emtel is in possession of unpublished price sensitive information; or
- d) any time it has become reasonably probable that such information will be required by these rules to be notified to the SEM or by way of press release.

Employee Share Scheme

Following the admission of the Company's shares on the Official List of the SEM which represents a significant milestone for the CJ Group, which achievement has been made possible through the dedication and engaging contribution of all the employees of Emtel and the unfailing support of the staff of the Currimjee Limited Group ("CL Group") over the past 35 years. To show its deep appreciation for the commitment of all the employees of the CL Group, CJ, one of Shareholders of Emtel, with the approval of the Board of Emtel, has offered an aggregate of 908 shares to the entire 1,650 employees of the CL Group, including Emtel.

Dividend Policy


Emtel has a Dividend Distribution Policy (the "Dividend Policy"). Emtel's dividend philosophy is premised on the principle that surplus cash in the Company be distributed to its shareholders when determined to be appropriate by the Board and taking all relevant internal and external factors into account. The Company's Dividend Policy is subject to review by the Board every three (3) years to determine its adequacy and can only be amended with the approval of the Board. The Company will aim to distribute a minimum of 75% of its full year net profits after tax and target two dividend payments to its Shareholders per annum to be declared in June (Interim) and December (Final). The Company believes in continuous shareholder value enhancement and will endeavor to pay an attractive, yet sustainable dividend to its Shareholders.

During the year 2025, the Company declared total dividends of Rs 1,102 million (2024: Rs 699 million), representing a dividend Rs 2.42 per ordinary share. Of this amount, Rs 701 million was paid during the year ended 31 December 2025, while the remaining Rs 401 million which is a special dividend was paid on 27 January 2026. The total distribution represents 75% of the Company's profit after tax for the year.

Approved by the Board of Directors on 18 March 2026

Signed by:

Names: 6402F0E96A7E443...
 Mr. Bashirali A Currimjee, G.O.S. K.
Chairman

Signed by:

 C75024C53327498...
 Mrs Priscilla Balgobin-Bhoyrul, SC.
Director & Chairperson of the Corporate Governance Committee

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****Annexure A: Profiles of Leadership Team**

The profiles of the Leadership Team as at date of this Report are set out below:

Mr Marcelo Aleman | Chief Executive Officer - Chief Executive Officer*Qualifications:*

- ❖ MBA in Corporate Strategy and Economic Policy from Maastricht School of Management.
- ❖ Industrial Engineering Degree from Escuela Militar de Ingeniería.
- ❖ Executive Education Programmes at Stanford University, IMD Business School and INCAE Business School.

Experience:

- ❖ An International Telecommunications and Technology Executive with over 20 years of leadership experience spanning telecom, digital services, and fintech sectors across Latin America, the Caribbean, and Africa.
- ❖ Has extensive experience in highly competitive and rapidly evolving markets, with a strong track record of delivering revenue growth, organizational transformation, and technology modernization.
- ❖ Held strategic roles at VIVA | Trilogy International across marketing, product management, and financial operations.
- ❖ Served in Mexico as Chief Business Development and Sales Officer at Altán Redes, contributing to the development and commercial launch of one of the largest wholesale networks in the Americas.
- ❖ Held several Chief Executive Officer roles within Millicom (Tigo), including leadership positions in El Salvador, Tanzania, and Rwanda, where he successfully drove market growth, launched mobile money platforms, and led the transition toward converged digital service models.
- ❖ Served as Chief Executive Officer of Digicel El Salvador, where he led the company's commercial acceleration and expansion of digital services ecosystems.
- ❖ Joined Emtel as Chief Executive Officer-Designate in January 2026.
- ❖ Chief Executive Officer of Emtel Limited effective March 2026.

Mr Shivendra Nautiyal | Chief Strategy and Innovation Officer*Qualifications:*

- ❖ Diploma in Electronics and Communications with specialisation in Telecommunications.
- ❖ Building Future Leaders Program, Wharton Business School, University of Pennsylvania, USA.

Experience:

- ❖ Has over 29 years' experience in the Technical Network field.
- ❖ Former Chief Technical Officer (CTO), Digicel Suriname.
- ❖ Joined the Company as Chief Technical Officer (CTO) in September 2016.
- ❖ Effective January 2023, appointed as 'Chief Strategy and Innovation Officer' to head a new unit 'Strategy & Innovation'.

Mrs Rajeshwaree (Priya) Foolchand-Chunderdeep | Head – People and Culture*Qualifications:*

- ❖ MBA Essentials, The London School of Economics and Political Science.
- ❖ MSc Human Resource Studies.
- ❖ BSc (Hons) Management, with specialisation in Human Resource Management.

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****Annexure A: Profiles of Leadership Team (Continued)***Experience:*

- ❖ Has 23 years' experience in the HR field, mainly in international banks based locally and in financial services sector.
- ❖ Prior to joining Emtel, was Head of HR at Standard Chartered Bank Mauritius for 5 years.
- ❖ Previously worked for Standard Bank Mauritius, Standard Bank Trust Company Mauritius and the BAI group (financial services cluster).
- ❖ Joined the Company in September 2017.

Mrs Dhunshalini (Brinda) Baboolall-Boodhun | Chief Customer Care Officer*Qualifications:*

- ❖ MBA Essentials, The London School of Economics and Political Science.
- ❖ BSc (Hons) Accounting.
- ❖ Certificate in Alternative Dispute Resolution by ADR Group and Commonwealth Telecommunication Organisation.

Experience:

- ❖ Has overall 30 years of experience in Emtel.
- ❖ Joined Emtel as Assistant Customer Service Manager in August 1995.
- ❖ Promoted to Operations Manager in January 1997.
- ❖ Promoted to Deputy Chief Customer Care Officer in August 2020.
- ❖ Promoted to Chief Customer Care Officer - Telecom in January 2021.
- ❖ Job title re-designated as Chief Customer Care Officer in April 2025.

Mr Avinash Chettiar | Chief Technology Officer*Qualifications:*

- ❖ MBA Essentials, The London School of Economics and Political Science.
- ❖ BSc (Hons) Information Technology.
- ❖ Diploma in Telecommunication at City & Guilds (2004).
- ❖ International Diploma in Computer Studies (2008).
- ❖ Management Development Program, Wharton Business School - University of Pennsylvania, USA.

Experience:

- ❖ Has overall 28 years of experience in Emtel.
- ❖ Joined the Company in February 1998 as Technician.
- ❖ Promoted to 'Manager-Operation & Maintenance' in January 2012.
- ❖ Assigned additional responsibilities in the absence of CTO in July 2016.
- ❖ Promoted to 'Deputy – CTO' in January 2019.
- ❖ Promoted to CTO - Telecom in January 2021.
- ❖ Job title re-designated as Chief Technology Officer in April 2025.

Mr Veekash Aukhojee | Chief Information Officer*Qualifications:*

- ❖ MBA Essentials, The London School of Economics and Political Science.
- ❖ MSC Computational Science.
- ❖ BA Mathematics.
- ❖ Diploma in Information Technology, NIIT, Delhi, India.
- ❖ Management Development Program, Wharton Business School - University of Pennsylvania, USA.

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****Annexure A: Profiles of Leadership Team (Continued)***Experience:*

- ❖ Has overall 24 years of experience in Telecom.
- ❖ Joined Emtel in September 2007 as Operations Executive.
- ❖ Promoted to Head of IT & Billing projects in January 2011 and IT Manager in March 2016.
- ❖ Assigned additional responsibilities in the absence of CIO in May 2016.
- ❖ Promoted to Deputy – CIO in January 2019.
- ❖ Promoted to CIO - Telecom in January 2021.
- ❖ Job title re-designated as Chief Information Officer in April 2025.

Mr Paul Stafford | Chief Commercial Officer*Qualifications:*

- ❖ Executive Leadership Development Program: Wharton Business School, University of Pennsylvania.
- ❖ EMBA Program: Digicel University.
- ❖ BTEC HNC in Management: Waltham Forest College, London, UK.

Experience:

- ❖ Has overall 26 years of experience out of which 16 years in Telecom in various markets.
- ❖ Has previously worked as CEO / COO / CCO within Digicel.
- ❖ Has also been an Independent / Freelance Management Consultant providing advisory, strategic planning/implementation, project management and due diligence services to clients including Private Equity companies and Telecommunications Consultancies.
- ❖ Joined Emtel in June 2024 as Chief Commercial Officer to head the Sales (B2B and B2C), Marketing, and Customer Experience teams.

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****Annexure B: Profiles of Directors****Mr. Bashirali A Currimjee, G.O.S.K – Mauritian Citizen & Resident – Chairman and Non-Executive Director**

Committee Membership: Chairman of ECC and Member of the HRC

Qualifications:

- ❖ B.A. Arts, Major in Economics and Government, Tufts University, USA.
- ❖ OPM, Harvard Business School, USA.

Experience:

- ❖ Director of Currimjee Jeewanjee and Company Limited.
- ❖ Former Chairman of Canal+ (Maurice) Ltd (previously known as MC Vision Ltd).
- ❖ Former Chairman in various companies within the Currimjee Group.
- ❖ Former President of Mauritius Chamber of Commerce and Industry, Association of Mauritian Manufacturers and Joint Economic Council (now Business Mauritius).
- ❖ Former Director of the Bank of Mauritius.
- ❖ Former Director of SBM Bank (Mauritius) Ltd.
- ❖ Honorary Consul General of the Republic of Turkey in Mauritius from 1985 to 2016.
- ❖ Held key executive positions within the Currimjee Group.

Directorship in other companies:

Emtel Technopolis Ltd, Seejay Cellular Ltd, Maurin Island Ltd, TotalEnergies Marketing Mauritius Ltd, Indian Continent Investment Limited, Network I2i Limited.

Mr Krishnaduth (Kresh) Goomany – Mauritian Citizen & Resident – Non - Executive Director*Qualifications:*

- ❖ MBA, Heriot-Watt University.
- ❖ MSc Telematics, University of Surrey, UK.
- ❖ BEng (Hons) Electronic and Electrical Engineering, University of Birmingham, UK.
- ❖ Cybersecurity: Managing Risk in the Information Age - Harvard University.
- ❖ Fintech, Innovation & Transformation in Financial Services - National University of Singapore.
- ❖ CEng (Chartered Engineer of the Engineering Council, UK).
- ❖ MIET (Member of the Institution of Engineering & Technology, UK).
- ❖ RPEM (Registered Professional Engineer with the Council of Registered Professional Engineers, Mauritius).

Experience:

- ❖ Has over 33 years of experience – of which more than 26 years at Senior Management Level - in the telecommunications industry, with a deep understanding of the local market.
- ❖ Formerly held Senior Management roles at Mauritius Telecom, Cellplus Mobile Communications Ltd and Comviva Technologies Ltd.
- ❖ Consultant in the Company from August 2014 – May 2015.
- ❖ Chief Operations Officer as from June 2015.
- ❖ Deputy Chief Executive Officer as from April 2018.
- ❖ CEO Designate as from August 2020.
- ❖ Group Chief Executive Officer of Emtel January 2021 – February 2026.
- ❖ Former Director of Emtel MFS Co Ltd, Emtel Technopolis Ltd, Emtel FX Co Ltd and Currimjee Foundation.

Directorship in other companies:

EMVISION Ltd, Canal+ (Maurice) Ltd (formerly MC Vision Ltd) and Currimjee Informatics Ltd.

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****Annexure B: Profiles of Directors (Continued)****Mr Sahoud M Edoe – Mauritian Citizen & Resident – Group Chief Financial Officer & Executive Director**

Committee Membership: Member of ECC

Qualifications:

- ❖ Fellow Member of the Association of Chartered Certified Accountants.
- ❖ Postgraduate Diploma in Leadership - Emeritus Institute of Management, USA.
- ❖ MBA Essentials, The London School of Economics and Political Science.
- ❖ MIPA (Member of the Mauritius Institute of Professional Accountants).

Experience:

- ❖ Has 30 years' experience in the Telecom sector.
- ❖ Previously worked for the Company for 15 years prior to joining Millicom International Cellular Group where he worked for 5 years in three different countries in Africa.
- ❖ Former CFO, Millicom Tanzania Ltd.
- ❖ Joined as CFO for Emtel Ltd in November 2015.
- ❖ Former CFO for CANAL+ (Maurice) Ltd (formerly MC Vision).

Directorship in other companies:

Emtel MFS Co Ltd and Emtel FX Co Ltd.

Mr. Anil C Currimjee – Mauritian Citizen & Resident – Non-Executive Director

Committee Membership: Member of ECC

Qualifications:

- ❖ B.A. Liberal Arts, Williams College, Massachusetts, USA.
- ❖ MBA, London Business School, UK.

Experience:

- ❖ Director of a number of companies within the Currimjee Group.
- ❖ Former President of Business Mauritius.
- ❖ Honorary Consul General of Japan in Mauritius from 2004 to 2016.
- ❖ Former President of the Mauritius Chamber of Commerce & Industry.
- ❖ Former Director of The Mauritius Commercial Bank Ltd.

Directorship in other companies:

Currimjee Limited, Currimjee Secretaries Limited, Currimjee Jeewanjee and Company Limited, Seejay Cellular Ltd, Maurin Island Ltd, Batimex Limited and Sanlam Africa Core Real Estate Investments Limited and Mauritius Properties Company Limited.

Mr Azim F Currimjee – Mauritian Citizen & Resident - Non-Executive Director

Committee Membership: Chairman of HRC and Member of CGC

Qualifications:

- ❖ B.A. Mathematics, Williams College, Massachusetts, USA.
- ❖ MBA, Trinity College, Dublin, Ireland.

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****Annexure B: Profiles of Directors (Continued)***Experience:*

- ❖ Has held key executive positions in the Food and Beverages Cluster of the Currimjee Group for the last 23 years and is the former Managing Director of Quality Beverages Limited, which is listed on the Stock Exchange of Mauritius.
- ❖ Director of a number of companies within the Currimjee Group.
- ❖ Chairman of Joint Business Council Mauritius - India.
- ❖ Over 10 years' experience in the textile industry.
- ❖ Former President of the Mauritius Chamber of Commerce and Industry ('MCCI') 2016 to 2018. He also held this position during 2007 and 2008.
- ❖ Former Chairman of the Business Regulatory Review Council, set up under aegis of Ministry of Finance, Economic Planning and Development of Mauritius.
- ❖ Former Manufacturing Director of Bonair Group of Companies.
- ❖ Former Vice-President of COMESA Business Council.
- ❖ Former Vice-President of Economic Development Board of Mauritius.
- ❖ Former Director of SBM Holdings, SBM Mauritius and SBM Kenya.
- ❖ Former Chairman of SBM India.
- ❖ Former Director of Air Mauritius Ltd.
- ❖ Former Director of Polytechnics Mauritius.

Directorship in other companies:

Quality Beverages Limited, Currimjee Limited, Currimjee Foundation, Currimjee Secretaries Limited, Currimjee Jeewanjee and Company Limited, Central Distributors Company Limited, Creative Advertising Bureau Limited, Soap & Allied Industries Limited, Maurin Island Ltd.

Mr M Iqbal Oozer – Mauritian Citizen & Resident – Non-Executive Director

Committee Membership: Member of ARC, HRC and ECC

Qualifications:

- ❖ Fellow Member of the Association of Chartered Certified Accountants, UK.
- ❖ Attended a number of professional courses at Alliance Manchester Business School, Euromoney and INSEAD.

Experience:

- ❖ Director of Economic Development Board of Mauritius.
- ❖ Chairman of numerous companies within the Currimjee Group.
- ❖ Former Chief Finance Officer of Currimjee Jeewanjee and Company Limited.
- ❖ Held key executive positions in Currimjee Jeewanjee and Company Limited for over thirty years.
- ❖ Accountant at Elf Antargaz (Maurice) Ltée from 1987 to 1988.
- ❖ Audit Assistant at Kemp Chatteris Deloitte from 1982 to 1986.

Directorship in other companies:

Quality Beverages Limited, Compagnie Immobilière Limitée and Island Life Assurance Co Ltd, Currimjee Industries Limited, Currimjee Jeewanjee and Company Limited, Emtel Technopolis Ltd, Emvision Ltd, E-Skills Ltd, Currimjee Real Estate Ltd, Facilicare Ltd, L'Avenir Precinct Ltd, L'Avenir Precinct II Ltd, Mauritius Properties Company Limited, IKO (Mauritius) Resort Village Ltd (Pie Company), IKO (Mauritius) Hotel Limited, IKO (Mauritius) Property Development Ltd, Eight IKO Villas Ltd, Silver Wings Travels Ltd, SW Tours Ltd, Island Life Assurance Co. Ltd, Batimex Limited, Metric Limited, Lux Appliances, Currimjee Informatics Ltd, Screenage Limited, Abana (Mauritius) Ltd, TotalEnergies Marketing Mauritius Ltd and Accuvis Administrators Ltd.

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****Annexure B: Profiles of Directors (Continued)****Mr Mukesh H Bhavnani – Indian Citizen & Mauritian Resident - Non-Executive Director**

Committee Membership: Member of CGC

Qualifications:

- ❖ Bachelor in Commerce (Hons), LLB; ACS.

Experience:

- ❖ Current Director of Bharti Airtel companies including Airtel Tanzania PLC, Airtel Africa Mauritius Limited, Indian Continent Investment Limited, Network i2i Limited and others.
- ❖ 45+ years of work experience including at the Corporate Management level, covering advice, implementation and monitoring strategic decisions on Legal and commercial matters in India, Africa, Middle East, Europe, and North Africa.
- ❖ Former employee of Godrej Soaps, Coca-Cola, Sony, Essar, Vedanta, Bharti Airtel.

Directorship in other companies: Emtel Technopolis Ltd.

Mrs Priscilla Balgobin-Bhojrul, SC. – Mauritian Citizen & Resident – Independent Director

Committee Membership: Chairperson of the CGC and Member of ARC

Qualifications:

- ❖ LLB (Hons), The London School of Economics and Political Science.
- ❖ Higher Diploma in Law, City, University of London.
- ❖ Authentic Leadership Development Program, Harvard Business School, Executive Education.

Experience:

- ❖ Currently Senior Partner & Head of Financial Institutions (Africa), Dentons Mauritius.
- ❖ 25+ years of experience in civil, commercial, and employment law.
- ❖ An experienced board member with over 18 years of Board experience in companies operating in various sectors including financial, agricultural, property or investment.
- ❖ Former President of Bar Council Mauritius and current Member of the Bar Council.
- ❖ Board Member of Mauritius Finance.
- ❖ Former directorship in Listed Companies: Mauritius Commercial Bank and Mauritius Union Assurance.

Directorship in other companies:

Promotion and Development Ltd, National Investment Trust Ltd and Alteo Limited.

Mr Peter J Lewis – British Citizen & Non-Resident - Independent Director

Committee Membership: Chairman of the ARC

Qualifications:

- ❖ Executive MBA/MBI.
- ❖ Associate of UK Chartered Institute of Bankers.

Experience:

- ❖ Co-Founder & Director, Eastcastle Infrastructure Ltd (EI).
- ❖ EBRD Nominee Director, Connectis Tower.
- ❖ Former Director, Bandwidth and Cloud Services Group (BCS).
- ❖ Former Group CFO, Eaton Towers Ltd.
- ❖ Former Treasurer & Head of Corporate Finance, Millicom International Cellular.
- ❖ Skilled in Strategy, Management, Mergers & Acquisitions (M&A), Finance, and Risk Management.

Directorship in other companies: Connectis Tower.

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****Annexure B: Profiles of Directors (Continued)****Mrs Charlotte M V Govin-Guiral – French Citizen & Canadian Resident – Independent Director**

Committee Membership: Member of ARC and HRC

Qualifications:

- ❖ Master II, Engineer diploma, Centrale Lyon Engineer School.
- ❖ MSc in Management, EMLyon Business School.

Experience:

- ❖ Currently Founder & President of AI4GOOD Festival.
- ❖ Former Managing Director, Indian Ocean Cluster, CMA CGM.
- ❖ Over 14 years of experience in strategic leadership and operational management within the supply chain and shipping and AI and ethics industry.
- ❖ Former Managing Director, New Caledonia Cluster, CMA CGM.
- ❖ Former Military Officer, French Navy, Indian Ocean.

Directorship in other companies: Velogic Holdings Company Limited.

Mrs Shirin R Gunny – Mauritian Citizen & Resident – Independent Director

Committee Membership: Member of HRC

Qualifications:

- ❖ BSc in Sociology & Anthropology (University of Montreal).
- ❖ D.E.S.G, Management (HEC Montréal).

Experience:

- ❖ CEO Association of Mauritian Manufacturers & Made in Moris from 2012 till date.
- ❖ Over 20 years of international and local experience in economic development, manufacturing and strategic project leadership.
- ❖ Dedicated advocate for innovation, industrial policy reform, regional collaboration and SME development.
- ❖ Former Director, Client strategy, Group Cosette Communication and Marketing (Canada).
- ❖ Former Entrepreneur, Shirin Spirited Designs (China).

Directorship in other companies:

University of Mauritius, National Productivity and Competiveness Council (NPCC) and Academy of Design and Innovation.

Mr. Jaideep Paul – Indian Citizen & UAE Resident – Non-Executive Director

Committee Membership: Member of ARC and ECC

Qualifications:

- ❖ Bachelor's Degree in Commerce from University of Calcutta India.
- ❖ F.C.A from The Institute of Chartered Accountants of India.

Experience:

- ❖ Since May 2014, till date – working as CFO for Airtel Africa PLC. (AA plc).
- ❖ From June 2021, inducted in the Airtel Africa plc Board as Executive Director.
- ❖ Since October 2010 till April 2014 – worked as CFO Airtel Nigeria.
- ❖ Since January 2010 till October 2010 – worked as CFO for Fairtrade LLC in Muscat, Oman.
- ❖ Since May 2002 till December 2009, worked as Bharti Group in different capacities viz. PFO of Mumbai Circle, Regional Controller in East Hub for Bharti Airtel India and CFO for Bharti Retail.

EMTEL LIMITED**CORPORATE GOVERNANCE REPORT 2025 (CONTINUED)****Annexure B: Profiles of Directors (Continued)**

- ❖ Since 1989, worked at PricewaterhouseCoopers (PwC), Hindustan Zinc (PSU), HCL, Telstra V-Com etc. in different capacities.
- ❖ Board of 3 Operating entities viz. Airtel Nigeria, Airtel Tanzania and Airtel Zambia.

Directorship in other companies: Mauritius and Equaantar Venture LLC.

STATEMENT OF COMPLIANCE**(Section 75 (3) of the Financial Reporting Act 2004)****Name of Public Interest Entity (“PIE”): Emtel Limited****Reporting Period: 01 January 2025 to 31 December 2025**

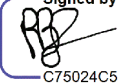
On behalf of the Board of Directors of Emtel Limited, we confirm to the best of our knowledge that the Company has complied with all the material obligations and requirements of the National Code of Corporate Governance for Mauritius (2016) in all material respects for the reporting period, except the following:

4: Director Duties, Remuneration and Performance

The individual remuneration and benefits received by the Directors of the Company have not been disclosed owing to its commercially sensitive nature.

SIGNED BY:

Names: 
Signed by:
6402F0E96A7E443...
Mr. Bashirali A Currimjee, G.O.S.K.
Chairman


Signed by:
C75024C53327498...
Mrs Priscilla Balgobin-Bhoyrul, SC.
**Director & Chairperson of the Corporate
Governance Committee**

Date: 18 March 2026

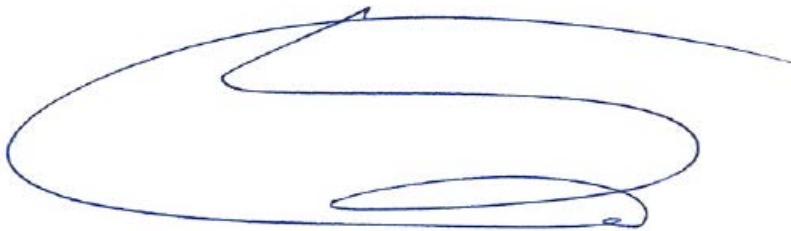
EMTEL LIMITED AND ITS SUBSIDIARIES

Page 49

SECRETARY'S CERTIFICATE

UNDER SECTION 166(d) OF THE MAURITIUS COMPANIES ACT 2001

We certify that in terms of the compliance report as submitted and approved by the Board, the Company has filed with the Registrar of Companies, for the year ended 31 December 2025, all such returns as are required of the Company under the Companies Act 2001 of Mauritius.



