28 JULY 2026

Management Report on the Consolidated Financial Statements for period ending 30 June 2026.

Summary

The STG Group performance continues to be supported by the momentum of recovery in Sudan. The West African entities whilst in the turnaround mode are showing some small improvements with additional investment being injected to improve the networks. The various political negotiations continue to bring stability in Sudan but the technical and operations teams continue to recover many network sites to enable revenue generation.

During April 2026, STG in partnership with Africa Gulf Bank (AGB) launched the new fintech venture under the brand name of SAH in Sudan. As at 30 June 2026 the total customer base already exceeds 867,000. This will be a major contributor to support the digitalization of the Sudanese economy.

The Group achieved revenues of $148.7m for Q2/2026, about 6% better than $140.3m in Q1/2026 representing growth of 27.5% from Q2/2025 revenue of $116.6m.
For the six months of 2026 (H1/2026), the revenue reached $278.9m representing an increase of 29.8% from $214.9m in H1/2025.

The revaluation of the non-current assets of Sudan operations has impacted the cost of depreciation and amortization as from 1 January 2026 and hence Net Income. Furthermore, the Gulf crisis has forced the cost of imported fuel to rise by a factor of 4. This has increased the network operating costs as well as related support costs. This is reflected in the operating profit of $28.2m in Q2/2026; an increase of 16.5% from $24.2m reported for Q1/2026. The Net Income was $10.0m for Q2/2026 compared with $5.7m for Q1/2026 – a substantial improvement on quarterly basis.

For H1/2026 the operating profit reached $49.6m and Net Income reached $14.4m. This compares with H1/2025 operating profit of $68.1m and Net Income of $39.5m.

The exchange rate and inflation remain the chief economic risks to the business. The exchange rate of SDG against the USD moved from 31Dec 2025 as follows:

	Q4/2025	Q1/2026	Q2/2026
Average rate:	2996	3595	5828
Closing rate:	3600	3581	3955

The management in Senegal are pressing the regulator to intervene in the present chaotic market pricing behavior of the dominant mobile telecom operator, as well as to revisit the terms of the 5G license. Some progress is seen in the acquisition of new customers to improve the revenue generation base.

In Mauritania, the 5G license has been awarded and preparations are ongoing to launch in Q3/2026; this is in additional to the existing network enhancements that are underway. These are beginning to show some results with the daily revenue and daily customer acquisitions increasing in the last weeks of the quarter.

Operations review by region:

Sudan (**Sudani**):

- **Sudani** continues in its emergency mode operations. The recovery of damaged sites go hand in hand with network expansions and other infrastructure projects in secured regions including Khartoum.
- The operations team has recovered and installed another 150 sites in this quarter.
- The exchange rate at the close of the year was 3,600 SDG/USD by the end of Q2 increased to 5828 SDG/USD. The average rate was 3955 SDG/USD.
- Revenue reached $109.6m in Q2 ($111.2m in Q1/2026) making H1/2026 a total of $220.8m compared with H1/2025 revenue of $161.5m.
- Net Income reached $35.5m for H1/2026 ($16.8m for Q1/2026) compared with $51.1m for H1/2025. The increase in fuel costs and the depreciation and amortisation reduce the NI.

Senegal (**Expresso Senegal**)

- The management is pressing the government and the regulator to review the highly distorted environment that is still restricting the market to grow effectively and allowing one mobile network operator to exercise significant market power. This is destroying market value and reducing the tax revenues for the government.
- The revenue remains at $13.0m for Q2, the same as Q1/2026, the total for H1/2026 at $26m has declined by about 7% compared with $28.0m in H1/2025.
- Net Loss of $8.5m for H1 ($4.1m in Q1/2026) worse than $3.2m in H1/2025.

Mauritania (**Chinguitel**)

- Various actions have been undertaken as part of the turnaround plan that are beginning to show some results.
- Additional direct investment has been provided for site upgrades for both quality of service (QOS) and long-term maintenance, as well as improving financial performance.
- The government continues to push for infrastructure investment (including introduction of 5G technology) as well as QoS improvements.
- The revenue was $25.2m for H1/2026 ($12.6m in Q1/2026), representing growth of 22%, compared with H1/2025 revenue of $20.5m.

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- Net Loss at \$6.9m for H1/2026 (\$3.8m in Q1/2026) showed some improvement during Q2/2026. However, the review of prior years' accounting adjustments continues and further impact on NI is expected.

Group EPS:
The earnings per share for Q2/2026 reached \$0.0074. For H1/2026 this amount becomes \$0.0106 compared with \$0.0285 for the year H1/2025.

Group total assets:
The non-current asset revaluation has been undertaken, resulting in a substantial increase in the total non-current assets to \$857.3m (\$1,209.4m) as at 30June2026 from the previous value of \$580.5m at 30June2025.

Capital expenditure:
The capital expenditure across the group was \$61.8m, including licenses and additional frequency spectrum as well as telecommunications equipment.

Customers:
The total customer base across the Group was about 10.3 million as at 31Mar2026

Financial results with comparatives:

Balance Sheet extract 30 June 2026

	30 June 2026	31 December 2025
Total Non-Current Assets	857,300,614	1,209,410,769
Total Current Assets	184,457,041	186,996,433
Total Current Liabilities	316,642,588	378,656,383
Total Non-Current Liabilities	263,072,659	251,724,678
Total Shareholders' Equity	462,042,408	766,026,141

Income Statement YTD 30 June 2026

	30 June 2026	30 June 2025
Total Operating Revenue	278,889,671	214,850,174
Net Operating Profit	49,581,079	68,122,745
Net Income	14,359,019	39,525,281
Earnings per share	0.0106	0.0285

Balbinder Ranbir Singh
Group Chief Financial Officer (CFO)

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