Currimjee Secretaries Limited
Per Ramanuj Nathoo (Mr)
Secretary

Date: 18 March 2026



Independent Auditor's Report

To the Shareholders of
Emtel Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Our Opinion

In our opinion, the consolidated and separate financial statements give a true and fair view of the financial position of Emtel Limited (the "Company") and its subsidiaries (together the "Group") and of the Company standing alone as at 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards and in compliance with the Mauritian Companies Act 2001.

What we have audited

Emtel Limited's accompanying consolidated and separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2025;
- the consolidated and separate statements of profit or loss for the year then ended;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include material accounting policy information and other explanatory information.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the "IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

PricewaterhouseCoopers, PwC Centre, Avenue de Telfair, Telfair 80829, Moka, Republic of Mauritius
Tel: +230 404 5000, Fax: +230 404 5088, www.pwc.com/mu
Business Registration Number : F07000530



Independent Auditor's Report

To the Shareholders of
Emtel Limited (Continued)

Report on the Audit of the Consolidated and Separate Financial
Statements (Continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matter
<p>Revenue Recognition – Group and Company</p> <p>As detailed in Note 3 to the consolidated and separate financial statements, the Group's and Company's revenue amounted to Rs 4,09 billion and Rs 4,01 billion, respectively for the year ended 31 December 2025 (2024: Rs 3,76 billion and Rs 3,69 billion respectively).</p> <p>We also refer to Note 30 for revenue recognised in relation to the discontinued operation of MC Vision Ltd, amounting to Rs 0,36 billion for the year ended 31 December 2025 (2024: Rs 1,10 billion).</p> <p>The occurrence, accuracy and completeness of amounts recorded as revenue is an inherent industry risk due to the complexity of billing systems and the combination of products sold and tariff structure changes during the year.</p> <p>The application of revenue recognition from a Group and Company perspective in terms of IFRS 15: Revenue from contracts with customers, requires the use of multiple complex Information Technology ("IT") and accounting systems and tools which are compounded by the significant number of low monetary revenue transactions that is accounted for daily throughout the year.</p>	<p>Our audit approach included controls testing as well as substantive procedures as set out below:</p> <ul style="list-style-type: none"> • We obtained an understanding of the processes used to recognise the various revenue streams, from the contract signature and the initiation of the transactions to the invoicing and the receipt of payment; • We updated our understanding on what type of transactions are included in each account making up all significant revenue streams, including changes in the revenue process such as new applications, interfaces, or changes in processing of data when compared to the prior period. This was confirmed through a walkthrough of the key processes; • We discussed with management whether there were any changes to the application of the revenue recognition accounting policy and any new revenue recognition methods adopted, during the year;



Independent Auditor's Report

To the Shareholders of
Emtel Limited (Continued)

Report on the Audit of the Consolidated and Separate Financial
Statements (Continued)

Key Audit Matters (Continued)

Key Audit Matters	How our audit addressed the key audit matter
<p>Revenue Recognition – Group and Company (Continued)</p> <p>The Company uses various IT applications to automate the recording and rating of the different income streams for revenue recognition purposes. For example, various IT applications are involved in the computation and recording of voice services, including the collection, rating, and billing of Call Detail Records (CDRs). Other revenue streams may be simpler and are recognised based on performance obligations using pre-determined standalone selling price allocation method.</p> <p>Given the complexity of telecom billing and network platforms, the revenue process relies on several interconnected platforms and essential reconciliations from both a Group and Company perspective. IT dependent manual controls require a significant amount of testing over system reports utilised in performing these controls.</p> <p>We therefore consider revenue and the audit of the related systems to be a key audit matter in our current year audit due to the significant amount of time involved in auditing revenue which is driven by auditing the different processes in line with the revenue recognition accounting standard IFRS 15, as well as the extent of involvement required from our internal IT audit specialists to test the various IT applications and Enterprise Resource Planning (“ERP”) systems.</p>	<ul style="list-style-type: none"> • We obtained an understanding and tested management’s controls over the transfer of revenue information between the multiple systems involved in recording revenue. This included the testing of the controls in place over the authorisation of rate changes and a review of the new products recorded in the billing systems; • We involved our internal specialists to test the IT general and key application controls of the relevant usage, rating, and billing environments, as well as to assess the relevant revenue and deferred revenue reports utilised for completeness and accuracy purposes; • We tested controls over the journal entry process from the billing applications to the general ledger to confirm accuracy; • We tested the input data to the billing systems, including testing of the billing reports for completeness and accuracy. • We performed detailed analytical review procedures over significant revenue streams where expectations could be set and assessed reasonability by determining the drivers that result in changes year on year to establish detailed monthly and annual expectations. Where movements were outside our precision level set, we performed substantive audit procedures; and • We selected and tested a sample of revenue transactions and assessed, in line with the requirements of IFRS 15: Revenue from contracts with customers, that contracts with customers were valid, that performance obligations were agreed by the customer and that revenue was appropriately recognised and allocated to its relevant performance obligations.



Independent Auditor's Report

To the Shareholders of
Emtel Limited (Continued)

Report on the Audit of the Consolidated and Separate Financial
Statements (Continued)

Key Audit Matters (Continued)

Key Audit Matters	How our audit addressed the key audit matter
<p>Impairment assessment of investment in subsidiaries – Company</p> <p>As detailed in Note 13, the Company holds investments in subsidiaries which amounted to Rs 168,5 million which includes an impairment raised of Rs 164 million as at 31 December 2025 (2024: Rs 55 million).</p> <p>Management determines at the end of each reporting period the existence of any indication of impairment or reversal of previously recognised impairment on the Company's investments in subsidiaries. If there are indicators of impairment or reversal of impairment, management would assess the recoverable amounts of the investments in subsidiaries. Any excess or shortfall between the recoverable amounts of the subsidiaries and their carrying value is recognised in profit or loss.</p> <p>The assessment of indicators of impairment or reversal of impairment and the determination of the recoverable amounts of the investments in subsidiaries require judgement.</p> <p>The determination of the recoverable amounts, using a value in use model, requires the use of a number of key assumptions and estimates such as the estimated future cash flows, long-term growth rates, discount rates and profitability levels.</p> <p>This was an area of focus in light of the amount involved and the level of judgement and estimation required from management.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We considered whether there were any internal and external indicators of impairment for investments in subsidiaries; • For those investments in subsidiaries whereby indicators of impairment were identified, we obtained management's assessment of the recoverable amounts, which were based on a discounted cash flow model; • With the support of our valuation specialists: <ul style="list-style-type: none"> ▪ we obtained an understanding of management's planned business strategies around revenue, cost initiatives and challenged management's forecasted revenues and growth rates based on our knowledge of the operations, and compared them against past client's workings and performance; ▪ we performed an alternative market approach to determine the fair value less costs to sell. • We assessed whether appropriate disclosures were made by management in the financial statements.



Independent Auditor's Report

To the Shareholders of
Emtel Limited (Continued)

Report on the Audit of the Consolidated and Separate Financial
Statements (Continued)

Other Information

The directors are responsible for the other information. The other information comprises the corporate information, the directors' report, the corporate governance report, the statement of compliance and the secretary's certificate but does not include the consolidated and separate financial statements and our auditor's report thereon, which we have obtained prior to the date of this auditor's report, and the "Emtel Limited 2025 Integrated Annual Report for the year ended 31 December 2025", which is expected to be made available to us after that date.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the "Emtel Limited 2025 Integrated Annual Report for the year ended 31 December 2025" which has not been made available to us prior to the date of this auditor's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the 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 and in compliance with the Mauritian Companies Act 2001, and 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 Company's financial reporting process.



Independent Auditor's Report

To the Shareholders of
Emtel Limited (Continued)

Report on the Audit of the Consolidated and Separate Financial
Statements (Continued)

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 scepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.



Independent Auditor's Report

To the Shareholders of
Emtel Limited (Continued)

Report on the Audit of the Consolidated and Separate Financial
Statements (Continued)

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

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- (a) we have no relationship with or interests in the Company or any of its subsidiaries other than in our capacity as auditor of the Company and some of its subsidiaries, tax and business advisors of the Company and one of its subsidiaries and dealings in the ordinary course of business of the Company;
- (b) we have obtained all the information and explanations we have required; and
- (c) in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Mauritian Financial Reporting Act 2004

Our responsibility under the Mauritian Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance ("Code") disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Company has, pursuant to section 75 of the Mauritian Financial Reporting Act 2004, complied with the requirements of the Code.



Independent Auditor's Report

To the Shareholders of
Emtel Limited (Continued)

Other Matter

This report, including the opinion, has been prepared for and only for the Company's shareholders, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Signed by:

PricewaterhouseCoopers

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PricewaterhouseCoopers

DocuSigned by:

sballah

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Sharvin Ballah, licensed by FRC

18 March 2026

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 58

**CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS FOR THE YEAR ENDED
31 DECEMBER 2025**

	THE GROUP		THE COMPANY	
	2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
Continuing Operations				
Revenue from contracts with customers (Note 3)	4,092,332	3,763,110	4,008,429	3,687,669
Cost of operations	(2,091,602)	(1,975,881)	(2,055,770)	(1,962,627)
Gross profit	2,000,730	1,787,229	1,952,659	1,725,042
Selling and distribution expenses	(466,318)	(473,779)	(412,039)	(422,893)
Administrative expenses	(649,062)	(675,667)	(631,058)	(644,228)
Impairment loss on subsidiary (Note 13)	-	-	(164,000)	-
(Impairment loss) / reversal of loss on financial assets	(19,504)	(4,345)	85,496	(109,345)
Other income (Note 4)	256,282	47,603	276,583	89,179
Other gains (Note 5)	17,244	217,073	17,157	216,982
Other losses (Note 5)	(10,894)	(27,043)	(10,365)	(26,380)
Operating profit (Note 6)	1,128,478	871,071	1,114,433	828,357
Finance income (Note 8)	571,622	2,072	577,350	6,129
Finance costs (Note 8)	(259,802)	(250,700)	(239,858)	(228,536)
Finance income/(costs) – net (Note 8)	311,820	(248,628)	337,492	(222,407)
Profit before tax	1,440,298	622,443	1,451,925	605,950
Income tax expense (Note 9)	(301,916)	(235,183)	(325,336)	(235,183)
Profit for the year from continued operations	1,138,382	387,260	1,126,589	370,767
Profit/ (loss) from discontinued operation	4,512	(111,142)	-	-
Dividend income (Note 31(d))	-	-	175,463	-
Profit on disposal of subsidiary (Note 31(a))	854,293	-	159,937	-
Fair value gain on associate (Note 31(c))	727,291	-	-	-
Share of loss from associate (Note 31(c))	(25,798)	-	-	-
Profit for the year	2,698,680	276,118	1,461,989	370,767
Profit / (loss) attributable to:				
Owners of the parent	2,622,901	350,652		
Non-controlling interest	75,779	(74,534)		
	2,698,680	276,118		
Profit / (loss) attributable to owners from:				
Continued operations	1,138,382	387,260		
Discontinued operation	1,560,298	(111,142)		
	2,698,680	276,118		
	Rs	Rs		
Earnings per share for profit from continuing operations attributable to the ordinary equity holders				
Basic and diluted earnings per share (Note 33)	2.50	0.85		
Earnings per share for profit attributable to the ordinary equity holders of the company:				
Basic and diluted earnings per share (Note 33)	5.76	0.77		

The notes on pages 64 to 138 form an integral part of the financial statements.

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 59

**CONSOLIDATED AND SEPARATE STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
31 DECEMBER 2025**

	THE GROUP		THE COMPANY	
	2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
Profit for the year	2,698,680	276,118	1,461,989	370,767
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Changes in the fair value of equity investments at fair value through other comprehensive income	394	183	394	183
Revaluation of property, plant and equipment (Note 10)	5,108	2,827	1,591	2,827
Effect of deferred tax on revaluation of property, plant and equipment (Note 9(d))	(111)	(146)	(111)	(146)
Re-measurements of post-employment benefits obligations (Note 22)	7,027	2,468	7,028	5,117
Effect of deferred tax on re-measurement of post-employment benefits obligations (Note 9(d))	(1,335)	(159)	(1,335)	(972)
Other comprehensive income for the year	11,083	5,173	7,567	7,009
Total comprehensive income for the year	2,709,763	281,291	1,469,556	377,776
Total comprehensive income for the year attributable to:				
Owners of the parent	2,633,984	357,641		
Non-controlling interest	75,779	(76,350)		
	2,709,763	281,291		
Total comprehensive income for the year attributable to owners from:				
Continued operations	1,149,465	395,902		
Discontinued operation	1,560,298	(114,611)		
	2,709,763	281,291		

The notes on pages 64 to 138 form an integral part of the financial statements.

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 60

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION AT 31 DECEMBER 2025

	THE GROUP		THE COMPANY	
	2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
ASSETS				
Non-current assets				
Property, plant and equipment (Note 10)	5,262,386	5,126,848	4,792,566	4,651,501
Right-of-use assets (Note 11)	811,582	783,986	811,582	783,986
Intangible assets (Note 12)	149,671	183,386	129,690	164,338
Investment in subsidiaries (Note 13)	-	-	168,500	55,000
Financial assets at fair value through OCI (Note 14(a))	1,806	1,412	1,806	1,412
Financial assets at amortised cost (Note 14(b))	-	-	22,000	-
Deferred tax asset (Note 21)	23,420	-	-	-
Other non current asset	373	-	-	-
	6,249,238	6,095,632	5,926,144	5,656,237
Current assets				
Cash and cash equivalents (Note 18)	1,360,268	477,681	1,335,486	461,444
Trade and other receivables (Note 16)	472,728	369,200	452,847	388,809
Inventories (Note 15)	68,653	84,747	68,653	84,747
Current tax receivables (Note 17)	80,395	80,395	80,395	80,395
	1,982,044	1,012,023	1,937,381	1,015,395
Assets classified as held for sale (Note 30)	-	402,128	-	1,067,875
	1,982,044	1,414,151	1,937,381	2,083,270
Total assets	8,231,282	7,509,783	7,863,525	7,739,507
EQUITY				
Stated capital (Note 19)	151,800	151,800	151,800	151,800
Fair value reserves	1,786	1,392	1,786	1,392
Revaluation reserves	79,616	74,508	28,858	27,267
Common control reserve	-	(1,030,768)	-	-
Retained earnings	1,070,870	577,633	1,120,088	754,585
Non-controlling interest	-	(76,587)	-	-
Total equity	1,304,072	(302,022)	1,302,532	935,044
LIABILITIES				
Non-current liabilities				
Borrowings (Note 20)	3,201,724	3,514,320	2,899,224	3,117,445
Lease liabilities (Note 11)	749,520	722,845	749,520	722,845
Deferred tax liabilities (Note 21)	494,042	392,298	494,042	392,298
Post-employment benefit obligations (Note 22)	18,481	22,365	14,388	21,302
Asset retirement obligations (Note 23)	70,072	66,562	70,072	66,562
	4,533,839	4,718,390	4,227,246	4,320,452
Current liabilities				
Borrowings (Note 20)	617,438	483,108	549,462	411,964
Lease liabilities (Note 11)	161,394	155,074	161,394	155,074
Trade and other payables (Note 24)	829,758	1,656,320	838,110	1,647,340
Contract liabilities (Note 25)	149,462	143,052	149,462	143,052
Provision for solidarity levy (Note 9(c))	50,327	39,935	50,327	39,935
Current income tax liabilities (Note 9(b))	184,240	86,646	184,240	86,646
Dividend payable (Note 26)	400,752	-	400,752	-
	2,393,371	2,564,135	2,333,747	2,484,011
Liabilities classified as held for sale (Note 30)	-	529,280	-	-
	2,393,371	3,093,415	2,333,747	2,484,011
Total liabilities	6,927,210	7,811,805	6,560,993	6,804,463
Total equity and liabilities	8,231,282	7,509,783	7,863,525	7,739,507

Authorised for issue by the Board of directors on 18th March 2026 and signed on its

Signed by:

Bashirali A Currimjee IRS

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Signed by:

Mr Sahoud Edoo

The notes on pages 64 to 138 form an integral part of the financial statements.

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 63

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Cash generated from operations (Note 29)	2,106,119	2,207,414	2,036,287	2,061,827
Taxation paid (Note 9)	(110,399)	(43,498)	(110,399)	(43,498)
Corporate Social Responsibility contribution (Note 9)	(8,356)	(6,659)	(8,356)	(6,659)
Corporate Climate Responsibility contribution (Note 9)	(8,390)	-	(8,390)	-
Interest paid	(254,161)	(247,325)	(231,229)	(216,757)
Interest received	12,432	2,183	15,571	6,135
Contributions made for post-employment benefit obligations (Note 22)	(7,976)	(14,208)	(7,931)	(8,789)
Net cash generated from operating activities	1,729,269	1,897,907	1,685,553	1,792,259
Cash flows from investing activities				
Payment for additional investment into subsidiaries	-	-	(250,275)	-
Payments made for the purchase of property, plant and equipment (Note 10)	(1,098,759)	(1,075,256)	(1,094,324)	(988,516)
Payments for purchase of intangible assets	(12,488)	(9,652)	(5,725)	(5,385)
Proceeds from disposal of property, plant and equipment	3,130	16,599	2,608	5,050
Proceed from sale of investment in subsidiary	1,291,734	-	1,403,275	-
Repayment of loans by related parties	-	-	148,000	-
Loan to subsidiary (Note 14)	-	-	(65,000)	(74,000)
Refund of deposit from disposal of right-of-use-asset	-	494	-	-
Net cash generated from / (used) in investing activities	183,617	(1,067,815)	138,559	(1,062,851)
Cash flows from financing activities				
Proceeds from borrowings	1,840,800	4,939,009	1,840,800	4,939,009
Repayment of borrowings	(1,737,675)	(4,715,259)	(1,630,800)	(4,629,009)
Repayment of bond debt	(300,000)	-	(300,000)	-
Bond issue transaction costs	(2,118)	(2,268)	(2,118)	(2,268)
Lease payments principal (Note 11)	(175,830)	(166,505)	(172,878)	(157,445)
Dividends paid (Note 26)	(701,316)	(699,250)	(701,316)	(699,250)
Dividends paid to non-controlling interests	(82,419)	-	-	-
Net cash used in financing activities	(1,158,558)	(644,273)	(966,312)	(548,963)
Net increase in cash and cash equivalents	754,328	185,819	857,800	180,445
Cash and cash equivalents at beginning of the year	455,222	275,989	345,554	170,433
Exchange gains / (losses) on cash and cash equivalents	3,652	(6,586)	1,252	(5,324)
Cash and cash equivalents at end of the year (Note 18)	1,213,202	455,222	1,204,606	345,554

The notes on pages 64 to 138 form an integral part of the financial statements.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION**

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

Basis of preparation

The financial statements of the Group and the Company have been prepared in accordance with IFRS Accounting Standards and interpretations issued by the IFRS Interpretations Committee ("IFRIC® Interpretations"). The consolidated and separate financial statements comply with the Mauritius Companies Act 2001.

The consolidated and separate financial statements have been prepared on a historical cost basis, except for the revaluation of freehold land and buildings, financial assets at fair value through other comprehensive income and the post-employment benefits obligations, where the plan assets of the post-employment benefits obligations and the financial assets are measured at fair value.

Going Concern

The directors have assessed the principal and emerging risks and considered it appropriate to adopt the going concern basis of accounting when preparing the consolidated and separate financial statements. The directors took into account the Group's and Company's overall financial position and based on its financial forecast, the Group and Company would generate sufficient cash to sustain its operations.

At 31 December 2025, the Group and Company had (i) net assets of **Rs 1,304 million** (2024: net liabilities Rs 302 million) and net assets of **Rs 1,303 million** (2024: Rs 935 million) respectively, (ii) net current liabilities of **Rs 411 million** (2024: Rs 1,679 million) and **Rs 396 million** (2024: Rs 401 million) respectively and have made a profit for the year of **Rs 2,699 million** (2024: Rs 276 million) and **Rs 1,462 million** (2024: Rs 371 million) respectively.

The Group and the Company have access to undrawn loan facility, overdraft and money market line facilities amounting to **Rs 542 million**. Any other current liabilities due will be settled through the normal cashflow generated by the business as it has done in the past.

The directors are therefore satisfied that the Group and Company have the adequate resources and access to financing facilities with financial institutions to continue in business for the foreseeable future. The directors are not aware of any material uncertainties that may cast significant doubt upon the Group and Company ability as a going concern

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)*****Consolidation of subsidiaries***

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the reporting period to 31 December 2025 on the basis outlined below.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group (acquisition date) and are deconsolidated from the date that control ceases (disposal date).

All intercompany transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated on consolidation. Unrealised losses are considered an impairment indicator of the asset transferred.

Non-controlling interests

The Group has elected to account for non-controlling interests in the acquiree at the non-controlling shareholders' proportion of the net identifiable assets acquired and liabilities and contingent liabilities assumed.

Non-controlling shareholders are treated as equity participants; therefore, all acquisitions of non-controlling interests or disposals by the Group of its interests in subsidiaries, where control is maintained subsequent to the disposal, are accounted for as equity transactions.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity.

Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

1.1 Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Group's accounting policies.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and the areas involving a higher degree of judgement or complexity are as follows:

1.1.1 Depreciation charge on property, plant and equipment and right of use assets

Depreciation is calculated based on the depreciation rates set out in the accounting policy note on property, plant and equipment, refer to 1.3.5 and right of use assets, refer to 1.3.7. The depreciation rates have been estimated according to the respective property, plant and equipment and right of use assets useful lives and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The useful lives are reviewed on an annual basis with the effect of any changes in estimate accounted for on a prospective basis.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.1 Critical accounting estimates and judgments (continued)****1.1.2 Fair value measurement on property, plant and equipment**

Property, plant and equipment, except for freehold land and buildings and site improvements are stated at cost less accumulated depreciation and/or accumulated impairment losses, if any. Freehold land is stated at revalued amounts and buildings are stated at revalued amounts less subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at each financial year end. It is the Group's policy to revalue its freehold land and buildings at least every three years. The basis used is market value derived using the Market-based valuation approach and independent valuers are used for such exercises. Refer to Note 2 and 10 for disclosure in relation to the fair value assumptions used.

1.1.3 Lease term

At inception of a contract, the Company assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The lease term is recognised through the non-cancellable period in the contract. Where leases include additional optional periods after an initial lease term, the Company applies significant judgement in determining whether these optional periods would be exercised which takes into consideration the cost of replacing the assets, its strategic geographical location and its future economic benefits.

1.1.4 Provision for Asset Retirement Obligations

Management has estimated the costs of dismantling, removing antennas and restoring the leased sites in the Company to their original conditions. These costs have been provided in full in the financial statements. This assumes that the effect of the inflationary increase and fluctuation in bond rates on the costs will be reduced on discounting such costs to their present values.

1.1.5 Post-employment benefits obligations

The present value of the post-employment benefits obligations in the Group depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate, inflation rate, salary growth rate, pension growth rate, medical growth rate and withdrawal rate. Any changes in these assumptions will impact the carrying amount of post-employment benefits obligations. Critical assumptions are made by the actuary in determining the present value of post-employment benefits obligations. These assumptions are set out in Note 22.

1.1.6 Provision for vacation leaves

The related provision in relation to vacation leaves requires the use of actuarial valuations. The actuarial valuation involves the use of significant estimates in respect of inter-alia, discount rate and future salary increases. Any change in these assumptions will impact the amount of provision. The Group and the Company determine the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. Other key assumptions for vacation leaves provision are based in part on the current market conditions.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.1 Critical accounting estimates and judgments (continued)**

1.1.7 Current tax receivables

The Mauritius Revenue Authority (MRA) had raised an assessment on the Company with respect to the income tax rate used for income tax years of assessments 2006/2007 and 2007/2008. The total amount claimed by the MRA has been paid under protest inclusive of the penalties and interest.

According to the Company's legal advisors appointed to handle this matter, they believe that it is highly probable that the Company will have a positive outcome. Based on significant judgment that has been applied by the Company's directors, following advice from its legal advisor, no tax liability has been accounted with respect to this assessment. Given that the Company has already paid the amount of Rs 80.4 million to the MRA, this represents an asset (current tax receivable) for the Company. The Company has lodged an application for permission to appeal that judgement to the Judicial Committee of the Privy Council. The Case was fixed by the Court for merits on the 11 May 2026. Judgment is now reserved. In preparing the financial statements, the directors, in the process of applying the Group and Company's accounting policies, did not make any judgement other than those involving estimates that could have a significant effect on the amounts recognised in the financial statements.

1.1.8 Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset or a cash generating unit is determined based on the higher of its fair value less cost to sell and value in use. The value in use is derived using assumptions and estimates on cash flow projections. Key assumptions used are weighted average cost of capital and terminal growth rate in the cash flow projections.

1.1.9 Impairment of investments in subsidiaries

Investment in subsidiaries is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may differ from the recoverable amount. An impairment loss or reversal of impairment is recognised for the amount by which the investment's carrying value differs from its recoverable amount, which represents the investment's fair value less cost to sell, which require the use of assumptions. The calculations use enterprise value to revenue multiples from the market and then discounted for size to determine the recoverable amount of the subsidiaries.

1.1.10 Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that future taxable profits will be available against which the losses can be utilised. Recoverability of deferred tax assets have been assessed for Emtel MFS Co Ltd based on the forecasted taxable profits to be generated during the next financial periods.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Main assumptions used in the determination of future taxable profits include inter-alia: growth rates of revenue.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.1 Critical accounting estimates and judgments (continued)**

1.1.11 Lease judgement on renewals before contract finalisation

Lease contracts which are in the renewal process at year end are accounted for using an estimate of the terms that the Group and the Company would apply for that particular assets which is being leased. This requires management to make critical judgements to ensure completeness of lease liabilities until the signed terms have been agreed.

1.2 Application of new and revised international financial reporting standards

The Group has assessed all of the new standards, interpretations by the International Accounting Standards Board ("IASB") that came into effect for the year ended 31 December 2025 and identified none that are relevant to their operations and having no impact on their consolidated and separate financial statements.

1.2.2 New standards, amendments to existing standards and interpretations issued before 31 December 2025 but effective for financial years beginning after 01 January 2026 and which have not been early adopted by the Group and Company.

As at 31 December 2025, the following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 December 2025.

Standard, amendment and interpretation	Effective date
Amendment to IFRS 9, "Financial Instruments" and IFRS 7, "Financial Instruments: Disclosures" - Classification and Measurement of Financial Instruments	Annual periods beginning on or after 01 January 2026
Annual improvements to IFRS – Volume 11	Annual periods beginning on or after 01 January 2026
IFRS 18, 'Presentation and Disclosure in Financial Statements'	Annual periods beginning on or after 01 January 2027
IFRS 19, 'Subsidiaries without Public Accountability: Disclosures' and amendments	Annual periods beginning on or after 01 January 2027

The Directors and Management are still assessing the impact of these new or amended standards and would apply the new or amended standards as from their applicable dates.

1.3 Accounting policies

1.3.1 Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls its subsidiaries as it has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the subsidiaries. Investments in subsidiaries are recognised at cost (which includes transaction costs) in the separate financial statements of the Company. Subsequently, where an indication of impairment exists, the recoverable amount of the investment is assessed. Any impairment loss is recognised as an expense in profit or loss. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.3 Accounting policies (continued)****1.3.2 Common control transactions**

Transactions in which combining entities are controlled by the same party before and after the transaction and where that control is not transitory are referred to as common control transactions. The Group's accounting policy for the acquiring entity would be to account for the transaction at book values as reflected in the consolidated financial statements of the selling entity. The excess of the cost of the transaction over the acquirer's proportionate share of the net assets value acquired in common control transactions, will be allocated to the common control reserve in equity.

1.3.3 Foreign currency translation

- (i) Functional and presentation currency - Items included in the financial statements of the Group and Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Mauritian Rupee ("Rs"), which is the functional currency of the Company. The financial statements are presented in thousands of Mauritian Rupees ("Rs '000"), unless otherwise stated.
- (ii) Transactions and balances - Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.
- (iii) Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit or loss within "finance income or costs". All other foreign exchange gains and losses are presented in the profit or loss within 'other gains / losses'.

1.3.4 Revenue recognition

The Group derives revenue from the provision of telecommunication services, such as rendering of services which includes mobile revenue, roaming and interconnect, enterprise revenue, tower rental, deferred revenue, sales of telephone and equipment, the provision of subscription television direct to home satellite broadcasting, mobile financial services and revenue from site hosting and support services. Revenue is recognised to the extent the Group and Company have delivered goods or rendered services under an agreement, provided the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group and Company. Revenue is measured at the fair value of the consideration received or receivable, exclusive of sales taxes and discounts.

-Service revenue**(i) Mobile revenue**

The Company provides telecommunication services to its subscribers to have access to services such as unlimited data packs, post-paid bundle plan and voice and short message service packs both on pre-paid and post-paid.

Post-paid revenue is measured at the fair value of the consideration received or receivable for services provided, net of discounts and valued added tax. Revenue is recognised based on their performance obligations at its corresponding transaction price.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****Accounting policies (continued)**

1.3.4 Revenue recognition (continued)

-Service revenue (continued)

Revenue from connection activities is recognised when it is earned, upon activation.

Revenue from calls is recognised at the time the call is made over the Company's network.

Revenue from SMS is recognised when the SMS is submitted. Revenue from data is recognised on a data usage basis.

(ii) Roaming and interconnect

The Company has entered into international roaming agreements with foreign operators which allows network access to the mobile subscribers of one operator to another operator. The roaming revenue generated is recognised when the services are rendered.

Revenue for interconnection of voice and short message service traffic between other local telecommunication operators is recognised at the time the transit occurs in the Company's network.

(iii) Enterprise revenue

The Company offers a "One-stop ICT solution Provider" to the enterprise business such as Data Centre and Cloud Services, Business Communications, Security and Network services. Revenue from enterprise services is recognised when the Company has performed the related service over its contractual period.

(iv) Tower rental

Revenue derived from tower rental on sharing arrangement with other operators are recognised over the contractual period and upon its performance of its contractual obligation.

(v) Deferred revenue

Prepaid revenue from sales of airtime and data and payment are received upfront. The revenue is recognised based on actual usage by the customers and the remaining balance is accounted as contract liabilities.

A contract liability is presented in the statement of financial position where a customer has paid an amount of consideration prior of the entity performing by transferring the related service to the customer.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.3 Accounting policies (continued)**

1.3.4 Revenue recognition (continued)

- Service revenue (continued)

(vi) Media revenue

The Group's revenue comprises of revenue from external customers for the provision of subscription television direct to home satellite broadcasting and re-broadcasting services comprises the invoiced value for subscription fees, rental income and connection fees, net of value added tax and trade discounts. Subscription fees and rental income are recognised as turnover upon the performance of services and customer acceptance over time. Connection, installation fees and technical intervention are recognised as turnover when a subscription is taken as they are incidental to the sale of a subscription at a point in time.

A contract liability is presented in the statement of financial position where a customer has paid an amount of consideration prior of the entity performing by transferring the related service to the customer.

(vii) Fintech digital solution revenue

The Group provides a digital payment platform that enables individual customers to transact directly from their bank account on their smartphone in a secured manner. The Group's revenue comprises of commission income and is recognised when the service has been provided.

(viii) Space economy business revenue

Revenue is generated from hosting and support fees, recognised in profit or loss when contractual obligations are met, and economic benefits are probable.

- Non-service revenue

(i) Sales of telephone and equipment

Revenue from the sale of equipment and related accessories, whether the sales is on stand-alone basis or with bundle services, is recognised when the equipment is delivered to the end-customer and its significant risks and rewards of ownership are transferred.

1.3.5 Property, plant and equipment

Freehold land and buildings including buildings on leasehold land are shown at fair value less subsequent depreciation for buildings. Valuations are performed every three years to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any accumulated depreciation at the date of revaluation is retained, and the gross carrying amount of the asset is adjusted to ensure that the net carrying amount, after deducting the accumulated depreciation, reflects the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****Accounting policies (continued)****1.3.5 Property, plant and equipment (continued)**

Increases in the carrying amount arising on revaluation of freehold land and buildings and buildings on leasehold land are credited to other comprehensive income and shown as revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against the revaluation reserve directly in equity; all other decreases are charged to profit or loss.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their costs over their estimated useful lives.

The annual rates used are:

Buildings	2.5% - 5%
Infrastructure assets	2.5% - 5%
Technical equipment	6.7% - 33%
Motor vehicles	20%
Furniture, fixtures and fittings	20%
Office equipment	20% - 50%

Depreciation starts as from the date the asset is available for use as intended by the directors. No depreciation is charged in the month of disposal.

The assets' useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Gains and losses on disposals are recognised within 'Other gains / (losses) in profit or loss. On disposal of revalued assets, the surplus on revaluation remaining in revaluation reserve for these assets is transferred to retained earnings.

1.3.6 Intangible assets**(i) Licences**

Acquired licences are shown at historical cost. Licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of licences over their estimated useful lives, which range between 3 to 15 years.

(ii) Indefeasible Rights of Use ("IRU")

Capacity purchased on an Indefeasible Rights of Use ("IRU") basis is shown at historical cost. The IRU is amortised on a straight-line basis over the contract period, ranging from 3 to 15 years from the effective date of the IRUs brought into use.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.3 Accounting policies (continued)**

1.3.6 Intangible assets (continued)

(iii) Software

Software comprises of purchased software and developed software. Purchased software relate to costs incurred with acquiring and implementing computer software programs and are amortised on a straight-line basis over a period of 3 to 5 years. Costs associated with the maintenance of existing purchased software programs are expensed as incurred. Developed software comprises of a mobile payment application that works seamlessly with any bank or mobile network and is amortised on a straight-line basis over a period of 5 years.

1.3.7 Leases

The lease arrangements the Group and Company have entered into includes land and buildings, co-location of cell sites and motor vehicles. Management assessed that these lease arrangement contracts give the Group and Company the ability to control substantially all of the economic benefits from the use of these assets, and has the ability to direct their use, for a period of time.

The Group and Company recognise right-of-use assets and lease liabilities at the lease commencement date for most leases. The right-of-use assets are initially measured at cost comprising the following:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date less any lease incentives received

The lease terms may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Right-of-use assets are subsequently adjusted for any re-measurement of lease liabilities and are subject to impairment testing.

The depreciation rate on right-of-use assets is computed on straight line basis over the duration of the leases varying between 2 to 20 years.

In instances where lease agreements contain lease and non-lease components, they are generally accounted for separately. Therefore, non-lease components are accounted for as operating expenses and are recognised in profit or loss as they are incurred. For certain instances where it is impractical to separate the lease from the non-lease component, the Company will account for them as a single lease component.

However, the Group and Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases with a lease terms of 12 months or less and they are thus expensed on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the following lease payments to be made over the lease term:

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.3 Accounting policies (continued)****1.3.7 Leases (continued)**

- Fixed payments (including in-substance fixed payments), including non-recoverable payments that do not transfer a separate service, less any incentives receivable
- Variable lease payments that are based on an index or rate, measured using the index or rate as at the lease commencement date

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the entity incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The incremental borrowing rate is determined at the interest rate which the entity has availed financing facilities through the local bank for acquiring assets of capital nature.

The incremental borrowing rates for the Group and Company were determined as per the actual borrowing rate of loan contracted with bank and the amortisation schedule from lessor for motor vehicles.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. Interest costs are charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

It is remeasured when there is a change in future lease payments arising from a change in index or rate.

The Group and Company apply judgement in assessing whether it is reasonably likely that options to extend the lease will be exercised. Factors considered include how far in the future an option occurs, the entity's business planning cycle, significance of related leasehold improvements and past history of terminating/not renewing leases.

A number of leases entitle both the Group and Company and the lessor to terminate the lease without a termination penalty. In determining whether the Group and Company have an economic incentive to not exercise the termination option, the Group and Company consider the broader economics of the contract and not only contractual termination payments.

As at 31 December 2025, a number of lease contracts relating to land and building and colocation, include renewal options for a pre-defined renewal period. Due to the judgement exercised in relation to the determination of the lease term as outlined above, the Group and Company are exposed to potential future cash outflows relating to an indefinite period which have not been included in the lease liability because it is not reasonably certain that the leases will be extended beyond the estimated lease term.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.3 Accounting policies (continued)****1.3.8 Impairment of non-financial assets**

Assets that have indefinite useful lives are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

1.3.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out ("FIFO") method and includes all costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

1.3.10 Current and deferred tax

The tax expense for the period comprises current and deferred tax, solidarity levy, corporate social responsibility tax and corporate climate responsibility levy. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, such as solidarity levy, where appropriate based on amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Net deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Net deferred tax liability is provided on taxable temporary differences arising from accelerated capital allowances, provision for loss allowance on trade receivables, revaluation of property, plant and equipment, provision for post-employment benefits obligations, tax losses, provision for vacation leaves and on recognition of lease liability.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.3 Accounting policies (continued)****1.3.11 Asset Retirement Obligations**

The provision relates to the estimated cost of dismantling and removing an item of property, plant and equipment and restoring the site on which the item is located to its original condition. The Company provides for the anticipated costs associated with the restoration of leasehold property to its original condition at inception of the lease, including the removal of items included in plant and equipment that is erected on leased land.

The Company only recognises these decommissioning costs for the proportion of its overall number of sites for which it expects decommissioning to take place. The expected percentage has been based on actual experience in the respective operations.

A provision is made for the present value of the estimated future decommissioning costs at the end of life of the site/expected lease term. When this provision gives rise to future economic benefits, an asset is recognised at a pre-tax rate that reflects current market assessments of the time value of money. The increase in the decommissioning provision due to the passage of time is recognised as a finance cost in profit or loss.

1.3.12 Post-employment benefit obligations

The Group and Company operate various post-employment schemes, including both defined benefit and defined contribution pension plans. The schemes are generally funded through payments to Island Life Assurance Co. Ltd, determined by periodic actuarial calculations.

(i) Pension obligations

A defined contribution plan is a pension plan under which the Group and Company pay fixed contributions into a separate entity.

The Group and Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a retirement benefit plan that is not a defined contribution plan.

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

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.3 Accounting policies (continued)**

1.3.12 Post-employment benefits obligations (continued)

(i) Pension obligations (continued)

The current service cost of the defined benefit plan, recognised in profit or loss within employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements. Past-service costs are recognised immediately in profit or loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are credited or charged to other comprehensive income in the period in which they arise.

For defined contribution plans, the Group and Company pay contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group and Company have no further payment obligations once the contributions have been paid subject that the fund will at least cover the gratuity on retirement payable under the Workers' Right Act 2019 ("WRA"). The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in the future payments is available. Where employees are not covered under any pension plan, the gratuity on retirement payable under the WRA are estimated and provided for.

Other employee benefits include items such as wages, salaries, social security contributions, travelling and medical insurance. These costs are charged to profit or loss when incurred.

Contributions to the Contribution Sociale Generalisee ("CSG") and defined contribution pension plan are expensed to profit or loss income in the period they fall due.

Prior to the implementation of the Portable Retirement Gratuity Fund ("PRGF"), the pension contribution benefits were unfunded. Moreover, employees who resigned as of 2020, are eligible for a portable gratuity benefit based on service with the employer as from 01 January 2020 and remuneration at exit (same benefit formula as for retirement/ death gratuity). It is assumed that employees not recovered under any pension scheme will join the PRGF (based on the eligibility criteria described in the WRA). PRGF is also expensed to profit or loss in the period in which they fall due.

(ii) Other post-employment benefits obligations

The Group and Company provide post-retirement healthcare benefits to its retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains arising from experience adjustments and changes in actuarial assumptions are credited or charged to other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.3 Accounting policies (continued)**

1.3.12 Post-employment benefit obligations (continued)

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the Group and Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group and Company recognise termination benefits at the earlier of the following dates:

- a. when the Group and Company can no longer withdraw the offer of those benefits; and
- b. when the Group and Company recognised costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(iv) Bonus plans

The Group and Company recognise a liability and an expense for bonuses based on its financial performance. The Group and Company recognise a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Vacation leave

As per Section 47 of the WRA, a worker, other than a migrant worker, who remains in continuous employment with the same employer for a period of at least 5 consecutive years shall be entitled to vacation leave of not more than 30 days, whether taken consecutively or otherwise, for every period of 5 consecutive years, to be spent abroad, locally or partly abroad and partly locally. As such, the Group and Company have a present obligation to pay employees earning less than Rs 50,000 per month for absence (or unused vacation leave). This entitlement to paid absences (vacation leave) is an accumulating one over a period of 5 years.

1.3.13 Provisions

Provisions are recognised when the Group and Company have a present legal or constructive obligation as a result of past events. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

A provision is also recorded in relation to the solidarity levy on telephony service providers introduced in Finance Act 2009 and amended in Finance Act 2024. More details available in Note 9(c).

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.3 Accounting policies (continued)**

1.3.14 Dividend distribution

Dividend distribution to the Group's and Company's shareholders is recognised as a liability in the consolidated and separate financial statements in the period in which the dividends are declared and approved by the directors.

1.3.15 Financial instruments

Financial instruments carried on the statement of financial position include financial assets at fair value through other comprehensive income, financial assets at amortised costs, cash and cash equivalents, trade and other receivables, borrowings, lease liabilities and trade and other payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

(i) Financial assets

Classification and initial measurement

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items and therefore the Group and Company classifies its financial assets in the following measurement categories, as set out in IFRS 9:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI") or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income ("FVOCI"), it needs to give rise to cash flows that are 'solely payments of principal and interest' ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group and Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

At initial recognition, the Group and Company measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Subsequent measurement

- Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.3 Accounting policies (continued)**

1.3.15 Financial instruments (continued)

(i) Financial assets (continued)

Discounting is omitted where the effect of discounting is immaterial. The Group and Company's cash and cash equivalents fall into this category of financial instruments.

Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings under current liabilities.

Restricted cash

The restricted cash as disclosed in Note 18, relates to cash held by the Group and Company and subject to withdrawal restrictions and are therefore not available for general use by the Group and Company.

Loans to related parties

The Company have entered into Loan Agreement with its subsidiary for funding of its operations. Interest on the loan facilities is accrued monthly in arrears. More details are available in Note 14(b).

Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for loss allowance.

The creation and release of provision for loss allowance on trade receivables has been included as a separate line item in profit or loss. Amounts charged as loss allowance for doubtful debts account are generally written off, when there is no expectation of recovering additional cash.

- Financial assets designated at fair value through other comprehensive income ("FVOCI")

For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Group and Company have made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Impairment of financial assets

The Group and Company assess the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.3 Accounting policies (continued)**

1.3.15 Financial instruments (continued)

(i) Financial assets (continued)

Impairment of financial assets (continued)

The Group and Company recognise expected credit losses ("ECL") on their financial assets in accordance with IFRS 9. The ECL model applies to trade receivables, loans to related parties, and cash and cash equivalents. The objective of the policy is to provide a forward-looking approach to credit loss recognition, which reflects changes in credit risk over the life of the financial asset.

The Group and Company use a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due (Ageing of Receivables) for last two years, groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates.

At each reporting date, the historical observed default rates are reviewed and changes in the forward-looking information are analysed. The forward-looking information used are mainly available statistics on the macroeconomic environment affecting trade and business. The Group and Company utilise reasonable and supportable forward-looking information, which is based on assumptions regarding future movements of various economic drivers and the interrelationships between them. Loss Given Default (LGD) represents the estimated loss incurred upon default, calculated as the difference between the contractual cash flows due and the amounts the entity expects to receive, considering any cash flows from credit enhancements.

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1"); and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2").

'Stage 3' would cover financial assets that have objective evidence of impairment at the end of the reporting period.

'12-month expected credit losses' are recognized for the first category while 'lifetime expected credit losses' are recognized for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The amount of ECL is sensitive to changes in both circumstances and forecasted economic conditions. It is important to note that the Group's and Company's historical credit loss experience, as well as their forecasts of economic conditions, may not fully reflect the actual defaults of customers in the future.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.3 Accounting policies (continued)**

1.3.15 Financial instruments (continued)

(i) Financial assets (continued)

Assessment of Credit Risk

In assessing the credit risk of financial assets, the group considers a range of factors, including but not limited to:

- The customer's or borrower's payment history
- Overall financial health of the customer, including profitability, liquidity, solvency, and cash flow analysis
- Economic and market conditions, the macroeconomic factors that may affect the customer or borrower's ability to repay.
- Other qualitative factors such as credit rating or relationship with its subsidiaries.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the consolidated and separate statements of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

(ii) Financial liabilities

Classification and initial measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost. All financial liabilities are recognised initially at fair value.

The Group's and Company's financial liabilities consist of borrowings, lease liabilities and trade and other payables. The Group's and Company's financial liabilities are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Subsequent measurement

The Group's and the Company's financial liabilities are subsequently measured at amortised cost using the effective interest method.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.3 Accounting policies (continued)**

1.3.15 Financial instruments (continued)

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan or other borrowing facilities are recognised as transaction costs of the loan or borrowing facilities to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

(iii) *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty. Roaming and Interconnect debtors and creditors are treated separately in the statement of financial position.

1.3.16 Share capital

Ordinary shares are classified as 'stated capital' in equity.

EMTEL LIMITED AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)****1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****1.3 Accounting policies (continued)****1.3.17 Assets held for sale and discontinued operations**

The consolidated and separate financial statements comprise of non-current assets held for sale and discontinued operations under IFRS 5.

The Group and Company classified a disposal group/ asset as held for sale when the sale is highly probable and the asset or disposal group is available for immediate sale in its current condition.

The Group actions to complete the sale demonstrate that it is unlikely that significant changes will occur to the sale plan, or that the decision to sell will be reversed. Additionally, management are fully committed to the sale plan and the sale is expected to be completed within one year from the date of classification.

1.3.18 Earnings before interest, tax, depreciation, amortisation and one-off transactions (EBITDA)

EBITDA is stated after adding to earnings before interest, tax, depreciation, amortisation and off-one transactions are classified separately in order to draw the attention of the users of the financial statements. In the judgement of the Directors, this presentation shows the underlying performance of the Group more accurately.

1.3.19 Fair value reserve

The fair value reserve represents cumulative unrealised gains and losses arising from the re-measurement to fair value of equity investments designated at fair value through other comprehensive income (FVOCI) in accordance with IFRS 9. Changes in fair value are recognised in other comprehensive income and accumulated in equity.

1.3.20 Investments in associates and fair value measurement

Investments in associates are accounted for using the equity method in accordance with IAS 28 and the fair value principles of IFRS 13.

An associate is an entity over which the Group has significant influence, but not control or joint control. Significant influence is generally presumed to exist when the Group holds 20% or more of the voting rights of the investee.

Investments in associates are initially recognised at cost and subsequently measured using the equity method. The carrying amount is adjusted to reflect the Group's share of the associate's profit or loss and other comprehensive income after acquisition. Dividends received reduce the carrying amount of the investment. Where control over a subsidiary is lost and the investment is retained as an associate, the retained interest is remeasured to its fair value at the date when control is lost. Any resulting gain or loss is recognised in profit or loss. The fair value at that date becomes the initial carrying amount for the purposes of applying the equity method.

For disclosure purposes, the fair value of associates is determined, where reliable information is available, based on quoted market prices or appropriate valuation techniques that maximise the use of observable inputs.

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

2 FINANCIAL RISK MANAGEMENT

The Group and Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest-rate risk), credit risk and liquidity risk. The Group and Company's overall risk management programme seeks to minimise potential adverse effects on the financial performance of the Company.

(a) Market risk

(i) *Foreign exchange risk*

The Group and Company have financial assets and financial liabilities denominated in various foreign currencies, mainly in Euro ("EUR") and US Dollar ("USD"). Foreign exchange risk arises from commercial transactions with its suppliers, recognised assets and liabilities. Consequently, the Group and Company is exposed to the risk that the carrying amounts of these foreign currency denominated assets and liabilities may change due to fluctuations in foreign exchange rates.

Management has set up a policy to address their foreign exchange risk against their functional currency. The Group and Company manages foreign currency exposures by forecasting its need for foreign currencies and retaining such amounts that will be necessary to settle purchases denominated in foreign currencies. Any excess foreign currencies are sold on the local market. The Group and Company also has a banking facility to negotiate better rates for spot or forward transactions.

Sensitivity analysis on the Group and Company's material currencies:

At 31 December 2025, if the Mauritian Rupee had strengthened/weakened by 5% against the USD with all other variables held constant, pre-tax profit and equity for the year would have been Group: lower/higher by **Rs 17,000** in 2025 (2024 – pre-tax profit would have been lower/higher by Rs 8,695,000); Company: lower/higher by **Rs 247,000** in 2025 (2024 – pre-tax profit would have been lower/higher by Rs 8,712,000), mainly as a result of foreign exchange differences on translation of US Dollar- denominated trade receivables and bank balances, net of US Dollar-denominated trade payables.

At 31 December 2025, if the Mauritian Rupee had strengthened/weakened by 5% against the EUR with all other variables held constant, pre-tax profit and equity for the year would have been Group: lower/higher by **Rs 3,652,000** in 2025 (2024 – pre-tax profit would have been lower/higher by Rs 336,000); Company: lower/higher by **Rs 3,652,000** in 2025 (2024 – pre-tax profit would have been lower/higher by Rs 336,000), mainly as a result of foreign exchange differences on translation of Euro-denominated trade payables, net of Euro-denominated trade receivables and bank balances.

Currency profile

The currency profile of the Group's financial assets and liabilities is summarised as follows:

	Financial assets 2025 Rs 000	Financial liabilities 2025 Rs 000	Financial assets 2024 Rs 000	Financial liabilities 2024 Rs 000
United States Dollar	69,402	69,748	54,003	227,894
Euro	261,997	188,965	193,296	200,020
Great Britain Pound	6	9	5	242
Swiss Franc	3	-	1	-
Mauritian Rupee	1,456,726	5,659,374	522,960	6,101,465
	1,788,134	5,918,096	770,265	6,529,621

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	Financial assets 2025 Rs 000	Financial liabilities 2025 Rs 000	Financial assets 2024 Rs 000	Financial liabilities 2024 Rs 000
United States Dollar	64,662	69,607	52,231	226,475
Euro	261,997	188,965	193,296	200,020
Great Britain Pound	6	9	5	8
Swiss Franc	3	-	1	-
Mauritian Rupee	1,447,191	5,297,891	535,860	5,626,745
	1,773,859	5,556,472	781,393	6,053,248

The following have been excluded from financial assets and financial liabilities:

	THE GROUP		THE COMPANY	
	Non-Financial assets 2025 Rs 000	2024 Rs 000	Non-Financial assets 2025 Rs 000	2024 Rs 000
Prepayment	37,392	43,762	35,117	42,821
VAT receivable	4,765	18,797	-	12,585
Deferred tax asset	23,420	-	-	-
Advance to suppliers	4,511	15,443	3,163	14,866
Current tax receivables	80,395	80,395	80,395	80,395
Other receivables	-	26	-	-
	150,483	158,423	118,675	150,667
	Non-Financial liabilities 2025 Rs 000		Non-Financial liabilities 2025 Rs 000	
	2024 Rs 000	2024 Rs 000	2024 Rs 000	2024 Rs 000
VAT payable	33,577	508	33,243	-
Provision of solidarity levy	50,327	39,935	50,327	39,935
Deferred tax liabilities	494,042	392,298	494,042	392,298
Post-employment benefit obligations	18,481	22,365	14,388	21,302
Current income tax liabilities	184,240	86,646	184,240	86,646
Contract liabilities	149,462	143,052	149,462	143,052
Prepaid bond issue cost	(1,305)	(2,148)	(1,305)	(2,148)
Asset retirement obligations	70,072	66,562	70,072	66,562
Provision for vacation leaves	3,769	3,686	3,603	3,568
Other payroll provisions	6,449	-	6,449	-
	1,009,114	752,904	1,004,521	751,215

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(ii) Price risk

The Company's exposure to equity securities price risk arises from investment held by the Company and classified in the statement of financial position as financial assets at fair value through other comprehensive income (FVTOCI). Any movement in the price risk is not deemed to have a material impact on the financial statements.

(iii) Interest rate risk

The Group and Company's income and cash flows may be affected by changes in market interest rates. The Group's interest rate risk arises from bank loans (including overdraft) which are issued at variable interest rate and cash and cash equivalents (excluding restricted cash).

The Company's policy is to maximise returns on interest-bearing assets. The debts contracted are at fixed interest rates and are not exposed to interest rate risk.

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Gross debt – fixed interest rates	1,479,658	1,980,805	1,125,368	1,518,197
Gross debt – variable interest rates	2,340,809	2,018,771	2,324,623	2,013,360
Total debt	3,820,467	3,999,576	3,449,991	3,531,557
Debt exposed to interest rate risk	61%	50%	67%	57%

Based on the simulations performed, at 31 December 2025, if interest rate on the bank loans (including overdraft) had increased/(decreased) by 0.5%, with all other variables held constant, the pre-tax profit and equity for the year would have decreased/increased for the Group by **Rs 11,704,000** (2024 - Rs 10,094,000) and the Company by **Rs 11,623,000** (2024 - Rs 10,067,000), respectively.

(b) Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from trade and other receivables and financial asset at amortised cost. Credit risk is managed on a company-wide basis. The financial assets exposed to credit risk is the interest bearing loans receivable from its subsidiaries, Emtel MFS Co Ltd and Emtel Technopolis Co Ltd. The subsidiaries have settled the interest payable on the loans when they fall due and there is no evidence of default in the current year, however there was a significant credit risk in 2024 on the loan given to Emtel MFS

For banks, the Group and Company transact only with highly reputable financial institutions. The credit quality of this financial asset can be assessed by the historical information about the financial strengths of the financial institutions the Group and Company are dealing with. In the opinion of the Group and Company, there is no associated risk as these are reputable institutions in the industry.

The credit rating of the main banks are as follows:

Banks	Moody's Agency Credit Ratings
Mauritius Commercial Bank Ltd	Baa2
Absa Bank (Mauritius) Limited (ABSA Group Ltd)	Baa3
SBM Bank (Mauritius) Ltd	Baa3

The Company advanced a loan of Rs 22 million to its subsidiary, Emtel Technopolis Ltd, during the year 2025. The loan has a tenure of three years and bears interest at a rate aligned with the MCB Prime Lending Rate. Management performs periodic assessments of the subsidiary's financial position and its ability to meet its future obligations. As at 31 December 2025, management has evaluated the expected credit risk on the intercompany loan in accordance with IFRS 9 and concluded that no material impairment loss is required.

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles of sales over a period of 24 months and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for defined period of days past due. Refer to the ECL calculation disclosed in Note 16.

The Company has policies in place to control the level of debts and to ensure that sales of products and services are made to customers with an appropriate credit history. Such policies include credit vetting before connection, monthly credit limit and disconnection of subscribers on non-payment of invoices.

The Group and the Company have evaluated the expected credit loss on other receivables, receivables from related parties and cash and cash equivalents. The probability of default is negligible, as there have been no instances of loss following default in prior years. This assessment is undertaken at each financial period ending 31 December.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group and Company treasury maintain flexibility in funding by maintaining availability under committed credit lines.

The Group and Company generate adequate cash flows from operations to service and finance its short term liabilities. The Group and Company have access to financing facilities which it can take and negotiate with its existing debt holders.

The table below analyses the Group and Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

THE GROUP	Less than 1 year Rs 000	Between 1 and 2 years Rs 000	Between 2 and 5 years Rs 000	After 5 years Rs 000	Total Rs 000
At 31 December 2025					
Borrowings	750,455	765,360	2,376,390	450,469	4,342,674
Lease liabilities	212,076	275,445	351,024	328,432	1,166,977
Trade and other payables	796,225	-	-	-	796,225
Dividend payable	400,752	-	-	-	400,752
	2,159,508	1,040,805	2,727,414	778,901	6,706,628
	Less than 1 year Rs 000	Between 1 and 2 years Rs 000	Between 2 and 5 years Rs 000	After 5 years Rs 000	Total Rs 000
At 31 December 2024					
Borrowings	773,232	732,832	2,403,914	844,138	4,754,116
Lease liabilities	197,815	169,006	480,795	285,281	1,132,897
Trade and other payables	1,652,126	-	-	-	1,652,126
	2,623,173	901,838	2,884,709	1,129,419	7,539,139

VAT payable of **Rs 33,577,000** (2024 – Rs 508,000) and provision for vacation leaves of **Rs 10,218,000** (2024 - Rs 3,686,000) are excluded from Trade and other payables.

Borrowings falling due between two and five years comprise Rs 767 million between 2 - 3 years, Rs 983 million between 3 - 4 years, and Rs 626 million between 4 - 5 years.

Leases liabilities falling due between two and five years comprise Rs 117 million between 2 - 3 years, Rs 122 million between 3 - 4 years, and Rs 112 million between 4 - 5 years.

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 89

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**2 FINANCIAL RISK MANAGEMENT (CONTINUED)**

(c) Liquidity risk (continued)

THE COMPANY	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 31 December 2025					
Borrowings	672,120	705,375	2,171,919	371,943	3,921,357
Lease liabilities	212,076	275,445	351,024	328,432	1,166,977
Trade and other payables	794,815	-	-	-	794,815
Dividend payable	400,752	-	-	-	400,752
	2,079,763	980,820	2,522,943	700,375	6,283,901
	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 31 December 2024					
Borrowings	635,693	642,742	2,154,357	713,820	4,146,612
Lease liabilities	197,815	169,006	480,795	285,281	1,132,897
Trade and other payables	1,643,772	-	-	-	1,643,772
	2,477,280	811,748	2,635,152	999,101	6,923,281

VAT payable of **Rs 33,243,000** (2024 – Nil) and provision for vacation leaves **Rs 10,052,000** (2024 – 3,568,000) are excluded from Trade and other payables.

Borrowings falling due between two and five years comprise Rs 694 million between 2 - 3 years, Rs 904 million between 3 - 4 years, and Rs 574 million between 4 - 5 years.

Leases liabilities falling due between two and five years comprise Rs 117 million between 2 - 3 years, Rs 122 million between 3 - 4 years, and Rs 112 million between 4 - 5 years.

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 90

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

(d) Capital risk management

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

In order to maintain or adjust the capital structure, the Group and Company may adjust the amount of dividends paid to shareholders.

Consistent with others in the industry, the Group and Company monitor capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position adjusted for the prepaid bonds issuance costs) less cash and cash equivalents (excluding restricted cash). Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

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

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Total borrowings – excluding transaction costs (Note 20)	3,820,467	3,999,576	3,449,991	3,531,557
Less: Cash and cash equivalents (Note 18)	(1,236,073)	(361,791)	(1,211,291)	(345,554)
Net debt (Note 27)	2,584,394	3,637,785	2,238,700	3,186,003
Total equity	1,304,072	(302,022)	1,302,532	935,044
Total capital	3,888,466	3,335,763	3,541,232	4,121,047
Gearing ratio	66%	100%	63%	77%

The Company's gearing ratio at 31 December 2025 is **64%** (2024: 77%) which is not in breach of the financial covenant imposed by the debt holders.

(e) Fair value estimation

The fair value of financial assets at FV through OCI that are traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid price.

The carrying amounts of loans and receivables less impairment provision, cash and cash equivalents, borrowings, lease liabilities and trade and other payables are assumed to approximate their fair values. The carrying values of financial liabilities also approximate their fair values.

- Fair values hierarchy

IFRS 13 requires the Group and Company to classify their financial instruments measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

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

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 91

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**2 FINANCIAL RISK MANAGEMENT (CONTINUED)****(e) Fair value estimation (continued)**

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Group and Company. The Group and Company consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The Group and Company have classified the financial assets at FVTOCI as level 1. The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and financial assets at FVTOCI) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Freehold land and buildings are revalued every 3 years. The Group revalued its land and buildings in 2025 by an independent professional valuer.

	THE GROUP			THE COMPANY		
	Level 1	Level 3	Total	Level 1	Level 3	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 31 December 2025						
Financial assets at fair value through OCI						
- Equity shares	1,806	-	1,806	1,806	-	1,806
Non financial asset at fair value through OCI						
- Land and buildings	-	410,576	410,576	-	33,601	33,601
	1,806	410,576	412,382	1,806	33,601	35,407
At 31 December 2024						
Financial assets at fair value through OCI						
- Equity shares	1,412	-	1,412	1,412	-	1,412
Non financial asset at fair value through OCI						
- Land and buildings	-	406,718	406,718	-	32,725	32,725
	1,412	406,718	408,130	1,412	32,725	34,137

The Group and Company are exposed to equity securities price risks. If the fair value of the investments increases/ decreases by 5%, other factors remaining unchanged, the Group's and Company's profit for the year and financial assets (financial assets at fair value through OCI) would increase/decrease by **Rs 73,000** (2024 – Rs 57,000).

The sensitivity analysis of an increase/decrease by 1% in price per square meter, other factors remaining unchanged, on the fair value Group's freehold land and buildings, total comprehensive income for the year and its valuation of the land and buildings (revaluation reserves through OCI) would have increased/decreased by **Rs 4,106,000** (2024 – Rs 4,067,000) and for the Company would have increase/decrease by **Rs 336,000** (2024 – Rs 327,000) respectively.

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 92

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**2 FINANCIAL RISK MANAGEMENT (CONTINUED)**

(f) Financial instruments by category

At 31 December 2025

Financial assets at amortised cost	THE GROUP				THE COMPANY			
	Financial asset at amortised cost	Financial asset at FVTOCI	Total	Expected credit loss	Financial asset at amortised cost	Financial asset at FVTOCI	Total	Expected credit loss
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Assets as per statement of financial position								
Financial assets at FVTOCI	-	1,806	1,806	-	-	1,806	1,806	-
Financial assets at amortised cost	-	-	-	-	22,000	-	22,000	-
Trade and other receivables	426,060	-	426,060	(52,901)	414,567	-	414,567	(52,901)
Cash and cash equivalents	1,360,268	-	1,360,268	-	1,335,486	-	1,335,486	-
Total	1,786,328	1,806	1,788,134	(52,901)	1,772,053	1,806	1,773,859	(52,901)
Liabilities as per statement of financial position								
		Other financial liabilities at amortised cost	Total		Other financial liabilities at amortised cost	Total		
		Rs 000	Rs 000		Rs 000	Rs 000		
Borrowings		3,820,467	3,820,467		3,449,991	3,449,991		
Lease liabilities		910,914	910,914		910,914	910,914		
Dividend payable		400,752	400,752		400,752	400,752		
Trade and other payables excluding non-financial liabilities		785,963	785,963		794,815	794,815		
Total		5,918,096	5,918,096		5,556,472	5,556,472		

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 93

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**2 FINANCIAL RISK MANAGEMENT (CONTINUED)**

(f) Financial instruments by category (continued)

At 31 December 2024

Financial assets at amortised cost	THE GROUP			Expected credit loss	THE COMPANY			Expected credit loss
	Financial asset at amortised cost	Financial asset at FVTOCI	Total		Financial asset at amortised cost	Financial asset at FVTOCI	Total	
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
<i>Assets as per statement of financial position</i>								
Financial assets at FVTOCI	-	1,412	1,412	-	-	1,412	1,412	-
Financial assets at amortised cost	-	-	-	-	-	-	-	(105,000)
Trade and other receivables	291,172	-	291,172	(40,879)	318,537	-	318,537	(40,879)
Cash and cash equivalents	477,681	-	477,681	-	461,444	-	461,444	-
Total	768,853	1,412	770,265	(40,879)	779,981	1,412	781,393	(145,879)
	=====	=====	=====	=====	=====	=====	=====	=====
		Other financial liabilities at amortised cost	Total		Other financial liabilities at amortised cost	Total		
		Rs 000	Rs 000		Rs 000	Rs 000		
<i>Liabilities as per statement of financial position</i>								
Borrowings		3,999,576	3,999,576		3,531,557	3,531,557		
Lease liabilities		877,919	877,919		877,919	877,919		
Trade and other payables excluding non-financial liabilities		1,652,126	1,652,126		1,643,772	1,643,772		
Total		6,529,621	6,529,621		6,053,248	6,053,248		
		=====	=====		=====	=====		

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 94

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**3 REVENUE FROM CONTRACT WITH CUSTOMERS**

	THE GROUP		THE COMPANY	
	2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
Services revenue	3,657,485	3,365,432	3,658,347	3,365,928
Non-services revenue	350,082	321,741	350,082	321,741
Fintech digital solution revenue	39,624	22,933	-	-
Space economy business revenue	45,141	53,004	-	-
Media revenue	361,495	1,101,166	-	-
	4,453,827	4,864,276	4,008,429	3,687,669

Media revenue only consolidated for four months due to sale of stake in MC Vision Ltd and loss of control occurred. Refer to Note 30.

	Rs 000	Rs 000	Rs 000	Rs 000
Revenue recognised:				
At the point of time	434,847	407,931	350,082	321,741
Over time	4,018,980	4,456,345	3,658,347	3,365,928
	4,453,827	4,864,276	4,008,429	3,687,669
Attributable to:				
Continuing operations	4,092,332	3,763,110		
Discontinued operation	361,495	1,101,166		
	4,453,827	4,864,276		
Total revenue generated by the provision of international roaming service to inbound roamers (include only inbound roaming)	93,131	101,123	93,131	101,123
	Minutes	Minutes	Minutes	Minutes
Number of minutes from incoming international calls terminating in Mauritius	2,534,938	1,880,930	2,534,938	1,880,930

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 95

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)

4 OTHER INCOME	THE GROUP		THE COMPANY	
	2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
Management fee	-	-	3,333	10,000
Loss of income compensation	209,572	-	209,572	-
Other income	58,750	83,762	63,678	79,179
	268,322	83,762	276,583	89,179
Attributable to:				
Continuing operations	256,282	47,603		
Discontinued operation	12,040	36,159		
	268,322	83,762		

During the current year, the legal case involving MT/Cellplus and ICTA was settled. As a result, Emtel received total compensation of Rs 800 million, comprising Rs 210 million in respect of loss of income, Rs 558 million recognised as interest income, and Rs 32 million relating to a refund of legal costs. The interest income has been disclosed in Note 8.

Other income mainly includes income from shared managed services, commission received, income from Arsenal Central Landing station, LION 2 chairmanship fee and other miscellaneous income.

5 OTHER GAINS / (LOSSES)	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
<i>Other gains</i>				
Profit on disposal of property, plant and equipment	47	212,953	-	206,902
Profit on disposal of intangible assets	40	-	-	-
Property, plant and equipment and intangibles written back	-	73	-	-
Foreign exchange gain	18,197	2,099	16,205	-
Gain arising on derecognition of lease liabilities	-	4,927	-	4,692
Gain on change in assumption in ARO	952	5,388	952	5,388
	19,236	225,440	17,157	216,982
Attributable to:				
Continuing operations	17,244	217,073		
Discontinued operation	1,992	8,367		
	19,236	225,440		
<i>Other Losses</i>				
Foreign exchange loss	(13,798)	(26,065)	-	(25,402)
Property, plant and equipment and intangibles written off	(5)	(1,662)	-	(978)
Loss on disposal of property, plant and equipment	(4,642)	-	(4,642)	-
Loss arising on derecognition of lease liabilities	(5,723)	-	(5,723)	-
	(24,168)	(27,727)	(10,365)	(26,380)
Attributable to:				
Continuing operations	(10,894)	(27,043)		
Discontinued operation	(13,274)	(684)		
	(24,168)	(27,727)		

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 96

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)****6 OPERATING PROFIT**

THE GROUP		THE COMPANY	
2025	2024	2025	2024
Rs 000	Rs 000	Rs 000	Rs 000

The following items have been charged in arriving at operating profit:

Continuing Operations:

Depreciation on property, plant and equipment (Note 10):

Owned assets

- Buildings	1,025	652	715	401
- Infrastructure assets	8,585	10,292	552	864
- Technical equipment	549,125	504,253	549,125	505,451
- Motor vehicles	2	2	2	2
- Furniture, fixtures and fittings	11,741	11,576	9,492	9,728
- Office equipment	205,818	149,164	203,985	147,574
Depreciation on right-of-use assets (Note 11)	172,157	170,509	172,157	170,509
Amortisation of licence and IRU (Note 12)	45,073	44,885	40,372	40,885
Impairment loss on subsidiary	-	-	164,000	-
(Impairment loss) / reversal of loss on financial assets (Note 14(b))	-	-	(105,000)	105,000
Advertising and promotion	75,499	80,485	63,858	67,434
Commission to dealers	75,961	76,635	75,961	76,635
Consultancy fees	2,413	17,447	988	17,447
Employee benefits expense (Note 7)	698,484	658,101	661,359	626,220
Cost of inventories expensed	258,441	243,296	258,441	243,296
Repairs and maintenance costs	172,496	151,193	164,405	143,242
Loss allowance on trade receivables	19,504	4,345	19,504	4,345
Audit fees	5,528	5,705	4,223	4,609
Non-audit fees	2,682	2,926	1,165	1,715
Business support services fees (Note 28 (vi))	10,000	10,000	10,000	10,000
Solidarity levy tax on turnover (Note 9)	50,281	39,919	50,281	39,919

Discontinuing Operations:

Depreciation on property, plant and equipment:

Owned assets

- Technical equipment	31,623	140,059		
- Motor vehicles		-		
- Furniture, fixtures and fittings	1,104	3,546		
- Office equipment	607	2,691		
Depreciation on right-of-use assets	2,724	8,507		
Amortisation of licence	223	896		
Consultancy fees	-	150		
Employee benefits expense (Note 7)	32,913	98,651		
Cost of inventories expensed	2,974	12,310		
Repairs and maintenance costs	279	1,366		
Increase in loss allowance on trade receivables	2,202	2,729		
Audit fees	323	1,281		
Non-audit fees	-	64		
Property, plant and equipment write off	5	684		

The Group and Company's cost of operations include mainly interconnect expenses, roaming costs, network operational expenses, cost of inventories expensed, programme costs, satellite costs and licence costs.

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 97

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)****7 EMPLOYEE BENEFITS EXPENSE**

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Wages and salaries	430,166	485,319	374,760	382,398
Social security cost	27,944	27,650	25,228	22,534
Pension cost – defined contribution plans	24,326	29,646	23,387	28,551
Pension costs – defined benefit plans (Note 22)	10,917	13,710	7,843	8,986
Pension costs – vacation leaves (Note 24(b))	285	1,673	237	1,601
<i>Other costs:</i>				
Training costs	5,743	5,652	5,462	5,479
Bonus and commissions	138,681	94,532	137,596	93,394
Other commissions	36,063	36,209	33,256	33,868
Recruitment costs	14,703	6,578	14,703	6,578
Staff welfare	35,857	48,218	32,342	37,755
Other vacation leaves expenses	6,712	7,565	6,545	5,076
	731,397	756,752	661,359	626,220
Attributable to:				
Continuing operations	698,484	658,101		
Discontinued operation	32,913	98,651		
	731,397	756,752		
	2025	2024	2025	2024
	Number	Number	Number	Number
Number of employees at end of year	505	509	479	481

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 98

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)

8 FINANCE INCOME / (COSTS) – NET

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
<i>Finance income</i>				
Interest income	12,433	2,183	18,057	6,129
Interest income compensation (Note 4)	558,041	-	558,041	-
Foreign exchange gain	5,589	328	1,252	-
	576,063	2,511	577,350	6,129
Attributable to:				
Continuing operations	571,622	2,072		
Discontinued operation	4,441	439		
	576,063	2,511		
<i>Finance costs</i>				
Interest payable on:				
Bank overdrafts	(1,312)	(708)	(289)	(113)
Loans	(140,255)	(112,587)	(119,902)	(83,470)
Bonds	(57,508)	(77,086)	(57,508)	(77,086)
Interest and finance charges for lease liabilities	(55,671)	(57,007)	(55,278)	(55,774)
Interest on initial recognition at net present value	(44)	-	-	-
Amortisation of bond and loan issue transaction costs	(2,961)	(3,588)	(2,961)	(3,588)
Unwinding of asset retirement obligations (Note 23)	(3,920)	(3,181)	(3,920)	(3,181)
Foreign exchange loss	(1,937)	(6,913)	-	(5,324)
	(263,608)	(261,070)	(239,858)	(228,536)
Attributable to:				
Continuing operations	(259,802)	(250,700)		
Discontinued operation	(3,806)	(10,370)		
	(263,608)	(261,070)		
Finance costs - net	312,455	(258,559)	337,492	(222,407)
Attributable to:				
Continuing operations	311,820	(248,628)		
Discontinued operation	635	(9,931)		
	312,455	(258,559)		

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

9 TAXATION

(a) Recognised in profit or loss

This note provides an analysis of the Group's and Company's tax expense, showing the amount recognised under the administrative expenses and income tax expense.

The schedule below shows the charge during the year:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
<i>Recognised under administrative expenses</i>				
Solidarity levy charge on revenue (Note 6)	50,281	39,919	50,281	39,919
	=====	=====	=====	=====
<i>Recognised under income tax expense</i>				
Income tax expense	301,916	235,183	325,336	235,183
	-----	-----	-----	-----
	301,916	235,183	325,336	235,183
	=====	=====	=====	=====

Taxes paid during the year are as follows:

	2025		2024	
	Rs 000	Rs 000	Rs 000	Rs 000
Income tax	78,405	10,151	78,405	10,151
Solidarity levy on profit	32,293	33,796	32,293	33,796
Adjustment for tax deduction at source	(299)	(449)	(299)	(449)
	-----	-----	-----	-----
Income tax (net)	110,399	43,498	110,399	43,498
Corporate Social Responsibility (CSR) levy	8,356	6,659	8,356	6,659
Corporate Climate Responsibility (CCR) levy	8,390	-	8,390	-
	-----	-----	-----	-----
Taxation paid	127,145	50,157	127,145	50,157
	=====	=====	=====	=====

(b) Income tax

The Company and its subsidiaries are liable to income tax on its profit, as adjusted for income tax purposes, at the rate of 19% (2024 – 19%), including CSR of 2% (2024 – 2%), CCR of 2% (2024 – 2%) and in addition the Company is liable to FSC tax of 5% (2024 – Nil).

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
<i>Charge for the year:</i>				
Based on profit for the year, as adjusted for tax purposes	109,833	63,485	109,833	63,485
Movement in deferred tax	76,118	88,496	100,298	115,832
Solidarity levy based on book profit	91,880	37,543	91,880	37,543
CSR levy	14,644	8,465	14,644	8,465
CCR levy	14,644	8,465	14,644	8,465
Income tax and CSR adjustment for prior year	(5,963)	1,393	(5,963)	1,393
	-----	-----	-----	-----
Income tax expense	301,156	207,847	325,336	235,183
	=====	=====	=====	=====
Attributable to:				
Continuing operations	301,916	235,183		
Discontinued operation (Note 30)	(760)	(27,336)		
	-----	-----		
	301,156	207,847		
	-----	-----		
Movement in deferred tax				
Continued operations (Note 21)	76,878	115,832		
Discontinued operation (Note 30)	(760)	(27,336)		
	-----	-----		
	76,118	88,496		
	-----	-----		

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

9 TAXATION (CONTINUED)

(b) Income tax (continued)

The following tax rules were applicable during the year ended 31 December 2025:

- Solidarity levy

The Solidarity levy on telephony service providers was introduced in 2009 and is applicable to every provider of fixed and mobile telephone services. The Solidarity Levy is applicable at the rate of 5% on accounting profit (i.e. derived by an operator from all its activities and computed in accordance with IFRS Accounting Standards), as see below, and 1% on turnover. Refer to Note 9(c)

	THE GROUP				Total
	Current tax liabilities	Solidarity Levy based on profit	Corporate Social Responsibility	Corporate Climate Responsibility	
	2025	2025	2025	2025	2025
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 01 January	31,776	37,543	8,862	8,465	86,646
Charge for the year	109,833	91,880	14,644	14,644	231,001
Adjustment for prior year	(563)	(5,250)	(75)	(75)	(5,963)
Paid during the year	(78,405)	(32,293)	(8,356)	(8,390)	(127,444)
At 31 December	62,641	91,880	15,075	14,644	184,240

	Current tax liabilities	Solidarity Levy based on profit	Corporate Social Responsibility	Corporate Climate Responsibility	Total
	2024	2024	2024	2024	2024
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 01 January	(22,787)	33,796	6,892	-	17,901
Charge for the year	63,485	37,543	8,465	8,465	117,958
Adjustment for prior year	1,229	-	164	-	1,393
Paid during the year	(10,151)	(33,796)	(6,659)	-	(50,606)
At 31 December	31,776	37,543	8,862	8,465	86,646

	THE COMPANY				Total
	Current tax liabilities	Solidarity Levy based on profit	Corporate Social Responsibility	Corporate Climate Responsibility	
	2025	2025	2025	2025	2025
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 01 January	31,776	37,543	8,862	8,465	86,646
Charge for the year	109,833	91,880	14,644	14,644	231,001
Adjustment for prior year	(563)	(5,250)	(75)	(75)	(5,963)
Paid during the year	(78,405)	(32,293)	(8,356)	(8,390)	(127,444)
At 31 December	62,641	91,880	15,075	14,644	184,240

	Current tax liabilities	Solidarity Levy based on profit	Corporate Social Responsibility	Corporate Climate Responsibility	Total
	2024	2024	2024	2024	2024
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 01 January	(22,787)	33,796	6,892	-	17,901
Charge for the year	63,485	37,543	8,465	8,465	117,958
Adjustment for prior year	1,229	-	164	-	1,393
Paid during the year	(10,151)	(33,796)	(6,659)	-	(50,606)
At 31 December	31,776	37,543	8,862	8,465	86,646

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

9 TAXATION (CONTINUED)

(c) Provision for solidarity levy

The provision relates to solidarity levy charge on revenue. The movement in provision is as follows:

	THE GROUP & COMPANY	
	2025	2024
	Rs 000	Rs 000
At 01 January	39,935	53,192
Charge for the year	50,328	39,936
Adjustment for prior year	(47)	(17)
Paid during the year	(39,889)	(53,176)
At 31 December	50,327	39,935

(d) The deferred tax (charge)/ credit relating to components of other comprehensive income is as follows:

	THE GROUP			THE COMPANY		
	2025			2025		
	Before tax	tax (charge) / credit	After tax	Before tax	tax (charge) / credit	After tax
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Revaluation of land and building (Note 10)	1,591	(111)	1,480	1,591	(111)	1,480
Re-measurements of post-employment benefits obligations (Note 22)	7,027	(1,335)	5,692	7,028	(1,335)	5,693
Other comprehensive income	8,618	(1,446)	7,172	8,619	(1,446)	7,173
	2024			2024		
	Before tax	Tax (charge) / credit	After tax	Before tax	Tax (charge) / credit	After tax
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Revaluation of land and building	2,827	(146)	2,681	2,827	(146)	2,681
Re-measurements of post-employment benefits obligations (Note 22)	2,468	(159)	2,309	5,117	(972)	4,145
Other comprehensive income	5,295	(305)	4,990	7,944	(1,118)	6,826

The movement in deferred tax (charge)/credit on other comprehensive for year 2024 include Rs 813,000 from discontinued operation of MC Vision Ltd.

A reconciliation between the effective rate of income tax of the Group 11.92% (2024 – 37.79%) and Company of 18.21% (2024 – 38.82%) and the applicable income tax rate of 24% (2024 – 19%) follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
(As a percentage of profit before tax)	%	%	%	%
Applicable income tax rate	24.00	19.00	24.00	19.00
Impact of:				
Non-tax deductible expenses	2.35	3.44	2.78	6.79
Income not subject to tax	(16.63)	(0.36)	(12.12)	-
Under / over provision for taxes	(0.34)	5.56	(0.05)	5.58
Unrecognised deferred tax assets	-	2.16	-	-
Solidarity levy based on revenue – (Non deductible)	0.48	1.22	0.68	1.25
Solidarity levy based on book profit	3.43	6.03	4.85	6.20
Tax attributable to discontinued operation	-	0.94	-	-
Other adjustment	(1.37)	(0.20)	(1.93)	-
Effective tax rate	11.92	37.79	18.21	38.82

At 31 December 2025, one of its subsidiaries Emtel MFS Co Ltd has an accumulated tax loss of Rs 253 million (2024 – Rs 177 million) and as a result does not have any current tax liability. The subsidiary has recognised a deferred tax asset of Rs 23,4 million (2024 – Nil) for the year under review to the extent that the tax losses are expected to be utilised against future taxable profits. This expectation is based on the subsidiary's forecast of profitability from the year 2027 onwards. If revenue growth declines or grows by 10%, the impact on the deferred tax asset will be Rs 11,2 million. The accumulated tax losses at the end of the reporting period are as follows:

Tax loss

	Expiry	2025	2024
		Rs 000	Rs 000
Tax loss in 2021	2026	3,957	3,957
Tax loss in 2022	2027	47,178	47,178
Tax loss in 2023	2028	59,313	59,313
Tax loss in 2024	2029	64,308	64,308
Tax loss in 2025	2030	61,208	-
Indefinite		16,284	2,728
		252,248	177,484

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 102

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

10 PROPERTY, PLANT AND EQUIPMENT

THE GROUP	Land and buildings Rs 000	Infrastructure assets Rs 000	Technical equipment Rs 000	Motor vehicles Rs 000	Furniture, fixtures and fittings Rs 000	Office equipment Rs 000	Asset in progress Rs 000	Total Rs 000
Cost or valuation:								
At 01 January 2024	406,348	120,998	8,353,476	7,133	204,023	1,459,403	762,464	11,313,845
Additions	-	-	465,254	-	7,140	124,657	404,469	1,001,520
Disposals	-	-	(382,355)	(1,118)	(1,540)	(563)	-	(385,576)
Write off	-	(1,144)	(450,365)	(56)	(24,960)	(167,900)	-	(644,425)
Revaluation Reserve	2,827	-	-	-	-	-	-	2,827
Transfer	-	(904)	436,394	-	1,129	39,442	(476,061)	-
ARO adjustment (Note 23)	-	-	(6,233)	-	-	-	-	(6,233)
Transfer to inventories	-	-	-	-	-	-	(790)	(790)
Transfer to assets held for sale (Note 30)	-	-	(1,194,861)	(4,410)	(30,988)	(43,182)	(36)	(1,273,477)
At 31 December 2024	409,175	118,950	7,221,310	1,549	154,804	1,411,857	690,046	10,007,691
Adjustments	-	-	4,792	-	-	-	(245)	4,547
Additions	-	169	475,126	-	19,835	288,518	130,016	913,664
Disposals	(240)	-	(4,293)	-	-	(3,614)	-	(8,147)
Write off	-	-	(75,506)	-	(5,133)	(355,744)	(53)	(436,436)
Revaluation of assets	5,108	-	-	-	-	-	-	5,108
Transfer	-	-	134,190	-	175	430,188	(564,553)	-
ARO adjustment (Note 23)	-	-	(1,134)	-	-	-	-	(1,134)
Transfer to inventories	-	-	-	-	-	-	(271)	(271)
Reclassification in class of assets	-	-	-	-	578	(578)	-	-
At 31 December 2025	414,043	119,119	7,754,485	1,549	170,259	1,770,627	254,940	10,485,022

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 103

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

THE GROUP	Land and buildings Rs 000	Infrastructure assets Rs 000	Technical equipment Rs 000	Motor vehicles Rs 000	Furniture, fixtures and fittings Rs 000	Office equipment Rs 000	Asset in progress Rs 000	Total Rs 000
<i>Accumulated depreciation:</i>								
At 01 January 2024	1,805	22,133	4,821,474	6,999	139,114	1,179,392	-	6,170,917
Charge for the year	652	10,292	541,544	2	12,436	149,582	-	714,508
Disposals adjustment	-	-	(352,386)	(1,118)	(1,437)	(554)	-	(355,495)
Write off	-	(690)	(450,166)	73	(24,954)	(167,893)	-	(643,630)
Transfer to assets held for sale (Note 30)	-	-	(939,598)	(4,411)	(21,539)	(39,909)	-	(1,005,457)
At 31 December 2024	2,457	31,735	3,620,868	1,545	103,620	1,120,618	-	4,880,843
Adjustments	-	-	2,396	-	-	-	-	2,396
Charge for the year	1,025	8,585	549,125	2	11,741	205,818	-	776,296
Disposals adjustment	(15)	-	(3,832)	-	-	(3,346)	-	(7,193)
Write off	-	-	(75,386)	-	(4,603)	(349,717)	-	(429,706)
At 31 December 2025	3,467	40,320	4,093,171	1,547	110,758	973,373	-	5,222,636
<i>Net book value:</i>								
At 31 December 2025	410,576	78,799	3,661,314	2	59,501	797,254	254,940	5,262,386
At 31 December 2024	406,718	87,215	3,600,442	4	51,184	291,239	690,046	5,126,848

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 104

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

10 PROPERTY, PLANT AND EQUIPMENT

THE COMPANY	Land and buildings	Infrastructure assets	Technical equipment	Motor vehicles	Furniture, fixtures and fittings	Office equipment	Asset in progress	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Cost or valuation:								
At 01 January 2024	31,917	37,540	7,084,251	1,613	155,744	1,401,003	761,975	9,474,043
Additions	-	-	465,254	-	4,631	123,519	404,204	997,608
Disposals	-	-	(379,126)	-	(1,496)	(563)	-	(381,185)
Write off	-	(1,144)	(374,438)	(64)	(24,960)	(167,900)	-	(568,506)
Revaluation of assets	2,827	-	-	-	-	-	-	2,827
Transfer	-	-	436,394	-	225	39,215	(475,834)	-
ARO adjustment (Note 23)	-	-	(6,233)	-	-	-	-	(6,233)
Transfer to inventories	-	-	-	-	-	-	(790)	(790)
At 31 December 2024	34,744	36,396	7,226,102	1,549	134,144	1,395,274	689,555	9,517,764
Additions	-	-	475,126	-	19,558	287,314	130,016	912,014
Disposals	-	-	(4,293)	-	-	(3,387)	-	(7,680)
Write off	-	-	(75,506)	-	(5,133)	(355,744)	(53)	(436,436)
Revaluation of assets	1,591	-	-	-	-	-	-	1,591
Transfer	-	-	134,190	-	175	429,942	(564,307)	-
ARO adjustment (Note 23)	-	-	(1,134)	-	-	-	-	(1,134)
Transfer to inventories	-	-	-	-	-	-	(271)	(271)
Reclassification	-	-	-	-	578	(578)	-	-
At 31 December 2025	36,335	36,396	7,754,485	1,549	149,322	1,752,821	254,940	9,985,848

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 105

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

THE COMPANY	Land and buildings Rs 000	Infrastructure assets Rs 000	Technical equipment Rs 000	Motor vehicles Rs 000	Furniture, fixtures and fittings Rs 000	Office equipment Rs 000	Asset in progress Rs 000	Total Rs 000
<i>Accumulated depreciation:</i>								
At 01 January 2024	1,618	19,824	3,842,400	1,607	117,682	1,139,247	-	5,122,378
Charge for the year	401	864	505,451	2	9,728	147,574	-	664,020
Disposals adjustment	-	-	(350,341)	-	(1,393)	(554)	-	(352,288)
Write off	-	(690)	(374,246)	(64)	(24,954)	(167,893)	-	(567,847)
At 31 December 2024	2,019	19,998	3,623,264	1,545	101,063	1,118,374	-	4,866,263
Charge for the year	715	552	549,125	2	9,492	203,985	-	763,871
Disposals adjustment	-	-	(3,832)	-	-	(3,314)	-	(7,146)
Write off	-	-	(75,386)	-	(4,603)	(349,717)	-	(429,706)
At 31 December 2025	2,734	20,550	4,093,171	1,547	105,952	969,328	-	5,193,282
<i>Net book value:</i>								
At 31 December 2025	33,601	15,846	3,661,314	2	43,370	783,493	254,940	4,792,566
At 31 December 2024	32,725	16,398	3,602,838	4	33,081	276,900	689,555	4,651,501

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Fair values of land and buildings

The revaluation surplus net of applicable deferred tax was credited to other comprehensive income and is shown in the revaluation reserves in shareholders' equity.

	THE GROUP		THE COMPANY	
	2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
<i>Significant other observable inputs (Level 3)</i>				
Recurring fair value measurements				
Land	1,007	2,060	1,007	2,060
Building	4,101	767	584	767
	5,108	2,827	1,591	2,827

Level 3 fair values of land and buildings have been derived using the sales comparison approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square meter.

During the year, the Group has incurred a write off totalling **Rs 436.4 million** (2024 – Rs 644.4 million) and Company **Rs 436.4 million** (2024 – Rs 568.5 million) of its assets with a depreciated value for the Group of **Rs 429.7 million** (2024 – Rs 643.6 million) and Company **Rs 429.7 million** (2024 – Rs 567.8 million) respectively. These assets consist mainly of IT equipment (Cloud, Billing system and other IT related items) and technical equipment (Base stations, antennas, links, batteries, aircond and others) which were no longer in use.

Asset in progress for the Group and Company mainly includes technical equipment acquired by the Group and Company which were not ready for use at 31 December 2025.

Payments for the purchase of property, plant and equipment during the year are as follows:

	THE GROUP		THE COMPANY	
	2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
Additions to property, plant and equipment	913,664	1,086,628	912,014	997,608
Other adjustments	-	-	(505)	-
Unpaid at 01 January	318,606	538,622	315,879	538,175
Unpaid at 31 December	(131,070)	(318,606)	(130,623)	(315,879)
Trade-In arrangement	-	(230,667)	-	(230,667)
ARO provision for the year	(2,441)	(721)	(2,441)	(721)
Payments for purchase of property, plant and equipment	1,098,759	1,075,256	1,094,324	988,516

As at 31 December 2025, if no revaluation was done on land and building, the historical cost would have been as follows:

	THE GROUP		THE COMPANY	
	2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
Land				
Cost	320,022	320,022	5,213	5,213
Accumulated Depreciation	-	-	-	-
Net Book Value	320,022	320,022	5,213	5,213
Building				
Cost	14,407	14,647	2,266	2,266
Accumulated Depreciation	(1,009)	(2,180)	(1,742)	(1,742)
Net Book Value	13,398	12,467	524	524

The sensitivity analysis on depreciation, factoring in changes to the weighted average useful life, is outlined below:

	Change in Assumption	2025		2024	
		Rs 000	Rs 000	Rs 000	Rs 000
Increase in weighted average useful life	1	59,497	55,339	60,563	46,790
Decrease in weighted average useful life	1	(58,319)	(54,243)	(59,364)	(45,863)

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

11 LEASES

This note provides information for leases where the Group and Company are a lessee.

Amounts recognised in the statements of financial position

Right-of-use assets	THE GROUP				THE COMPANY			
	Land & buildings	Co-location of cellsites	Motor vehicles	Total	Land & building	Co-location of cellsites	Motor vehicles	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 01 January 2024	737,294	128,184	10,598	876,076	719,423	128,184	6,349	853,956
Remeasurement	13,863	7,995	-	21,858	13,863	7,995	-	21,858
Additions	77,310	7,136	9,795	94,241	75,820	7,136	9,795	92,751
Depreciation	(122,544)	(47,287)	(3,013)	(172,844)	(120,506)	(47,287)	(2,716)	(170,509)
De-recognition	(13,975)	(560)	-	(14,535)	(13,510)	(560)	-	(14,070)
Transfer to assets held for sale (Note 30)	(16,858)	-	(3,952)	(20,810)	-	-	-	-
At 31 December 2024	675,090	95,468	13,428	783,986	675,090	95,468	13,428	783,986
Remeasurement	36,521	-	-	36,521	36,521	-	-	36,521
Additions	148,251	18,405	2,299	168,955	148,251	18,405	2,299	168,955
Depreciation	(120,996)	(47,972)	(3,189)	(172,157)	(120,996)	(47,972)	(3,189)	(172,157)
De-recognition	(1,166)	(4,555)	(2)	(5,723)	(1,166)	(4,555)	(2)	(5,723)
At 31 December 2025	737,700	61,346	12,536	811,582	737,700	61,346	12,536	811,582

Lease liabilities	THE GROUP				THE COMPANY			
	Land & buildings	Co-location of cellsites	Motor vehicles	Total	Land & building	Co-location of cellsites	Motor vehicles	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 01 January 2024	805,783	145,226	11,454	962,463	787,336	145,226	6,956	939,518
Remeasurement	13,862	7,995	-	21,857	13,862	7,995	-	21,857
Additions	77,310	7,136	9,795	94,241	75,820	7,136	9,795	92,751
Interest expense	49,170	6,051	876	56,097	48,901	6,051	822	55,774
Payments	(156,581)	(55,621)	(3,359)	(215,561)	(154,239)	(55,621)	(3,359)	(213,219)
De-recognition	(16,105)	(2,985)	(344)	(19,434)	(15,777)	(2,985)	-	(18,762)
Transfer to assets held for sale (Note 30)	(17,536)	-	(4,208)	(21,744)	-	-	-	-
At 31 December 2024	755,903	107,802	14,214	877,919	755,903	107,802	14,214	877,919
Remeasurement	37,060	-	158	37,218	37,060	-	158	37,218
Additions	148,251	18,405	2,299	168,955	148,251	18,405	2,299	168,955
Interest expense	50,067	4,239	972	55,278	50,067	4,239	972	55,278
Payments	(164,667)	(59,514)	(4,275)	(228,456)	(164,667)	(59,514)	(4,275)	(228,456)
De-recognition	-	-	-	-	-	-	-	-
At 31 December 2025	826,614	70,932	13,368	910,914	826,614	70,932	13,368	910,914

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Current	161,394	155,074	161,394	155,074
Non-current	749,520	722,845	749,520	722,845
At 31 December	910,914	877,919	910,914	877,919

The future cash outflows on the lease liabilities are disclosed under the financial risk management, liquidity risk (Note 2(c)).

The movement in lease liabilities for the Group reflects only 4 months results of the discontinued operation.

The statement of profit or loss shows the following amounts relating to leases:

	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Depreciation charge of right-of-use assets	174,881	179,016	172,157	170,509
Interest expense (included in finance cost)	55,671	57,007	55,278	55,774
Total lease payment	175,830	166,505	173,178	157,445
Expense relating to variable payments not included in lease liabilities	5,365	5,802	5,365	5,802

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 108

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

12 INTANGIBLE ASSETS

	THE GROUP					THE COMPANY			
	Purchased software	Developed software	Licences	IRU	Assets in progress	Total	Licences	IRU	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Cost:									
At 01 January 2024	34,849	17,546	116,137	577,182	4,455	750,169	116,137	577,182	693,319
Additions	-	2,920	1,296	4,089	3,251	11,556	1,296	4,089	5,385
Intangibles write off	-	-	(11,201)	(72,548)	-	(83,749)	(11,201)	(72,548)	(83,749)
Transfer from property, plant and equipment (Note 10)	-	1,582	-	-	(1,582)	-	-	-	-
Assets held for sale	(34,849)	-	-	-	-	(34,849)	-	-	-
At 31 December 2024	-	22,048	106,232	508,723	6,124	643,127	106,232	508,723	614,955
Additions	-	3,670	5,724	-	2,024	11,418	5,724	-	5,724
Disposal	-	(100)	-	-	-	(100)	-	-	-
Transfer	-	1,805	-	-	(1,805)	-	-	-	-
At 31 December 2025	-	27,423	111,956	508,723	6,343	654,445	111,956	508,723	620,679
Accumulated Amortisation:									
At 01 January 2024	33,751	5,124	77,884	415,278	-	532,037	77,884	415,278	493,162
Charge for the year	145	4,000	5,830	35,055	-	45,030	5,830	35,055	40,885
Write off	-	-	(10,882)	(72,548)	-	(83,430)	(10,882)	(72,548)	(83,430)
Assets held for sale	(33,896)	-	-	-	-	(33,896)	-	-	-
At 31 December 2024	-	9,124	72,832	377,785	-	459,741	72,832	377,785	450,617
Charge for the year	-	4,701	6,050	34,322	-	45,073	6,050	34,322	40,372
Disposal	-	(40)	-	-	-	(40)	-	-	-
At 31 December 2025	-	13,785	78,882	412,107	-	504,774	78,882	412,107	490,989
Net book value:									
At 31 December 2025	-	13,638	33,074	96,616	6,343	149,671	33,074	96,616	129,690
At 31 December 2024	-	12,924	33,400	130,938	6,124	183,386	33,400	130,938	164,338

The Intangible assets consist of acquired licences from the Information and Communication Technologies Authority ("ICTA"), capacity purchased on an Indefeasible Rights of Use ("IRU"), software licences purchased and software developed for the mobile financial app trading under the name of "Blink". The IRU is amortised on a straight-line basis over the contract period from the effective date of the IRUs was brought into use.

In 2025, the Group has made payments for intangibles of Rs 12,488,000, representing additions of Rs 11,418,000 and unpaid intangibles assets of Rs 1,070,000.

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 109

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)****13 INVESTMENT IN SUBSIDIARIES**

The Company owns a 100% shareholding in Emtel MFS Co Ltd with a paid-up capital of Rs 255 million. Emtel MFS Co Ltd offers digital payment platform facilities. During the year the Company invested an additional Rs 250 million into Emtel MFS Co Ltd.

The Company owns 100% shareholding in Emtel Technopolis Ltd with a paid-up share capital of Rs 50 million. Emtel Technopolis Ltd provides building and infrastructure facility on lease for a satellite farming project.

The Company owns 100% shareholding in Emtel FX Co Ltd with a unpaid-up share capital of Rs 27,3 million and paid share capital of Rs 0,2 million. This acquisition occurred during the year for a consideration of Rs 27,5 million.

The investment in EMVision Ltd amounting to Rs 1.1 billion was transferred to asset held for sale for the period ended 31 December 2024 in view of a likely sale of the investment. During the year 2025, the sale of the investment was completed. Please refer to Note 31 for more details.

The directors have reviewed the financial position of the subsidiaries at 31 December 2025 and are of the opinion that one of these investments, namely Emtel MFS Co Ltd, have suffered an impairment of Rs 164 million in the current year (2024 – Nil).

	THE COMPANY	
	2025	2024
	Rs 000	Rs 000
At 01 January	55,000	1,122,875
Additions	277,500	-
Impairment loss	(164,000)	-
Transfer to held for sale (Note 30)	-	(1,067,875)
	-----	-----
At 31 December	168,500	55,000
	=====	=====

The recoverable amount was based on fair value less cost to sell. The method used was the enterprise value to revenue multiple. The key assumptions used in determining the recoverable amount is an enterprise value to revenue multiple of 3.09 which is the best practice of a similar entity in the market and was discounted for size by 20%. The enterprise value is adjusted for net debt, control premium and marketability discount. The recoverable amount derived is Rs 91 million.

Below is the sensitivity analysis on the recoverable amount pertaining to the key assumptions if all other variables were held constant:

An increase or decrease of 0.5 on the multiple changes the recoverable amount by Rs 113 million and Rs 67 million respectively.

An increase or decrease of 5% on the discount rate for size changes the recoverable amount by Rs 83 million and Rs 98 million respectively.

Payments for the investment in subsidiaries during the year are as follows:

	2025	2024
	Rs 000	Rs 000
Additions	277,500	-
Unpaid at 31 December	(27,225)	-
	-----	-----
Payments for investment in subsidiaries	250,275	-
	=====	=====

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 110

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)****14(a) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME****THE GROUP & COMPANY**

	2025	2024
	Rs 000	Rs 000
At fair value:		
At 01 January	1,412	1,229
Movement in fair value	394	183
	-----	-----
At 31 December (Note 2(e))	1,806	1,412
	=====	=====

The financial assets represent investment in listed equity securities (Level 1).

14(b) FINANCIAL ASSETS HELD AT AMORTISED COST**THE COMPANY**

	2025	2024
	Rs 000	Rs 000
At 01 January	-	31,000
Additions during the year	65,000	74,000
Repaid during the year	(148,000)	-
Impairment loss (recognised) / reversed	105,000	(105,000)
	-----	-----
At 31 December (Note 28(x))	22,000	-
	=====	=====

Following the equity investment by the Company of Rs 250 million, into Emtel MFS Co Ltd during the year, the subsidiary repaid its loan of Rs 148 million, which included a disbursement of Rs 43 million during the year. Accordingly, the impairment loss previously recognised in respect of this loan was fully reversed.

During the year 2025, the Company granted a loan of Rs 22 million to its subsidiary, Emtel Technopolis Ltd, at an interest rate equal to MCB's Prime Lending Rate (PLR) per annum, repayable over a period of three years.

In accordance with IFRS 9, the Company performed an assessment of the credit risk associated with this loan, which included: (i) an evaluation of the subsidiary's financial performance, including profitability, liquidity and solvency; (ii) an assessment of whether there have been any significant changes in its creditworthiness; and (iii) consideration of the economic environment and industry-specific risks.

Based on this assessment, management identified some indicators of potential credit risk. However, in accordance with IFRS 9, no expected credit loss has been recognised as it is considered immaterial.

15 INVENTORIES**THE GROUP & COMPANY**

	2025	2024
	Rs 000	Rs 000
Telephone sets, related spares and accessories:		
At cost	64,773	84,371
At net realisable value	3,880	376
	-----	-----
	68,653	84,747
	=====	=====

The Group and Company have cost of inventories recognised as an expense of **Rs 258 million** (2024 – Rs 256 million).

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 111

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)

16 TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
Trade receivables	256,850	221,722	251,459	219,824
Less: Loss allowance on trade receivables	(52,901)	(40,879)	(52,901)	(40,879)
	203,949	180,843	198,558	178,945
Prepayments	37,392	43,762	35,117	42,821
Advance to supplier	4,511	15,443	3,163	14,866
Deposits	22,452	22,241	22,224	21,924
VAT receivable	4,765	18,797	-	12,585
Amount receivable from Financial Service Commission	5,244	-	5,244	-
Accrued income	70,647	44,261	70,647	44,261
Accrued interest income	2,504	18	2,504	18
Other receivables	88,591	41,010	82,094	40,940
Receivable from related parties (Note 28 (viii))	32,673	2,825	33,296	32,449
	472,728	369,200	452,847	388,809

The carrying amount of trade and other receivables approximate their fair values.

The maximum exposure to credit risk at the reporting date is equal to the carrying value of each class of the trade and other receivables mentioned above.

The Group and Company do not have any security over its trade and other receivables. The trade receivables are non-interest bearing and generally on average 30-90 days payment terms. Trade receivables are in default when they reach greater than 90

Other receivables consists mainly of Rs 43 million amount due from ICTA on the MT/ICTA legal case.

On that basis, the loss allowance as at 31 December 2025 and 31 December 2024 was determined as follows for the trade receivables:

	Current	THE GROUP			Total
		Up to 1 month past due	1 to 2 months past due	Over 2 months past due	
31 December 2025					
Expected loss rate	0.76%	4.48%	8.33%	88.62%	
Gross carrying value (Rs 000)	129,023	59,474	14,091	54,262	256,850
Loss allowance (Rs 000)	978	2,663	1,174	48,086	52,901
31 December 2024					
Expected loss rate	0.69%	2.47%	6.58%	89.43%	
Gross carrying value (Rs 000)	109,205	58,380	11,741	42,396	221,722
Loss allowance (Rs 000)	750	1,441	773	37,915	40,879
	Current	THE COMPANY			Total
		Up to 1 month past due	1 to 2 months past due	Over 2 months past due	
31 December 2025					
Expected loss rate	0.79%	4.48%	8.38%	88.75%	
Gross carrying value (Rs 000)	123,874	59,393	14,010	54,182	251,459
Loss allowance (Rs 000)	978	2,663	1,174	48,086	52,901
31 December 2024					
Expected loss rate	0.69%	2.50%	6.62%	89.66%	
Gross carrying value (Rs 000)	108,309	57,544	11,683	42,288	219,824
Loss allowance (Rs 000)	750	1,441	773	37,915	40,879

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**
16 TRADE AND OTHER RECEIVABLES (CONTINUED)

At 31 December 2025, if the expected credit losses had increased/decreased by 1%, pre-tax profit and equity for the year would have been Group: lower/higher by **Rs 2,569,000** in 2025 (2024 – pre-tax profit would have been lower/higher by Rs 2,217,000); Company: lower/higher by **Rs 2,515,000** in 2025 (2024 – pre-tax profit would have been lower/higher by Rs 2,198,000).

The carrying amounts of the Group and Company's trade and other receivables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Mauritian Rupee	426,748	327,599	411,119	347,379
United States Dollar	29,532	29,610	25,280	29,439
Euro	16,439	11,985	16,439	11,985
Great Britain Pound	6	5	6	5
Swiss Franc	3	1	3	1
	-----	-----	-----	-----
	472,728	369,200	452,847	388,809
	=====	=====	=====	=====

Movements on the Group and Company's loss allowance on trade receivables are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
At 01 January	40,879	69,569	40,879	47,365
Receivables written off during the year as uncollectible	(7,482)	(20,400)	(7,482)	(10,831)
Increase in loss allowance recognised in profit of loss during the year	19,504	4,345	19,504	4,345
Assets held for sale	-	(12,635)	-	-
	-----	-----	-----	-----
At 31 December	52,901	40,879	52,901	40,879
	=====	=====	=====	=====

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable. The Group and Company do not hold any collateral as security.

17 CURRENT TAX RECEIVABLES

	THE GROUP & COMPANY	
	2025	2024
	Rs 000	Rs 000
Amount receivable from MRA	80,395	80,395
	=====	=====

Income tax

The Mauritius Revenue Authority (MRA) had raised an assessment on the Company with respect to the income tax rate used for income tax years of assessments 2006/2007 and 2007/2008. The total amount of MUR 80.4 million claimed by the MRA has been paid under protest inclusive of the penalties and interest (Tax assessment of MUR 47.8 million, plus penalties and interest of MUR 32.6 million). The Company disagreed with the MRA regarding whether the concessionary tax rate of 15% continued to apply to the Company for the years 2005 and 2006, instead of the applicable rates of 25% and 22.5%, respectively.

After objecting to the MRA's assessments, the Company then lodged representations before the ARC. In November 2013, the ARC dismissed Emtel's representations. The Company appealed the ARC's decision to the Supreme Court on 24 May 2014. The two cases were then referred for a Judicial Review. The Judicial Review case was heard on 13th March 2018, and judgment is reserved. The two appeal cases are in suspension pending the judgment of the Judicial Review of a connecting case, as outlined below.

In parallel, in 2012, the Company wrote to the MRA to avail itself of the Voluntary Disclosure of Income Arrangement Scheme ("VDIA Scheme"). However, the MRA rejected the Company's request on the grounds that it was not eligible for this scheme. On 27 June 2012, the Company applied for leave to move the Court for a Judicial Review. In an interlocutory judgment dated 24 July 2025, Emtel was precluded from taking new issues in the case. The matter is fixed for Merits on 11 May 2026.

According to the Company's legal advisors appointed to handle this matter, they believe that it is highly probable that the Company will have a positive outcome. Based on significant judgement that has been applied by the Board of directors, following advice from its legal advisor, the payments made to the MRA have been recorded as a current tax receivable as they remain confident in recovering this amount and that the matter will be resolved.

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

18 CASH AND CASH EQUIVALENTS

Cash and cash equivalents and in hand comprise the following statement of financial position amounts:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Cash and cash equivalents	1,236,073	460,633	1,211,291	345,554
Restricted cash	124,195	115,890	124,195	115,890
	1,360,268	576,523	1,335,486	461,444
Attributable to:				
Continuing operations	1,360,268	477,681		
Discontinued operation (Note 30)	-	98,842		
	1,360,268	576,523		

For the purpose of presentation in the statement of cash flows, cash and cash equivalents excluding restricted cash amounts to Group **Rs 1,236 million** (2024 – Rs 461 million) and the Company **Rs 1,211 million** (2024 – Rs 345 million). The restricted cash held at local banks represents the amount which the Company can only use to pay specific suppliers relating to the METISS consortium (Note 24).

The net cash position at the year end are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Cash and cash equivalents	1,236,073	460,633	1,211,291	345,554
Bank overdraft (Note 20)	(22,871)	(5,411)	(6,685)	-
	1,213,202	455,222	1,204,606	345,554

19 STATED CAPITAL

	THE GROUP & COMPANY			
	2025	2024	2025	2024
	Number	Number	Rs 000	Rs 000
Authorised:				
Ordinary shares	600,000,000	600,000,000	200,000	200,000
Issued and fully paid:				
At 01 January and 31 December	455,400,000	455,400,000	151,800	151,800

20 BORROWINGS

	THE GROUP					
	2025			2024		
	Current	Non-Current	Total	Current	Non-Current	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Loan	65,625	2,602,500	2,668,125	149,375	2,415,625	2,565,000
Interest on loan	22,857	-	22,857	20,345	-	20,345
Bank overdraft	22,871	-	22,871	5,411	-	5,411
	111,353	2,602,500	2,713,853	175,131	2,415,625	2,590,756
Bond	500,000	600,000	1,100,000	300,000	1,100,000	1,400,000
Unamortised transaction cost	(529)	(776)	(1,305)	(843)	(1,305)	(2,148)
Interest on bonds	6,614	-	6,614	8,820	-	8,820
	506,085	599,224	1,105,309	307,977	1,098,695	1,406,672
Total borrowings	617,438	3,201,724	3,819,162	483,108	3,514,320	3,997,428

The Group and the Company have assessed their financial covenants in accordance with the terms of their financing arrangements and confirm that both the Group and the Company were in compliance with all covenant requirements during the year. These covenants include, inter alia, net debt to equity, net debt to EBITDA and interest coverage ratios.

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 114

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)

20 BORROWINGS (CONTINUED)

	THE COMPANY					
	2025			2024		
	Current	Non-Current	Total	Current	Non-Current	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Loan	18,750	2,300,000	2,318,750	90,000	2,018,750	2,108,750
Interest on loan	17,942	-	17,942	13,987	-	13,987
Bank Overdraft	6,685	-	6,685	-	-	-
	43,377	2,300,000	2,343,377	103,987	2,018,750	2,122,737
Bond	500,000	600,000	1,100,000	300,000	1,100,000	1,400,000
Unamortised transaction cost	(529)	(776)	(1,305)	(843)	(1,305)	(2,148)
Interest on bonds	6,614	-	6,614	8,820	-	8,820
	506,085	599,224	1,105,309	307,977	1,098,695	1,406,672
Total borrowings	549,462	2,899,224	3,448,686	411,964	3,117,445	3,529,409

The transaction cost incurred on the issue of bonds and the amount recognised under borrowings are as follows:

	THE GROUP		THE COMPANY		
	2025	2024	2025	2024	
	Rs 000	Rs 000	Rs 000	Rs 000	
At 01 January	2,148	3,468	2,148	3,468	
Bond issue transaction costs incurred	623	888	623	888	
Amortisation	(1,466)	(2,208)	(1,466)	(2,208)	
At 31 December	1,305	2,148	1,305	2,148	
	Maturity Date	2025	2024	2025	2024
		Rs 000	Rs 000	Rs 000	Rs 000
Secured bank					
ABSA loan	Jun 2026	18,750	56,250	18,750	56,250
ABSA loan	Sep 2029	40,000	100,000	-	-
ABSA loan	Feb 2032	243,750	281,250	-	-
ABSA loan	Sep 2032	65,625	75,000	-	-
ABSA loan	Aug 2029	500,000	500,000	500,000	500,000
AfrAsia loan	Aug 2025	-	52,500	-	52,500
MCB loan	Jun 2027	500,000	500,000	500,000	500,000
MCB loan	Jun 2030	500,000	500,000	500,000	500,000
MCB loan	Mar 2033	300,000	-	300,000	-
SBM loan	Sep 2032	500,000	500,000	500,000	500,000
Repayable within one year		(65,625)	(149,375)	(18,750)	(90,000)
Repayable by instalments in the second to tenth year		2,602,500	2,415,625	2,300,000	2,018,750

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

20 BORROWINGS (CONTINUED)

The Group's debts and other banking facilities are secured by fixed and floating charges on the Company's total assets and Corporate guarantees given by the parent Company. The Group loans have been contracted on both fixed and variable interest rates. The interest rates for the fixed loan varies between **3.60% - 5.75%** (2024 – 3.60% - 5.75%) while the variable loans varies between **4.00% - 5.80%** (2024 – 4.00% - 4.80%).

The Company's debts and other banking facilities are secured by floating charges on the Company's assets. The interest rate on fixed loans carries interest rate of **3.60%** (2024 – 3.60% - 5.40%) and variable loans varies between **4.00% - 5.80%** (2024 – 4.00% - 4.80%). The rate of interest applicable on bank overdraft varies between **6.25% - 6.70%** (2024 – 6.20% - 6.70%) during the year ended 31 December 2025.

At 31 December 2025, the Mauritius Commercial Bank's Prime Lending rate was **6.65%** (2024 – 6.25%), the ABSA Prime Lending rate was **7.45%** (2024 – 6.95%) and SBM Prime Lending rate was **6.95%** (2024 – 6.55%). The borrowings have been contracted on fixed and variable interest rates.

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant. The fair values are based on cash flows discounted using a rate based on the borrowing rate of **5.47%** (2024 – 4.50%) and are within level 2 of the fair value hierarchy.

	Maturity Date	THE GROUP		THE COMPANY	
		2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
Secured bonds					
MCB 7 years Bond	June 2026	300,000	300,000	300,000	300,000
SBM 7 years Bond	June 2026	200,000	200,000	200,000	200,000
MCB 5 years Bond	April 2025	-	250,000	-	250,000
MCB 8 years Bond	April 2028	300,000	300,000	300,000	300,000
MCB 10 years Bond	April 2030	250,000	250,000	250,000	250,000
ABC 5 years Bond	April 2025	-	50,000	-	50,000
ABC 10 years Bond	April 2030	50,000	50,000	50,000	50,000
		1,100,000	1,400,000	1,100,000	1,400,000

The banks bond facilities are secured by floating charges on the Company's assets and have been contracted at fixed interest rates which range between **3.90%** and **5.15%** (2024 – 3.50% and 5.15%).

The carrying amounts of the Group and Company's borrowings are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
Mauritian Rupee	3,819,162	3,997,428	3,448,686	3,529,409

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 116

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

21 DEFERRED TAX LIABILITIES

The movement in deferred tax is as follows:

	THE GROUP		THE COMPANY	
	2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
At 01 January	392,298	311,529	392,298	275,348
Statement of profit or loss (Note 9(b))	76,878	109,969	100,298	115,832
Charge relating to components of other comprehensive income	1,446	1,118	1,446	1,118
Transfer to assets held for sale (Note 30)	-	(30,318)	-	-
At 31 December	470,622	392,298	494,042	392,298
Represented in financial statements under:				
Deferred tax assets	(23,420)	-	-	-
Deferred tax liabilities	494,042	392,298	494,042	392,298
	470,622	392,298	494,042	392,298
Movement in deferred tax:				
Continued operations	76,878	115,832		
Discontinued operation	-	(5,863)		
	76,878	109,969		

The movement in deferred tax assets and liabilities is as follows:

	THE GROUP				THE COMPANY			
	At 01 January 2025 Rs 000	Credited to profit or loss Rs 000	Credited to Other Comprehensive Income Rs 000	At 31 December 2025 Rs 000	At 01 January 2025 Rs 000	Credited to profit or loss Rs 000	Credited to Other Comprehensive Income Rs 000	At 31 December 2025 Rs 000
<i>Deferred tax assets</i>								
Provision for loss allowance on trade receivables	(7,768)	(3,534)	-	(11,302)	(7,768)	(3,534)	-	(11,302)
Allowance for tax losses	-	(23,065)	-	(23,065)	-	-	-	-
Provision for post-employment benefit obligations	(4,048)	(800)	1,335	(3,513)	(4,048)	(22)	1,335	(2,735)
Provision for vacation leaves	(678)	(1,264)	-	(1,942)	(678)	(1,232)	-	(1,910)
Lease liabilities	(17,846)	824	-	(17,022)	(17,846)	824	-	(17,022)
Transfer to assets held for sale	-	-	-	-	-	-	-	-
	(30,340)	(27,839)	1,335	(56,844)	(30,340)	(3,964)	1,335	(32,969)
<i>Deferred tax liabilities</i>								
Accelerated capital allowances	422,147	104,717	-	526,864	422,147	104,262	-	526,409
Revaluation of property, plant and equipment	491	-	111	602	491	-	111	602
Transfer to assets held for sale	-	-	-	-	-	-	-	-
	422,638	104,717	111	527,466	422,638	104,262	111	527,011
Net deferred tax liabilities	392,298	76,878	1,446	470,622	392,298	100,298	1,446	494,042

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 117

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**21 DEFERRED TAX LIABILITIES (CONTINUED)**

The movement in deferred tax assets and liabilities is as follows:

	THE GROUP				THE COMPANY				
	At 01 January 2024	Credited to profit or loss	Charged to Other Comprehensive Income	Transfer to asset held for sale	At 31 December 2024	At 01 January 2024	Credited to profit or loss	Charged to Other Comprehensive Income	At 31 December 2024
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
<i>Deferred tax assets</i>									
Provision for loss allowance on trade	(11,827)	112	-	3,947	(7,768)	(8,053)	285	-	(7,768)
Allowances for tax losses	(7,706)	159	-	7,547	-	-	-	-	-
Provision for post-employment benefit obligations	(4,514)	(562)	972	56	(4,048)	(4,458)	(562)	972	(4,048)
Provision for vacation leaves	-	(678)	-	-	(678)	-	(678)	-	(678)
Lease liabilities	(14,657)	(3,320)	-	131	(17,846)	(14,545)	(3,301)	-	(17,846)
	(38,704)	(4,289)	972	11,681	(30,340)	(27,056)	(4,256)	972	(30,340)
<i>Deferred tax liabilities</i>									
Accelerated capital allowances	349,924	114,222	-	(41,999)	422,147	302,095	120,052	-	422,147
Revaluation of property, plant and equipment	309	36	146	-	491	309	36	146	491
Transfer to assets held for sale (Note 30)	-	-	-	-	-	-	-	-	-
	350,233	114,258	146	(41,999)	422,638	302,404	120,088	146	422,638
Net deferred tax liabilities	311,529	109,969	1,118	(30,318)	392,298	275,348	115,832	1,118	392,298

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 118

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**22 POST-EMPLOYMENT BENEFIT OBLIGATIONS**

The table below outlines where the Group and Company's post-employment amounts and activity are included in the financial statements.

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Statement of financial position				
Post-employment benefits obligation	18,481	22,365	14,388	21,302
	-----	-----	-----	-----
Profit or loss charge included in operating				
Defined pension and gratuity benefit (Note 7)	10,917	13,710	7,843	8,986
	-----	-----	-----	-----
Re-measurements for:				
Defined pension and gratuity benefit	(7,027)	(2,468)	(7,028)	(5,117)
	-----	-----	-----	-----

The Company operates defined benefit pension plans. All of the plans are final salary pension plans, which provide benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
The amounts recognised in the statement of financial position are determined as follows:				
Present value of funded obligations	113,855	112,535	109,689	111,400
Fair value of plan assets	(95,374)	(90,170)	(95,301)	(90,098)
	-----	-----	-----	-----
Deficit of funded plans	18,481	22,365	14,388	21,302
	-----	-----	-----	-----
Net liability in the statement of financial position	18,481	22,365	14,388	21,302
	=====	=====	=====	=====

The defined benefit obligations and plan assets are composed as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Present value of obligations	113,855	112,535	109,689	111,400
Fair value of plan assets	(95,374)	(90,170)	(95,301)	(90,098)
	-----	-----	-----	-----
Total	18,481	22,365	14,388	21,302
	=====	=====	=====	=====

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

22 POST-EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

The movement in the net defined benefit obligation over the year is as follows:

	THE GROUP			THE COMPANY		
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 01 January 2025	112,535	(90,170)	22,365	111,400	(90,098)	21,302
Current service cost	8,050	-	8,050	7,454	-	7,454
Interest expense/(income)	5,906	(4,815)	1,091	5,725	(4,811)	914
Past service cost and gains and losses on settlement	1,776	-	1,776	(525)	-	(525)
	15,732	(4,815)	10,917	12,654	(4,811)	7,843
Remeasurements						
- Return on plan asset, excluding amount included in interest income	-	(868)	(868)	-	(872)	(872)
- Gain from change in financial assumptions	(8,595)	-	(8,595)	(8,467)	-	(8,467)
- Experience loss	2,436	-	2,436	2,311	-	2,311
	(6,159)	(868)	(7,027)	(6,156)	(872)	(7,028)
Exchange differences						
Contributions:						
- Employer	-	(7,774)	(7,774)	-	(7,729)	(7,729)
Payment from plans:						
- Benefit payments	(7,235)	7,235	-	(7,191)	7,191	-
Transfer in	(1,018)	1,018	-	(1,018)	1,018	-
	(8,253)	479	(7,774)	(8,209)	480	(7,729)
At 31 December 2025	113,855	(95,374)	18,481	109,689	(95,301)	14,388
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 01 January 2024	164,940	(136,307)	28,633	102,589	(76,367)	26,222
Current service cost	12,521	-	12,521	7,768	-	7,768
Interest expense/(income)	8,726	(7,537)	1,189	5,452	(4,248)	1,204
Past service cost and gains and losses on settlement	-	-	-	14	-	14
	21,247	(7,537)	13,710	13,234	(4,248)	8,986
Remeasurements						
- Return on plan asset, excluding amount included in interest income	-	(13,783)	(13,783)	-	(7,753)	(7,753)
- Gain from change in financial assumptions	(2,248)	-	(2,248)	(1,727)	-	(1,727)
- Experience loss	13,563	-	13,563	4,363	-	4,363
	11,315	(13,783)	(2,468)	2,636	(7,753)	(5,117)
Exchange differences						
Contributions:						
- Employer	-	(14,208)	(14,208)	-	(8,789)	(8,789)
Payment from plans:						
- Benefit payments	(11,896)	11,896	-	(6,745)	6,745	-
Transfer in	(865)	865	-	(314)	314	-
	(12,761)	(1,447)	(14,208)	(7,059)	(1,730)	(8,789)
Asset held for sale	(72,206)	68,904	(3,302)	-	-	-
At 31 December 2024	112,535	(90,170)	22,365	111,400	(90,098)	21,302

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**22 POST-EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)**

The Group and Company contribute to a defined benefit pension plan which is administered by Island Life Assurance Co Ltd. As at 31 December 2025, the Group has recognised a net asset of **Rs 1,777,000** (2024 – net liability of Rs 6,662,000) and the Company also recognised a net asset of **Rs 1,777,000** (2024: net liability of Rs 6,662,000) for the plan.

In addition, the Group has recognised in its statement of financial position as at 31 December 2025 a net defined benefit liability of **Rs 20,258,000** (2024 – Rs 15,703,000) and the Company **Rs 16,165,000** (2024 – Rs 14,640,000) in respect of any additional retirement gratuities that are expected to be paid out of the Company's cash flow to its employees under the WRA 2019.

The Company also participates in a defined contribution (DC) pension plan. Its contributions for DC employees are expensed to profit or loss and amounted to **Rs 24,795,000** for the year ended 31 December 2025 (2024 – Rs 28,551,000).

Risk exposure

The Group and Company operates a final salary defined benefit pension plan for some of its employees. The plan exposes the Company to normal risks associated with defined benefit pension plans, such as investment, interest, longevity and salary risks.

Investment risk: The plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by an increase in the return on the plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

Longevity risk: The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas a decrease below the assumed rate will decrease the liability.

The Company had a residual obligation imposed by WRA 2019 on top of its DC plan. It is also particularly exposed to investment under-performance of the DC plan. There has been no plan amendment, curtailment or settlement during the year, except for past service costs due to employee transfers to and from related entities within Currimiee Group.

The significant actuarial assumptions for the Group and the Company were as follows:

	2025	2024
Discount rate	6.0%	5.3%
Inflation rate	3.2%	2.7%
Salary growth rate	3.5%	3.0%
Average retirement age (ARA)	65/63*	65/63*

*ARA 63 for scheme members and 65 for non-scheme members

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in each territory. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 63.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)

22 POST-EMPLOYMENT BENEFITS OBLIGATION (CONTINUED)

	THE GROUP & COMPANY	
	2025	2024
Assumed Island Life Assurance annuity rates:		
- Male at Average Retirement Age	10.2	10.8
- Female at Average Retirement Age	11.6	12.4

The sensitivity of the defined obligation benefit obligation to changes in the weighted principal assumption is:

	Change in Assumption	Impact of defined benefit obligation			
		THE GROUP		THE COMPANY	
		2025	2024	2025	2024
	%	Rs 000	Rs 000	Rs 000	Rs 000
Increase in liability due to decrease in discount rate by	1	24,565	29,225	23,742	28,683
Decrease in liability due to increase in discount rate by	1	18,288	20,002	17,671	19,750

Future cash flows:

The funding policy is to pay contributions to an external legal entity at the rate recommended by the entity's actuaries and pay benefits out of the Company's cash flow as and when it is due.

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
Expected employer contribution for next year	6,217	8,503	6,125	8,418
Weighted average duration of the defined benefit obligation:				
- Pension scheme	14	15	14	15
- Retirement gratuities / Residual retirement gratuities	18	19	18	19

The above sensitivity analysis has been carried out by recalculating the present value of obligation at the end of the reporting period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. Any similar variation in the other assumption would have shown smaller variations in the benefit obligation.

Plan assets are comprised as follows:

THE GROUP

	2025			2024		
	Quoted Rs 000	Unquoted Rs 000	Total Rs 000	Quoted Rs 000	Unquoted Rs 000	Total Rs 000
Local equities	26,650	3,807	30,457	26,910	897	27,807
Loan	6,663	20,940	27,603	12,558	12,558	25,116
Overseas bonds and equities	9,518	23,795	33,313	30,498	-	30,498
Others	3,807	-	3,807	6,279	-	6,279
	46,638	48,542	95,180	76,245	13,455	89,700

THE COMPANY

	2025			2024		
	Quoted Rs 000	Unquoted Rs 000	Total Rs 000	Quoted Rs 000	Unquoted Rs 000	Total Rs 000
Local equities	26,650	3,807	30,457	26,910	897	27,807
Loan	6,663	20,940	27,603	12,558	12,558	25,116
Overseas bonds and equities	9,518	23,795	33,313	30,498	-	30,498
Others	3,807	-	3,807	6,279	-	6,279
	46,638	48,542	95,180	76,245	13,455	89,700

The above fair value of plan assets for both Group and Company includes only for the defined benefit plan and exclude fair value of plan assets for retirement and residual gratuities, amounting to **Rs 194,000** for Group (2024 – Rs 470,000) and **Rs 121,000** for Company (2024 – Rs 398,000).

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

23 ASSET RETIREMENT OBLIGATIONS

The provision is in respect of the dismantling and removal of equipment from leased cell sites at the end of lease periods agreed.

	THE GROUP & COMPANY	
	2025	2024
	Rs 000	Rs 000
At 01 January	66,562	74,397
Additional provision during the year	2,441	721
Unwinding of asset retirement obligation (Note 8)	3,920	3,181
Change in assumptions credited to other gains (Note 5)	(952)	(5,388)
Change in assumptions (Note 10)	(1,134)	(6,233)
Disposal adjustments	(765)	(116)
	-----	-----
At 31 December	70,072	66,562
	=====	=====

The significant assumption used were as follows:

	2025	2024
Inflation rate	3.52%	3.52%
<i>Bond Rate:</i>		
5 years	5.38%	4.76%
10 years	5.68%	5.08%
15 years	5.87%	5.27%
20 years	5.95%	5.10%

Based on the simulations conducted as of 31 December, adjusting the assumptions applied in the computation of asset retirement obligation by 1% is not anticipated to result in any significant impact.

24 TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Trade payables	103,658	411,277	101,716	408,745
Accruals (Note 24 (a))	426,651	386,075	417,319	372,289
VAT payables	33,577	508	33,243	-
Payables to related parties (Note 28 (viii))	29,947	2,998	57,253	12,986
Payable to Parent (Note 28 (viii) & (ix))	1,394	660,306	1,394	660,582
Amount due to Metiss Consortium (Note 18)	124,195	115,890	124,195	115,890
Other payables	57,328	33,912	50,148	31,612
Provision for vacation leaves (Note 24 (b))	3,769	3,686	3,603	3,568
Other payroll provisions	6,449	-	6,449	-
Deposit roaming and others	42,790	41,668	42,790	41,668
	-----	-----	-----	-----
	829,758	1,656,320	838,110	1,647,340
	=====	=====	=====	=====

Note 24(a) - Accruals

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Accrual for Operating expenses	234,415	196,303	226,974	184,968
Accrual for Capex & inventory	114,345	137,495	113,488	135,973
Accrual for roaming discounts	41,887	14,223	41,887	14,223
Accrual for Legal & professional	15,130	16,364	14,096	15,435
Other accruals	20,874	21,690	20,874	21,690
	-----	-----	-----	-----
	426,651	386,075	417,319	372,289
	=====	=====	=====	=====

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

Note 24(b) - Provision for vacation leaves

	THE GROUP		THE COMPANY	
	2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
	Present value of obligation		Present value of obligation	
At 01 January	3,686	-	3,568	-
Current service cost	1,183	1,488	1,109	1,418
Interest expense	137	185	132	183
Past service cost and gains and losses on settlement	-	5,122	-	5,076
Return on plan asset, excluding amount included in interest income	1,320	6,795	1,241	6,677
Remeasurements				
- Loss from change in financial assumptions	(1)	-	(2)	-
- Experience loss	(1,034)	-	(1,002)	-
	(1,035)	-	(1,004)	-
Payment from plans:				
- Benefit payments	(202)	(3,109)	(202)	(3,109)
	(202)	(3,109)	(202)	(3,109)
At 31 December	3,769	3,686	3,603	3,568
Total expenses recognised in profit or loss (Note 7)	285	1,673	237	1,601

The principal actuarial assumptions for the Group and the Company were as

	%	%	%	%
Discount rate - Pre-retirement	4.80	4.10	4.40	3.80
Rate of salary increase	3.50	3.00	3.50	3.00

Sensitivity analysis

	Rs 000	Rs 000	Rs 000	Rs 000
Increase due to 1% decrease in discount rate	52	31	48	28
Decrease due to 1% increase in discount rate	51	30	47	27
Increase due to 1% increase in salary increase rate	48	29	44	26
Decrease due to 1% decrease in salary increase rate	30	30	26	27

The above sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged.

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 124

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**25 CONTRACT LIABILITIES**

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
At 01 January	143,052	201,141	143,052	121,665
Additions	3,549,253	4,488,832	3,549,253	3,413,439
Released	(3,542,843)	(4,466,508)	(3,542,843)	(3,392,052)
Assets held for sale	-	(80,413)	-	-
	-----	-----	-----	-----
At 31 December	149,462	143,052	149,462	143,052
	=====	=====	=====	=====

The Group and Company have contract liabilities relating mainly to airtime sold to distributors for which revenue will be recognised once it is utilised by the subscribers for a period ranging from 1 to a maximum of 3 months. In the prior year there were subscription fees received in advance from media customers and this operation has now been disposed of.

26 DIVIDENDS

During the year 2025, the Company declared total dividends of **Rs 1,102 million**, representing a dividend of **Rs 2.42** per ordinary share. Of this amount, **Rs 701 million** was paid during the year ended 31 December 2025, while the remaining **Rs 401 million** is payable on 27 January 2026. The movement in dividends is detailed below:

	THE GROUP & COMPANY	
	2025	2024
	Rs 000	Rs 000
At 01 January	-	-
Dividend proposed	1,102,068	699,250
Dividend paid	(701,316)	(699,250)
	-----	-----
At 31 December - payable	400,752	-
	=====	=====

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)

27 NET DEBT RECONCILIATION

This section sets out an analysis of the net debt and the movements in net debt for each of the periods presented to align the financial covenants.

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Cash and cash equivalents (excluding restricted cash)	1,236,073	361,791	1,211,291	345,554
Interest on bonds - repayable within one year	(6,614)	(8,820)	(6,614)	(8,820)
Bonds - repayable within one year	(500,000)	(300,000)	(500,000)	(300,000)
Bonds - repayable after more than one year	(600,000)	(1,100,000)	(600,000)	(1,100,000)
Interest on borrowings - repayable	(22,857)	(20,345)	(17,942)	(13,987)
Borrowings - repayable within one year (including overdraft)	(88,496)	(154,786)	(25,435)	(90,000)
Borrowings - repayable after one year	(2,602,500)	(2,415,625)	(2,300,000)	(2,018,750)
Net debt (Note 2(d))	(2,584,394)	(3,637,785)	(2,238,700)	(3,186,003)
	=====	=====	=====	=====
Cash and cash equivalents (excluding restricted cash)	1,236,073	361,791	1,211,291	345,554
Gross debt - fixed interest rates (Note 2 (a)(iii))	(1,479,658)	(1,980,805)	(1,125,368)	(1,518,197)
Gross debt - variable interest rates (Note 2 (a)(iii))	(2,340,809)	(2,018,771)	(2,324,623)	(2,013,360)
Net debt	(2,584,394)	(3,637,785)	(2,238,700)	(3,186,003)
	=====	=====	=====	=====

	THE GROUP				THE COMPANY			
	Borrowings	Overdraft	Cash and equivalents	Total	Borrowings	Overdraft	Cash and equivalents	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 1 January 2024	(3,838,452)	(5,213)	281,202	(3,562,463)	(3,221,874)	-	170,433	(3,051,441)
Financing cash flows								
New borrowings	(4,939,009)	(5,411)	-	(4,944,420)	(4,939,009)	-	-	(4,939,009)
Forex	-	-	(6,586)	(6,586)	-	-	(5,324)	(5,324)
Cash flows	4,715,259	5,213	186,017	4,906,489	4,629,009	-	180,445	4,809,454
Interest expense (Note 8)	(189,673)	(708)	-	(190,381)	(160,556)	(113)	-	(160,669)
Interest paid	190,210	708	-	190,918	160,873	113	-	160,986
Liabilities held for sale	67,500	-	(98,842)	(31,342)	-	-	-	-
At 31 December 2024	(3,994,165)	(5,411)	361,791	(3,637,785)	(3,531,557)	-	345,554	(3,186,003)
Financing cash flows								
New borrowings	(1,840,800)	(22,871)	22,871	(1,840,800)	(1,840,800)	(6,685)	6,685	(1,840,800)
Forex	-	-	3,652	3,652	-	-	1,252	1,252
Cash flows	2,039,339	5,411	847,759	2,892,509	1,930,800	-	857,800	2,788,600
Interest expense (Note 8)	(197,763)	(1,312)	-	(199,075)	(177,410)	(289)	-	(177,699)
Interest paid	195,793	1,312	-	197,105	175,661	289	-	175,950
At 31 December 2025	(3,797,596)	(22,871)	1,236,073	(2,584,394)	(3,443,306)	(6,685)	1,211,291	(2,238,700)
	=====	=====	=====	=====	=====	=====	=====	=====
			2025	2024				
			Rs 000	Rs 000				
Net debt as per above			(2,584,394)	(3,637,785)				
Cash and cash equivalent - for discontinued operation (Note 18)			-	(98,842)				
Adjusted net debt			(2,584,394)	(3,736,627)				
			=====	=====				

Borrowings excludes unamortised transaction costs.

Lease liabilities are not included in the net debt reconciliation above. For details on lease liabilities, refer to Note 11 of the financial statements. Interest paid on lease liabilities for the Group is **Rs 55.7 million** (2024 – Rs 56.4 million) and the Company is **Rs 57.0 million** (2024 – Rs 55.8 million)

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

28 RELATED PARTY TRANSACTIONS

As at 31 December 2025, the Company's issued share capital is owned by Currimjee Jeewanjee and Company Limited ("Currimjee Group") at 60%, public shareholders at 25% and Indian Continent Investment Ltd at 15%.

The following transactions were carried out with related parties:-

	THE GROUP		THE COMPANY	
	2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
(i) Sales of services				
Immediate parent	7,187	5,149	7,187	5,149
Fellow subsidiaries	15,388	32,858	15,388	32,858
Other related parties	29,536	11,112	29,536	11,112
	-----	-----	-----	-----
	52,111	49,119	52,111	49,119
	=====	=====	=====	=====
(ii) Income from Management fee				
Subsidiaries (Note 4)	-	-	3,333	10,000
	=====	=====	=====	=====
(iii) Income from sublease				
Subsidiary	767	-	767	1,984
	=====	=====	=====	=====
The Company subleases part of its office space in certain showroom to its subsidiary and the income derived is reported under income from sublease.				
(iv) Interest income				
Fellow subsidiaries	-	-	6,006	4,385
	=====	=====	=====	=====
(v) Income from shared services				
Immediate parent	1,294	5,031	1,294	5,031
Fellow subsidiaries	25,855	-	29,373	66,171
Associate companies	25,486	-	25,486	-
	-----	-----	-----	-----
	52,635	5,031	56,153	71,202
	=====	=====	=====	=====
(vi) Purchases of goods and services				
<i>Purchases of goods included in cost of operations and administrative expenses:</i>				
Other related parties	11,497	14,185	11,497	14,185
	=====	=====	=====	=====
<i>Purchases of services included in cost of operations and administrative expenses:</i>				
Immediate parent	15,552	11,094	1,359	-
Fellow subsidiaries	23,898	43,926	23,471	43,697
Other related parties	56,270	28,294	55,638	27,166
	-----	-----	-----	-----
	95,720	83,314	80,468	70,863
	=====	=====	=====	=====
Shareholders (Note 6)	10,000	10,000	10,000	10,000
	=====	=====	=====	=====
<i>Payment for rentals:</i>				
Parent	-	752	-	752
Fellow subsidiaries	42,993	41,105	42,993	41,105
Other related parties	2,601	2,686	2,601	2,686
	-----	-----	-----	-----
	45,594	44,543	45,594	44,543
	=====	=====	=====	=====

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 127

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**28 RELATED PARTY TRANSACTIONS (CONTINUED)****(vii) Key management compensation**

Key management includes directors and the leadership team. The compensation paid to key management for employee services is shown below:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
Salaries and other short term benefits	120,931	128,676	107,674	115,740
Post-employment benefits	5,540	5,561	5,540	5,561
	-----	-----	-----	-----
	126,471	134,237	113,214	121,301
	=====	=====	=====	=====

(viii) Year-end balances arising from sales / purchases of goods and services*Receivables from related parties:*

Immediate parent	306	557	306	353
Fellow subsidiaries	30,836	527	31,460	30,355
Other related parties	1,530	1,741	1,530	1,741
	-----	-----	-----	-----
Total (Note 16)	32,672	2,825	33,296	32,449
	=====	=====	=====	=====

Payables to related parties:

Immediate parent	1,394	306	1,394	582
Fellow subsidiaries	23,485	289	50,791	10,277
Other related parties	6,462	2,709	6,462	2,709
	-----	-----	-----	-----
Total (Note 24)	31,341	3,304	58,647	13,568
	=====	=====	=====	=====

The amounts due to / from related parties are unsecured, interest free and repayable on demand. These amounts are not subject to any guarantee.

(ix) Year-end balances for advances*Advances payable to related parties:*

Parent (Note 24)	-	660,000	-	660,000
	-----	-----	-----	-----

(x) Shareholders Loan to subsidiary*Receivables from subsidiaries:*

Subsidiaries (Note 14(b))	-	-	22,000	-
	-----	-----	-----	-----

(x) Dividend Payable

Immediate parent	240,451	-	240,451	-
Fellow subsidiaries	33,622	-	33,622	-
	-----	-----	-----	-----
	274,073	-	274,073	-
	=====	=====	=====	=====

EMTEL LIMITED AND ITS SUBSIDIARIES

Page 128

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)

	THE GROUP		THE COMPANY	
	2025 Rs 000	2024 Rs 000	2025 Rs 000	2024 Rs 000
29 CASH GENERATED FROM OPERATIONS				
Profit/(loss) before income tax:				
Continuing operations	1,440,298	622,443	1,451,925	605,950
Discontinued operation (Note 30)	3,752	(138,478)	-	-
Profit before income tax including discontinued operation	1,444,050	483,965	1,451,925	605,950
Adjustments for:				
Depreciation (Note 6)	809,630	822,235	763,870	664,020
Depreciation of Right-of-use assets (Note 6)	174,881	179,016	172,157	170,509
Impairment loss on subsidiary (Note 13)	-	-	164,000	-
(Impairment loss) / reversal of loss on financial assets (Note 14)	-	-	(105,000)	105,000
Amortisation (Note 6)	45,296	45,781	40,372	40,885
Loss / (profit) on disposal of property, plant and equipment (Note 5)	563	(212,953)	610	(206,902)
Loss on disposal and written off of property, plant and equipment and intangible assets (Note 5)	3,997	1,662	4,032	978
Property, plant and equipment write back (Note 5)	-	(73)	-	-
Write back of payable balance	(490)	-	-	-
Inventory write back	-	1,908	-	-
Derecognition of lease liabilities (Note 5)	5,723	(4,927)	5,723	(4,692)
Gain on reassessment in asset retirement obligation (Note 5)	(952)	(5,388)	(952)	(5,388)
Increase in provision for loss allowance on trade receivables	19,504	7,073	19,504	4,345
Unwinding of asset retirement obligation (Note 23)	3,920	3,181	3,920	3,181
Interest income (Note 8)	(12,433)	(2,183)	(18,057)	(6,129)
Interest expense (Note 8)	199,075	190,381	177,699	160,669
Interest on lease liabilities (Note 8)	55,671	57,007	55,278	55,774
Amortisation of bond issue transaction costs (Note 8)	2,961	3,588	2,961	3,588
Foreign exchange losses	(8,051)	30,551	(17,457)	30,726
Increase in provision for post-employment benefit expense (Note 22)	10,917	13,710	7,843	8,986
Increase in provision for post-employment benefit expense-Vacation leave (Note 24(b))	285	-	237	-
	2,754,547	1,614,534	2,728,665	1,631,500
Decrease / (increase) in inventories	21,085	(27,360)	15,071	(34,524)
Increase in trade and other receivables	(134,834)	(11,202)	(77,003)	(3,387)
(Decrease) / increase in trade and other payables	(545,010)	622,373	(647,248)	460,107
(Decrease) / increase in contract liabilities	(61)	22,325	6,409	21,387
Increase / (decrease) in provisions for solidarity levy	10,392	(13,256)	10,393	(13,256)
Cash generated from operations	2,106,119	2,207,414	2,036,287	2,061,827

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

30 ASSET HELD FOR SALE AND DISCONTINUED OPERATIONS

In April 2024, EMVision Ltd signed a share purchase agreement ("SPA") for the sale of 27.94% shareholding in MC Vision Ltd ("subsidiary"), which would reduce its shareholding in its subsidiary from 52.94% to 25% and Emtel Limited signed a SPA with Currimjee Group for the sale of its 90% stake in EMVision Ltd. At the date of the signed SPA, the Company has classified its investment in EMVision Ltd as held for sale in line with IFRS 5.

The sale of 27.94% of MC Vision Ltd was finalised on 30 April 2025. The financial performance of the subsidiary for the period ended 30 April 2025 and for the year ended 31 December 2024 were as follows:

	Period ended 30 April 2025	Year ended 2024
	Rs 000	Rs 000
Revenue from contracts with customers (Note 3)	361,495	1,101,166
Cost of operations	(275,494)	(1,019,981)
	-----	-----
Gross profit	86,001	81,185
Other expenses	(88,208)	(219,194)
	-----	-----
Loss before tax	(2,207)	(138,009)
Income tax credit	760	27,336
	-----	-----
Loss from discontinued operation, net of tax	(1,447)	(110,673)
	=====	=====

The derecognition of EMVision Ltd was concluded on 12 December 2025. The financial performance of EMVision Ltd for the period ended 12 December 2025 and for the year ended 31 December 2024 were as follows:

	2025	2024
	Rs 000	Rs 000
Other income / (expenses)	5,959	(469)
	-----	-----
Profit before tax	5,959	(469)
Income tax expense	-	-
	-----	-----
Profit from discontinued operation, net of tax	5,959	(469)
	=====	=====

	Period ended 30 April 2025	Year ended 2024
	Rs 000	Rs 000
Statement of Cash flow from discontinued operation - MC Vision Ltd		
Net cash inflow from operating activities	94,627	150,584
Net cash outflow from investing activities	(561)	(73,722)
Net cash outflow from financing activities	(3,181)	(77,561)
	-----	-----
Net decrease in cash generated by the discontinued operations	90,885	(699)
Effects of Exchange rate changes	(1,602)	(2,929)
Cash and Cash equivalent at the beginning of the year	98,842	102,470
	-----	-----
Cash and Cash equivalent at end of year (Note 31(a)(i))	188,125	98,842
	=====	=====

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

30 ASSET HELD FOR SALE AND DISCONTINUED OPERATIONS (CONTINUED)

The carrying amount of assets and liabilities of EMVision Ltd and its subsidiary was classified as held for sale following the share purchase agreement in April 2024:

Extract of the statement of financial position of EMVision Ltd and its subsidiary at 31 December 2024

	2024
	Rs 000
Non-current assets	
Property, plant and equipment	239,928
Right-of-use assets	17,316
Intangible assets	812

	258,056
	=====
Current assets	
Cash and cash equivalents	98,842
Trade and other receivables	31,983
Inventories	13,247

	144,072
	=====
Total assets	402,128
	=====
LIABILITIES	
Non-current liabilities	
Lease liabilities	9,586
Deferred tax liabilities	8,032
Post-employment benefit obligations	3,302

	20,920
	=====
Current liabilities	
Borrowings	67,500
Lease liabilities	8,157
Trade and other payables	352,289
Contract liabilities	80,414

	508,360
	=====
Total liabilities	529,280
	=====

The Company - The carrying amount of the investment in subsidiary classified as held for sale amounted to Rs 1,067,875,000.

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

31 DISPOSAL OF SUBSIDIARIES

(a) Sale of stake in MC Vision Ltd

During the year, the Group disposed of its **27.94%** equity interest in MC Vision Ltd, resulting in loss of control with effect from 30 April 2025.

The Group accounted for the first leg of the disposal as a loss of control of the media business on 30 April 2025 as prescribed under IFRS 10 'Consolidated Financial Statements' and has derecognised the assets and liabilities of the media business, thereby realising a gain of Rs 1,581 million made up of a profit on disposal of Rs 854 million and a fair value gain on the remaining stake of 25% of Rs 727 million as MCVision Ltd is now recognised as an associate.

The Group accounted for the second leg of disposal of EMVision Ltd on 12 December 2025. The Group signed an amendment to the SPA for the sale of EMVision Ltd to Currimjee Group ("buyer") for a consideration of Rs 674 million and an irrevocable power of attorney dated 12 December 2025, transferring control of EMVision Ltd to the buyer. Consequently, based on this disposal of its 90% equity stake in EMVision Ltd, the Group has derecognised its assets and liabilities.

	THE GROUP
	Rs 000
Gross consideration	839,363
Less Incidental cost of disposal	(17,545)

Net consideration	821,818
Less Net assets at date of disposal (Note (a)(i))	154,467
Less Non-controlling interest	(80,818)

Profit on disposal of subsidiary	895,467

Consideration received- Second Leg Transaction	Rs 000
Gross consideration	674,179
Less Incidental cost of disposal	(9,956)

Net consideration	664,223
Less: Exchange difference	(4,089)

Total net consideration	660,134
Less Net assets at date of disposal (Note (b)(i))	(703,161)
Less Non controlling interest	1,853

Loss on disposal of subsidiary	(41,174)

Total Group profit on disposal of subsidiaries	854,293
	=====
Impact on cash flows	Rs 000
Net cash consideration received	821,818
Less: Cash and cash equivalents of MC Vision Ltd	(188,125)

Net cash inflow on disposal	633,693

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

31 DISPOSAL OF SUBSIDIARIES (CONTINUED)

(a) Sale of stake in MC Vision Ltd (continued)

Note (i) - The following assets and liabilities were disposed as at 30 April 2025:

ASSETS	Rs 000
Non-current assets	
Property, plant and equipment	207,149
Right-of-use assets	17,210
Intangible assets	588

	224,947

Current assets	
Inventories	10,380
Trade and other receivables	38,511
Cash and cash equivalents	188,125

	237,016

Total assets	461,963

LIABILITIES	
Non-current liabilities	
Lease liabilities	8,089
Deferred tax liabilities	7,272
Post-employment benefits obligations	3,302

	18,663

Current liabilities	
Borrowings	67,500
Lease liabilities	9,154
Trade and other payables	447,169
Contract liabilities	73,944

Total Liabilities	597,767

Net Assets	154,467
	=====

(b) Sale of EM Vision Ltd

Profit on Disposal of subsidiary	THE COMPANY
	Rs 000
Consideration received	674,179
Gross consideration	(9,956)
Less Incidental cost of disposal	-----
Net consideration	664,223
Less: Investment at cost	(504,286)

Profit on disposal of subsidiary	159,937

The profit on disposal has been recognised in the statement of profit and loss for the period ended 31 December 2025

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

31 DISPOSAL OF SUBSIDIARIES (CONTINUED)

(b) Sale of EM Vision Ltd (continued)

On 12 December 2025, the Group signed an amendment to the SPA for the sale of EMVision Ltd to Currimjee Jeewanjee Co Ltd ("buyer") for a consideration of Rs 674,179,054 and an irrevocable power of attorney dated 12 December 2025, transferring control of EMVision Ltd to the buyer. Consequently, the Group has lost control on its 90% equity stake in EMVision Ltd and has derecognised its assets and liabilities.

The profit on disposal has been recognised in the statement of profit and loss for the period ended 31 December

	Rs 000
Impact on Cash Flows	
Cash consideration received	660,052
Less: Cash and cash equivalents disposed	(2,011)

Net cash inflow from disposal	658,041

Note (i) - The following assets and liabilities were disposed as at 12 December 2025:

	Rs 000
Current assets	
Investment in associates (Note c)	701,492
Trade and other receivables	9,920
Cash and cash equivalents	2,011

Total assets	713,423

LIABILITIES	
Current liabilities	-----
Trade and other payables	10,262

Net Assets	703,161

(c) Investment in associate

Following the loss of control, EM Vision Ltd retained a 25% equity interest in MC Vision Ltd, the remaining stake has been recognised as an investment in associate and accounted for using the equity method in accordance with IAS 28 with effect from 30 April 2025. The fair value of the retained 25% interest at the date of transition to equity accounting amounted to Rs 751 million.

	THE GROUP
	Rs 000
At 01 January 2025	-
Fair Value of the remaining stake	751,041
Transfer of costs from subsidiary	(23,750)

Fair value of associate	727,291
Share of loss from associate	(25,798)

Investment in associate disposed at 12 December 2025	701,493

(d) Dividend income

During the year, the proceeds arising from the partial disposal of 27.94% of the indirect investment held in MC Vision Ltd were distributed to Emtel Limited as a dividend in nature. The distribution represents both a return on capital and a distribution of dividend.

	THE COMPANY
	Rs 000
The distribution has been accounted for as follows:	
Proceeds distributed as dividend in nature from EMVision Ltd	739,052
Less: Return of capital	(563,589)

Dividend income recognised in profit or loss	175,463

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**
32 SEGMENT ANALYSIS

The Group operating segments are identified based on the internal management structure in which financial performance and resource allocation decisions are made. The operating segments have been defined as (i) Telecommunication business comprising of service revenue and non-service revenue, (ii) Fintech digital solution, (iii) Space economy business and (iv) Media business. The service revenue and non-service revenue for the telecommunication business have been aggregated due to its nature and dependency to operate.

The Group's four reportable segments have been identified by the Chief Operating Decision Maker ("CODM") who uses these segments to make key operating decisions, allocate resources, and assess performance. The Group has designated the Emtel Corporate Council ("ECC Board") as the CODM consisting of the Executive Directors (Chief Executive Officer and the Chief Financial Officer) and the two Non-Executive Directors, who examine the Group's performance and regularly reviews the financial position of the Group's distinct business units.

The CODM evaluates the performance of each operating segment based on its contribution to the overall revenue, operating profit, profit before tax and profit after tax. The CODM uses a measure of profit or loss that is derived from segment-specific revenues and expenses, statement of financial position for segment assets and liabilities, which are directly attributable to the segment's operations.

Information regarding Emtel Group's operating segments is set out below in accordance with IFRS 8 Operating Segments:

THE GROUP - 2025

	IFRS 8-Segmental Reporting					Total
	Tele- communication business	Fintech digital solution	Space economy business	Media business	Consolidation adjustments	
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Segment revenues and results						
Revenue - (i)	4,008,429	39,624	45,141	-	(862)	4,092,332
Operating profit	1,114,433	(60,710)	22,606	-	52,149	1,128,478
Finance income	1,252	-	-	-	-	1,252
Interest income	576,098	278	-	-	(6,006)	570,370
Finance costs	(6,881)	(129)	(104)	-	-	(7,114)
Interest expense	(232,977)	(9,508)	(16,209)	-	6,006	(252,688)
Profit before tax	1,451,925	(70,069)	6,293	-	52,149	1,440,298
Income tax expense	(325,336)	23,420	-	-	-	(301,916)
Profit after tax from continuing operations	1,126,589	(46,649)	6,293	-	52,149	1,138,382
Profit from discontinued operation	-	-	-	4,512	-	4,512
Profit after tax	1,126,589	(46,649)	6,293	4,512	52,149	1,142,894

THE GROUP - 2024

	IFRS 8-Segmental Reporting					Total
	Tele- communication business	Fintech digital solution	Space economy business	Media business	Consolidation adjustments	
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Segment revenues and results						
Revenue - (i)	3,687,669	22,933	53,004	-	(496)	3,763,110
Operating profit	828,357	(59,459)	27,036	-	75,137	871,071
Finance income	-	39	289	-	-	328
Interest income	6,129	-	-	-	(4,385)	1,744
Finance costs	(12,093)	-	-	-	-	(12,093)
Interest expense	(216,443)	(9,854)	(16,695)	-	4,385	(238,607)
Profit before tax	605,950	(69,274)	10,630	-	75,137	622,443
Income tax expense	(235,183)	-	-	-	-	(235,183)
Profit after tax from continuing operations	370,767	(69,274)	10,630	-	75,137	387,260
Loss from discontinued operation	-	-	-	(111,142)	-	(111,142)
Profit after tax	370,767	(69,274)	10,630	(111,142)	75,137	276,118

(i) The revenues comprise of both revenues from external customers and intra group transactions which are eliminated as consolidation adjustments. The intra group transactions are not significant to be disclosed separately. All revenues are generated locally in Mauritius except revenue generated from roaming revenues derived from tourist arrivals.

EMTEL LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)

32 SEGMENT ANALYSIS (CONTINUED)

THE GROUP - 2025

	Tele- communication business Rs 000	Fintech digital solution Rs 000	Space economy business Rs 000	Media business Rs 000	Consolidation adjustments Rs 000	Discontinued operation Rs 000	Total Continuing operations Rs 000
Material non cash items:							
Depreciation on property, plant and equipment (Note 6)	763,871	97	12,328	33,334	-	(33,334)	776,296
Amortisation on intangible assets (Note 6)	40,372	4,701	-	223	-	(223)	45,073
Depreciation on rights-of-use (Note 6)	172,157	-	-	2,724	-	(2,724)	172,157
Impairment loss on subsidiary	164,000	-	-	-	(164,000)	-	-
Reversal of Impairment loss on financial asset (Note 14(b) and 16)	(85,494)	-	-	-	105,000	-	19,506
Profit on disposal of property, plant and equipment	-	-	47	-	-	-	47
Forex exchange loss / (gain)	(17,457)	336	381	8,689	-	(8,689)	(16,740)
	1,037,449	5,134	12,756	44,970	(59,000)	(44,970)	996,339
Additions to Property, plant and equipment	912,014	1,204	446	-	-	-	913,664
Additions to Intangible Assets	5,724	5,694	-	-	-	-	11,418
Additions to Right-of-use Assets	219,693	-	-	-	-	-	219,693
	1,137,431	6,898	446	-	-	-	1,144,775

THE GROUP - 2024

	Tele- communication business Rs 000	Fintech digital solution Rs 000	Space economy business Rs 000	Media business Rs 000	Consolidation adjustments Rs 000	Discontinued operation Rs 000	Total Continuing operations Rs 000
Material non cash items:							
Depreciation on property, plant and equipment (Note 6)	664,020	-	13,117	146,296	(1,198)	(146,296)	675,939
Amortisation on intangible assets (Note 6)	40,885	4,000	-	896	-	(896)	44,885
Depreciation on rights-of-use (Note 6)	170,509	-	-	9,636	(1,129)	(8,507)	170,509
Impairment loss on financial asset (Note 14(b) and 16)	109,345	-	-	-	(105,000)	-	4,345
Profit on disposal of property, plant and equipment	(206,902)	-	-	(6,051)	-	6,051	(206,902)
Forex exchange loss / (gain)	(30,726)	(624)	380	419	-	(419)	(30,970)
	747,131	3,376	13,497	151,196	(107,327)	(150,067)	657,806
Additions to Property, plant and equipment	997,608	-	3,255	85,765	-	(85,765)	1,000,863
Additions to Intangible Assets	5,385	6,171	-	-	-	-	11,556
Additions to Right-of-use Assets	92,751	-	-	8,990	(3,621)	(8,990)	89,130
	1,095,744	6,171	3,255	94,755	(3,621)	(94,755)	1,101,549

The additions to property, plant and equipment, intangible assets and right-of-use are reported for the full year for the continuing operations.

EMTEL LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

32 SEGMENT ANALYSIS (CONTINUED)

THE GROUP - 2025

	Tele- communication business Rs 000	Fintech digital solution Rs 000	Space economy business Rs 000	Consolidation adjustments Rs 000	Total Continuing operations Rs 000
Segment assets and liabilities					
Non-current assets					
Property, plant and equipment	4,792,566	1,107	468,713	-	5,262,386
Right-of-use assets	811,582	-	-	-	811,582
Intangible assets	129,690	19,981	-	-	149,671
Other non-current assets	-	273	100	-	373
Investment in subsidiaries	168,500	-	-	(168,500)	-
Financial assets at fair value through OCI	1,806	-	-	-	1,806
Loan to subsidiary	22,000	-	-	(22,000)	-
Deferred tax assets	-	23,420	-	-	23,420
	5,926,144	44,781	468,813	(190,500)	6,249,238
Current assets					
Cash and cash equivalents	1,335,486	24,697	85	-	1,360,268
Trade and other receivables	452,847	42,813	5,001	(27,933)	472,728
Inventories	68,653	-	-	-	68,653
Current tax receivables	80,395	-	-	-	80,395
	1,937,381	67,510	5,086	(27,933)	1,982,044
Total Assets	7,863,525	112,291	473,899	(218,433)	8,231,282
Non-current liabilities					
Borrowings	2,899,224	40,000	284,500	(22,000)	3,201,724
Lease liabilities	749,520	-	-	-	749,520
Deferred tax liabilities	494,042	-	-	-	494,042
Post-employment benefit obligations	14,388	4,093	-	-	18,481
Asset retirement obligations	70,072	-	-	-	70,072
	4,227,246	44,093	284,500	(22,000)	4,533,839
Current liabilities					
Borrowings	549,462	573	67,403	-	617,438
Lease liabilities	161,394	-	-	-	161,394
Trade and other payables	838,110	17,341	2,240	(27,933)	829,758
Contract liabilities	149,462	-	-	-	149,462
Provision for solidarity levy	50,327	-	-	-	50,327
Current income tax liabilities	184,240	-	-	-	184,240
Dividend payables	400,752	-	-	-	400,752
	2,333,747	17,914	69,643	(27,933)	2,393,371
Total liabilities	6,560,993	62,007	354,143	(49,933)	6,927,210

EMTEL LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

32 SEGMENT ANALYSIS (CONTINUED)

THE GROUP - 2024

	Tele- communication business Rs 000	Fintech digital solution Rs 000	Space economy business Rs 000	Media business Rs 000	Consolidation adjustments Rs 000	Total Continuing operations Rs 000
Segment assets and liabilities						
Non-current assets						
Property, plant and equipment	4,651,501	-	477,743	-	(2,396)	5,126,848
Right-of-use assets	783,986	-	-	-	-	783,986
Intangible assets	164,338	19,048	-	-	-	183,386
Investment in subsidiaries	55,000	-	-	-	(55,000)	-
Financial assets at fair value through OCI	1,412	-	-	-	-	1,412
	5,656,237	19,048	477,743	-	(57,396)	6,095,632
Current assets						
Cash and cash equivalents	461,444	16,215	22	-	-	477,681
Trade and other receivables	388,809	8,234	1,985	-	(29,828)	369,200
Inventories	84,747	-	-	-	-	84,747
Current tax receivables	80,395	-	-	-	-	80,395
	1,015,395	24,449	2,007	-	(29,828)	1,012,023
Assets classified as held for sale (Note 30)	1,067,875	-	-	414,733	(1,080,480)	402,128
Total Assets	7,739,507	43,497	479,750	414,733	(1,167,704)	7,509,783
Non-current liabilities						
Borrowings	3,117,445	192,500	309,375	-	(105,000)	3,514,320
Lease liabilities	722,845	-	-	-	-	722,845
Deferred tax liabilities	392,298	-	-	-	-	392,298
Post-employment benefit obligations	21,302	1,063	-	-	-	22,365
Asset retirement obligations	66,562	-	-	-	-	66,562
	4,320,452	193,563	309,375	-	(105,000)	4,718,390
Current liabilities						
Borrowings	411,964	13,933	57,211	-	-	483,108
Lease liabilities	155,074	-	-	-	-	155,074
Trade and other payables	1,647,340	16,564	3,219	-	(10,803)	1,656,320
Contract liabilities	143,052	-	-	-	-	143,052
Provision for solidarity levy	39,935	-	-	-	-	39,935
Current income tax liabilities	86,646	-	-	-	-	86,646
Liabilities classified as held for sale (Note 30)	-	-	-	529,280	-	529,280
	2,484,011	30,497	60,430	529,280	(10,803)	3,093,415
Total liabilities	6,804,463	224,060	369,805	529,280	(115,803)	7,811,805

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2025 (CONTINUED)**

33 BASIC AND DILUTED EARNINGS PER SHARE

	2025	2024
	Rs	Rs
From continuing operations attributable to the ordinary equity holders of the company	2.50	0.85
From discontinued operation	3.26	(0.08)
	-----	-----
Basic and diluted earnings per share attributable to the ordinary equity holders of the company	5.76	0.77
	=====	=====

34 CAPITAL COMMITMENTS

Capital expenditure contracted for at the end of the reporting period but not yet incurred amounted to approximately for the Group **Rs 91 million** (2024 – Rs 420 million) and the Company **Rs 88 million** (2024– Rs 420 million).

35 IMMEDIATE AND ULTIMATE PARENTS

The directors consider Currimjee Jeewanjee and Company Limited as the Company's immediate parent and Currimjee Limited as the Company's ultimate parent. These companies are incorporated in Mauritius. The registered address of the Company's immediate and ultimate parent is at 38, Royal Street, Port Louis.

36 GUARANTEES

Bank guarantees

There were contingent liabilities in respect of the Company's bank guarantees amounting to **Rs 49.1 million** (2024 – Rs 51.1 million) in the ordinary course of business from which it is anticipated that no material liability will arise. As at 31 December 2025, there were no bank guarantees issued by the subsidiaries.

Corporate guarantees

The Company has provided corporate guarantees in respect of bank loans of its subsidiaries amounting to Rs 240 million (Emtel Technopolis Ltd – Rs 200 million and Emtel MFS Co Ltd – Rs 40 million) (2024 – Rs 300 million, comprising Emtel Technopolis Ltd – Rs 200 million and Emtel MFS Ltd – Rs 100 million).

37 CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or contingent liabilities that were material as at the reporting date, except those already disclosed in other notes to the consolidated and separate financial statement.

38 EVENTS AFTER THE REPORTING PERIOD

The following events after reporting period are as follows:

(a) The Company has obtained Board approval to grant shareholder loans amounting to Rs 41 million and Rs 28 million to its subsidiaries, Emtel MFS Co Ltd and Emtel Technopolis Ltd, respectively, to finance their ordinary course of business activities. The shareholder loans will bear interest at MCB's Prime Lending Rate (PLR), payable on a monthly basis, and will be disbursed in tranches over the period from January to December 2026.

(b) On 04 February 2026, the Company completed the transfer of 202,500 ordinary shares to Currimjee Jeewanjee and Company Limited in connection with the disposal of its stake in EMVision Ltd.

(c) On 27 of January 2026 the dividend payable of Rs 401 million was paid.

(d) In February 2026, a military conflict involving Iran, Israel, and the United States escalated into a broader regional crisis, causing volatility in global oil markets and some disruption to shipping and air routes. As these events occurred after the reporting date, they are considered non-adjusting events under IAS 10 - Events after the Reporting Period.

The directors recognise that potential indirect impacts may arise depending on the duration and severity of the situation, including higher fuel-linked operating costs, longer procurement lead times, or changes in supplier costs. Based on information available at the date of authorisation of these financial statements, the directors do not consider any such potential impacts to be material to the financial statements for the year ended 31 December 2025 but continue to monitor developments closely.

All the above events have been assessed as non-adjusting events as at 31 December 2025. Furthermore, there are no other material events after the reporting period which should require disclosure or adjustments to the financial statements for the year ended 31 December 2025.

39 REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

The Group's and Company's registered office is 38, Royal Street, Port Louis and its principal place of business is EmtelWorld, 10, Ebène CyberCity, Ebène.

40 INCORPORATION

The Company is incorporated as a private company with limited liability and is domiciled in the Republic of Mauritius. The Company was listed on the Official List of the Stock Exchange of Mauritius on 05 July 2024 and, accordingly, now operates as a public listed company.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

41 FINANCIAL SUMMARY OF THE GROUP

Condensed Statements of Profit and Loss

	2025 Rs 000	2024 Rs 000
Continuing operations		
Service revenue	3,742,250	3,434,812
Non service revenue	350,082	328,298
Revenue	4,092,332	3,763,110
	-----	-----
Net revenue	3,676,769	3,356,732
	-----	-----
EBITDA	2,035,494	1,765,089
Depreciation and amortisation	(993,525)	(891,333)
Underlying operating profit	1,041,969	873,756
Solidarity levy on revenue	(50,281)	(39,919)
Other gains and losses	6,350	190,030
Other one off transactions	688,481	(152,796)
Net finance costs	(246,221)	(248,628)
Profit before tax	1,440,298	622,443
Tax expense	(279,166)	(185,541)
Corporate climate responsibility levy	(22,750)	(49,642)
Profit for the period from continuing operations	1,138,382	387,260
Discontinued operations		
Profit / (loss) for the period from discontinued operations	4,512	(111,142)
Share of loss in associate	(25,798)	-
Fair value gain on associate	727,291	-
Profit on disposal of subsidiary	854,293	-
Profit for the period	2,698,680	276,118
Other comprehensive income for the period	11,083	5,173
Total comprehensive income for the period	2,709,763	281,291
	-----	-----
Total comprehensive income attributable to :-		
Owners of the parent	2,633,984	357,641
Non-controlling interests	75,779	(76,350)
	2,709,763	281,291
	-----	-----

The comparatives for the financial year ended 31 December 2024 have been reclassified on the condensed statements of profit and loss for comparability with the current year.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

41 FINANCIAL SUMMARY OF THE GROUP

Condensed Statements of Financial Position

	2025	2024
	Rs 000	Rs 000
Assets		
Property, plant and equipment	5,262,386	5,126,848
Right-of-use assets	811,582	783,986
Intangible assets	149,671	183,386
Other non current assets	373	-
Deferred tax asset	23,420	-
Financial assets at fair value through OCI	1,806	1,412
	-----	-----
Total Non-current assets	6,249,238	6,095,632
Current assets	1,982,044	1,012,023
Assets held for sale	-	402,128
	-----	-----
Total Assets	8,231,282	7,509,783
	=====	=====
Equity and Liabilities		
Stated capital	151,800	151,800
Retained earnings	1,070,870	577,633
Other reserves	81,402	75,900
Non controlling interests	-	(76,587)
	-----	-----
Total equity before common control reserves	1,304,072	728,746
Common control reserves	-	(1,030,768)
	-----	-----
Total equity	1,304,072	(302,022)
Non-current liabilities	4,533,839	4,718,390
Current liabilities	2,393,371	2,564,135
Liabilities held for sale	-	529,280
	-----	-----
Total Equity and Liabilities	8,231,282	7,509,783
	=====	=====

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

41 FINANCIAL SUMMARY OF THE GROUP

Condensed Statements of Changes in Equity

	The Group			Total Equity Rs 000
	Owners of the parent Rs 000	Common control reserves ¹⁰ Rs 000	Non- controlling interests Rs 000	
Audited				
At 1 January 2024	1,146,942	(1,030,768)	(237)	115,937
Profit for the year	350,652	-	(74,534)	276,118
Other comprehensive income	6,989	-	(1,816)	5,173
Total comprehensive income	357,641	-	(76,350)	281,291
Dividends	(699,250)	-	-	(699,250)
At 31 December 2024	805,333	(1,030,768)	(76,587)	(302,022)
Audited				
At 1 January 2025	805,333	(1,030,768)	(76,587)	(302,022)
Profit for the period	2,622,901	-	75,779	2,698,680
Other comprehensive income	11,083	-	-	11,083
Total comprehensive income	2,633,984	-	75,779	2,709,763
Dividends	(1,102,068)	-	-	(1,102,068)
Dividends paid to non controlling interest	-	-	(82,419)	(82,419)
Disposal of subsidiary	(1,033,177)	1,030,768	83,227	80,818
At 31 December 2025	1,304,072	-	-	1,304,072

	2025 Rs 000	2024 Rs 000
Condensed Statements of Cash Flows		
Net cash generated from operating activities	1,729,269	1,897,907
Net cash generated from / (used) in investing activities	183,617	(1,067,815)
Net cash from financing activities	(374,823)	54,977
Free cash to equity	1,538,063	885,069
Dividend payments to owners	(701,316)	(699,250)
Dividend payments to non controlling interest	(82,419)	-
Net movement in cash	754,328	185,819
Cash and cash equivalents at 01 January	455,222	275,989
Net foreign exchange difference	3,652	(6,586)
Cash and cash equivalents at end of the period	1,213,202	455,222